



THE REGIONAL MUNICIPALITY OF NIAGARA
CORPORATE SERVICES COMMITTEE
AGENDA

CSC 05-2019

Wednesday, May 8, 2019

9:30 a.m.

Council Chamber

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

	Pages
1. <u>CALL TO ORDER</u>	
2. <u>DISCLOSURES OF PECUNIARY INTEREST</u>	
3. <u>PRESENTATIONS</u> None.	
4. <u>DELEGATIONS</u> None.	
5. <u>ITEMS FOR CONSIDERATION</u> None.	
6. <u>CONSENT ITEMS FOR INFORMATION</u>	
6.1 <u>CSD 09-2019</u> Regional Development Charges, Grants and Exemptions Summary	3 - 11
6.2 <u>CSD 15-2019</u> Development Charge Reserve Fund Statement 2018	12 - 23
6.3 <u>CSD 31-2019</u> Councillor Information Request re: Councillor Expense Policy	24 - 40
6.4 <u>CSD 32-2019</u> Property Transactions Under Delegated Authority (2017 and 2018)	41 - 45

7. OTHER BUSINESS
8. CLOSED SESSION
9. BUSINESS ARISING FROM CLOSED SESSION ITEMS
10. NEXT MEETING
The next meeting will be held on Wednesday, June 12 at 9:30 a.m. in the Council Chamber, Regional Headquarters.
11. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisory Coordinator at 905-980-6000 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

Subject: Regional Development Charges Grants and Exemptions Summary

Report to: Corporate Services Committee

Report date: Wednesday, May 8, 2019

Recommendations

That this report **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to provide Council with an update on grants and exemptions provided under the Regional Development Charges (RDC) By-law 2017-98 for the year 2018.
- As outlined in Table 1, RDC grants and exemptions totaled approximately \$13M with an available budget of \$4.2M representing a negative budget variance of \$8.8M for 2018.
- These grant and exemptions have been previously established through the Development Charge (DC) By-law 2017-98 and must be funded in order to ensure dollars are available in the DC reserves to pay for the necessary infrastructure to facilitate development as per the Development Charge Background Study.
- Operating budget shortfalls were identified during deliberations of the 2017 RDC By-law, as well as during the preparation of the 2018 and 2019 Operating Budgets.

Financial Considerations

For 2018, the budget for RDC grants and exemptions totaled \$4.2M, which included \$2.5M in one-time funding from reserves. A portion of the available budget for 2018 was specifically allocated to the Industrial RDC program (\$1.05M) and the Not-For-Profit (NFP) grant program (\$150K) with the remainder allocated to all other grants and exemptions (i.e., \$3.04M). RDC grants and exemptions totaled approximately \$13M for 2018 resulting in a negative budget variance of \$8.8M. A summary of the grants and exemptions provided by each category is summarized in Table 1 below. These programs are funded through the property tax levy, and therefore, the funding surplus/deficit for the program is consolidated into the overall yearend corporate surplus/deficit.

As reported in the Q4 2018 Financial Update Levy Regional Departments incurred a year end deficit of \$1.7M which can primarily be attributed to the \$8.8M deficit within the RDC grants and exemptions. This deficit was primarily offset by savings in compensation due to corporate wide vacancies, lower than budgeted consulting costs and increased in supplemental taxes for the year. This funding would have been used to

fund reserves such as the tax payer relief reserve, which are available to mitigate in year expenditure pressures or revenue shortfalls such as gaps in Provincial funding, or capital reserves to help reduce the anticipated 2020 funding gap of \$78.6M as presented in the 2019 Capital Budget and nine year forecast.

Table 1: Summary of RDC Exemptions & Reductions for 2018

	Budget	Actuals	Variance
	2018	2018	2018
Other Economic Incentives:			
50% Industrial - (M)		485,930	
Intensification RDC Reductions - (M)		93,320	
Phase in costs - (D)		3,704,185	
Brownfield - (D)		323,822	
Smart Growth Niagara - (D)		365,958	
Board of Education - (D)		36,267	
NRH - (D)		1,142,263	
Parking garage - (D)		-	
Agriculture - (D)		5,380,931	
Place of Worship - (D)		-	
Hotels/Motels - (D)		274,994	
Other (D)		41,888	
Subtotal - Other Economic Incentives	3,037,674	11,849,558	(8,811,884)
Non-Profit - (D)	150,000	143,669	6,331
Industrial and Gateway - (D)	1,050,000	1,053,578	(3,578)
Total	4,237,674	13,046,804	(8,809,130)

Note: (D) – Discretionary, (M) – Mandatory

These grants and exemptions have been previously established through the RDC By-law 2017-98 and must be funded in order to ensure dollars are available in the RDC reserves to pay for the necessary infrastructure to facilitate development as per the Development Charge Background Study. While some of the grants and exemptions are discretionary (i.e., not required by legislation) they become obligatory when included in the By-law and will remain available for the duration of the current RDC By-law (set to expire in 2022).

Analysis

Industrial Grant Program (Discretionary Program Only):

As part of the 2017 RDC By-law deliberations, Regional Council reaffirmed its commitment to providing the Industrial RDC grant program for the duration of the current By-law period. The program maintains a budget of \$1.05 million annually and is

intended to assist applicants who are constructing facilities that meet the definition of industrial use under the current RDC By-law. This program is also in addition to the mandatory expansion exemption for industrial buildings as identified under the other economic incentives section of table 1.

A summary of the applications received through 2018 for the Industrial Grant Program have been provided below in Table 2 with additional detail included in Appendix 1.

Table 2: Summary of Approved Industrial RDC Grant Applications 2018

Year	Application Count	Program Funding	Economic Impacts	
			Construction Value	New Jobs
2018	15	\$1,053,578	\$38,700,000	165

Based on the estimated construction value of \$38.7 million, it is projected that these properties will generate an estimated annual Regional tax revenue increase of \$433,000 resulting in a Regional payback period of 2.78 years or an approximate payback of 3.27 years when considering impacts of five approved tax increment grants for gateway projects.

Not-for-Profit Grant Program:

The NFP RDC grant evaluation panel considered ten applications in 2018, nearly exhausting the \$150,000 budget. In accordance with the program guidelines, applications were evaluated on an as received basis (first come, first served basis). Of the ten applications received in 2018, eight received a grant which offset the full RDC which would have otherwise been payable. The respective local municipalities have been advised of decisions of the grant evaluation panel. Program funding will continue to be available in 2019.

A listing of the applicants, application date, development description, grant value requested and approved grant amount are attached as Appendix 2 to this report. All applications received were evaluated against program criteria that includes the following:

- The organization is exempt from municipal taxation under the Assessment Act, or taxation under Provincial or Federal legislations;
- Must not restrict memberships in any way;
- Apply for funding within 1 year of receiving a building permit; and
- Demonstrate how the development supports Niagara Regional Council's Strategic Priorities.

Those applications that were not approved did not demonstrate adherence to the established program requirements.

While a payback period has been provided for other select exemptions, it is not applicable given the nature of this program.

Brownfield RDC Reduction Program:

A brownfield RDC reduction was originally approved as part of the former RDC By-law (62-2012). Under the former By-law, eligible properties received a 50% reduction of RDCs owing for the redevelopment of brownfield properties upon building permit issuance. As part of the updated RDC By-law (2017-98) enacted by Council in late 2017, the brownfield reduction program was amended so that the amount of the RDC reduction was capped at the developer's site remediation costs. The updated program was included as part of By-law 2017-98 as schedule D and is intended to encourage redevelopment of brownfield sites and creating development costs more in line with that of greenfield sites.

A total of seven applications were received by the Region during 2018. Of the seven applications received during the year, four were approved resulting in approved eligible costs of \$28,393,544. During the year there were three applications that were not approved for funding as a result of outstanding information yet to be submitted by the applicants. The approved eligible costs are the maximum (or cap) for the program. Often, the RDC grant is lower than the eligible costs. Many of the approved developments under this program also have applied for other tax incentive programs for their projects. As per schedule "D" paragraph (f) of Regional By-law 2017-98, approval for funding under the Regional Brownfield Development Charges Reduction Program will result in reductions to future grant program amounts for these properties, if applicable.

The grants under this program are recorded at time of building permit issuance meaning that the grant expenditures recorded under this program totaling \$323,822 (as noted in Table 1) do not reflect the approved eligible costs. Therefore, there is a net of \$28M that could be granted back through development charge or tax increment grants, dependent upon future building permits and current value assessments. The grants actually paid during 2018 assisted in the remediation of approximately 5 acres of brownfield properties within the Region.

Other Non-Application Based Programs:

The majority of the grant programs noted in Table 1 are not application based, meaning that they are automatic reductions that are available to a developer as long as they meet the definition of each development type. Four categories of these discretionary exemptions have seen significant amounts awarded as outlined in Table 3 totaling approximately \$10.5M (or approximately 80% of all awarded grants). Presented in Table 3, is an estimated payback for each grant if available.

- Phase in Program - This was a Council policy decision with the 2017 DC Bylaw to lessen the immediate impacts of the RDC increase (phase out ends Sept 1, 2019). A payback calculation is not provided as this category includes all building types and all permits issued during 2018.

- NRH Exemption - While the payback period has also been provided for affordable housing grants, it may not be the best measure as a result of other qualitative factors that may be applicable to this development type. Despite this fact, an 11 year payback period has been calculated which is in line with the useful life of this asset type.
- Agricultural exemptions - construction value has been estimated based on similar construction types and has an estimated payback period of 154 years.
- Hotel/Motel Phase in Program - The phase in reduction for hotel/motel is for 19 separate building permits. This phase-in program adopted by Regional Council is scheduled to end August 31, 2021. The payback period for this category has been estimated at 4 years.

Table 3: Summary of Significant Non-Application Based Grants

Program	Grant Count	Program Funding	Economic Impacts		
			Construction Value ¹	Estimate Payback (Years)	New Jobs
Phase in costs - (D)	1759	\$3,704,185	Not Available	Not Available	Not Available
NRH - (D)	2	\$1,142,263	\$24,975,000	11	Not Applicable
Agriculture - (D)	10	\$5,380,931	\$32,926,725	154	Not Available
Hotel/Motel – (D)	19	\$274,994	\$9,500,000	4	Not Available
Total	1771	\$10,502,373	\$67,401,725		

Notes:

¹ Constructions values are estimates only and are based on current market/assessment trends. This information is not collected for non-application based program.

Alternatives Reviewed

Not Applicable.

Relationship to Council Strategic Priorities

These RDC grants and exemptions have been identified by the previous Council as programs vital to generating growth within the Region.

Other Pertinent Reports

Not applicable.

Prepared by:

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Recommended by:

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Commissioner/Treasurer
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Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was reviewed by Margaret Murphy, Associate Director, Budget Planning & Strategy and Helen Chamberlain, Director Financial Management and Planning.

