



THE REGIONAL MUNICIPALITY OF NIAGARA BUDGET REVIEW COMMITTEE OF THE WHOLE AGENDA

BRCOTW 1-2025

Thursday, May 22, 2025

4:30 p.m.

Council Chamber - In Person and Electronic Meeting

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

To view live stream meeting proceedings visit: niagararegion.ca/government/council

Pages

1. CALL TO ORDER

2. LAND ACKNOWLEDGEMENT STATEMENT

3. DISCLOSURES OF PECUNIARY INTEREST

4. PRESENTATIONS

5. DELEGATIONS

6. ITEMS FOR CONSIDERATION

None.

7. CONSENT ITEMS FOR INFORMATION

7.1 CSD 31-2025

2026 Budget Planning (and **BE CIRCULATED** to agencies, boards, and commissions (ABCs))

A presentation (to be distributed) will precede the discussion of this item.

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7.2 CAO 7-2025

Core Services Review

A presentation (to be distributed) will precede the discussion of this item.

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8. OTHER BUSINESS

9. NEXT MEETING

The next meeting will be held on Thursday, June 5, 2025, at 4:30 p.m. in the Council Chamber, Regional Headquarters.

10. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

Subject: 2026 Budget Planning

Report to: Budget Review Committee of the Whole

Report date: Thursday, May 22, 2025

Recommendations

1. That Report CSD 31-2025 **BE RECEIVED** for information; and
2. That Report CSD 31-2025 **BE CIRCULATED** to agencies, boards, and commissions (ABCs) in accordance with By-Law No. 2017-63 “Budget Control”.

Key Facts

- The purpose of this report is to initiate the 2026 budget process with discussion of projected service costs to maintain existing service levels and to propose the plan for the preparation and presentation of the 2026 General Tax Levy budget, Water and Wastewater budget, and Waste Management and Niagara Transit Special Tax Levy budgets.
- In addition, this report outlines items for Council consideration, the projected investment required for our capital program to close the funding gap, based on draft report to Committee of the Whole on June 5, 2025, per the 2025 Asset Management Plan, as well as existing commitments and other incremental strategic considerations in support of Council Strategic Priorities.
- The 2026 budget projections in this report have been refined since initial presentation of the budget projections as part of the 2025 budget, and reflect additional significant information known at the time of preparation of these revised projections. These numbers will continue to be refined throughout the finalization of the budget process.
- The budgets are prepared in alignment with the Budget Planning By-Law’s principles and priorities of sustainability and affordability, the Capital Financing Strategy and to support Council Strategic Priorities.
- The 2026 budget timetable (Appendix 1) was previously approved by Council in CSD 23-2025 and plans for 2026 budget being approved before year-end.
- The 2026 budget will be supported by a 12-month long campaign that aims to educate, empower, and evolve residents’ understanding of and relationship to the budget. The 2026 budget also includes a revised budget process including Phase 1, which will focus on significant service areas and will include service level overviews,

efficiencies, and identify pressures and opportunities to drive Council discussions and provide input to staff, and Phase 2 which will present the full proposed budget and support final approval.

Financial Considerations

By-Law 2019-79 “Budget Planning” is used to structure the Niagara Region’s budget strategy each year. The principles in the By-Law support the following:

- Sustainability: ensuring we have adequate funding to support base service levels
- Affordability: gives consideration to the impact on taxpayers
- Transparency: foundational and important for Council to have fullness of information for decision making

The four areas of budget development included in the By-Law are:

1. Base services: on-going costs and revenues that are influenced by multi-year contracts, collective agreements, and inflationary pressures.
2. Capital financing: requirements of the Asset Management Plan (AMP) should be funded in accordance with the Capital Financing Policy.
3. Program changes: incremental considerations that have a strong alignment to Council strategic priorities.
4. Growth funded programs: After Tax Increment Grants (TIGs) are funded, the by-law prioritizes the use of assessment growth for the costs of growth, capital, and council strategic priorities.

The financial information disclosed in this report (Tables 1 – 3) is presented in an alternative way to the four categories noted above. Staff have denoted on each line of the tables the reference to each of the four budget categories as per the by-law. Base services is denoted by (1), capital financing by (2), program changes by (3), and growth funded programs by (4).

