

# HALTON REGION Budget and Business Plan

BUDGET REPORT 2026



Live.  
Grow.  
Thrive.



Rebecca Street Supportive Housing Development



Mid-Halton Wastewater Treatment Plant



Emergency Response Unit and Ambulance

# On the Cover



Pictured on the cover, from top to bottom:

- Construction on Rebecca Street, a supportive housing development
- An aerial view of the Mid-Halton Wastewater Treatment Plant
- An ambulance parked at Woodlands Operation Centre in Oakville



Dear Chair and Members of Regional Council,

**Re: Halton Region 2026 Budget and Business Plan**

We are pleased to present Halton's proposed 2026 Budget and Business Plan for consideration by Regional Council. The 2026 Budget is based on the solid financial planning principles that continue to preserve Halton's AAA/Aaa credit rating and strong long-term financial position.

This document includes both the Tax-Supported and Rate-Supported Budgets that detail the Region's planned investments for the coming year; the Executive Summary offers an overview of their combined impact. Together, these sections present a multi-year financial plan that addresses the key service priorities identified by Regional Council with a commitment to providing value for tax and rate payers. The 2026 Budget supports the strategic objectives approved by Regional Council through our 2023-2026 Strategic Business Plan, and includes priority investments to support the health and well-being of the community, while addressing the significant pressures caused by inflation, growth and increased demand for services.

As always, this Budget is the result of ongoing collaboration and considerable effort from staff across the organization for which we would like to express our appreciation.

Council consideration of the 2026 Budget is scheduled for December 10, 2025. If you have any questions or require further information, please contact us.

Respectfully submitted,

**Andrew Farr**

*Chief Administrative Officer*

**Cyndy Winslow**

*Commissioner of Finance and Regional Treasurer*

# GFOA Distinguished Budget Presentation Award

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Regional Municipality of Halton, Ontario for its Annual Budget for the fiscal year beginning January 1, 2025.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



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# Halton Region Budget and Business Plan

## WELCOME TO HALTON REGION

CITY OF BURLINGTON



TOWN OF HALTON HILLS



TOWN OF MILTON



TOWN OF OAKVILLE



BUDGET REPORT 2026



# Halton's 2026 Budget – Live. Grow. Thrive.



On behalf of Regional Council, I'm pleased to share Halton's 2026 Budget and Business Plan. This year's budget focuses on keeping tax and rate increases as low as possible while making strategic investments that support our growing community.

Halton is one of the fastest-growing regions in Canada. As more people and businesses choose to call Halton home, we're investing in the infrastructure and services needed to support that growth—like water and wastewater systems, roads, and community health and well-being. These investments also help us meet housing and growth targets and build complete, connected communities.

At the same time, we're protecting Halton's strong financial position. For over 30 years, we've followed sound financial planning principles that have earned us a top credit rating. That means we can borrow at the lowest possible rates, stretch every dollar further, and continue delivering high-quality services without putting extra pressure on tax and rate payers.

Halton is made up of four unique communities in Burlington, Halton Hills, Milton and Oakville. Together, we offer a mix of small-town charm, vibrant agricultural areas, and big-city amenities—close to Toronto, Hamilton and Lake Ontario.

Whether you're looking for nature, business opportunities or a place to call home, Halton is the place to Live. Grow. Thrive.

To learn more about the 2026 Budget and Business Plan, visit [halton.ca](https://www.halton.ca).

Sincerely,  
  
Gary Carr  
Halton Regional Chair

## A Strong and Growing Region

Year	Population (thousands)
2024 (actual)	657
2031 (forecast)	820
2051 (forecast)	1,100

Population<sup>1</sup>  
(thousands)

1 Provincial Planning Statement, 2024

**13,500**  
Businesses<sup>2</sup>

2 Halton Region Employment Survey, 2024  
3 Report No. CA-08-23/PW-40-23/FN-36-23  
(re: "2023 Allocation Program")

**\$6.5 billion**  
Tangible Capital Assets  
Net Book Value (2024)<sup>4</sup>

4 Halton Region Annual Financial Report, 2024

Water & Wastewater  
capacity available by  
2031 to support  
**104,000**  
new housing units<sup>3</sup>

3 Report No. CA-08-23/PW-40-23/FN-36-23  
(re: "2023 Allocation Program")

**\$3.9 billion**  
Total Residential and  
Non-residential  
Construction Value  
(2024)<sup>5</sup>

5 Statistics Canada, Building Permits Survey, 2024

## 2026 Budget

Regional Services	Police Services	Total Regional & Police Services
<b>\$1.2B</b> Operating	<b>\$264.6M</b> Operating	<b>\$1.5B</b> Operating
<b>\$815.0M</b> Capital	<b>\$11.4M</b> Capital	<b>\$826.5M</b> Capital

# 2022-2026 Halton Regional Council



Halton Regional Council is the decision-making body for Halton Region. The Halton Regional Chair is the head of Regional Council, which is made up of 24 elected representatives, including the Mayors of each Local Municipality.

Council agendas, meeting schedules, documents and streaming video are available online at [halton.ca](https://www.halton.ca).

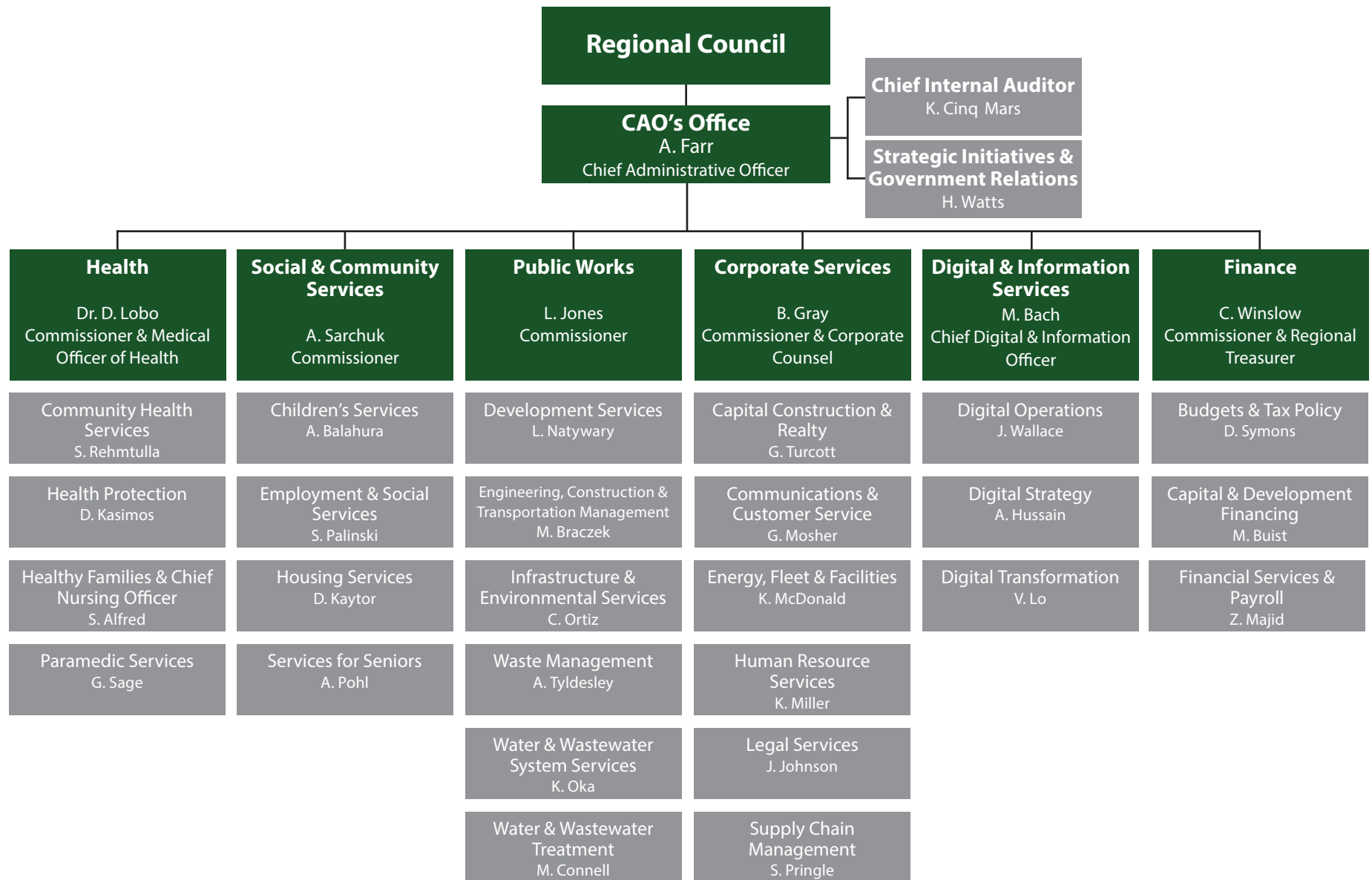
**FRONT ROW:** Cathy Duddeck, Oakville; Marianne Meed Ward, Mayor, Burlington; Ann Lawlor, Mayor, Halton Hills; Gary Carr, Regional Chair; Gordon Krantz, Mayor, Milton; Rob Burton, Mayor, Oakville; Janet Haslett-Theall, Oakville

**MIDDLE ROW:** Shawna Stolte, Burlington; Angelo Bentivegna, Burlington; Sameera Ali, Milton; Rick Malboeuf, Milton; Colin Best, Milton; Sammy Ijaz, Milton; Jane Fogal, Halton Hills; Rory Nisan, Burlington; Lisa Kearns, Burlington

**BACK ROW:** Kelvin Galbraith, Burlington; Allan Elgar, Oakville; Tom Adams, Oakville; Paul Sharman, Burlington; Jeff Knoll, Oakville; Sean O'Meara, Oakville; Clark Somerville, Halton Hills; Nav Nanda, Oakville



# Halton Region's Corporate Organization



# Halton Region Programs and Services



Children's services



Paramedic services



Emergency planning



Public health



Financial assistance



Regional roads and transportation



Housing services and the Halton Community Housing Corporation



Small business services



Infrastructure planning



Waste management



Infrastructure maintenance and construction



Wastewater collection and treatment



Long-term care and services for seniors



Water purification and distribution

Connect with us today:



Go to [halton.ca](https://halton.ca)



Visit us at the Halton Regional Centre  
1151 Bronte Road, Oakville  
or a Regional facility

Appointment may be required.  
Please email or call ahead.



Email [accesshalton@halton.ca](mailto:accesshalton@halton.ca)  
or call 311



# Departments and Services

Halton Region enhances resident health, safety and well-being by providing essential programs and services to the community. Our budget process works to ensure accountability, transparency and fiscal responsibility while providing value for tax and ratepayers.

To support service delivery, the Region is organized into three operating departments (Health, Social & Community Services, and Public Works) supported by our corporate administration teams. Together, we serve and plan for the current and future needs of individuals, families and businesses throughout the community.

## Health

The Health Department works to achieve the best possible health for Halton residents. In collaboration with community partners, the department delivers programs and services that support the health, safety and well-being of the community. Public Health works to prevent illness and improve the health of residents while reducing health inequities. Services promote health across all ages including intensive support for families with higher needs, population health promotion, prevention of diseases, as well as environmental and health hazard management. Paramedic Services provide essential emergency response services to the community.



A Public Health Inspector performing a food inspection.

## Highlights:



Investigated **241 enteric and respiratory outbreaks** at institutions (long-term care homes, rest and retirement homes, hospitals, group homes and corrections) in 2024.



Provided **2,300 home visits** to families through the Healthy Babies Healthy Children program in 2024.



Distributed **340,280 doses** of publicly funded routine and seasonal vaccines to community partners in the 2024 reporting period.



Conducted **5,884 inspections of food premises** in 2024.



Administered **29,002 doses of school-based vaccinations** during the 2024-25 school year: 12,515 doses of HPV vaccine, 8,444 doses of Hepatitis B vaccine, and 8,043 of Meningococcal vaccine.



Distributed **1,845 Naloxone kits** through Public Health outreach and community partners in 2024.



Answered **60,124 paramedic calls** and transported **36,680 patients** in 2024.



# Departments and Services

## Social & Community Services

The Social & Community Services Department delivers programs and services that enhance the health, safety and well-being of Halton residents. The department has four divisions: Children's Services, Employment & Social Services, Housing Services and Services for Seniors. These divisions are supported by the Human Services Planning & Program Support unit. The department provides funding and oversight to the early years and child care sector, operates three child care centres, provides financial assistance and employment supports to low-income residents, manages a range of housing supports from homelessness prevention to assisted housing, leads the operation of the Halton Community Housing Corporation, operates three long-term care homes, and supports older adults to live independently in the community through Assisted Living and Adult Day programs.

The department works closely with other human service providers in Halton through the Community Safety and Well-being Plan, and makes targeted investments to respond to health and social service needs through the Halton Region Community Investment Fund.



A Personal Support Worker with a resident at Post Inn Village long-term care home in Oakville.

### Highlights:



Provided child care fee assistance for **3,689 children** in 2024.



A total of **33,426 licensed child care spaces** in 2024, including 19,194 licensed child care spaces in the Canada-Wide Early Learning Child Care (CWELCC) system.



**87 per cent** of eligible child care sites enrolled in the Canada-Wide Early Learning and Child Care System in 2024.



Provided financial assistance to an average **monthly Ontario Works caseload of 3,102** in 2024.



Added **25 additional Assisted Living spaces** in Milton.



Oversaw **5,314 housing units** in 2024, of which 2,280 were directly operated by Halton Community Housing Corporation.



Funded **83 community projects** and programs through the Halton Region Community Investment Fund in 2024, using one-year and multi-year funds for a total of \$4.5 million.



Provided direct care and service to older adults in 2024 through **572 beds** at Regionally operated long-term care homes.



Supported **718 residents** who applied for and received Ontario Works emergency assistance in 2024.

# Departments and Services

## Public Works

The Public Works Department provides critical municipal infrastructure and services that support the daily activities of Halton residents, schools and businesses through six divisions: Engineering, Construction & Transportation Management, Infrastructure & Environmental Services, Waste Management, Development Services, Water & Wastewater System Services, and Water & Wastewater Treatment.

The department provides high-quality drinking water, collection and treatment of wastewater, maintenance of Regional roads, the review and approval of development applications and permits, waste collection, and the diversion of materials from the landfill. Public Works programs are designed to be cost-effective and environmentally sensitive to ensure Halton's infrastructure supports public health, safety and community mobility.



Regional Staff at the Halton Waste Management Site in Milton.

## Highlights:



Collected and disposed of **95,797 tonnes** of residential garbage in 2024.



Treated nearly **66 million cubic metres** of water and over **89 million cubic metres** of wastewater in 2024.



Diverted **132,101 tonnes** of residential Blue Box and organic materials from the landfill in 2024.



Maintained **1,209 paved lane kilometres** of roadway in 2024.



Operated and maintained **2,412 kilometres of watermains, six bulk water stations, 22 reservoirs and storage facilities, 16 booster stations, 2,025 kilometres of wastewater mains, and 84 pumping stations** in 2024.



Maintained **94 bridges** and **251 major culverts** in 2024.



Received and processed **682 development applications** in 2024.



Operated and maintained **310 signalized intersections** and **7,793 streetlights** in 2024.



Received and participated in **334 preconsultations** for development during 2024.



Operated and maintained **12 water treatment plants** (treatment provided prior to distribution), **22 municipal wells, six wastewater treatment plants, and one biosolids facility** in 2024.



Completed **59,000 water and 19,000 wastewater analyses** and processed **14,500 water and 4,100 wastewater samples** in 2024.

# Departments and Services

## Corporate Administration

Corporate Administration includes the CAO's Office (Internal Audit, Strategic Initiatives & Government Relations), Corporate Services (Capital Construction & Realty, Communications & Customer Service, Energy, Fleet & Facilities, Human Resource Services, Legal Services, Supply Chain Management), Digital & Information Services, Finance, Office of the Chair and Regional Council. These internal services provide support to the service delivery departments. The Regional Clerk provides support services to Regional Council and its Committees. Digital transformation is a key priority, as Halton Region works towards becoming a Digital First organization committed to delivering modern, accessible, high quality digital services to the residents of Halton and Regional staff.

Halton Region is committed to advancing Indigenous relationships, equity, diversity and inclusion and climate change response and mitigation.



**AAA/Aaa** credit rating for over 30 years

## Highlights:



Development of annual **Budget and Business Plan**.



Supported **50 Regional Council and Committee meetings** through the Clerk's Office in 2024.



Awarded the **Distinguished Budget Presentation Award** for the past 21 years, with the most recent received for the 2025 Budget and Business Plan.



Received **304,248 inquiries and service requests** through Access Halton in 2024.



Achieved **AAA/Aaa credit rating**.



Supported **342 new claims** through Risk and Insurance Services in 2024.



Achieved annual property tax increase **at or below inflation**.



Completed **32,642 Facilities Services work requests** (preventative and demand) in 2024.



Awarded the **Canadian Award for Financial Reporting** for the past 18 years, with the most recent received for the 2023 Annual Financial Report.



Conducted **1,534 small business consultations** in 2024.



**Continued advocacy** to Provincial and Federal governments.



Held **73 small business seminars/workshops** in 2024, attended by 1,814 entrepreneurs and small business clients.



Received **Greater Toronto's Top Employers Award**.



Recorded **3.14 million visits** to Halton's website in 2024 and operated eight Regional social media channels.



# 2023-2026 Strategic Business Plan

The 2023-2026 Strategic Business Plan sets the strategic direction and priorities for Council's four-year term of office and our region's future. Halton's strategic planning process ensures a strong alignment between Council priorities, corporate and departmental business planning and processes, and the Region's Budget and Business Plan.

The Plan has 17 goals, which are organized into four key themes. The Plan includes the actions that need to be undertaken to achieve these goals and their respective measures.

## Four Themes:



### Community Well-Being

Focuses on collaborating with partners to deliver the programs, services and supports that the community needs to be safe and healthy.



### Infrastructure and Growth

Focuses on ensuring that the necessary infrastructure and services are in place to maintain a high quality of life as the region continues to grow.



### Climate Change and the Environment

Focuses on reducing our collective carbon footprint to mitigate the impacts of climate change.



### Excellence in Government

Focuses on our commitment to strong financial management, Truth and Reconciliation and being an employer of choice, as well as transforming service delivery.



# 2026 Budget Impacts on Property Taxes and Water/Wastewater Rates

## Property Tax Impact of Regional & Police Services (Per \$100,000 CVA)

	2025	2026	Change	
	Actual	Budget	\$	%
<b>Regional Services</b>	\$188.29	\$194.56	\$6.26	3.33%
<b>Police Services</b>	130.73	139.12	8.39	6.42%
<b>Total Regional Taxes</b>	<b>\$319.03</b>	<b>\$333.68</b>	<b>\$14.65</b>	<b>4.59%</b>

The 2026 Impact of Regional Services is a 3.33% increase in property taxes after assessment growth, which results in a property tax increase of \$6.26 per \$100,000 CVA.

The 2026 Impact of Police Services is a 6.42% increase in property taxes after assessment growth, which results in a property tax increase of \$8.39 per \$100,000 CVA.

The combined impact of Regional and Police Services is a 4.59% increase in property taxes, which results in a combined property tax increase of \$14.65 per \$100,000 CVA.

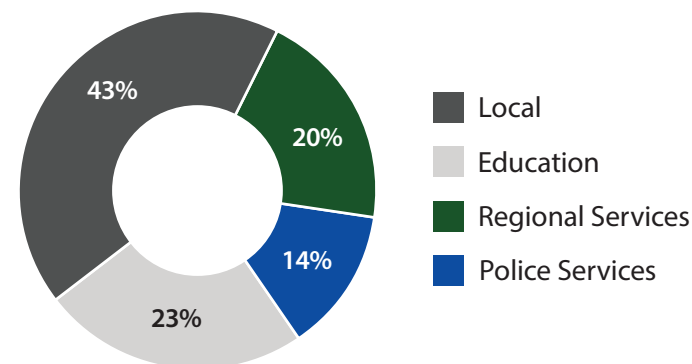
## Water & Wastewater Rate Impact for a Typical Residential Home (226 m<sup>3</sup> of water per year)

	2025	2026	Change	
	Budget	Budget	\$	%
<b>Water &amp; Wastewater Services</b>	\$1,173	\$1,244	\$71	6.0%

The 2026 Water and Wastewater Rate-Supported Budget has a 6.0% rate increase, which is comprised of a 3.0% increase driven by capital financing required to support the State-of-Good-Repair capital program, a 2.5% increase to operate and maintain the water and wastewater system, and a 0.5% increase to fund enhancements to the Basement Flooding Mitigation Program.

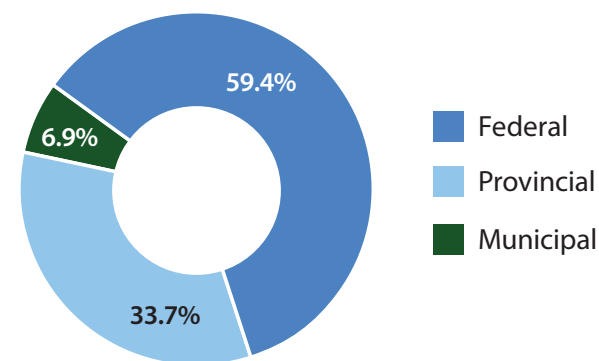
For a typical residential home using 226 cubic metres (m<sup>3</sup>) of water per year, this will result in an additional \$71 annually in 2026 for water and wastewater charges combined.

## Percentage Share of 2025 Halton Region Property Tax Bill



Figures may not add due to rounding.

## Average Ontario Family 2025 Tax Bill Breakdown<sup>1</sup>

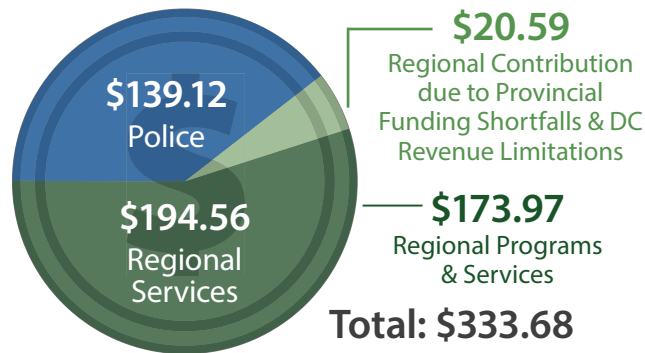


Figures may not add due to rounding.

<sup>1</sup> Fraser Institute's Canadian Tax Simulator, 2025.

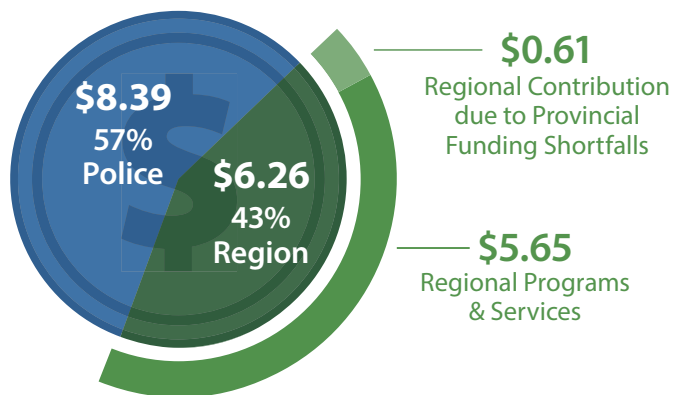
# Contribution in the 2026 Budget for Provincial Funding Shortfalls and Limitations on Development Charge Revenues

## Breakdown of the Total Property Taxes of \$333.68 per \$100,000 CVA



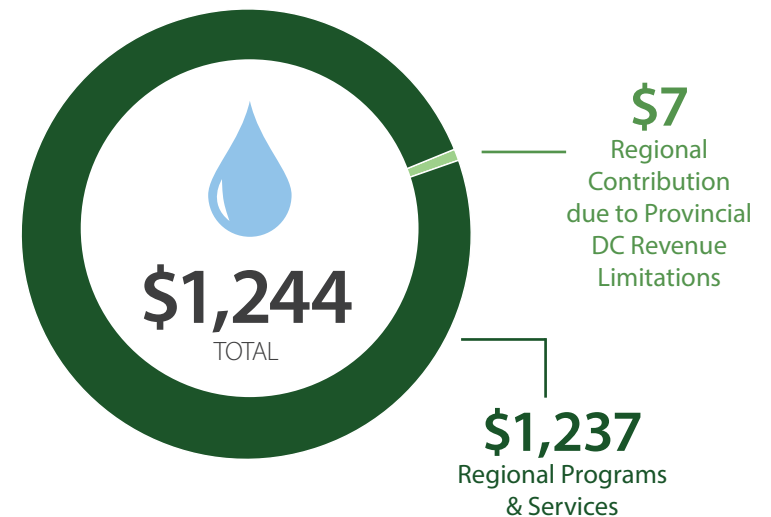
Of the \$194.56 funding for Regional Services, a total of \$20.59 is estimated to be funding the provincial funding shortfalls and limitations on DC revenues.

## Breakdown of the \$14.65 per \$100,000 CVA Property Tax Increase



Of the \$6.26 increase for Regional Services, \$0.61 is estimated to be funding the provincial funding shortfalls.

## Breakdown of the 2026 Typical Annual Water/Wastewater Bill Using 226 m<sup>3</sup>

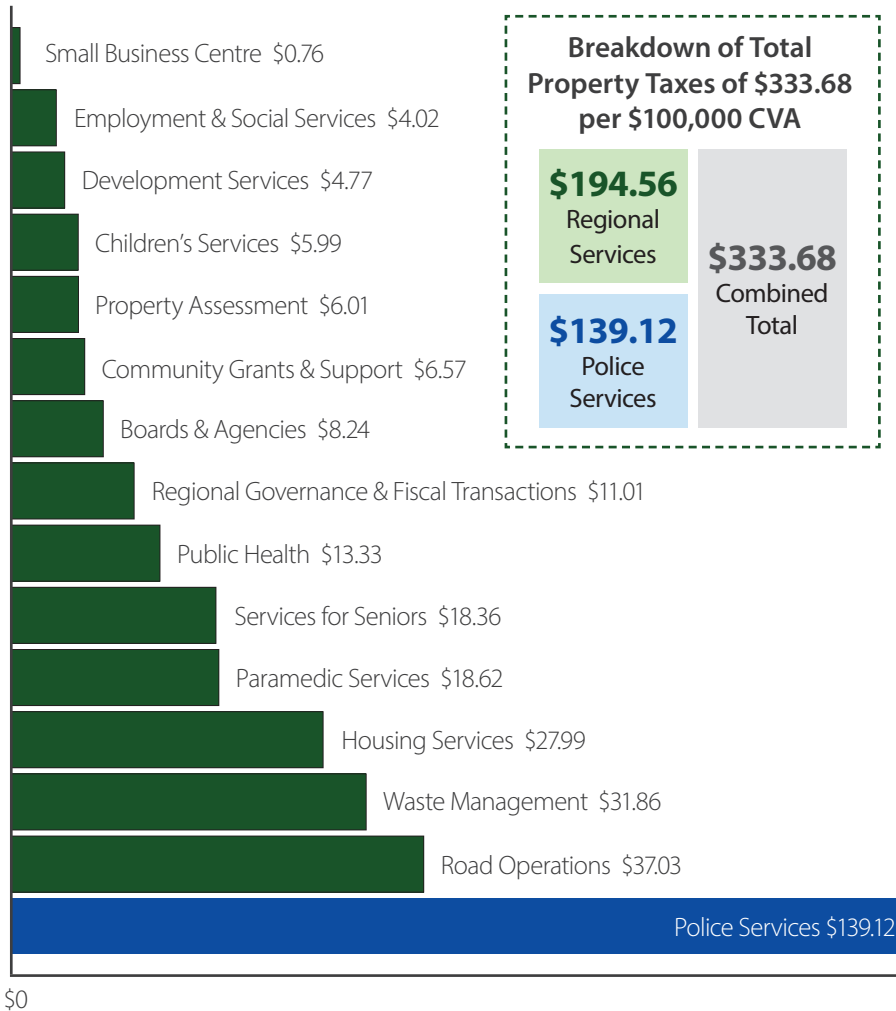


A typical residential customer using 226 m<sup>3</sup> of water per year would pay a total of \$1,244 in 2026 for water and wastewater services, of which \$7 is the estimated Regional contribution funding the limitations on DC revenues.



# 2026 Property Taxes by Service

## 2026 Halton Region Property Taxes per \$100,000 CVA



	Regional Programs & Services	Contribution for Provincial Funding Shortfalls and Limitations on DC Revenues	Total Regional Services
Small Business Centre	\$0.76	\$ -	\$0.76
Employment & Social Services	\$3.81	\$0.21	\$4.02
Development Services	\$4.77	\$ -	\$4.77
Children's Services	\$5.99	\$ -	\$5.99
Property Assessment	\$6.01	\$ -	\$6.01
Community Grants & Support	\$6.57	\$ -	\$6.57
Boards & Agencies	\$8.24	\$ -	\$8.24
Regional Governance & Fiscal Transactions	\$3.37	\$7.64	\$11.01
Public Health	\$6.26	\$7.07	\$13.33
Services for Seniors	\$16.82	\$1.54	\$18.36
Paramedic Services	\$17.25	\$1.36	\$18.62
Housing Services	\$25.23	\$2.76	\$27.99
Waste Management	\$31.86	\$ -	\$31.86
Road Operations	\$37.03	\$ -	\$37.03
<b>Total Regional Services</b>	<b>\$173.97</b>	<b>\$20.59</b>	<b>\$194.56</b>

# Community Highlights



## Supporting Small Business Growth

Halton Region's Small Business Centre helps entrepreneurs start and grow their businesses through one-on-one consulting, business registration support, and access to funding programs and training. The Halton Global Business Centre offers export development services, including market advice, workshops, and networking opportunities to help businesses scale and expand internationally.



## Regional Economy

**\$156,800<sup>1</sup>**  
Avg household income

**246,100<sup>2</sup>**  
Total Jobs

**6.3%<sup>3</sup>**  
Unemployment rate in 2024

### Key Sectors in Halton by Business Count

1. Retail Trade
2. Manufacturing
3. Health Care and Social Assistance
4. Professional, Scientific and Technical Services
5. Accommodation and Food Services

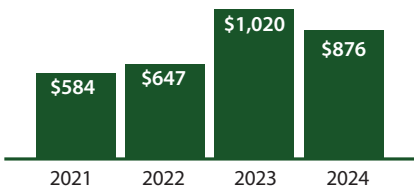
<sup>1</sup> Statistics Canada Census, 2021  
<sup>2</sup> Halton Region Employment Survey, 2024

### Top 10 private sector employers<sup>2</sup>:

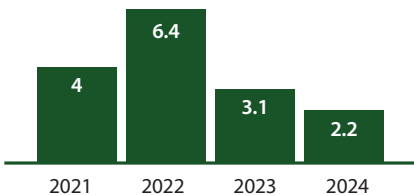
1. Ford Motor Company of Canada (Oakville Assembly Complex)
2. Collins Aerospace Systems
3. Gordon Food Service
4. Sofina Foods
5. Evertz Microsystems
6. Karmax Heavy Stamping (division of Magna)
7. Geotab
8. Modatek Systems (division of Magna)
9. Siemens Canada Ltd.
10. Innomar Strategies

<sup>3</sup> Statistics Canada Labour Force Survey, 2024  
<sup>4</sup> Statistics Canada, Building Permits Survey, 2024

### Industrial, Commercial and Institutional Development Building Permit Value (\$ millions)<sup>4</sup>



### Non-Residential Total Floor Area Approved for Construction in Halton (millions Sq. Ft.)<sup>5</sup>



<sup>5</sup> Halton Region, Non-Residential Development Charges Database

# Community Highlights (continued)



## Education

**102,875**  
elementary and secondary students

**164**  
provincially-funded elementary and secondary schools

**45**  
renowned private schools

**78%**  
post-secondary attainment

**20**  
colleges and universities within an hour's drive



## Healthcare

Halton Region is home to four hospitals, one in each of its four municipalities.

### Halton Healthcare



Halton Healthcare operates three hospitals—Georgetown, Milton District, and Oakville Trafalgar Memorial—and offers community-based services across Halton Hills, Milton, and Oakville. Known for advanced technology and healthcare expertise, it has earned recognition for excellence in patient safety and care. Halton Healthcare is a founding member of the Connected Care Halton Ontario Health Team, working with partners to improve patient outcomes through coordinated care.

### Joseph Brant Hospital



Joseph Brant Hospital has served Burlington and surrounding areas since 1961, offering a wide range of medical services including emergency, surgery, mental health, and rehabilitation. A major expansion in 2018 added a modern patient tower and advanced technology to better serve the growing community. It was the first hospital in Ontario to build a fully functioning field hospital during the COVID-19 pandemic. Joseph Brant is part of the Burlington Ontario Health Team, collaborating with regional partners to deliver integrated care.



# Halton Region Budget and Business Plan

## | EXECUTIVE SUMMARY

# Executive Summary

The 2026 Budget Report focuses on Regional Services governed by Halton Regional Council. The Halton Regional Police Service (HRPS) budget is included in some of the summary tables as the *Community Safety and Policing Act, 2019*, requires that Police Service Boards submit to Regional Council the operating and capital estimates to maintain the police service and provide it with the necessary equipment and facilities. Included in the Regional Services budget are the municipal levy requests from Conservation Authorities, whose budgets are approved by the relevant Conservation Authority's Board. The Halton Community Housing Corporation (HCHC) budget is approved separately by the HCHC Board of Directors and is not included in the Regional Services budget.

The 2026 Budget for Regional Tax-Supported services results in a **3.3% tax increase** in the Regional share of property taxes (excluding Police Services), after assessment growth of 1.8%.

The 2026 Budget for Water and Wastewater Rate-Supported services has a **6.0% rate increase**, which is comprised of a 3.0% increase driven by capital financing required to support the State-of-Good-Repair capital program, a 2.5% increase to operate and maintain the water and wastewater system, and a 0.5% increase to fund enhancements to the Basement Flooding Mitigation Program.

## 2026 Regional Property Tax Impact including Halton Regional Police Service

Regional property taxes fund Regional programs and services, including Social Services, Regional Road Operations, Housing Services, Waste Management, Public Health, Paramedic Services and other Regional services, as well as municipally funded services provided by the Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic operated by Halton Healthcare. Police Services are also funded through property taxes. Water and Wastewater Services are not funded by property taxes. These services are fully funded by water and wastewater rates, which are billed through the four Local Hydro Distribution Companies.

The Regional Services 2026 Tax-Supported net expenditure budget is increasing by 5.2% and includes a 1.8% assessment growth assumption for a net tax rate increase of 3.3% (Report No. **FN-31-25**). The Regional Services tax rate increase of 3.3% is within the guideline set out in Report No **FN-17-25** (re: "2026 Budget Directions") on July 9, 2025 of a tax increase that does not exceed 3.5%, after 1.8% assessment growth.

The Police Services 2026 Budget, as approved by the Halton Police Board on November 27, 2025, reflects a net expenditure increase of 8.3% which is above the guideline provided by Regional Council through the 2026 Budget Directions (Report No. **FN-17-25**). The 2026 Budget for Police Services includes a net tax increase of **6.4%** after assessment growth.

As shown in the table below, the 2026 combined impact of Regional Services and Police Services is a 4.6% increase in property taxes, which is comprised of 3.3% for Regional Services and 6.4% for Police Services after assessment growth.

2026 Budget Combined Tax Impact			
	Net Expenditure Increase	Assessment Growth	Tax Increase
Regional Services (FN-31-25)	5.2%	1.8%	3.3%
Police Services (FN-26-25)	8.3%	1.8%	6.4%
<b>Regional &amp; Police Services</b>	<b>6.5%</b>	<b>1.8%</b>	<b>4.6%</b>

The property tax impact per \$100,000 current value assessment (CVA) is an increase of \$6.26 for Regional Services, and when combined with the impact for Police Services of \$8.39, the result is a combined increase of \$14.65 per \$100,000 CVA. The Regional tax increase combined with the Police Services tax increase for 2026 would be \$73.25 for a household with a CVA of \$500,000.

Halton Region Property Tax Impact (Per \$100,000 CVA)*						
	2025		2026		Change	
	Actual		Budget		\$	%
Regional Services	\$	188.29	\$	194.56	\$ 6.26	3.33%
Police Services		130.73		139.12	8.39	6.42%
<b>Total Regional &amp; Police Taxes</b>	<b>\$</b>	<b>319.03</b>	<b>\$</b>	<b>333.68</b>	<b>\$ 14.65</b>	<b>4.59%</b>

Schedule may not add due to rounding

\* Based on projected 1.8% assessment growth

## 2026 Regional Services Property Tax Impact

The Region continues to experience significant increases in the cost of goods, services, and construction resulting from an extended period of high inflation as well as overall market and economic conditions. In particular, significant contract increases are being experienced in waste management, software and subscription-based services, construction, as well as numerous other contractual costs for goods and services.

The 2026 Budget continues to address pressures for cost-shared programs in Health and Social Services where the provincial funding received is less than the intended cost-share level to maintain services and support growth for the Region. In addition, there are pressures related to increasing demand for services, as highlighted through the Paramedic Services 10-Year Master Plan Update (Report No. **MO-14-24**), the Comprehensive Housing Strategy 2025-2035 (Report No. **SS-11-25**), as well as growing food insecurity in Halton (Report No. **SS-13-25**).



The 2026 Budget also continues to prioritize supporting the goals identified through the **2023-2026 Strategic Business Plan**, including advancing infrastructure to support growth, delivering new assisted and supportive housing, enhancing paramedic response times, maintaining the state-of-good-repair of capital assets and implementing the Digital Strategy. The 2026 Budget incorporates the latest information available while identifying risks and pressures with a conservative approach. The 2026 Budget continues to focus on core services, continuous improvement and incorporating efficiencies in all program areas to mitigate the tax impact.

While addressing these pressures and supporting critical investments, the 2026 Budget includes a tax increase of 3.3%, which is lower than the target of 3.5% set through 2026 Budget Directions as a result of service level changes related to Heritage Services, which resulted in a reduction in the tax impact of 0.2%.

Since 2018, there have been a significant number of changes affecting various pieces of legislation, including the *Development Charges Act, 1997* (DCA), that impact municipal finances, particularly in growing municipalities such as Halton Region. The majority of DCA changes result in the reduction of Development Charges (DC) revenue being collected, through the elimination of DC chargeable items, exemptions and discounts. Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*, introduced further changes aimed at accelerating housing development and reducing upfront costs for developers, most of which came into effect on November 3, 2025. This includes the deferral of residential DCs to occupancy, no interest on deferred payments for rental, institutional and residential developments and early payment options for DCs. These changes continue to shift the development financing framework in Ontario. While they aim to support housing affordability and accelerate construction, they also pose substantial challenges for municipalities tasked with delivering infrastructure and services to support growth. The 2026 Budget and Forecast includes an estimated annual impact of \$5.0 million per year related to the removal of housing services from DC eligibility. The financial implications of Bill 17 remain uncertain, and while they do not currently affect the budget directly, legislative changes may influence the Region's long-term financial planning to fund critical infrastructure in the future.

Additionally, ongoing review and pending legislation and regulations are expected to provide further clarity on several key areas, including defining eligible capital costs, acquisition of land, defining a “local service”, acceptable forms of security for deferred payments, merging of service categories and rules around benefit-to-existing.

Further, housing pledges were introduced and signed on by the Local Municipalities to assist the Province in meeting the objective of delivering 1.5 million homes by 2031. Halton Region has a shared objective with the Province and the Local Municipalities to advance housing supply and will need to play a role in providing infrastructure in support of the Local Municipalities' housing pledges by proactively planning for, financing and delivering infrastructure. The housing pledges represent a significant acceleration of growth in Halton Region. The housing pledges total 92,500 units by 2031 which is more than a 70% increase over the residential growth anticipated in the Region's 2011 Infrastructure Master Plans.

The 2026 Budget, along with approval of Report No. **CA-02-24/PW-04-24/FN-05-24** (re: “Revised 2023 Allocation Program”), ensures that the Region is well-positioned to support the Province's objective of delivering 1.5 million new homes in Ontario by 2031. The Allocation Program and future infrastructure staging will help the Local Municipalities manage and support growth ensuring they are prepared for the anticipated increase in housing and population, in alignment with provincial goals and timelines.

## 2026 Water and Wastewater Rate Impact

Water and Wastewater Services are fully funded by water and wastewater rates which includes a usage charge that is based on the volume of water consumed and a fixed charge based on meter size. The fixed charge is designed to ensure the recovery of expenditures that do not vary based on usage, such as the cost of maintaining the water and wastewater infrastructure in a state-of-good-repair. The fixed service charge is an important component of the fee structure to ensure there is a stable source of funding to operate and maintain the water and wastewater system, whether the service is used or not. The combination of a fixed and variable

fee structure is a recommended industry best practice to ensure a reliable, sustainable source of revenue while also providing customers control over spending and encouraging water conservation. In Halton, water and wastewater charges are billed on behalf of the Region through the four Local Hydro Distribution Companies with the electricity charges (Report No. **FN-17-22** re: “Agreement for Water and Wastewater Billing and Collection Services - Contract Renewal with the Local Distribution Companies”).

The 2026 Water and Wastewater Rate-Supported Budget has a 6.0% rate increase, which is comprised of a 3.0% increase driven by capital financing required to support the State-of-Good-Repair capital program, a 2.5% increase to operate and maintain the water and wastewater system, and a 0.5% increase to fund enhancements to the Basement Flooding Mitigation Program. The water and wastewater rate increase of 6.0% is in line with the guideline set out in the 2026 Budget Directions (Report No. **FN-17-25**). The 2026 Rate-Supported Budget includes the assumptions of 0.0% consumption growth and 1.4% customer growth.

2026 Budget Rate Increase				
	Net Expenditure Increase	Customer Growth	Consumption Growth	Rate Increase
Water & Wastewater Services ( <b>FN-31-25</b> )	6.7%	1.4%	0.0%	6.0%

As shown in the following table, for a typical residential home using 226 cubic metres (m³) of water per year, this will result in an additional \$71 annually in 2026 for water and wastewater charges combined.

Rate Impact On a Typical Residential Customer (226 m³ / Year)						
2025		2026		Change*		
Budget		Budget		\$	%	
Water	\$ 545	\$ 577	\$ 32	5.8%		
Wastewater	628	667	39	6.3%		
Total	\$ 1,173	\$ 1,244	\$ 71	6.0%		

Schedule may not add due to rounding

\*Based on 0.0% consumption growth and 1.4% customer growth

# 2026 Budget Overview

The requested 2026 Gross Operating Budget is \$1.2 billion for Regional Services and \$264.6 million for Police Services, resulting in \$1.5 billion for combined services. The increase in the gross operating budget for Regional Services is \$37.2 million, comprised of \$19.0 million for tax-supported services and \$18.1 million for rate-supported services.

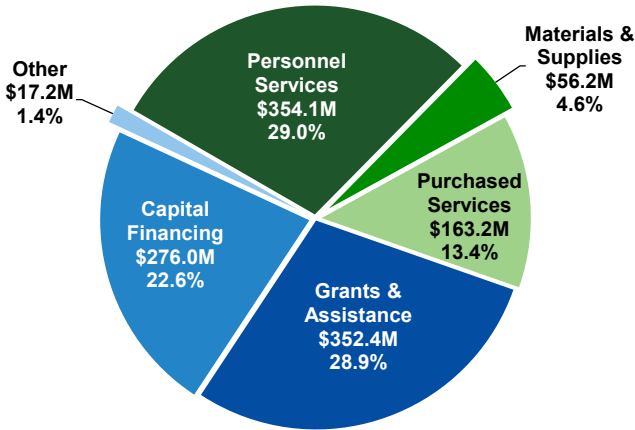
Halton Region 2026 Gross Operating Budget (\$000s)					
	2026			2025	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget *	Change
Regional Services	\$ 909,578	\$ 309,579	\$ 1,219,157	\$ 1,182,002	\$ 37,155
Police Services	264,580	n/a	264,580	245,203	19,377
Total	\$ 1,174,158	\$ 309,579	\$ 1,483,737	\$ 1,427,206	\$ 56,531

Schedule may not add due to rounding.

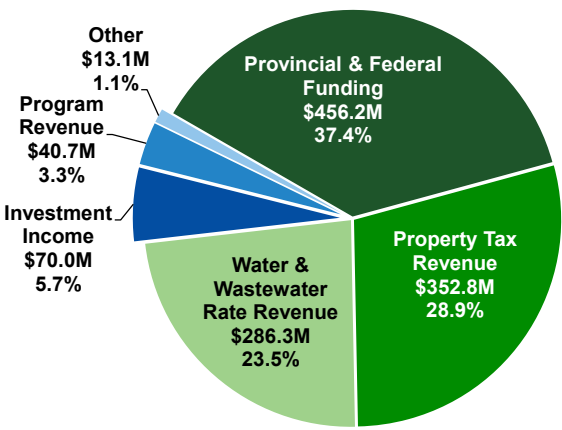
\* Operating Budget for Regional Services amended as set out in Report Nos. **FN-10-25** & **SS-05-25**

The following charts illustrate the breakdown of the \$1.2 billion in the Gross Operating Budget for Regional Services by cost category and funding source. The \$1.2 billion Gross Operating Budget for Regional Services includes financing of \$276.0 million for the capital program for Regional Services.

2026 Tax & Rate Gross Expenditures: \$1.2 Billion



2026 Tax & Rate Gross Revenues: \$1.2 Billion





The requested 2026 Gross Capital Budget is \$826.5 million, consisting of \$815.0 million for Regional Services and \$11.4 million for Police Services. The Gross Capital Budget is financed by reserves, development charges, debt and other external recoveries. Additionally, Council approved capital projects budgeted for 2024 to 2026 as part of the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**). To provide an appropriate representation of the 2026 capital program, the summary below includes \$781.6 million from the 2023 Allocation Program which is the average of one year of approved budget from 2024 to 2026 in the 2023 Allocation Program. As a result, the total Gross Capital for 2026 is \$1.6 billion.

<b>2026 Gross Capital Budget Halton Region (\$000s)</b>					
	<b>2026</b>			<b>2025</b>	
	<b>Tax Budget</b>	<b>Rate Budget</b>	<b>Total Budget</b>	<b>Approved Budget</b>	<b>Change</b>
Regional Services	\$ 373,968	\$ 441,078	\$ 815,046	\$ 806,223	\$ 8,823
Police Services	11,425	n/a	11,425	21,672	(10,246)
<b>Total Requested Budget</b>	<b>\$ 385,393</b>	<b>\$ 441,078</b>	<b>\$ 826,471</b>	<b>\$ 827,895</b>	<b>\$ (1,424)</b>
2023 Allocation Program	326,473	455,103	781,576	781,576	-
<b>Total</b>	<b>\$ 711,866</b>	<b>\$ 896,181</b>	<b>\$ 1,608,047</b>	<b>\$ 1,609,470</b>	<b>\$ (1,424)</b>

Includes financing costs, schedule may not add due to rounding

\*Approved through Report No. CA-02-24/PW-04-24/FN-05-24

Further details on the Operating and Capital Budgets are provided later in this section, and in the Tax and Water & Wastewater Overview sections.

As part of the annual budget development process, the Region ensures continued financial sustainability through effective financial planning and risk management, which has resulted in maintaining a AAA/Aaa credit rating and tax rate increases at or below the rate of inflation. To achieve this objective, the 2026 Budget has been prepared based on the following budget principles:

- The annual budget is prepared in accordance with the financial plans, annual targets and policies approved by Regional Council.
- Halton's strong financial position and financial planning principles will be upheld to ensure the Region's AAA/Aaa credit rating is maintained.
- Strategic investments in additional staff or other resources resulting from growth, program enhancements or additional federal and provincial funding require a business case to be considered by Council as part of the annual budget process.
- The Annual Budget includes investment in the state-of-good-repair of the Region's assets to maintain a good overall condition of the assets as the Region's infrastructure continues to age and expand.
- Regional programs are funded from sustainable revenues to ensure ongoing expenditures are not funded from temporary or one-time revenues.
- 10-year Operating and Capital Budget forecasts are prepared.
- All growth-related capital costs that can be recovered under the *Development Charges Act* (DCA) will be recovered from development charge revenue.
- In order to proceed with growth in the Region, an acceptable financing plan must be approved by Council prior to development proceeding.
- Halton's own debt limits are not exceeded throughout the 10-year forecasts.
- Reserves are maintained at levels to ensure financial sustainability to support the state-of-good-repair of Regional assets, tax and rate stabilization reserve targets, and to fund specific program requirements.
- The Budget that is presented to Halton Region tax and rate payers is clear and easy to understand and meets the highest principles of governmental budgeting, as evidenced by the annual receipt of the Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada (GFOA).

The following chart highlights the process undertaken to prepare the 2026 Tax-Supported and Rate-Supported Budgets for Regional Services.