Appendices

Appendix 1	Industrial RDC Grant Summary 2018
Appendix 2	Non-Profit RDC Grant Summary 2018
Appendix 3	Brownfield RDC Grant Summary 2018

2018 Industrial RDC Grant Applicants and Approved Amounts

Organization	Application Date	Development Description	Municipality	Grant Requested	Grant Approved
Prakash Gunaingham	August 14, 2017	Adjustment for previously approved grant from 2017	Niagara Falls	(\$151,831.20)	(\$151,831.20)
2136989 Ontario Inc ¹	January 22, 2018	Extend operation with additional open air crane & runway	Welland	\$268,789.20	\$268,789.20
Jungbunzlauer Canada Inc	February 5, 2018	Addition to citric acid production facility	Port Colborne	\$134,342.16	\$134,342.16
Silversmith Brewing Company	May 8, 2018	Brewery space	NOTL	\$25,469.39	\$25,469.39
698748 Ontario Inc	May 14, 2018	Auto part sorting, cleaning and packaging facility	Fort Erie	\$11,989.15	\$11,989.15
Quartek Group Inc (Sunny Brook)	May 24, 2018	Wine production space	NOTL	\$26,969.95	\$26,969.95
Henry of Pelham	May 31, 2018	Wine production space	St. Catharines	\$57,980.00	\$57,980.00
Gillor Holdings ¹	June 21, 2018	Steel and patio door assembly	Welland	\$38,304.00	\$38,304.00
JVO Lakeside Properties Inc	June 25, 2018	Wine production space	Lincoln	\$11,349.00	\$11,349.00
Scott Labs	July 4, 2018	Distribution of winery and brewery production products	NOTL	\$153,143.04	\$153,143.04
Pillitteri Estates Winery Inc	July 5, 2018	Wine production space	NOTL	\$56,805.85	\$56,805.85
Athena Gourmet Food Inc ¹	July 5, 2018	Meat processing and inspection	Welland	\$114,000.00	\$114,000.00
Vinita Holdings Inc ²	August 24, 2018	Cometcs industrial manufacturing	Niagara Falls	\$98,559.52	\$98,559.52
1992271 Ontario Ltd ¹	September 6, 2018	Seasonal tire refurbishing	Niagara Falls	\$118,560.00	\$118,560.00
Niagara Medical Structures ¹	September 26, 2018	Food processing, productoin and packaging	Welland	\$89,148.00	\$89,148.00
Total				\$1,053,578.06	\$1,053,578.06

Notes:

¹Project approved for tax increment grant under Gateway CIP.

²Pending application under Gateway CIP.

2018 Non-Profit RDC Grant Applicants and Approved Amounts

Organization	Application Date	Development Description	Municipality	Grant Requested	Grant Approved
Habitat for Humanity (Niagara)	January 17, 2018	Affordable Housing	Welland	\$16,011.00	\$16,011.00
Habitat for Humanity (Niagara)	January 17, 2018	Affordable Housing	Welland	\$16,011.00	\$16,011.00
Habitat for Humanity (Niagara)	January 17, 2018	Affordable Housing	Welland	\$16,011.00	\$16,011.00
Habitat for Humanity (Niagara)	January 17, 2018	Affordable Housing	Welland	\$16,011.00	\$16,011.00
Smithville Christian Reform Church	January 27, 2018	Commercial portion of place of worship	West Lincoln	\$21,439.60	\$0.00
Habitat for Humanity (Niagara)	March 13, 2017	Single Family Dwelling - difference between 2017 and 2018 rates	Welland	\$467.00	\$467.00
ACRES	April 6, 2018	Expansion to school	Wainfleet	\$36,031.00	\$0.00
Fort Erie Native Cultural Centre Inc.	August 8, 2018	Community Based Early Years Expansion	Fort Erie	\$25,283.00	\$25,283.00
Niagara Regional Native Centre	November 7, 2018	Community Based Early Years Expansion	NOTL	\$21,864.18	\$21,864.18
Community Crew	December 15, 2018	Semi-Detached Construction	Welland	\$32,022.00	\$32,022.00
Total				\$201,150.78	\$143,680.18

2018 Brownfield RDC Reduction Program Applicants and Approved Amounts

Organization	Application Date	Development Description	Municipality	Submitted Eligible Costs	Approved Eligible Costs	Grants Paid 2018
867962 Ontario Ltd ¹	April 25, 2018	Apartment complex	Welland	\$66,013	\$63,354	\$0
Downing Street (Artisan Ridge) Inc ²	May 2, 2018	Residential Subdivision	Thorold	\$27,885,465	\$27,869,477	\$0
Aiva Properties Ltd	September 4, 2018	Mixed use multi-res/commercial	Pelham	\$324,545	\$308,141	\$268,295
2298423 Ontario Inc	October 5, 2018	Condominium complex	Fort Erie	\$262,824	\$152,572	\$55,527
1746362 Ontario Corp	October 11, 2018	Townhouse complex	Niagara Falls	\$738,960	Pending	Pending
Brite Developments Inc	October 22, 2018	Condominium complex	Grimsby	\$1,239,650	Pending	Pending
2605831 Ontario Inc	December 9, 2018	Conversion of former institutional site to apartment/condos	St. Catharines	\$52,778	Pending	Pending
Total				\$30,570,235	\$28,393,544	\$323,822

Note:

¹Grant paid in 2019

²Permits expected to be issued in 2019, therefore no grants paid to date.

Subject: Development Charge Reserve Fund Statement 2018

Report to: Corporate Services Committee

Report date: Wednesday, May 8, 2019

Recommendations

That this report **BE RECEIVED** for information.

Key Facts

- This report provides Regional Council with a statement relating to the Development Charges (DC) reserve fund activities for 2018 in accordance with the Province's *Development Charges Act, 1997* as amended (DCA) and *Ontario Regulation 82/98*.
- Beginning in 2016, the DC reserve fund reporting requirements were updated to require municipalities to provide all sources of funding for anything funded from DC's, a compliance statement regarding imposing additional levies or requiring the construction of a service not authorized under the DCA and require that the statement be made available to the public.
- At the end of 2018, a total of approximately \$85.0 million in DC revenue is available for future eligible growth related capital projects after accounting for outstanding capital commitments.
- Outstanding DC capital commitments are approximately \$49.5 million.

Financial Considerations

Regional DC revenues collected in accordance with the DC By-law are deposited in the DC reserve funds and subsequently applied to eligible growth-related costs once those costs have been incurred. This report provides both summary level transaction information by reserve, and detailed funding information by project. DC reserves are necessary to move forward with the growth related projects in the 2019-2028 capital budget and forecast, which includes \$444 million in DC funded projects. At the end of 2018, the \$85.0 million in DC's available for funding included \$48.8 million collected and \$12.5 million expended from DC's in 2018.

It is important to note, that the \$48.8 million in DC's collected includes amounts totaling \$13.0 million in tax supported funding to repay the exemptions in the DC By-law. Additional details of the \$13.0 million in exemptions is discussed in CSD 9-2019.

Analysis

In accordance with the amended DCA, this report must be prepared annually. The annual statements will be made available to the public through the Development Charges section on the Region's website.

Appendix 1 shows the breakdown of the reserve fund activity from January 1, 2018 to December 31, 2018. During this period, the total DC reserve balances (before accounting for outstanding commitments) increased \$37.3 million, from \$97.2 million to \$134.5 million. After accounting for outstanding commitments to capital projects the net available balance equaled \$85.0 million at year end 2018. This total will be applied to eligible growth-related capital projects in 2019 and throughout the rest of the forecast period.

The \$85.0 million related to each of the DC service categories as follows:

DC Service Category	Ending Balance (\$)
General Government	\$ 1,248,893
Police Services	1,845,704
Services Related to a Highway	26,618,545
Wastewater	37,291,632
Water	12,266,115
EMS	185,926
Long Term Care	3,076,420
Provincial Offenses Act	180,783
Health	414,769
Social Housing	1,034,230
Waste Diversion	837,280
Total	\$ 85,000,743

Included within the DC reserve fund activity in Appendix 1 are transfers from the DC reserve totaling \$12.5 million to fund capital projects. DCs are transferred to and recorded as project revenues as eligible costs are spent, matching funding with expenditures. Funding reviews occur quarterly with consideration of the expenditures incurred to date and respective funding sources. Regional DC's are collected by area municipalities prior to building permit issuance.

Appendix 2 identifies 111 active capital projects to which the \$12.5 million in DC funding was applied, along with a summary of the life-to-date expenditures and approved funding sources as of 2018 year end. A total of \$59.2 million of DCs have been allocated to projects that were active during 2018 from approved DC funding of \$108.7 million at year-end. On average DC funded projects have spent 54% of their respective budgets.

Appendix 3 identifies 146 active operating projects to which \$865,941 in DCs were applied, along with a summary of life-to-date expenditures and any other approved funding sources providing partial funding to the projects.

Appendix 4 provides supplemental information required as outlined in O.Reg 82/98, including a description of the DC service categories, credit balances, and a summary of any borrowing from the DC reserve funds. Similar to previous Treasurer Statements on DC reserve funds, there are no credit balances or borrowing amounts to report. New to the report as of last year is the requirement for the Region to make a statement regarding its compliance with Sections 59.1(1) & (2) of the amended DCA respecting imposing additional levies or requiring the construction of a service not authorized under the DCA. The Region does not impose additional levies or require construction of services not authorized under the DCA, therefore it is compliant with Sections 59.1(1) & (2).

Alternatives Reviewed

Alternatives are not applicable as this report provides historic and legislatively required information. The Development Charges Act, 1997 as amended requires that this report be provided annually to Council and made available to the public.

Relationship to Council Strategic Priorities

Regional Development Charges are a major source of funding for growth projects in the capital budget. This initiative supports the strategic priorities of Investment, Innovation and Entrepreneurship and Positioning Niagara Globally.

Other Pertinent Reports

None.

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Enterprise Resource Management
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Commissioner/Treasurer
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Submitted by:

Rob Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation with Margaret Murphy, Associate Director, Budget Planning and Strategy and reviewed by Helen Chamberlain, Director Financial Management and Planning.

Appendices

Appendix 1	DC Reserve Fund Activity
Appendix 2	Capital Projects funded with DCs in 2018
Appendix 3	Operating Projects funded with DCs in 2018
Appendix 4	Description of Services

Niagara Region
2018 Development Charges Reserve Fund Statement
Statement of Activity - January 1, 2018 to December 31, 2018

	General Government	Police Services	Services Related to Highways	Wastewater	Water	EMS	Long Term Care	Provincial Offenses Act	Health	Social Housing	Waste Diversion	Total
Balance at December 31, 2017	\$ 844,001	\$ 763,299	\$ 42,254,385	\$ 31,870,851	\$ 19,293,318	\$ 984,597	\$ 503,874	\$ 34,086	\$ 65,724	\$ 369,972	\$ 212,954	\$ 97,197,059
Development Charges Revenue	\$ 666,097	\$ 1,132,291	\$ 18,817,742	\$ 12,759,977	\$ 8,969,101	\$ 386,788	\$ 2,543,186	\$ 144,935	\$ 345,105	\$ 2,214,827	\$ 837,109	\$ 48,817,159
Interest Income (1)	\$ 17,298	\$ 21,709	\$ 763,776	\$ 622,338	\$ 390,263	\$ 17,421	\$ 29,360	\$ 1,762	\$ 3,940	\$ 24,431	\$ 9,607	\$ 1,901,906
Transfer to Current Fund (see appendix 3)	\$ (255,937)	\$ -	\$ -	\$ (610,004)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (865,941)
Transfer to Capital (see appendix 2)	\$ (6,070)	\$ (33,363)	\$ (10,953,249)	\$ (821,508)	\$ (356,184)	\$ (249,073)	\$ -	\$ -	\$ -	\$ -	\$ (101,136)	\$ (12,520,583)
Balance at December 31, 2018	\$ 1,265,389	\$ 1,883,936	\$ 50,882,654	\$ 43,821,654	\$ 28,296,497	\$ 1,139,733	\$ 3,076,420	\$ 180,783	\$ 414,769	\$ 2,609,230	\$ 958,534	\$ 134,529,600
Capital Commitments (2)	\$ (16,051)	\$ (38,232)	\$ (24,264,109)	\$ (6,530,023)	\$ (16,030,382)	\$ (953,807)	\$ -	\$ -	\$ -	\$ (1,575,000)	\$ (121,254)	\$ (49,528,857)
Available Balance at December 31, 2018	\$ 1,249,338	\$ 1,845,704	\$ 26,618,545	\$ 37,291,632	\$ 12,266,115	\$ 185,926	\$ 3,076,420	\$ 180,783	\$ 414,769	\$ 1,034,230	\$ 837,280	\$ 85,000,743

(1) Interest Income is allocated to DC Reserve Funds in accordance with the Reserve and Reserve Fund Policy (C4-002)

(2) At year end, a review of the status of the respective capital projects is completed and development charge revenue earned is allocated accordingly. The capital commitment represents the share of approved capital project expenditures that have been budgeted to be funded by development charges, but for which the related expenditures are yet to occur.