The original 2026 budget presented to council as part of the 2025 budget process including recommended deferrals was 10.14% for the general tax levy, 9.24% for rate, 5.19% for the waste management special tax levy, and 10.46% for the transit special tax levy. Since the approval of the 2025 budget, staff have worked to refine these estimates as shown in the tables below. Additional pressures include revised NRPS estimates and additional contract price increases.

Table 1 presents the revised projection for the 2026 general tax levy budget and is broken out into departments including other agencies, boards, and commissions (Courts, Niagara Regional Housing, and Niagara Peninsula Conservation Authority) and Niagara Regional Police, and denotes the four areas of budget development (budget categories) as per the Budget Planning By-Law.

Table 1: 2026 Projected General Tax Levy Budget

Budget Items / Categories	Departments including other ABC's	Niagara Regional Police Services	General Tax Levy
Departments (1)	2.63%	n/a	2.63%
Incentives (1) (Note A)	0.01%	n/a	0.01%
NRPS (1)	n/a	5.18%	5.18%
Other ABCs (1)	0.10%	n/a	0.10%
Smart Growth Incentives (1)	0.71%	n/a	0.71%
Growth – Tax Increment Grants (4)	0.89%	n/a	0.89%
Assessment Growth (4) (Note B)	(1.59%)	n/a	(1.59%)
General Tax Levy before other considerations	2.75%	5.18%	7.93%
2022 Tax Deferral (1)	0.37%	n/a	0.37%
Capital Financing (2)	3.68%	0.14%	3.82%
Other Incremental Considerations (Note C)	0.43%	n/a	0.43%
Total General Tax Levy	7.23%	5.32%	12.55%

Note: numbers may not add up due to rounding.

Note A – Smart Growth Incentives and Tax Increment Grants (TIGs) have not been included in Incentives as these programs have been shown on separate lines.

Note B – The by-law prioritizes the use of assessment growth for TIGs, the costs of growth, capital, and council strategic priorities.

Note C – Other Incremental Considerations are shown in further detail in Table 3.

Table 2 presents the revised projection of the four regional budgets for 2026 and denotes the budget development (budget categories) as per the Budget Planning By-Law. To note, general tax levy, waste management and transit special tax levies will benefit from assessment growth as new residents also benefit from these enhancements.

Table 2: 2026 Projected Budgets

Budget Items / Categories	General Tax Levy (see Table 1)	Water & Wastewater Rates	Waste Management Special Tax Levy	Niagara Transit Special Tax Levy
Departments (1)	2.63%	1.80%	5.19%	3.91%
Incentives (1) (Note A)	0.01%	n/a	n/a	n/a
NRPS (1)	5.18%	n/a	n/a	n/a
Other ABCs (1)	0.10%	n/a	n/a	n/a
Smart Growth Incentives (1)	0.71%	n/a	n/a	n/a
Growth – TIGs (4)	0.89%	n/a	n/a	n/a
Assessment Growth (4)	(1.59%)	n/a	(1.59%)	(1.59%)
Budget before incremental considerations	7.93%	1.80%	3.60%	2.32%
2022 Tax Deferral (1)	0.37%	n/a	n/a	n/a
Capital Financing (2)	3.82%	7.25%	0.04%	0.88%
Phase out of Provincial Gas Tax (PGT) (1)	n/a	n/a	n/a	0.48%
Other Incremental Considerations (Note B)	0.43%	0.00%	0.00%	2.94%
Total	12.55%	9.05%	3.64%	6.62%

Note: numbers may not add up due to rounding.

Note A – Smart Growth Incentives and Tax Increment Grants have not been included in Incentives as these programs have been shown on separate lines.

Note B – Other Incremental Considerations are shown in further detail in Table 3.

The analysis section speaks to each of the 2026 general tax levy, special tax levies and water and wastewater rates and explains how these budgets align with the Budget Planning By-Law.

Analysis

Revised Budget Process

The 2026 budget cycle approach will be different in comparison to prior years. The 2026 Budget Timetable, included in Appendix 1, was approved by Council in CSD 23-2025, 2026 Budget Timetable and plans for the approval of all four budgets by the end of the year.

The 2026 budget will be supported by a 12-month long campaign that aims to educate, empower, and evolve residents' understanding of and relationship to the budget.

Phase 1: Education

Phase 1, scheduled from May to October, will focus on the more significant service lines at the Region. Presentations will include service level overviews in alignment with the 2025 approved budget, and identify efficiencies, pressures, and opportunities for 2026 to drive conversations with Council and provide input to staff.