2026 Budget Process						
	Report	Date	Tax Increase	Assessment Growth	Rate Increase	Consumption / Customer Growth
2026 Forecast	<b>FN-34-24</b>	December 11, 2024	3.0%	1.9%	5.0%	0.0% / 1.4%
2026 Budget Directions	<b>FN-17-25</b>	July 9, 2025	3.5%	1.8%	6.0%	0.0% / 1.4%
2026 Budget	<b>FN-31-25</b>	December 10, 2025	3.3%	1.8%	6.0%	0.0% / 1.4%

### Tax-Supported Budget Process

The 10-Year Operating Budget & Forecast in the 2025 Budget and Business Plan (Report No. **FN-34-24**) projected the tax increase for Regional Services in 2026 to be 3.0%. The forecast was developed based on existing program financing plans, program-specific assumptions with respect to provincial funding, and expected inflationary and growth factors. For the 2026 Budget Directions (Report No. **FN-17-25**), the tax forecast budget model assumptions reflected updated information, including adjusted program financing plans, assessment growth and provincial funding announcements. Council approved the 2026 Budget Directions with a tax rate increase not to exceed 3.5%, which included an 2.5% inflationary increase plus an additional 1.0% increase required to address pressures related to the continued recovery from the extended period of high inflation on goods and services; investments in health and social services where provincial funding does not keep pace with inflation and growth; increasing demand for services; and possible impacts related to tariffs, where known. Through the development of the 2026 Budget, staff undertook a detailed review of program costs, confirmed funding assumptions based on the latest information available, and identified efficiencies and resource allocations to address priorities. This has resulted in a tax rate increase of 3.3% for Regional Services, which achieved the target set through the 2026 Budget Directions.

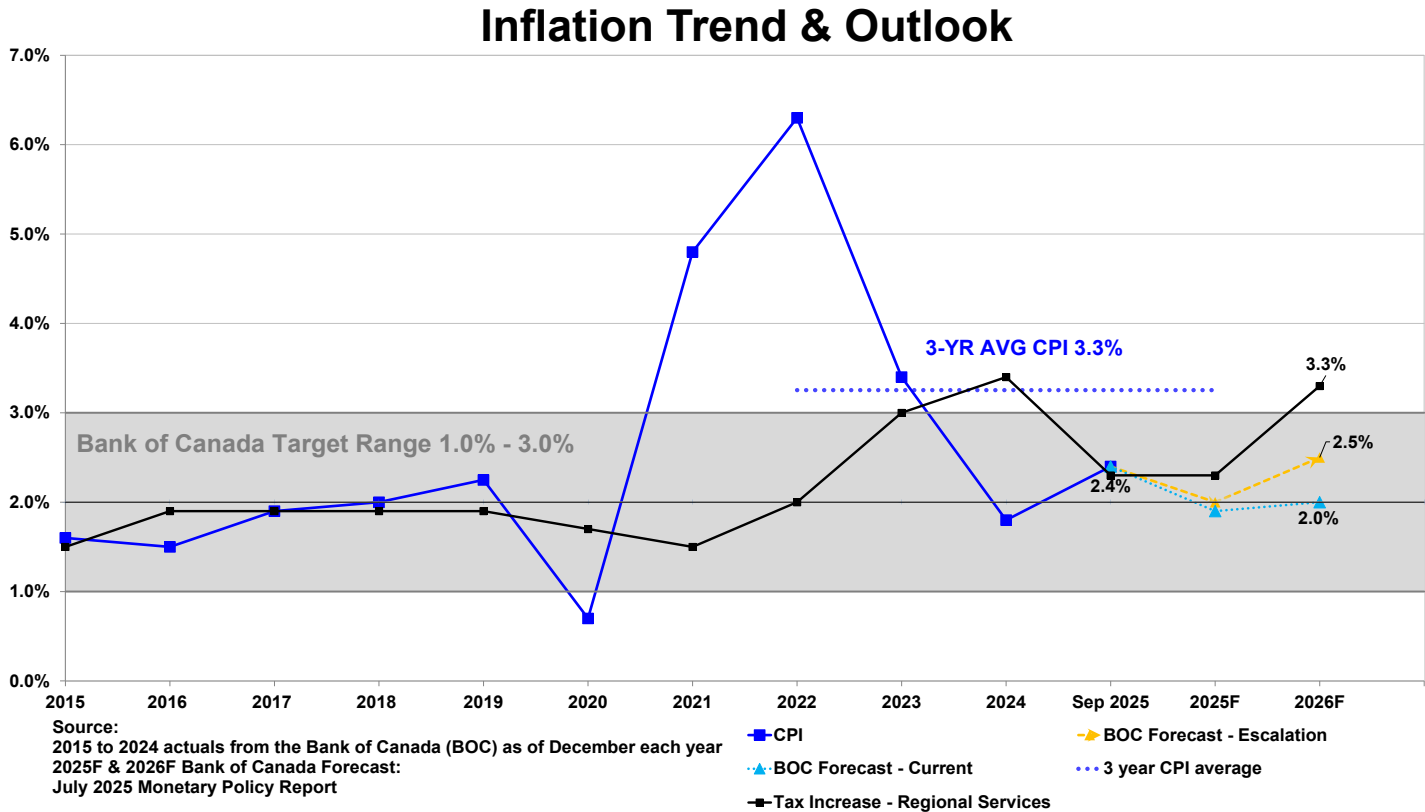
The outlook for inflation is difficult to assess given the continued uncertainty in market and economic conditions due to trade policy. Tariffs generally result in increased prices for the importing countries, leading to expectations of higher inflation. Offsetting these pressures are energy prices, which have been falling since the beginning of the year. Overall, inflation forecasts have been adjusted marginally higher, with a return to the 2.0% target during 2026, however tariffs and trade uncertainty are expected to continue to weigh on Canadian economic activity.

In Canada, aggressive monetary policy has been successful in lowering inflation towards the 2.0% target, however the latest data available at the time of budget finalization (September 2025) saw a rise in inflation to 2.4% from 1.9% in the previous month. After removing the impact of eliminating the carbon tax, inflation has been on an upward trend since the end of 2024. Excluding gasoline, the CPI rose 2.6% in September, after increasing 2.4% in August. It is possible that inflation will move even higher in the short term due to the impact of tariffs, but a weakening labour market and slower economy will most likely lead to further interest rate cuts. As it becomes extremely difficult to forecast economic outcomes, the Bank of Canada presented various economic scenarios in their July 2025 Monetary Policy Report. Based on the current economic conditions, with potential impacts based on escalation and de-escalation scenarios, inflation is forecasted to be between 2.0% and 2.5% in 2026.

The Bank of Canada closely monitors the effectiveness of its actions, along with fiscal and other policy actions taken, to assess whether inflation is moving towards their 2.0% target. This target is set jointly by the Bank of Canada and the Federal Government and, since 1991, has shown that the best way to foster confidence in

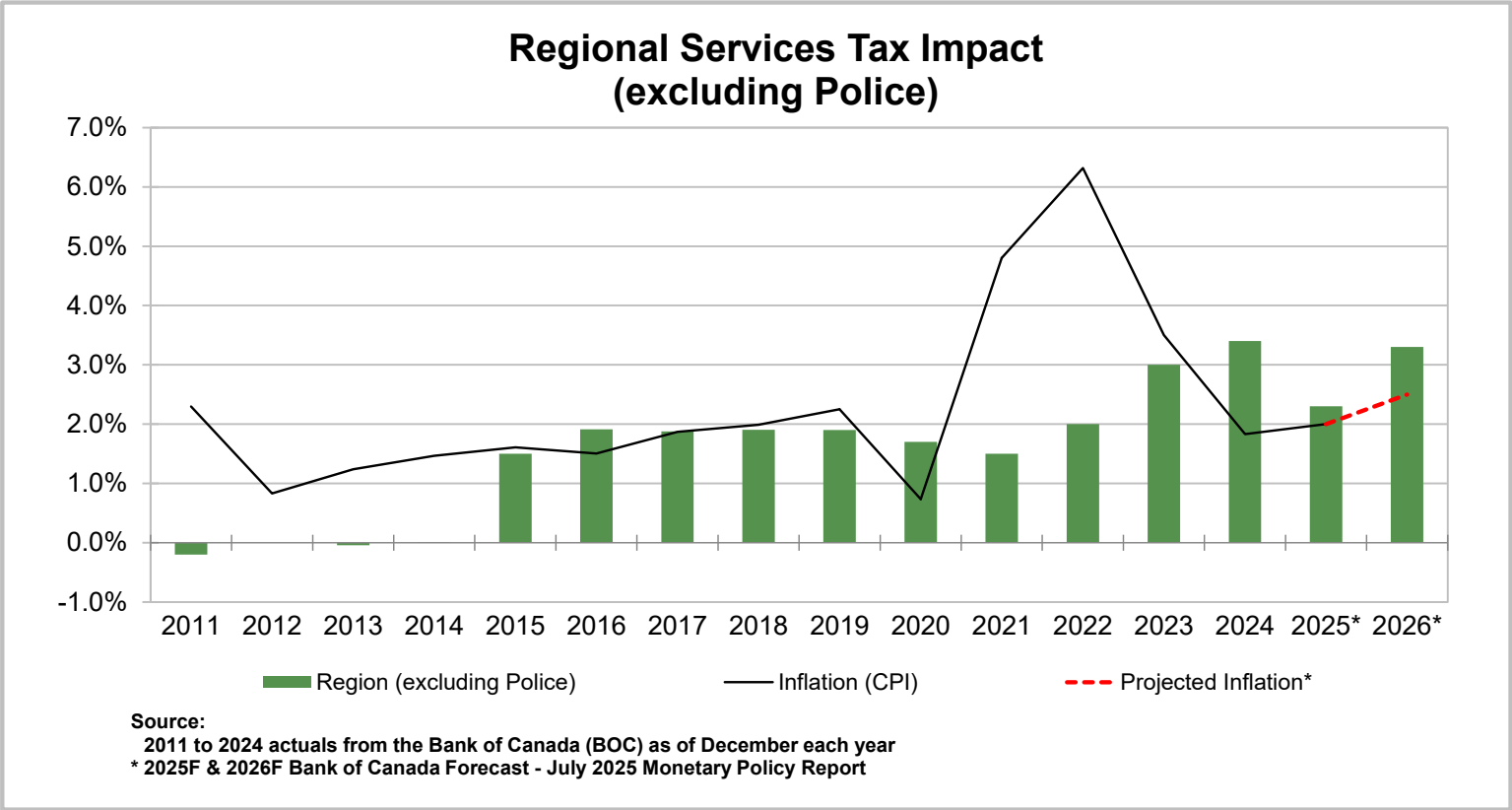
the value of money and to contribute to sustained economic growth, employment gains and improved living standards is by keeping inflation low, stable and predictable. The inflation-control target guides the Bank of Canada decisions on the appropriate setting for monetary policy, which is aimed at maintaining a stable price environment over the medium term. The Bank of Canada’s inflation control target remains at 2.0%, which is the midpoint of the Bank’s 1.0% to 3.0% target range.

As shown in the following chart, the average inflation over the past three years (2022-2025) was 3.3%. The Region continues to experience significant increases in the cost of goods, services, and construction resulting from the extended period of high inflation as well as overall market and economic conditions. In particular, significant increases are being experienced in the waste management contracts, software and subscription-based services, construction, as well as numerous other contractual costs for goods and services.

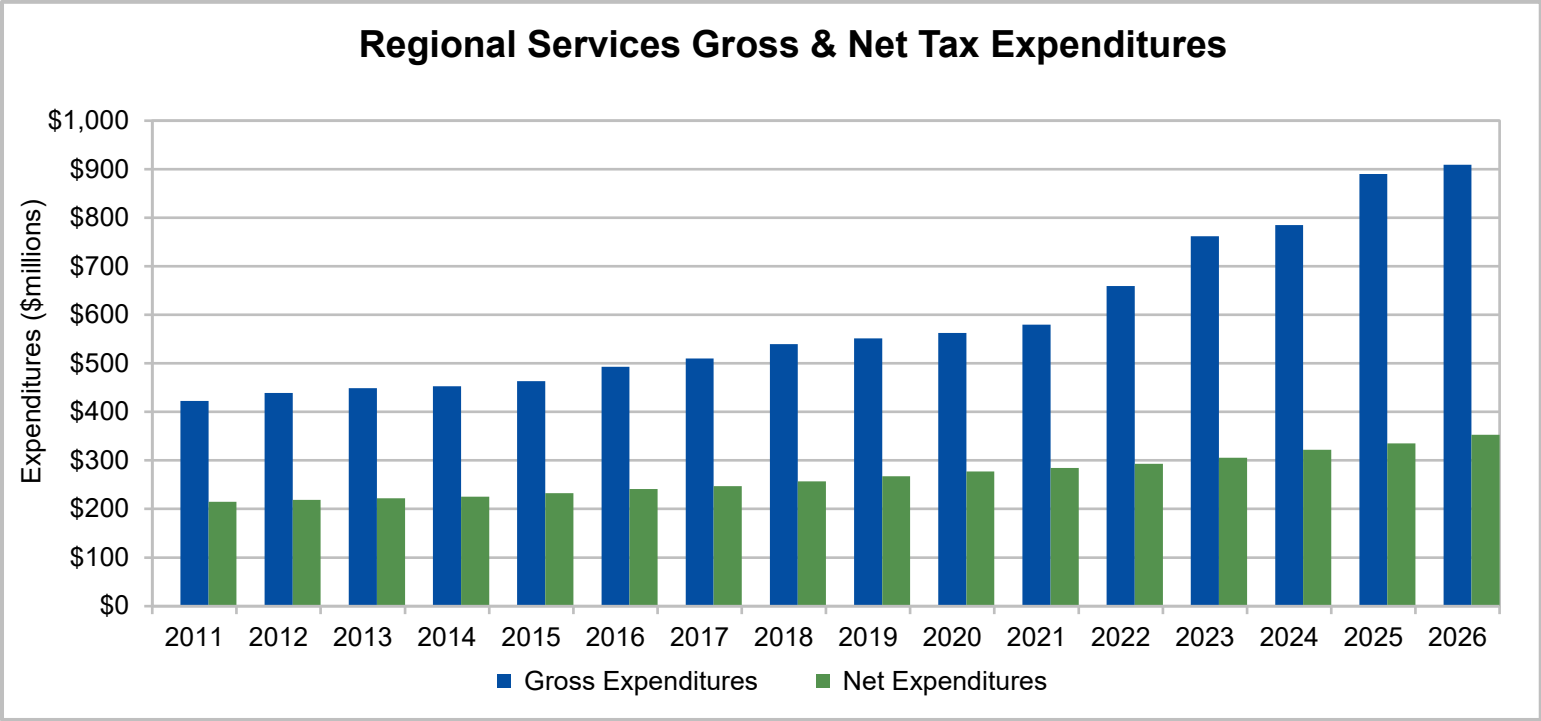




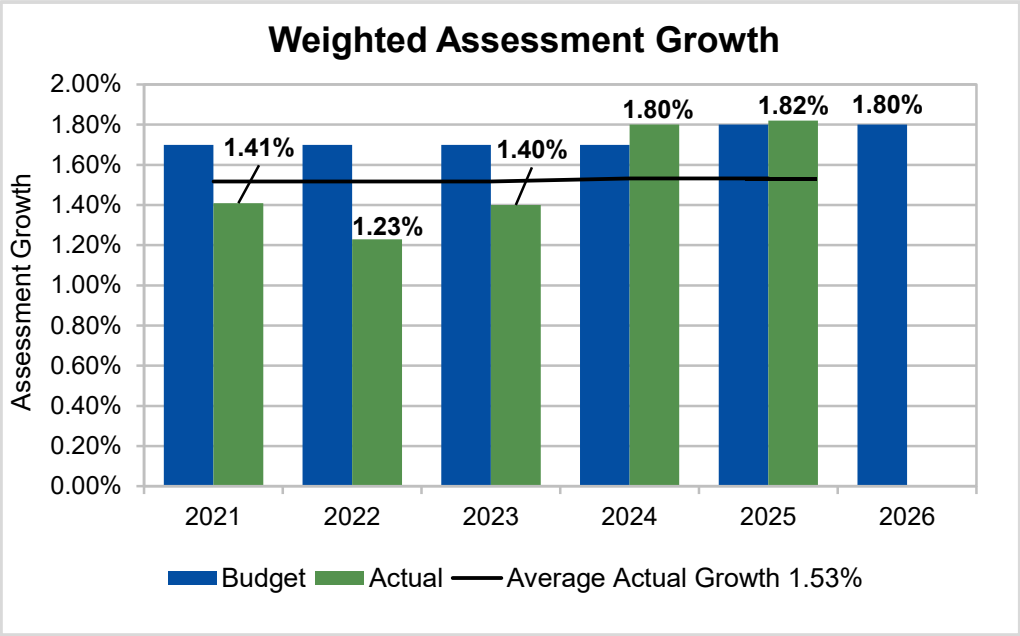
The Regional Services Tax Impact chart below provides the history of property tax increases and inflation. The Region has successfully delivered an average property tax increase of 1.5% for Regional Services from 2011 to 2025, while maintaining or enhancing core services as outlined in the Strategic Investments section. As shown in the graph below, throughout 2021, 2022, and 2023, actual inflation was significantly higher than the tax increases for Regional services, creating a gap between the budget and the actual cost of goods and services for these years that has put pressure on the Region's budget starting in 2024 as the Region continues to reflect actual costs for goods, services and construction through the annual budget process.



The Region has kept the average property tax rate increases at or below the rate of inflation even though gross expenditures have increased at an average rate of 5.3%, while net expenditures (after deducting federal and provincial funding, other revenues and recoveries) have increased at an average rate of 3.2%, as shown in the Gross & Net Tax Expenditures chart below. The increase in gross expenditures has been impacted over the past several years by significant increases in expenditures related to provincially-funded programs such as the Canada-Wide Early Learning and Child Care System in Children's Services and the increase in Direct Care Hours in Long-Term Care. The net expenditure increases were offset by the increase in the Region's assessment base due to average growth of 1.7% over the same 15-year period, resulting in an average tax increase of 1.5%. The Region has, for many years, identified savings and reallocated resources to priority areas to address program pressures and service levels, which has helped bring the tax increase down to the average of 1.5%.



When estimating assessment growth, it is important to look at historical data as well as growth and development in Halton Region. As shown in the following chart, the actual assessment growth has fluctuated, with growth ranging from 1.23% to 1.82% over the past five years, and an overall average of 1.53% over the past five years. In line with last year’s actual growth, staff recommend maintaining the assessment growth target of 1.80% as part of the 2026 budget. This assessment growth reflects the data provided by the Municipal Property Assessment Corporation (MPAC), which indicates that Halton is growing faster than other municipalities across the province. Over the next few years, assessment growth is anticipated to increase as a result of the Local Municipalities’ housing pledges to support the provincial housing target to achieve 1.5 million homes by 2031. It is important to note that assessment growth is impacted by property tax write-offs resulting from successful assessment appeals to the Assessment Review Board (ARB) and MPAC. Assessment growth is scheduled to be finalized with the final tax roll returned to municipalities on December 9, 2025. Any growth realized over or under the provision in the budget (1.8%) will be transferred to or from the Tax Stabilization reserve, as recommended in Report No. **FN-31-25** (re: “2026 Budget and Business Plan and Disposition of the 2025 Surplus”).



### Rate-Supported Budget Process

The 10-Year Operating Budget & Forecast in the 2025 Budget and Business Plan (Report No. **FN-34-24**) projected a rate increase of 5.0% in 2026. The forecast was developed based on existing program financing plans and program-specific assumptions with respect to expected inflationary and growth factors. For the 2026 Budget Directions (Report No. **FN-17-25**), the rate forecast budget model maintained the water consumption (0.0%) and customer growth (1.4%) projected in the forecast, and included capital financing based on the Asset Management Plan and Updated Asset Management Policy as set out in Report No. **PW-14-25/FN-13-25** (re: “2025 Asset Management Plan and Updated Asset Management Policy”). Due to increased pressures required to operate and maintain the water and wastewater system, and additional funds required to enhance the Basement Flooding Mitigation Program, the target was increased to 6.0% from the 5.0% projection. Based on these factors, Council approved the 2026 Budget Directions with a rate increase not to exceed 6.0% for Water and Wastewater services.

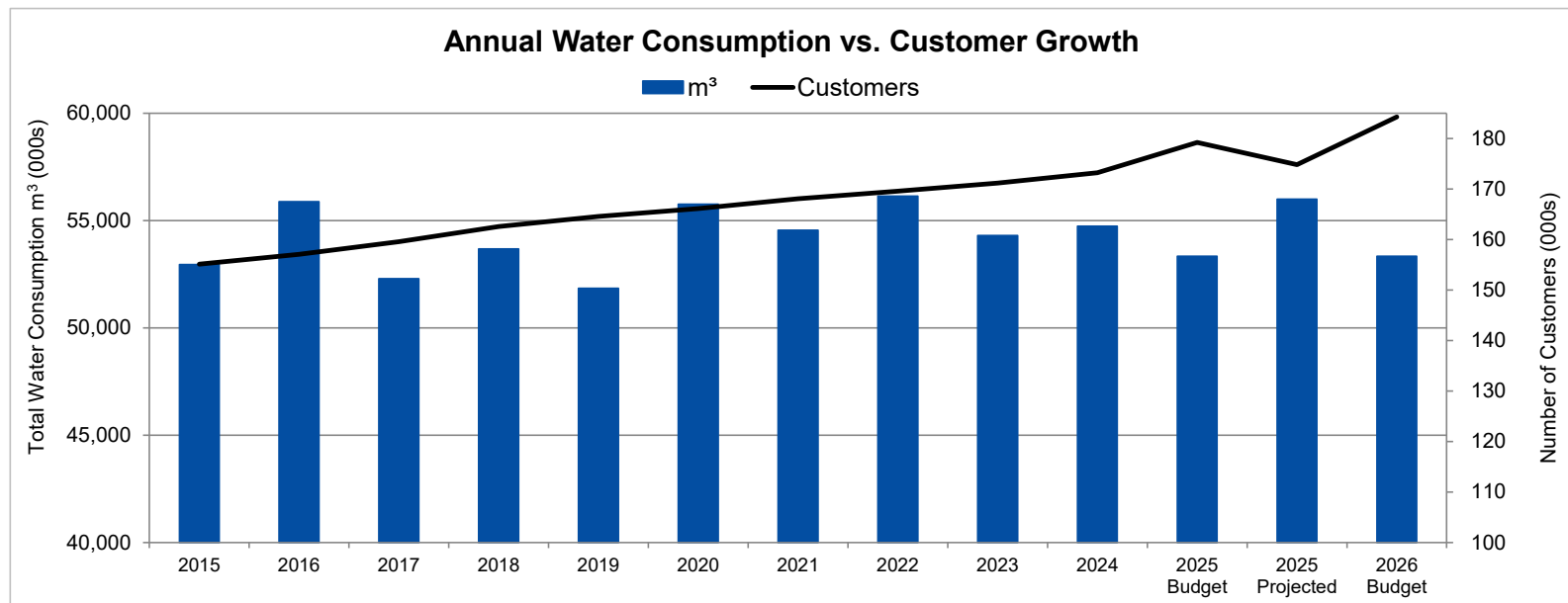


As shown in the following table, Halton's average water and wastewater rate increase since 2011 has been 4.1%, which is lower than other municipalities across the Greater Toronto and Hamilton Area. The increases in the water and wastewater rates are largely driven by requirements to support the State-of-Good-Repair capital program, with increases to support operations and maintenance costs at or below the rate of inflation.

Municipality	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Average
Halton	4.1%	3.5%	4.8%	4.3%	4.9%	5.0%	5.1%	3.8%	3.7%	3.3%	2.6%	2.8%	4.1%	4.3%	5.5%	4.1%
Toronto	9.0%	9.0%	9.0%	9.0%	8.0%	8.0%	5.0%	5.0%	4.0%	3.0%	1.5%	3.0%	3.0%	3.0%	3.7%	5.5%
Peel	9.1%	8.0%	7.0%	7.4%	7.0%	9.0%	4.3%	6.5%	6.5%	7.2%	5.5%	5.8%	7.9%	6.8%	5.9%	6.9%
Durham	4.5%	6.4%	8.4%	6.5%	5.0%	5.0%	3.6%	4.0%	1.8%	2.3%	0.8%	1.8%	4.3%	7.4%	5.0%	4.4%
Hamilton	4.3%	4.3%	4.3%	4.0%	4.2%	4.7%	4.9%	4.5%	4.7%	4.1%	4.3%	5.0%	6.5%	10.0%	10.0%	5.3%

Water consumption has varied over the years mainly due to changing seasonal conditions, as shown in the following chart. During the COVID-19 pandemic, there was an increase in residential water consumption as a result of the shift to more residents working from home. This trend has continued post-pandemic, however water consumption is starting to normalize to pre-pandemic usage trends. As such, the 2026 Budget continues to reflect 5-year actual average seasonal conditions and pre-pandemic consumption trends, with 0.0% consumption growth projected for 2026.

The 2026 Budget reflects a 1.4% increase in customer growth. The number of water and wastewater customers continues to grow, although at a slower rate than anticipated in the last several years. This trend is not expected to continue in the long-term, as customer growth is anticipated to accelerate as a result of the Local Municipalities' housing pledges to support the provincial housing target to achieve 1.5 million homes by 2031.



## 2026 Key Budget Drivers

 <b>Economic Conditions</b>	 <b>Health &amp; Social Services Funding</b>	 <b>Demand for Services</b>	 <b>Growth Infrastructure Financing</b>	 <b>Digital Strategy Implementation</b>
<ul style="list-style-type: none"><li>▪ Significant contractual increases beyond the rate of inflation continue to impact the cost of goods, services, and construction</li></ul>	<ul style="list-style-type: none"><li>▪ Increased Regional investment to maintain service levels in cost-shared programs where the provincial funding received is less than the intended cost-share level</li><li>▪ Investments to support the health and well-being of the community</li></ul>	<ul style="list-style-type: none"><li>▪ Growing demand for programs and services, in particular, Paramedic Services, Assisted &amp; Supportive Housing, and Low-Income Supports</li></ul>	<ul style="list-style-type: none"><li>▪ Significant pressure on the cost of delivering infrastructure due to accelerated growth and increased construction costs</li></ul>	<ul style="list-style-type: none"><li>▪ Continued investment to enhance the delivery of high-quality, digital services</li></ul>

## Strategic Priorities

Halton Region's **2023-2026 Strategic Business Plan** (Report No. **CA-05-23**) establishes Regional Council's priorities for its four year term. The Strategic Business Plan is comprised of the following four themes which reflect Council's priorities in the 2026 Budget:

- Community Well-Being
- Infrastructure and Growth
- Climate Change and the Environment
- Excellence in Government



### Community Well-Being

Halton Region is committed to protecting and enhancing the health and safety of the community. The Region's programs and services continue to respond to changing demographics and needs of residents. The Region is focused on collaborating with partners to deliver the programs, services, and supports that the community needs to be safe and healthy. Key priorities include expanding assisted and supportive housing, and emergency shelter options in partnership with the Federal and Provincial Governments, preventing illness and improving the health of residents while reducing health inequities, improving Paramedic Service response times, advancing community safety and well-being, and aligning key human services with new provincial policy directions.

The following drivers are highlighted in the Community Well-Being section:

- Comprehensive Housing Strategy 2025-2035
- Preventing and Responding to Homelessness
- Community Safety and Well-Being Plan and the Halton Region Community Investment Fund
- Paramedic Services
- Children's Services
- Building Safer Communities Fund

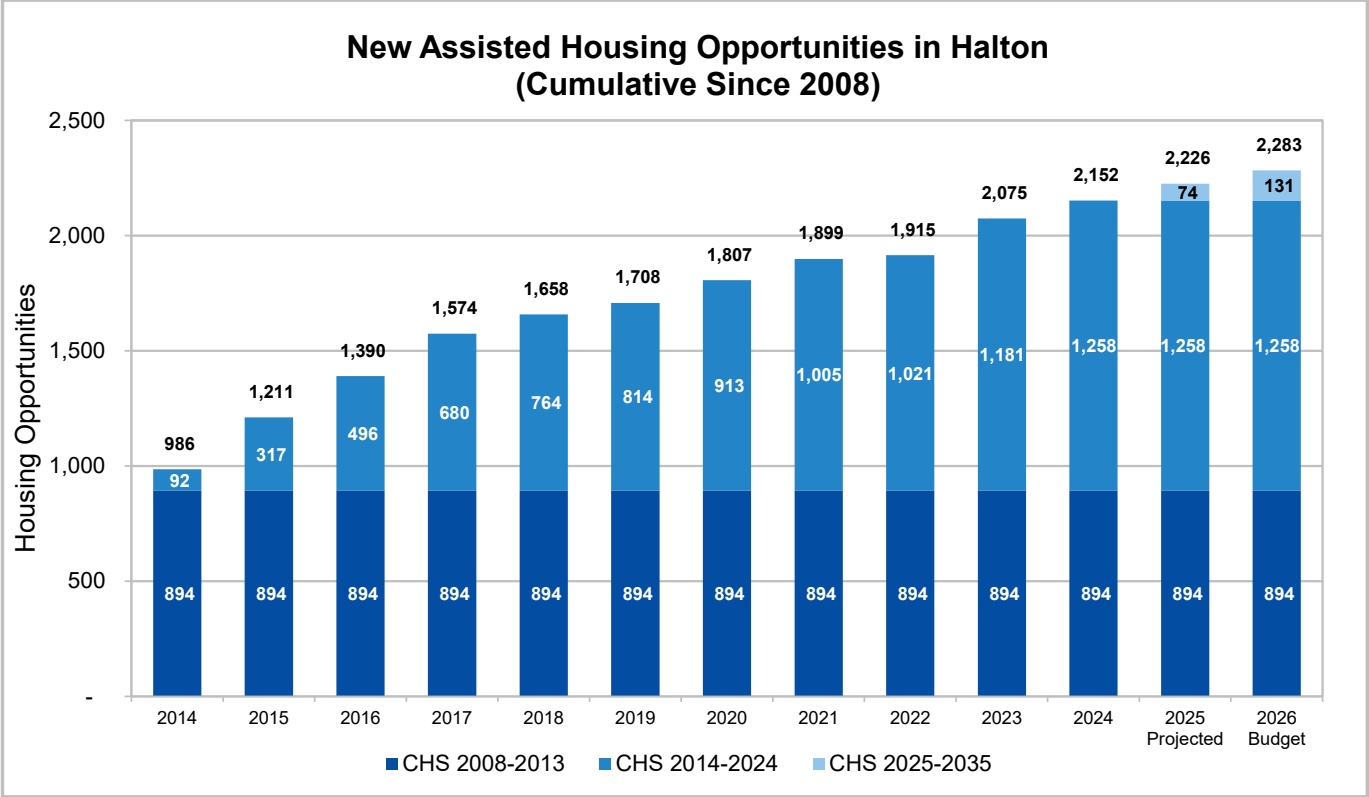
#### Comprehensive Housing Strategy 2025-2035

A key priority identified in the **2023-2026 Strategic Business Plan** is to expand assisted and supportive housing. As reported in Report No. **SS-11-25** (re: "Comprehensive Housing Strategy 2025-2035"), Halton Region has developed a new **Comprehensive Housing Strategy 2025-2035 (CHS)** to reflect current and future housing priorities for Halton Region. The updated CHS was informed by extensive analysis of housing needs in Halton as well as community consultation involving individuals with lived experience, the Local Municipalities, homelessness and community service agencies, and supportive and community housing providers. The four priorities of the updated CHS are to strengthen Halton's homelessness response system, protect and retain existing community housing stock, create new assisted and supportive housing, and advocate for increased funding for housing in Halton.

Halton Region creates assisted and supportive housing opportunities for residents by acquiring new rental units through construction, the preservation of existing stock and the provision of Regional subsidies to make rental costs more affordable. Over the last ten years, Halton Region has utilized \$65 million in Regional funding, \$22 million in Development Charge funding, \$23 million in Federal funding, and \$52 million in Provincial funding to create new assisted and supportive

housing units. Through the Region’s significant investment, together with the Federal and Provincial Governments’ previous investments, Halton successfully delivered a total of 1,258 additional new assisted and supportive housing opportunities through the Region’s Comprehensive Housing Strategy (2014-2024).

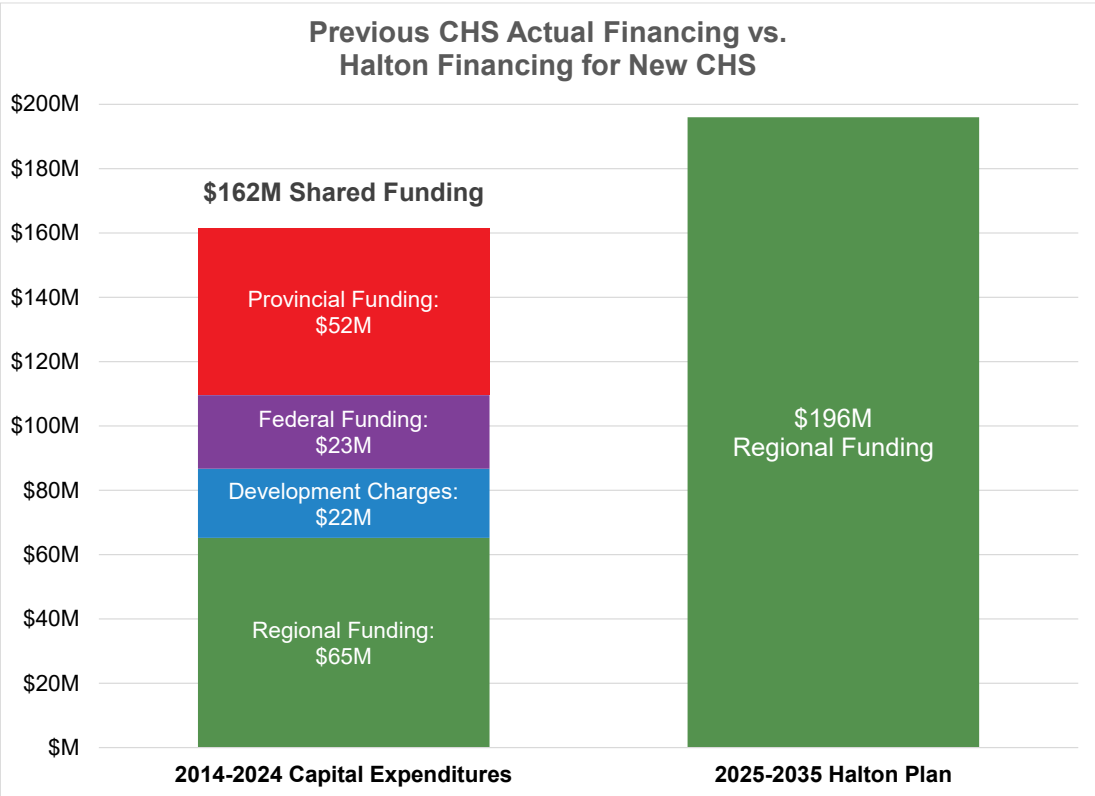
As reported through the Region’s **Comprehensive Housing Strategy 2025-2035 (CHS)**, to keep pace with the 1,258 new units achieved under the previous strategy (2014-2024) and to continue to meet the growing demand, Halton Region aims to create 1,350 new assisted and supportive housing opportunities by 2035 with one-third of the required funding provided from each level of government. This includes a standalone commitment to create 450 housing opportunities with Regional investment alone, with matching funding support from the Provincial and Federal Governments to provide 900 additional housing opportunities. Of this total, Halton is projected to successfully deliver 131 additional new assisted and supportive housing opportunities by the end of 2026.



The 2026 Operating Budget supports the CHS 2025-2035 with an increased investment of \$585,000 to deliver new housing opportunities in the Region. Of the \$585,000 increase, \$300,000 will be used to fund the Regional New Units reserve, bringing the total annual funding to \$11.8 million, and \$285,000 will support projected growth of 20 units in the Rent Supplement program. The 2026 Budget also includes a strategic investment proposed for 2.0 FTEs to support the ongoing increase in demand for Housing programs and services, fully offset with funding provided through the Canada-Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI) with no net tax impact.



The following chart shows the Region's 10-year capital financing plan for the CHS 2025-2035 that has been incorporated in the 2026 Budget and Forecast. This funding plan is anticipated to create 450 housing opportunities based on current market conditions. Matching funding will be required from the Federal and Provincial Governments to achieve the targeted 1,350 units over the next 10 years. At this time, Federal and Provincial funding has not been confirmed and staff will continue to advocate for increased funding for housing in Halton Region. A collaborative partnership across all levels of government is critical to address the current complex and evolving housing needs of the Halton community.



The enactment of Bill 23 eliminated housing services as an eligible expense for which the Region can collect DCs, which resulted in a loss of approximately \$50 million over 10 years that was estimated to be recovered from DCs. Municipalities, the Province and the Federal Government have all identified assisted housing as a priority and contribute to the delivery of new units. The Region has been very successful over the last 17 years in delivering new units consistent with the Region's Comprehensive Housing Strategy. The revenues collected through the Housing Services DCs were an important source of funding in the delivery of assisted and supportive housing. The 2026 Budget continues to include \$5.0 million in the capital transfer to the Regional New Units reserve to offset the loss of development charges revenues as a result of Bill 23.

### **Preventing and Responding to Homelessness**

The Homelessness Prevention Program provides emergency shelter, street outreach, supportive housing and homelessness prevention initiatives to temporarily house vulnerable residents or keep them housed safely in their current homes. Emergency shelter options are available for singles, couples and families across Halton Region. Hotels continue to be utilized for overflow purposes. In addition to basic needs, individuals admitted into emergency shelter programming receive a common intake and assessment that prioritizes them for housing opportunities. In 2025, Halton Region continued to enhance its street outreach capacity to provide additional response to encampments. This team meets with individuals experiencing homelessness to support them with emergency shelter, food security, mental health, transportation, and other supports. A Homelessness Action Table continues to meet with partners from Halton Region, the Local Municipalities, Halton Regional Police Service (HRPS), and health and social services and justice sectors to standardize processes and improve communications across Halton Region. Investment in homelessness prevention from the Provincial government for the 2025-26 fiscal year remains unchanged at \$14.3 million and no change is expected for the 2026-27 fiscal year.

As reported through Report No. **SS-05-25** (re: “Allocation of Provincial Homelessness Prevention Program Funding in 2025-2026 and Federal Reaching Home Update”) on November 18, 2024 the Federal Government announced a reversal of the previously planned funding cuts to the Reaching Home Program and provided incremental new funding for Halton Region. This positive outcome reflects the success of advocacy efforts by the Region and its partners, which emphasized the critical need for sustained funding to support vulnerable populations. The 2026 Budget reflects an increase of \$163,000, to a total of \$5.2 million, in Federal Reaching Home funding.

As reported through Report No. **SS-15-25** (re: “Update on Federal Funding Approvals for Homelessness Prevention and Housing Supports”), Halton Region has been awarded funding under two new programs: the Interim Housing Assistance Program (IHAP) and the Homelessness Reduction Innovation Fund (HRIF). Between these two funding streams, a pro-rated portion of this funding will be utilized in 2026 to strengthen Halton Region’s capacity to expand housing options for asylum seekers and pilot new approaches to preventing homelessness. These funding streams are being provided on a time-limited basis, with HRIF funding expiring July 31, 2026 and IHAP funding expiring March 31, 2027.

The homelessness system has become more complex and requires increased base federal and provincial funding to support vulnerable populations on a permanent, sustained basis. The Region will continue to advocate for appropriate and sustained funding for homelessness and supportive housing.

### **Community Safety and Well-Being Plan and the Halton Region Community Investment Fund**

The Region works with community partners on a wide range of issues to support residents who are vulnerable to negative social, economic or health outcomes. Two primary vehicles through which this occur are the Halton Community Safety and Well-Being (CSWB) Plan and the Halton Region Community Investment Fund (HRCIF), both of which serve as mechanisms to identify and respond to human service issues in a collaborative manner. Halton Region’s **Community Safety and Well-Being in Halton: A Plan for Collaboration and Action** outlines a model for collaboration, planning, and action to identify and address system-level issues that impact safety and well-being in Halton Region, particularly among priority populations that may be more vulnerable to negative health or social outcomes. Community Safety and Well-Being Action Tables address priority issues identified by the community, with significant progress made in many areas through the engagement of community partners and organizations.

The HRCIF is an important tool to support the CSWB Plan. Strong alignment between the HRCIF and CSWB Plan reinforces an integrated approach to planning and investment in keeping with Halton Region’s **2023-2026 Strategic Business Plan**. Between 2012 and 2025, the HRCIF has committed \$35.2 million through 582 grants for organizations in the areas of community health and social services to respond to current and emerging needs of Halton residents. As reported through **SS-17-25** (re: “Halton Region Community Investment Fund – 2025 Funding Summary”), programs approved in 2025 continue to address a broad range of human service needs and priorities to support the health, safety and well-being of Halton residents. A strategic investment is included in the 2026 Budget to further enhance the HRCIF by an additional \$500,000, bringing the total annual investment in the HRCIF to \$5.5 million.

As reported through Report No. **SS-13-25** (re: “Investing in Food Distribution to Enhance Food Security in Halton”), food insecurity is a growing concern in Halton. Rising food costs and economic instability are impacting residents, with low-income households experiencing the greatest strain. In response to this increasing food insecurity, Food for Life and FeedHalton submitted a joint request for \$1.0 million in ongoing, annual base funding to support core operating costs and enhance collaboration with the food rescue and food bank sector. As approved through Report No. **SS-13-25**, a \$1.0 million annual funding commitment effective January 1, 2026 is included in the 2026 Budget.

### **Paramedic Services**

As adopted through Report No. **MO-14-24** (re: “Paramedic Services 10-Year Master Plan Update”), the Master Plan for the period of 2025 to 2034 will serve as the strategic planning framework for public policy, organizational, capital, and operational decisions pertaining to the delivery of paramedic services. The Master Plan outlines the anticipated pressures that Paramedic Services is expected to face over the next 10-years as well as the paramedic, administrative and physical resources that will be required to address these pressures. The Master Plan projects that population growth and an increase in utilization rates is anticipated to result in an increase in paramedic calls of between 4%-6% annually. As outlined in Report No. **MO-11-25** (re: “Paramedic Services Division Annual Update”), over the past ten years, overall call volumes have increased by 40%, with an increase of 10% experienced in 2024.

The 2026 Budget includes strategic investments for 14.0 FTEs (12.0 Paramedics, 1.0 Operations Superintendent and 1.0 Operations Coordinator) and 12,823.2 relief hours to address pressures related to increasing call volume growth and maintenance of response times, with a total investment of \$3.0 million. Provincial funding is included based on the current funding model for a net tax impact of \$1.6 million.

In addition, the Master Plan recommended that the Paramedic Services Division move to a hub and spoke model which will require the construction of a new headquarters in the Town of Oakville, a North Operations Paramedic Centre and four smaller community stations in each Local Municipality. The Master Plan, through Report No. **MO-14-24**, approved the construction of the Paramedic Services Headquarters and as part of the 2026 Budget, \$114.7 million is included for this construction, and \$5.0 million is included to continue the design of the North Operations Paramedic Centre. Staff will report back to Council on the updated financial implications for the construction of the North Operations Paramedic Centre and the four community stations.

### **Children’s Services**

Canada-Wide Early Learning and Child Care (CWELCC) is a federal-provincial cost-shared program that intends to reduce the cost of child care for children aged 0-5 to \$10 a day. There have been incremental reductions in parent fees since 2022 when the program was launched. On January 1, 2025, parent fees were reduced to a maximum of \$22 a day alongside the new cost-based funding model. The total funding allocation from the Ministry of Education for early years and child care in Halton in the 2026 Budget is \$244.7 million, which is comprised of CWELCC cost-based funding of \$213.1 million; Local Priorities funding of \$23.9 million; EarlyON Child and Family Centre funding of \$4.8 million; and Administration funding of \$2.9 million. The 2026 Budget for CWELCC funding is based on 2025 funding levels, as the confirmed funding allocation for 2026 had not been received prior to finalization of the 2026 Budget and Business Plan. Staff are assessing implications for Halton and will report back to Regional Council in 2026 with further details.

As reported through Report No. **SS-14-24** (re: “A Canada-Wide Early Learning and Child Care Directed Growth Plan for Halton Region and Cost Based Funding Model Update”), the Children’s Services Division implemented a new child care funding model on January 1, 2025, in alignment with Provincial Government direction. This is a transformative change for both Halton Region and the early years and child care sector. This change shifts the child care sector from a revenue replacement model to a cost-based funding model based on legislated provincial benchmarks. Provincial funding now supports the majority of costs in all CWELCC funded child care environments.

In 2025, there are 107 CWELCC operators in Halton operating 274 child care sites (including three Regionally operated child care centres). The number of CWELCC spaces will total 19,981 by the end of 2026. As reported through Report No. **SS-09-25** (re: “Canada-Wide Early Learning and Child Care Program and Early Learning

and Child Care Plan”), all CWELCC spaces approved by the Provincial Government have been fully allocated in Halton until the end of 2026. No new spaces are available for allocation. The existing Provincial CWELCC funding and space allocation remains insufficient to meet the needs of Halton as a growing community. The Region continues to advocate to the Provincial Government for more CWELCC funding and spaces so that more Halton families can access affordable child care. The current federal-provincial CWELCC Agreement has been extended until December 31, 2026.

The 2026 Budget includes 7,500 relief hours proposed as a strategic investment to meet legislated child to educator ratios at the Regional Child Care Centres, fully offset with CWELCC funding with no net tax impact.

### **Building Safer Communities Fund**

As reported though Report No. **SS-21-22** (re: “Building Safer Communities Fund (BSCF) in 2022 – 2026”), the Building Safer Communities Fund (BSCF) is a federally funded initiative under Public Safety Canada. This funding was introduced as a targeted, time-limited contribution program totalling \$250 million for municipalities and Indigenous communities to develop community-based prevention and intervention strategies that aim to prevent gun and gang violence through local programming. Halton Region was selected to receive a funding allocation of approximately \$3.9 million over four years, which expires March 31, 2026. Although funding has not been confirmed beyond this date, it is anticipated to continue as the Federal Government has identified extending this program as a key priority to fight crime, protect Canadians, and build safer communities. As such, the program and funding have been extended in the 2026 Budget with an allocation of \$937,000, which will be utilized to support dedicated program resources and provide grants to community-based agencies. If this anticipated funding does not materialize, Halton Region will wind-down and end this program by December 31, 2026.



## **Infrastructure and Growth**

Halton Region is committed to ensuring that the necessary infrastructure and services are in place to support the Province’s objective of delivering 1.5 million new homes in Ontario by 2031, while maintaining Halton’s high quality of life as the Region continues to grow. Key priorities include delivering Regional infrastructure required to support housing growth and economic development in Halton’s communities, maintaining the Region’s infrastructure in a state-of-good-repair, improving access to transit, cycling and other active transportation on Regional roads, and promoting enhanced broadband services including 5G technology in both rural and urban areas. These priorities that are vital to Halton all need to be addressed while managing the impacts of extended periods of high inflation that have had a significant impact on the cost of goods, services and construction.

The following drivers are highlighted in the Infrastructure and Growth section:

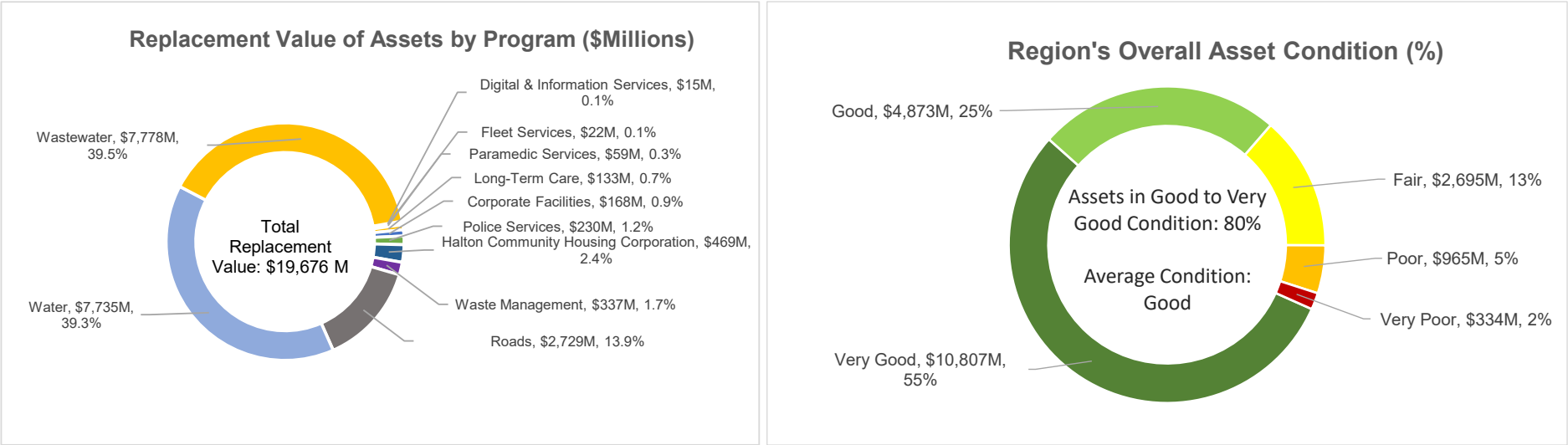
- Asset Management Plans and State-of-Good-Repair
  - Water and Wastewater
  - Roads
  - Waste Management
  - Corporate Facilities and Halton Community Housing Corporation



Asset Management Plans and State-of-Good-Repair

Halton Region places a high priority on maintaining assets and infrastructure in a state-of-good-repair to ensure the provision of services to residents, businesses, and institutions at the desired level, as presented through Report No. **PW-14-25/FN-13-25** (re: “2025 Asset Management Plan and Updated Asset Management Policy”). The Region’s 2025 Asset Management Plan is an assessment of the infrastructure state in compliance with the requirements of O. Reg. 588/17, aligns with industry best practices and international asset management standards, and provides a line of sight between capital investments and strategic priorities.