Niagara Region
2018 Development Charge Reserve Fund Statement
Capital Projects Funded with Development Charges 2018

Project	Project Description	Development Charges Transferred to Projects			Total Expenditures (Life-to-Date)	Approved Budget by Funding Source (at 2018 Year-end)						
		Prior Years	Current Year	Total		Development Charge Fund	Levy Reserve	Rate Reserves	Debt Funding	Gas Tax Funding	External Recovery	Grand Total
Water Operations												
20000183	Watermain - Hwy406 Cross Trans	(5,975)	(4,621)	(10,596)	11,916	(1,525,000)	-	(190,000)	-	-	-	(1,715,000)
20000457	2017-NOTL PRV Four Mile Creek	(303,365)	60,667	(242,697)	525,844	(300,000)	-	(150,000)	-	-	(200,000)	(650,000)
20000461	2017-King St Elev Tank Deconst	(1,345)	(23,226)	(24,571)	81,904	(285,000)	-	(665,000)	-	-	-	(950,000)
20000467	2017-CNR Transmission Main	-	(104,267)	(104,267)	218,326	(6,400,000)	-	(600,000)	(6,400,000)	-	-	(13,400,000)
20000614	18-ET-NEW Fort Erie	-	(5,535)	(5,535)	11,071	(127,500)	-	(127,500)	-	-	-	(255,000)
20000619	18-ET-NEW Pelham	-	(4,025)	(4,025)	8,050	(217,500)	-	(217,500)	-	-	-	(435,000)
20000623	18-WM NEW-Barrick Road	-	(332)	(332)	664	(132,500)	-	(132,500)	-	-	-	(265,000)
10CW1302	Misc Prgm-Grimsby System Stor	(279,663)	(35,236)	(314,899)	629,797	(7,669,587)	-	(7,669,587)	-	-	-	(15,339,174)
10CW1303	Meter Replacement Program	(15,794)	15,794	-	378,247	-	-	(3,550,000)	-	-	-	(3,550,000)
10CW1304	Misc Prgm-Port Colborne Stora	(4,074,455)	(176,441)	(4,250,896)	9,776,635	(4,250,896)	-	(5,507,594)	-	-	(1,891,510)	(11,650,000)
10CW1317	Decommissioning Crescent Park	(49,471)	(5,506)	(54,977)	427,595	(112,500)	-	(762,500)	-	-	-	(875,000)
10CW1525	Master Meter Replacement - MM	(181,348)	(73,458)	(254,806)	254,806	(277,500)	-	-	-	-	-	(277,500)
Water Operations Total		(4,911,417)	(356,184)	(5,267,601)	12,324,855	(21,297,983)	-	(19,572,181)	(6,400,000)	-	(2,091,510)	(49,361,674)
Public Works - Levy												
20000141	20-Roundabout at S Grimsby Rd	-	(3,704)	(3,704)	39,512	(75,000)	(725,000)	-	-	-	-	(800,000)
20000142	5-Killaly@Mellanby-PC	(79)	-	(79)	158	(37,500)	(37,500)	-	-	-	-	(75,000)
20000145	63-Wellandport/Com Cntr-WL	-	(8,865)	(8,865)	14,775	(30,000)	(200,000)	-	-	-	-	(230,000)
20000147	89-Welland Canal/Homer-NOTL	-	(238)	(238)	397	(30,000)	(200,000)	-	-	-	-	(230,000)
20000319	St Davids Road East	-	(10,089)	(10,089)	178,169	(100,000)	(500,000)	-	-	-	(266,000)	(866,000)
20000486	2017-Rehab RR 48 Carlton-Scott	(404)	(325)	(729)	1,822	(120,000)	(180,000)	-	-	-	-	(300,000)
20000488	2017-Rehab RR 87 Locke to Ann	(2)	(613)	(614)	6,144	(35,000)	(315,000)	-	-	-	-	(350,000)
20000491	2017-Cpcty RR37 406-Rice-Mer-Q	-	-	-	-	(510,000)	(90,000)	-	-	-	-	(600,000)
20000495	2017-Misc Road Properties	-	-	-	-	(30,000)	(170,000)	-	-	-	-	(200,000)
20000497	2017-Interchng St Davids @ 406	-	-	-	(0)	(760,000)	-	-	-	-	(900,000)	(1,660,000)
20000503	Cpcty Imp-98-Charnwood-McLeod	-	(10,141)	(10,141)	20,382	(2,040,000)	(360,000)	-	-	(1,700,000)	(1,280,000)	(5,380,000)
20000629	18 Ann-Illum Install & Upgrade	-	(2,049)	(2,049)	20,489	(40,000)	(360,000)	-	-	-	-	(400,000)
20000658	18-Struc-Mewburn@CNR Tracks-NF	-	-	-	-	(425,000)	-	-	-	-	-	(425,000)
20000659	18-Int Imprv-57 @ Cardinal-NF	-	-	-	-	(300,000)	150,000	-	-	-	-	(150,000)
20000660	18-Rehab 56-Glend to St Dav-TH	-	(13,461)	(13,461)	134,607	(20,000)	-	-	-	-	-	(20,000)
20000667	18- Rehab 49-HEPC to Wil P2-NF	-	(2,871)	(2,871)	3,023	(892,500)	(52,500)	-	-	-	-	(945,000)
20000668	18-Rehab 81-Burgoyne to CNR-SC	-	(2,300)	(2,300)	2,300	(50,000)	-	-	-	-	-	(50,000)
20000984	Hwy 58 Eastbound at Collier Rd	-	(8,678)	(8,678)	8,678	(200,000)	-	-	-	-	-	(200,000)
20000985	RR12 Chris/Mntn @ RR81 Main	-	(52)	(52)	516	(18,000)	(162,000)	-	-	-	-	(180,000)
20000986	RR50 GlenRdge @ RR91 WestCh	-	(19)	(19)	190	(30,000)	(270,000)	-	-	-	-	(300,000)
20000987	RR102 Stanley @ Portage	-	(135)	(135)	1,347	(30,000)	(270,000)	-	-	-	-	(300,000)
20000988	RR25 Netherby @ RR116 Sodom	-	(4,116)	(4,116)	41,162	(30,000)	(270,000)	-	-	-	-	(300,000)
20000989	RR24Victoria @ RR63 Canborough	-	(2)	(2)	17	(1,000)	(9,000)	-	-	-	-	(10,000)
20000990	RR27 Schisler @ RR98 Montrose	-	-	-	-	(1,000)	(9,000)	-	-	-	-	(10,000)
20000991	RR36 South Pelham @ Thorold Rd	-	(138)	(138)	1,377	(1,000)	(9,000)	-	-	-	-	(10,000)
20000992	RR24 Victoria @RR81 Old Hwy 8	-	(132)	(132)	1,324	(1,000)	(9,000)	-	-	-	-	(10,000)
20000993	2018 Intelligent Transport Sys	-	-	-	-	(27,400)	(246,600)	-	-	-	-	(274,000)
20000994	2018 Signal Upgrades Program	-	(13,067)	(13,067)	130,672	(60,600)	(545,400)	-	-	-	-	(606,000)
10PR1007	RR 77(Fourth Ave), D'Illario #	(186,659)	-	(186,659)	186,659	(222,000)	-	-	-	-	-	(222,000)
10PR1015	RR 77(Fourth Ave), Raptis	-	-	-	-	(130,000)	-	-	-	-	-	(130,000)
10RC0627	38-QEW/Fourth-SC	(1,283,139)	(5,663,627)	(6,946,766)	8,129,796	(10,160,000)	(710,000)	-	(920,000)	-	(200,000)	(11,990,000)
10RC0816	57-TSR Ext-NF	(2,532,123)	(1,781,578)	(4,313,702)	6,418,186	(5,630,000)	(260,000)	-	(2,750,000)	-	(4,000,000)	(12,640,000)
10RC0853	89-Jacobsen/Burleigh-SC	(1,369,623)	113,258	(1,256,365)	4,017,443	(1,720,000)	(3,030,000)	-	-	(750,000)	(1,000,000)	(6,500,000)
10RC0905	46-Geneva/St Paul/Niagara-SC	(68,746)	(498,289)	(567,036)	1,265,992	(2,150,000)	(1,650,000)	-	(1,000,000)	-	(2,200,000)	(7,000,000)
10RC0933	49-Montrose/St Stanley-NF	(1,792,835)	(1,366,358)	(3,159,193)	7,402,249	(3,345,137)	(340,000)	-	(800,000)	-	(3,352,794)	(7,837,931)
10RC0934	18-George/King-LN	(639,973)	85,908	(554,065)	5,711,428	(600,000)	(74,000)	-	(3,100,000)	(2,200,000)	(2,271,223)	(8,245,223)