Phase 2: Outcomes

Phase 2, scheduled from November to December, will dedicate time to review final 2026 budget outcomes based on Council input from Phase 1, and support final approval. Presentations and reports will include the full proposed 2026 budget to council, including detailed information and business cases.

Base Pressures

The Budget Planning By-Law recommends that the base services be adjusted for inflation and the Core Consumer Price Index (CPIX) may be used as a measure of inflation. CPIX represents the change in inflation but excludes eight of the most volatile components including fruit, vegetables, gasoline, fuel, oil, natural gas, mortgage interest, inter-city transportation and tobacco products. Based on our estimated CPIX from fall 2025, this budget projection has been prepared with a 2% inflation rate, inclusive of deferral impacts from the 2025 budget process, and has been further refined for any significant known pressures and opportunities.

Across all four budgets, departments are expecting pressures in excess of inflation for items including insurance, software licensing, repairs and maintenance, fuel, utilities, water and wastewater treatment chemicals, and contracted services. In addition, there

is anticipated pressure above inflation for labour related costs due to existing contracts and in support of the People Plan which supports the council strategic priority of an effective region.

Budget pressures are also anticipated as a result of Provincial and Federal subsidies not keeping pace with inflation or adequately funding service needs required by the community. Staff are in the process of preparing information to be distributed for Phase 1 of the budget process, which will outline the levy impact of health and human services, updating previously reported amounts in CSD 30-2024 Levy Impact of Mandated Services Provided Under Provincial and Federal Agreements. This analysis highlights the enhanced levy investment and the need for ongoing advocacy to the Province to ensure funding is sustainable to meet service levels and support community needs.

Smart Growth Incentive Regional Development Charges Reduction Program

Based on information known at the time the 2025 budget was approved, in relation to the properties with transition agreements in place or properties who are expected to enter into a transition agreement with the Region prior the April 1, 2026 deadline, the Region estimated refunds totalling \$19.6 million to be issued to these developments prior to the end of the Smart Growth DC Incentive program. The exact timing of refunds at this time is unknown and will be based on construction completion of these projects and final eligibility assessments.

The Regional strategy in 2025 was to annually contribute \$4.9 million to the taxpayer relief reserve (\$19.6 million spread over 4 years), which would be used to support developer refunds when eligibility criteria are met. The 2025 budget included a mitigation to balance taxpayer affordability, reducing this transfer to \$2.0 million. The preliminary strategy for 2026 is to transfer an additional \$3.9 million, or 0.71% of the general tax levy, to have a total of \$5.9 million put aside for the next 3 years to reach the full \$19.6 million in 4 years.

Staff anticipate that this annual contribution will need to be increased based on additional commitments made after 2025 budget approval. Details will be provided as part of an overall update on incentives during the 2026 budget process.

Tax Increment Grants (TIGs)

TIGs reimburse property owners for up to 100% of the municipal property tax increase created by property improvement for up to 10 years. Staff estimate this will be an

additional \$4.8 million or 0.89% of the general tax levy based on anticipated reassessment of applicable properties in 2026. As per the Budget Planning By-Law, TIGs are funded from assessment growth.

Assessment Growth

Assessment growth for 2026 is forecasted at 1.59% as shown in Appendix 2. The Budget Planning By-Law allocates assessment growth to TIGs, operating costs related to new and growth capital assets, capital financing and council strategic priorities.

Levy Before Incremental Considerations

As a result of the pressures noted above, the estimated increases before incremental considerations are 7.93% for the general tax levy (2.63% for departments, 0.01% for incentives, 5.18% for NRPS, 0.10% for other ABCs, and 0.01% growth net of TIGs and smart growth incentives, 1.80% for water & wastewater rates, 3.60% for waste management special tax levy and 2.32% for Niagara Transit special tax levy. To help mitigate inflationary pressures reflected in the current estimates, preparation of the operating budgets will prioritize maintaining existing service levels. As part of Phase 1 of the 2026 budget process, staff will engage Council in early discussions on service levels in alignment with the 2025 approved budget as well as known pressures, opportunities, and efficiencies for 2026.

Incremental Considerations

The table presents incremental considerations for Council in further detail, including existing commitments, capital financing, and program changes.