The 2025 Asset Management Plan assesses the Region’s state of the infrastructure, current and proposed levels of services, and provides a preliminary forecast of estimated financial investment needs to achieve them as outlined through Report No. **PW-14-25/FN-13-25**. The conditions of the Region’s assets are determined through dedicated technical condition assessment programs and supplemented with age relative to its remaining service life. Based on the results from these varying condition assessments, each asset is assigned one of five industry standard condition ratings of either Very Good, Good, Fair, Poor or Very Poor. As shown in the graphs below, Halton’s Asset Management Plan has resulted in 80 per cent of the Region’s infrastructure valued at \$19.7 billion being in Very Good to Good condition, which achieves the target set out in the **2023-2026 Strategic Business Plan**. The Region’s assets have significant value and are key resources to deliver many high quality services to the community. The 2025 Asset Management Plan concluded that the Region’s assets are functioning reliably and providing the desired services to the community with the overall average condition as Good. As the Region’s assets deteriorate over time, future financial investments will be required and staff will continue to monitor and assess the Region’s assets annually to ensure adequate investments are continued to maintain the asset condition set through the Strategic Business Plan. Halton Region also strives to achieve the lowest project delivery costs by bundling water, wastewater, and road replacement components as large contracts where reasonably practical.



In addition to the asset condition summary noted above, another indicator that has been used by municipalities to assess the adequacy of the financing for the state-of-good-repair infrastructure is the ratio of operating contributions to the amortization expense for these assets in the financial statements. A ratio of 1 indicates that the budgeted operating contributions are equivalent to the annual amortization expense in the financial statements. The target for this ratio should generally be greater than 1, as the amortization expense is based on historical costs, and therefore does not reflect the replacement costs of the assets or changes in standards, technology or legislation. For 2026, projected ratios for Water, Wastewater and Roads are as follows:

<b>2026 Reserve Contributions for State-Of-Good-Repair vs. Annual Amortization (\$000s)</b>				
	<b>Operating Transfers * (A)</b>	<b>Estimated Annual Amortization (B)</b>	<b>2026 Ratio (A)/(B)</b>	<b>2025 Ratio</b>
Water & Wastewater	\$ 183,450	\$ 90,877	2.0	1.7
Roads	\$ 68,539	\$ 27,578	2.5	2.5

\* Includes transfers relating to CCBF.

The 2026 operating contributions of \$183.5 million (including interest earnings) for the Water and Wastewater State-of-Good-Repair capital program result in a ratio of 2.0, and the \$68.5 million (including interest earnings) for the Roads State-of-Good-Repair capital program result in a ratio of 2.5. These ratios are based on the significant growth in assets that Halton has been experiencing as a growing community, and additional operating contributions provided, as discussed further below.

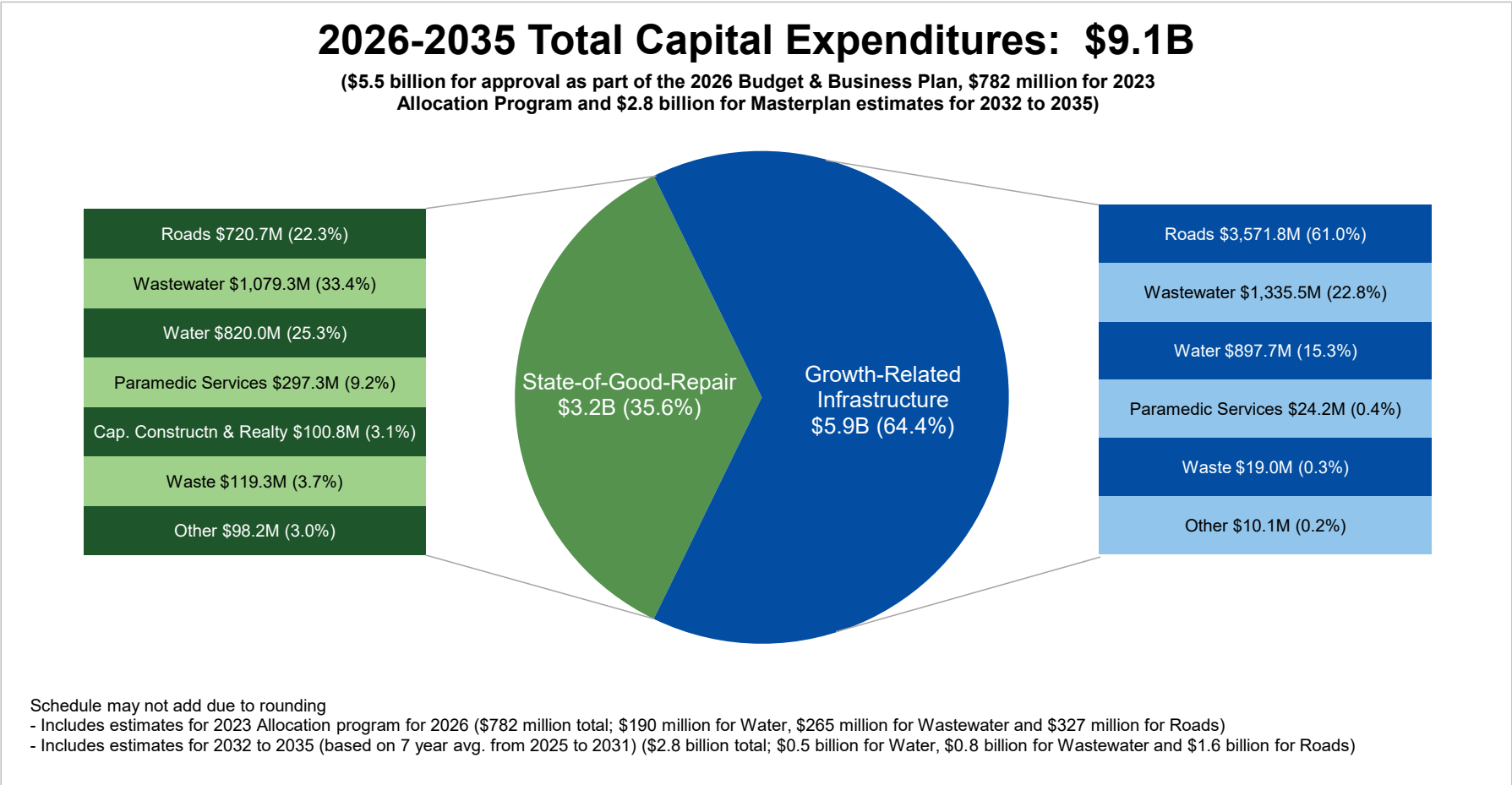
The Region has significant assets particularly in water, wastewater, roads, and waste management that are highlighted below. As of December 31, 2024, the total net book value of these assets was \$5.7 billion. As mentioned above, the replacement value of these assets is approximately \$19.7 billion. The rate of replacement of these assets is determined through the Asset Management Plan and incorporated in the Region's 10-year capital plan with the associated financing.

<b>Assets - Net Book Value (\$ Millions)</b>			
	<b>2023</b>	<b>2024</b>	<b>Change</b>
Water and Wastewater	\$ 3,627	\$ 3,857	\$ 230
Roads	1,116	1,200	84
Waste Management	72	74	1
Other*	571	562	(9)
<b>Total</b>	<b>\$ 5,387</b>	<b>\$ 5,693</b>	<b>\$ 306</b>

\* Includes Corporate Facilities, Social Housing, etc

The 2026 Budget and Business Plan includes a 10-year capital plan at a projected cost of \$9.1 billion. Of the \$9.1 billion 10-year capital plan, \$5.5 billion is presented to Council for approval as part of the 2026 Budget & Business Plan, and \$3.6 billion is related to the 2023 Allocation Program approved through Report No. **CA-02-24/PW-04-24/FN-05-24** (\$0.8 billion) and Master Plan estimates for 2032 to 2035 development water, wastewater and transportation (\$2.8 billion). The planning is underway to incorporate capital costs beyond 2031 with an updated master plan time horizon of 2051 as identified in Report No. **PW-35-25** (re: “Integrated Master Plan”). These costs are anticipated to be incorporated into the 2027 Budget and forecast once the implementation process is complete. The \$9.1 billion 10-year capital plan is broken down between \$5.9 billion that is projected to address growing infrastructure needs, and \$3.2 billion to address the State-of-Good-Repair capital program for existing infrastructure.

The following chart summarizes the Growth-Related Infrastructure (Development) capital expenditures and State-of-Good-Repair capital expenditures by program area.



As shown in the table below, the operating contributions to fund reserves included in the 2026 Budget in support of the entire \$3.2 billion State-of-Good-Repair capital program totals \$251.0 million. This includes \$19.5 million of federal government funding through the Canada Community-Building Fund (Report No. **FN-21-24** re: "Municipal Funding Agreement on the CCBF").

Operating Contributions to Capital Reserves (\$000s)			
	2025	2026	Change
<b>Rate Supported</b>			
Water & Wastewater	\$ 146,591	\$ 155,235	\$ 8,644
<b>Sub-Total</b>	<b>\$ 146,591</b>	<b>\$ 155,235</b>	<b>\$ 8,644</b>
<b>Tax Supported</b>			
Roads	51,990	51,990	-
Housing	11,665	11,998	333
Capital Construction & Realty	8,263	8,932	669
Waste Management	12,732	8,781	(3,951)
Digital & Information Services	5,321	5,614	293
Health	3,901	3,916	15
Vehicles	1,999	2,485	486
Corporate Services	1,064	1,103	39
Long-Term Care	2,265	865	(1,401)
Children's Services	66	66	-
<b>Sub-Total</b>	<b>\$ 99,266</b>	<b>\$ 95,749</b>	<b>\$ (3,517)</b>
<b>Total</b>	<b>\$ 245,858</b>	<b>\$ 250,984</b>	<b>\$ 5,126</b>

The \$251.0 million in operating contributions to fund reserves is a \$5.1 million increase compared to the 2025 contributions, driven primarily by an \$8.6 million increase to support the Water and Wastewater State-of-Good-Repair capital program. It is projected that the operating contributions will continue to increase throughout the forecast as the Region's infrastructure continues to expand, and the Region continues with a pay-as-you-go financing strategy for its State-of-Good-Repair capital program. The State-of-Good-Repair capital program and financing remains a significant driver of the tax-supported and rate-supported budgets throughout the 10-year forecast.

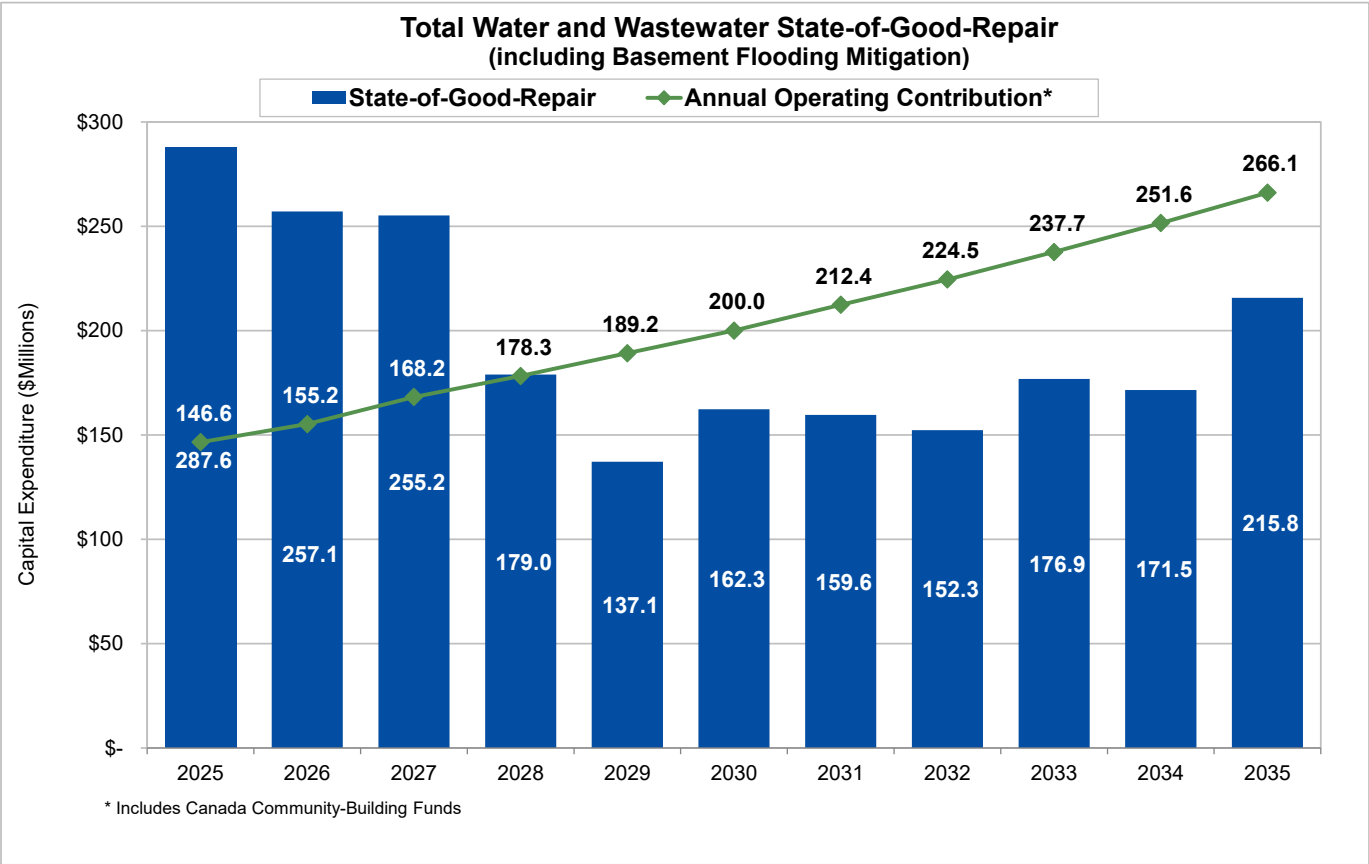
#### Water and Wastewater

The operating contributions included in the 2026 Budget in support of the Water and Wastewater State-of-Good-Repair capital program total \$155.2 million. These contributions are an \$8.6 million increase over the 2025 transfers to support the growing infrastructure base. The State-of-Good-Repair capital program is a significant driver of the rate-supported budget throughout the 10-year forecast requiring a 2.3% to 3.0% rate impact for capital financing investment each year.

The following chart shows the projected operating contributions to reserves, compared to the expenditures that are required to keep the Water and Wastewater infrastructure in a state-of-good-repair. The appropriate level of operating contribution will continue to be refined based on the lifecycle models to ensure the proper



maintenance of the Region's existing aging assets as well as the new assets constructed as part of the Region's growth-related infrastructure (Development). The total operating contributions over the forecast period increase from \$155.2 million in 2026 to \$266.1 million in 2035 to address the impact of inflation on construction prices along with the long-term capital needs assessment in the lifecycle models.

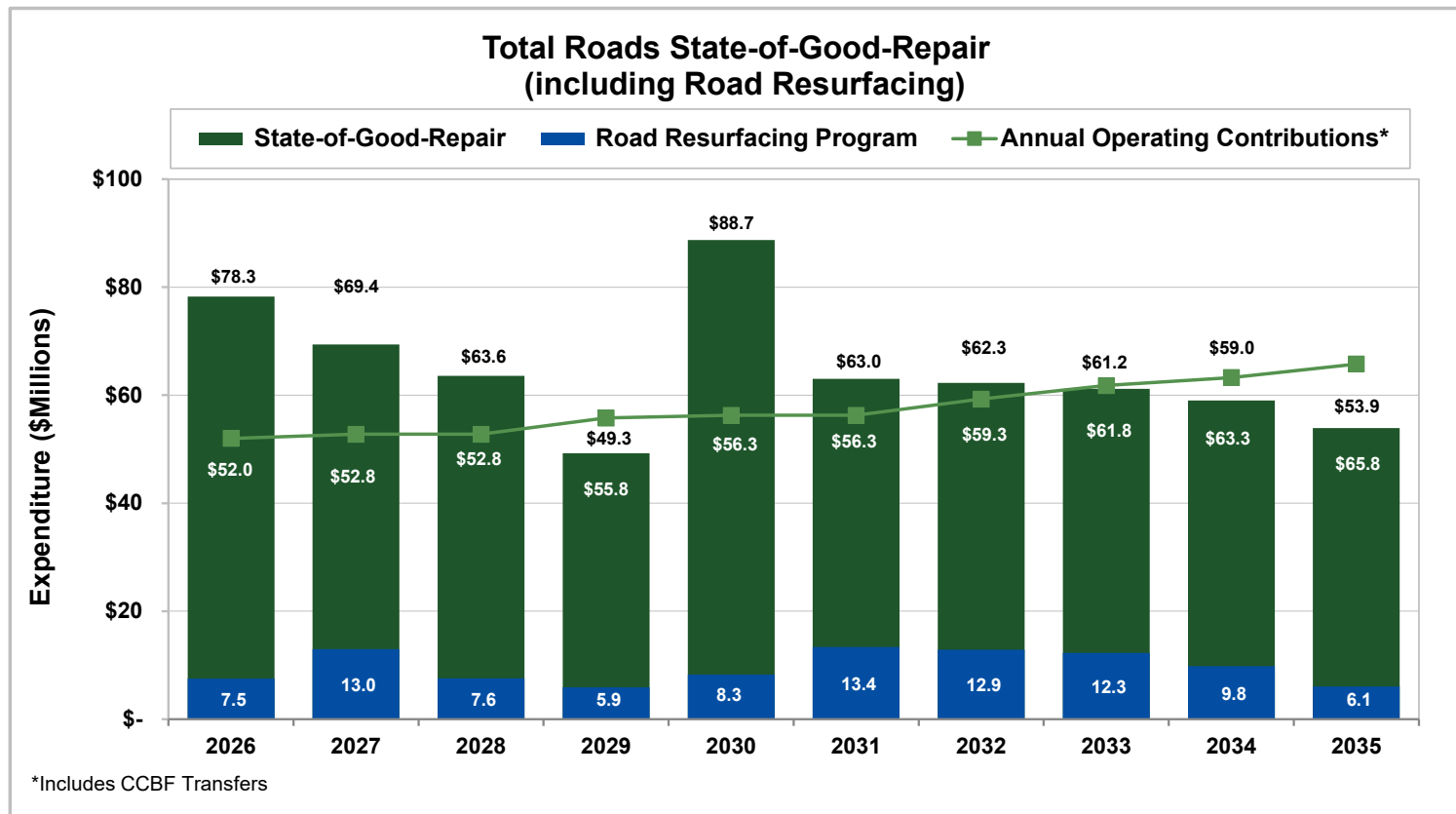


The 2026 Budget also includes strategic investments proposed for 3.0 FTEs to support Water & Wastewater System Operations & Maintenance:

- A Maintenance Material Coordinator (\$133,000 rate impact) is required to support the implementation of material management improvement initiatives and ongoing inventory sourcing, replenishment and record maintenance for the water and wastewater treatment plants.
- A Laboratory Analyst (\$124,000 partially offset with a capital recovery for a net rate impact of \$84,000) is required to maintain service levels in response to increased growth of Halton's capital program and service population as well as adherence to rigorous quality requirements.
- A Cross Connection Control Program Coordinator (\$123,000 rate impact) is required to support program delivery, customer service, and ensure compliance of the Drinking Water By-law as a result of growth. The Cross Connection Control Program protects the municipal drinking water distribution system by preventing contamination from non-potable water sources. The additional coordinator position will maintain compliance rates while addressing pressures related to program growth and development, as well as expanded program implementation.

## Roads

The 2026 Budget includes \$52.0 million in operating contributions to support the Roads State-of-Good-Repair capital program, including roads resurfacing. The \$52.0 million includes \$42.0 million in regional reserve funding and \$10.0 million of Canada Community-Building Fund revenue. The \$52.0 million of operating contributions have not increased from the 2025 Budget. As shown in the table below, the 2026 10-year Roads State-of-Good-Repair capital program with road resurfacing included in the budget and forecast totals \$648.7 million, which excludes the 2023 Allocation Program one year average in 2026 and external recoveries. The appropriate level of operating contribution will continue to be refined based on the lifecycle models to ensure the proper maintenance of the Region's existing aging assets as well as the new assets constructed as part of the Region's growth-related infrastructure (development).



### Waste Management

The 2026 Waste Management 10-year capital program totals \$138.3 million, with \$49.7 million in the 2026 Budget. The 2026 Budget includes \$17.0 million for the initial phase of the Automated Wheeled Cart Implementation and \$26.3 million for Phase 2 of the Halton Waste Management Site Optimization. The appropriate level of operating contributions will continue to be refined, with \$8.9 million included in the 2026 Budget to support the Waste Management capital program.

### Corporate Facilities and Halton Community Housing Corporation

The 2026 Corporate Facilities 10-year State-of-Good-Repair capital program totals \$100.8 million, with \$9.1 million in the 2026 Budget. The Corporate Facilities budget uses the Building Condition Assessments completed in 2024 to develop the 10-year capital plan to keep Regional Facilities such as the Halton Regional Centre, the Long-Term Care Centres, the Paramedic Stations and various other Regional facilities in a state-of-good-repair. A full breakdown of the Capital Construction & Realty capital program is detailed in the Tax Overview section.

In 2024, the Region undertook BCAs for 54 social housing properties in Halton, representing 3,790 units, including HCHC properties as well as the assets of other community housing providers and supportive housing environments under the Region's funding accountabilities. The Region continues to closely monitor the annual capital funding requirements of all social housing providers to ensure the housing stock is maintained in a state-of-good-repair. The HCHC 2026 10-year capital plan is presented to the HCHC Board of Directors through Report No. **HC-13-25** (re: "2026 Operating and Capital Budget"), and HCHC assets are primarily based on the BCAs completed in 2024 and energy audits completed in 2023.

The 2026 Budget includes strategic investments for a total of 4.0 FTEs to support the maintenance and state-of-good-repair of the Region's corporate facility and HCHC portfolios:

- 2.0 Project Manager FTEs (\$289,000, fully recovered from capital projects with no net tax impact) are required to support the state-of-good-repair of the Region's corporate and HCHC facilities due to growth in the portfolio, an increase in program demand pressures and service level requirements. These roles will also support the Region's corporate greenhouse gas emissions reduction target of net-zero by 2045.
- 2.0 Maintenance Tenant Support Worker FTEs (\$218,000, 1.0 FTE fully recovered from the HCHC budget for a net impact tax impact of \$109,000) are required to provide maintenance services for HCHC and corporate facilities as a result of increasing service demands driven by aging infrastructure, tenant growth, and an expanding asset base.



## Climate Change and the Environment

Halton Region is committed to protecting the environment and taking action to address climate change. Reducing our collective carbon footprint to mitigate the impacts of climate change is a priority which underpins all of the priorities detailed in Halton Region's **2023-2026 Strategic Business Plan**. The Region continues its effort to reduce the carbon footprint of Regional operations to mitigate the impacts of climate change, and continues to ensure that Halton infrastructure and services are resilient and that risks associated with severe weather events are mitigated where possible. Halton Region's Corporate Climate Action Plan, which was endorsed by Regional Council through Report No. **CA-16-23**, is designed to achieve a greenhouse gas emissions target of net-zero by 2045.

As reported through the Memorandum dated April 16, 2025 (re: "Partners for Climate Protection (PCP) Milestone Achievements"), Halton Region has achieved all five milestones of the Partners for Climate Protection framework, demonstrating clear leadership on climate action. The Region will continue advancing the work through the Corporate Climate Action Plan, supporting the Local Municipalities in their efforts to advance their community climate actions and targets, and partnering with the Local Municipalities and Conservation Authorities to protect the environment.

The following drivers are highlighted in the Climate Change and the Environment section:

- Basement Flooding Mitigation Program
- Solid Waste Management Strategy
- Long-Term Water Meter Strategy
- Conservation Authorities Benefit-Based Funding

### **Basement Flooding Mitigation Program**

Halton Region continues to advance its Basement Flooding Mitigation Program to improve wastewater system resiliency and reduce the risk of basement flooding, in response to the impacts of climate change and the increasing frequency and intensity of storm events. Halton Region implemented the Region-Wide Basement Flooding Mitigation Program (Report No. **PW-18-16** re: “Region-Wide Basement Flooding Mitigation Program”), to reduce public and private sources of inflow and infiltration from entering Halton Region’s wastewater collection system and build resiliency in the wastewater collection system to reduce the risk of future basement flooding. As approved through Council Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**, the following program enhancements are being implemented to the Basement Flooding Mitigation Program to further improve the long-term resiliency of the wastewater system by reducing excessive inflow and infiltration to the wastewater system:

- To better detect and address both public and private sources of inflow and infiltration, the Region is expanding flow monitoring and field investigations, including smoke testing, drone surveys, wet weather closed-circuit television (CCTV) inspections, and household drainage surveys.
- To support homeowners in reducing inflow and infiltration, the Basement Flooding Prevention Subsidy amounts have been increased to better reflect average actual costs and a new subsidy has been introduced to support the disconnection of exterior storm drains.
- Public education and homeowner support will be enhanced through targeted outreach in high-risk communities, which aims to help raise awareness of basement flooding risks, promote household drainage surveys, and encourage voluntary disconnection of private stormwater connections.
- To further assist homeowners and contractors, the Region is developing several technical resources, including a *Homeowner’s Guide to Hiring Contractors* and will update *Subsidy Installation Standards and Inspection Requirements*. The Region will also partner with local Chief Building Officials to align the wastewater by-laws, subsidy standards, and inspection protocols with the building permit process.
- The Region is also strengthening collaboration with the Local Municipalities and Conservation Authorities to align flood mitigation strategies across jurisdictions, ensuring a coordinated and effective approach to protecting homes and infrastructure.

A key focus of the program is to increase voluntary disconnection of private stormwater connections, which is a major contributor to wastewater system overload.

Additionally, beginning in 2026, private-side lateral repairs will be coordinated with regional capital and maintenance programs. The Region will also work with the Local Municipalities and Conservation Authorities to coordinate wastewater and stormwater infrastructure improvements with private-side inflow and infiltration reduction efforts in areas at high risk of flooding.

The 2026 Operating Budget includes a total increase of \$1.3 million, which equates to a 0.5% rate increase, to fund the enhancements to the Region-Wide Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**. This includes \$326,000 for the enhanced basement flooding prevention subsidy amounts, bringing the basement flooding subsidy budget to a total of \$960,000, as well a strategic investment for 5.0 FTEs to deliver the program. The budget for subsidies is based on a projected 10% increase over historic participation rates of the flooding subsidy programs, however actual payments will be based on the number of eligible applications that are received. The 2026 Budget includes capital project funding of \$4.1 million for various state-of-good-repair projects across the Region directly targeting wastewater system performance and basement flooding.

The 2026 Operating Budget continues to include \$60,000 for the Region’s Residential Basement Flooding Grant (formerly Ex-Gratia Grant) program.



### **Solid Waste Management Strategy**

Through Report No. **PW-10-22** (re: “Recommended Solid Waste Management Strategy 2023-2030”), Regional Council endorsed the Solid Waste Management Strategy which provides the framework to develop policy directions that meet the environmental, economic and social outcomes that established the key initiatives. Once implemented, the Strategy proposes to increase waste diversion, extending the lifespan of the landfill out to 2050-2054, and reduce greenhouse gas emissions by over 13,000 tonnes per year.

In 2024, Council approved the Solid Waste Collection Future Levels of Service (Report No. **PW-14-24**) which is one of the key initiatives in the **2023-2026 Strategic Business Plan**. The recommended changes include a change from a manual to an automated cart collection system, requirements for alternative fuel sources for collection vehicles to reduce greenhouse gas emissions, and removal of eligible blue box properties that fall under the Blue Box Regulation (O. Reg. 391/21). Base and provisional services for Solid Waste Collection Services and Front-end and Roll-off Container Collection were awarded to Miller Waste Systems Inc. (starting April 3, 2027) and Advantage Waste Systems Inc. (starting March 30, 2026) as reported through the Council Memorandum dated July 9, 2025 (re: “Award of Solid Waste Collection Base Contracts”) and Report No. **PW-20-25** (re: “Solid Waste Collection Services – Provisional Service Recommendations”).

The 2026 Budget reflects the terms of the residential solid waste contract extension with Miller Waste (Report No. **PW-13-24**), as well as the terms of the new front-end and roll-off container collection contract with Advantage Waste starting in April 2026. There will continue to be significant pressure on the 2027 & 2028 Waste Management budgets as the impacts of the new Solid Waste Collection contract with Miller Waste, including automated wheeled cart collection, are reflected for services starting in April 2027.

Staff continue to prepare for the full transition of the Blue Box program to producer responsibility. As of January 1, 2026, producers will be responsible for implementing a standardized provincial Blue Box program across Ontario under O. Reg. 391/21, and Halton Region will no longer be responsible for collecting from eligible locations, responding to Blue Box related issues and inquiries, distributing Blue Boxes, delivering the associated promotion and education and monitoring and enforcing the residential Blue Box program. The impacts on the 2026 Budget are as follows:

- The 2026 Budget includes funding to continue providing recycling collection services to designated non-eligible Industrial, Commercial and Institutional (ICI) locations as approved through Report No. **PW-20-25**.
- As approved through Report No. **PW-30-25** (re: “Blue Box Transition Update”), the Region will collect from new multi-residential buildings, schools and non-profit long-term care and retirement homes built between 2026 and 2031, when producers will become responsible for new builds. As the number of units and recycling volumes are not confirmed at this time, a provision has not been included in the 2026 Budget. Staff will monitor the impact in 2026 and provide updates through the operating variance reports. Updated estimates will inform a provision to be considered for the 2027 Budget and Business Plan through the annual budget process.

The 2026 Budget includes a strategic investment for a Waste Management Data Analyst and a Waste Collection Customer Service Technician (tax impact of \$236,000) to provide enhanced customer service, support asset management, and provide additional contractor monitoring and administration during the preparation, implementation and ongoing operations of the Region-wide automated wheeled cart program and new waste collection contracts.

There is also a strategic investment proposed for \$60,000 to enhance the Community Circular Economy Fund (CCEF), which was converted from the Waste Diversion Fund through Report No. **PW-06-25** (re: “Conversion of the Waste Diversion Fund into the Community Circular Economy Fund”). The CCEF builds on the success of the Waste Diversion Fund, which since 2003 has provided subsidies to non-profit organizations operating reuse centres and collection programs and diverted more than 70,000 tonnes of material from the landfill. The CCEF modernizes and expands this approach by supporting a wider range of circular economy initiatives such as repair cafés, lending libraries, creative reuse programs, and food recovery projects. These initiatives foster innovation, build community capacity, increase waste reduction opportunities, and provide local organizations with resources to expand their impact. By investing in community-led initiatives, the CCEF helps build local networks, create volunteer and skill-building opportunities, and increase resident access to waste reduction solutions. An increase of \$60,000 will bring the annual funding to a total of \$279,000 to support the expansion to high-impact projects, strengthen community partnerships, and accelerate the circular economy transition.

### **Long-Term Water Meter Strategy**

The deployment of the Advanced Metering Infrastructure (AMI) system network is complete, with residential and business AMI meter installations expected to continue in 2026. Through the utilization of AMI technology, the water and wastewater system will become more efficient through improved system performance monitoring, which is projected to result in less water being wasted and positive environmental impacts. Improved access to data will allow the proactive identification of leaks and other issues and is anticipated to result in enhanced customer service and a reduction in the number of meter reading issues and service calls to which meter technicians respond. The 2026 Budget includes capital project funding of \$6.0 million required to support the mass deployment of AMI meters across the four Local Municipalities.

### **Conservation Authorities Benefit-Based Funding**

#### **Emerald Ash Borer**

Emerald Ash Borer (EAB) is a non-native invasive insect species to Canada, first identified in 2002, that kills healthy, native North American ash trees. Through Report No. **FN-19-17** (re: “Emerald Ash Borer Funding Request from Conservation Halton”), Council approved Conservation Halton’s Forestry Business Case which set out a 10-year EAB management program on Conservation Halton lands within Halton Region at an estimated cost of \$8.4 million. In 2026, the Region is requested to fund a total of \$794,000 for the Conservation Halton EAB program. This request will be funded from the Tax Stabilization reserve, with repayments to the reserve funded through the tax-supported operating budget.

#### **Flood Hazard Mapping & Mitigation**

Floodplains are areas of low-lying land next to water, which allow for the natural dispersion of water during periods of overflow. Mapping and the associated hydrologic and hydraulic models are important tools for both conservation authorities and municipalities to support flood forecasting and warning, emergency planning and response, prioritization and planning for infrastructure renewal and flood mitigation works as well as land use planning. Conservation Halton is requesting a total of \$380,000 in the 2026 Budget for flood hazard mapping. Of this amount, \$225,000 will be funded from the Tax Stabilization reserve through a capital project with repayments back to the reserve funded through the tax-supported operating budget, and \$155,000 related to a staff position to accelerate the project will be funded through a benefit-based levy in the operating budget. Conservation Halton also included a request in the 2026 Budget for a new benefit-based levy for \$130,000 to complete technical studies to support Flood Hazard Mitigation within Halton Region’s watershed. This request will be funded from the Tax Stabilization reserve through a capital project with repayments back to the reserve included in the 2026 tax-supported operating budget. The project is anticipated to be undertaken from 2026 to 2035 to address identified spill flood hazards and protect people and property from natural hazard-related risks, with a total projected cost of \$1.6 million.

#### **Black Creek Subwatershed and Hazard Tree Management**

Through Report No. **FN-09-25** (re: “Funding Request from Credit Valley Conservation”), Council approved a benefit-based funding request from Credit Valley Conservation of \$2.1 million over 5 years to support projects for Black Creek Subwatershed and Hazard Tree Management, that fall within Halton Region’s watershed. Of this amount, \$495,000 is requested in the 2026 Budget. This request will be funded through a capital project with transfers from the Tax Stabilization reserve. Repayments to the reserve are included in the Region’s 2026 tax-supported operating budget. The projects are expected to be undertaken from 2025 to 2029 and will support the implementation of priority project recommendations to enhance the water resources and natural heritage systems of Black Creek and Fairy Lake, while realizing multiple co-benefits for residents in the Town of Halton Hills, as well as protecting forest health by addressing the ongoing impacts of invasive pests and disease and extreme weather on trees in large public greenspaces in Halton.



## Excellence in Government

Halton Region is committed to ensuring continued financial sustainability through effective financial planning and risk management, enhancing service delivery by increasing access to digital services and modernizing the Region's technology platforms, partnering in advancing Truth and Reconciliation through meaningful relationships with Indigenous People, Communities and First Nations, and being an employer of choice committed to Equity, Diversity and Inclusion.

The following drivers are highlighted in the Excellence in Government section:

- Financing Growth
- Provincial Funding
- Provincial Funding Shortfalls & Provincial Limitations on Development Charge Revenues in the 2026 Budget
- Digital Strategy Implementation
- Regional Investments in Employment Lands

### Financing Growth

#### Growth Financing Principles

A key principle in accommodating the Region's growth-related capital infrastructure program is that existing taxpayers are not affected, to the extent possible under the *Development Charges Act, 1997* (DCA), by the cost of growth-related capital requirements or the risks related to finance these costs. To achieve this objective, while accommodating Provincial growth targets, Council requires a financing plan be approved prior to the accommodation of new growth.

Allocation programs are Halton's tool to finance and deliver infrastructure to support new housing growth within greenfield areas of the Region in accordance with Halton Region's long-standing principles that an acceptable financing plan for growth-related infrastructure must be in place prior to new stages of growth proceeding. The delivery of Allocation Programs ensure Halton maintains the principle that "growth pays for growth" to the extent possible. The Allocation program is the tool the Region uses to ensure the residential greenfield developers pay for growth-related infrastructure and could include pre-payment of a portion of Development Charges (DCs) and/or front-ending if required to address any funding gaps. The Region provides interim financing for non-residential development in recognition of the fact that the timing of the infrastructure is being driven by the residential developers and is delivered well in advance of non-residential requirements. Funding the non-residential development is a financing strategy for the Region as the infrastructure is required to support economic growth in the Region.

In 2024, Council approved the 2023 Development Financing Plan presented in Report No. **CA-02-24/PW-04-24/FN-05-24**, which included the release of a minimum of 29,787 units (approximately 16,426 Single Detached Equivalents (SDEs)) in Halton, without financial impact to the existing taxpayers to the extent possible under the DCA. In addition, as part of this program, staff allotted an additional 5,000 units (approximately 2,760 SDEs) of servicing capacity for a Special Purpose pool similar to the 2020 program. This pool will be used to facilitate developments of key public interest, such as affordable housing and unlocking new school sites. To provide flexibility to complete projects expeditiously to meet the housing pledges by 2031, Report No. **CA-02-24/PW-04-24/FN-05-24** included approval of water, wastewater and roads development related capital from 2023 to 2026 and is detailed in Appendix C of the **2026 Capital Report** under separate cover. For an appropriate representation, the 2026 Budget and Business Plan includes estimated expenditures for 2026 from the 2023 Allocation Program when presenting the 2026 capital budget. Estimates have been made for 2026 of the allocation program costs to provide a complete picture of capital expenses, however the approval of those works are not included in the 2026 Budget as the 2023 Allocation capital projects have already been approved. The 2026 Budget does however include increases totalling \$314.7 million to be approved for the water, wastewater and roads development-related capital projects in the 2023 Allocation program and increases totalling \$50.3 million related to the 2020 Allocation program with approved financing plans.

The principles and financial measures established under the 2023 Development Financing Plan (Report No. **CA-02-24/PW-04-24/FN-05-24**), and previous allocation program financing plans significantly limit the Region's exposure with respect to financing growth-related infrastructure. The key principles of this plan are:

- "Growth pays for growth" to the extent possible under the DCA.
- Enable Local Municipalities to meet their housing pledges and align with local growth priorities.
- Infrastructure requirements must align to growth areas.
- Ensure Halton's strong financial position and financial planning principles will not be compromised.
- Develop financing strategies to unlock specific geographic areas as necessary.
- Ensure program requirements respond to feedback from participants if aligned to the above principles.
- The repayment assumptions for Regional interim financing will assume a conservative "slow growth" scenario to ensure that economic conditions do not create unexpected impacts to the Region.
- The Development Financing Plan will not affect the current or subsequent years' forecasted tax and rate increases.
- The Development Financing Plan will not require the Region to exceed its own debt capacity levels.

Municipalities have limited funding tools to recover the full cost of growth-related infrastructure. The DCA creates a significant financial challenge for municipalities, as it does not satisfy the "growth pays for growth" principle by not allowing municipalities to recover the full cost of growth. DCA limitations have resulted in an estimated funding gap of **\$20.5 million** average per year which consists of:

- **\$12.4 million** average per year for Ineligible Services, including services such as housing through Bill 23 (\$5.0 million), waste management (excluding waste diversion), social services, acquisition of parkland, municipal administration buildings, museums and computer equipment are not covered, even though demand for these services directly relates to the level of growth.
- **\$3.9 million** average per year in DC recoverable costs based on the average service level provided throughout the 10 years leading up to the DC background study as opposed to a forward-looking service level.
- **\$4.2 million** average per year for a mandated 50% industrial expansion exemption.

Of the **\$20.5 million**, **\$18.9 million** is estimated to be funded in the tax-supported budget with an **equivalent tax impact of 5.6%** and **\$1.7 million** is estimated to be funded in the rate-supported budget with an **equivalent rate impact of 0.7%**.

Since 2018, the Provincial government has introduced a series of legislative and policy changes aimed at accelerating housing supply. These changes, most noticeable through Bill 108 (*More Homes, More Choice Act*, 2019), Bill 23 (*More Homes Built Faster Act*, 2022), Bill 185 (*Cutting Red Tape to Build More Homes Act*, 2024) and Bill 17 (*Protect Ontario by Building Faster and Smarter Act*, 2025) have continued to reshape the development charge framework. These reforms include sweeping and substantive changes to a range of legislation, including the DCA and associated regulations. Collectively, they are intended to support the creation of 1.5 million new homes over the next 10 years, but they have also introduced substantial financial and administrative challenges for municipalities. The evolving legislative framework has reduced the ability to collect development charges (DCs), altered the timing of development charge revenue collection, and increased uncertainty in funding the critical infrastructure needed to support growth.

Most recently, Bill 17 introduced additional changes aimed at accelerating housing development and reducing upfront costs for developers. The legislation, which fully came into effect on November 3, 2025, enables several key measures such as deferring residential DC payments to occupancy, eliminating interest on deferred payments for rental, institutional, and residential developments, and allow early payment options. In addition, forthcoming legislation and regulations are expected to clarify several key areas, including how eligible capital costs are defined (i.e. conditional exceptions, including cost of acquiring or improving land), defining a "local service," acceptable forms of security for deferred payments, how service categories may be consolidated, and the application of benefit-to-existing deductions.

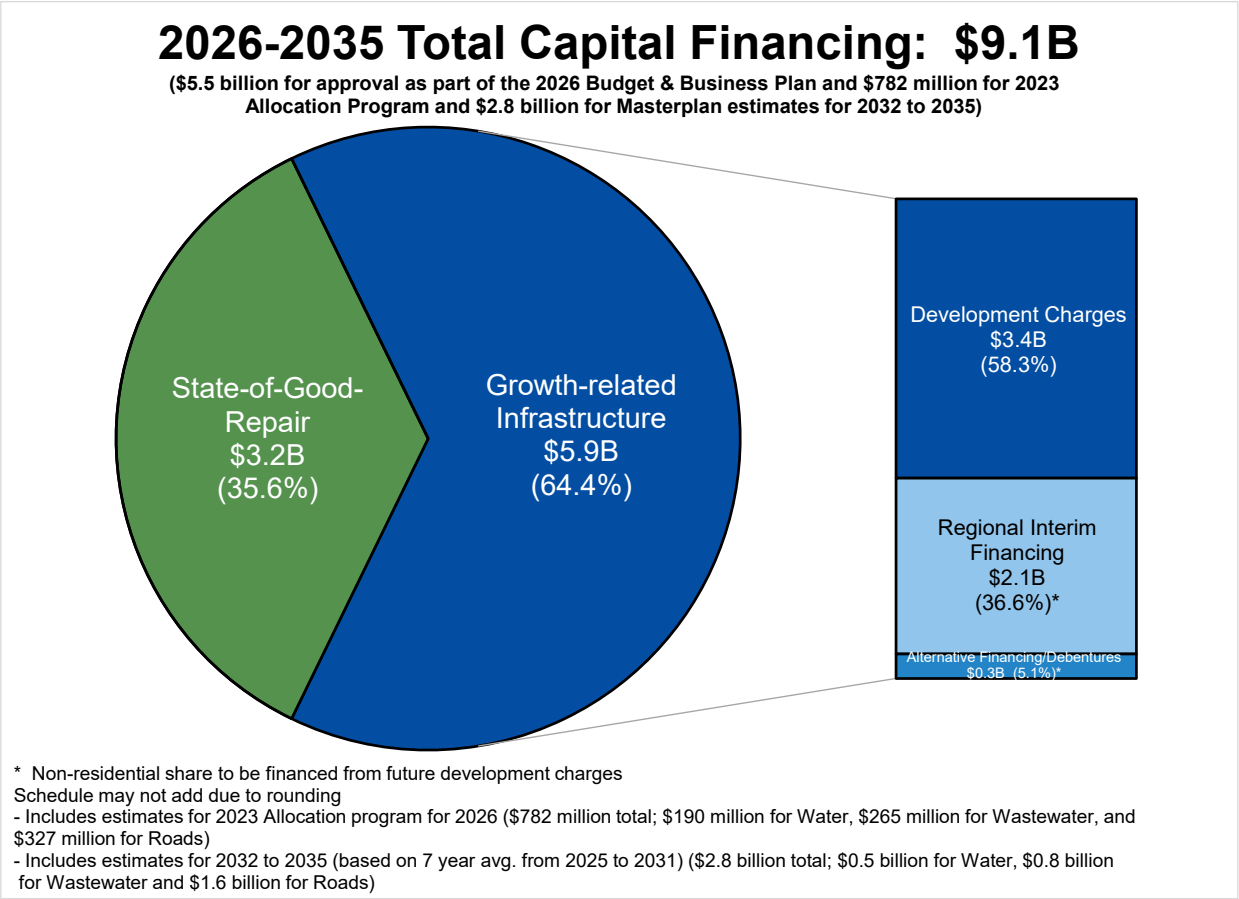
The 2026 Budget and Forecast includes an annual impact of \$5.0 million per year related to the removal of housing services from DC eligibility. However, the financial implications of the other changes remain uncertain. While they do not currently affect the budget directly, they may influence the Region’s ability to fund critical infrastructure in the future. The chart below provides a high-level summary of the changes to the DCA, since 2022 that are currently in effect.

DCA Amendments Proclaimed and Currently in Effect (since 2022)
Removal of Housing Services from eligible services
Exemption for non-profit housing
Defer DC payments over 5 years from occupancy for institutional and rental housing without interest
Discount for rental housing based on number of bedrooms
Exemption for affordable housing
Exemption for inclusionary zoning
Exemption for long-term care homes regulated under Ontario's Fixing Long-Term Care Act, 2021
Amendments to the DC freeze model to ensure the rate does not exceed the current DC
Streamlined DC by-law amendment process for minor changes and the reduction of DC rates
Defer residential DC payments to occupancy
No interest on deferral payments
Early DC payment options
Exemption for attainable housing (requires a regulation to define)
Extension of historical service levels for DC-eligible capital costs (except transit) from 10 to 15 years (will take effective through the next DC by-law update)

Removing DC eligible services, providing exemptions, discounts and delayed payments reduces the amount of DC collection and the ability to fund capital works. Without alternate sources of funding, the changes to the DCA will impact the timing of delivery of infrastructure required to deliver the Province's 1.5 million new homes target and could have a significant negative impact on existing tax and rate payers. The loss of DC revenue related to the changes in legislation since Bill 23, affecting the ability to fund capital works, will continue to be monitored and reported as part of the annual Statement of DC Reserve Funds. As detailed in Report No. **FN-12-25** (re: “Statement of 2024 Development Charges Reserve Funds”) the loss since 2022 is \$32.4 million.



Under the 10-year capital plan, including the 2023 Allocation Program, the growth-related programs are financed based on DCs, alternative financing/debentures, combined with the Regional interim financing through the Capital Investment Revolving Fund and Tax Capital reserve for the non-residential share of the costs as shown below.



2020 Allocation Program

The 2020 Allocation Program Update as per Report No. **LPS14-23/PW-13-23/FN-20-23** includes the release of 18,969 Single Detached Equivalents (SDEs) in Halton and includes water, wastewater and roads projects approved in budgets between 2018 and 2022. As part of the development of the 2026 Capital Budget, the timing and costs estimates for projects within the 2020 Allocation Program were reviewed and updated where required. The changes were predominately driven by land acquisition, updated cost estimates as projects progress through project advancements, inflation, indirect tariff costs and supply and contractor constraints. The gross \$1.5 billion capital project list included in Report No. **FN-46-19/PW-50-19/LPS112-19**, was updated as part of the 2026 budget process.

Below is a summary of the adjustments to the 2020 Allocation Program, which is detailed in Appendix B of the **2026 Capital Report** under separate cover.

Summary of 2020 Allocation Program (\$000s)					
Per FN-46-19/ PW-50-19/ LPS112-19	Approved Cost Changes/ Cancelled	2026 Increases	Reprogrammed	Total Revised 2020 Program	Difference
\$ 1,488,849	\$ 953,984	\$ 50,251	\$ (419,573)	\$ 2,073,510	\$ 584,661

The net impact of the adjustments to the 2020 Allocation Program is an increase of \$584.7 million since the introduction of the program, of which \$50.3 million is included in the 2026 Budget as itemized in Appendix B of the **2026 Capital Report** and \$534.4 million was approved previously. The significant project cost increases in the program materialized through scope changes, project advancements, inflation and supply and contractor constraints. The cost increases have been offset by an increase of SDE's in the 2020 Allocation Program through top-up provisions and revenue from the 2023 Allocation Program to address the shortfall (commitments).

#### 2023 Allocation Program

In response to the financial climate, municipal housing pledge targets of 92,500 (which is a 70% increase over residential growth originally anticipated), and accelerated infrastructure, a development financing plan was developed which ensured financial capacity was available. As noted earlier, the 2023 Allocation Program was approved by Council in February 2024 through Report No. **CA-02-24/PW-04-24/FN-05-24**. This report approved the water, wastewater and roads expenditures to 2026, and are not subject for Council approval in 2026. Although these capital projects are not part of the 2026 budget as the 2023 Allocation program capital projects have already been approved, they have been shown in the 2026 Budget and Business Plan for an appropriate representation of the 2026 expenditures, reflecting the significance of the approved program. This 2026 budget does however include increases totalling \$314.7 million to projects in the 2023 Allocation program for approval.

Below is a summary of 2023 Allocation Program, which is detailed in Appendix C of the **2026 Capital Report** under separate cover.