Project	Project Description	Development Charges Transferred to Projects				Approved Budget by Funding Source (at 2018 Year-end)						Grand Total
		Prior Years	Current Year	Total	Total Expenditures (Life-to-Date)	Development Charge Fund	Levy Reserve	Rate Reserves	Debt Funding	Gas Tax Funding	External Recovery	
10RC0939	South Niag East West Arterial	(30,492)	-	(30,492)	30,492	(500,000)	-	-	-	-	-	(500,000)
10RC0940	Hwy 406@Third Interchange-SC	(548,020)	-	(548,020)	727,373	(1,100,000)	(360,000)	-	-	-	-	(1,460,000)
10RC0944	81-081220-Burgoyne-SC	(5,953,245)	295,327	(5,657,918)	84,865,030	(5,941,000)	(6,572,845)	-	(24,919,725)	(9,850,000)	(42,227,504)	(89,511,074)
10RC1020	10-Livingston/QEW-GR	(51,219)	(1,621)	(52,840)	52,840	(100,000)	-	-	-	-	-	(100,000)
10RC1172	20-Station/Rice-Ph3-PL	(1,057,379)	(18,128)	(1,075,507)	2,927,454	(1,154,700)	268,487	-	(281,798)	(1,975,000)	(650,000)	(3,793,011)
10RC1236	New Escarpment Crossing	(409,932)	(4,862)	(414,794)	691,323	(1,320,000)	(880,000)	-	-	-	-	(2,200,000)
10RC1241	14-RR20/Townline-WL	(277,000)	1,953	(275,047)	5,271,562	(277,000)	(321,566)	-	(3,923,000)	(675,000)	(1,683,290)	(6,879,856)
10RC1242	87-Lakeport/Lake-SC	(990,536)	(9,464)	(1,000,000)	4,148,310	(1,000,000)	(485,090)	-	(1,900,000)	(600,000)	(1,652,635)	(5,637,725)
10RC1329	10-Livingston/QEW-GR	(118,077)	(377,858)	(495,935)	569,106	(1,375,000)	(225,000)	-	-	-	-	(1,600,000)
10RC1342	Annual - Transportation Maste	(993,740)	287,646	(706,094)	1,335,380	(733,000)	(278,266)	-	-	-	(340,000)	(1,351,266)
10RC1344	55-Con 6/EW Line-NOTL	(1,529,859)	(6,474)	(1,536,333)	2,376,195	(2,812,500)	(1,537,500)	-	-	-	(241,224)	(4,591,224)
10RC1353	87-Lake/Geneva Ph3-SC	(1,984,575)	(38,678)	(2,023,253)	5,002,130	(2,120,000)	(322,081)	-	(2,799,239)	-	(1,600,000)	(6,841,320)
10RC1447	69-Effingham/Wessel-Ph 2-SC	(26,857)	(40,983)	(67,840)	678,418	(910,000)	(1,020,000)	-	(720,000)	(6,450,000)	(17,793)	(9,117,793)
10RC1462	89-Homer/NOTG-NOTL	(1,958,049)	63,526	(1,894,522.72)	2,304,244	(1,894,523)	(390,000)	-	-	-	(87,948)	(2,372,471)
10RC1554	Glendale Ave Interchange @ QEW	(4,371)	(285)	(4,656)	10,955	(425,000)	(75,000)	-	-	-	(500,000)	(1,000,000)
10RC1555	54-Hwy 20/Merritt-PL	(444,363)	(1,688,447)	(2,132,809)	2,509,211	(7,310,000)	(1,290,000)	-	-	-	-	(8,600,000)
10RC1558	89-Dick's Creek Culvert-SC	(1,681)	-	(1,681)	16,806	(75,000)	-	-	(675,000)	-	-	(750,000)
10RC1559	69-Wessel/Centre PH3-Li	(14,505)	(68,026)	(82,531)	150,057	(100,000)	-	-	(450,000)	-	-	(550,000)
10RC1560	1-Albert/Lakeshore-FE	(13,354)	(123,146)	(136,500)	553,393	(136,500)	(292,500)	-	(800,000)	-	-	(1,229,000)
10RC1561	1-Burleigh/Buffalo-FE	(2,461)	(16,515)	(18,976)	10,175,367	(22,500)	(2,942,500)	-	-	(9,100,000)	(5,000)	(12,070,000)
10RC1562	RR 42 - Ontario Street EA	(12,833)	(82)	(12,914)	129,141	(50,000)	-	-	(450,000)	-	-	(500,000)
10RC1563	45-RR4/RR63-WF	(30,108)	(1,003)	(31,111)	311,113	(177,500)	(337,500)	-	(1,260,000)	-	-	(1,775,000)
10RC1564	81-Durham/Lincoln-LI	(4,405)	(1,058)	(5,463)	142,035	(37,500)	(937,500)	-	-	-	-	(975,000)
10RC1567	27-PCD/Lincoln-WE	(5,859)	(13,391)	(19,251)	266,546	(130,000)	(725,000)	-	-	-	-	(855,000)
Public Works - Levy Total		(24,336,501)	(10,953,249)	(35,289,750)	158,983,293	(59,553,859)	(29,627,861)	-	(46,748,762)	(33,300,000)	(64,475,411)	(233,705,893)
Wastewater Operations												
20000194	Sewer & Frce - Hansler Trunk	(449,461)	-	(449,461)	449,461	(700,000)	-	-	-	-	-	(700,000)
20000196	Sewer & Frce - Hwy406 Trunk	(399)	-	(399)	399	(1,450,000)	-	-	-	-	-	(1,450,000)
20000198	Sewer & Frce - Victoria Ave	(1,478,165)	(39)	(1,478,204)	3,695,509	(1,500,000)	-	(2,250,000)	-	-	-	(3,750,000)
20000696	18-SPS REPLACE-Rosemount S-PC	-	(89)	(89)	178	(100,000)	-	(100,000)	-	-	-	(200,000)
20000697	18-SPS REPLACE-Beaverdams-PT.D	-	(19,713)	(19,713)	24,641	(172,000)	-	(43,000)	-	-	-	(215,000)
20000698	18-SPS REPLACE Campden-LN	-	(2,361)	(2,361)	2,623	(180,000)	-	(20,000)	-	-	-	(200,000)
20000702	18-SPS & FM UPG- Laurie AVE-LN	-	(31,790)	(31,790)	35,344	(630,000)	-	(70,000)	-	-	-	(700,000)
20000707	18-SPS REPLACE-Bridgeport-GR	-	(2,907)	(2,907)	3,648	(120,000)	-	(30,000)	-	-	-	(150,000)
20000709	18-SPS REPLACE-Jordan Valley	-	(556)	(556)	695	(140,000)	-	(35,000)	-	-	-	(175,000)
20000724	18-WWTP-NEW-South NF Plant	-	(16,547)	(16,547)	41,368	(1,000,000)	-	-	(1,500,000)	-	-	(2,500,000)
20000729	18-SPS-UPG-Catharine St-FE	-	(15,030)	(15,030)	18,787	(400,000)	-	(100,000)	-	-	-	(500,000)
10SW0530	Ontario Road Pump Station Upg	(584,351)	(52)	(584,402)	4,597,502	(584,402)	-	(3,802,966)	(250,000)	-	-	(4,637,369)
10SW0807	NOTL WWTP Capacity Expansion	(5,002,608)	(299,872)	(5,302,480)	46,932,473	(5,325,000)	-	(12,258,333)	-	(800,000)	(28,748,467)	(47,131,800)
10SW1117	Clarke Street Pump Station Up	(179,470)	(17,957)	(197,427)	1,752,104	(197,427)	-	(1,185,908)	(500,000)	-	-	(1,883,335)
10SW1212	Sewer & Forcemain Prg-Park Rd	(4,159,900)	100,531	(4,059,369)	12,188,158	(4,159,900)	-	(7,530,100)	-	(800,000)	-	(12,490,000)
10SW1230	Lakeside Pump Station Upgrade	(39,236)	(13,132)	(52,368)	100,674	(260,086)	-	(239,914)	-	-	-	(500,000)
10SW1267	PS Imprv Program - South Side	(534,011)	(2,092)	(536,103)	6,366,887	(560,000)	-	(6,090,689)	-	-	-	(6,650,689)
10SW1307	Sewer & Forcemain Prgm-Confed	(511,892)	(2,187)	(514,079)	1,713,595	(514,079)	-	(1,277,500)	-	-	-	(1,791,579)
10SW1362	Burleigh Hill/Glendale Ph1 CSO	(13,017)	(59,112)	(72,129)	46,968	(425,000)	-	-	-	-	-	(425,000)
10SW1365	Sewer Separation - River Rd A	-	(35,666)	(35,666)	-	(250,000)	-	(50,000)	-	-	-	(300,000)
10SW1368	Sewer Separation - Empire St	-	(17,279)	(17,279)	-	(25,000)	-	(250,000)	-	-	-	(275,000)
10SW1407	Lakeshore (NOTL), Garrison, W	(474,432)	112,994	(361,438)	3,117,252	(380,838)	-	(2,886,615)	-	-	(17,120)	(3,284,573)
10SW1467	Maranda Street Sewer Separati	-	(9,352)	(9,352)	-	(10,000)	-	-	-	-	-	(10,000)
10SW1485	Extraneous Flow & Collection	-	(44,709)	(44,709)	-	(500,000)	-	-	-	-	-	(500,000)
10SW1487	CSO & Sewer Separation Flow L	-	(50,000)	(50,000)	50,000	(50,000)	-	-	-	-	-	(50,000)
10SW1504	Misc Prgm - Master Meter Repl	(60,735)	(26,149)	(86,884)	530,574	(90,000)	-	(459,600)	-	-	-	(549,600)
10SW1517	WWTP Upgrade Prgm - Niagara F	(4,169)	(10,813)	(14,982)	262,189	(120,000)	-	(1,980,000)	-	-	-	(2,100,000)
10SW1518	WWTP Upgrade Prgm - PC Biosld	(16,717)	(1,858)	(18,574)	93,131	(30,000)	-	(120,000)	-	-	-	(150,000)

Project	Project Description	Development Charges Transferred to Projects			Total Expenditures (Life-to-Date)	Approved Budget by Funding Source (at 2018 Year-end)						Grand Total
		Prior Years	Current Year	Total		Development Charge Fund	Levy Reserve	Rate Reserves	Debt Funding	Gas Tax Funding	External Recovery	
10SW1525	PS Cpcy Expnsn Prg-Smth Odour	(34,790)	(332,703)	(367,492)	750,904	(734,100)	-	(765,900)	-	-	-	(1,500,000)
10SW1526	PS Improve Prgm - E-side PS PC	(14,279)	(10,756)	(25,035)	250,353	(40,000)	-	(360,000)	-	-	-	(400,000)
10SW1527	Master Meter Replace - Mrt Med	(51,669)	(12,315)	(63,985)	80,338	(313,000)	-	(80,000)	-	-	-	(393,000)
Wastewater Operations Total		(13,609,302)	(821,508)	(14,430,810)	83,105,755	(20,960,833)	-	(41,985,525)	(2,250,000)	(1,600,000)	(28,765,587)	(95,561,944)
General Government												
10GC1403	IT Apps Replace/Upgrade	(17,880)	(6,070)	(23,949)	117,522	(40,000)	(160,000)	-	-	-	-	(200,000)
General Government Total		(17,880)	(6,070)	(23,949)	117,522	(40,000)	(160,000)	-	-	-	-	(200,000)
NRPS												
20000742	18-NRPS Powder Narc Handling	-	(71,595)	(71,595)	40,262	(71,595)	-	-	-	-	-	(71,595)
10PO0515	Long-term Acc - NRPS HQ & D2	(3,789,506)	38,232	(3,751,274)	65,341,130	(3,789,506)	2,700,000	-	(64,766,503)	-	(151,056)	(66,007,065)
NRPS Total		(3,789,506)	(33,363)	(3,822,869)	65,381,392	(3,861,101)	2,700,000	-	(64,766,503)	-	(151,056)	(66,078,660)
Emergency Medical Services												
20000117	Long-trm Acc - EMS Central Hub	-	-	-	-	(858,360)	-	-	(3,036,890)	-	-	(3,895,250)
20000605	Ann-EMS Ambulance and Equip	-	(249,073)	(249,073)	1,876,073	(344,520)	-	-	(2,250,480)	-	-	(2,595,000)
Emergency Medical Services Total		-	(249,073)	(249,073)	1,876,073	(1,202,880)	-	-	(5,287,370)	-	-	(6,490,250)
Social Housing												
20000752	Social Housing ASD Reqs	-	-	-	-	(1,575,000)	(175,000)	-	-	-	-	(1,750,000)
Social Housing Total		-	-	-	-	(1,575,000)	(175,000)	-	-	-	-	(1,750,000)
Waste Diversion												
20000171	NR12 – Drop-Off Upgrades	-	-	-	-	(35,280)	-	(196,720)	-	-	-	(232,000)
10GL1519	Bridge St - Public Drop Off D	-	(101,136)	(101,136)	101,136	(187,110)	-	(659,890)	-	-	-	(847,000)
Waste Diversion Total		-	(101,136)	(101,136)	101,136	(222,390)	-	(856,610)	-	-	-	(1,079,000)
Grand Total		(46,664,605)	(12,520,583)	(59,185,188)	321,890,025	(108,714,046)	(27,262,861)	(62,414,316)	(125,452,635)	(34,900,000)	(95,483,563)	(454,227,421)

Niagara Region
2018 Development Charge Reserve Fund Statement
Operating Projects Funded with Development Charges 2018

Project Name	Development Charges Transferred to Projects			Total Expenditures (Life-to-Date)	Approved Budget by Funding Source (at 2018 Year End)			
	Prior Years	Current Year	Total		Development Charge Reserve Fund	Rate Operating	Levy Operating	Total
Wastewater								
Combined Sewer Overflow Program (144 projects)	(522,636)	(610,004)	(1,132,640)	4,530,560	(5,727,386)	(13,182,157)	(150,000)	(19,059,542)
General Government								
Municipal Comprehensive Review	(211,913)	(181,773)	(393,686)	463,160	(578,000)	-	(102,000)	(680,000)
New Regional Official Plan	(49,159)	(74,165)	(123,324)	137,026	(360,000)	-	(40,000)	(400,000)
Sub-Total General Government	(261,072)	(255,937)	(517,010)	600,186	(938,000)	-	(142,000)	(1,080,000)
Total	(783,708)	(865,941)	(1,649,650)	5,130,746	(6,665,386)	(13,182,157)	(292,000)	(20,139,542)

**Development Charges Reserve Fund
Treasurer's Statement
January 1, 2018 to December 31, 2018**

1. Description of the Service for which each fund was established:

Services Related to a Highway	The fund is used for growth-related projects for roads and roads related structures.
Police Services	The fund is used for growth related projects for facilities or rolling stock vehicles with a useful economic life beyond 7 years.
General Government Long Term Care	The fund is used to finance the cost of growth-related studies. The fund is used for growth related projects for facilities that provide services.
Provincial Offences Act	The fund is used for growth related projects for facilities that provide services.
Health	The fund is used for growth related projects for facilities that provide services or rolling stock vehicles with a useful economic life beyond 7 years.
Emergency Medical Services	The fund is used for growth-related projects for facilities or rolling stock vehicles with a useful economic life beyond 7 years.
Social Housing	The fund is used for growth related projects for facilities that provide services.
Waste Diversion	The fund is used for growth-related projects for facilities and related infrastructure or rolling stock vehicles with a useful economic life beyond 7 years.
Wastewater	The fund is used for growth-related projects for infrastructure and facilities that provide services including collection and treatment.
Water	The fund is used for growth-related projects for infrastructure and facilities that provide services including supply, storage, treatment and distribution.