Table 3 – Incremental Considerations

Budget Items / Categories	General Tax Levy	Water & Wastewater Rates	Waste Management Special Tax Levy	Niagara Transit Special Tax Levy
Budgets before incremental considerations	7.93%	1.80%	3.60%	2.32%
2022 Tax Deferral (1)	0.37%	n/a	n/a	n/a
Capital Financing (2)	3.82%	7.25%	0.04%	0.88%
Phase out of Provincial Gas Tax (PGT) (1)	n/a	n/a	n/a	0.48%
Subtotal	4.19%	7.25%	0.04%	1.36%
Homelessness Permanent Shelter Capacity (3)	0.14%	n/a	n/a	n/a
Housing End of Mortgage Strategy (3)	0.13%	n/a	n/a	n/a
Housing Master Plan (3)	0.11%	n/a	n/a	n/a
EMS Master Plan (3)	0.05%	n/a	n/a	n/a
New Housing Incentive (3)	TBD	n/a	n/a	n/a
Non-Eligible Service (3)	n/a	n/a	TBD	n/a
Sunday & Holiday Service (3)	n/a	n/a	n/a	2.94%
Specialized Transit Demand (3)	n/a	n/a	n/a	TBD
Subtotal Other Incremental Considerations	0.43%	n/a	n/a	2.94%
Subtotal Incremental Considerations	4.62%	7.25%	0.04%	4.30%
Total Consolidated Levy	12.55%	9.05%	3.64%	6.62%

Note: numbers may not add up due to rounding.

2022 Base General Tax Levy Services Funded with Reserves

The 2022 general tax levy base services budget was approved with funding of \$6.0 million from the taxpayer relief reserve as per a motion from BRCOTW to reduce the net general tax levy operating budget from 4.35% to 2.87%. The 2023 budget reduced the reliance on the reserve to \$4.0 million which was held constant in 2024, and the 2025 budget reduced the reliance on the reserve to \$2.0 million. The 2026 plan is to reduce the reserve reliance to \$0 which will result in a budget pressure of 0.37% to the general tax levy. This will eliminate the Region's reliance on reserves to fund day to day operations as this funding source is not sustainable.

The Region's taxpayer relief reserve acts as the main contingency reserve to address unknown risks that could arise. Per the Region's reserve policy C-F-013, the targeted balance in this reserve should be 10% to 15% of the gross operating expenditures it supports. This reserve is currently underfunded with a balance in the reserve at December 31, 2024 of \$38.5 million, representing 4.96% of gross operating levy expenditures excluding ABC's. Continuing to draw on the reserve annually to fund operations would further reduce our ability to respond to risks.

Capital Financing

The updated Asset Management Plan (AMP) will be going to Committee of the Whole for approval June 5, 2025. Preliminary estimates are increases of 3.79% to the annual general tax levy (3.18% for departments, 0.11% for Niagara Regional Police Services, 0.5% for Niagara Regional Housing), 7.25% to the annual water and wastewater combined rate requisition, 0.04% to the waste management special levy, and 0.88% to the Niagara Transit special levy. The increased capital contributions strategy aims to reduce the backlog, address high-risk assets, and ensure base-level service in the region. Table 1 and 2 disclose a total increase of 3.82%, with the difference of 0.03% resulting from an ask from Niagara Regional Police Services of 0.14% greater than the AMP recommendation of 0.11%.

Debt

The 2026 projected budget does not include incremental debt, which places greater importance on the need to invest in our contributions to the Capital Levy Reserve. As noted in CSD 37-2024 and CSD 46-2024 the Niagara Region has limited capacity to take on additional debt as we are approaching Infrastructure Ontario (IO)'s sector limit and the anticipated impact of additional debt on the Niagara Region's Standard & Poor's

(S&P) bond rating when considering both Regional and Local area municipality future debt requirements.

Phase out of Provincial Gas Tax (PGT)

Included in the Niagara Transit triple majority strategy was the strategy to earmark reserve PGT entirely for capital for long-term asset sustainability. In 2025, the budget included a reduction of PGT used in operating by \$0.3 million. The 2026 budget strategy continues to reduce the use of PGT in operating by \$0.3 million which represents 0.48% of the Transit special tax levy. This reduction is to continue to reduce the use of PGT to \$0 over 5 years to fund operations, thus removing an unsustainable source of funding from operating and ensuring capital needs are met.

Other Incremental Considerations

The Budget Planning By-Law requires that program changes or new services be funded with separate increases to ensure base services are not eroded. In the By-Law, new programs are also intended to refer to new full-time equivalent (FTE) positions or investments required to support existing service levels which are more commonly referred to as program changes.