Summary of 2023 Allocation Program (\$000s)									
Report No. CA-02-24/PW-04-24/FN-05-24				Approved Cost Changes (2023-2025)	2026 Increases & Commitment Changes	Future Budget Increases (2027-2031)	Future Projects Accelerated (2027-2031)	Total Revised 2023 Program	Difference
	2023-2026	Future Approvals 2027-2031	Total						
Expenditures	\$ 2,431,795	\$ 468,996	\$ 2,900,791	\$ 504,977	\$ 314,740	\$ 130,443	\$ (32,438)	\$ 3,818,513	\$ 917,722
Commitments	300,341	31,612	331,953	-	97,093	-	-	429,046	97,093
<b>Total</b>	<b>\$ 2,732,136</b>	<b>\$ 500,608</b>	<b>\$ 3,232,744</b>	<b>\$ 504,977</b>	<b>\$ 411,833</b>	<b>\$ 130,443</b>	<b>\$ (32,438)</b>	<b>\$ 4,247,559</b>	<b>\$ 1,014,815</b>

Since the inception of the 2023 Allocation program, there has been a cost increase of \$1,014.8 million, of which \$314.7 million is included in the 2026 Budget and forecast. The \$97.1 million increase in the commitments is a result of the funding shortfall in the 2020 program. Project cost increases including project advancement, inflation, indirect tariff costs, and supply and contractor constraints and implementation of accelerated timeframes continue to be a concern and put pressure on the program, however, staff will continue to monitor project costs and implement strategies to mitigate future cost increases and ensure that the principles established under the financing plan are met. The introduction of Infrastructure Dependent Units (IDUs), phasing and indexing of the DC's that were part of the agreement terms

and conditions have offset these increases. As noted in Report No. **CA-02-24/PW-04-24/FN-05-24**, additional units were provided in the program to respond to developer requests to have units ready once infrastructure/capacity was available. Any additional revenue from these Infrastructure Dependent Units (IDUs) are used to reduce the need for alternate or debt financing as well as cost increases in the program.

If necessary a strategy of the 2023 Allocation program is to use alternate funding for the residential and non-residential share primarily due to the sudden acceleration of growth which requires significant capacity and necessitates the need for costly capacity expansion projects to be accelerated prior to 2031. The financing plan assumes the alternate financing would be some combination of Federal, Provincial and Regional (debt or interim reserve financing), which will be reimbursed from future DC financing. It is anticipated that this requirement for alternate financing is a one-time issue to address the sudden acceleration of housing growth that was not anticipated. The 2023 Allocation Program indicates that this alternative funding should be from the Federal and Provincial government and not borne on the Region's existing tax and rate payers, however the impact of debt on debt capacity limits is provided later on to reflect the impact to the Region in the event funding is not provided by Senior levels of government.

### Provincial Funding

Provincial funding represents approximately 47% of the funding for the 2026 Tax-Supported Budget. The 2026 Budget was prepared with the most current information available at the time, however there is uncertainty that could affect 2026 due to reviews currently being conducted by the Province on several programs and funding models, including the Ontario Public Health Standards and related funding.

As shown in the following table, provincial funding in the 2026 Budget is increasing by \$7.7 million, or 1.8%, driven by a projected increase in the average monthly Ontario Works caseloads in Employment & Social Services. The 2026 base budget for provincial funding is \$428.4 million and \$1.4 million is included in the strategic investments for Paramedic Services which is anticipated based on the current funding model.

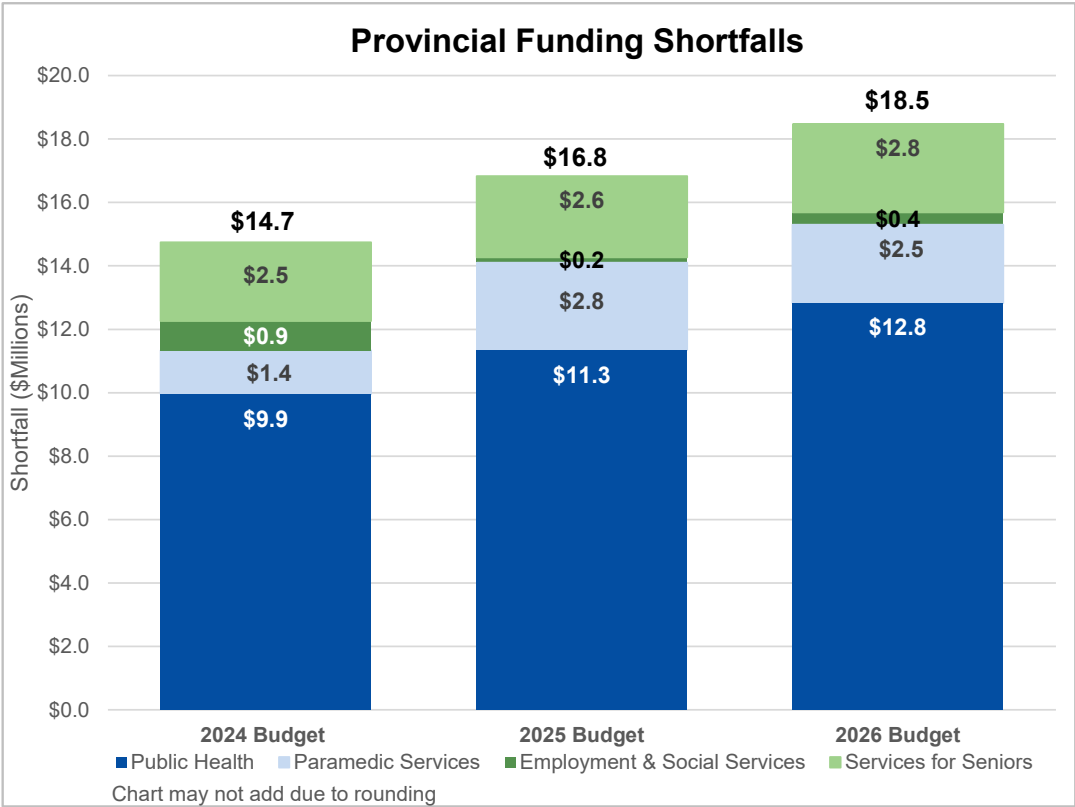
Provincial Funding by Program (\$000s)						
	2025	2026			Change in Budget	
	Total	Base	Strategic Investments	Total	Total	
Public Health	\$ 31,029	\$ 28,349	\$ -	\$ 28,349	\$ (2,680)	-8.6%
Paramedic Services	29,200	31,285	1,420	32,705	3,505	12.0%
Children's Services	246,354	245,673	-	245,673	(681)	-0.3%
Employment & Social Services	36,656	44,802	-	44,802	8,145	22.2%
Housing Services	18,280	17,493	-	17,493	(787)	-4.3%
Services for Seniors	60,219	60,422	-	60,422	204	0.3%
Road Operations	160	160	-	160	-	0.0%
Small Business Centre	208	208	-	208	-	0.0%
<b>Total</b>	<b>\$ 422,105</b>	<b>\$ 428,391</b>	<b>\$ 1,420</b>	<b>\$ 429,812</b>	<b>\$ 7,707</b>	<b>1.8%</b>

Schedule may not add due to rounding

Provincial funding does not keep pace with increases in costs to maintain services and support growth, which create shortfalls requiring increased Regional contribution in order to maintain service levels. Provincial funding shortfalls are reflected in the 2026 Budget for the following program areas:

- In 2026, the Region will contribute a total of \$12.8 million more than its expected share to compensate for shortfalls in Public Health provincial funding to maintain essential services, which reflects an increase of \$1.5 million from the shortfall in the 2025 Budget, comprised of:
  - \$11.3 million for the shortfall in Public Health mandatory cost-shared programs. Base funding for cost-shared Public Health programs is intended to be based on 75% provincial funding and 25% municipal funding, however the 2026 Budget for Public Health's cost-shared programs with the Ministry of Health is funded based on 50% funding from the Province, and 50% from the Region. The Region's cost-share has increased by 3% in the 2026 Budget as a result of the provincial funding not keeping pace.
  - \$1.5 million for the shortfall in the Healthy Babies Healthy Children program, which is intended to be fully funded by the Province, however the current provincial funding provides 61% of the program costs, and the Region contributes 39% for the shortfall.
- Provincial funding for Paramedic Services is intended to support a cost-share between the Province and the Region of 50/50, however, the 2026 Budget is funded based on a cost-share of 47% funding from the Province, and 53% from the Region, which reflects the current funding model that supports program growth but not inflation, resulting in a shortfall of \$2.2 million. In addition, Community Paramedicine programs which are intended to be fully funded by Ontario Health and the Ministry of Long-Term Care, have a total Regional contribution of 12%, or \$291,000, in the 2026 Budget.
- In Services for Seniors, the majority of provincial funding is provided for the Long-Term Care (LTC) homes by the Ministry of Long-Term Care (MLTC) on a per bed, per day basis. The funding is adjusted to reflect the Case Mix Index (CMI) of the home, which is a numeric value assigned to a LTC home used as a measure of the care requirements of residents. The MLTC re-indexes the funded portion of the calculated CMI annually, which results in a growing gap between the required level of funding, and the funding received. The projected shortfall resulting from the difference between the calculated CMI and the funded CMI is \$2.8 million in the 2026 Budget.
- In Employment & Social Services, provincial funding is provided for Ontario Works (OW) benefits, OW cost of administration, and Employment programs. The Province fully funds the discretionary and mandatory benefits associated with the OW program. The cost of administration for the OW program is intended to be cost-shared 50/50 with municipalities, however based on the latest confirmed funding allocations from the Ministry of Children, Community and Social Services (MCCSS), the 2026 budgeted cost share is 46% Province / 54% Region, which equates to a provincial funding shortfall of \$388,000. The Province is reviewing the Ontario Works funding model, with a new funding formula expected in 2027.

As shown in the following chart, the total shortfall that the Region will need to fund that is more than its proportionate share is increasing by \$1.7 million to a total of \$18.5 million in the 2026 Budget. This \$18.5 million shortfall equates to a 5.5% tax impact.



Through the COVID-19 pandemic, the budget included anticipated increases in Provincial funding to maintain the budgeted cost-share level and support critical investments in the ongoing work continuing post-pandemic in Public Health, however, the actual increases received to date have been significantly lower. Since 2022, Public Health has received 1% base funding increases for mandatory cost-shared programs of approximately \$200,000 per year. Prior to these increases, the last increase received was in 2018. This resulted in a gap between the budget for provincial funding and the latest confirmed funding allocation for Public Health cost-shared programs, anticipated to be \$1.9 million in the 2026 Budget if not addressed. In 2025, Public Health completed a Strategic Program Review (Confidential Report No. MO-07-25) which assessed the effectiveness, efficiency, and alignment of programs and services with organizational priorities, community needs, and provincial mandates. The review identified efficiencies and reallocated resources to areas of greatest public health need, while maintaining or enhancing desired public health outcomes and addressing the ongoing funding gap in the budget. Through the Strategic Program Review, opportunities to reduce gross expenditures by \$1.9 million were identified and implemented which has fully offset the funding gap in the 2026 Budget, enabling the budget for cost-shared funding to be aligned with the anticipated 2026 funding allocation with no overall net impact.

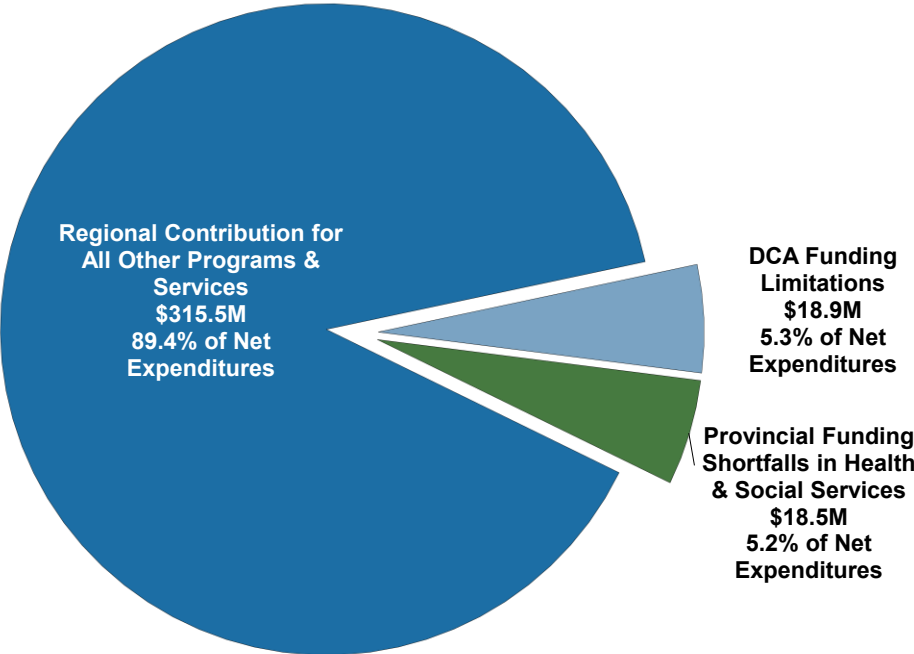


Provincial Funding Shortfalls & Provincial Limitations on Development Charge Revenues in the 2026 Budget

As shown in the charts below:

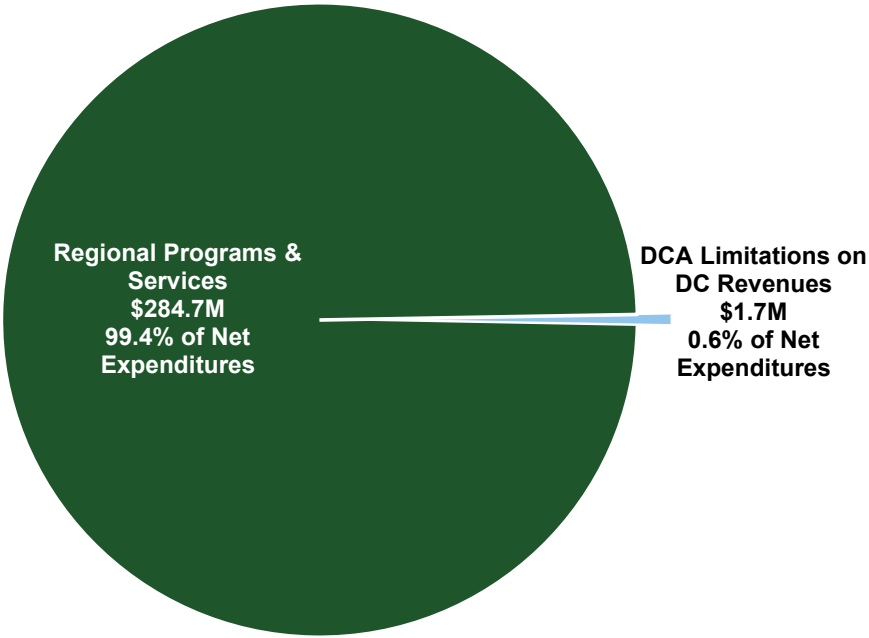
- Of the total 2026 net expenditures for Regional Tax-Supported Services of \$352.8 million, **\$37.3 million** in Regional contribution is required to fund provincial shortfalls and limitations on development charge revenues which represents a total tax impact of **11.1%**, comprised of:
  - Of the estimated funding gap of \$20.5 million as a result of the *Development Charges Act* limitations related to recovering the full cost of growth, **\$18.9 million / 5.6%** tax impact is estimated to be funded in the tax-supported budget.
  - An estimated provincial funding shortfall of **\$18.5 million / tax impact of 5.5%** for cost-shared programs in Health & Social Services where the provincial funding received is less than the intended cost-share level, requiring increased Regional contribution in order to maintain service levels.
- Of the estimated funding gap of \$20.5 million as a result of the *Development Charges Act* limitations related to covering the full cost of growth, **\$1.7 million / 0.7%** rate impact is estimated to be funded in the Rate-Supported Budget.

2026 Net Expenditure Budget for  
Regional Tax-Supported Services \$352.8M



Shortfall of \$37.3 million equates to a tax impact of 11.1%

2026 Net Expenditure Budget for  
Regional Rate-Supported Services \$286.3M



Shortfall of \$1.7 million equates to a rate impact of 0.7%

### Digital Strategy Implementation

A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents, business, and staff. The Region's Digital Strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. A continued investment in digital technology services, including cloud and subscription-based services, will be required to continue implementing the strategy. Substantial cost increases are being experienced for all Software as a Service (SaaS) enterprise clients, with average annual cost increases of 10-20% being experienced for subscription, cloud-based software applications. The 2026 Operating Budget includes a \$1.5 million increase in subscription-based software costs including \$300,000 for Salesforce, \$150,000 for SAP Cloud subscriptions, and other software licensing cost increases and enhancements. In addition, the 2026 Capital Budget includes \$5.5 million to support Information Technology capital projects and the Digital Strategy implementation. Included in this is \$4.0 million for SAP transformation which aims to modernize and automate Halton's Human Resource services and financial management processes, \$1.0 million for the Salesforce Implementation, and \$0.5 million for the Cyber Security program.

The 2026 Budget also includes strategic investments proposed for 4.0 FTEs to support the Region's Digital Strategy implementation:

- A Technical Lead (tax impact of \$163,000) is required to ensure that the SAP/SuccessFactors releases proceed successfully and can be sustained, providing leadership to coordinate various technical subject matter experts at Halton as well as external vendors.
- A Data Management & Cutover Specialist (tax impact of \$146,000) is required to oversee application data and check for accuracy, consistency and readiness for use in new SAP environments, enabling better decision-making, operational efficiency, and compliance for Halton users.
- A Change Management Specialist (tax impact of \$146,000) is required to provide change management and training expertise, management of community engagement tactics and change agent networks, supporting the delivery of Halton's "Deliver Digital" roadmap.
- A Senior Strategic Sourcing Specialist (\$149,000 fully recovered from capital projects with no tax impact) is required to support the increasing volume and complexity of procurements for the Digital & Information Services Department, including innovative and high-risk projects and services, ensuring consistency in service level delivery as well as system security to support the continued implementation of the Region's Digital Strategy.

### Regional Investments in Employment Lands

The 2026 Budget includes the Region's continued investment in employment lands through its interim financing for non-residential growth as set out in Report No. **CA-02-24/PW-04-24/FN-05-24**. The Region has historically provided interim funding in recognition of infrastructure development being driven by residential development and delivered well in advance of non-residential requirements. To ensure that this interim financing does not affect tax or water and wastewater rates, the Region uses internal borrowing for related non-residential employment growth and external debt for growth in key employment lands. The Capital Investment Revolving Fund is used for the water and wastewater growth program and the Tax Capital reserve is used for the Transportation program. The Region provides an annual operating contribution of \$14.3 million to the Capital Investment Revolving Fund in order to sustain the reserve fund capacity for interim financing.

By the end of 2025, the Region's non-residential investment from the Capital Investment Revolving Fund is projected to be approximately \$360.3 million, while the investment from the Tax Capital reserve is projected to be \$353.8 million with an overall projected Regional investment of \$714.1 million. In 2011, the Region also invested, through the issuance of debt, \$106.0 million in water and wastewater infrastructure for the key employment areas (Milton Business Park 2, Oakville Winston Park West, and Halton Hills Premier Gateway Employment Area - 401 Corridor). These Regional investments will be fully reimbursed (including interest) from the collection of DCs as non-residential development proceeds in the future.

## 2026 Budget Summary

### Gross Operating Budget – Regional Services Expenditures

The following table shows the breakdown of the gross expenditures in the total 2026 operating budget for Regional tax-supported and rate-supported services of \$1.2 billion by cost category.

Tax & Rate Gross Operating Expenditures by Cost Category (\$000s)							
	2025		2026		Change in Budget		
	\$	% of Total	\$	% of Total	\$	% of Total	
Personnel Services	\$ 338,387	28.6%	\$ 354,124	29.0%	\$ 15,737	4.7%	
Materials & Supplies	54,119	4.6%	56,187	4.6%	2,068	3.8%	
Purchased Services	155,913	13.2%	163,193	13.4%	7,280	4.7%	
Financial & Rent Expenses	7,792	0.7%	8,917	0.7%	1,125	14.4%	
Grants & Assistance	342,629	29.0%	352,397	28.9%	9,768	2.9%	
Transfers to Reserves & Recoveries	12,347	1.0%	8,301	0.7%	(4,046)	(32.8)%	
Capital Financing	270,815	22.9%	276,038	22.6%	5,223	1.9%	
<b>Total Expenditures</b>	<b>\$ 1,182,002</b>	<b>100.0%</b>	<b>\$ 1,219,157</b>	<b>100.0%</b>	<b>\$ 37,155</b>	<b>3.1%</b>	

Schedule may not add due to rounding.

#### Personnel Services

The total budgeted compensation for Regional employees is \$354.1 million, accounting for 29% of the total gross operating expenditures for Regional Services (Tax and Rate Supported Budgets). The breakdown of these costs is shown in the following table.

2026 Compensation Summary - Regional Services							
	Salary		Fringe Benefits & Other		Total		
<b>2025 Approved Budget</b>	\$	<b>255,784,327</b>	\$	<b>82,602,510</b>	\$	<b>338,386,837</b>	<b>2,519.8</b>
2026 Increase		8,034,955		3,453,215		11,488,170	
<b>Subtotal</b>		<b>263,819,282</b>		<b>86,055,725</b>		<b>349,875,007</b>	<b>2,519.8</b>
In Year Adjustments		(1,405,664)		(338,303)		(1,743,967)	(14.0)
<b>2026 Base Budget</b>		<b>262,413,618</b>		<b>85,717,422</b>		<b>348,131,040</b>	<b>2,505.8</b>
Strategic Investments		4,740,074		1,252,525		5,992,599	34.0
<b>2026 Requested Budget</b>	\$	<b>267,153,692</b>	\$	<b>86,969,947</b>	\$	<b>354,123,639</b>	<b>2,539.8</b>
Total Change		11,369,365		4,367,437		15,736,802	20.0

As shown above, compensation costs are proposed to increase by \$15.7 million, or 4.65%, which consists of a \$11.4 million, or 4.44%, net increase in salaries and a \$4.4 million, or 5.29%, increase in fringe benefits and other compensation expenditures.

- The 4.44% increase in salaries includes a 2.5% grid increase in the non-union pay band based on a pay-for-performance merit system, anticipated increases in union agreements for union employees, and an increase in the budgeted percentage of job rate (from 95.0% to 95.5%) to reflect actual trends.
- In addition, the increase in salaries reflect the following changes related to full-time equivalents (FTEs):
  - Strategic investments for 34.0 FTEs and 20,323.2 relief hours for a total of \$4.7 million.
  - Reduction of 10.0 FTEs as a result of Public Health's Strategic Program Review as reported through Confidential Report No. MO-07-25.
  - Reduction of 4.0 FTEs due to the cessation of Heritage Services delivered by Halton Region as of January 1, 2026 as reported through Confidential Report No. CA-13-25.
- The increase of \$4.4 million in fringe benefits and other compensation expenditures primarily relates to an increase of \$1.3 million in strategic investments and the corresponding benefits associated with the salary increases outlined above.

Of the 34.0 FTEs proposed as strategic investments, 21.0 FTEs will be either fully or partially funded by Provincial funding, reallocated base budget provisions, or through the capital & HCHC budgets as follows:

- 14.0 FTEs and 12,823.2 relief hours include Provincial funding to partially fund the cost in Paramedic Services
- 4.0 FTEs will support capital programs and will therefore be partially or fully recovered from the capital budget
- 2.0 FTEs and 7,500 relief hours are fully funded through reallocated base budget provisions
- 1.0 FTE will support the growing number of units managed by HCHC, and will therefore be recovered from the HCHC budget

The remaining 13.0 FTEs will be funded through property taxes and water and wastewater rates, and will support strategic priorities and address pressures driven by growth and increased demand for services.

As discussed in more detail in the Tax Overview section, in the event that full-time staff who provide direct client care in areas such as Paramedic Services and Services for Seniors are absent from work for various reasons, there is a requirement to replace these staff with casual relief employees in order to maintain service levels. The hours required for backfilling these positions are budgeted as relief hours. The relief resources are budgeted based on the number of hours required in order to better reflect the nature of the resource needs. The 2026 Budget includes 234,781.9 relief hours, which reflects an increase of 20,323.2 from the 2025 Budget. This increase is proposed as part of strategic investments comprised of 12,823.2 relief hours to support Paramedic Services, partially offset with Provincial funding based on the current funding model, and 7,500 relief hours required in Children's Services to meet legislated child to educator ratios at the Regional Child Care Centres, converting temporary resources to permanent and fully offset with CWELCC funding with no net tax impact.

### **Materials & Supplies**

The 2026 Budget for Materials & Supplies is \$56.2 million, which reflects a \$2.1 million, or 3.8%, increase from the 2025 Budget, largely driven by increases in hydro costs of \$1.3 million due to increased rates and an increase of \$503,000 in the contract costs of food and other supplies in Services for Seniors, partially offset with savings of \$323,000 in blue bins due to the transition of the residential Blue Box Program to full producer responsibility. This cost category is largely comprised of expenditures related to hydro, natural gas and other commodities, food and medical supplies, telephone, data line and cell phones, laboratory supplies and materials from stores.

### **Purchased Services**

The 2026 Budget for Purchased Services is \$163.2 million, which reflects an increase of \$7.3 million, or 4.7%, driven by increases of \$3.0 million in Plant Maintenance and other contract costs at the Water and Wastewater Treatment Plants, \$1.5 million in subscription-based software costs and computing services, \$854,000 for

increased contract costs for assisted living, laundry and janitorial services in Services for Seniors, and \$435,000 in road maintenance contracts reflecting inflationary increases and lane kilometre growth.

There is an overall impact of \$7.1 million related to the waste management contracts reflected in the 2026 Budget. The 2026 Budget includes increased waste management contract costs of \$7.0 million in Purchased Services related primarily to the other waste streams including garbage, green cart, and yard waste. Starting January 1 2026, the Region will no longer be providing blue box collection services resulting in reductions of \$7.1 million in Purchased Services and \$323,000 for blue bins in Materials and Supplies. These reductions are offset by a \$7.6 million decrease in Program Revenues due to the discontinuation of funding from Circular Materials Ontario (CMO).

This cost category also includes insurance premiums, property taxes, landscaping, snow removal and building maintenance contracts. All other costs have been reviewed in detail to mitigate the impact of these large increases.

### Financial & Rent Expenses

The 2026 Budget for Financial & Rent Expenses is \$8.9 million, which reflects an increase of \$1.1 million, or 14.4%, driven by a \$1.0 million increase in expenditures for a temporary leased facility to help address vehicle storage and inventory capacity issues until the new Paramedic Services headquarters is constructed and operational, funded through a transfer from the Tax Stabilization reserve with no net tax impact. This cost category also includes equipment, vehicle and property rentals, tax write-offs and property tax rebates, bank service and debt issuance charges.

### Grants & Assistance

As shown in the following table, the 2026 Budget for Grants & Assistance is \$352.4 million, and largely includes grants provided through Children's Services, Housing Services, Employment & Social Services, and the municipal levies provided to the Boards & Agencies. The 2026 Budget is increasing by \$9.8 million, or 2.9%, mainly due to a projected increase in Ontario Works caseloads, as well as an increase of \$1.5 million in Human Services Planning & Program Support to support food security (\$1.0 million) and an increase to the HRCIF (\$500,000).

Tax & Rate Grants & Assistance (\$000s)				
	2025	2026	Change	
Children's Services	\$ 229,630	\$ 227,618	\$ (2,012)	-0.9%
Housing Services	53,049	54,054	1,006	1.9%
Employment & Social Services	35,118	43,676	8,558	24.4%
Boards & Agencies	14,280	14,680	400	2.8%
Human Services Planning & Program Support	6,063	7,525	1,462	24.1%
Regional Governance & Fiscal Transactions	3,200	3,210	10	0.3%
Water & Wastewater Services	849	1,141	293	34.5%
Waste Management	219	279	60	27.4%
Small Business Centre	79	79	-	0.0%
Public Health	71	62	(8)	-11.9%
Corporate Administration	72	72	-	0.0%
<b>Total Grants &amp; Assistance</b>	<b>\$ 342,629</b>	<b>\$ 352,397</b>	<b>\$ 9,768</b>	<b>2.9%</b>

Schedule may not add due to rounding



### Capital Financing

The 2026 Budget includes capital financing transfers of \$276.0 million, accounting for 22.6% of the total tax and rate gross operating expenditures (excluding Police Services). The breakdown of these costs is shown in the following table.

Operating Contributions to Capital Reserves (\$000s)				
	2025	2026	Change	
<b>Rate Supported</b>				
Water & Wastewater	\$ 146,591	\$ 155,235	\$	8,644
<b>Sub-Total</b>	<b>\$ 146,591</b>	<b>\$ 155,235</b>	<b>\$</b>	<b>8,644</b>
<b>Tax Supported</b>				
Roads	51,990	51,990		-
Housing	11,665	11,998		333
Capital Construction & Realty	8,263	8,932		669
Waste Management	12,732	8,781		(3,951)
Digital & Information Services	5,321	5,614		293
Health	3,901	3,916		15
Vehicles	1,999	2,485		486
Corporate Services	1,064	1,103		39
Long-Term Care	2,265	865		(1,401)
Children's Services	66	66		-
<b>Sub-Total</b>	<b>\$ 99,266</b>	<b>\$ 95,749</b>	<b>\$</b>	<b>(3,517)</b>
<b>Total Transfer to Reserves</b>	<b>\$ 245,858</b>	<b>\$ 250,984</b>	<b>\$</b>	<b>5,126</b>
Fiscal Transactions	21,388	21,493		105
Net Debt Charges	3,569	3,562		(7)
<b>Total Capital Financing</b>	<b>\$ 270,815</b>	<b>\$ 276,038</b>	<b>\$</b>	<b>5,223</b>

Schedule may not add due to rounding

As outlined in the table above, \$251.0 million is to support the State-of-Good-Repair capital program and \$25.0 million in other transfers is primarily related to net debt charges (\$3.6 million) and Fiscal Transactions related transfers primarily related to the Revolving fund financing (\$14.3 million). As presented through Report No. **PW-14-25/FN-13-25** (re: "2025 Asset Management Plan and Updated Asset Management Policy"), the Corporate Asset Management Plan, guides investment decisions in the Budget to ensure assets continue to be in good condition and meet desired levels of service.

## Gross Operating Budget – Regional Services Revenues

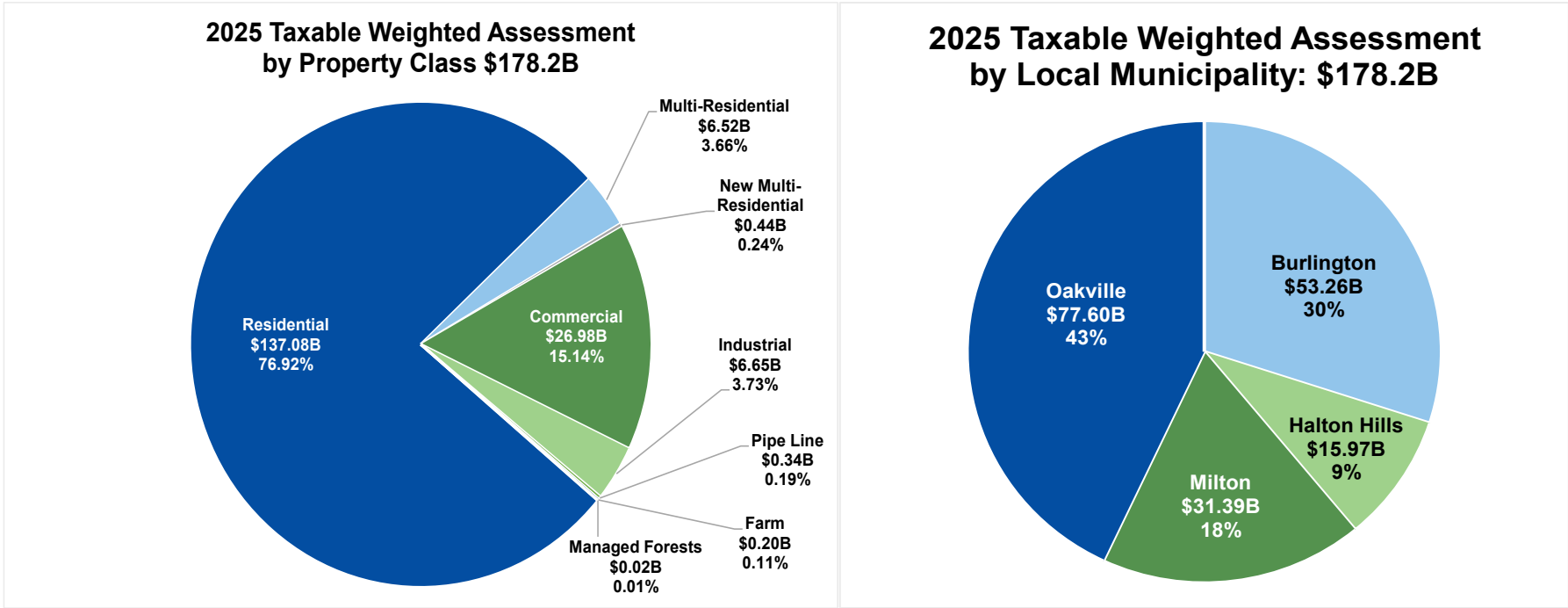
The \$1.2 billion gross operating budget for Regional Services will be funded from a variety of sources as shown in the table below. Gross operating revenues are increasing by \$37.2 million in 2026.

Tax & Rate Gross Operating Revenues by Funding Source (\$000s)							
	2025		2026		Change in Budget		
	\$	% of Total	\$	% of Total	\$	% of Total	
Property Tax Revenue	\$ 335,388	28.4%	\$ 352,778	28.9%	\$ 17,391	5.2%	
Water & Wastewater Rate Revenue	268,337	22.7%	286,317	23.5%	17,979	6.7%	
Provincial Funding	422,105	35.7%	429,812	35.3%	7,707	1.8%	
Federal Funding	26,058	2.2%	26,433	2.2%	375	1.4%	
Program Revenue	46,950	4.0%	40,680	3.3%	(6,270)	(13.4)%	
Other	5,864	0.5%	5,836	0.5%	(28)	(0.5)%	
Investment Income	70,000	5.9%	70,000	5.7%	-	0.0%	
Supplementary Taxes	7,300	0.6%	7,300	0.6%	-	0.0%	
<b>Total Revenue</b>	<b>\$ 1,182,002</b>	<b>100.0%</b>	<b>\$ 1,219,157</b>	<b>100.0%</b>	<b>\$ 37,155</b>	<b>3.1%</b>	

Schedule may not add due to rounding.

- **Property Tax Revenue** funds 28.9% of gross expenditures for Regional Services, the increase for which is generated from a 3.3% tax rate increase and 1.8% assessment growth. Property tax rates are calculated by taking the Regional levy requirement (2026 Budget of \$352.8 million) and dividing it by the taxable weighted assessment (to be calculated through the 2026 Tax Policy Report in April).

For the 2025 taxation year, Halton Region had a total of \$178.2 billion in taxable weighted assessment. The following pie charts show the breakdown of the 2025 taxable weighted assessment by property class as well as by Local Municipality.



- **Water and Wastewater Rate Revenue** funds 23.5% of gross expenditures, the increase for which is generated from a 6.0% rate increase and 1.4% customer growth.

- **Provincial Funding** funds 35.3% of gross expenditures and is primarily used to fund cost-shared programs in Health and Social & Community Services. As shown in the table below, there is an increase of \$7.7 million, or 1.8%, anticipated in the 2026 Budget, mainly related to the increase in funding for Ontario Works benefits based on the projected increase in caseloads. Provincial funding is expected to be \$429.8 million in total in the 2026 Budget, which includes \$1.4 million in funding anticipated in the strategic investments for Paramedic Services.

<b>Change in Provincial Funding 2025-2026 (\$000s)</b>		
<b>Program</b>	<b>Funding</b>	<b>2025-2026 Change*</b>
<b>Public Health</b>	Mandatory Program Cost-Share Funding	(1,903)
	One-Time COVID-19 Response & Recovery	(776)
	<b>Subtotal</b>	<b>(2,680)</b>
<b>Paramedic Services</b>	Base Funding	2,075
	Strategic Investments	1,420
	Community Paramedicine	10
	<b>Subtotal</b>	<b>3,505</b>
<b>Children's Services</b>	Canada-Wide Early Learning and Child Care	(681)
	<b>Subtotal</b>	<b>(681)</b>
<b>Employment &amp; Social Services</b>	Ontario Works Benefits	8,145
	<b>Subtotal</b>	<b>8,145</b>
<b>Housing Services</b>	Federal Block Funding	(311)
	Ontario Priorities Housing Initiative (OPHI)	(694)
	Canada-Ontario Community Housing Initiative (COCHI)	219
	<b>Subtotal</b>	<b>(787)</b>
<b>Services for Seniors</b>	Community Support Services	235
	Level of Care & Other Funding at the Long-Term Care Homes	899
	Direct Care Hours Base Funding	475
	Provincial Capital Funding	(1,405)
	<b>Subtotal</b>	<b>204</b>
<b>Total Change in Provincial Funding</b>		<b>\$ 7,707</b>

\*Funding changes are based on current funding models or allocations

- **Federal Funding** is increasing by \$375,000, or 1.4%, mainly driven by an increase of \$561,000 in Homelessness funding, partially offset with a decrease of \$185,000 in Employment & Social Services due to the discontinuation of Canada Connects Program funding as reported through Report No. **SS-07-25** (re: “Update on Newcomer Programming”).

Federal Funding by Program (\$000s)					
Program	Funding	2025	2026	Change in Budget	
Rate Supported Budget	Canada Community-Building Funding	\$ 9,482	\$ 9,482	\$ -	0.0%
Regional Governance & Fiscal Transactions	Canada Community-Building Funding	10,058	10,058	-	0.0%
Housing Services	Homelessness Funding	5,057	5,618	561	11.1%
Human Services Planning & Program Support	Building Safer Communities Fund	937	937	-	0.0%
Employment & Social Services	Halton Newcomer Strategy & Canada Connects	433	248	(185)	-42.7%
Healthy Families	Canada Prenatal Nutrition Program	90	90	-	0.0%
<b>Total</b>		<b>\$ 26,058</b>	<b>\$ 26,433</b>	<b>\$ 375</b>	<b>1.4%</b>

Schedule may not add due to rounding

- **Program Revenues** are decreasing by \$6.3 million, or 13.4%, mainly due to a decrease in funding from Circular Materials Ontario of \$7.6 million due to the transition of the Blue Box program to full producer responsibility, which is offset primarily in Purchased Services. Partially offsetting this decrease are increases of \$618,000 in resident fees at the LTC homes to align with the latest confirmed accommodation rates, and administration fees of \$328,000 to support the HCHC portfolio.
- **Other Revenue** is comprised of *Provincial Offences Act*, payment-in-lieu of taxes, railway right-of-way, and local improvement revenues. The 2026 Budget is decreasing by \$28,000 driven by a forecasted decrease in local improvement revenues.
- **Investment Income** continues to include a total of \$70.0 million as a source of revenue in the 2026 Budget. Of this revenue, \$42.8 million will be transferred directly to finance the Region’s State-of-Good-Repair capital programs, and the remaining \$27.2 million will support the tax (\$18.8 million) and rate (\$8.4 million) supported operating budgets to offset the impact of capital financing. As part of the annual budget process, staff review trends and projections related to the Region’s investment performance. It is expected that opportunities to generate higher interest earnings is temporary in the short-term, as the Bank of Canada has already started reducing interest rates from the highest levels in decades. In addition, the Region’s capital program is projected to be higher than in previous years due to the cumulative impact of increased prices and accelerated spending, which creates uncertainty in the longer-term investment forecast as capital dollars will be spent. Based on assumptions and sensitivities, the investment income budget remains at a sustainable revenue source of \$70.0 million reflecting an achievable target in the short-term as the market settles and inflation reduces.
- **Supplementary Taxes** have been maintained at the 2025 level of \$7.3 million for the 2026 Budget, which aligns with the average actual revenues over the past 7 years (2018-2024). Throughout the year, the Municipal Property Assessment Corporation (MPAC) provides the Region with additions to the assessment roll for supplementary and/or omitted assessment, which generates supplementary tax revenue. This revenue is difficult to predict, as it depends on the number of properties assessed by MPAC, general economic conditions, and the level of development within each Local Municipality. For this reason, many municipalities choose not to budget for supplementary tax revenue as a recurring source of revenue.



## Net Operating Budget

The gross expenditures less revenues are the net expenditures which are funded through property taxes and water and wastewater rates. The net expenditures are the amounts that must be collected from property taxes or water and wastewater rates.

### Tax-Supported Services

The following table outlines the net expenditures by program for the 2026 Tax-Supported Regional Services Budget.

Net Operating Budget for Tax-Supported Regional Services								
Levy Requirement by Program (\$000s)								
	2025	2026			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base/ 2025 Budget		2026 Requested/ 2025 Budget	
Community Health Services	\$ 5,840	\$ 6,442	\$ -	\$ 6,442	\$ 601	10.3%	\$ 601	10.3%
Health Protection	7,204	7,789	-	7,789	585	8.1%	585	8.1%
Healthy Families	6,521	6,434	-	6,434	(87)	-1.3%	(87)	-1.3%
Public Health Resources	3,260	3,515	-	3,515	254	7.8%	254	7.8%
Paramedic Services	30,939	32,152	1,602	33,754	1,213	3.9%	2,815	9.1%
Children's Services	10,542	10,862	-	10,862	321	3.0%	321	3.0%
Employment & Social Services	7,050	7,282	-	7,282	232	3.3%	232	3.3%
Housing Services	48,738	50,752	-	50,752	2,014	4.1%	2,014	4.1%
Human Services Planning & Program Support	10,378	11,420	500	11,920	1,042	10.0%	1,542	14.9%
Services for Seniors	30,324	33,286	-	33,286	2,962	9.8%	2,962	9.8%
Waste Management	53,584	57,470	296	57,766	3,886	7.3%	4,182	7.8%
Road Operations	66,329	67,146	-	67,146	818	1.2%	818	1.2%
Development Services	8,284	8,650	-	8,650	366	4.4%	366	4.4%
Small Business Centre & Heritage Services**	2,568	1,387	-	1,387	(1,181)	-46.0%	(1,181)	-46.0%
Regional Governance & Fiscal Transactions*	29,487	30,282	563	30,845	795	2.7%	1,358	4.6%
Boards & Agencies	14,340	14,948	-	14,948	608	4.2%	608	4.2%
<b>Net Regional Impact</b>	<b>335,388</b>	<b>349,818</b>	<b>2,961</b>	<b>352,778</b>	<b>14,430</b>	<b>4.3%</b>	<b>17,391</b>	<b>5.2%</b>
<b>Assessment Growth</b>							<b>(6,037)</b>	<b>1.8%</b>
<b>Regional Levy Requirement</b>	<b>\$ 335,388</b>	<b>\$ 349,818</b>	<b>\$ 2,961</b>	<b>\$ 352,778</b>	<b>\$ 14,430</b>	<b>4.3%</b>	<b>\$ 11,354</b>	<b>3.3%</b>

Schedule may not add due to rounding

\* Strategic Investments for Corporate Administration are reflected under Regional Governance & Fiscal Transactions, and will be allocated to the program areas in the following year's budget.

\*\* Halton Region will cease delivering Heritage Services effective January 1, 2026, as approved through Confidential Report No. CA-13-25

The requested 2026 net expenditure budget for tax-supported Regional Services is increasing from \$335.4 million to \$352.8 million, an increase of \$17.4 million, or 5.2%, before assessment growth. Of this increase, the base budget is increasing by \$14.4 million, or 4.3%, related to inflation and other cost increases. In addition to the base budget increase, the 2026 Budget proposes strategic investments of \$3.0 million that support Regional Council's strategic priorities, as well as critical program enhancements to support the health and well-being of Halton residents, and investments that address pressures driven by growth and increased demand for services. The net expenditures shown above incorporate the cost of Corporate Administration in order to reflect the full cost of service delivery.

The combined base budget (\$14.4 million) and strategic investments (\$3.0 million) result in a \$17.4 million increase in net expenditures for 2026. The assessment growth (primarily related to new properties) in 2025 is estimated to be 1.8%, or \$6.0 million. This results in a net tax increase of 3.3% for the 2026 Budget. The key changes from the 2025 Budget to the 2026 Budget for a net tax impact of \$11.4 million, or 3.3% are outlined below:

- The 2026 Budget for **Public Health** (comprised of Community Health Services, Health Protection, Healthy Families, and Public Health Resources Divisions) is increasing by a total of \$1.4 million, or 5.9%, driven by inflationary cost adjustments applied where necessary to maintain service levels, without equivalent increases in provincial funding to maintain the cost-share level. The Region's cost-share is increasing from 47% in the 2025 Budget to 50% in the 2026 Budget as a result of funding not keeping pace with inflation and growth.
- **Paramedic Services** includes strategic investments totalling **\$3.0 million (\$1.6 million net tax impact)** for 14.0 FTEs and 12,823.2 relief hours to address increasing pressures in paramedic operations due to continuous growth. Increases have also been reflected for increased personnel services costs, external vehicle maintenance due to an aging fleet, as well as inflationary increases applied where necessary to maintain service levels
- The 2026 Budget for **Children's Services** includes an increase of **\$321,000** mainly due to inflationary cost adjustments applied where necessary to maintain service levels. The 2026 Budget also includes a strategic investment for 7,500 relief hours required to meet legislated child to educator ratios at the Regional Child Care Centres, fully offset with CWELCC funding with no net tax impact.
- The 2026 Budget for **Employment & Social Services** includes a net increase of **\$232,000** mainly due to inflationary cost adjustments applied where necessary to maintain service levels as well as increased demand for the Subsidized Pass for Low Income (SPLIT Program).
- **Housing Services** includes an increase of **\$2.0 million**, mainly due to an increased investment of \$585,000 to deliver new housing opportunities as outlined in the Region's **Comprehensive Housing Strategy 2025-2035 (CHS)**, a \$503,000 increase in assisted housing provider grants, and inflationary cost adjustments applied where necessary to maintain service levels. The 2026 Budget also includes strategic investments of 2.0 FTEs to support the delivery of Housing programs, fully offset by funding provided through the Canada-Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI), with no tax impact,
- The 2026 Budget for **Human Services Planning & Program Support** includes an increase of **\$1.5 million**, comprised of \$1.0 million in annual operating funding to support Food for Life and FeedHalton with core operating costs and enhance collaboration with the food rescue and food bank sector as approved through Report No. **SS-13-25**, as well as a strategic investment to enhance the Halton Region Community Investment Fund (HRCIF) by \$500,000 to support emerging community needs and fund key human service programs and initiatives.
- The 2026 Budget for **Services for Seniors** is increasing by **\$3.0 million** largely driven by contract increases above the rate of inflation for food supplies and assisted living services, and increased funding to support ongoing state-of-good-repair projects at the three LTC homes. These increases are partially offset by provincial funding increases of \$1.4 million for the LTC homes and \$235,000 for Community Support Services which align with the latest confirmed funding allocations, as well as a \$618,000 increase in resident revenues to align with the latest confirmed accommodation rates.

- **Waste Management** includes an increase of **\$4.2 million** mainly driven by a total increase of \$7.1 million in the waste contracts, partially offset with \$4.5 million in savings associated with the transition of the blue box program to producer responsibility that were utilized in the 2025 Budget to provide one-time funding towards the automated wheeled cart collection program and have been removed from the 2026 Budget. Strategic investments are proposed for 2.0 FTEs to support the continued phased-implementation and ongoing operations of the automated wheeled cart program, and for an increase of \$60,000 in the Community Circular Economy Fund (formerly the Waste Diversion Fund) to advance Halton Region's Solid Waste Management Strategy by reducing waste, extending landfill lifespan, and supporting innovative, community-led solutions.
- **Road Operations** includes a **\$818,000** increase driven by an increase of \$435,000 for road maintenance to reflect inflationary contract increases and growth in the Regional road network.
- **Small Business Centre & Heritage Services** includes a reduction of **\$1.2 million** primarily due to the cessation of Heritage Services delivered by Halton Region as of January 1, 2026. The 2026 Heritage Services budget is decreasing by a total of \$1.0 million, of which \$682,000 is related to savings in direct costs mainly driven by a reduction of 4.0 FTEs, and \$335,000 is related to corporate administration chargebacks and other facility and technology support costs that have been reallocated to other program areas.
- **Regional Governance & Fiscal Transactions:** The 2026 Budget reflects a net increase of \$1.4 million, or 4.6%, over the 2025 Budget which is comprised of:
  - \$563,000 net tax impact for strategic investments for Corporate Administration after recoveries from the capital and HCHC budgets, which includes 8.0 FTEs to support Corporate Services and Digital & Information Services.
  - \$563,000 increase in the cost for MPAC assessment services based on MPAC's budgetary increases and Halton's apportionment.
  - \$130,000 increase in the governance-related costs (i.e. Office of the Chair, Regional Council, CAO's Office, Regional Clerk & Council Services, and Emergency Management) recovered from the tax-supported budget.
  - \$55,000 net increase in capital financing comprised of \$99,000 is to support the Credit Valley Conservation Authority's Black Creek Subwatershed and Hazard Tree Management programs, partially offset by a decrease of \$43,000 for the Emerald Ash Borer program, per the 2026 financing plan.
  - \$108,000 decrease to remove the one-time transfer in the 2025 Budget to offset the favourable assessment growth.
- **Boards & Agencies** include the Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic. Council set guidelines through Report No. **FN-17-25** which have been achieved as follows:
  - Conservation Halton 4.1% increase in the municipal general levy request.
  - Credit Valley Conservation 2.3% increase in the municipal general levy request.
  - Grand River Conservation Authority 3.5% increase in the municipal levy request.
  - Royal Botanical Gardens has been provided a 2.5% increase as per the guideline.
  - North Halton Mental Health Clinic funding of \$1.4 million, which includes an increase of \$81,000 over the 2025 Budget to reflect increased lease costs.