2. For credits (ex. Pre-payments, front-ended projects) in relation to the service or service category for which the fund was established:

Outstanding prepayment agreements have been entered into by the Region and the applicable developer as summarized below:

Statement of Credit Holder Transactions					
<i>Credit Holder</i>	<i>Applicable D.C. Reserve Fund</i>	<i>Credit Balance Outstanding Beginning of Year 2018 (\$)</i>	<i>Additional Credits Granted During Year (\$)</i>	<i>Credits Used by Holder During Year (\$)</i>	<i>Credit Balance Outstanding End of Year 2018 (\$)</i>
Richard P. Dystra Inc. (386 Killaly St. East, Port Colborne)	General Government	261	-	-	261
	EMS	252	-	-	252
	Police Services	864	-	-	864
	Roads	13,306	-	-	13,306
	Wastewater	10,867	-	-	10,867
	Water	3,136	-	-	3,136
Ross Great Lakes Holdings Inc. (386 Killaly St. East, Port Colborne)	General Government	261	-	-	261
	EMS	252	-	-	252
	Police Services	864	-	-	864
	Roads	13,306	-	-	13,306
	Wastewater	10,867	-	-	10,867
	Water	3,136	-	-	3,136
77 Yates Inc. Condos (fmr 2574518 Ont. Inc.) (77 Yates St., St. Catharines)	General Government	1,702	-	(1,702)	-
	EMS	1,628	-	(1,628)	-
	Police Services	5,476	-	(5,476)	-
	Roads	73,704	-	(73,704)	-
	Wastewater	69,523	-	(69,523)	-
	Water	20,054	-	(20,054)	-
Emshih Beamsville Inc. (Alyssa Drive, Lincoln)	General Government	3,186	-	(3,186)	-
	EMS	2,950	-	(2,950)	-
	Police Services	10,384	-	(10,384)	-
	Roads	147,618	-	(147,618)	-
	Wastewater	129,446	-	(129,446)	-
	Water	37,288	-	(37,288)	-
Homes by Desantis (Lake) Inc. (Corner North Service Rd & Casablanca Blvd, Grimsby)	General Government	7,622	-	(6,039)	1,583
	EMS	7,163	-	(5,675)	1,488
	Police Services	24,335	-	(19,280)	5,055
	Roads	527,390	-	(417,832)	109,557
	Wastewater	307,545	-	(243,657)	63,888
	Water	88,709	-	(70,281)	18,428
Total		1,523,097	-	(1,265,723)	257,374

3. The amount of any money borrowed from the DC reserve during the previous year and the purpose for which it was borrowed:

No money was borrowed.

4. The amount of interest accrued during the previous year on money borrowed from the fund by the municipality:

No interest was accrued as no money was borrowed.

5. The amount and source of any money used by the municipality to repay, in the previous year, money borrowed from the fund, or interest on such money:

No source of money to repay as no money was borrowed.

6. A schedule that identifies credit recognized under section 17 and, for each credit organized, sets out the value of the credit, the service against which the credit is applied and the source of funds used to finance the credit.

No schedule as there are no credits to recognize as per section 17.

7. Statement respecting additional levies under Section 59.1 (1) & (2) of the Development Charges Act, 1997, as amended.

In accordance with Section 59.1 (1) & (2), the Niagara Region has not imposed any additional payments nor required the construction of a service not authorized under the Development Charges Act, 1997, as amended.

Subject: Councillor Information Request re: Councillor Expense Policy

Report to: Corporate Services Committee

Report date: Wednesday, May 8, 2019

Recommendations

That this report **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to respond to Councillor Ip's information request from the January 9, 2019 Corporate Services Committee meeting regarding the Regional Council Expense Policy.
- The Regional Council Expense Policy C-RC-001, approved by Council in November 2017 and last revised in April 2018, is meant to govern the reimbursement of expenses incurred by Members of Council during activities related to the Regional Business of Niagara Region.
- Andrew Sancton Consulting, as an Independent External Governance Auditor, first reported on the expense policy in his September 30, 2018 Fact Book, and again in his Final Report dated April 5, 2019 presented to the Committee of the Whole on April 11, 2019.
- This report compares the Regional Council Expense Policy, Dr. Sancton's analysis and recommendations, and staff expense policy and financial best practices.

Financial Considerations

There are no direct financial implications to changing the Regional Council Expense Policy; however, if Council were to impose limits that exceed the available budget there would be a corresponding financial impact. The 2019 annual budget for administrative expenses is \$80,300 for the office of the Regional Chair, and \$139,352 for Members of Council.

Analysis

At the January 9, 2019 Corporate Services Committee, Councillor Ip requested *"that staff provide a report respecting recommendations from a financial and accounting perspective regarding potential amendments to the Councillor Expense Policy related to expense approvals, spending limits, permitted expenses and required back up documentation to coincide with the independent external governance auditor's report respecting Councillor expenses."*

Dr. Sancton's and Dr. Cobban's Final Report COTW-C 04-2019 was brought forward at the April 11, 2019 Committee of the Whole meeting. Staff has completed a comparison of the independent external governance auditor's recommendations, the current Regional Council Expense Policy C-RC-001 (Appendix 1), and staff's interpretation of best practices regarding processing and approving business-related expenses.

Expense approvals

The independent auditor's final report made no recommendations regarding overall approval of Councillor expenses. Staff noted in our review that the policy is not clear on who is ultimately responsible for executing approval. Under Roles and Responsibilities, Members of Council, item 5.1.c states that Councillors "sign-off on all expenses submitted to or paid by Niagara Region". Regional Administrative Staff responsibility 5.2.d says staff "advise Members if any submitted or proposed expenditure is an ineligible expense or a breach" of the Councillor expense policy.

The Region uses PeopleSoft Financials (PSF) to process all employee travel and expense reports, including for Councillors, with an electronic workflow method of approval. Presently, Council expense reports are keyed into PSF by Region administrative staff and Councillors are not currently required to sign-off or review those expenses after receipts are submitted, therefore no evidence of item 5.1.c electronically exists. The Regional Clerk is assigned the authority in PSF to electronically approve Councillor expenses, and the CAO electronically approves the Regional Chair's expenses. Specific language regarding who owns authorization of the eligibility of an expense, and, by extension, the electronic approval responsibility for Council expenses, should be included in the policy for clear accountability.

In comparison, Region employee process is established based on best practice in accounting which suggests that an individual should not approve their own expenses, and based on our corporate structure, expenses should go to an approver. Employees are required to either key their own expenses into PSF, or, for those who have an administrative staff key expenses on their behalf, to regularly review their department operating statements for errors or omissions. Regardless of who keys the submission, all expenses are sent for electronic approval to the employee's manager. The employee is responsible for adhering to the policy and the manager is responsible for ensuring consistent application of the policy and authorizing the expense. (Please note, the employee expense policy is currently under review with updates expected to several sections in 2019; it was last revised in 2005.)

In addition, there seems to be ambiguity in the policy language regarding instances where staff is unable to confirm that the expense is eligible for reimbursement. The responsibilities for Audit Committee item 5.3 include to "a) Review any expenditures submitted by Members but not processed by Regional Administrative Staff as per this

policy; and b) Provide recommendation on reimbursement to Council who will make the final decision.”

In staff’s opinion, the policy should specify that expenses should only be directed to Audit Committee for approval when a reimbursement request is submitted that falls within a grey area of allowable expenses based on administrative staff’s review. This aligns with the independent auditor’s recommendation “that staff be required to forward any expense claims that do not clearly conform to the expense policy to the Audit Committee.” As currently written, it could be interpreted that Audit Committee, and ultimately Council, has the ability to override and authorize expenses deemed ineligible within the policy.

Staff recommends the policy should state that approval is delegated to the Regional Clerk for Councillors and to the CAO for the Regional Chair, with decisions regarding ambiguous expense eligibility to Audit Committee, as per the current operating model.

Spending limits

Dr. Sancton’s report recommends “That councillors may attend up to 3 conferences per year of two or more days in duration requiring overnight accommodations. Conferences must be related to their duties as a Regional Councillor, and they must register as a Regional Councillor (i.e., not as a Mayor). Conferences must be located within continental North American. No more than 4 council members may attend any one particular conference. Exceptions to these stipulations require approval of Council.”

We anticipate that will be difficult to administer such limits within grey areas, i.e. if the conference is two or more days, how to define the requirement of overnight accommodations, where then the maximum does not apply, despite what may be high registration and travel costs.

Also, the intricacy of Dr. Sancton’s suggestion could not be restricted in PeopleSoft Financials since budget checking for an expense category (i.e. registration fees) does not cross-reference against a group of employees. Therefore, the four council member maximum would require a manual verification process and be subject to error due to the timing of expense submissions (staff may not know who has registered until Councillors submit receipts one or more months after the fact). To mitigate this, a centralized registration or pre-approval process would be required so staff could ensure the maximum number of councillors is not exceeded, thereby adding additional processing complexity.

Administrative burden aside, from 2016 to 2018, an average of 14 Members of Council (including some mayors) were reimbursed for attendance at AMO’s annual conference each year, with an average of 12 (also including some mayors) reimbursed for each annual FCM conference over the same period. There were very few paid registrations

by Councillors at any conference outside of these two. As such, Dr. Sancton's recommendation would require a significant shift to Regional Council's usual practices. Staff also observed that in spite of having this number of Councillors attending AMO and FCM, we have not exceeded the Members of Council administrative budget over the same period (excluding one unusual legal expense).

Dr. Sancton discussed in the Final Report that he was not opposed to creating an overall budget limit for individual councillor expenses, but expressed concern regarding the equality of applying the same limits when each councillor is subject to differing population and geographic influences. In the Fact Book, he identified several comparable municipalities (Peel, Durham, and Waterloo) that applied equal limits on either overall spending or certain expense categories. In the spirit of transparency and ability to ensure consistent application of the policy, staff believe that if a spending limit per Councillor is to be considered it should be for an overall annual limit. For example, the 2019 administrative expense budget for all Members of Council is \$139,352 (includes registration fees; office, printing, and postage; advertising and promotion; travel and meals; and telephone and communication expenses). This budget could be split between all 31 Councillors so each has an annual budget of \$4,495, to be used for any conference, travel, and other expenses as a Councillor deems appropriate to serve their constituents (within expense policy guidelines) in furtherance of Regional business. The Regional Chair would be subject to different limits. Such limits could be managed electronically within the PeopleSoft Financials expense process.