The 2026 proposed budget will prioritize program changes that address incremental considerations to sustain current service delivery including recommending FTE's where required.

Preliminary incremental considerations (program changes) for the general tax levy are \$2.3 million or 0.43% including:

- Homelessness permanent shelter capacity (COM 21-2023) \$0.8 million or 0.14% of the general tax levy. Investing in additional shelter capacity ensures we can continue to protect vulnerable residents and respond to seasonal cold weather surges and other potential uncertainties such as the economic impacts from tariffs on the homeless population.
- Housing services end of mortgage strategy (COM 28-2024) \$0.7 million or 0.13% of the general tax levy, supports the preservation and growth of community housing stock in Niagara through incentivizing non-profit providers to remain within the community housing portfolio, funding capital repairs, and fostering continued partnerships and new investments in line with the Consolidated Housing Master Plan Initiatives.

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- The Consolidated Housing Master Plan (COM 14-2025) \$0.6 million or 0.11% of the general tax levy, guides the responsible and economically feasible (re)development of community housing to promote housing stability, support equitable and inclusive communities, with the goal of increasing NRH's supply from 3,051 units in 2025 to 6,037 units by 2050.
 - EMS master plan (PHD 1-2025) \$0.3 million or 0.05% of the general tax levy. The 10-year plan based on the Council-endorsed Hub and Spoke model, transitions away from the existing decentralized model, and considers future demographic and development impacts, as well as potential effects on EMS call volumes and response times, to optimize service delivery for Niagara residents.
 - New housing incentive program amount to be determined. Council has directed staff to design and make recommendations on a new Housing Incentive Program to support the objective of building more homes.

There are no recommended incremental considerations (program changes) for water and wastewater rates at the time of developing the planning report.

Preliminary incremental considerations (program changes) for the waste management special tax levy are under review and include the current collection and processing costs of recyclables from non-eligible sources, of which, several collection scenarios and the impacts to the waste management special tax levy are outlined in PW 8-2025.

Preliminary incremental considerations (program changes) for the Niagara Transit special tax levy include:

- Sunday and holiday service \$1.8 million or 2.94% of the transit special tax levy as outlined in the 2025 budget report BRC-C 2-2024.
- Increasing access to specialized transit to better meet demand with amount to be determined.

As always, staff will continue to refine these incremental considerations (program changes) requests while looking for efficiencies to minimize budget pressure. Detailed business cases on all program changes will be made available through the budget process and will connect to Council's strategic priorities.

Budget Campaign

As the Region approaches the 2026 budget cycle, Partnerships and Communication, working with Financial Management and Planning, is executing a communications

strategy to help shape and frame the budget to the public. This communications strategy plans for a 12-month long campaign that aims to educate, empower, and evolve residents' understanding of and relationship to the budget. The 2026 Budget, with a shift in focus toward programs, services and key priorities, presents an incredible opportunity to do things differently. This campaign will focus our budget narrative on the value Niagara Regional services, programs and priorities bring to residents.

This campaign aims to communicate with Niagara residents and our wider audience on a variety of different channels through the creation of disruptive content and a holistic communications approach. This campaign will ensure that our message appears at multiple relevant touchpoints for residents to increase resonance and visibility. This communications approach works to meet residents where they are and engage with them in spaces they already occupy. The Region will also target channels that focus on a range of demographics to arm both future and current residents on the budget with the information they need to make informed decisions and to empower them to have meaningful conversations.

Campaign Objectives

This campaign has four key objectives as identified below.

1. Create awareness on Niagara Region's budget and increase the number of engaged residents.
2. Generate engagement and conversation in Niagara residents online and in-person.
3. Residents gain baseline understanding of Region's budget and value of programs and services in the Niagara community.
4. Leverage learnings and content resonance for future state campaigns.

Campaign Strategy

The focus of this campaign is to educate, empower and evolve residents' understanding of and relationship to the Niagara Region budget. To achieve this over a 12-month period, we will focus on four key areas as identified below.

- **Create Conversation:** Create new conversation and evolve existing conversation surrounding the budget. To create and amplify conversations, various tactics will be exercised to meet resident where they are both online and in-person.
- **Educate Residents:** Educate residents on the budget process and purpose to gain basic understanding. This works to clarify and address any existing confusion on the

budget and empowers them to feel confident in where their tax dollars are being spent. Simple digestible language will be used to ensure that resident can both understand the content and arm themselves with knowledge to participate in conversations.