### Rate-Supported Services

The 2026 net expenditure budget for Water and Wastewater Services is increasing from \$268.3 million to \$286.3 million, an increase of \$18.0 million, or 6.7% as shown in the following table. This includes the base budget increase of \$16.6 million, or 6.2%, and net strategic investments of \$1.4 million that address operational and strategic priorities. Customer growth is estimated to be 1.4%, or \$1.8 million, while consumption growth is estimated at 0.0%. This results in a net water and wastewater rate increase for the 2026 Budget of \$16.2 million, or 6.0%. The net expenditures in the following table incorporate the cost of Corporate Administration and Regional Governance in order to reflect the full cost of service delivery.

Net Operating Budget for Water & Wastewater Services (\$000s)								
	2025	2026			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Water Treatment and Distribution	\$ 56,968	\$ 60,831	\$ 108	\$ 60,940	\$ 3,863	6.8%	\$ 3,972	7.0%
Wastewater Collection and Treatment	68,377	72,004	1,260	73,264	3,628	5.3%	4,887	7.1%
Infrastructure Management	142,992	152,113	-	152,113	9,120	6.4%	9,120	6.4%
<b>Net Program Impact</b>	<b>\$ 268,337</b>	<b>\$ 284,948</b>	<b>\$ 1,368</b>	<b>\$ 286,317</b>	<b>\$ 16,611</b>	<b>6.2%</b>	<b>\$ 17,979</b>	<b>6.7%</b>
Growth							(1,781)	-0.7%
<b>Net Rate Increase</b>							<b>\$ 16,199</b>	<b>6.0%</b>

Schedule may not add due to rounding.

As shown in the following table, of the \$16.2 million (6.0%) net increase after customer growth, \$8.2 million (3.0%) is required to provide sustainable funding for the state-of-good-repair of existing water and wastewater assets based on the Asset Management Plan and Updated Asset Management Policy (Report No. **PW-14-25/FN-13-25**), \$6.8 million (2.5%) is required to operate and maintain the water and wastewater systems, and \$1.2 million (0.5%) is required to fund the enhancements to the Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**.

2026 Budget: Operating and Capital Financing Impact (\$000s)				
	Change in Budget			
	Net Program Impact	Growth*	With Growth*	Rate Impact
Net Operating Expenditures	\$ 7,505	\$ (743)	\$ 6,761	2.5%
Basement Flooding Mitigation Program	1,354	(134)	1,220	0.5%
Capital Financing	9,120	(903)	8,217	3.0%
<b>Net Impact</b>	<b>\$ 17,979</b>	<b>\$ (1,781)</b>	<b>\$ 16,199</b>	<b>6.0%</b>

Schedule may not add due to rounding.

## 2026 Budget Risks

The 2026 Budget includes a number of potential risks that continue to be monitored by staff through the variance reporting to Council three times per year. In addition, any important announcements by the Province or significant changes in budget assumptions will be reported to Council. Several risks are included in the 2026 Budget and are summarized below.

As reported through Report No. **SS-03-22**, the Province has committed to providing funding to Long-Term Care homes to increase staffing levels to be able to provide, on average, four hours of direct care to residents by 2024-25. While the Province has funded an additional 110.4 FTEs and 35,365.4 relief hours in Halton's Long-Term Care homes over the last four years to meet this objective, there has been no commitment to fund future costs associated with these staff including wage increases and additional costs to support the staff such as technology, supplies and administrative support. In addition, in 2022, the Ministry of Long-Term Care announced that the \$3/hour wage enhancement for personal support workers (PSWs) that was introduced during the COVID-19 pandemic was being made permanent. Although PSWs are entitled to the wage enhancement for each hour worked, funding is provided by the province to each LTC home on a per bed, per month basis, leaving the Region at risk of covering any funding shortfall that may materialize in-year.

The 2026 Budget includes \$937,000 in funding, anticipated but not yet confirmed, to extend the Building Safer Communities Fund (BSCF) program. As reported through Report No. **SS-21-22**, the BSCF is a Federally funded initiative under Public Safety Canada that was introduced as a targeted, time-limited contribution program totalling \$250 million for municipalities and Indigenous communities to develop community-based prevention and intervention strategies that aim to prevent gun and gang violence through local programming. Halton Region was selected to receive a funding allocation of approximately \$3.9 million over four years, which expires March 31, 2026. Although funding has not been confirmed beyond this date, it is anticipated to continue as the Federal Government has identified extending this program as a key priority to fight crime, protect Canadians, and build safer communities. As such, the program and funding have been extended in the 2026 Budget with an allocation of \$937,000, which will be utilized to support dedicated program resources and provide grants to community-based agencies. If this anticipated funding does not materialize, Halton Region will wind-down and end this program by December 31, 2026.

As of January 1, 2026, producers are responsible for implementing a standardized provincial Blue Box program across Ontario under O. Reg. 391/21, and therefore Halton Region will no longer be responsible for collecting from eligible locations, responding to Blue Box related issues and inquiries, distributing Blue Boxes, delivering the associated promotion and education and monitoring and enforcing the residential Blue Box program. As approved through Report No. **PW-30-25**, Halton Region will continue to provide recycling collection services to new and eligible multi-residential buildings, schools, non-profit long-term care homes, and retirement homes from January 1, 2026 until the producers are responsible for them in 2031. As the number of units and recycling volumes are not confirmed at this time, a provision has not been included in the 2026 Budget. Staff will monitor the impact in 2026 and provide updates through the operating variance reports. Updated estimates will inform a provision to be considered for the 2027 Budget and Business Plan through the annual budget process. Staff will continue to monitor the transition of the blue box program to full producer responsibility, as well as any further changes to legislation and regulations.

Bill 108 (*More Homes, More Choice Act, 2019*), Bill 23 (*More Homes Built Faster Act, 2022*), Bill 185 (*Cutting Red Tape to Build More Homes Act, 2024*) and Bill 17 (*Protect Ontario by Building Faster and Smarter Act, 2025*) have introduced financial and administrative challenges for municipalities. Although many impacts are still unknown, the evolving legislative framework has reduced the ability to collect development charges (DCs), altered the timing of development charge revenue collection, and increased uncertainty in funding the critical infrastructure needed to support growth.

The 2026 Budget incorporates known impacts and includes general inflationary assumptions where applicable, however there is a risk that there are significant impacts related to wage settlements, legislative changes and the capital program that have not been anticipated in the budget that could result in unfavourable variances in 2026, as well as create longer term impacts on the forecast.

The following chart highlights some of the budget assumptions and risks underpinning the 2026 Budget and the sensitivity of these assumptions.

2026 Budget Risks and Sensitivities			
	Key Budget Components	Budget Assumptions	% Tax/Rate Impact
Budget Risks	<b>Development Charges Act, 1997</b>		
	Exemption for affordable residential units	Not reflected in the 2026 Budget	Full extent of financial impacts are not yet known and could have significant impacts to financing growth
	Changes to the Act that have been proclaimed, including those impacts that are unknown or not yet in effect, such as deferral of DC payment to occupancy, exemption of DC's for long-term care, not-for-profit and attainable housing.	Not reflected in the 2026 Budget	The full extent of the financial impacts is still uncertain. However, preliminary estimates indicate that payment deferrals could delay revenue collection by approximately 1 to 3 years.
	<b>Provincial &amp; Federal Funding</b>		
	Building Safer Communities Fund	Funding confirmed until March 31, 2026. 2026 Budget assumes funding will be extended to December 31, 2026	\$739,000 in assumed funding from April 1 to December 31 2026 that is not confirmed
	Services for Seniors (Direct Care Hours & PSW Wage Enhancement Funding)	The 2026 Budget includes \$14.1M in Direct Care Hours funding and \$2.8M in PSW Wage Enhancement funding based on the latest confirmed allocations	Funding shortfalls may be experienced based on the funding formulas which may require Regional contribution
Budget Sensitivities	<b>Expenditures</b>		
	Blue Box Program - Collection from New Multi-Residential Buildings, Schools, Non-Profit Long-Term Care and Retirement Homes	Not reflected in the 2026 Budget	Preliminary estimates indicate that the 2026 costs could range from \$150,000 to \$350,000 based on assumptions in recycling volumes. Staff will monitor the actual impact in 2026 and provide updates through the operating variance reports. Updated estimates will inform a provision to be incorporated into the 2027 Budget and Business Plan through the annual budget process
	<b>Tax-Supported Budget</b>		
	<b>Provincial &amp; Federal Funding</b>		
	Public Health (Cost-Shared Base Funding)	2026 Budget reduced by \$1.9 million to reflect the projected 2026 funding allocation	1% change in Provincial Funding = \$216,800
	Paramedic Services (Base Funding)	7.1% increase based on the current funding model / allocations	1.0% change in Provincial Funding = \$313,000
	Paramedic Services (Strategic Investments)	Based on the current cost-share level	\$1.4 million included in the 2026 SIFs based on the current cost-share level
	Services for Seniors (Base Funding)	2.7% increase based on the latest confirmed allocations for 2024-25 (excluding impact of Construction Funding)	1.0% change in Provincial Funding = \$604,000
	Children's Services - excluding CWELCC	Based on latest confirmed funding allocations	1.0% change in Provincial Funding = \$57,000
	Children's Services - CWELCC (including Local Priorities)	Based on latest confirmed funding allocations	1.0% change in Provincial Funding = \$2.4 million
	Housing Services	Based on latest confirmed funding allocations. Excludes funding reflected in the Capital Budget.	1.0% change in Provincial/Federal Funding = \$231,000
	Employment & Social Services	21.3% increase based on the latest confirmed allocation/ 26% growth in OW Benefits	1.0% change in Provincial/Federal Funding = \$457,000
	<b>Expenditures &amp; Revenues</b>		
	Waste Management Contracts	2.5% CPI increase	1.0% CPI increase = \$320,000
		No tonnage change	1.0% increase in tonnages = \$238,000
	Provincial Offences Act Revenues	2026 budget remains unchanged over 2025	1.0% change in revenues = \$9,200
	Investment Income	3.2% rate of return; 2026 Budget remains at \$70.0 million.	0.1% change in rate of return = \$2.2 million in total investment income
	Supplementary Taxes	No change; based on 7-year average	1.0% change in supplementary taxes = \$73,000
	Tax Write-Offs	No change; based on 7-year average	1.0% change in tax write offs = \$49,000
	Assessment Growth	1.8%	1.0% change in budget (excluding Police) = \$3.4 million
	<b>Rate-Supported Budget</b>		
	Consumption Growth	0.0% consumption growth	1.0% change in consumption growth = \$1.75 million
	Customer Growth	1.4% customer growth	1.0% change in customer growth = \$1.2 million



## 2026 Operating Budget & Forecast

Looking forward to 2026 and beyond, the impacts of legislative changes, provincial funding shortfalls, growth, demographic changes and increasing demand for services, geopolitical risks, and global economic conditions continue to be very challenging and present risks to the 2026 Operating Budget & Forecast.

For Tax-Supported Services, significant cost increases in the waste management contracts together with the investments required to support the Paramedic Services 10-Year Master Plan are placing significant pressure on the forecast, predominantly in the first few years. Tax impacts of 0.4% in 2027 and 1.0% in 2028 are required to fund the capital financing expenditures for Paramedic Services, and tax impacts of 1.8% in 2027 and 0.5% in 2028 are required to fund the increased waste management contract costs. It is expected that these impacts together with inflationary and other pressures will require higher tax rate increases for the first 4 years of the forecast, before returning to the Bank of Canada target range of 1.0% to 3.0% in the last five years.

For Rate-Supported Services, the increases required to operate and maintain the water and wastewater system are projected at the rate of inflation throughout the forecast, with increases of 2.3% to 3.0% required to fund the State-of-Good-Repair capital program.

The 2026 Budget includes a 0.5% rate increase to fund the enhancements to the Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**, with an assumed 10% increase in subsidy participation and additional staff resources. Additional 0.5% rate increases are projected for 2027 and 2028 to fund increased investment in the program. This funding will support the expected growth in subsidy participation over the next few years as a result of expanded public education, targeted outreach and homeowner support, as well as increased system and field investigations, household drainage surveys and flow monitoring in order to build long-term resiliency by reducing excessive inflow and infiltration in the wastewater system. Beginning in 2026, staff will update Council bi-annually in March and September on the ongoing progress of the Basement Flooding Mitigation Program. Funding requirements will be monitored and adjusted as needed through the annual budget process to ensure continued support for the program.

While the 2026 Budget includes measures to mitigate the risks to the extent possible, the 2026 Operating Budget & Forecast continues to have areas of risk exposure including the following:

### Cost Increases

The Region continues to experience significant increases in the cost of goods, services, and construction resulting from an extended period of high inflation as well as overall market and economic conditions. In particular, significant contract increases are being experienced in waste management, software and subscription-based services, construction, as well as numerous other contractual costs for goods and services. Continued periods of high inflation and cost escalations coupled with the increase in construction in the GTHA to support the housing targets will put additional pressure on future years' budgets. The outlook for inflation is difficult to assess given the continued uncertainty in market and economic conditions due to trade policy; tariffs and trade uncertainty are expected to continue to weigh on Canadian economic activity.

Prolonged periods of high inflation have significantly increased the cost of delivering infrastructure, and the risk of continued inflation could further impact future budgets. In addition, further legislative changes to the *Development Charges Act*, including amendments introduced since Bill 23 may substantially restrict development charge revenues, impacting the Region's ability to fund capital works. Without alternative sources of funding, these legislative changes could have a substantial impact on existing tax and rate payers and the Region's ability to deliver services.

In 2024, Council approved the Solid Waste Collection Future Levels of Service (Report No. **PW-14-24**) which includes changing from a manual to an automated wheeled cart collection system, requirements for alternative fuel sources for collection vehicles to reduce greenhouse gas emissions, and removal of eligible blue

box properties that fall under the Blue Box Regulation (O. Reg. 391/21). As reported through the Council Memorandum dated July 9, 2025 (re: “Award of Solid Waste Collection Base Contracts”) and Report No. **PW-20-25**, base and provisional services for Solid Waste Collection Services and Front-end and Roll-off Container Collection of Solid Waste were awarded to Miller Waste Systems Inc. (starting April 3, 2027) and Advantage Waste Systems Inc. (starting March 30, 2026) with a total annualized cost increase of approximately \$10.7 million, or 42.4%, for the contracts once fully implemented. The increases for the waste collection contracts have put significant pressure on the tax-supported operating budget and forecast, with impacts extending over the next several years to reflect the full implementation. Tax impacts of 1.8% in 2027 and 0.5% in 2028 are required to fund the increased waste management contract costs. Staff will continue to monitor the transition of the blue box program to full producer responsibility, as well as any further changes to legislation and regulations. It is important to note that the transformational changes occurring in Waste Management programs over the next few years may create further impacts on the budget and forecast.

### **Strategies & Master Plans**

The demand for infrastructure has accelerated to support the Province’s housing target of 1.5 million homes by 2031. The 2026 Budget and Business Plan has been developed based on master plans and financing strategies approved by Council that predate the completion of the 2025 Water, Wastewater, and Transportation Master Plans. As a result, the current budget reflects infrastructure needs and service levels aligned with earlier planning assumptions. While the updated master plan strategy was approved at Council on November 12, 2025 through Report No. **PW-35-25**, they have not yet been incorporated into the 2026 Budget and forecast, as implementation planning is still underway as outlined through report **PW-36-25**. These updated plans are expected to inform budgets beyond 2031, aligning with the accelerated infrastructure timelines required to meet long-term growth targets and will be incorporated into the 2027 Budget and Forecast.

Through Report No. **MO-14-24**, Council adopted the Paramedic Services 10-Year Master Plan which will serve as the strategic planning framework for public policy, organizational, capital, and operational decisions pertaining to the delivery of paramedic services in Halton Region for the period of 2025 to 2034. The Master Plan identifies the additional program needs that represent significant increases from the current operation in order to support population growth and increased utilization rates. It is anticipated that the capital requirements will be funded through a combination of Regional reserves, debt and development charges (DC). The preliminary estimates are based on existing station and vehicle operating and maintenance costs, and facility capital construction costs. The 2026 Budget and Forecast includes the preliminary estimated impacts reflected in the Master Plan, however staff will undertake a comprehensive analysis, including undertaking a number of studies to further refine the estimated capital and annual operating costs, and will report back prior to implementation with the financial impacts and financing plans for Regional Council’s consideration and approval. Significant tax impacts of 0.4% in 2027 and 1.0% in 2028 are projected in the forecast to fund the capital financing expenditures for Paramedic Services.

As reported through the Region’s **Comprehensive Housing Strategy 2025-2035 (CHS)**, to keep pace with the 1,258 new units achieved under the previous strategy (2014-2024) and to continue to meet the growing demand, Halton Region aims to create 1,350 new assisted and supportive housing opportunities by 2035 with one-third of the required funding coming from each level of government. This includes a standalone commitment to create 450 housing opportunities with Regional investment alone, with matching funding support from the Provincial and Federal Governments for an additional 900 housing opportunities. The 2026 Budget and Forecast continues to include funding for 450 new housing opportunities to be created from 2025-2034 using Regional operating and capital funding.

### **Provincial & Federal Funding**

Provincial and federal funding has been assumed in the forecast based on current funding models and allocations, which does not keep pace with increases in costs and growth, requiring increased Regional contribution to maintain service levels. In addition, there are pressures related to increasing demand for services, as highlighted through the Paramedic Services 10-Year Master Plan Update (Report No. **MO-14-24**), the Comprehensive Housing Strategy 2025-2035 (Report No. **SS-11-25**), as well as growing food insecurity in Halton (Report No. **SS-13-25**).

Investment in homelessness prevention from the Provincial government for the 2025-26 fiscal year remains unchanged at \$14.3 million and no change is expected for the 2026-27 fiscal year. As reported through Report No. **SS-05-25**, the Federal government announced a reversal of the previously planned funding cuts to the

Reaching Home Program and provided incremental new funding for Halton Region of approximately \$217,000 in 2026-27. The homelessness system has become more complex and requires increased base federal and provincial funding to support vulnerable populations on a permanent, sustained basis. Increased base federal and provincial funding is also required to support the operating costs of existing and new assisted and supportive housing opportunities on a permanent, sustained basis. The Region will continue to advocate for the funding required to support the ongoing operating costs for homelessness and assisted and supportive housing services, however without appropriate and sustained funding, there will be Regional commitment required that will need to be addressed in future budgets.

### **Growth Assumptions**

The 2026 Budget includes an assumption of 1.8% for assessment growth, with 1.8% to 3.0% assessment growth projected in the forecast period. This reflects the projected increase as a result of the Local Municipalities' housing pledges to support the Provincial housing target to achieve 1.5 million homes by 2031. Assessment growth is anticipated to increase as a result of the Provincial Housing target. Staff will monitor the impacts to assessment growth projected and update as necessary through the annual budget process.

The 2026 Budget maintains the budgeted level of water consumption growth at the 2025 Budget level, with 0.5% consumption growth projected in the last five years of the forecast period. The 2026 Budget also includes an increase of 1.4% in customer growth, with 1.4% to 3.0% customer growth projected in the forecast period. These assumptions reflect the projected increase as a result of the Local Municipalities' housing pledges to support the Provincial housing target to achieve 1.5 million homes by 2031. Staff will monitor the impacts to consumption and customer growth projected and update as necessary through the annual budget process.

### **Performance of the Region's Investment Portfolio**

As part of the annual budget process, staff review trends and projections related to the Region's investment performance. It is expected that in the next 1 to 5 years, the opportunities to generate higher interest earnings will diminish, as the Bank of Canada has already started reducing interest rates from the highest levels in decades. Although elevated interest rates have not resulted in a recession, economic activity has significantly slowed, as higher inflation has reduced available income to spend and higher borrowing rates have impacted business investments. As the unemployment rate has started to rise, interest rates have already been reduced by 100 basis points in 2025, with likely additional cuts in the future. The interest income from cash balances will be drastically reduced while available bond yields will move significantly lower. In addition, the Region's capital program is projected to be higher than in previous years due to the cumulative impact of increased prices and accelerated spending, which creates uncertainty in the longer-term investment forecast. As such, for the forecast, the investment income budget is forecasted at the current budget of \$70.0 million reflecting the sustainable and achievable target and staff will continue to review and recommend one-time transfers of any temporary investment earnings achieved annually in the short-term.

The 10-Year Operating Forecast has been prepared to maintain services and service levels. Any change in service or service level will affect the forecast. In addition, if general inflation rates increase, the tax and rate impacts will also increase. The forecast includes financing plans to address currently identified capital requirements. Any new capital requirements along with planned updates to the master plans can affect the forecast. The 10-Year Operating Forecast prepared for the 2026 Budget was based on the following key assumptions:

- General inflation of 2.0%, where applicable
- Interest on reserves of 3.0%
- Debt financing rate of 5.0%
- Capital expenditures based on the financing plan for the Capital Budget
- Assessment growth of 1.8% to 3.0% per year
- Provincial funding to follow current funding formulas
- Water customer growth of 1.4% to 3.0%
- Water consumption growth of 0.0% to 0.5%

### Tax-Supported Services

As shown in the following table, the tax forecast has been prepared based on current financing plans approved by Council to maintain levels of service. The financing plans will be further refined, where possible, through the annual budget process to achieve tax increases at or below the rate of inflation for Regional Services consistent with Council priorities.

Ten Year Operating Budget Forecast for Tax-Supported Services (\$000s)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Requested Budget	Forecast								
<b>Region:</b>										
Net Expenditures	\$ 352,778	\$ 376,720	\$ 401,265	\$ 425,656	\$ 450,173	\$ 475,499	\$ 497,328	\$ 521,131	\$ 546,153	\$ 573,536
Net Expenditure Change	5.2%	6.8%	6.5%	6.1%	5.8%	5.6%	4.6%	4.8%	4.8%	5.0%
<b>Region Tax Impact (after assessment growth)</b>	<b>3.3%</b>	<b>4.9%</b>	<b>4.5%</b>	<b>4.0%</b>	<b>3.5%</b>	<b>3.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>
<b>Halton Regional Police Service:</b>										
Net Expenditures	\$ 252,402	\$ 276,151	\$ 300,862	\$ 324,827	\$ 350,107					
Police Net Expenditure Change	8.3%	9.4%	8.9%	8.0%	7.8%					
<b>Police Tax Impact (after assessment growth)</b>	<b>6.4%</b>	<b>7.5%</b>	<b>6.9%</b>	<b>5.8%</b>	<b>5.5%</b>					
<b>Region Including Police:</b>										
Net Expenditures	\$ 605,181	\$ 652,872	\$ 702,127	\$ 750,483	\$ 800,280					
Regional Net Expenditure Change (Includes Police)	6.5%	7.9%	7.5%	6.9%	6.6%					
<b>Region Including Police Tax Impact (after assessment growth)</b>	<b>4.6%</b>	<b>6.0%</b>	<b>5.5%</b>	<b>4.8%</b>	<b>4.3%</b>					
<b>Assessment Growth Assumption</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.2%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>3.0%</b>

Tax Budget Forecast as projected in the 2025 Budget										
<b>Region Tax Impact (after assessment growth)</b>	<b>3.0%</b>	<b>3.0%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	

Schedule may not add due to rounding

### Rate-Supported Services

The Water and Wastewater Rate Forecast has been prepared to maintain the operating cost increases at the rate of inflation and to ensure that the funding for the repair and replacement of the water and wastewater infrastructure is financially sustainable.

As shown in the following table, the rate forecast anticipates increases in a range between 4.3% and 5.5% between 2027 and 2035, with over half of the increase (2.3% to 3.0%) required to support the capital expenditure financing to maintain the State-of-Good-Repair capital program. Increases at the rate of inflation are required to support the operations and maintenance of the Water & Wastewater System, with additional rate increases of 0.5% projected in 2027 and 2028 to fund increased investment in the Basement Flooding Mitigation Program.

Ten Year Operating Budget Forecast for Rate-Supported Services										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Requested Budget	Forecast								
Net Program Impact (\$000s)	\$ 286,317	\$ 304,048	\$ 322,690	\$ 341,024	\$ 359,555	\$ 380,997	\$ 403,208	\$ 427,228	\$ 452,684	\$ 480,118
Annual Water Consumption m <sup>3</sup> (000s)	53,340	53,340	53,340	53,340	53,340	53,607	53,875	54,144	54,415	54,687
Residential Bill (226 m <sup>3</sup> p.a.)	\$ 1,244	\$ 1,312	\$ 1,384	\$ 1,454	\$ 1,523	\$ 1,595	\$ 1,667	\$ 1,742	\$ 1,818	\$ 1,896
<b>Annual % Rate Increase</b>	<b>6.0%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>5.0%</b>	<b>4.8%</b>	<b>4.7%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>
<b>Rate Impact:</b>										
State-of-Good-Repair	3.0%	3.0%	3.0%	3.0%	2.8%	2.7%	2.5%	2.5%	2.4%	2.3%
Basement Flooding Mitigation	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenses	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate Budget Forecast as Projected in the 2025 Budget										
<b>Annual % Rate Increase</b>	<b>5.0%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.3%</b>
State-of-Good-Repair	3.0%	2.9%	2.9%	2.8%	2.6%	2.6%	2.5%	2.5%	2.5%	2.5%
Operating Expenses	2.0%	1.7%	1.7%	1.7%	1.8%	1.9%	1.8%	1.9%	1.9%	1.9%

Schedule may not add due to rounding

## 2026 Capital Budget & Forecast

The 10-year capital program identifies the significant investments in infrastructure that are required to appropriately maintain and replace the Region's existing infrastructure assets (State-of-Good-Repair) and expand the infrastructure to service growth, including meeting the Local Municipalities housing pledges (Development).

The table below summarizes the \$9.1 billion 2026 Capital Budget and Forecast, excluding Police Services and includes the following:

- The 2026 Budget and Forecast Program Expenditures includes \$5.5 billion in capital projects that are part of the 2026 Capital Report that require Council approval. These costs include increases associated with the 2020 & 2023 Allocation Programs related to water, wastewater, and transportation.
- The Budget Estimates for 2032-2035 are forecasted figures. The \$2.8 billion estimate is based on a 7-year average of capital expenditures, as the 2011 master plans for water, wastewater and transportation only capture projects to 2031. The new planning period to 2051, approved through Report No. **PW-35-25** (re: "Integrated Master Plan") will be reflected in future budgets.
- 2023 Allocation Program expenditures from 2026 were approved through the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**). These figures have been incorporated to ensure appropriate representation of the program. The table below reflects the average annual budget for the 2023 Allocation Program over the 2024–2026 period, which amounts to \$0.8 billion for 2026.

2026 Capital Report Summary (\$000s)											
	Gross Cost	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>2026-2035 Capital Plan</b>											
<b>2026 Budget and Forecast Program Expenditures*</b>											
Water	\$ 1,035,408	\$ 144,386	\$ 134,743	\$ 150,905	\$ 121,756	\$ 125,251	\$ 124,510	\$ 57,575	\$ 51,399	\$ 51,755	\$ 73,128
Wastewater	1,396,479	296,632	292,362	235,115	73,421	88,974	50,667	64,704	93,810	89,568	111,226
Transportation	2,366,504	178,777	434,921	333,310	329,075	475,634	558,355	17,294	16,193	14,037	8,908
All Other Services	668,803	195,251	55,794	78,869	150,120	36,304	33,647	32,791	30,059	28,002	27,967
<b>Sub-Total</b>	<b>\$ 5,467,194</b>	<b>\$ 815,046</b>	<b>\$ 917,820</b>	<b>\$ 798,199</b>	<b>\$ 674,372</b>	<b>\$ 726,163</b>	<b>\$ 767,179</b>	<b>\$ 172,364</b>	<b>\$ 191,461</b>	<b>\$ 183,362</b>	<b>\$ 221,229</b>
<b>For appropriate representation</b>											
<b>Budget Estimates for 2032 - 2035 (Masterplans to 2031) - approval through future budgets</b>											
Water	\$ 492,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,131	\$ 123,131	\$ 123,131	\$ 123,131
Wastewater	752,992	-	-	-	-	-	-	188,248	188,248	188,248	188,248
Transportation	1,599,532	-	-	-	-	-	-	399,883	399,883	399,883	399,883
<b>Sub-Total</b>	<b>\$ 2,845,048</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 711,262</b>	<b>\$ 711,262</b>	<b>\$ 711,262</b>	<b>\$ 711,262</b>
<b>2023 Allocation Program avg. expenditures from 2026 - approved by Council through Report No. CA-02-24/PW-04-24/FN-05-24</b>											
Water	\$ 189,764	\$ 189,764	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater	265,339	265,339	-	-	-	-	-	-	-	-	-
Transportation	326,473	326,473	-	-	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>\$ 781,576</b>	<b>\$ 781,576</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 9,093,817</b>	<b>\$ 1,596,621</b>	<b>\$ 917,820</b>	<b>\$ 798,199</b>	<b>\$ 674,372</b>	<b>\$ 726,163</b>	<b>\$ 767,179</b>	<b>\$ 883,626</b>	<b>\$ 902,723</b>	<b>\$ 894,624</b>	<b>\$ 932,491</b>

\*Includes 2020 and 2023 Allocation Program cost increases, 2027-2031 Dev W/WW & Roads Projects , SOGR Water/wastewater & roads budgets and all other services



The table below presents the 2026 Budget and Forecast program expenditures and associated financing. As outlined in Report No. **PW-35-25** (re: “Integrated Master Plan”), work will begin in 2026 to extend the planning horizon to 2051 through an updated master plan and the updated capital projects will be incorporated into the 2027 Budget and Forecast.

<b>2026 Capital Budget &amp; Forecast (including 2023 Allocation Program)</b>											
<b>Summary of Total Capital Budget &amp; Financing (\$000s)</b>											
	<b>Gross Cost</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>
<b>Program Expenditures</b>											
Water	<b>\$ 1,717,696</b>	\$ 334,150	\$ 134,743	\$ 150,905	\$ 121,756	\$ 125,251	\$ 124,510	\$ 180,706	\$ 174,530	\$ 174,886	\$ 196,259
Wastewater	<b>2,414,810</b>	561,971	292,362	235,115	73,421	88,974	50,667	252,952	282,058	277,816	299,474
Transportation	<b>4,292,509</b>	505,250	434,921	333,310	329,075	475,634	558,355	417,177	416,076	413,920	408,791
Capital Construction & Realty	<b>100,807</b>	9,135	10,141	10,835	9,772	10,573	10,092	9,289	10,942	10,919	9,109
Digital & Information Services	<b>80,355</b>	7,123	9,961	9,792	8,840	8,484	8,224	7,713	6,605	6,605	7,008
Waste Management	<b>138,274</b>	49,730	19,754	44,507	6,663	3,895	3,178	2,966	5,069	1,360	1,152
Paramedic Services	<b>321,471</b>	122,413	9,740	12,461	119,992	11,724	10,768	11,450	5,950	7,737	9,236
Waterfront	<b>14,186</b>	5,800	4,886	-	3,500	-	-	-	-	-	-
Services for Seniors	<b>8,120</b>	800	800	800	800	920	800	800	800	800	800
Other Tax	<b>5,590</b>	250	512	474	554	709	585	573	693	580	661
<b>Total</b>	<b>\$ 9,093,817</b>	<b>\$ 1,596,621</b>	<b>\$ 917,820</b>	<b>\$ 798,199</b>	<b>\$ 674,372</b>	<b>\$ 726,163</b>	<b>\$ 767,179</b>	<b>\$ 883,626</b>	<b>\$ 902,723</b>	<b>\$ 894,624</b>	<b>\$ 932,491</b>
<b>Financing</b>											
Tax Reserves	<b>\$ 2,644,101</b>	\$ 316,415	\$ 262,209	\$ 265,887	\$ 199,649	\$ 301,108	\$ 334,553	\$ 246,504	\$ 243,686	\$ 239,680	\$ 234,410
Rate Reserves	<b>1,891,477</b>	259,148	258,243	180,819	138,831	164,987	162,621	156,135	178,470	174,544	217,680
Dev't Charges - Resid.	<b>3,401,487</b>	584,285	338,406	179,262	208,215	248,095	257,592	396,759	396,388	396,242	396,242
Dev't Charges - Non-Res.	<b>11,565</b>	2,868	7,174	220	399	188	200	175	126	106	106
Capital Invstmt Revolv. Fnd	<b>584,756</b>	153,637	45,772	20,718	12,175	10,493	10,921	82,760	82,760	82,760	82,760
External Rcvry/Other	<b>70,638</b>	59,008	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292
Alternative Financing/Debenture	<b>489,794</b>	221,260	4,724	150,000	113,811	-	-	-	-	-	-
<b>Total</b>	<b>\$ 9,093,817</b>	<b>\$ 1,596,621</b>	<b>\$ 917,820</b>	<b>\$ 798,199</b>	<b>\$ 674,372</b>	<b>\$ 726,163</b>	<b>\$ 767,179</b>	<b>\$ 883,626</b>	<b>\$ 902,723</b>	<b>\$ 894,624</b>	<b>\$ 932,491</b>

Includes financing cost. Schedule may not add due to rounding.

- For 2023 Allocation program: Based on estimated average expenditures for 2026.

- For 2032 - 2035 has been estimated based on 7 year avg. from 2025 to 2031

The forecast is updated annually to reflect new information related to capital requirements, project timing, and costs, including inflation. This forecast represents the projected future requirements based on Environmental Assessments (EAs), detailed designs, master plans, infrastructure staging plans, revised cost estimates, reprogrammed projects and program objectives.

As shown above, the Region's 10-year capital plan between 2026 and 2035 is projected at \$9.1 billion inclusive of the previously approved estimated expenditures for 2026 from the 2023 Allocation Program and 2032 to 2035 Master Plan estimates. The 10-year plan includes \$4.1 billion (45.4%) in rate-supported projects and \$5.0 billion (54.6%) in tax-supported projects. Financing of the 2026 Capital Budget & Forecast is based on Council approved financing plans.

## 2026 Capital Budget

The requested approval for the 2026 Gross Capital Budget is \$815.0 million for Regional Services as set out in Attachment #2 in Report No. **FN-31-25**. Additionally, Council has approved capital projects budgeted for 2024 to 2026 as part of the 2023 Allocation Program, detailed in Report No. **CA-02-24/PW-04-24/FN-05-24**. To provide an appropriate representation of the 2026 capital program, the summary below includes \$781.6 million from the 2023 Allocation Program which is the average of one year of approved budget from 2024 to 2026 in the 2023 Allocation Program. As a result, the Gross Capital is \$1,596.6 million. Of this total, \$896.1 million (56.1%) is for rate-supported services (Water and Wastewater) and \$700.5 million (43.9%) is for tax-supported services which includes \$505.3 million for the Transportation program.

The 2026 Capital Budget and 2023 Allocation Program including estimates for 2026 is \$439.0 million higher than previously projected for 2026 in the 2025 Budget mainly due to capital increases related to the 2023 Allocation program for updated construction costs. This increase includes an additional \$263.9 million for the Water and Wastewater Development-related program, \$132.6 million for the Transportation capital program and \$12.5 million for the Water and Wastewater State-of-Good-Repair program.

The section below highlights the 2026 Capital Budget and changes from the 2026 Forecast included in the 2025 Budget:

- **\$896.1 million 2026 Water and Wastewater capital program** consists of \$719.0 million for the Development-related program and \$177.2 million for the State-of-Good-Repair (Non-Development) program to address upgrade and replacement needs.
  - **\$719.0 million Water and Wastewater Development-related program** in 2026 reflects \$688.9 million in estimated expenditures related to the 2023 Allocation Program (\$455.1 million approved through Report No. **CA-02-24/PW-04-24/FN-05-24** and \$233.8 million included in the 2026 Budget) and \$30.1 million for increases related to the 2020 Allocation. Some of the key projects include:
    - \$108.0 million for 3000mm Trunk WWM from Lower Base Line WWPS (OAK) to Fourth Line (MIL) – Construction and Land
    - \$28.8 million for 1650mm WWM on Fifth Line from Britannia Rd to Lower Base Line West (MIL) – Design and Construction
    - \$19.1 million for 600mm WM on Burloak Drive from Burloak Pump Station (BPS) to Wyecroft Rd, and a 600 mm WM on Wyecroft Rd from RR25 to 3rd line and QEW (OAK) – Construction
    - \$15.5 million for 1650 mm WWM on Lower Base Line West from 4th Line to 5th Line (MIL) – Design and Construction
    - \$12.7 million for 8th Line Zone 4 Pumping Station and Reservoir alterations to support Zone 3/4/5 Boundary Re-alignment (OAK) – Construction
    - \$9.1 million for WWM at Aldershot Creek between Fairwood Place West and North Shore Blvd West and on North Shore Blvd West from Fairwood Place West to the La Salle Park WWPS (BUR) – Construction and Land
    - \$455.1 million in expenditures previously approved through the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**) for 2026 which is the average of one year of approved budget from 2024 to 2026
  - **\$177.2 million Water and Wastewater State-of-Good-Repair program** in 2026 is \$12.5 million higher than the 2026 Forecast included in the 2025 Budget and includes the following:
    - \$99.4 million for water distribution and wastewater collection systems rehabilitation and replacements, including \$4.1 million related to the Basement Flooding Mitigation program
    - \$60.4 million for plants and facilities infrastructure upgrades and replacements, including Burloak WTP – Replace Zebra Mussel Chlorination and Sampling Lines (Intake) and Mid-Halton WWTP (Third Line PS) – Replacement of Sewage Lowlift

The 2026 Budget includes the following major projects:

- \$13.0 million for Burloak WTP – Replace Zebra Mussel Chlorination and Sampling Lines (Intake)
  - \$9.4 million for WWM on NSR E from 8th Line to Ironoak Way
  - \$9.4 million for WWM on NSR E from Iroquois Shore Road to 8th Line
  - \$9.4 million for WWM 8th Line from Falgarwood Dr to Iroquois Shore Road, WWM on Falgarwood Dr from 8th Line to 74m west of Gainsborough Dr, Abandoning WWM on Easement between Falgarwood Dr to Invicta Dr
  - \$9.2 million for WM on Spruce Ave (Walkers to Goodram)
  - \$8.2 million for WM on Commerce Cr. from Wallace St. to End
  - \$8.1 million for WWM on Commerce Cr. from Wallace St. to End
  - \$7.5 million for Mid-Halton WWTP (Third Line PS) – Replacement of Sewage Lowlift
  - \$6.7 million for WM on Upper Middle Road from Mountain Grove to Guelph Line
- **\$505.3 million 2026 Transportation capital program** includes \$407.4 million for 2023 Allocation Program (\$326.5 million approved through Report No. **CA-02-24/PW-04-24/FN-05-24** and \$81.0 million included in the 2026 Budget), \$20.1 million in increases to projects related to the 2020 Allocation Program and \$77.7 million for the state-of-good-repair projects. The 2026 Budget and 2023 Allocation Program, includes the following major projects:
- \$55.7 million for Dundas Street – Widening from 4 to 6 lanes from East of Kerns Road to Appleby Line, including improvements at Brant Street
  - \$29.7 million for Eighth Line – Road Reconstruction – external recovery from project co-ordination with local municipality
  - \$25.5 million for Ninth Line – Widening from 2 to 4 lanes from Steeles Avenue to 10 Side Road
  - \$15.8 million for Traffic Signals and Intersections
  - \$10.6 million for Bridges and Culverts projects and Retaining Wall
  - \$10.4 million for Road Resurfacing and Related Works
  - \$8.1 million for Winston Churchill Boulevard – Bypass and Intersection Reconstruction
  - \$326.5 million in expenditures previously approved through the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**) for 2026 which is the average of one year of approved budget from 2024 to 2026.
- **\$9.1 million 2026 Capital Construction & Realty capital program** is \$0.3 million lower than the 2026 Forecast included in the 2025 Budget primarily due to decreased expenditures planned for Long-Term Care Centres (\$3.1 million) offset by increased expenditures planned for 1400 Plains Road (\$0.9 million), Halton Region Centre (\$0.8 million), Facility Rehab & Replacement – Other (\$0.6 million) and Woodlands Operation Centre (\$0.4 million).
- **\$7.1 million 2026 Digital & Information Services capital program** is \$4.5 million lower than the 2026 Forecast included in the 2025 Budget driven by rationalization of budgets associated with Operations (\$2.8 million) and Transformation (\$1.5 million) offset by an increase of \$0.3 million for Security related projects. This program supports the Digital Strategy and ongoing life cycle replacement of IT assets, including software licensing, and software and hardware upgrades/replacements.
- **\$49.7 million 2026 Waste Management capital program** is \$26.0 million higher than the 2026 Forecast included in the 2025 Budget mainly due to the acceleration of the Automated Wheeled Cart Implementation (\$17.0 million) and Halton Waste Management Site Optimization (\$14.3 million) offset by the deferrals of the Transfer Station and Construction (\$7.1 million).
- **\$122.4 million 2026 Paramedic Services capital program** is \$3.4 million higher than the 2026 Forecast included in the 2025 Budget mainly due to the acceleration of \$5.0 million in design funds for the North Operations Paramedics Centre, \$1.8 million for the construction of the Paramedic Services Headquarters, and the \$0.2 million in Leasehold Improvements to the Storage Facility, offset by the \$3.7 million deferral of the Community Station projects.

- **\$0.8 million 2026 Services for Seniors capital program** is \$0.15 million higher than the 2026 Forecast included in the 2025 Budget mainly due to increased annual costs to support equipment replacement at Long-Term Care facilities.

The financing of the capital program is outlined in detail within the Tax Overview and the Water & Wastewater Overview sections of the 2026 Budget and Business Plan. The following are the 10 highest dollar value projects, excluding what has already been approved by Council in the 2023 Allocation Program but including the cost increases for previously approved 2023 Allocation Program projects. These projects total \$483.7 million and account for 30.3% of the 2026 Capital Budgets.

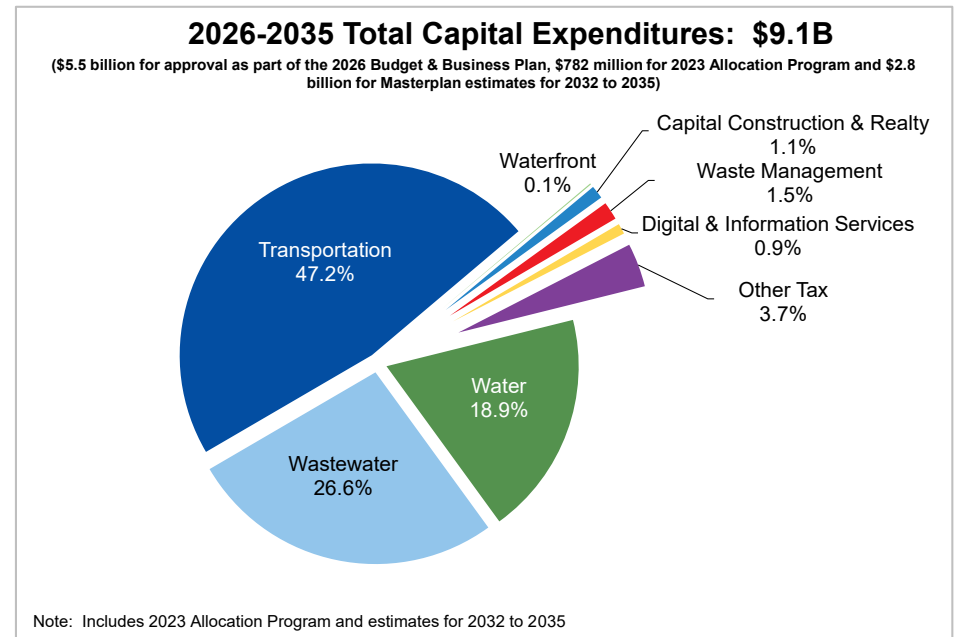
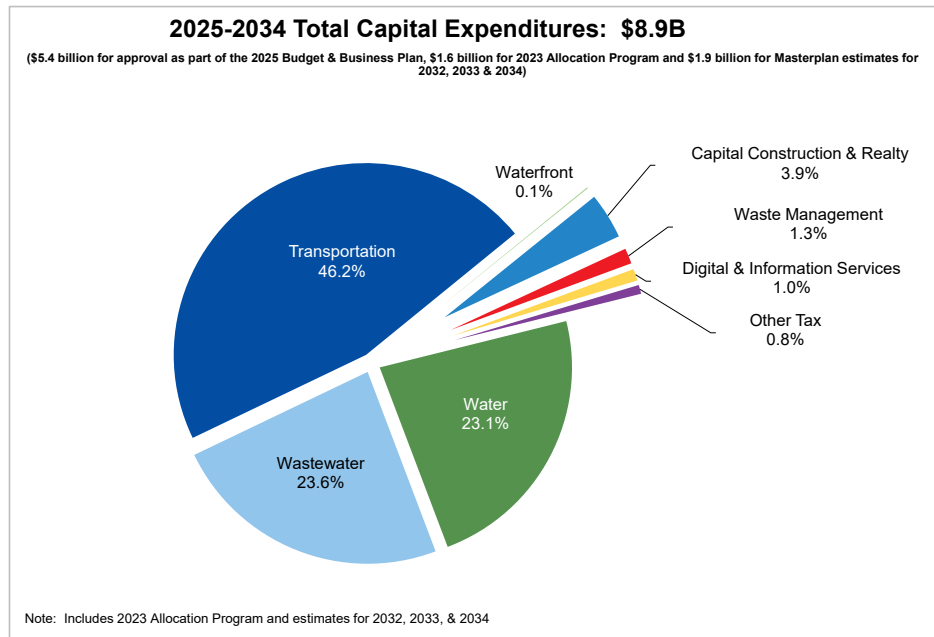
<b>2026 Capital Budget Top 10 Largest Capital Expenditures in 2026 (\$ Millions)</b>		
<b>Program</b>	<b>Project Descriptions</b>	<b>Cost</b>
Wastewater	450/600/1650/3000 mm WWM Lower Base Line (MIL)	\$ 165.1
Tax	Paramedic Services - HQ	114.7
Roads	Dundas Street - Widening	55.7
Roads	Eighth Line - Road Reconstruction*	29.7
Waste	Halton Waste Management Site Optimization - Phase 2 (REG)	26.3
Roads	Ninth Line - Widening	25.5
Water	600mm WM on Burloak Drive from Burloak BPS to Wyecroft Rd, and a 600 mm WM on Wyecroft Rd from RR25 to 3rd line and QEW (OAK)	19.1
Waste	Automated Wheeled Cart Implementation (REG)	17.0
Roads	Traffic Signals & Intersections	15.8
Wastewater	Wastewater pumping station and linear infrastructure to service Premier Gateway	14.8
<b>Total</b>		<b>\$ 483.7</b>

Schedule may not add due to rounding.

\*External Recovery

## 10-Year Capital Budget & Forecast

The following charts illustrate the 2026 10-year capital plan compared to the 2025 10 year capital plan. The development-related capital requirements for 2024-2026 was approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24**, therefore for appropriate representation, the expenditures for this time period have been included in the 10-year capital plan to show magnitude of program. In addition, 2032 to 2035 are master plan estimates based on the 7-year average as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: “Integrated Master Plan”) for updated water, wastewater and transportation infrastructure master plans. The 2026 10-year Capital Budget and Forecast Council is approving is \$5.5 billion however to provide an appropriate representation of the 10-year capital program, the summary below includes \$9.1 billion of infrastructure.



The 2026 10-Year Capital Budget & Forecast (2026 to 2035) totals \$9.1 billion, which is \$0.2 billion higher than the 2025 10-year capital plan mainly due to the updated costs related to the 2023 Allocation program. The increase includes a \$174.8 million increase in Transportation and a \$19.9 million increase in Waste Management.

The Water, Wastewater and Transportation 10-year capital plan has been updated through the preparation of the 2023 Financing plan for infrastructure between 2023 and 2031 as approved in Report No. **CA-02-24/PW-04-24/FN-05-24** (re: “2023 Allocation Program”), the Public Works Asset Management Plan as presented through Report No. **PW-14-25/FN-13-25** (re: “2025 Asset Management Plan and Updated Asset Management Policy”) and cost updates based on Environmental Assessments (EAs) and design work. As illustrated, a significant portion (92.6%) of the 2025 10-year program continues to be committed to the Water, Wastewater and Transportation programs.