In reviewing attendance at the AMO and FCM conferences, an average of five mayors were reimbursed for each annually from 2016 to 2018. Dr. Sancton's recommendation is that a mayor's attendance should instead be reimbursed at the local area municipality level and this would require amendment to the current policy.

It is important to note that in prior years when one-third of Councillor remuneration was deemed to be expenses and therefore exempt from taxation, some members expensed little to no mileage or meals. With the federal government's elimination of the tax-exempt Municipal officers' expense allowance as of January 1, 2019, we may find an increase in expense submissions. As such, the current 2019 administrative expense budget may not stretch as far as in the past. Staff will monitor expenses throughout 2019 to determine the ultimate impact.

On the whole, with respect to spending limits, staff are recommending an overall annual spending limit per Councillor, and updating the policy language to exclude reimbursement to mayors for the AMO and FCM conferences.

Permitted expenses

Staff believe that much of the language around permitted expenses is reasonable within usual prudent financial policy. The following areas are exceptions and may require clarification.

Annual newsletter

The final report from Dr. Sancton included a recommendation “That councillors be reimbursed for the expenses of producing and distributing 1 newsletter annually.” In the interest of determining an expense’s eligibility, staff would prefer to have as little ambiguity and as much ease of administration as possible. As such, a limit on newsletters or promotional materials could be accommodated within the spending limits discussed above. In addition, the policy does not currently specify newsletters as an allowable expense; instead item 4.7.d refers to “Promotional material related to Regional Business” and will require updating.

Staff also recommends specifying newsletters as allowable and stating a limit to the annual allowance during an election year to add clarity over and above the existing reference in section 4.10 to the *Use of Municipal Resources During an Election Campaign Period* policy. For example, Peel Region’s Councillor expense policy specifies that in an election year, “no newsletter shall be distributed or any expenses reimbursed relating to newsletters from May 1 to the end of the Council term”.

Legal expenses

In Dr. Sancton’s Fact Book, he questioned if legal costs relating to a Code of Conduct complaint should be considered “routine” enough to be included in the expense policy. The Final Report recommended “That legal expenses arising from or in any way related to complaints under the Code of Conduct be deemed ineligible expenses.”

In staff’s experience, “routine” isn’t a guiding accounting principle of expense reimbursement; instead “business purpose” and correlation to the requirements of an employee’s role would normally be considered. However, staff agrees with Dr. Sancton’s recommendation to deem legal fees related to Code of Conduct complaints as ineligible expenses. This was previously recommended by staff when the expense policy was last updated in 2018. Eligibility of other legal costs should continue to be governed by the Region’s *Legal Indemnification* policy, as currently referenced in expense policy section 4.9.c.

Mileage

The Councillor expense policy states in item 4.3.d that “the mileage rate applied will be in accordance with Canada Revenue Agency (CRA) guidance”, but does not specify a

rate. For clarity, the Region pays mileage for staff and Councillors at one year behind the current year's CRA rate (i.e. the 2019 Region rate is the 2018 CRA rate), as per direction given by Corporate Services Committee in 2013. The policy item should be updated to reflect as such.

In addition, under the Region's staff expense policy, an employee's travel from their home to their "normal work location" would not be an eligible expense, as that would be deemed a taxable benefit by CRA. It should be noted that Councillors are not employees of the Region. At this time, Councillor mileage to Regional headquarters is reimbursed, and Dr. Sancton's Final Report suggested that mileage for attending council meetings should continue to be an allowable expense claim. Therefore, the Council expense policy should clearly deem that Regional headquarters is not a Councillors' "normal work location" and, accordingly, mileage for travelling to committee and council meetings would be eligible for reimbursement.

Staff note that a Regional Chair would be excluded from this definition, given that his or her office is located at Regional headquarters. We also found that making this change in accordance with Dr. Sancton's recommendation would differ than some other upper tier municipality council expense policies. For example, in their policy, Peel Region specifically defines their headquarters address as the "normal work location" and states that "travel from home to a Member of Council's normal workplace and back is considered by the Canada Revenue Agency as personal use of the vehicle and is not subject to reimbursement".

The mileage calculation section also does not specify what constitutes an allowable trip; therefore, staff recommends adding language regarding what is permitted as "Regional business". In the Final Report, Dr. Sancton recommends "That councillors be reimbursed for mileage for attending official regional functions only". The independent auditor also comments that "travel costs related to other activities that, while they may relate to their duties and responsibilities as regional councillors, do not constitute official regional business (e.g., attending community events, meeting with constituents)" and should therefore not be reimbursed.

Consequently, along with recommending that the policy states that the mileage rate will be paid at one year behind the current year's CRA rate and defining "normal work location", Staff recommend defining "Regional business" within the expense policy as "attendance at official Regional functions". Staff acknowledge that this definition will be subject to interpretation unless Council wishes to define it more explicitly.

Per Diems

In reviewing the Council expense policy, staff also noted that the Councillors' applicable per diem rate is \$85 (item 4.5.c). For comparison, Peel Region, Waterloo Region, Durham Region, and Hamilton all have a Council per diem rate of \$75.

The policy also does not index the per diem rate for Councillors, nor does the Region's employee expense policy. (The rate is currently set at \$65 for staff and is under review as part of the employee expense policy update planned for this year).

Staff recommend updating the per diem rate to \$75 to be in line with comparable municipalities, and indexing the rate to inflation once per council term.

Required backup documentation

Staff found several gaps in the policy and procedure with respect to required backup documentation. For example, CRA guidelines require that when meals are reimbursed (as under the expense policy Meals/Per Diem sections 4.5.f and 4.5.g) the names of those attending the meal and business reason for expense must be specified with the receipt. This requirement is not specified in the existing policy. Adding such language would bring the Region in line with clauses in similar policies at several other municipalities including Peel Region, City of Toronto, and City of Ottawa.

Adding this requirement will also assist staff in properly administering the policy. When receipts are submitted without proper reference, staff may not be able to identify if a receipt was an allowable meal, or if it should have been included as part of a per diem (which could result in a Councillor being over-reimbursed). Councillors also do not always log information regarding the nature of the business on the receipt, so staff is unable to verify it was for Council-related ("Regional") business.

The policy does not currently require Councillors to provide documentation to support a mileage claim (see item 4.1). The policy should state that a Google Map printout (or equivalent) be provided as backup, similar to the requirements for staff under the employee expense policy.

We also recommend reviewing the expense submission process to ensure consistent application of the policy by Councillors (for example, by requiring a standard submission form that includes Councillor sign-off, or even granting limited PeopleSoft Financials access so Councillors can view and submit their own expenses electronically).

Overall, to improve requirements for documentation, staff recommend updating the policy language to require noting the names of attendees and business reason for the expense on meal receipts, to record brief details of the nature of the Regional business on any receipt, to provide a Google Map printout (or equivalent) as backup to a mileage claim, and to implement a new submission process for Councillor expenses.

Other - Timeliness

In addition to the four categories requested by Councillor Ip, staff are highlighting one other item for review. We noted that within the current Councillor expense policy there

exists conflicting instructions for Councillors regarding the timeliness of submission. Under item 4.11 Timelines, Councillors are required to submit expense reports within 30 days after the end of each quarter; however, item 5.1.b under Roles and Responsibilities for Members of Council states to “submit expenses on a regular monthly timeline.” Not only would standard business and accounting practices suggest that submitting at least once a month is preferable, but by submitting 30 days after quarter end, such expenses may not comply with the Region’s quarterly financial reporting timelines.

Adding in staff processing time, a Councillor’s expenses, if submitted 30 days after quarter end, would miss the quarterly financial statement deadline and therefore also miss inclusion in the Region’s quarterly Open Data report posted on our website. (Dr. Sancton recommended “That staff publish the councillor expenses quarterly disclosures on the Niagara Regional Council webpage”; however, this is already required and currently occurs accordingly under Council expense policy item 4.11.b). Those expenses would then not be included on any reports until the subsequent quarter end (potentially up to six months after the expense was actually incurred).

Staff recommend updating the policy language to require Councillors submit expenses at least once per month to align with best practices and to meet financial reporting deadlines.

Alternatives Reviewed

Instead of accepting this report for information only, Council could choose to accept some or all of the following staff recommendations regarding updating language and processes within the Council expense policy:

1. That section 5.2 be updated to define that approval of Councillor expenses shall be delegated to the Regional Clerk for Councillors and to the CAO for the Regional Chair;
2. That section 5.3.b regarding Audit Committee responsibilities be updated to state that when staff are unable to make determinations regarding eligibility, expenses shall be forwarded for approval by the Audit Committee;
3. That a clause be added to section 4 stating that allowable expenses shall be limited to an overall annual amount for each Councillor and Regional Chair, to be set as part of the annual budgeting process for the Region;
4. That section 4.8 regarding Ineligible Expenses be updated to include reimbursement to mayors for the AMO and FCM conferences;

5. That the list of Eligible Expenses item 4.7.d is updated to include newsletters, specifically: “promotional material related to Regional Business, including newsletters”;
6. That language is added under Election Year Restrictions item 4.10 to clarify that “In an election year, no newsletters or promotional material shall be distributed or any expenses reimbursed relating to newsletters or promotional material from May 1 to the end of the Council term”;
7. That Legal Expenses item 4.9.a regarding Code of Conduct complaints is updated to state “Legal costs arising from or in any way related to complaints under the Code of Conduct are Ineligible Expenses”;
8. That mileage section 4.3.d.ii is updated to specify that the rate will be paid at one year behind the current year’s CRA rate;
9. That mileage section 4.3.d.i is updated to define an eligible trip as travel for “Regional business”, which is subsequently defined as “attendance at official Regional functions”, as well as to define that, with the exception of Regional Chair, a Councillor’s “normal work location” is not Regional headquarters;
10. That the per diem rate in 4.5.c is amended to \$75 and language added to increase the per diem rate based on the Consumer Price Index once per term of council;
11. That an item is added to the Meals/Per Diem section 4.5 to require that the names of all attendees and Regional business reason for the meeting must be listed on a meal receipt when claiming an actual meal expenditure instead of a per diem;
12. That the supporting documentation section 4.1 is updated to require that any expense claim includes a brief description of the nature of the Regional business;
13. That the supporting documentation section 4.1 is updated to require a Google Map printout (or equivalent) as backup to a mileage expense;
14. That the Timelines item 4.11.a is revised to require Councillors to submit expenses at least once every month; and
15. That staff be directed to formalize the expense submission process for Councillors, either with an updated Excel or PDF form (or equivalent), or with secure access to PeopleSoft Financials.

Relationship to Council Strategic Priorities

Though the current strategic priorities are under review, this report would tie to Advancing Organizational Excellence by improving expense transparency and streamlining processes.

Other Pertinent Reports

CL-C 64-2018 Niagara Region Independent External Governance Auditor Fact Book
COTW-C 04-2019 Niagara Region Independent External Governance Auditor Final Report

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Appendices

Appendix 1 C-RC-001 Regional Council Expense Policy

<i>Policy Category</i>	<i>Name of Policy</i>
<i>Regional Council</i>	<i>Regional Council Expense Policy</i>

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Policy Owner	Administration – Corporate Services, Office of the Regional Clerk, Regional Clerk
Approval Body	Council
Approval Date	November 16, 2017
Effective Date	November 17, 2017
Review by Date	August 31, 2019

1. Policy

- 1.1. The Regional Council Expense Policy governs the reimbursement of expenses incurred by Members during activities related to the Regional Business of Niagara Region.