- **Brand the Budget:** Create an ownable and shareable visual world for “the budget” that complements the “Growing Better Together” brand to encourage virality, shareability and talkability.
- **Strengthen Trust and Advocacy:** Strengthen and generate resident and employee trust and advocacy towards the budget, its resources and secure understanding as services to be vital to Niagara’s community.
- **Media Relations:** Reinforce our budget narrative that focuses on the value of our services and our key priorities through proactive media relation activities.

Campaign Timeline

Overarching Timing	Key Campaign Activities
June	Social Content, Digital Tactics, Traditional Advertising
July to September	Digital & Traditional Advertising, Eventing, Community Building, Media Relations
October to December	Social Content, Digital & Traditional Advertising, Community Engagement, Media Relations

Partnerships and Communication will work with Corporate Services to ensure that relevant campaign updates are provided to Committee and Council accordingly.

Alternatives Reviewed

The purpose of this report is to inform Council of the 2026 proposed strategy to support the development of the operating and capital budget for 2026. Information will continue to be developed, analyzed, and summarized for the Budget Review Committee during Phase 1 to facilitate decision-making. Council will have the opportunity to consider all options throughout the budget process.

Relationship to Council Strategic Priorities

The 2026 Budget will provide the financial framework to achieve Council's Strategic Priorities.

Other Pertinent Reports

[CAO 10-2023](#) [2023-2026 Council Strategic Priorities](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=32884>)

[BRC-C 25-2024](#) [2025 Consolidated General Levy Budget Update](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=40721>)

[CSD 23-2025](#) [2026 Budget Timetable](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=42248>)

[BRC-C 12-2024](#) [Non-Union Compensation Review Phase 2 – Budget Impacts](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=40528>)

[CSD 30-2024](#) [Levy Impact of Mandated Services Provided Under Provincial and Federal Agreements](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=38318>)

[CSD 37-2024](#) [Debt Strategy Update](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=38319>)

[CSD 46-2024](#) [2025 Capital Budget](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39143>)

[COM 19-2024](#) [Considerations for New Homeless Shelter Site Selection](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=37737>)

[COM 21-2023 Homeless Shelter Capacity Review](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=31872>)

[COM 28-2024 Housing Provider End of Mortgage Strategy – Service Agreements](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39112>)

[COM 14-2025 Consolidated Housing Master Plan: Implementation Plan](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=42731>)

[PHD 1-2025 Niagara Emergency Medical Services \(NEMS\) 10 Year Master Plan](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=41321>)

[CL 14-2024 Open Session Minutes, Regional Council, September 26, 2024, Item 12.1.1](#)

(<https://pub-niagararegion.escribemeetings.com/FileStream.ashx?DocumentId=40062>)

[PW 8-2025 Recycling Collection to Non-Eligible Sources Following End of Provincial Transition Period December 31, 2025](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=41691>)

[BRC-C 2-2024 2025 Proposed Operating Budget and Special Levy Requisition – Niagara Transit Commission](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39703>)

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Chief Administrative Officer

This report was prepared in consultation with Lauren Ansley, Senior Budget Specialist and Dorothy Szymkow, Supervisor Corporate Budgets and reviewed by Melissa Raquion, Director Financial Management and Planning/Deputy Treasurer.