- **\$4.1 billion 10-year Water and Wastewater capital program** consists of \$2.5 billion for the Development-related program and \$1.6 billion for the State-of-Good-Repair program (Non-Development).
  - **\$2.5 billion 10-year Water and Wastewater Development program** is a \$18.9 million decrease from the 2025 capital program. The costs are related to greenfield, built boundary and capacity related infrastructure. The 10-year capital program includes:
    - \$748.1 million to service region-wide capacity related infrastructure.
    - \$1,384.7 million to service greenfield area related infrastructure.
    - \$199.5 million to service built boundary areas related infrastructure.
    - \$199.2 million for employment land servicing related infrastructure.
  - **\$1.6 billion 10-year Water and Wastewater State-of-Good-Repair program** is a \$14.5 million decrease from the 2025 program. The 2026 plan has been prepared based on the updated 2025 Asset Management Plan and Updated Asset Management Policy (Report No, **PW-14-25/FN-13-25**) and the 10-year State-of-Good-Repair program will continue to be updated through the annual budget process based on the optimized decision-making process developed under PWs' Asset Management Strategy. The 2026 10-year Capital Budget includes:
    - \$1.0 billion for water distribution and wastewater collection systems rehabilitation and replacements, including the Basement Flooding Mitigation program of \$4.1 million.
    - \$523.3 million for plants/facilities infrastructure upgrades and replacements, including \$76.5 million for plant maintenance.
    - \$21.7 million for SCADA Master Plan implementation and other SCADA related projects.
- **\$4.3 billion 10-year Transportation capital program** consists of \$3.6 billion for the Development-related program and \$720.7 million for the State-of-Good-Repair program (Non-development). The 10-year program in 2026 is \$174.8 million higher than the 2025 program. The increase is predominately driven by cost updates to 2023 Allocation Program and state-of-good-repair projects. The 10-year program provides significant road widening, road resurfacing program initiatives, road studies, bridges and culverts projects.

The 10-year program includes:

- \$218.9 million for Tremaine Road
  - \$212.4 million for Upper Middle Road
  - \$198.1 million for 5 ½ Line
  - \$194.5 million for Derry Road
  - \$182.8 million for Regional Road 25
  - \$181.2 million for James Snow Parkway
  - \$132.2 million for Steeles Avenue
  - \$117.2 million for Trafalgar Road
  - \$113.9 million for Road Resurfacing & Related Works
- **\$100.8 million 10-year Capital Construction & Realty capital program** is \$5.5 million higher than the 2025 program; this is primarily driven by projected increased expenditures for 1400 Plains Road (\$4.1 million), North Operation Centre (\$1.2 million) and Facility Rehab & Replacement – Other (\$1.0 million) offset by decreased expenditures planned for Halton Region Centre (\$0.3 million) Woodlands Operation Centre (\$0.3 million) and Paramedic Stations – Rehab & Replacement (\$0.2 million).



- **\$138.3 million 10-year Waste Management capital program** is \$19.9 million higher than the 2025 program mainly due to construction price increases for the Halton Waste Management Site Optimization (\$6.2 million), Transfer Station Study & Construction (\$6.8 million) and lifecycle replacement of the Compactor & Bulldozer (\$5.1 million).
- **\$80.4 million 10-year Digital & Information Services capital program** is \$8.2 million lower than the 2025 program, driven by rationalization of budgets associated with Operations (\$3.4 million), Transformation (\$4.2 million), and Strategy (\$0.5 million). The IT program includes the ongoing maintenance of IT assets, including software licensing, software and hardware upgrades and replacements, as well as mobile strategy implementation and new software implementation.
- **\$321.5 million 10-year Paramedic Services capital program** is \$18.5 million higher than the 2025 program, mainly due to construction price increase related to the North Operations Paramedic Centre and manufacturer price increases for ambulance vehicles, emergency response unit vehicles and defibrillators.
- **\$14.2 million 10-year Waterfront capital program** is \$6.6 million higher than the 2025 program, mainly due to \$5.6 million for land acquisition costs associated with the Burlington Beach project and \$1.0 million for the Burloak Waterfront Project.
- **\$8.1 million 10-year Services for Seniors capital program** is \$1.5 million higher than the 2025 program mainly due to increased annual costs to support equipment replacement at Long-Term Care facilities.
- **\$5.6 million 10-year other capital programs** are \$0.2 million higher than the 2025 program. This is mainly due to equipment replacement in Public Health. Other capital programs include projects for Corporate Services, Children's Services, Public Health, Infrastructure Planning & Policy, Capital & Development Financing, and Infrastructure & Environmental Services.

The following table shows the 20 largest dollar value projects in the 10-Year Capital Budget & Forecast including the 2023 Allocation Program increases. These projects total \$3.2 billion and represent 34.7% of the total 10-year capital plan. It is important to note that the last years of the forecast (2032 to 2035) do not have specific projects identified for the development water, wastewater and transportation program and are estimated costs.

<b>2026 Capital Budget &amp; Forecast Top 20 Largest Expenditures (2026 - 2035) (\$ Millions)</b>				
<b>Program</b>	<b>Project Descriptions</b>	<b>2026</b>	<b>2027-2035</b>	<b>Total</b>
Wastewater	Wastewater station to service the Britannia SPA south of Britannia Road (MIL)	\$ 165.1	\$ 128.4	\$ 293.5
Roads	Tremaine Road - Widening	-	218.9	218.9
Roads	Upper Middle Road - Widening	-	212.4	212.4
Roads	5 1/2 Line - New 6 Lane	-	198.1	198.1
Roads	Derry Road - Widening, Reconstruction & Intersection Improvement	1.1	193.5	194.5
Wastewater	Wastewater Treatment - Lifecycle Model (REG)	-	187.3	187.3
Wastewater	Wastewater Collection - Lifecycle Model (REG)	-	184.7	184.7
Roads	Regional Road 25 - Widening and Reconstruction	4.8	178.0	182.8
Roads	James Snow Parkway - Widening and New 6 lane road	-	181.2	181.2
Wastewater	New inlet to Skyway WWTP and expansion	-	177.9	177.9
Water	Water Treatment - Lifecycle Model (REG)	-	150.7	150.7
Roads	Steeles Avenue - Widening	-	132.2	132.2
Tax	Paramedic Services - North Hub	5.1	116.6	121.7
Roads	Trafalgar Road - Widening	-	117.2	117.2
Tax	Paramedic Services - HQ	114.7	-	114.7
Roads	Road Resurfacing & Related Works	10.4	103.5	113.9
Roads	Ninth Line - Widening	25.5	74.0	99.5
Roads	North Service Road - New 4 Lanes	-	99.2	99.2
Roads	Appleby Line - Widening, Intersection	1.5	95.4	96.9
Roads	Brant Street Widening and Reconstruction	-	81.6	81.6
<b>Total</b>		<b>\$ 328.2</b>	<b>\$ 2,830.8</b>	<b>\$ 3,159.1</b>

Schedule may not add due to rounding.

## Impact of Capital Investments on the Operating Budget

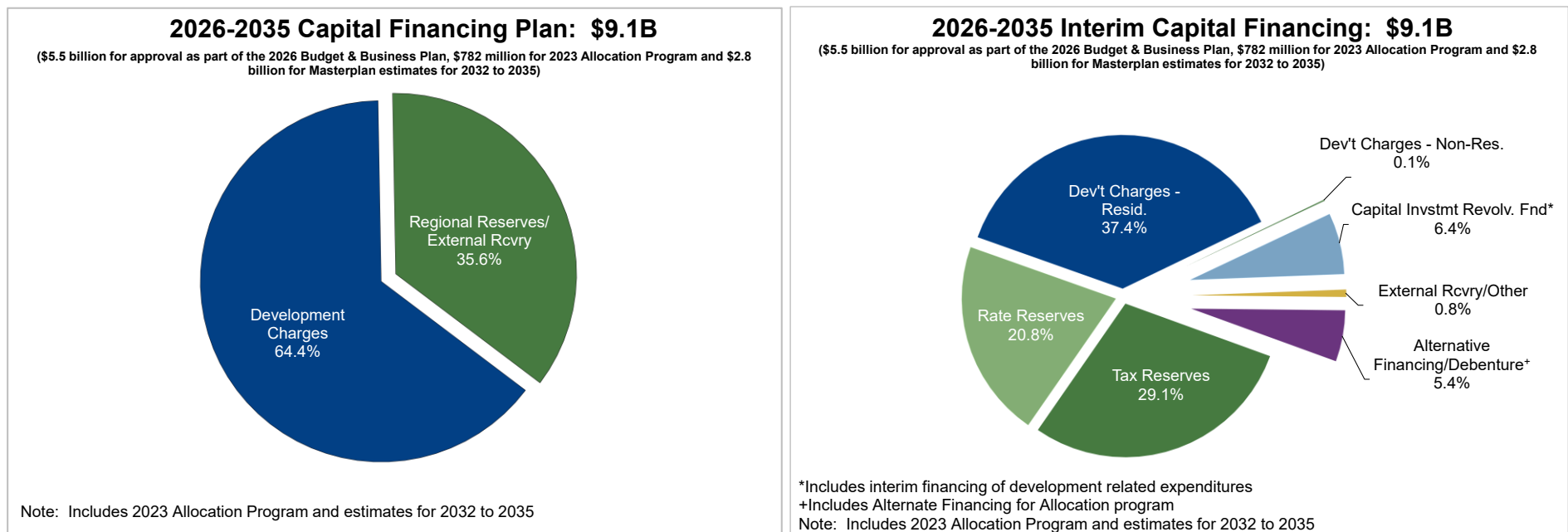
Halton Region develops its capital and operating budgets separately but are closely connected to deliver essential services and maintain infrastructure. The operating budget includes expenditures for maintaining and repairing the Region's assets, while also setting aside funds for future needs through transfers to capital reserves. These transfers are an important part of the Region's long-term planning and are included in the annual budget process. When new assets are completed and put into service, the associated operating costs are included in the operating budget for that year. To keep our infrastructure in a state-of-good-repair, Halton Region uses a funding strategy which includes the use of reserves, debt for strategic projects, and other measures, such as investment income. The 2026 annual operating impacts are shown in the table below.

Impact of Capital Investments on Operating Budget including 2023 Allocation Program (\$000s)					
	Capital Budget		Annual Operating Impact		
	2025	2026	2025	2026	Difference
<b>Rate Supported</b>					
Water & Wastewater	\$ 1,106,650	\$ 896,121	\$ 162,982	\$ 172,103	\$ 9,120
Infrastructure & Environmental Services	20	60	20	20	-
<b>Sub-total</b>	<b>\$ 1,106,670</b>	<b>\$ 896,181</b>	<b>\$ 163,003</b>	<b>\$ 172,123</b>	<b>\$ 9,120</b>
<b>Tax Supported</b>					
Roads	449,562	505,250	52,024	52,031	7
Capital Construction & Realty	11,055	9,135	13,347	14,016	669
Housing	-	-	11,713	12,040	327
Waste Management	3,882	49,730	12,372	8,470	(3,902)
Digital & Information Services	11,039	7,123	7,204	7,497	293
Health	4,891	122,552	3,985	4,000	15
Waterfront Master Plan	-	5,800	2,076	2,076	-
Conservation Authorities & Other	-	-	1,697	1,753	55
Corporate Services	-	-	1,064	1,103	39
Long-Term Care	650	800	2,265	865	(1,401)
Children's Services	50	50	66	66	-
<b>Sub-total</b>	<b>\$ 481,128</b>	<b>\$ 700,440</b>	<b>\$ 107,812</b>	<b>\$ 103,915</b>	<b>\$ (3,897)</b>
<b>Total</b>	<b>\$ 1,587,798</b>	<b>\$ 1,596,621</b>	<b>\$ 270,815</b>	<b>\$ 276,038</b>	<b>\$ 5,223</b>

Schedule may not add due to rounding

# 10-Year Capital Financing Plan

A breakdown of the 2026 10-year Capital Plan financing, including the capital projects approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24** for the 2023 Allocation Program and 2032 to 2035 development water, wastewater, and roads estimates, is presented in the following charts. To provide an appropriate representation of the 10-year capital program, the graphs include the average of one year of approved budget from 2024 to 2026 for the Allocation Program and estimates based on the 7-year average for 2032 to 2035 as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: “Integrated Master Plan”) for water, wastewater and transportation master plans. Of the \$9.1 billion 10-year Capital Plan, \$5.5 billion is presented to Council for approval as part of the 2026 Budget & Business Plan and \$3.6 billion is related to the 2023 Allocation Program and development water, wastewater and transportation master plan estimates for 2032 to 2035.



Included in the 10-year capital plan of \$9.1 billion is \$3.2 billion (35.6%) to address state-of-good-repair capital needs (upgrades/rehabilitation/replacements) and \$5.9 billion (64.4%) to address growth-related capital programs (capacity expansion). As shown in the chart on the right, financing strategies such as alternative financing (as outlined in the 2023 Allocation Program) are required to finance the development growth-related program. The growth-related program (64.4%) will ultimately be funded from DCs, and the State-of-Good-Repair program will be funded from Regional reserves (35.6%) and shown in the chart on the left.

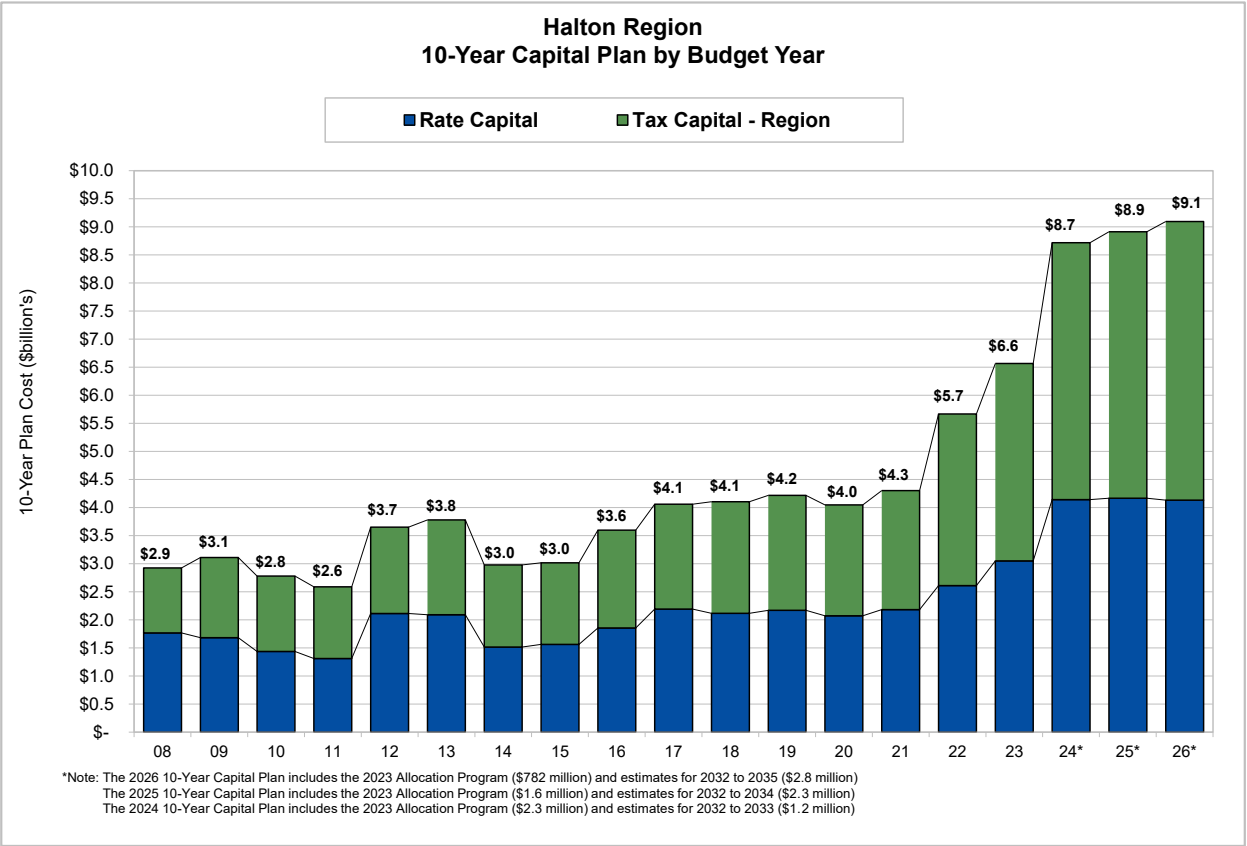
As detailed later in the Long-Term Financing section, Regional reserves which receive annual contributions from the operating budget and budgeted investment income are used to fund the state-of-good-repair (non-growth) infrastructure program. In order to maintain sufficient reserves and adequate ratios between the operating contributions and amortization expenses, the 2026 Budget increased the total capital contributions from the operating budget from \$215.0 million to \$224.1

million (\$9.1 million increase) in support of the Water and Wastewater and Transportation State-of-Good-Repair capital programs. This provided an opportunity to increase the use of the capital reserves, in order to finance the growing State-of-Good-Repair capital program on a pay-as-you-go basis.

Development charges fund growth-related infrastructure. However, financing of growth infrastructure requires interim financing from the Region, as set out in the 2023 Development Financing Plan (Report No. **CA-02-24/PW-04-24/FN-05-24**) and previous allocation programs. The Region's interim financing is required for the significant plant capacity projects and non-residential employment capital cost in order to continue strategic investment in employment lands. Accordingly, as illustrated in the 2026-2035 Interim Capital Financing chart above, the Region will provide interim financing from the Capital Investment Revolving Fund, Tax Reserves, and debt, which will be recovered from future DCs including carrying cost.

**Long-Term Financing**

Ensuring a stable and resilient fiscal framework remains a central mandate of Regional Council. Continued diligence in managing debt levels and maintaining adequate reserves will be required to sustain Halton's fiscal position. Long-term financing requirements are driven by the 10-Year Capital Budget & Forecast. The following graph shows the significantly growing capital requirements between 2008 and 2026.



In 2009, the 10-year capital program had escalated to \$3.1 billion, due to expanding capital programs and significant cost increases based on the 2008 Master Plan updates for Development Water and Wastewater and Transportation programs. Similarly, in 2012, the 10-year program jumped to \$3.7 billion driven by the 2011 Master Plan updates for the same programs and the 2017 program to \$4.1 billion based on the Water and Wastewater Master Plans revised to support the 2017 DC update (Report No. **PW-33-16**). In 2022, the capital program expanded mainly as a result of the update to the Water, Wastewater and Transportation Master Plans to support the 2022 DC Update. The 2023 10-year capital program increased to \$6.6 billion due to cost changes predominately driven by land acquisition and higher than anticipated construction costs and reprogramming of projects from previous budgets in instances where it was not practical or possible to deliver a project within the 2020 Allocation Program timeframe due to their current project status (e.g., EA, design, coordination etc.). The 2024 increase to \$8.7 billion for the 10-year program was largely driven by the acceleration of capital projects to support the housing pledges, infrastructure planning to ensure there is capacity beyond the 2031 timeframe, updated costs due to project staging and inflationary pressures.

The 2023 Allocation program considered the use alternate funding for the residential and non-residential share of capital costs primarily due to the sudden acceleration of growth which requires significant capacity and necessitates the need for costly capacity expansion projects to be accelerated prior to 2031. The financing plan assumes the alternate financing would be some combination of Federal, Provincial and Regional (debt or interim reserve financing), which will be reimbursed from future DC financing. It is anticipated that this requirement for alternate financing is a one-time issue to address the sudden acceleration of housing growth that was not anticipated. Further, as part of the 2023 Allocation program, the roads program was scoped to include projects from 2024-2026 based on stage of project development (e.g. EA, design), project coordination (e.g. local coordination), and master plan review. The roads projects not included in the financing plan will still remain in the forecasted budget, however the timing will continue to be assessed as projects proceed through implementation and financing availability is reviewed.

The financing of the capital program requires a well-balanced funding strategy involving the Region's own reserve and reserve funds, debentures and recovery from growth through DCs.

#### **Financing of State-of-Good-Repair**

The Region uses its reserves to finance the State-of-Good-Repair capital program for existing infrastructure. The reserves (including operating contributions, Canada Community-Building Fund revenue, and investment earnings) are used in support of the Region's pay-as-you-go approach in financing the ongoing or recurring life cycle requirements. Debt financing is utilized for strategic projects, ensuring that the operating impacts from the significant capital program remain smooth and that the timing of revenue recoveries from taxpayers is appropriately matched with the benefit of infrastructure. The 2026 Budget includes increasing operating budget contributions to reserves throughout the forecast period, to provide sustainable investment for the growing assets and to continue with pay-as-you-go financing for the State-of-Good-Repair capital program.

#### **Financing of Growth**

In accordance with Halton Region's long-standing principles, an acceptable financing plan for water, wastewater, and roads growth-related infrastructure must be in place prior to new greenfield growth proceeding. The Allocation Program is Halton's tool to finance and deliver infrastructure to support new housing growth in a timely manner within the Region.

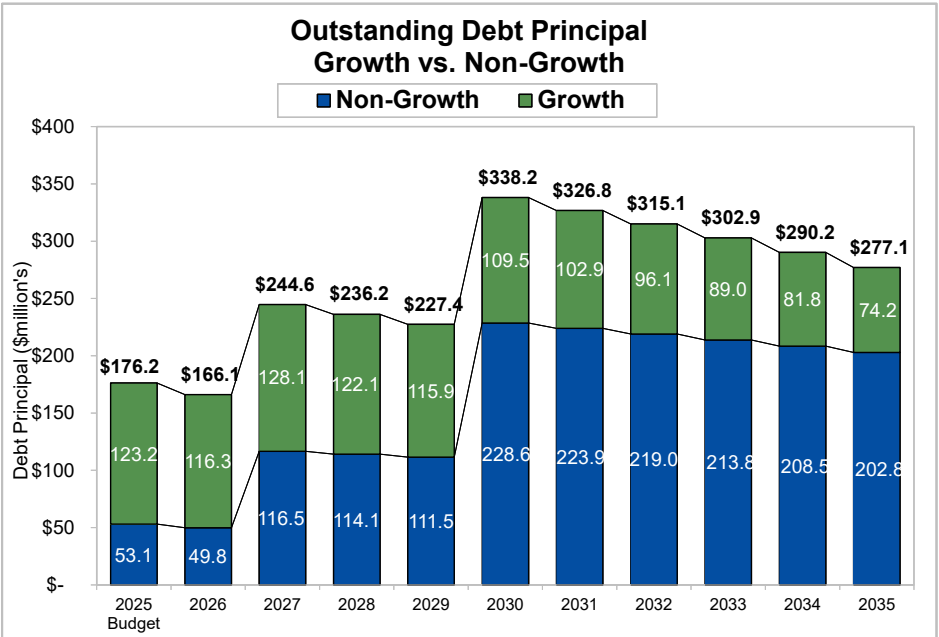
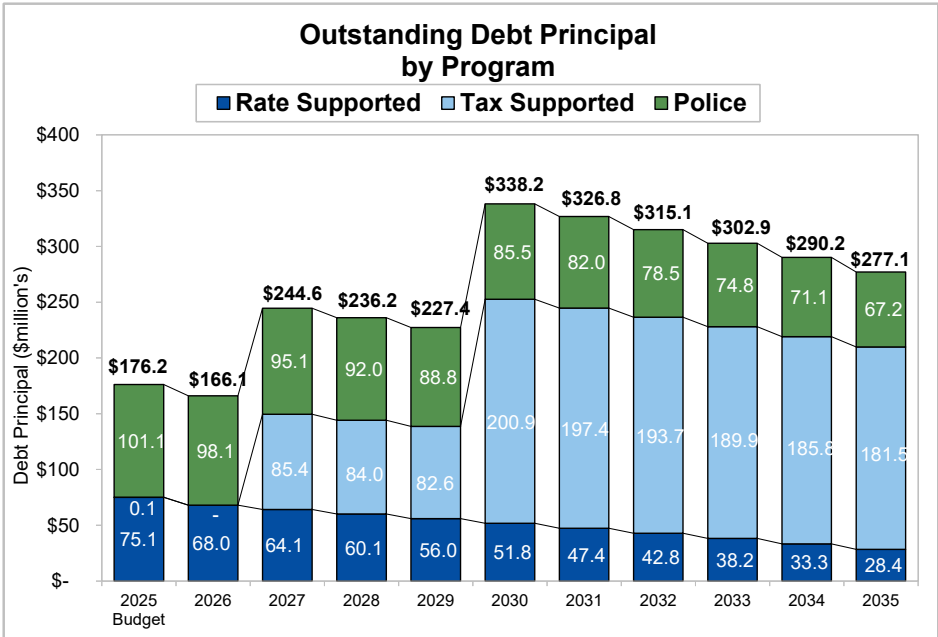
DCs, combined with the Regional interim financing through the Capital Investment Revolving Fund, Tax Capital reserve and alternative financing (debt), are used for financing growth-related projects in the 10-year capital plan. In particular, the Regional interim financing is provided for the non-residential employment capital cost share and will be recovered from future DCs including carrying costs under the financing plan. This plan ensures that all growth-related costs that can be recovered under the DC By-law will be recovered, and that Halton's strong financial position is not compromised. The 2026 Budget incorporates the Regional interim financing requirements, including the financing of the resulting debt charges.



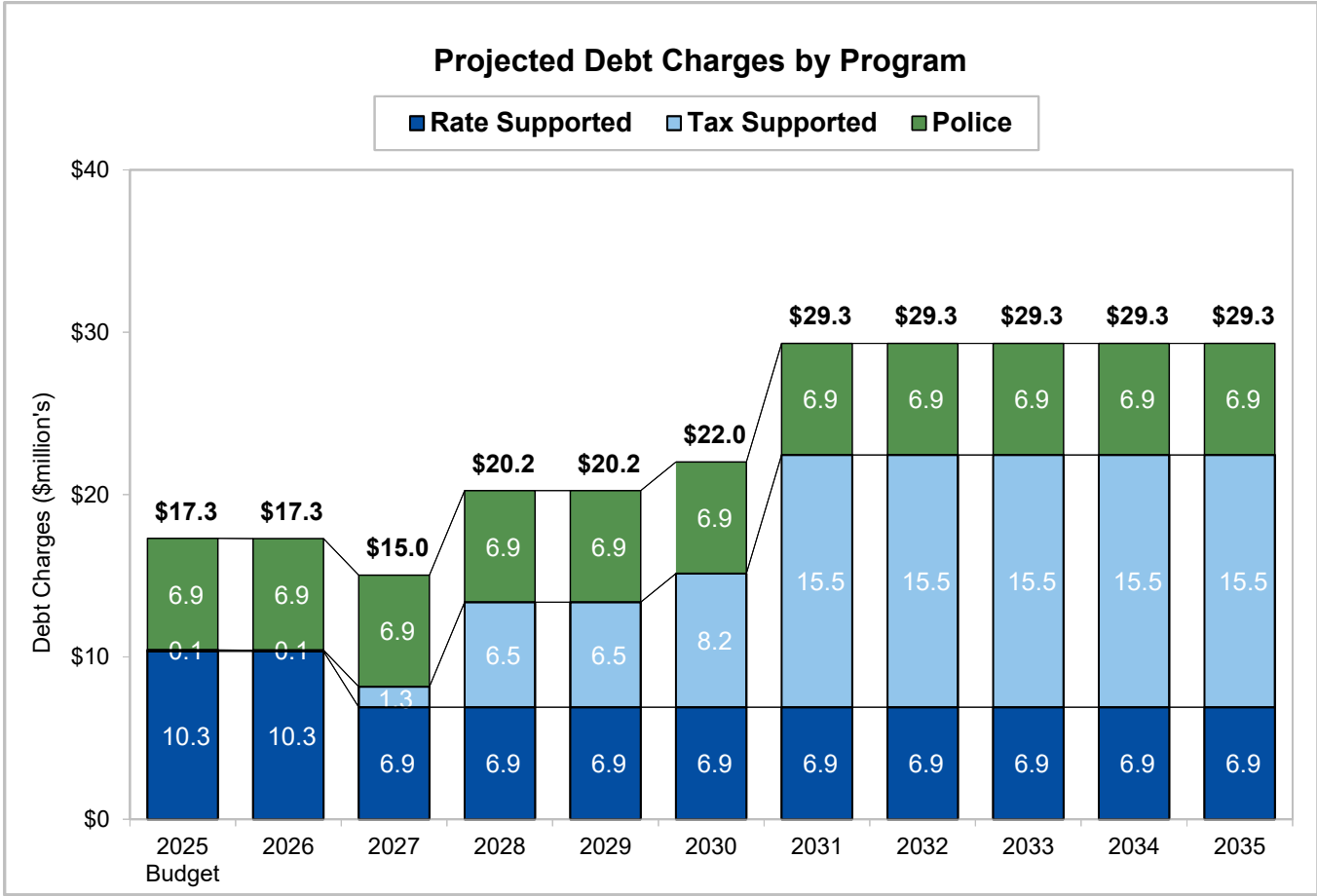
Debt Financing

When debt financing is required, the Region leverages its long history of maintaining a AAA/Aaa credit rating to obtain the most competitive rates available in the market. These requirements occur over the forecast period to accommodate strategic priorities and the new construction, replacement and upgrade of capital assets. Notwithstanding, the Region continues to monitor market conditions to best utilize longer-term debt financing. For instance, the Region issued a 30-year term sinking fund debt in the amount of \$106.0 million in 2011 to service strategic employment lands (Report No. **CS-33-11/PW-53-11/LPS58-11** re: “2011 Water and Wastewater Servicing to Employment Lands in Halton”) and \$62.5 million in 2015 and \$42.8 million in 2023 to construct the new Police Headquarters. The 2023 Development Financing Plan approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24** contemplates the utilization of debt, if alternative financing is not secured, for the residential and non-residential share of the major capacity projects being proposed totalling \$638.3 million. Through the 2026 Budget, the Paramedic Services Headquarters project is anticipated to require \$90.0 million in debt financing in 2026, with an additional \$111.6 million projected for 2029 to fund the construction of the North Operations Paramedic Centre.

The following charts illustrate the annual projected debt levels over the next 10 years. Debt levels are expected to peak at \$338.2 million in 2030, mainly driven by funding required for the North Operations Paramedic Centre in 2029.

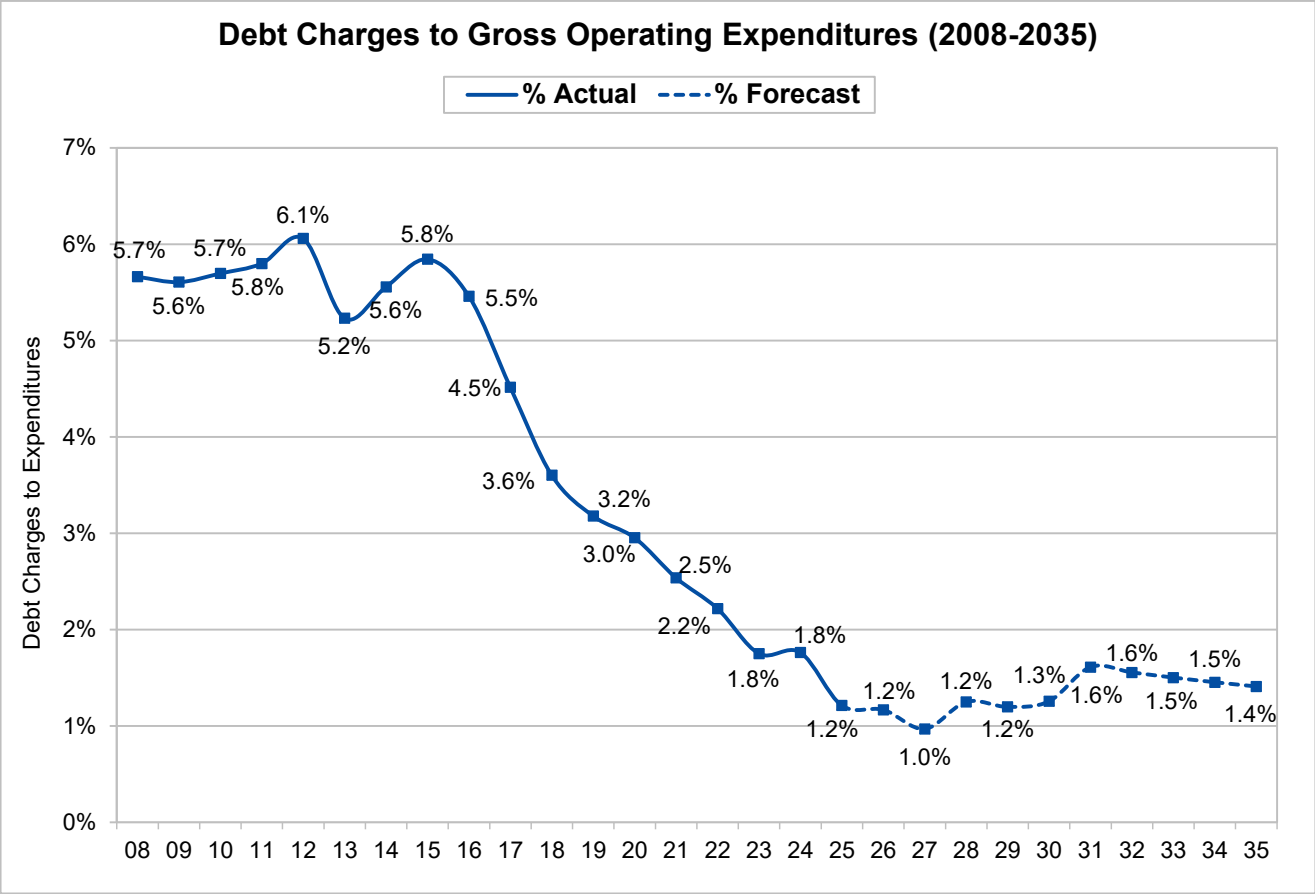


As illustrated in the chart below, total budgeted debt charges will remain constant in 2026, as compared to 2025, and is projected to decrease in 2027 due to the completion of the 10-year serial debt for Rate Supported projects. In 2028, debt financing is projected for the Paramedic Services Headquarters project and then in 2031 for the North Operations Paramedic Centre.

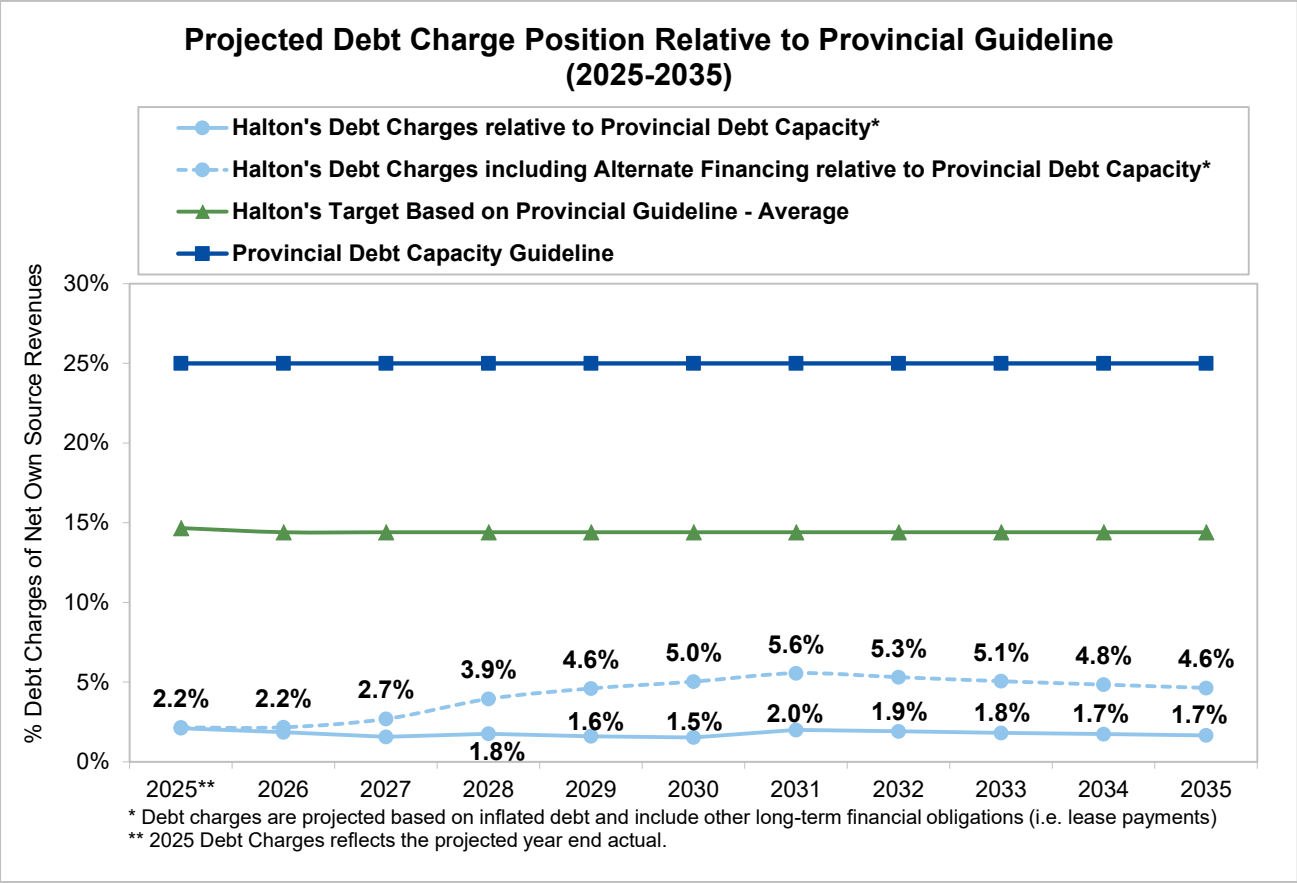


The projected levels can be accommodated in the context of the Region's total financial plan and relative to Halton's substantial asset base. The affordability of the debt can be measured by examining projected debt charges as a percentage of total operating expenditures as shown in the Debt Charges to Gross Operating Expenditures chart below.

Debt charges as a percentage of direct program costs over the next 10 years are well below 5% and moderately stable as the Region continues to use debt for strategic priorities like the Paramedic Services Master Plan facilities.



The Province sets a debt capacity guideline for municipalities of 25% of own revenues. The Region's own guidelines (10% of gross operating expenditures) translate to approximately 15% of own revenues. The chart below illustrates the Region's projected position relative to the Province's debt guideline. The Region's ratios continue to remain well below the guideline. Due to the accelerated infrastructure necessary to meet housing pledges, the financing plan for the 2023 Allocation Program assumes the alternate financing would be some combination of Federal, Provincial and Regional (debt or interim reserve financing, which will be reimbursed from future DCs) financing. The chart below sets out a forecast that assumes the cost for water and wastewater capacity infrastructure is provided by senior levels of government and also provides a scenario where the Region uses debt (over 30 years) to finance the costs.



The trend in Halton's debt charges relative to the Provincial guideline increases based on the debt issuance for the Paramedic Services Headquarters and North Operations Paramedic Centre construction projects over the forecast period as discussed earlier.

## Reserve Financing

The Region's reserve financing strategy is an important element of the financial plan. Reserves, funded by operating contributions, Canada Community-Building Fund revenue and investment earnings, are a primary funding source to sustain ongoing/recurring capital expenditures, in particular by ensuring that the Region can fund its State-of-Good-Repair capital program. In addition, reserves are also used to fund unanticipated or one-time expenditure requirements to allow the Region the flexibility to issue debt only when market opportunities arise, and to minimize the fluctuation of property taxes and water and wastewater rates caused by temporary or cyclical conditions.

As shown in the Reserve Continuity schedule below, the projected balance of the Region's reserves at December 31, 2025 is \$1,203.8 million, \$197.6 million of which are reserve funds (e.g., DC funds and self-insurance funds).

2026 Budget and Forecast Reserve Continuity (\$000s)									
	2024 Ending	2025 Projected Ending*	2026 Transfers						2026 Projected Ending
			Transfers From/(To) Operating	Transfers From/(To) Capital	Intra Reserve Transfers	Projected DC/Dvel. Cntrbtn	Projected Interest Allocation	Total	
<b>Reserves</b>									
Tax Stabilization	\$ 87,596	\$ 85,826	\$ 1,779	\$ (1,644)	\$ -	\$ -	\$ -	\$ 135	\$ 85,960
Rate Stabilization	25,670	25,670	-	-	-	-	-	-	25,670
Program Specific	108,329	120,046	12,569	(546)	-	-	-	12,023	132,069
Vehicle & Equipment	95,989	84,614	34,557	(23,100)	(243)	-	2,707	13,921	98,535
Tax Capital	332,383	336,275	63,809	(130,795)	19,821	-	16,509	(30,656)	305,619
Rate Capital	257,421	213,414	146,242	(218,005)	-	-	25,291	(46,472)	166,942
Capital Invst Rvlvg Fund	115,100	140,374	7,366	(103,173)	23,795	-	3,735	(68,278)	72,097
<b>Sub-Total</b>	<b>1,022,489</b>	<b>1,006,219</b>	<b>266,321</b>	<b>(477,262)</b>	<b>43,373</b>	<b>-</b>	<b>48,242</b>	<b>(119,327)</b>	<b>886,893</b>
<b>Reserve Funds</b>									
Corporate	199,259	204,023	19,941	(19,540)	-	-	5,224	5,625	209,647
Development Charges	3,578	(6,402)	(6,400)	(234,595)	(43,373)	283,119	261	(988)	(7,390)
<b>Sub-Total</b>	<b>202,837</b>	<b>197,620</b>	<b>13,541</b>	<b>(254,135)</b>	<b>(43,373)</b>	<b>283,119</b>	<b>5,485</b>	<b>4,637</b>	<b>202,257</b>
<b>Gross</b>	<b>\$ 1,225,327</b>	<b>\$ 1,203,839</b>	<b>\$ 279,862</b>	<b>\$ (731,397)</b>	<b>\$ -</b>	<b>\$ 283,119</b>	<b>\$ 53,727</b>	<b>\$ (114,689)</b>	<b>\$ 1,089,150</b>

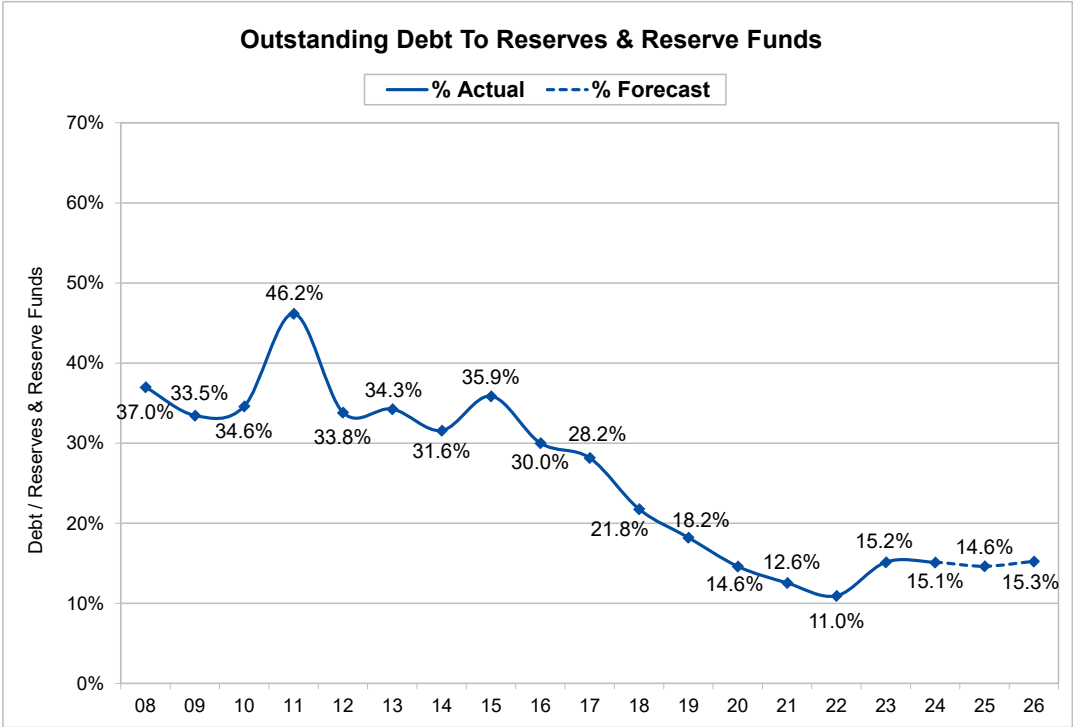
\* Balances include the projected year-end surpluses. Schedule may not add due to rounding.

The target balance for the stabilization reserves is 10% of gross operating expenditures for Tax and 15% for Rate (Report No. **CS-05-13** re: "2012 Year End Accounting Transactions"). In 2026, the Tax Stabilization reserve balance is projected to be \$86.0 million, which is \$31.2 million below the target of \$117.2 million. The Rate Stabilization reserve balance is projected to be \$25.7 million, which is \$20.8 million below the target of \$46.4 million. Any operating surplus funds are first

applied to the stabilization reserves in order to meet the target levels and any funds in excess of the target balance are transferred to the Tax and Rate Capital reserves or other program areas as per the Reserve Policy set out in Report No. CS-83-02 (re: “Regional Reserve Policy”).

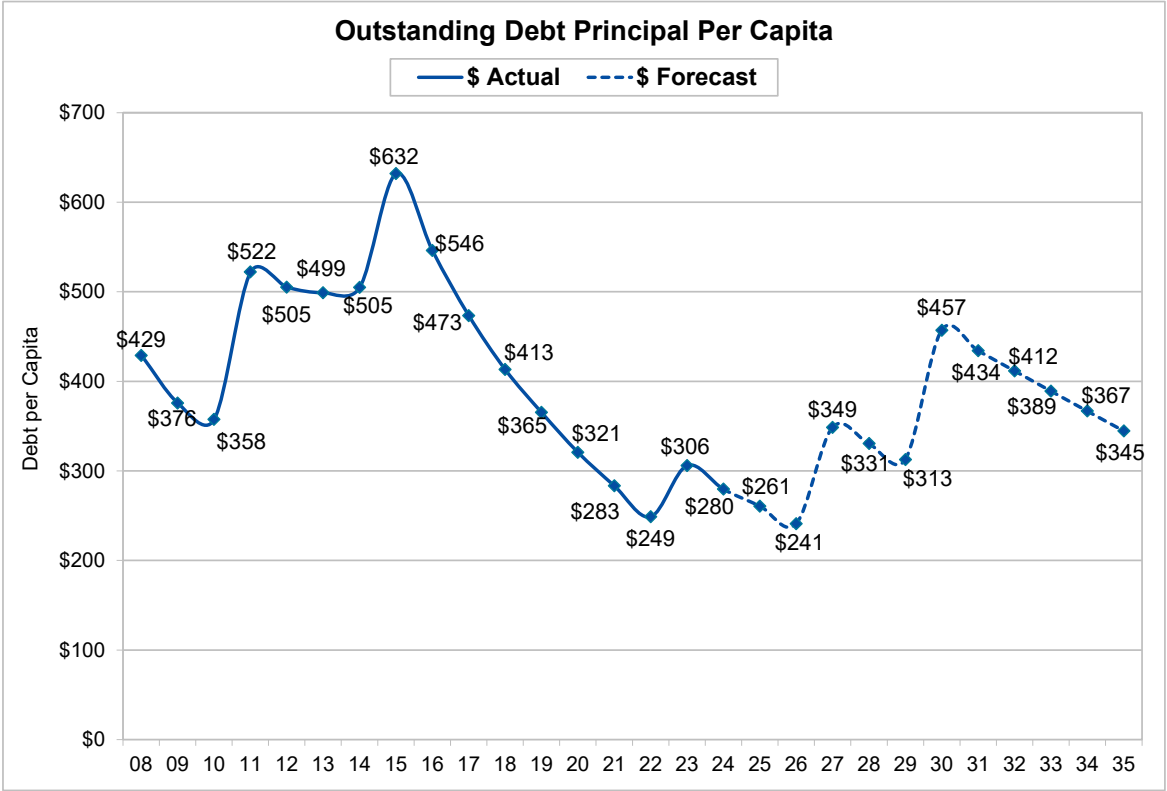
As shown in the above schedule, the reserve position is projected to decrease by \$114.7 million to \$1,089.2 million at the end of 2026. This reduction is mainly related to the funding required for transportation state-of-good-repair financed from the Tax Capital reserve and Rate state-of-good-repair financing from the Rate Capital reserves.

The following Outstanding Debt to Reserves & Reserve Funds chart illustrates the impact of the Region’s Financial Plan in terms of the debt to reserve ratio. The lower the ratio, the more financial flexibility is available to respond to new requirements, and the more secure the Region’s overall financial position. The ratios over the past 18 years have fluctuated according to capital infrastructure funding needs over time. The ratio rose in 2011 (46.2%) as the Region issued a 30-year term sinking fund debt for \$106.0 million (Report No. **CS-33-11/PW-53-11/LPS58-11**) to service strategic employment lands. The ratio is expected to increase in 2026 (15.3%) from the 2025 level due declining reserve levels.





The following debt per capita graph demonstrates outstanding debt in relation to the population in the Region. The debt amount will rise in 2028 due mainly to the debt financing of the Paramedic Services Headquarters and then again in 2031 for the debt financing of North Operations Paramedic Centre. This ratio will then begin to decline thereafter over the forecast period as the Region continues with a pay-as-you-go financing for the State-of-Good-Repair capital programs and decrease the reliance on debt.



## Conclusion

The 2026 Budget results in a property tax increase of 3.3% for Regional Tax-Supported Services and 6.4% for Police Services for a combined tax increase of 4.6%, and a 6.0% rate increase for Water and Wastewater Services. The 2026 Budget continues to prioritize supporting the goals identified through the **2023-2026 Strategic Business Plan**, including advancing infrastructure to support growth, delivering new assisted and supportive housing, maintaining paramedic response times, maintaining the state-of-good-repair of capital assets and implementing the Digital Strategy. The 2026 Budget continues to focus on core services, continuous improvement and incorporating efficiencies in all program areas to mitigate the impact to tax and rate payers, while addressing pressures related to inflation, growth and increased demand for services, as well as the pressures in cost-shared programs in Health and Social Services where the provincial funding received is less than the intended cost-share level to maintain services and support growth.