2. Purpose

- 2.1. The objective of this policy is to provide consistent rules and guidelines to Members with respect to Eligible Expenses incurred in performing their duties.
- 2.2. The policy provides specific and clear direction regarding diverse expenses, and clarifies what are Eligible Expenses and Ineligible Expenses.
- 2.3. The policy establishes the provision of public access to expense information of Members.
- 2.4. The policy captures the following principles:
 - a) Maintain Integrity of Council
 - i. The integrity of Council as a whole and the offices of the Members must be protected; and
 - ii. The interest of Council as a whole takes precedence over the personal interest of individual Members.
 - b) Maintain Accountability
 - i. Members are the stewards of resources and are ultimately accountable to the public for the type and level of expenses they incur;

<i>Policy Category</i>	<i>Name of Policy</i>
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- ii. Since members use public funds when they perform their duties, the public expects public funds to be used solely for fulfillment of their public duties;
 - iii. Members' expenses should be reasonable and reflect what the public expects of an elected official; and
 - iv. Members' personal expenses must be kept separate from expenses related to Regional Business.
- c) Maintain Transparency
 - i. The public has a right to know how public funds allocated to Members are spent; and
 - ii. The public's right to Members' expense information must be balanced against the need to protect personal information, and the need to allow time for proper account and reconciliation of expenses.

3. Scope

- 3.1. This policy applies to all Members and establishes the basis upon which the Members will be reimbursed or have payment coverage for Eligible Expenses incurred while undertaking activities related to Regional Business while acting in their role as an elected official.

4. Roles and Responsibilities

- 4.1. All expenses submitted for reimbursement must be accompanied by supporting documentation and itemized receipts, except for mileage.
- 4.2. Members may attend conferences, conventions, meetings and other events using allocated funds in the current budget for registration fees and Eligible Expenses.
- 4.3. Transportation
 - a) Members shall make every attempt to use the most economical and efficient mode of transportation including:
 - i. economy airfare, first class rail fare including taxi fares to and from terminals or parking where required, or
 - ii. mileage rate for personal automobile usage and parking, or
 - iii. rented automobile and actual fuel cost.
 - b) Members shall make efforts to share travel costs when travelling to the same destination.

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- c) If a more expensive means of transportation is chosen, only the most economical equivalent charges will be allowed. For example, if a Member chooses to drive to a destination where it is more economical to use air transportation, only the equivalent air transportation charge will be permitted.
 - d) Calculation of Mileage
 - i. Mileage calculation will be based on the lesser of the actual distance being either from the Member's home to the destination, or the distance from the Member's normal work location to the destination.
 - ii. The mileage rate applied will be in accordance with Canada Revenue Agency guidance.
- 4.4. Accommodation
- a) Where overnight accommodation is required, the single room rate will be paid and must be accompanied by appropriate receipts.
- 4.5. Meals/Per Diem
- a) A \$85.00 per diem rate represents the maximum that will be paid to each Member attending a conference, convention, or other event when an overnight stay is required.
 - b) Where all meals are included in registration fees, the per diem rate is not applicable.
 - c) Where some meals are included in registration fees, the allocation for included meals shall be deducted from the per diem using the following guideline:

Breakfast	\$15.00
Lunch	\$20.00
Dinner	\$35.00
Incidentals	<u>\$15.00</u>
	\$85.00
 - d) There shall be no reimbursement for any meal expenditure incurred during the time that a Member is entitled to a per diem allowance.
 - e) The daily rate allowance is to be calculated on a 24-hour basis and not a working day basis. It shall be paid from the time of leaving for the function until the time of arrival home, to the nearest 1/2 day.

<i>Policy Category</i>	<i>Name of Policy</i>
<i>Regional Council</i>	<i>Regional Council Expense Policy</i>

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- f) Notwithstanding (b), (c) and (d), actual expenditures incurred may be reimbursed in lieu of the per diem rate; however, such expenditures must be reasonable in the circumstances based on the explanation provided by the Member which must accompany the receipt.
 - g) Members may be reimbursed for reasonable Eligible Expenses related to meals incurred during the course of Regional Business and shall include the following:
 - i. Meals while travelling on behalf of Niagara Region; or,
 - ii. Meals required where circumstances warrant.
- 4.6. Monetary exchange costs will be allowed at the prevailing rates in order to convert Canadian dollars to other currencies (primarily to U.S. dollars). Payment will be made to Members in Canadian dollars.
- 4.7. The following is a list, though not exhaustive, of Eligible Expenses:
- a) Memorabilia and souvenirs for constituents
 - b) Mobile devices in accordance with the current information technology mobile device policy. While engaged in Regional business, Members shall arrange an appropriate out of country mobile device plan in order to avoid excessive roaming charges.
 - c) Office supplies (e.g. paper, pens, printer cartridges, etc.)
 - d) Promotional material related to Regional Business
 - e) Subscriptions related to Regional Business or municipalities in general
 - f) A maximum of one ticket for a Member when representing Niagara Region at an event of a public nature (e.g. community dinners, events with proceeds going to charity, etc.).
 - g) 407 ETR, GO TRAIN ticket
 - h) Parking related expenses save and except parking fines.
- 4.8. The following is a list, though not exhaustive, of Ineligible Expenses
- a) Additional accommodation for days outside a formal Conference
 - b) Alcohol and alcoholic beverages are ineligible expenses unless purchased or provided as a matter of hospitality for protocol while conducting Regional Business
 - c) Mobile devices outside the current information technology mobile device policy
 - d) Companion registration fees and expenses at Conferences
 - e) Personal entertainment (e.g. sight-seeing, concerts, sporting events, etc.)
 - f) Personal services (e.g. shoe shine, valet service, spa treatments, etc.)
 - g) Personal vehicle costs beyond mileage (e.g. maintenance, repair, etc.)
 - h) Traffic and parking fines

<i>Policy Category</i>	<i>Name of Policy</i>
<i>Regional Council</i>	<i>Regional Council Expense Policy</i>

4.9. Legal Expenses

- a) Legal costs arising from or in any way related to complaints under the Code of Conduct are Eligible Expenses.
- b) Legal costs related to personal conflict of interest opinions are Ineligible Expenses.
- c) Costs involving certain legal proceedings against Members shall be reimbursed in accordance with the current legal indemnification policy and are subject to review by the Audit Committee for recommendation to Council.
- d) Requests for reimbursement of legal costs outside this policy or the legal indemnification policy shall be submitted to the Audit Committee for recommendation to Council.

4.10. Election Year Restrictions

Note: Revision 1.0 - April 12, 2018, section 4.10 subsections (a) and (b) were repealed (see Report GM 5-2018).

Note: Revision 1.0 – April 12, 2018, section 4.10 was amended by adding the following clause (see Report GM 5-2018):

- c) Regional Councillors shall be directed by the *Use of Municipal Resources During the Election Campaign Period* policy.

4.11. Timelines

- a) Members shall submit quarterly expense reports with itemized receipts attached within 30 days after the end of each quarter to allow time for staff to verify and reconcile expenses before posting online; and
- b) Expense report information will be posted online on a quarterly basis and for a rolling period of 7 years plus current year.

5. Roles and Responsibilities

5.1. Members of Council

- a) Adhere to this policy;
- b) Submit expenses on a regular monthly timeline;
- c) Sign-off on all expenses submitted to or paid by Niagara Region;
- d) Meet all financial, legal and tax obligations; and,
- e) Consult with Regional Administrative staff for guidance with respect to the eligibility of an expense and/or any interpretation on the application of this policy.

5.2. Regional Administrative Staff

- a) Ensure consistent application of this policy;
- b) Process expenses in accordance with this policy;
- c) Ensure the supporting documentation is in place and that expenditures conform to this policy;

<i>Policy Category</i>	<i>Name of Policy</i>
<i>Regional Council</i>	<i>Regional Council Expense Policy</i>

- d) Advise Members if any submitted or proposed expenditure is an Ineligible Expense or a breach of this policy;
 - e) Track actual expenses against approved budget; and
 - f) Each year, incorporate budget dollars in the annual budget for Council to consider for funding or reimbursing Members' Eligible Expenses
 - g) Complete the yearly Councillor Remuneration Report as required by the Act
- 5.3. Audit Committee
- a) Review any expenditures submitted by Members but not processed by Regional Administrative Staff as per this policy; and
 - b) Provide recommendation on reimbursement to Council who will make the final decision.

6. References and Related Documents

6.1 Legislation

- a) Section 283 of the Act provides the authority for councils to pass by-laws to pay remuneration and expenses to members of council and local boards.
- b) Section 284(1) of the Act requires that in each year, on or before March 31, the treasurer provide to council, a statement on remuneration and expenses paid to members of council and local boards in the previous year.
- c) Section 284(2) of the Act requires the identification of the by-law under which the remuneration or expenses were authorized.
- d) Council and board members' remuneration and expenses are provided for in the operating budget of Niagara Region, or the budget of the agency, board or commission.

6.2 By-Laws

- a) By-Law 2017-99

6.3 Related Policies

- a) Expenses – Reimbursement of Policy (Corporate Policy C3.E02)
- b) Training and Development - Approval for Workshops/Seminars/Conferences Policy (Corporate Policy C3.T01.7)

<i>Policy Category</i>	<i>Name of Policy</i>
<i>Regional Council</i>	<i>Regional Council Expense Policy</i>

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7. Document Control

The electronic version of this document is recognized as the only valid version.

Approval History

Approver(s)	Approved Date	Effective Date
Council – Version 1.0	November 16, 2017	November 17, 2017
Council – Revision 1.0	April 12, 2018	April 12, 2018

Revision History

Revision No.	Date	Summary of Change(s)	Changed by
1.0	April 12, 2018	Section 4.10 clauses (a) and (b) were repealed. Section 4.10 was then amended by adding the existing clause.	Council, CL 5-2018, April 12, 2018

Subject: Property Transactions Under Delegated Authority (2017 and 2018)

Report to: Corporate Services Committee

Report date: Wednesday, May 8, 2019

Recommendations

That this report **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to provide Council with a list of property transactions undertaken by delegated authority (By-Law 09-2016).
- Attached as Appendix I is a summary of such property transactions during the period of January 1, 2017 to December 31, 2017.
- Attached as Appendix II is a summary of such property transactions during the period of January 1, 2018 to December 31, 2018.

Financial Considerations

As outlined in Appendix I, there were 69 property transactions in the reporting period in which Niagara Region acquired property or an interest in property. The total acquisition cost (or in the case of leases, the annual cost) for the transactions was \$1,036,122.42. During this period, 15 transactions were undertaken in which Niagara Region sold a property or an economic interest in a property. These transactions totaled \$154,404.67.

As outlined in Appendix II, there were 22 property transactions in the reporting period in which Niagara Region acquired property or an interest in property. The total acquisition cost (or in the case of leases, the annual cost) for the transactions was \$1,403,753.28. During this period, 6 transactions were undertaken in which Niagara Region sold a property or an economic interest in a property. These transactions totaled \$31,780.44.

Analysis

For the two year period (2017 and 2018), 65% of acquisitions related to land purchases, 25% leases & licenses, and 10% permission to enter agreements.

For income-generating activities, 62% related to leasing, 24% sale of land, and 14% permission to enter or encroachment agreements.

Alternatives Reviewed

Not applicable.

Relationship to Council Strategic Priorities

These transactions facilitate critical infrastructure projects or operations for Niagara Region.

Other Pertinent Reports

There are no other pertinent reports.

Prepared by:

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Services

Recommended by:

Todd Harrison, CPA, CMA
Commissioner/Treasurer
Enterprise Resource Management
Services

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation with Bart Menage, Director, Procurement & Strategic Acquisitions.