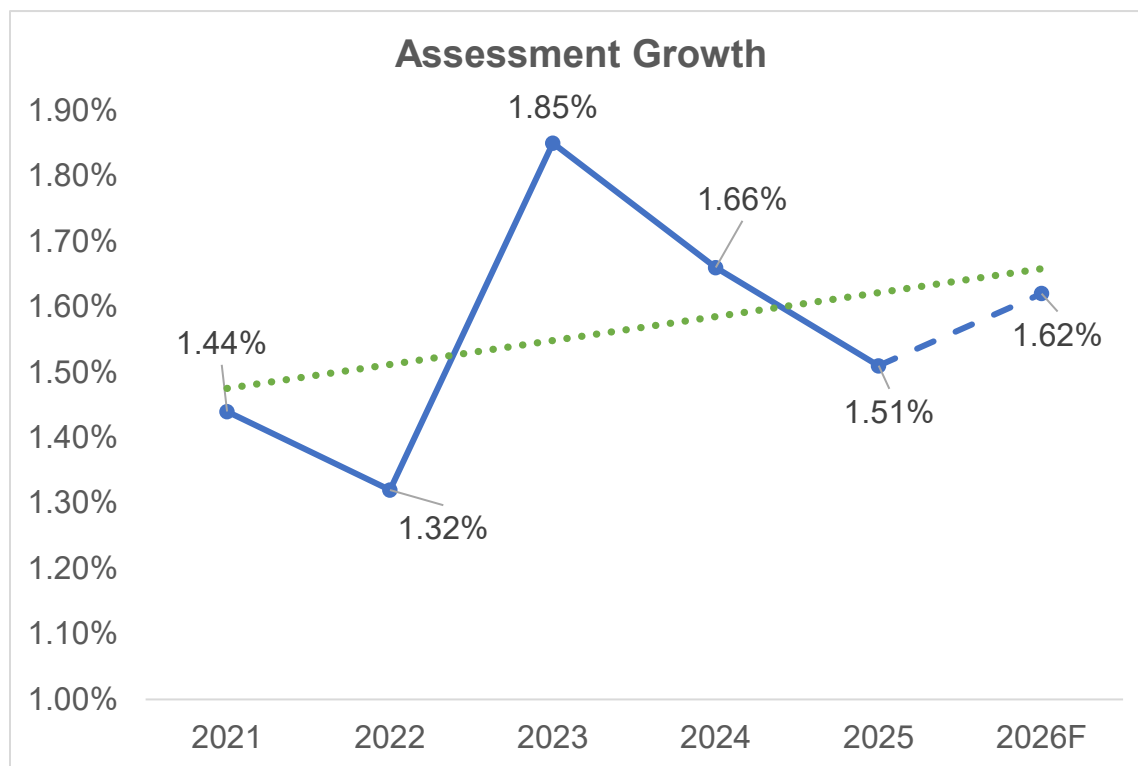
Appendices

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| Appendix 1 | 2026 Budget Timetable |
| Appendix 2 | Historical Assessment Growth |

2026 Budget Timetable

Meeting Type	Topic	Date
Phase One		
BRCOTW	Budget Planning and Revised Budget Process Overview	Thursday, May 22, 2025, 4:30 p.m.
BRCOTW	Service Based Discussion – Public Health and Community Services	Thursday, June 5, 2025, 4:30 p.m.
BRCOTW	Service Based Discussion – Public Works and Infrastructure	Thursday, July 3, 2025, 4:30 p.m.
BRCOTW	Service Based Discussion - Water & Wastewater Rates	Thursday, August 14, 2025, 6:30 p.m.
BRCOTW	Service Based Discussion – Niagara Regional Police Service	Thursday, September 4, 6:30 p.m.
BRCOTW	Service Based Discussion – Niagara Regional Transit	Thursday, October 2, 2025, 6:30 p.m.
Phase Two		
BRCOTW	2026 Consolidated Budget Overview, Capital, and General Government	Thursday, November 13, 2025, 6:30 p.m.
BRCOTW	2026 Regional Levy Departments and Waste Management	Thursday, November 20, 2025, 4:30 p.m.
BRCOTW	2026 ABCs and Niagara Regional Transit	Thursday, November 27, 2025, 6:30 p.m.
BRCOTW	2026 Water & Wastewater Rates	Thursday, December 4, 2025, 6:30 p.m.
BRCOTW	2026 Consolidated Budget for Debate and Approval	Thursday, December 11, 2025, 4:30 p.m.
Council	Budget & User Fee By-laws	Thursday, December 18, 2024, 4:30 p.m.

Historical Assessment Growth



Notes –

- Budget Planning by-law states that assessment growth is prioritized for Capital Financing, Council Strategic Priorities, and Operating Costs of Capital
- The five-year average increase in assessment growth is 1.59%
- 2026 assessment growth is forecasted at 1.62%

Memorandum

CAO 7-2025

Subject: Core Services Review

Date: May 22, 2025

To: Budget Review Committee of the Whole

From: Ron Tripp, Chief Administrative Officer

Purpose:

The purpose of this memorandum is to provide Council with an overview of the 2025-2026 Core Services Review project. This review will focus exclusively on Niagara Region's operations and services, excluding Agencies, Boards, and Commissions.

Background

In 2019, a Service Sustainability Review (SSR) was conducted, resulting in the creation of a comprehensive service inventory. Each service was evaluated based on various criteria, including its name, type, level, overview, value, performance, benchmarking data, budget, and staffing. The review identified the top five opportunities for reducing the operating budget and enhancing organizational efficiency, which were then presented to the Council for consideration and implementation.