# 2023-2026 Strategic Business Plan Measures



## COMMUNITY WELL-BEING

Measures	Projections for Term End 2026
Annual emergency exercises based on up-to-date emergency plans	2026 exercises complete by Q4.
Building Safer Communities Fund action plan and funding model established, investments made in initiatives to reduce gang affiliation	Funding for the Building Safer Communities Initiative is confirmed until March 31, 2026. It is anticipated that funding for this program will extend beyond this date, and has been budgeted until December 31, 2026. If this anticipated funding does not materialize, Halton Region will wind down and end this program by December 31, 2026.
Dollars invested / number of grants through Halton Region Community Investment Fund (HRCIF) to support Community Safety and Well-Being (CSWB) related initiatives	Based on Council approval of the proposed 2026 strategic investment to enhance the HRCIF, \$5.5M is projected to be awarded to 85 grants supporting CSWB initiatives in 2026.
Provincial funding gap for cost-shared programs	Continued strategic advocacy as required.
Updated Community Safety and Well-Being model and priorities	Community Safety and Well-Being Plan submitted to the Ministry of the Solicitor General.
Centralized Ontario Works application intake implemented	Implementation complete.
Reduced child care fees in accordance with Provincial requirements	The current Canada-Ontario CWELCC agreement expires March 2026. A new agreement has not yet been finalized. Regional staff are closely monitoring the status of negotiations and will develop a contingency plan, if required.
Comprehensive Housing Strategy submitted to the Ministry of Municipal Affairs and Housing (MMAH) by 2025	Submission complete.
Level of funding increase over 2022 baseline	By 2026, Housing Services is expected to receive approximately \$3.0 million in additional Federal and Provincial funding over the 2022 baseline.
Number of new assisted housing opportunities created annually	Housing Services is projected to deliver 131 new assisted and supportive housing opportunities by the end of 2026. This target aligns with the goals outlined in the updated Comprehensive Housing Strategy 2025–2035.
Number of new shelter spaces	In 2026, Housing Services will continue to offer new spaces of overflow shelter as demand requires.
Number of new supportive housing units	An additional 20 new supportive housing units are projected to be created in 2026.
Percentage of at-risk community housing units retained	By 2026, Housing Services will continue supporting 100% of Community Housing Providers in retaining units in the system.
Updated Paramedic Master Plan developed by 2025	Complete, approved through Report No. MO-14-24.

# 2023-2026 Strategic Business Plan Measures (continued)

Measures	Projections for Term End 2026
Updated Paramedic response time targets set by Council by 2025	Changes to response time targets are on hold pending revisions to O/Reg.257/00 in 2026.
480 parents in targeted parenting programs annually by 2025	480 families expected to participate in parenting programs in 2026.
Development of an Adverse Childhood Experience awareness framework	Adverse Childhood Experience framework has been completed and work is underway to develop a cross-sectoral committee to build community awareness, knowledge and policies.
Immunization of School Pupils Act (ISPA) fully enforced by the end of 2026	Grades 2-4 and grades 7-12 will undergo ISPA enforcement in the current 2025-26 school year with grades 5-6 added in the 2026-27 school year, to achieve full enforcement among all students in grades 2-12 by the end of the 2026-27 school year.
Number of alcohol policies adopted in Halton by organizations/workplaces	Universal alcohol policy support to workplaces through broad, online content is being considered. Continue to support local municipalities in implementing the Municipal Alcohol Policy Reference Document.
Number of workplaces that Halton has partnered with on mental health promotion	Will work more closely with 4 Halton workplaces in addition to providing workshops for multiple workplaces to maximize internal resources and increase reach.



## INFRASTRUCTURE AND GROWTH

Measures	Projections for Term End 2026
4.1 million sq. ft. annually of non-residential Total Floor Area with building permits issued	In 2026, the Region will continue to monitor non-residential building permits issued toward the annual target of 4.1 million sq ft. as identified in the 2023 – 2026 Halton Region Strategic Business Plan.
Build paramedic stations per master plan and develop plans for paramedic services headquarters	Development of Paramedic Services headquarters 8% complete; Development of Paramedic Services stations 7% complete.
Council approval of the Integrated Master Plans, including an updated Capital Program to support future growth	As reported through Report No. PW-36-25, in 2026 the Region is expected to issue the Notice of Completion for the Integrated Master Plan for Water, Wastewater and Transportation. Additionally, in 2026 the Region expects to initiate: <ul style="list-style-type: none"> <li>The Development Charges Background Study to support the development of required financial plans to support implementation of the IMP.</li> <li>The Road Rationalization Study to ensure that the classification of arterial roadways (major, minor, multi-purpose) is appropriate.</li> <li>Updates to several technical guidelines and policies to ensure alignment with the Master Plan's vision, legislative changes and identified infrastructure priorities.</li> </ul>
District 1 Halton Regional Police Service facility construction completed by Q4 2025	Complete building commissioning and building handover.

# 2023-2026 Strategic Business Plan Measures (continued)

Measures	Projections for Term End 2026
Implementation of the Region's updated Development Application Tracking System	Implementation complete.
Key infrastructure planned and delivered to support growth to 2031	Projects to support approved growth initiated in 2023. We will continue to monitor and report on the progress of these projects.
Council approval of the Integrated Master Plans, including a Capital Program that supports a multi-modal transportation system available to all users of all abilities	<p>As reported through Report No. PW-36-25, in 2026 the Region is expected to issue the Notice of Completion for the Integrated Master Plan for Water, Wastewater and Transportation. Additionally, in 2026 the Region expects to initiate:</p> <ul style="list-style-type: none"> <li>• The Development Charges Background Study to support the development of required financial plans to support implementation of the IMP.</li> <li>• The Road Rationalization Study to ensure that the classification of arterial roadways (major, minor, multi-purpose) is appropriate</li> <li>• Updates to several technical guidelines and policies to ensure alignment with the Master Plan's vision, legislative changes and identified infrastructure priorities.</li> </ul>
Council approval of the Transit Priority Corridor Operationalization Study, including an Implementation Plan and Strategy for the delivery of the Transit Priority Corridor Network	As noted under the current status, the next steps are pending review by the Local Municipalities as per the motion.
Less than 1.5 collisions per million vehicle kms	On track to provide continuation of monitoring of Regional roads and intersections through safety reviews, routine maintenance, and improvements through TOSS and capital reconstruction projects by end of 2026.
Percentage of Advanced Traffic Management Systems implemented	On track to bring Burlington (72) signals online to TMC facility for end of 2026.
80% of Priority 1 & 2 Building Condition Assessment items completed for HCHC	80% of Priority 1 & 2 Building Condition Assessment items 100% complete.
At least 80% of all infrastructure rated as good or very good, as identified through the Asset Management Plan	Complete as per Report No. PW-14-25/FN-13-25.
Council approval of updated asset management policy and strategy	Complete as per Report No. PW-14-25/FN-13-25.
Number of HCHC Building Condition Assessment recommendations and energy audits completed	Over 95% of Capital Projects targeting Building Condition Assessments are expected to be complete.
Percentage of broadband coverage of rural areas	This measure is driven by available funding and the Telecommunications applications for funding to improve this measure. No additional Telecommunications application funding is foreseen for 2026.
Percentage of residents with 5G and 1GB service	This measure is driven by available funding and the Telecommunications applications for funding to improve this measure. No additional Telecommunications application funding is foreseen for 2026.

# 2023-2026 Strategic Business Plan Measures (continued)



## CLIMATE CHANGE AND THE ENVIRONMENT

Measures	Projections for Term End 2026
153 kg of waste generated per household	Waste generation target achieved (PW-18-25).
Council endorsement of the recommended levels of service by 2025	Council endorsement achieved through Report No. PW-14-24.
Number of joint initiatives related to environmental protection	As a result of Bill 23, the planning authority of regional governments has been altered, and detailed service agreements with conservation agencies and local municipalities need to be established.
Achieve Milestone Three (develop a community climate action plan) of the Partners for Climate Protection (PCP) program	No longer active.
Achieve Milestone Two (set a community greenhouse gas emission target) of the Partners for Climate Protection (PCP) program	No longer active.
Achieve Milestone Three (develop a corporate climate action plan) of the Partners for Climate Protection (PCP) program	Target set - completed. The PCP program is based on a continuous improvement model. The Region will continue to advance Milestones 4 & 5 to implement, monitor and report on the Region's corporate climate action, with a progress report and an update to the Corporate Climate Action Plan in 2026.
Achieve Milestone Two (set a corporate greenhouse gas emission target) of the Partners for Climate Protection (PCP) program	Target set - completed.
Calculate and report total corporate GHG emissions annually	Approved and completed corporate GHG emissions model and emission inventory.
Climate Change & Health Vulnerability Assessment completed	Completed.
Savings achieved through Green Fleet initiatives	Work underway to develop vehicle electrification strategy and implementation plan. This metric will be updated to align to 2045 Net-Zero road map in 2026.

# 2023-2026 Strategic Business Plan Measures (continued)

 <b>EXCELLENCE IN GOVERNMENT</b>	
<b>Measures</b>	<b>Projections for Term End 2026</b>
<b>Internal hire rate</b>	Internal hire rate: 50%.
<b>Net hire ratio</b>	Net hire ratio: 1%.
<b>New hire engagement rate</b>	New hire engagement rate: 85%.
<b>New hire outcomes relative to workforce diversity objectives</b>	Full alignment of new hire outcomes with confirmed workforce diversity objectives.
<b>Retention probability score</b>	Retention rate: 95%.
<b>100% of water meters converted to AMI (remote) meter reading</b>	By the end of 2026, 100% of all system integrations will be complete and approximately 80% of all meters upgraded to AMI. (Will not meet the 100% target for end of 2026 due to delays completing the system integrations with the LDCs.).
<b>2000 customer conversions from phone to digital</b>	Completed.
<b>90% of customers who are overall satisfied with their digital experience</b>	Completed.
<b>Implementation of 50+ new internal digital services for Halton staff and management</b>	50 new internal services implemented.
<b>Implementation of new external digital services for Halton residents and stakeholders</b>	50 new external digital services implemented. The Halton Region Digital Strategy will be updated for alignment with the upcoming Strategic Plan 2027-2030. Early indications show a shift to full process modernization based on Council priorities as a key target replacing quantity of services implemented.
<b>Achieve AAA and Aaa credit ratings</b>	Achieve AAA/Aaa Credit Rating annually.
<b>Receive the Government Finance Officers Association Award for the Budget and Business Plan and Annual Financial Report</b>	Receive the Government Finance Officers Association Award for Budget and Business Plan and Annual Financial Report.
<b>Tax rate increases at or below the rate of inflation</b>	Achieve as set through Budget Directions.
<b>Establish Indigenous Advisory Committee</b>	Advancing this measure could be done through the project charter (currently draft) which would support partnerships and furthering Truth and Reconciliation through meaningful relationships with Indigenous peoples, communities and First Nations.
<b>Sign relationship agreements with Indigenous Communities and Organizations</b>	Continued engagement and relationship building with First Nations to explore the potential for relationship agreements.



# Halton Region Budget and Business Plan

## | TAX OVERVIEW

# Tax Budget Overview

## 2026 Regional Property Tax Impact including Halton Regional Police Service

Property taxes fund Regional programs and services including Social Services, Regional Road Operations, Housing Services, Waste Management, Public Health, Paramedic Services and other Regional services, as well as municipally funded services provided by the Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic operated by Halton Healthcare. Police Services are also funded through property taxes.

The Regional Services 2026 Tax-Supported net expenditure budget is increasing by 5.2% and includes a 1.8% assessment growth assumption for a net tax rate increase of 3.3% (Report No. **FN-31-25**). The Regional Services tax rate increase of 3.3% is within the guideline set out in the 2026 Budget Directions (Report No. **FN-17-25**) of a tax increase that does not exceed 3.5% after 1.8% assessment growth.

The Halton Regional Police Service (Police Services) 2026 budget request is \$252.4 million, an increase of \$19.4 million, or 8.3% over the 2025 approved budget which is above the guideline provided by Regional Council of 8.2% as set out in the 2026 Budget Directions (Report No. **FN-17-25**). The 2026 Police Services Budget was approved by the Halton Police Board on November 27, 2025.

The 2026 combined impact of Regional Services and Police Services is a **4.6% increase** in property taxes. The following table provides a summary of the net tax levy requirement for Regional and Police Services.

Tax-Supported Budget Summary (\$000s)												
	2025	2026			Change in Budget				2026			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved		Assessment Growth (1.8%)	Tax Impact After Assessment		
Regional Services	\$ 335,388	\$ 349,818	\$ 2,961	\$ 352,778	\$ 14,430	4.3%	\$ 17,391	5.2%	\$ (6,037)	\$ 11,354	3.3%	
Police Services	232,990	250,445	1,957	252,402	17,455	7.5%	19,412	8.3%	(4,194)	15,218	6.4%	
<b>Total</b>	<b>\$ 568,378</b>	<b>\$ 600,262</b>	<b>\$ 4,918</b>	<b>\$ 605,181</b>	<b>\$ 31,885</b>	<b>5.6%</b>	<b>\$ 36,803</b>	<b>6.5%</b>	<b>\$ (10,231)</b>	<b>\$ 26,572</b>	<b>4.6%</b>	

Schedule may not add due to rounding

The net tax levy for Regional Services is increasing from \$335.4 million in 2025 to \$352.8 million in 2026, an increase of \$17.4 million or 5.2%, with a net tax impact of 3.3% after assessment growth. Of this amount, the 2026 base budget is increasing by \$14.4 million or 4.3%, with the balance relating to strategic investments proposed in the 2026 Budget.

The net tax levy for Police Services is increasing from \$233.0 million in 2025 to \$252.4 million in 2026, an increase of \$19.4 million or 8.3% with a net tax impact of 6.4% after assessment growth. Of this amount, the 2026 base budget is increasing by \$17.5 million or 7.5%, with the balance relating to strategic investments.

The combined 2026 levy request totals \$605.2 million and represents an increase of 6.5%. After assessment growth of 1.8%, this results in a net tax impact of 4.6% for Regional Services and Police Services.

The following table illustrates the property tax impact per \$100,000 of current value assessment (CVA).

Halton Region Property Tax Impact (Per \$100,000 CVA)*					
	2025	2026	Change		
	Actual	Budget	\$	%	
Regional Services	\$ 188.29	\$ 194.56	\$ 6.26	3.33%	
Police Services	130.73	139.12	8.39	6.42%	
<b>Total Regional &amp; Police Taxes</b>	<b>\$ 319.03</b>	<b>\$ 333.68</b>	<b>\$ 14.65</b>	<b>4.59%</b>	

Schedule may not add due to rounding

\* Based on projected 1.8% assessment growth

For illustrative purposes, the property tax impact per \$100,000 CVA is an increase of \$6.26 for Regional Services, and when combined with the impact for Police Services of \$8.39, the result is a combined increase of \$14.65 per \$100,000 CVA. The Regional tax increase combined with the Police Services tax increase for 2026 would be \$73.25 for a household with a CVA of \$500,000.

## 2026 Budget Overview – Regional Services

The following table highlights the process undertaken to prepare the 2026 Tax Budget.

2026 Budget Process				
	Report	Date	Tax Increase	Assessment Growth
2026 Forecast	<b>FN-34-24</b>	December 11, 2024	3.0%	1.9%
2026 Budget Directions	<b>FN-17-25</b>	July 9, 2025	3.5%	1.8%
2026 Budget	<b>FN-31-25</b>	December 10, 2025	3.3%	1.8%

During the budget process, the Halton Leadership Team reviews the base budget and proposed strategic investments to ensure levels of service are maintained, continuous improvements are undertaken, and Council priorities are achieved, which has resulted in a 3.3% tax increase in the 2026 Budget. Bringing the budget within the guideline set out in the 2026 Budget Directions (Report No. **FN-17-25**), including strategic investments, is a result of prudent decision making by Regional Council and continuous improvements to programs and services.

## 2026 Tax Operating Budget by Program

The following table summarizes the 2026 Regional Tax-Supported Services Budget by program. The 2026 requested budget is increasing from \$335.4 million to \$352.8 million, an increase of \$17.4 million or 5.2% before assessment growth. Of this increase, the base budget is increasing by \$14.4 million or 4.3%. This results in a net tax increase for the 2026 Budget of 3.3% after assessment growth which is estimated to be 1.8%, or \$6.0 million. Program budgets are discussed later in the Tax Overview.

Net Operating Budget for Tax-Supported Regional Services Levy Requirement by Program (\$000s)								
	2025	2026			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base/ 2025 Budget		2026 Requested/ 2025 Budget	
Community Health Services	\$ 5,840	\$ 6,442	\$ -	\$ 6,442	\$ 601	10.3%	\$ 601	10.3%
Health Protection	7,204	7,789	-	7,789	585	8.1%	585	8.1%
Healthy Families	6,521	6,434	-	6,434	(87)	-1.3%	(87)	-1.3%
Public Health Resources	3,260	3,515	-	3,515	254	7.8%	254	7.8%
Paramedic Services	30,939	32,152	1,602	33,754	1,213	3.9%	2,815	9.1%
Children's Services	10,542	10,862	-	10,862	321	3.0%	321	3.0%
Employment & Social Services	7,050	7,282	-	7,282	232	3.3%	232	3.3%
Housing Services	48,738	50,752	-	50,752	2,014	4.1%	2,014	4.1%
Human Services Planning & Program Support	10,378	11,420	500	11,920	1,042	10.0%	1,542	14.9%
Services for Seniors	30,324	33,286	-	33,286	2,962	9.8%	2,962	9.8%
Waste Management	53,584	57,470	296	57,766	3,886	7.3%	4,182	7.8%
Road Operations	66,329	67,146	-	67,146	818	1.2%	818	1.2%
Development Services	8,284	8,650	-	8,650	366	4.4%	366	4.4%
Small Business Centre & Heritage Services**	2,568	1,387	-	1,387	(1,181)	-46.0%	(1,181)	-46.0%
Regional Governance & Fiscal Transactions*	29,487	30,282	563	30,845	795	2.7%	1,358	4.6%
Boards & Agencies	14,340	14,948	-	14,948	608	4.2%	608	4.2%
<b>Net Regional Impact</b>	<b>335,388</b>	<b>349,818</b>	<b>2,961</b>	<b>352,778</b>	<b>14,430</b>	<b>4.3%</b>	<b>17,391</b>	<b>5.2%</b>
<b>Assessment Growth</b>							<b>(6,037)</b>	<b>1.8%</b>
<b>Regional Levy Requirement</b>	<b>\$ 335,388</b>	<b>\$ 349,818</b>	<b>\$ 2,961</b>	<b>\$ 352,778</b>	<b>\$ 14,430</b>	<b>4.3%</b>	<b>\$ 11,354</b>	<b>3.3%</b>

Schedule may not add due to rounding

\* Strategic Investments for Corporate Administration are reflected under Regional Governance & Fiscal Transactions, and will be allocated to the program areas in the following year's budget.

\*\* Halton Region will cease delivering Heritage Services effective January 1, 2026, as approved through Confidential Report No. CA-13-25

Included in the net operating expenditures shown above is the cost of Corporate Administration to present the full cost of program delivery.

The following table summarizes the 2026 Corporate Administration cost by department that has been allocated to the program areas, including Regional Governance & Fiscal Transactions for tax-supported governance-related services. Of the \$120.9 million, \$32.5 million is recovered from the Rate-Supported Budget. The 2026 Corporate Administration Budget is increasing by \$6.2 million, or 5.4%, and includes strategic investments for 8.0 FTEs to ensure levels of service are maintained and Council priorities are achieved. Of the 8.0 FTEs, 5.0 FTEs will support Corporate Services and 3.0 FTEs will support Digital & Information Services. These investments will support the strategic objectives approved by Regional Council and provide the capacity needed to support property maintenance and the state-of-good-repair of the Region's growing portfolio of corporate facilities and Halton Community Housing Corporation (HCHC) properties, and leverage technology to improve service delivery through the continued implementation of the Region's Digital Strategy.

The main drivers of the base budget increase in Corporate Administration is an increase of \$1.5 million for subscription-based software costs based on operational needs and to support the continued implementation of the Digital Strategy, increased capital financing costs of \$1.0 million to support corporate and program-specific projects, \$102,000 in insurance premiums and paid claim losses, as well as \$100,000 related to professional services for external legal support. The 2026 Budget related to Corporate Administration is discussed in detail later in the Tax Overview.

Net Operating Budget for Corporate Administration								
	2025	2026			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
CAO's Office	\$ 6,470	\$ 6,639	\$ -	\$ 6,639	\$ 169	2.6%	\$ 169	2.6%
Corporate Services	59,825	61,913	547	62,461	2,089	3.5%	2,636	4.4%
Digital & Information Services	32,434	34,796	455	35,251	2,362	7.3%	2,817	8.7%
Finance	13,671	14,254	-	14,254	584	4.3%	584	4.3%
Office of the Chair	319	328	-	328	9	2.9%	9	2.9%
Regional Council	1,919	1,947	-	1,947	28	1.5%	28	1.5%
<b>Total</b>	<b>\$ 114,637</b>	<b>\$ 119,878</b>	<b>\$ 1,002</b>	<b>\$ 120,879</b>	<b>\$ 5,241</b>	<b>4.6%</b>	<b>\$ 6,243</b>	<b>5.4%</b>

Schedule may not add due to rounding

## 2026 Tax Operating Budget by Cost Category

The following table summarizes the 2026 Budget by expenditure and revenue categories. Total gross expenditures have increased by \$19.0 million, or 2.1%, to a total of \$909.6 million. Provincial & Federal funding and other program revenues are increasing by \$1.6 million, or 0.3%, to a total of \$556.8 million, resulting in a net expenditure increase of \$17.4 million, or 5.2%, to \$352.8 million.

Total Tax Operating Budget Comparison by Cost Category (\$000s)								
	2025	2026			Change			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Personnel Services	\$ 268,951	\$ 276,384	\$ 4,775	\$ 281,158	\$ 7,433	2.8%	\$ 12,208	4.5%
Materials & Supplies	22,151	22,302	190	22,493	152	0.7%	342	1.5%
Purchased Services	120,072	124,607	(597)	124,011	4,535	3.8%	3,939	3.3%
Financial & Rent Expenses	7,240	8,275	-	8,275	1,035	14.3%	1,035	14.3%
Grants & Assistance	341,780	350,695	560	351,255	8,915	2.6%	9,475	2.8%
<b>Total Direct Costs</b>	<b>760,193</b>	<b>782,264</b>	<b>4,928</b>	<b>787,192</b>	<b>22,070</b>	<b>2.9%</b>	<b>26,999</b>	<b>3.6%</b>
Allocated Recoveries	(15,025)	(15,617)	(439)	(16,056)	(592)	3.9%	(1,031)	6.9%
Corporate Support Recoveries	(23,409)	(24,623)	-	(24,623)	(1,214)	5.2%	(1,214)	5.2%
Transfers to Reserves - Operating	55,012	54,938	-	54,938	(75)	-0.1%	(75)	-0.1%
Transfers from Reserves - Operating	(4,520)	(6,297)	-	(6,297)	(1,776)	39.3%	(1,776)	39.3%
<b>Gross Operating Expenditures</b>	<b>772,251</b>	<b>790,664</b>	<b>4,490</b>	<b>795,154</b>	<b>18,413</b>	<b>2.4%</b>	<b>22,903</b>	<b>3.0%</b>
Transfer to Reserves - Capital	118,596	114,650	-	114,650	(3,946)	-3.3%	(3,946)	-3.3%
Transfer from Reserves - Capital	(360)	(311)	-	(311)	49	-13.7%	49	-13.7%
Debt Charges	84	84	-	84	(0)	-0.1%	(0)	-0.1%
Capital Financing Expenditures	118,321	114,424	-	114,424	(3,897)	-3.3%	(3,897)	-3.3%
<b>Total Gross Expenditures</b>	<b>890,572</b>	<b>905,088</b>	<b>4,490</b>	<b>909,578</b>	<b>14,516</b>	<b>1.6%</b>	<b>19,006</b>	<b>2.1%</b>
Provincial & Federal Funding	(438,681)	(445,343)	(1,420)	(446,763)	(6,662)	1.5%	(8,083)	1.8%
Other Revenue	(116,503)	(109,928)	(109)	(110,036)	6,576	-5.6%	6,467	-5.6%
<b>Total Revenue</b>	<b>(555,184)</b>	<b>(555,270)</b>	<b>(1,529)</b>	<b>(556,799)</b>	<b>(86)</b>	<b>0.0%</b>	<b>(1,615)</b>	<b>0.3%</b>
<b>Net Program Expenditures</b>	<b>\$ 335,388</b>	<b>\$ 349,818</b>	<b>\$ 2,961</b>	<b>\$ 352,778</b>	<b>\$ 14,430</b>	<b>4.3%</b>	<b>\$ 17,391</b>	<b>5.2%</b>
<b>Assessment Growth</b>								<b>1.8%</b>
<b>Tax Impact</b>								<b>3.3%</b>

Schedule may not add due to rounding

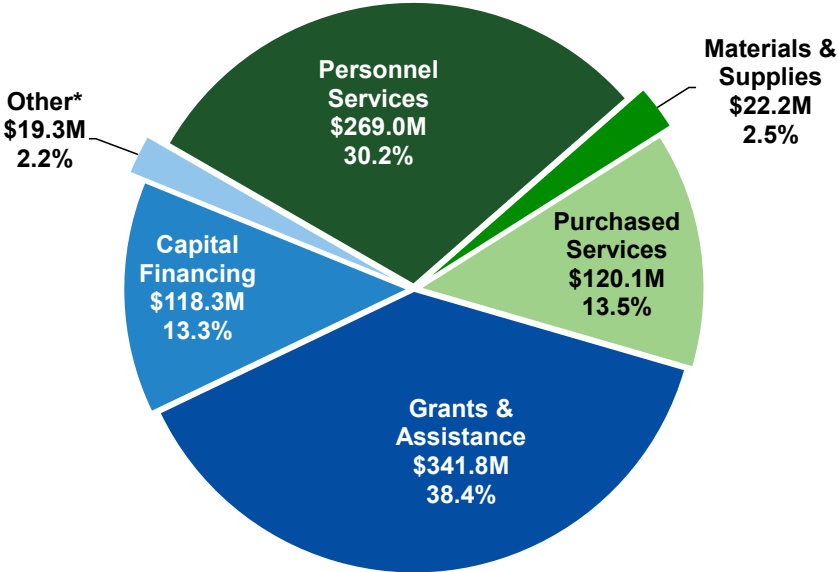
The key changes in the gross expenditures and revenues are discussed in the following sections.



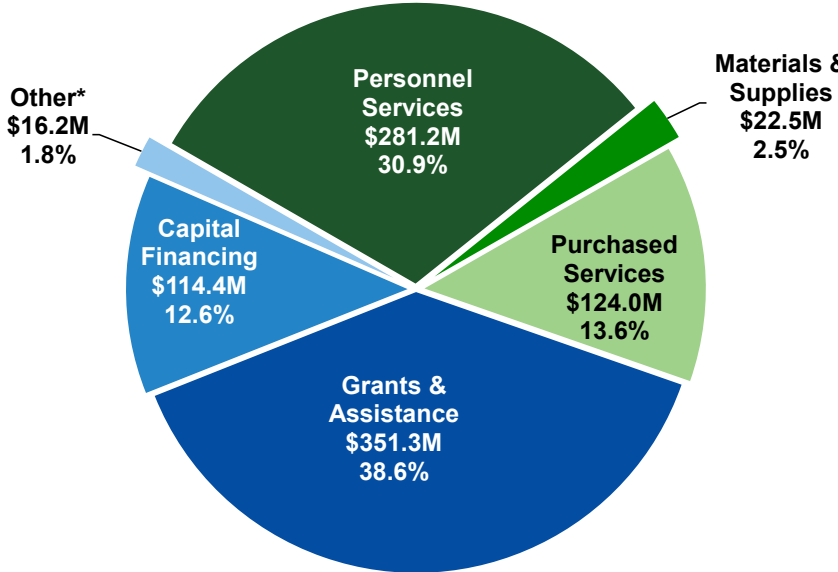
# Gross Expenditures

The following charts show the breakdown of the total gross expenditures in the 2025 and 2026 operating budgets for Regional Tax-Supported Services by cost category. The 2026 operating budget includes \$909.6 million in total gross expenditures.

2025 Tax Gross Expenditures: \$890.6 million



2026 Tax Gross Expenditures: \$909.6 million



\*Other Expenditures include Transfers to/from Operating Reserves, Recoveries, and Financial & Rent Expenses

### Personnel Services – \$12.2 million increase

Personnel costs account for 31% of total gross expenditures for Regional tax-supported services. As shown in the following table, compensation costs are proposed to increase by 4.54% or \$12.2 million in 2026 as a result of:

- 2.76% or \$7.4 million for base budget compensation increases, comprised of the following:
  - 1.87% or \$5.0 million increase to salary budget based on a 2.5% increase in the non-union pay band based on a pay-for-performance merit system, anticipated increases in union agreements, and an increase in the budgeted percentage of job rate (from 95.0% to 95.5%) to reflect actual trends.
  - 0.90% or \$2.4 million increase to benefit costs based on increases in statutory and other benefits calculated as a percentage of earnings.
- 1.78% or \$4.8 million increase for an additional 26.0 FTEs and 20,323.2 relief hours included as strategic investments in the 2026 Budget.

2026 Compensation Summary - Tax-Supported Regional Services						
	2024	2025	2026			
	Compensation Budget	Compensation Budget	Compensation Inc/(Dec)	Strategic Investments	Compensation Budget	Change
Community Health Services	\$ 8,897,556	\$ 9,504,273	\$ 53,889	\$ -	\$ 9,558,162	0.57%
Health Protection	10,342,049	11,632,162	2,506	-	11,634,668	0.02%
Healthy Families	11,287,789	10,925,525	(974,859)	-	9,950,666	-8.92%
Public Health Resources	4,024,923	4,464,339	161,950	-	4,626,289	3.63%
Paramedic Services	38,198,605	41,504,040	2,216,607	2,857,830	46,578,477	12.23%
Children's Services	13,547,466	14,294,563	513,407	387,068	15,195,038	6.30%
Employment & Social Services	6,808,452	7,495,597	167,499	-	7,663,096	2.23%
Housing Services (Excluding HCHC)	4,267,940	4,752,820	163,089	223,504	5,139,413	8.13%
Halton Community Housing Corporation	3,884,577	4,229,245	138,569	198,533	4,566,347	7.97%
Human Services Planning & Program Support	3,356,444	3,516,452	103,729	-	3,620,181	2.95%
Services for Seniors	67,633,702	73,577,784	2,602,817	-	76,180,601	3.54%
Development Services	5,718,197	6,417,953	224,343	-	6,642,296	3.50%
Roads Operations	2,408,842	2,538,511	83,970	-	2,622,481	3.31%
Waste Management	5,415,985	5,797,862	214,334	227,939	6,240,135	7.63%
Small Business Centre & Heritage Services	2,042,798	1,227,853	(485,205)	-	742,648	-39.52%
Corporate Administration	60,742,174	65,272,436	2,216,962	879,821	68,369,219	4.74%
Office of the Chair & Regional Council	1,737,997	1,799,368	29,273	-	1,828,641	1.63%
<b>Total</b>	<b>\$ 250,315,496</b>	<b>\$ 268,950,783</b>	<b>\$ 7,432,880</b>	<b>\$ 4,774,695</b>	<b>\$ 281,158,358</b>	<b>4.54%</b>
<b>Compensation Increase</b>			<b>2.76%</b>	<b>1.78%</b>	<b>4.54%</b>	

Schedule may not add due to rounding

### Staff Complement and Relief Hours

As shown in the following table, the additional staff complement proposed in the 2026 Tax-Supported Budget includes an increase of 26.0 FTEs and 20,323.2 relief hours for strategic investments.

2026 Complement Summary - Tax-Supported Regional Services						
	2024	2025		2026		
	Budgeted Staff Complement	Budgeted Staff Complement	Total In-Year Adjustments	Strategic Investments	Budgeted Staff Complement	Change
<b>FTE:</b>						
Community Health Services	74.0	72.0	-	-	72.0	0.00%
Health Protection	78.6	84.6	(2.0)	-	82.6	(2.36)%
Healthy Families	94.0	81.6	(8.0)	-	73.6	(9.80)%
Public Health Resources	26.0	28.0	-	-	28.0	0.00%
Paramedic Services	249.5	257.2	-	14.0	271.2	5.44%
Children's Services	109.8	110.8	-	-	110.8	0.00%
Employment & Social Services	60.0	63.0	-	-	63.0	0.00%
Housing Services (Excluding HCHC)	35.0	38.0	-	2.0	40.0	5.26%
Halton Community Housing Corporation	34.0	35.0	-	2.0	37.0	5.71%
Human Services Planning and Program Support	27.0	27.0	-	-	27.0	0.00%
Services for Seniors	622.6	637.8	-	-	637.8	0.00%
Development Services	42.0	45.0	-	-	45.0	0.00%
Road Operations	19.0	19.0	-	-	19.0	0.00%
Waste Management	45.4	45.2	-	2.0	47.2	4.42%
Small Business Centre & Heritage Services	15.0	9.0	(4.0)	-	5.0	(44.44)%
Corporate Administration	444.5	457.6	-	6.0	463.6	1.31%
Office of the Chair & Regional Council	1.0	1.0	-	-	1.0	0.00%
<b>Relief Hours:</b>						
Community Health Services	1,350.2	1,350.2	-	-	1,350.2	0.00%
Paramedic Services	63,945.0	68,986.6	-	12,823	81,809.8	18.59%
Children's Services	3,587.5	1,760.5	-	7,500.0	9,260.5	426.02%
Services for Seniors	130,413.9	142,361.4	-	-	142,361.4	0.00%
<b>Total:</b>						
<b>FTE</b>	<b>1,977.4</b>	<b>2,011.8</b>	<b>(14.0)</b>	<b>26.0</b>	<b>2,023.8</b>	<b>0.60%</b>
<b>Relief Hours</b>	<b>199,296.6</b>	<b>214,458.7</b>	<b>-</b>	<b>20,323.2</b>	<b>234,781.9</b>	<b>9.48%</b>

The table above includes total in-year adjustments resulting in a net reduction of 14.0 FTEs due to:

- Reduction of 10.0 FTEs as a result of Public Health's Strategic Program Review as reported through Confidential Report No. MO-07-25.
- Reduction of 4.0 FTEs due to the cessation of Heritage Services delivered by Halton Region as of January 1, 2026 as reported through Confidential Report No. CA-13-25.

As noted above, the 2026 Budget includes an additional 26.0 FTEs and 20,323.2 relief hours requested as proposed strategic investments. Of the 26.0 FTEs, 20.0 FTEs will be either fully or partially funded by provincial funding, reallocated base budget provisions, or through the capital & HCHC budgets as follows:

- 14.0 FTEs and 12,823.2 relief hours include provincial funding to partially fund the cost in Paramedic Services
- 3.0 FTEs will support capital programs and will therefore be partially or fully recovered from the capital budget
- 2.0 FTEs and 7,500 relief hours are fully funded through reallocated base budget provisions
- 1.0 FTE will support the growing number of units managed by HCHC, and will therefore be recovered from the HCHC budget

The remaining 6.0 FTEs will be funded from property taxes and will support strategic priorities and address pressures driven by growth and increased demand for services.

Casual relief resources employed in the Region are represented by several relief hours required rather than as full-time equivalents to better reflect the nature of the resource needs. In areas where staff provide direct client care (such as paramedics and personal support workers in long-term care), whenever staff are absent from work for a variety of reasons (such as vacation, illness, injury, training), there is a requirement to replace the staff with a casual relief employee. These program areas need to maintain a pool of relief resources at a sustainable level to allocate based on the number of hours required to provide the appropriate coverage.

#### **Materials & Supplies – \$342,000 increase**

- \$503,000 increase in contract costs for food and other supplies in Services for Seniors.
- \$138,000 increase in uniform costs in Paramedic Services primarily related to the 12.0 FTE paramedics requested as strategic investments.
- \$134,000 increase to support telecom services and for technology replacement reserve payback.
- \$54,000 decrease related to Heritage Services no longer being delivered by the Region effective January 1, 2026 (Confidential Report No. CA-13-25).
- \$120,000 decrease due to identified efficiencies and reallocated resources as a result of Public Health's Strategic Program Review (Confidential Report No. MO-07-25).
- \$360,000 reduction in blue bins due to the transition of the residential Blue Box Program to full producer responsibility.

#### **Purchased Services – \$3.9 million increase**

- \$1.4 million increase for subscription-based software costs based on operational needs and to support the continued implementation of the Digital Strategy, including Salesforce, SAP Cloud Licenses and Cybersecurity.
- \$854,000 increase in Services for Seniors mainly due to increased contract costs for assisted living, laundry and janitorial services.
- \$563,000 increase for assessment services to reflect MPAC's increased costs and Halton's growth.
- \$450,000 in one-time funding in Heritage Services to support the deaccessioning and dispersal processes, funded through a transfer from the Tax Stabilization reserve.
- \$435,000 increase in road maintenance contracts reflecting inflationary increases and lane kilometre growth.
- \$326,000 increase in Children's Services for CWELCC compliance audits (fully offset by CWELCC funding).
- \$154,000 increase due to reallocated resources as a result of Public Health's Strategic Program Review (Confidential Report No. MO-07-25).
- \$141,000 increase in Paramedic Services related to higher vehicle maintenance costs due to an ageing fleet.
- \$102,000 increase in insurance premiums and paid claim losses.
- \$100,000 increase for external legal services support.
- \$50,000 increase to support the Region meeting the digital accessibility standards under the *Accessibility for Ontarians with Disabilities Act* (AODA).
- \$758,000 decrease due to the removal of one-time expenditures in the Public Health 2025 Budget for temporary staff and other support related to COVID-19, offset with a reduction in provincial funding.

There is an overall impact of \$7.1 million related to the waste management contracts reflected in the 2026 Budget. The 2026 Budget includes increased waste management contract costs of \$7.0 million in Purchased Services related primarily to the other waste streams including garbage, green cart, and yard waste. Starting

January 1 2026, the Region will no longer be providing blue box collection services resulting in reductions of \$7.1 million in Purchased Services and \$323,000 for blue bins in Materials and Supplies. These reductions are offset by a \$7.6 million decrease in Program Revenues due to the discontinuation of funding from Circular Materials Ontario (CMO).

**Financial & Rent Expenses – \$1.0 million increase**

- \$1.0 million in Paramedic Services for a temporary leased facility to help address vehicle storage and inventory capacity issues until the new headquarters is constructed and operational, funded through a transfer from the Tax Stabilization reserve.
- \$110,000 increase in banking and investment service charges to reflect current contractual and usage costs, recovered from interest earnings.
- \$75,000 decrease related to Heritage Services no longer being delivered by the Region effective January 1, 2026 (Confidential Report No. CA-13-25).

**Grants & Assistance – \$9.5 million increase**

- \$8.6 million increase in Employment & Social Services mainly due to a projected increase in Ontario Works caseloads, fully offset with funding and other revenues with no net tax impact.
- \$1.0 million in annual operating funding to support Food for Life and FeedHalton with core operating costs and enhance collaboration with the food rescue and food bank sector as approved through Report No. **SS-13-25** (re: "Investing in Food Distribution to Enhance Food Security in Halton").
- \$1.0 million increase in Housing Services mainly due to increases in Housing Provider subsidies and an increase in rent supplements to support inflation and growth.
- \$500,000 increase proposed as a strategic investment for the Halton Region Community Investment Fund (HRCIF) to support emerging community needs and fund key human service programs and initiatives.
- \$400,000 increase in municipal funding for the Boards & Agencies.
- \$60,000 increase proposed as a strategic investment for the Community Circular Economy Fund (formerly called the Waste Diversion Fund).
- \$10,000 increase to support the Halton Region Federation of Agriculture (HRFA) on an interim basis in 2026 and 2027 to fund the HRFA Coordinator position.
- \$2.0 million decrease in Children's Services mainly due to the removal of one-time start-up CWELCC grants.

**Allocated Recoveries – \$1.0 million increase**

- \$686,000 increase in recoveries from capital projects primarily driven by strategic investments proposed for a Project Manager I and a Project Manager II to support the state-of-good-repair of the Region's corporate facilities and HCHC facilities, and a Senior Strategic Sourcing Specialist to provide procurement support to the Digital & Information Services Department.
- \$213,000 net increase in recoveries from the Rate-Supported Budget mainly related to Finance staff who support water and wastewater billing and collections, increases in fleet services, furniture and technology replacement.
- \$137,000 increase in recoveries from Police Services mainly related to risk management and fleet services provided by the Region.

**Corporate Support Recoveries – \$1.2 million increase**

- Increased recoveries from the Rate-Supported Budget for Corporate Administration costs, including additional resources acquired through the 2025 strategic investments, and to support the continued implementation of the Region's Digital Strategy.

**Transfers to Reserves - Operating – \$75,000 decrease**

- \$127,000 decrease in transfers to reserve to offset the increased cost of investment portfolio management.
- \$108,000 decrease due to the removal of the favourable assessment growth in 2025 (Report No. **FN-10-25** re: "2025 Tax Policy").
- \$34,000 increase for technology replacement.
- \$130,000 increase to support Conservation Halton's 2026 new benefit-based municipal levy request to complete technical studies to support the Flood Hazard Mitigation, which will be financed through a capital account (account T5240A - Conservation Halton - Flood Hazard Mitigation) and funded from the Tax Stabilization reserve.

### Transfers from Reserves - Operating – \$1.8 million increase

- \$1.0 million transfer from the Tax Stabilization reserve to fund a temporary leased facility in Paramedic Services.
- \$450,000 transfer from the Tax Stabilization reserve for one-time funding in Heritage Services to support the deaccessioning and dispersal processes.
- \$239,000 transfer from the Children's Services reserve to fund one-time expenditures to improve digital service delivery, information management, and customer service to Halton families, and to support the development of the updated Early Learning and Child Care Plan.
- \$124,000 transfer from the Tax Stabilization reserve to fund one-time expenditures to help modernize digital records management in Services for Seniors
- \$55,000 increase for mobile devices and cellphone replacement.
- \$44,000 transfer from the Tax Stabilization reserve for the 2026 election expenses.
- \$150,000 decrease due to the removal of the one-time transfer for professional consulting services in Human Resources.

### Capital Financing Expenditures – \$3.9 million decrease

- \$4.5 million decrease due to the removal of the one-time transfer related to the Blue Box program savings which were utilized in the 2025 Budget towards the automated wheeled cart collection program.
- \$1.4 million decrease due to the expiry of time-limited provincial capital funding provided to support the Long-Term Care homes.
- \$56,000 net increase to fund the repayments for the Credit Valley Conservation Authority's Black Creek Subwatershed and Hazard Tree Management programs (\$99,000), partially offset by a decrease for the Emerald Ash Borer program (\$43,000), per the 2026 financing plan.
- \$293,000 increase to support corporate and program specific technology capital requirements.
- \$300,000 increase to deliver new housing opportunities as outlined in the Region's **Comprehensive Housing Strategy 2025-2035 (CHS)**.
- \$500,000 to support the Waste Management State-of-Good-Repair program.
- \$660,000 increase to support corporate and program-specific capital facility requirements.

## Gross Revenues

The \$909.6 million total gross expenditures in the Tax-Supported Budget are funded from various sources as shown in the table below. In the 2026 Tax-Supported Budget, 38.8% of the total gross expenditures are funded from property taxes and 47.3% are funded from provincial funding. The other 13.9% of the funding comes from Federal funding, program & other revenue, investment income, and supplementary taxes.

Tax Gross Operating Revenues by Funding Source (\$000s)						
	2025		2026		Change in Budget	
	\$	% of Total	\$	% of Total	\$	%
Property Tax Revenue	\$ 335,388	37.7%	\$ 352,778	38.8%	\$ 17,391	5.2%
Provincial Funding	422,105	47.4%	429,812	47.3%	7,707	1.8%
Federal Funding	16,576	1.9%	16,951	1.9%	375	2.3%
Program Fees & Other Revenue	47,593	5.3%	41,126	4.5%	(6,467)	(13.6)%
Investment Income	61,610	6.9%	61,610	6.8%	-	0.0%
Supplementary Taxes	7,300	0.8%	7,300	0.8%	-	0.0%
<b>Total Revenue</b>	<b>\$ 890,572</b>	<b>100.0%</b>	<b>\$ 909,578</b>	<b>100.0%</b>	<b>\$ 19,006</b>	<b>2.1%</b>

Schedule may not add due to rounding.



Overall, for the 2026 Budget, revenues are expected to increase by \$19.0 million, or 2.1%, driven by increased property taxes of \$17.4 million (including a property tax increase of 3.3% and assessment growth of 1.8%).

#### Provincial Funding – \$7.7 million increase

In total, \$429.8 million in provincial funding is included in the 2026 Tax-Supported Budget and is primarily used to fund cost-shared programs in Health and Social & Community Services.

Provincial Funding by Program (\$000s)						
	2025	2026			Change in Budget	
	Total	Base	Strategic Investments	Total	Total	
Public Health	\$ 31,029	\$ 28,349	\$ -	\$ 28,349	\$ (2,680)	-8.6%
Paramedic Services	29,200	31,285	1,420	32,705	3,505	12.0%
Children's Services	246,354	245,673	-	245,673	(681)	-0.3%
Employment & Social Services	36,656	44,802	-	44,802	8,145	22.2%
Housing Services	18,280	17,493	-	17,493	(787)	-4.3%
Services for Seniors	60,219	60,422	-	60,422	204	0.3%
Road Operations	160	160	-	160	-	0.0%
Small Business Centre	208	208	-	208	-	0.0%
<b>Total</b>	<b>\$ 422,105</b>	<b>\$ 428,391</b>	<b>\$ 1,420</b>	<b>\$ 429,812</b>	<b>\$ 7,707</b>	<b>1.8%</b>

Schedule may not add due to rounding

The 2026 Budget was prepared with the most current information available. However, there is uncertainty that could affect 2026 due to reviews currently being conducted by the Province on several programs and funding models, including the Ontario Public Health Standards and related funding.

As shown in the following table, provincial funding in the 2026 Budget is increasing by \$7.7 million mainly related to an increase in funding for Ontario Works benefits based on the projected increase in caseloads. The 2026 base budget for Provincial funding is \$428.4 million. In addition, \$1.4 million in provincial funding is included in the strategic investments related to Paramedic Services which is anticipated based on the current funding model.

Change in Provincial Funding 2025-2026 (\$000s)		
Program	Funding	2025-2026 Change*
<b>Public Health</b>	Mandatory Program Cost-Share Funding	(1,903)
	One-Time COVID-19 Response & Recovery	(776)
	<b>Subtotal</b>	<b>(2,680)</b>
<b>Paramedic Services</b>	Base Funding	2,075
	Strategic Investments	1,420
	Community Paramedicine	10
	<b>Subtotal</b>	<b>3,505</b>
<b>Children's Services</b>	Canada-Wide Early Learning and Child Care	(681)
	<b>Subtotal</b>	<b>(681)</b>
<b>Employment &amp; Social Services</b>	Ontario Works Benefits	8,145
	<b>Subtotal</b>	<b>8,145</b>
<b>Housing Services</b>	Federal Block Funding	(311)
	Ontario Priorities Housing Initiative (OPHI)	(694)
	Canada-Ontario Community Housing Initiative (COCHI)	219
	<b>Subtotal</b>	<b>(787)</b>
<b>Services for Seniors</b>	Community Support Services	235
	Level of Care & Other Funding at the Long-Term Care Homes	899
	Direct Care Hours Base Funding	475
	Provincial Capital Funding	(1,405)
	<b>Subtotal</b>	<b>204</b>
<b>Total Change in Provincial Funding</b>		<b>\$ 7,707</b>

\*Funding changes are based on current funding models or allocations

#### Public Health

Base funding for cost-shared Public Health programs is intended to be based on 75% provincial funding and 25% municipal funding, however the 2026 Budget for Public Health's cost-shared programs with the Ministry of Health is funded based on 50% funding from the Province, and 50% from the Region. The Region's cost-share has increased by 3% in the 2026 Budget as a result of the provincial funding not keeping pace, to a total of \$11.3 million for mandatory cost-shared programs. The Healthy Babies Healthy Children (HBHC) program receives provincial funding from the Ministry of Children, Community and Social Services. The HBHC program is intended to be funded 100% by the Province, however, the current provincial funding provides 61% of the program costs, and the Region contributes 39%, or \$1.5 million, for the shortfall.

In 2026, the Region will contribute \$12.8 million more than its expected share to compensate for shortfalls in provincial funding to maintain essential services, which reflects an increase of \$1.5 million from the shortfall in the 2025 Budget.