Appendices

Appendix I	Summary of 2017 Property Transactions	page 3-4
Appendix II	Summary of 2018 Property Transactions	page 5

Date	Capital Project / Operating Account	Project / Property type	Market Value ACQUISITION Cost or Annual Value	Department
February 27, 2017	10RC0812	West Lincoln - road widening acquisition	\$ 13,000.00	Public Works - Transportation
March 20, 2017	10RC0933	Niagara Falls - road widening acquisition	\$ 3,568.23	Public Works - Transportation
March 21, 2017	DEPT 50702	Welland - parking agreement	\$ 2,160.00	Public Health - Family Health
March 22, 2017	20000518-60251-44638	Thorold - road widening acquisition	\$ -	Public Works - Transportation
April 6, 2017	20000518-60251-44638	Thorold - road widening acquisition	\$ -	Public Works - Transportation
April 11, 2017	10RC0933	Niagara Falls - road widening acquisition	\$ 10,151.17	Public Works - Transportation
May 9, 2017	10RC0905	St. Catharines - road widening acquisition	\$ 6,000.00	Public Works - Transportation
May 9, 2017	10RC0812	West Lincoln - road widening acquisition	\$ 50,000.00	Public Works - Transportation
May 19, 2017	-	St. Catharines - permission to enter x 3	\$ -	Public Works - Transportation
May 30, 2017	DEPT 36004	St. Catharines - lease extension	\$ 437,198.40	Community Services - SAEO
May 31, 2017	10RC1447	St. Catharines - road widening acquisition	\$ 950.00	Public Works - Transportation
June 7, 2017	10RC1555	Pelham - road widening acquisition	\$ 1,500.00	Public Works - Transportation
June 7, 2017	10RC1555	Pelham - road widening acquisition	\$ 3,000.00	Public Works - Transportation
June 16, 2017	-	St. Catharines - permission to enter x 2	\$ -	Public Works - Transportation
June 16, 2017	-	West Lincoln - permission to enter	\$ -	Public Works - Transportation
June 21, 2017	10RC0944	St. Catharines - permission to enter	\$ 25,000.00	Public Works - Transportation
June 29, 2017	10RC0944	St. Catharines - permission to enter x 2	\$ -	Public Works - Transportation
July 5, 2017	DEPT 45155	Grimsby - license extension	\$ 19,994.59	NRPS
July 7, 2017	10RC1438	Niagara Falls - road widening acquisition	\$ 3,763.00	Public Works - Transportation
July 7, 2017	10RC1438	Niagara Falls - road widening acquisition	\$ 4,158.00	Public Works - Transportation
July 11, 2017	DEPT 24101	Thorold - lease extension	\$ 51,669.12	Administration - Facilities
July 11, 2017	10RC1555	Pelham - road widening acquisition	\$ 13,000.00	Public Works - Transportation
July 11, 2017	-	St. Catharines - permission to enter	\$ -	Public Works - Transportation
July 14, 2017	10RC0627	St. Catharines - road widening acquisition	\$ 1,000.00	Public Works - Transportation
July 18, 2017	DEPT 45155	St. Catharines - license extension	\$ 3,780.00	NRPS
July 31, 2017	-	West Lincoln - permission to enter	\$ -	Public Works - Transportation
August 2, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 3,091.84	Public Works - Transportation
August 14, 2017	DEPT 33860	Grimsby - lease extension	\$ 17,160.00	Community Services - Seniors
August 15, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 9,995.35	Public Works - Transportation
August 22, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 925.45	Public Works - Transportation
August 22, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 11,287.83	Public Works - Transportation
August 22, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 3,943.67	Public Works - Transportation
August 22, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 24,208.67	Public Works - Transportation
August 24, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 11,126.04	Public Works - Transportation
August 24, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 2,213.91	Public Works - Transportation
August 28, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 17,031.97	Public Works - Transportation
August 28, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 15,544.68	Public Works - Transportation
August 31, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 1,923.70	Public Works - Transportation
August 31, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 4,092.09	Public Works - Transportation
August 31, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 19,931.12	Public Works - Transportation
August 31, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 9,051.35	Public Works - Transportation
August 31, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 22,139.68	Public Works - Transportation
September 13, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 2,500.83	Public Works - Transportation
September 13, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 2,045.68	Public Works - Transportation

Date	Capital Project / Operating Account	Project / Property type	Market Value ACQUISITION Cost or Annual Value	Department
September 13, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 8,509.81	Public Works - Transportation
September 13, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 2,761.58	Public Works - Transportation
September 14, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 1,327.35	Public Works - Transportation
September 14, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 295.15	Public Works - Transportation
September 14, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 1,416.02	Public Works - Transportation
September 15, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 899.05	Public Works - Transportation
September 19, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 9,841.08	Public Works - Transportation
September 19, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 12,125.58	Public Works - Transportation
September 26, 2017	DEPT 24201	St. Catharines - lease extension	\$ 87,205.75	ERMS - Court Services
September 28, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 20,220.89	Public Works - Transportation
September 28, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 1,586.02	Public Works - Transportation
September 28, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 13,481.25	Public Works - Transportation
September 29, 2017	20000457	Niagara-on-the-Lake - property acquisition	\$ -	Public Works - Water & Wastewater
September 29, 2017	-	Fort Erie - license termination	\$ -	ERMS - Court Services
October 2, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 6,980.47	Public Works - Transportation
October 4, 2017	DEPT 33859	Niagara Falls - license agreement	\$ 27,345.13	Community Services - Seniors
October 11, 2017	10RC0627	St. Catharines - road widening acquisition	\$ 2,110.00	Public Works - Transportation
October 17, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 709.07	Public Works - Transportation
October 20, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 304.55	Public Works - Transportation
November 10, 2017	-	St. Catharines - permission to enter	\$ -	Public Works - Transportation
November 27, 2017	10RC1538	West Lincoln - road widening acquisition	\$ 2,000.00	Public Works - Transportation
November 28, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 4,213.03	Public Works - Transportation
December 1, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 4,034.27	Public Works - Transportation
December 12, 2017	10RC1244	Niagara-on-the-Lake - road widening acquisition	\$ 550.00	Public Works - Transportation
December 13, 2017	10PR1404	Niagara-on-the-Lake - road widening acquisition	\$ 100.00	Public Works - Transportation
Total			\$ 1,036,122.42	

Date	Capital Project / Operating Account	Project / Property type	Market Value REVENUE Cost or Annual Value	Department
February 1, 2017	-	Niagara Falls - license agreement	\$ -	Community Services - SAEO
February 22, 2017	-	Niagara Falls - declare surplus	\$ -	Public Works - Waste Management
March 20, 2017	-	St. Catharines - lease termination x 3	\$ -	Public Works - Transportation
April 25, 2017	-	Welland - license extension	\$ 61,866.00	Community Services - SAEO
April 27, 2017	DEPT 24314	Port Colborne - residential tenant rent increase	\$ 8,523.96	Administration - Facilities
May 16, 2017	DEPT 10451	Niagara Falls - license extension	\$ 630.67	Public Works - Water & Wastewater
May 30, 2017	DEPT 24101	Thorold - license extension	\$ 40,680.00	Administration - Facilities
May 31, 2017	DEPT 24104	Welland - license renewal	\$ 2,360.04	Community Services - SAEO
June 21, 2017	-	Thorold - permission to enter x 2	\$ -	Public Works - Water & Wastewater
July 7, 2017	DEPT 10451	Niagara Falls - sale of land	\$ 7,418.00	Public Works - Transportation
July 7, 2017	DEPT 10451	Niagara Falls - sale of land	\$ 13,076.00	Public Works - Transportation
August 29, 2017	DEPT 24103	Niagara Falls - license agreement	\$ 3,900.00	Community Services - SAEO
September 22, 2017	-	Wainfleet - permission to enter	\$ -	Public Works - Waste Management
September 22, 2017	DEPT 65177	Grimsby - license agreement	\$ 200.00	Public Works - Waste Management
October 23, 2017	DEPT 10451	Niagara Falls - sale of land	\$ 15,750.00	Public Works - Transportation
Total			\$ 154,404.67	

Date	Capital Project / Operating Account	Project / Property type	Market Value ACQUISITION Cost or Annual Value	Department
January 15, 2018	10RC0627	St. Catharines - road widening acquisition	\$ 37,000.00	Public Works - Transportation
March 15, 2018	10RC0627	St. Catharines - road widening acquisition	\$ 34,200.00	Public Works - Transportation
April 5, 2019	DEPT ID 24101	Thorold - lease extension	\$ 52,070.52	ERMS - Finance
April 19, 2018	DEPT ID 50703	Thorold - lease extension	\$ 24,272.10	Public Health - Mental Health
April 19, 2018	DEPT ID 50704 & 50702	Thorold - lease extension	\$ 54,601.05	Public Health - Mental Health
April 30, 2018	10RC0816	Niagara Falls - road widening acquisition	\$ 464,638.00	Public Works - Transportation
May 2, 2018	10RC0627	St. Catharines - road widening acquisition	\$ 87,000.00	Public Works - Transportation
May 2, 2018	10RC0627	St. Catharines - road widening acquisition	\$ 55,000.00	Public Works - Transportation
May 15, 2018	DEPT ID 15203	Port Colborne - lease extension	\$ 32,907.00	Community Services - SAEO
May 17, 2018	DEPT ID 33860	Grimsby - lease amendment	\$ 17,400.00	Community Services - Seniors
May 22, 2018	10RC0627	St. Catharines - road widening acquisition	\$ 26,000.00	Public Works - Transportation
June 12, 2018	-	Niagara-on-the-Lake - property acquisition	\$ 2.00	ERMS - Real Estate
June 15, 2018	-	St. Catharines - permission to enter x 3	\$ -	Public Works - Water & Wastewater
July 10, 2018	DEPT ID 15331	Niagara-on-the-Lake - lease extension	\$ 33,615.84	Public Health - EMS
July 30, 2018	DEPT ID 45155	St. Catharines - lease amendment	\$ 12,000.00	NRPS
September 25, 2018	DEPT ID 15343	Lincoln - lease extension	\$ 12,900.00	Public Health - EMS
September 25, 2018	DEPT ID 55202	Niagara-on-the-Lake - lease agreement	\$ 41,122.80	Public Health - EMS
October 9, 2018	DEPT ID 15151	St. Catharines - lease extension	\$ 87,205.75	ERMS - Court Services
November 15, 2018	DEPT ID 15300	St. Catharines - lease extension	\$ 95,862.00	Public Health - Sexual Health
November 21, 2018	DEPT ID 15204	Fort Erie - lease agreement	\$ 74,632.32	Community Services - SAEO
December 4, 2018	DEPT ID 15300	St. Catharines - lease extension	\$ 108,696.00	Public Health - Sexual Health
December 17, 2018	DEPT ID 15100	Thorold - lease extension	\$ 52,628.00	ERMS - Finance
Total			\$ 1,403,753.38	

Date	Capital Project / Operating Account	Project / Property type	Market Value REVENUE Cost or Annual Value	Department
January 9, 2018	-	Wainfleet - encroachment	\$ 500.00	Public Works - Transportation
April 2, 2018	DEPT ID 24314	Port Colborne - residential tenant rent increase	\$ 8,677.44	Administration - Facilities
June 15, 2018	DEPT ID 10451	St. Catharines - sale of land	\$ 22,600.00	ERMS - Real Estate
July 25, 2018	-	St. Catharines - land lease	\$ 1.00	ERMS - Real Estate
September 27, 2018	-	Niagara Falls - license agreement	\$ 1.00	Community Services - Childrens
November 14, 2018	-	St. Catharines - license agreement	\$ 1.00	Community Services - Childrens
Total			\$ 31,780.44	