Since 2019, there have been numerous changes in services, delivery methods, and the organization itself. While the SSR helped identify areas for improvement or reduction, it was completed just before/during the onset of the COVID-19 pandemic. This underlines the need for an updated review of the Region's operations to reflect the current situation accurately.

In addition, over the past few months through discussions with Council members and ongoing financial pressures, Council has shown a desire to examine all the Region's services. Including the need to identify which services are legislated (mandated), understand the current service levels, and discover opportunities to reduce the Region's operating budget. Also, during the Corporate Services Committee meeting on February 5, 2025, Council members expressed interest in conducting a Core Services Review of the Region's operations and services.

Analysis

2025 – 2026 Core Services Review

Building on the foundational work completed in 2019, the Deputy CAO's Office plans to engage an external consultant for a comprehensive review of the Region's services. This Core Services Review will provide a detailed examination of the relevance, effectiveness, and efficiency of these services.

The objectives for the Core Services Review are:

- To update the Region's service inventory and profiles, ensuring all relevant details are current.
- To provide Regional Council with comprehensive information to make informed decisions regarding services, service levels, and budget management.
- To utilize a phased approach for reviewing the Region's current services, identifying opportunities to enhance service delivery methods and efficiency.
- To conduct in-depth reviews of two specific service areas, recommending improvements for greater effectiveness.

High-level Scope of Work

The Core Services Review project will be completed in multiple phases from July 2025-Q3 2026. Council will be engaged at specific points throughout each phase to provide direction and approvals for the project.

- **Phase 1 – Current Service Inventory**
This phase will include an update to the Region's current service inventory, service area profiles and benchmarking. An overview of the Region's legislated and mandatory service levels, and discretionary services and service levels. Additionally, a step-by-step approach and timeline for Departmental service area reviews will be determined and approved.
- **Phase 2 – Department Service Area Review(s)**
This phase includes segmented completion of Departmental service reviews. This will allow for recommendations and opportunities to be identified throughout multiple points in the project timeframe. The Department Service Area Reviews will be conducted to:

- Gain a better understanding of the services provided by each Region Department, and assist Council in making informed, strategic choices regarding the services and service levels currently provided.
 - Make recommendations on whether programs, services, and/or activities should be
 - a) enhanced
 - b) maintained
 - c) reduced
 - d) eliminated
 - e) or delivered in an alternate manner
 - Determine opportunities to be more efficient and effective in the sustainable delivery of programs, services, and/or activities which are not recommended for elimination.
 - Understand the cost impacts of any recommendations with a view to delivering the most cost-effective programs possible.
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- **Phase 3 – Completion of in-depth service area reviews**
This phase includes the completion of the two in-depth service area reviews, with identification of opportunities to eliminate waste, change processes, create efficiencies, or reduce service levels.
 - **Phase 4 – Final Report Recommendations and Project Completion**
A final report will be completed and any areas that require further review or recommended opportunities for implementation will be provided.

Financial Considerations

Project Budget

Staff have thoroughly investigated the financial requirements for the Core Services Review project. The estimated total budget ranges from \$400,000 to \$500,000. This budget will be sourced from existing departmental budgets to fund the project, ensuring no additional budget requirement.

Staff Resources

In addition to financial resources, considerable staff involvement will be necessary to manage and support the review. A cross-departmental steering committee will be established, including representatives from the CAO and Corporate Leadership Team (CLT). This committee will provide oversight and strategic direction throughout the

project. As well, a project working group, comprised of members from each department, will play a crucial role in the review process. Key staff from Human Resources, Legal, Finance, IT, and Communications will be involved, dedicating time to attend weekly and bi-weekly meetings, gather data and information across the organization, and contribute to decision-making processes.

Conclusion

The involvement of Council is essential throughout the review. Key engagement points will be identified to determine the path forward, and Council will be kept informed and included in critical decisions to ensure the review aligns with the Organization's long-term financial sustainability and value-for-money objectives.

Staff will coordinate the procurement process, ensuring compliance with the Procurement By-law. This process will be transparent and will be presented to Council for approval.

Recommendation

That Memorandum CAO 7-2025, dated May 16, 2025, respecting 2025-2026 Core Services Review, **BE RECEIVED.**

Respectfully submitted and signed by

Ron Tripp, P.Eng.
Chief Administrative Officer