Public Health (\$000s)												
Program	Expenditure Budget			Provincial Funding Budget							Anticipated Shortfall (\$)	
	2025	2026	Change	2025	2026	Change	2025	2026	Change	2025	2026	Change
Public Health - Cost-Shared Programs	\$ 44,838	\$ 44,395	\$ (442)	\$ 23,937	53%	\$ 22,034	50%	\$ (1,903)	-8%	\$ 9,726	\$ 11,297	\$ 1,571
Ontario Seniors Dental Care Program	3,931	3,931	-	3,931	100%	3,931	100%	-	0%	-	-	-
Healthy Babies Healthy Children	4,000	3,914	(86)	2,385	60%	2,385	61%	-	0%	1,615	1,529	(86)
<b>Total</b>	<b>\$ 52,768</b>	<b>\$ 52,240</b>	<b>\$ (528)</b>	<b>\$ 30,252</b>	<b>57%</b>	<b>\$ 28,349</b>	<b>54%</b>	<b>\$ (1,903)</b>	<b>-6%</b>	<b>\$ 11,341</b>	<b>\$ 12,826</b>	<b>\$ 1,485</b>

Schedule may not add due to rounding

Through the COVID-19 pandemic, the budget included anticipated increases in provincial funding to maintain the budgeted cost-share level and support critical investments in the ongoing work continuing post-pandemic in Public Health, however, the actual increases received to date have been significantly lower. This resulted in a gap between the budget for provincial funding and the latest confirmed funding allocation for Public Health cost-shared programs, anticipated to be \$1.9 million in the 2026 Budget if not addressed. In 2025, Public Health completed a Strategic Program Review (Confidential Report No. MO-07-25) which assessed the effectiveness, efficiency, and alignment of programs and services with organizational priorities, community needs, and provincial mandates. The review identified efficiencies and reallocated resources to areas of greatest public health need, while maintaining or enhancing desired public health outcomes and addressing the ongoing funding gap in the budget. Through the Strategic Program Review, opportunities to reduce gross expenditures by \$1.9 million were identified and implemented which has fully offset the funding gap in the 2026 Budget, enabling the budget for cost-shared funding to be aligned with the anticipated 2026 funding allocation with no overall net impact.

#### Paramedic Services

The 2026 Budget includes a funding increase of \$3.5 million comprised of \$2.1 million in base funding and \$1.4 million included in strategic investments, which reflects the current funding model that supports program growth, but not inflation. Cost-shared funding is intended to support a cost-share between the Provincial and Regional governments of 50/50, however, the 2026 Budget is funded based on a cost-share of 47% funding from the Province, and 53% from the Region resulting in a shortfall of \$2.2 million. In addition, Community Paramedicine programs which are intended to be fully funded by Ontario Health and the Ministry of Long-Term Care, have a total Regional contribution of 12%, or \$291,000, in the 2026 Budget.

Paramedic Services (\$000s)												
Program	Expenditure Budget			Provincial Funding Budget							Anticipated Shortfall (\$)	
	2025	2026	Change	2025	2026	Change	2025	2026	Change	2025	2026	Change
Paramedic Services - Cost-Shared Programs	\$ 56,357	\$ 62,561	\$ 6,204	\$ 25,602	45%	\$ 29,098	47%	\$ 3,496	14%	\$ 2,576	\$ 2,183	\$ (394)
Dedicated Offload Nursing Initiative	1,458	1,458	-	1,458	100%	1,458	100%	-	0%	-	-	-
Paramedicine CHAP	336	370	34	269	80%	279	75%	10	4%	67	91	24
Paramedicine LTC	1,986	2,069	83	1,870	94%	1,870	90%	-	0%	116	199	83
<b>Total</b>	<b>\$ 60,138</b>	<b>\$ 66,459</b>	<b>\$ 6,321</b>	<b>\$ 29,200</b>	<b>49%</b>	<b>\$ 32,705</b>	<b>49%</b>	<b>\$ 3,505</b>	<b>12%</b>	<b>\$ 2,760</b>	<b>\$ 2,473</b>	<b>\$ (287)</b>

Schedule may not add due to rounding

### Children's Services

As shown in the following table, the 2026 Budget reflects a net funding decrease of \$681,000 or 0.3%, which is mainly due to the removal of one-time start-up CWELCC grants.

The total funding allocation from the Ministry of Education for early years and child care in Halton in the 2026 Budget is \$244.7 million, which is comprised of CWELCC cost-based funding of \$213.1 million; Local Priorities funding of \$23.9 million; EarlyON Child and Family Centres funding of \$4.8 million; and Administration funding of \$2.9 million. The 2026 Budget for CWELCC funding is based on 2025 funding levels, as the confirmed funding allocation for 2026 had not been received prior to finalization of the 2026 Budget and Business Plan. Staff are assessing implications for Halton and will report back to Regional Council in 2026 with further details. The 2026 Budget for Children's Services includes a Regional investment of \$10.9 million, of which \$3.5 million is a Provincially-legislated contribution and \$7.4 million is an additional investment to provide additional supports to Halton families.

Children's Services (\$'000's)			
	2025 Budget	2026 Budget	2026 / 2025 Change
<b>Expenditures:</b>			
Administration	\$ 2,917	\$ 2,641	\$ (275)
Canada-Wide Early Learning and Child Care (CWELCC)	218,367	217,974	(393)
Early Years Services	32,239	32,419	179
Early Years Intervention and Community Support Services	3,999	4,089	90
Regional Child Care Centres	909	609	(300)
<b>Total</b>	<b>\$ 258,431</b>	<b>\$ 257,732</b>	<b>\$ (699)</b>
<b>Funding:</b>			
Ministry of Education (EDU):			
Administration	\$ 2,906	\$ 2,927	\$ 21
Canada-Wide Early Learning and Child Care (CWELCC)	213,823	213,121	(702)
Local Priorities Funding	23,874	23,874	-
EarlyON Child and Family Centres	4,777	4,777	-
Subtotal EDU	245,380	244,699	(681)
Ministry of Children, Community, and Social Services (MCCSS)	974	974	-
<b>Total Provincial Funding</b>	<b>\$ 246,354</b>	<b>\$ 245,673</b>	<b>\$ (681)</b>
Other Revenues	1,535	1,197	(338)
Net Regional Contribution	10,542	10,862	321
<b>Total</b>	<b>\$ 258,431</b>	<b>\$ 257,732</b>	<b>\$ (699)</b>

Schedule may not add due to rounding

As reported through Report No. **SS-09-25** (re: "Canada-Wide Early Learning and Child Care Program and Early Learning and Child Care Plan"), all CWELCC spaces approved by the Provincial Government have been fully allocated in Halton until the end of 2026. No new spaces are available for allocation. The existing Provincial CWELCC funding and space allocation remains insufficient to meet the needs of Halton as a growing community. The Region continues to advocate to the Provincial Government for more CWELCC funding and spaces so that more Halton families can access affordable child care. The current federal-provincial CWELCC Agreement has been extended until December 31, 2026.

### Housing Services

The 2026 Budget for provincial funding is decreasing by \$787,000, or 4.3%, to align with the latest funding allocations that have been allocated to the operating budget. The decrease includes a \$694,000 reduction in the Ontario Priorities Housing Initiative (OPHI) and a \$311,000 reduction in Federal Block Funding, partially offset by a \$219,000 increase in the Canada-Ontario Community Housing Initiative (COCHI). Investment in homelessness prevention from the Provincial government for the 2025-26 fiscal year remains unchanged at \$14.3 million and no change is expected for the 2026-27 fiscal year.

### Services for Seniors

The majority of provincial funding in Services for Seniors is provided for the Long-Term Care (LTC) homes by the Ministry of Long-Term Care (MLTC) on a per bed, per day basis, with an adjustment to reflect the Case Mix Index (CMI) of the home, which is a numeric value assigned to a LTC home used as a measure of the care requirements of residents. As shown in the table below, the 2025/2026 re-indexing of eligible CMI funding by the MLTC results in funding received that is 90.3% of the calculated care needs of residents, which is a decrease of 0.5% from 2024/2025. While the calculated CMI has been increasing, the MLTC re-indexing factor has been decreasing, resulting in a gap between funding required and funding received. The projected shortfall resulting from the difference between the calculated CMI and the funded CMI is \$2.8 million in the 2026 Budget. This shortfall results in increased Regional investment required to maintain service levels.

Long-Term Care Homes - Case Mix Index									
Case Mix Index	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026
Allendale	110.13%	117.78%	120.27%	123.36%	124.42%	124.42%	122.49%	122.53%	125.84%
Creek Way Village	116.56%	120.52%	120.51%	123.11%	125.14%	125.14%	127.24%	127.67%	128.18%
Post Inn Village	106.34%	112.82%	115.66%	118.20%	120.53%	120.53%	123.59%	121.77%	121.90%
<b>MLTC Re-Indexing Factor</b>	<b>95.6%</b>	<b>94.6%</b>	<b>93.2%</b>	<b>92.7%</b>	<b>92.1%</b>	<b>92.1%</b>	<b>90.8%</b>	<b>90.8%</b>	<b>90.3%</b>
Change in Re-Indexing Factor		-1.0%	-1.4%	-0.5%	-0.6%	0.0%	-1.3%	0.0%	-0.5%

The 2026 Budget for provincial funding is increasing by \$204,000, or 0.3%, to align with the latest confirmed funding allocations. This includes an increase of \$1.4 million from the MLTC for the LTC homes and an increase of \$235,000 from Ontario Health for Supportive Housing and Adult Day programs. These increases are partially offset by a \$1.4 million decrease in provincial capital funding, which was provided to Post Inn Village and Creek Way Village on a time-limited basis to support the initial financing and future replacements for these LTC homes. The funding for Post Inn Village expired in 2025, while the funding for Creek Way Village is anticipated to expire in 2026. This funding reduction has been fully offset by reduced transfer to capital reserve, with no tax impact.

### Employment & Social Services

Provincial funding is provided for Ontario Works (OW) Benefits, OW Cost of Administration, and Employment programs. The Province fully funds the discretionary and mandatory benefits associated with the Ontario Works program. The cost of administration for the Ontario Works program is intended to be cost-shared 50/50 with municipalities. Based on the latest confirmed funding allocations from the Ministry of Children, Community and Social Services, the 2026 budgeted cost share is 46% Province / 54% Region, which translates to a provincial funding shortfall of \$388,000. The Province is reviewing the Ontario Works funding model, with a new funding formula expected in 2027.

The 2026 Budget for OW benefit expenditures is increasing by \$8.5 million based on a 6.6% increase in demand over 2025 projected caseloads. This increase is fully offset by increased provincial funding of \$8.1 million, and increased OW recoveries of \$328,000, with no net tax impact.

### Federal Funding – \$375,000 increase

The 2026 Tax-Supported Budget includes \$17.0 million of federal funding, which is an increase of \$375,000, or 2.3%, over the 2025 Budget, mainly driven by an increase of \$561,000 in Homelessness funding, partially offset with a decrease of \$185,000 in Employment & Social Services due to the discontinuation of Canada Connects Program funding as reported through Report No. **SS-07-25** (re: “Update on Newcomer Programming”).

Federal Funding by Program (\$000s)					
Program	Funding	2025	2026	Change in Budget	
Regional Governance & Fiscal Transactions	Canada Community-Building Funding	\$ 10,058	\$ 10,058	\$ -	0.0%
Housing Services	Homelessness Funding	5,057	5,618	561	11.1%
Human Services Planning & Program Support	Building Safer Communities Fund	937	937	-	0.0%
Employment & Social Services	Halton Newcomer Strategy & Canada Connects	433	248	(185)	-42.7%
Healthy Families	Canada Prenatal Nutrition Program	90	90	-	0.0%
<b>Total</b>		<b>\$ 16,576</b>	<b>\$ 16,951</b>	<b>\$ 375</b>	<b>2.3%</b>

Schedule may not add due to rounding

### Program Fees and Other Revenue – \$6.5 million decrease

The program-specific fees and charges are anticipated to be \$41.1 million in 2026, a \$6.5 million or 13.6% decrease from the 2025 Budget. Fees are reviewed annually and adjusted as appropriate to reflect changes in quantities, inflation and other cost adjustments. The 2026 proposed user fees and charges for Regional Services are detailed in Attachment #4 to Report No. **FN-31-25**, and the corresponding By-laws, for Regional Council's consideration and approval. The following table details the fees and other revenues by major program. The most significant user fee revenues are those received from the residents of the Region's Long-Term Care homes.

Tax Program Fees & Other Revenues (\$000s)				
	2025	2026	Change in Budget	
Services for Seniors	\$ 16,328	\$ 16,993	\$ 665	4.1%
Regional Governance & Fiscal Transactions	5,866	5,861	(6)	-0.1%
Corporate Services	4,150	4,426	276	6.6%
Housing Services	3,392	3,450	58	1.7%
Waste Management	10,913	3,449	(7,464)	-68.4%
Employment & Social Services	1,946	2,331	384	19.7%
Development Services	1,835	1,872	37	2.0%
Children's Services	1,535	1,197	(338)	-22.0%
Finance	715	715	-	0.0%
Road Operations	599	589	(10)	-1.6%
Digital & Information Services	191	116	(75)	-39.3%
Community Health Services	49	85	35	71.3%
Paramedic Services	18	18	0	2.6%
Health Protection	48	17	(31)	-65.0%
Small Business Centre	7	8	1	10.8%
<b>Total</b>	<b>\$ 47,593</b>	<b>\$ 41,126</b>	<b>\$ (6,467)</b>	<b>-13.6%</b>

Schedule may not add due to rounding



The \$6.5 million decrease in program fees and other revenues is driven by:

- \$7.6 million decrease due to the removal of funding from Circular Materials Ontario as a result of the transition of the Blue Box program to full producer responsibility, which is offset primarily in Purchased Services.
- \$338,000 decrease in Children's Services due to lower parental fees at the RCCCs to align with the current \$22 maximum daily rate.
- \$276,000 increase in Corporate Services primarily related to increased recoveries from HCHC, and increased rental revenues.
- \$384,000 increase in Employment & Social Services including \$328,000 related to increased Ontario Works recoveries and \$56,000 increased funding from Fedcap Canada to align with the latest funding agreement for the delivery of employment support to Ontario Works clients.
- \$665,000 increase in Services for Seniors mainly due to increased resident fees at the Long-Term Care homes to align with latest confirmed accommodation rates.

### Investment Income

The 2026 Budget continues to include a total of \$70.0 million in Investment income as a source of revenue. Of this amount, \$61.6 million is reflected in the Tax-Supported Budget, of which \$42.8 million will be transferred directly to finance the Region's State-of-Good-Repair capital programs, and the remaining \$18.8 million supports the tax supported operating budget to offset the impact of capital financing. As part of the annual budget process, staff review trends and projections related to the Region's investment performance. It is expected that in the next 1 to 5 years, the opportunities to generate higher interest earnings will diminish, as the Bank of Canada has already started reducing interest rates from the highest levels in decades. In addition, the Region's capital program is projected to be higher than in previous years due to the cumulative impact of increased prices and accelerated spending, which creates uncertainty in the longer-term investment forecast. A detailed analysis was undertaken to ensure that the investment income budget remains at \$70.0 million reflecting an achievable target in the short-term as the market settles and inflation reduces.

### Supplementary Taxes

Supplementary tax revenue is generated from additional assessment. Supplementary tax revenue is difficult to predict as this is dependent on the number of properties assessed by the Municipal Property Assessment Corporation (MPAC), general economic conditions, and the level of growth within each of the local municipalities. For these reasons, many municipalities choose not to budget, or budget conservatively, for supplementary tax revenue as a recurring source of revenue. The 2026 supplementary tax revenue budget is maintained at \$7.3 million, which aligns with the average revenues over the past 7 years (2018-2024).

## 2026 Tax Strategic Investments

The 2026 Budget and Business Plan includes proposed strategic investments to support priorities approved by Regional Council, program enhancements to support the health and well-being of the Halton community, and investments that address pressures driven by growth and increased demand in services. Additional information related to these initiatives can be found in the Strategic Investments section.

- **Paramedic Services - \$3.0 million (\$1.6 million net tax impact) for 14.0 FTEs (12.0 Paramedics, 1.0 Operations Superintendent and 1.0 Operations Coordinator) and 12,823.2 relief hours** to address pressures related to increasing call volume growth and maintenance of response times. As reported through Report No. **MO-14-24** (re: "Paramedic Services 10-Year Master Plan Update"), the Master Plan outlined the anticipated pressures that Paramedic Services is expected to face over the next 10-years as well as the paramedic, administrative and physical resources that will be required to address these pressures. The Master Plan projected that population growth and an increase in utilization rates is anticipated to result in an increase in paramedic calls between 4%-6% annually. As outlined in Report No. **MO-11-25** (re: "Paramedic Services Division Annual Update"), over the past ten years, overall call volumes have increased by 40%, with an increase of 10% experienced in 2024.

- **Children's Services - \$387,000 (no net tax impact): 7,500.0 relief hours** are required to meet legislated child to educator ratios at the three Regional Child Care Centres. This investment is fully offset with CWELCC funding with no net tax impact.
- **Housing Services - \$224,000 (no net tax impact): 2.0 FTEs (1.0 Quality and Compliance Coordinator and 1.0 Integrated Housing Worker)** are required to address the ongoing increase in demand for Housing and Homelessness programs and services. This investment is fully offset with funding provided through COCHI and OPHI, with no net tax impact.
- **Halton Region Community Investment Fund (HRCIF) - \$500,000:** The HRCIF enhances the health, safety and well-being of Halton residents through \$5.0 million in annual funding to non-profit human service programs and initiatives. The HRCIF funding framework enables the provision of single year and multi-year grants of up to three years. The number of grant applications submitted to the Region continues to increase year over year, demonstrating an increased awareness and need in the community. A \$500,000 increase in the HRCIF to a total of \$5.5 million will support Halton Region to meet emerging community needs and fund key human service programs and initiatives.
- **Waste Management:**
  - **\$236,000: 2.0 FTEs (1.0 Waste Management Data Analyst and 1.0 Waste Collection Customer Service Technician)** are required to support Region-wide automated cart collection and the new waste collection contracts. The Waste Management Data Analyst will support ongoing data collection and analysis requirements and the Waste Collection Customer Service Technician will support wheeled cart customer service and contractor oversight.
  - **Community Circular Economy Fund (CCEF) - \$60,000** increase proposed in the annual funding for the CCEF (formerly the Waste Diversion Fund) to a total of \$279,000 to advance the Region's Solid Waste Management Strategy by reducing waste, extending landfill lifespan, and supporting innovative, community-led solutions by providing a grant to a wider range of circular economy initiatives such as repair cafés, lending libraries, creative reuse programs, and food recovery projects.
- **Corporate Administration - \$1.1 million (\$563,000 net tax impact) for 8.0 FTEs** to support the continued implementation of the Region's Digital Strategy, as well as property maintenance and the state-of-good-repair of the Region's growing corporate facility and HCHC housing portfolios:
  - **Digital & Information Services - \$455,000 for 3.0 FTEs (1.0 Technical Lead, 1.0 Data Management & Cutover Specialist, and 1.0 Change Management Specialist)** to support the Region's Digital Strategy through the implementation and ongoing support of the SAP/SuccessFactors platform.
  - **Corporate Services - \$655,000 (\$109,000 net tax impact) for 5.0 FTEs:**
    - **1.0 Project Manager I and 1.0 Project Manager II**, recovered from the capital budget with no net tax impact, to support the state-of-good-repair of the Region's corporate facilities and HCHC properties due to growth in the portfolio, an increase in program demand pressures and service level requirements, and support the Region's corporate greenhouse gas emissions reduction target of net-zero by 2045.
    - **2.0 Maintenance Tenant Support Workers** are required to enhance tenant support services, improve maintenance response times, and ensure a safe and well-maintained living environment for HCHC and emergency supportive housing tenants. One position is fully funded from the HCHC Budget.
    - **1.0 Senior Strategic Sourcing Specialist**, recovered from the capital budget with no net tax impact, is required to support the increasing volume and complexity of procurements for the Digital & Information Services Department, including innovative and high-risk projects and services, ensuring consistency in service level delivery as well as system security to support the continued implementation of the Region's Digital Strategy.

## 2026 Budget Risks

The 2026 Budget includes a number of potential risks that continue to be monitored by staff through the variance reporting to Council three times per year. In addition, any important announcements by the Province or significant changes in budget assumptions will be reported to Council. Several significant risks are included in the 2026 Budget and are summarized below.

As reported through Report No. **SS-03-22**, the Province has committed to providing funding to Long-Term Care homes to increase staffing levels to be able to provide, on average, four hours of direct care to residents by 2024-25. While the Province has funded an additional 110.4 FTEs and 35,365.4 relief hours in Halton's Long-Term Care homes over the last four years to meet this objective, there has been no commitment to fund future costs associated with these staff including wage increases and additional costs to support the staff such as technology, supplies and administrative support. In addition, in 2022, the Ministry of Long-Term Care announced that the \$3/hour wage enhancement for personal support workers (PSWs) that was introduced during the COVID-19 pandemic was being made permanent. Although PSWs are entitled to the wage enhancement for each hour worked, funding is provided by the province to each LTC home on a per bed, per month basis, leaving the Region at risk of covering any funding shortfall that may materialize in-year.

The 2026 Budget includes \$937,000 in funding, anticipated but not yet confirmed, to extend the Building Safer Communities Fund (BSCF) program. As reported through Report No. **SS-21-22**, the BSCF is a Federally funded initiative under Public Safety Canada that was introduced as a targeted, time-limited contribution program totalling \$250 million for municipalities and Indigenous communities to develop community-based prevention and intervention strategies that aim to prevent gun and gang violence through local programming. Halton Region was selected to receive a funding allocation of approximately \$3.9 million over four years, which expires March 31, 2026. Although funding has not been confirmed beyond this date, it is anticipated to continue as the Federal Government has identified extending this program as a key priority to fight crime, protect Canadians, and build safer communities. As such, the program and funding have been extended in the 2026 Budget with an allocation of \$937,000, which will be utilized to support dedicated program resources and provide grants to community-based agencies. If this anticipated funding does not materialize, Halton Region will wind-down and end this program by December 31, 2026.

As of January 1, 2026, producers are responsible for implementing a standardized provincial Blue Box program across Ontario under O. Reg. 391/21, and therefore Halton Region will no longer be responsible for collecting from eligible locations, responding to Blue Box related issues and inquiries, distributing Blue Boxes, delivering the associated promotion and education and monitoring and enforcing the residential Blue Box program. As approved through Report No. **PW-30-25**, Halton Region will continue to provide recycling collection services to new and eligible multi-residential buildings, schools, non-profit long-term care homes and retirement homes from January 1, 2026 until the producers are responsible for them in 2031. As the number of units and recycling volumes are not confirmed at this time, a provision has not been included in the 2026 Budget. Staff will monitor the impact in 2026 and provide updates through the operating variance reports. Updated estimates will inform a provision to be considered for the 2027 Budget and Business Plan through the annual budget process. Staff will continue to monitor the transition of the blue box program to full producer responsibility, as well as any further changes to legislation and regulations.

The 2026 Budget incorporates known inflationary impacts, however there is a risk that there are significant impacts, including impacts of wage settlements, legislative changes, and impacts on the capital program, that have not been anticipated in the budget that could result in unfavourable variances in 2026, as well as create longer term impacts on the forecast.

## 2026 Operating Budget & Forecast

Looking forward to 2026 and beyond, the impacts of legislative changes, Provincial funding shortfalls, growth, demographic changes and increasing demand for services, geopolitical risks, and global economic conditions continue to be very challenging and present risks to the 2026 Operating Budget & Forecast.

Significant cost increases in the waste management contracts together with the investments required to support the Paramedic Services 10-Year Master Plan are placing significant pressure on the forecast, predominantly in the first few years. Tax impacts of 0.4% in 2027 and 1.0% in 2028 are required to fund the capital financing expenditures for Paramedic Services, and tax impacts of 1.8% in 2027 and 0.5% in 2028 are required to fund the increased waste management contract costs. It is expected that these impacts together with inflationary and other pressures will require higher tax rate increases for the first 4 years of the forecast, before returning to the Bank of Canada target range of 1.0% to 3.0% in the last five years.

While the 2026 Budget includes measures to mitigate the risks to the extent possible, the 2026 Operating Budget & Forecast continues to have areas of risk exposure including the following:

### Cost Increases

The Region continues to experience significant increases in the cost of goods, services, and construction resulting from an extended period of high inflation as well as overall market and economic conditions. In particular, significant contract increases are being experienced in waste management, software and subscription-based services, construction, as well as numerous other contractual costs for goods and services. Continued periods of high inflation and cost escalations coupled with the increase in construction in the GTHA to support the housing targets will put additional pressure on future years' budgets. The outlook for inflation is difficult to assess given the continued uncertainty in market and economic conditions due to trade policy; tariffs and trade uncertainty are expected to continue to weigh on Canadian economic activity.

Prolonged periods of high inflation have significantly increased the cost of delivering infrastructure, and the risk of continued inflation could further impact future budgets. In addition, further legislative changes to the *Development Charges Act*, including amendments introduced since Bill 23 may substantially restrict development charge revenues, impacting the Region's ability to fund capital works. Without alternative sources of funding, these legislative changes could have a substantial impact on existing tax and rate payers and the Region's ability to deliver services.

In 2024, Council approved the Solid Waste Collection Future Levels of Service (Report No. **PW-14-24**) which includes changing from a manual to an automated wheeled cart collection system, requirements for alternative fuel sources for collection vehicles to reduce greenhouse gas emissions, and removal of eligible blue box properties that fall under the Blue Box Regulation (O. Reg. 391/21). As reported through the Council Memorandum dated July 9, 2025 (re: "Award of Solid Waste Collection Base Contracts") and Report No. **PW-20-25**, base and provisional services for Solid Waste Collection Services and Front-end and Roll-off Container Collection of Solid Waste were awarded to Miller Waste Systems Inc. (starting April 3, 2027) and Advantage Waste Systems Inc. (starting March 30, 2026) with a total annualized cost increase of approximately \$10.7 million, or 42.4%, for the contracts once fully implemented. The increases for the waste collection contracts have put significant pressure on the tax-supported operating budget and forecast, with impacts extending over the next several years to reflect the full implementation. Tax impacts of 1.8% in 2027 and 0.5% in 2028 are required to fund the increased waste management contract costs. Staff will continue to monitor the transition of the blue box program to full producer responsibility, as well as any further changes to legislation and regulations. It is important to note that the transformational changes occurring in Waste Management programs over the next few years may create further impacts on the budget and forecast.

## Strategies & Master Plans

The demand for infrastructure has accelerated to support the Province's housing target of 1.5 million homes by 2031. The 2026 Budget and Business Plan has been developed based on master plans and financing strategies approved by Council that predate the completion of the 2025 Transportation Master Plan. As a result, the current budget reflects infrastructure needs and service levels aligned with earlier planning assumptions. While the updated master plan strategy was approved at Council on November 12, 2025 through Report No. **PW-35-25**, they have not yet been incorporated into the 2026 Budget and forecast, as implementation planning is still underway as outlined through Report No. **PW-36-25**. These updated plans are expected to inform budgets beyond 2031, aligning with the accelerated infrastructure timelines required to meet long-term growth targets and will be incorporated into the 2027 Budget and Forecast.

Through Report No. **MO-14-24**, Council adopted the Paramedic Services 10-Year Master Plan which will serve as the strategic planning framework for public policy, organizational, capital, and operational decisions pertaining to the delivery of paramedic services in Halton Region for the period of 2025 to 2034. The Master Plan identifies the additional program needs that represent significant increases from the current operation in order to support population growth and increased utilization rates. It is anticipated that the capital requirements will be funded through a combination of Regional reserves, debt and development charges (DC). The preliminary estimates are based on existing station and vehicle operating and maintenance costs, and facility capital construction costs. The 2026 Budget and Forecast includes the preliminary estimated impacts reflected in the Master Plan, however staff will undertake a comprehensive analysis, including undertaking a number of studies to further refine the estimated capital and annual operating costs, and will report back prior to implementation with the financial impacts and financing plans for Regional Council's consideration and approval. Significant tax impacts of 0.4% in 2027 and 1.0% in 2028 are projected in the forecast to fund the capital financing expenditures for Paramedic Services.

As reported through the Region's **Comprehensive Housing Strategy 2025-2035 (CHS)**, to keep pace with the 1,258 new units achieved under the previous strategy (2014-2024) and to continue to meet the growing demand, Halton Region aims to create 1,350 new assisted and supportive housing opportunities by 2035 with one-third of the required funding coming from each level of government. This includes a standalone commitment to create 450 housing opportunities with Regional investment alone, with matching funding support from the Provincial and Federal Governments for an additional 900 housing opportunities. The 2026 Budget and Forecast continues to include funding for 450 new housing opportunities to be created from 2025-2034 using Regional operating and capital funding.

The forecast includes financing plans to address currently identified capital requirements. Any new capital requirements can affect the forecast. The 2026 Budget continues to update and implement several strategic investments and financial plans approved by Council in prior years, which will also impact the forecast. These include the following:

- Waterfront Master Plans (**LPS13-14**, **LPS54-15**)
- Active Transportation Master Plan (**PW-17-15**)
- Asset Management Plan and Asset Management Policy (**PW-14-25/FN-13-25**)
- Paramedic Services Master Plan (**MO-14-24**)
- Regional Accommodation Plan (**LPS112-15**, **LPS17-18**, **LPS47-19**, **ST-01-20**)
- Solid Waste Management Strategy (**PW-10-22**)
- Solid Waste Collection Future Levels of Services (**PW-14-24**, **PW-20-25**, **PW-30-25**)
- Comprehensive Housing Strategy (**SS-11-25**)
- Halton's Early Learning and Child Care Plan 2022-2024 (**SS-12-22**)
- Regional Advanced Traffic Management System (ATMS) (**PW-10-18**, **PW-34-21**, **PW-21-23**)
- Halton Region's Digital Strategy (**ST-07-21**)
- Corporate Climate Action Plan (**CA-16-23**).

### Provincial & Federal Funding

Provincial and Federal funding has been assumed in the forecast based on current funding models and allocations, which does not keep pace with increases in costs and growth, requiring increased Regional contribution to maintain service levels. In addition, there are pressures related to increasing demand for services, as highlighted through the Paramedic Services 10-Year Master Plan Update (Report No. **MO-14-24**), the Comprehensive Housing Strategy 2025-2035 (Report No. **SS-11-25**), as well as growing food insecurity in Halton (Report No. **SS-13-25**).

Investment in homelessness prevention from the Provincial government for the 2025-26 fiscal year remains unchanged at \$14.3 million and no change is expected for the 2026-27 fiscal year. As reported through Report No. **SS-05-25**, the Federal government announced a reversal of the previously planned funding cuts to the Reaching Home Program and provided incremental new funding for Halton Region of approximately \$217,000 in 2026-27. The homelessness system has become more complex and requires increased base federal and provincial funding to support vulnerable populations on a permanent, sustained basis. Increased base federal and provincial funding is also required to support the operating costs of existing and new assisted and supportive housing opportunities on a permanent, sustained basis. The Region will continue to advocate for the funding required to support the ongoing operating costs for homelessness and assisted and supportive housing services, however without appropriate and sustained funding, there will be Regional commitment required that will need to be addressed in future budgets.

### Growth Assumptions

The 2026 Budget includes an assumption of 1.8% for assessment growth, with 1.8% to 3.0% assessment growth projected in the forecast period. This reflects the projected increase as a result of the Local Municipalities' housing pledges to support the Provincial housing target to achieve 1.5 million homes by 2031. Assessment growth is anticipated to increase as a result of the Provincial Housing target. Staff will monitor the impacts to assessment growth projected and update as necessary through the annual budget process.

### Performance of the Region's Investment Portfolio

As part of the annual budget process, staff review trends and projections related to the Region's investment performance. It is expected that in the next 1 to 5 years, the opportunities to generate higher interest earnings will diminish, as the Bank of Canada has already started reducing interest rates from the highest levels in decades. Although elevated interest rates have not resulted in a recession, economic activity has significantly slowed, as higher inflation has reduced available income to spend and higher borrowing rates have impacted business investments. As the unemployment rate has started to rise, interest rates have already been reduced by 100 basis points in 2025, with likely additional cuts in the future. The interest income from cash balances will be drastically reduced while available bond yields will move significantly lower. In addition, the Region's capital program is projected to be higher than in previous years due to the cumulative impact of increased prices and accelerated spending, which creates uncertainty in the longer-term investment forecast. A detailed analysis was undertaken to ensure that the investment income budget remains at \$70.0 million reflecting an achievable target in the short-term as the market settles and inflation reduces.

The 10-Year Operating Forecast has been prepared to maintain services and service levels. Any change in service or service level will affect the forecast. In addition, if general inflation rates increase, the tax and rate impacts will also increase. The forecast includes financing plans to address currently identified capital requirements. Any new capital requirements along with planned updates to the master plans can affect the forecast. The 10-Year Operating Forecast prepared for the 2026 Budget was based on the following key assumptions:

- General inflation of 2.0%, where applicable
- Interest on reserves of 3.0%
- Debt financing rate of 5.0%
- Capital expenditures based on the financing plan for the Capital Budget
- Assessment growth of 1.8% to 3.0% per year
- Provincial funding to follow current funding formulas



The following table sets out the 10-Year Operating Forecast for tax-supported services. The financing plans will be further refined through the annual budget process, where possible, to achieve tax increases at or below the rate of inflation for Regional services consistent with Council priorities. The Police Services budget is forecasted to increase by 7.8% to 9.4% for the years 2027 to 2030 before assessment growth.

Ten Year Operating Budget Forecast for Tax-Supported Services (\$000s)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Requested Budget	Forecast								
Public Health	\$ 24,179	\$ 26,349	\$ 28,590	\$ 31,226	\$ 34,058	\$ 37,137	\$ 40,250	\$ 43,601	\$ 47,178	\$ 51,020
Paramedic Services	33,754	39,040	48,376	49,823	53,287	62,764	62,616	65,697	68,788	72,091
Children's Services	10,862	12,016	12,959	14,037	15,198	16,334	17,699	19,047	20,470	21,982
Employment & Social Services	7,282	7,703	8,137	8,656	9,218	9,827	10,448	11,119	11,839	12,616
Housing Services	50,752	52,772	54,738	56,820	59,067	61,553	64,123	66,718	69,527	72,470
Human Services Planning & Program Support	11,920	12,142	12,371	12,642	12,934	13,249	13,570	13,917	14,287	14,686
Services for Seniors	33,286	35,835	38,099	40,982	44,087	47,434	50,890	54,631	58,608	62,878
Waste Management	57,766	68,992	73,585	76,239	79,075	81,494	83,966	86,572	89,318	92,220
Roads Operations	67,146	67,972	69,224	74,031	75,848	77,788	83,755	87,706	90,751	94,879
Development Services	8,650	9,098	9,560	10,111	10,712	11,368	12,035	12,760	13,542	14,392
Small Business Centre & Heritage Services	1,387	1,466	1,547	1,644	1,750	1,866	1,984	2,113	2,254	2,408
Regional Governance & Fiscal Transactions	30,845	27,717	27,834	32,542	37,376	36,619	37,372	38,095	39,819	41,571
Boards & Agencies	14,948	15,618	16,244	16,903	17,562	18,065	18,620	19,155	19,772	20,324
<b>Region:</b>										
Net Expenditures	\$ 352,778	\$ 376,720	\$ 401,265	\$ 425,656	\$ 450,173	\$ 475,499	\$ 497,328	\$ 521,131	\$ 546,153	\$ 573,536
Regional Net Expenditure Change	5.2%	6.8%	6.5%	6.1%	5.8%	5.6%	4.6%	4.8%	4.8%	5.0%
<b>Region Tax Impact (after assessment growth)</b>	<b>3.3%</b>	<b>4.9%</b>	<b>4.5%</b>	<b>4.0%</b>	<b>3.5%</b>	<b>3.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>
<b>Halton Regional Police Service:</b>										
Net Expenditures	\$ 252,402	\$ 276,151	\$ 300,862	\$ 324,827	\$ 350,107					
Police Net Expenditure Change	8.3%	9.4%	8.9%	8.0%	7.8%					
<b>Police Tax Impact (after assessment growth)</b>	<b>6.4%</b>	<b>7.5%</b>	<b>6.9%</b>	<b>5.8%</b>	<b>5.5%</b>					
<b>Region Including Police:</b>										
Net Expenditures	\$ 605,181	\$ 652,872	\$ 702,127	\$ 750,483	\$ 800,280					
Regional Net Expenditure Change (Includes Police)	6.5%	7.9%	7.5%	6.9%	6.6%					
<b>Region Including Police Tax Impact (after assessment growth)</b>	<b>4.6%</b>	<b>6.0%</b>	<b>5.5%</b>	<b>4.8%</b>	<b>4.3%</b>					
<b>Assessment Growth Assumption</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.2%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>3.0%</b>
<b>Region Tax Budget Forecast as projected in the 2025 Budget</b>										
<b>Region Tax Impact (after assessment growth)</b>	<b>3.0%</b>	<b>3.0%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	

Schedule may not add due to rounding

## Tax Capital Budget & Forecast Overview

The table below provides a summary of the 2026 10-year Tax Capital Plan of \$5.0 billion. The transportation development infrastructure requirements for 2026 stem from the 2023 Allocation Program, as detailed in Report No. **CA-02-24/PW-04-24/FN-05-24**. Although not part of the 2026 budget, the average of one year of the approved budget from 2024 to 2026 in the 2023 Allocation Program is included in the 2026 Budget and Business Plan to provide appropriate representation, reflecting the significance of the approved program. In addition, 2032 to 2035 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: "Integrated Master Plan") for the transportation master plan, which will be incorporated into the 2027 Budget and Forecast.

2026 Capital Budget & Forecast (including 2023 Allocation Program)											
Summary of Tax Capital Budget & Financing (\$000s)											
	Gross Cost	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Program Expenditures</b>											
Transportation	\$ 4,292,509	\$ 505,250	\$ 434,921	\$ 333,310	\$ 329,075	\$ 475,634	\$ 558,355	\$ 417,177	\$ 416,076	\$ 413,920	\$ 408,791
Waterfront	14,186	5,800	4,886	-	3,500	-	-	-	-	-	-
Waste Management	138,274	49,730	19,754	44,507	6,663	3,895	3,178	2,966	5,069	1,360	1,152
Capital Construction & Realty	100,807	9,135	10,141	10,835	9,772	10,573	10,092	9,289	10,942	10,919	9,109
Digital & Information Services	80,355	7,123	9,961	9,792	8,840	8,484	8,224	7,713	6,605	6,605	7,008
Paramedic Services	321,471	122,413	9,740	12,461	119,992	11,724	10,768	11,450	5,950	7,737	9,236
Services for Seniors	8,120	800	800	800	800	920	800	800	800	800	800
Supply Chain Management	180	-	-	-	-	-	-	-	-	-	180
Capital & Dev't Financing	3,500	-	389	389	389	389	389	389	389	388	389
Public Health	1,115	140	53	15	80	250	126	114	194	122	22
Children's Services	500	50	50	50	50	50	50	50	50	50	50
Communications & Customer Service	15	-	-	-	15	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,961,031</b>	<b>\$ 700,440</b>	<b>\$ 490,695</b>	<b>\$ 412,159</b>	<b>\$ 479,175</b>	<b>\$ 511,918</b>	<b>\$ 591,982</b>	<b>\$ 449,948</b>	<b>\$ 446,075</b>	<b>\$ 441,902</b>	<b>\$ 436,738</b>
<b>Financing</b>											
Tax Reserves	\$ 2,644,101	\$ 316,415	\$ 262,209	\$ 265,887	\$ 199,649	\$ 301,108	\$ 334,553	\$ 246,504	\$ 243,686	\$ 239,680	\$ 234,410
Rate Reserves	4,261	340	618	345	415	419	705	805	170	170	275
Dev't Charges - Resid.	2,034,425	231,230	217,869	145,649	164,844	210,146	256,467	202,406	202,035	201,889	201,889
Dev't Charges - Non Res.	11,565	2,868	7,174	220	399	188	200	175	126	106	106
External Rcvry/Other	58,288	57,773	57	57	57	57	57	57	57	57	57
Debentures	208,392	91,814	2,768	-	113,811	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,961,031</b>	<b>\$ 700,440</b>	<b>\$ 490,695</b>	<b>\$ 412,159</b>	<b>\$ 479,175</b>	<b>\$ 511,918</b>	<b>\$ 591,982</b>	<b>\$ 449,948</b>	<b>\$ 446,075</b>	<b>\$ 441,902</b>	<b>\$ 436,738</b>

Includes financing cost. Schedule may not add due to rounding.

- For 2023 Allocation program: Based on estimated average expenditures for 2026.

- For 2032 -2035 has been estimated based on 7 year avg. from 2025 to 2031

As detailed above, the 2026 10-year Tax capital program is \$5.0 billion of which \$3.0 billion is presented to Council for approval as part of the 2026 Budget and Business Plan and \$1.9 billion is related to the 2023 Allocation Program (\$0.3 billion) and development transportation estimates for 2032 to 2035 (\$1.6 billion). The

impacts since Bill 23, which are still not all known, the demand for infrastructure based on the Provincial housing target to achieve 1.5 million homes by 2031 and inflationary risks all have significant pressures in the cost of delivering infrastructure and the risk that this continues could impact future budgets. Although some of these pressures have currently been mitigated through funding strategies in the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**) there is risk that without alternate sources of funding, these changes could have a significant impact on existing taxpayers and the delivery of services in the future.

## 2026 Tax Capital Budget

The requested 2026 Tax Capital Budget for Council approval is \$374.0 million. Additionally, Council has approved transportation capital projects budgeted for 2024 to 2026 as part of the 2023 Allocation Program, detailed in Report No. **CA-02-24/PW-04-24/FN-05-24**. To provide an appropriate representation of the 2026 capital program, the summary below includes \$326.5 million from the 2023 Allocation Program which is the average of one year of approved budget from 2024 to 2026 in the 2023 Allocation Program. The 2026 Tax Capital Budget (including the 2023 Allocation Program approved through Report No. **CA-02-24/PW-04-24/FN-05-24**) of \$700.4 million has increased by \$162.6 million or 30.2% from the 2026 Forecast in the 2025 Budget, and the key drivers are:

- \$132.6 million increase in the Transportation program driven by 2023 and 2020 Allocation Program increases and non-growth-related transportation project increases.
- \$26.0 million increase in Waste Management mainly related to Automatic Wheeled Cart implementation, HWMS Optimization Phase 2 projects offset by a deferral to the Transfer Station Study & Construction.

The section below highlights the 2026 Tax Capital Budget (including the 2023 Allocation Program) and changes from the 2026 forecast included in the 2025 Budget:

- **\$505.3 million 2026 Transportation capital program** includes \$407.4 million for 2023 Allocation Program (\$326.5 million approved through Report No. **CA-02-24/PW-04-24/FN-05-24** and \$81.0 million included in the 2026 Budget), \$20.1 million in increases to projects related to the 2020 Allocation Program and \$77.7 million for the state-of-good-repair projects. The 2026 Budget and 2023 Allocation Program, includes the following major projects:
  - \$55.7 million for Dundas Street – Widening from 4 to 6 lanes from East of Kerns Road to Appleby Line, including improvements at Brant Street
  - \$29.7 million for Eighth Line - Road Reconstruction – external recovery from project co-ordination with local municipality
  - \$25.5 million for Ninth Line - Widening from 2 to 4 lanes from Steeles Avenue to 10 Side Road
  - \$15.8 million for Traffic Signals and Intersections
  - \$10.6 million for Bridges and Culverts projects and Retaining Wall
  - \$10.4 million for Road Resurfacing and Related Works
  - \$8.1 million for Winston Churchill Boulevard - Bypass and Intersection Reconstruction
  - \$326.5 million in expenditures previously approved through the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**) for 2026 which is the average of one year of approved budget from 2024 to 2026.
- **\$9.1 million 2026 Capital Construction & Realty capital program** is \$0.3 million lower than the 2026 Forecast included in the 2025 Budget primarily due to decreased expenditures planned for Long-Term Care Centres (\$3.1 million) offset by increased expenditures planned for 1400 Plains Road (\$0.9 million), Halton Region Centre (\$0.8 million), Facility Rehab & Replacement – Other (\$0.6 million) and Woodlands Operation Centre (\$0.4 million).
- **\$7.1 million 2026 Digital & Information Services capital program** is \$4.5 million lower than the 2026 Forecast included in the 2025 Budget driven by rationalization of budgets associated with Operations (\$2.8 million) and Transformation (\$1.5 million) offset by an increase of \$0.3 million for Security related

projects. This program supports the Digital Strategy and ongoing life cycle replacement of IT assets, including software licensing, and software and hardware upgrades/replacements.

- **\$49.7 million 2026 Waste Management capital program** is \$26.0 million higher than the 2026 Forecast included in the 2025 Budget mainly due to the acceleration of the Automated Wheeled Cart Implementation (\$17.0 million) and Halton Waste Management Site Optimization (\$14.3 million) offset by the deferrals of the Transfer Station and Construction (\$7.1 million).
- **\$122.4 million 2026 Paramedic Services capital program** is \$3.4 million higher than the 2026 Forecast included in the 2025 Budget mainly due to the acceleration of \$5.0 million in design funds for the North Operations Paramedic Centre, \$1.8 million for the construction of the Paramedic Services Headquarters, and the \$0.2 million in Leasehold Improvements to the Storage Facility, offset by the \$3.7 million deferral of the Community Station projects.
- **\$0.8 million 2026 Services for Seniors capital program** is \$0.15 million higher than the 2026 Forecast included in the 2025 Budget mainly due to increased annual costs to support equipment replacement at Long-Term Care facilities.

The following table summarizes the 10 largest tax capital projects budgeted for 2026. These projects account for 44.8%, or \$313.9 million, of the \$700.4 million total cost in 2026.

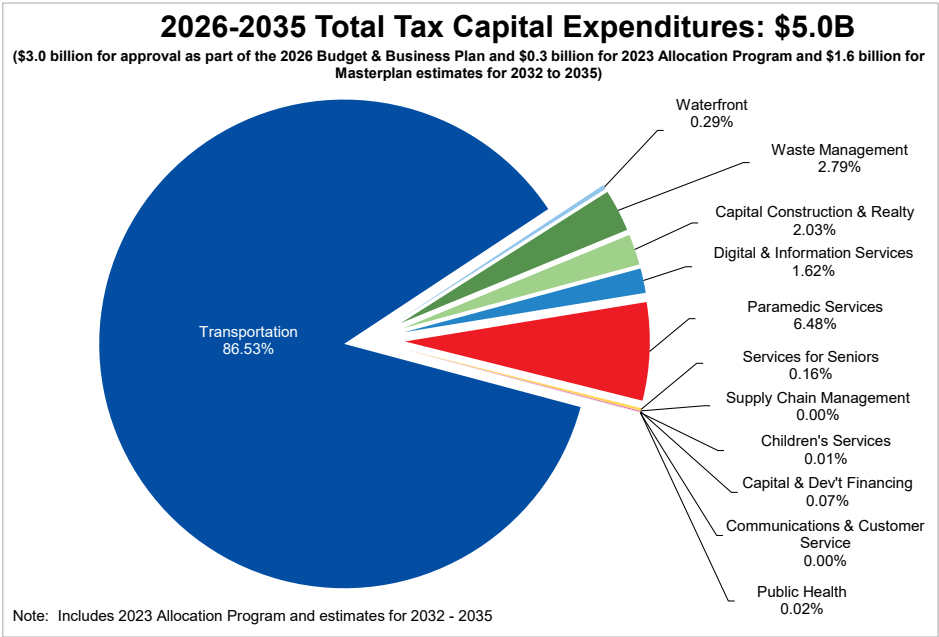
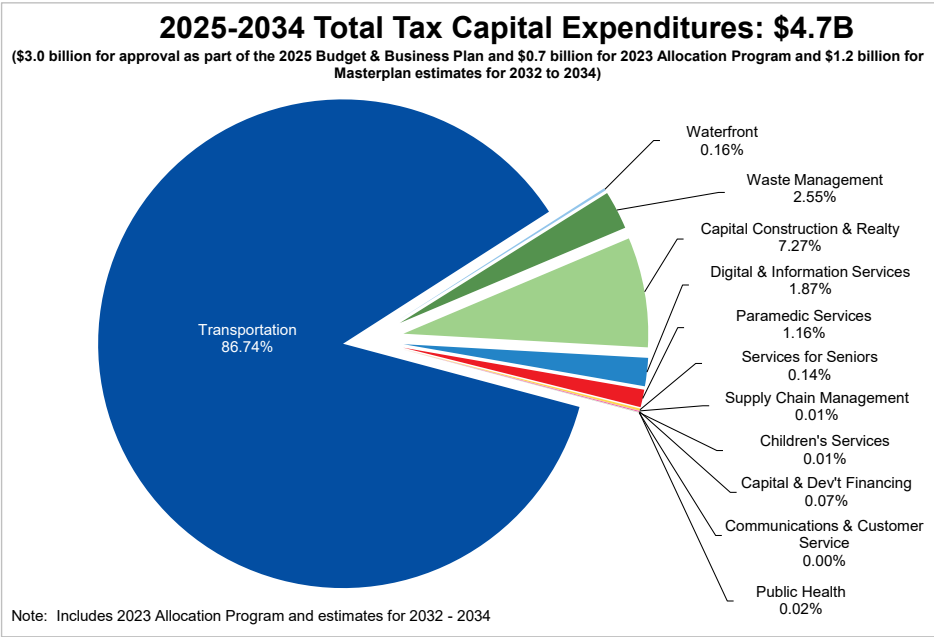
2026 Capital Budget & Forecast Top 10 Largest Tax Capital Expenditures in 2026 (\$ Millions)		
Program	Project Descriptions	Cost
Tax	Paramedic Services - HQ	\$ 114.7
Roads	Dundas Street - Widening	55.7
Roads	Eighth Line - Road Reconstruction*	29.7
Waste	Halton Waste Management Site Optimization - Phase 2 (REG)	26.3
Roads	Ninth Line - Widening	25.5
Waste	Automated Wheeled Cart Implementation (REG)	17.0
Roads	Traffic Signals & Intersections	15.8
Roads	Bridges/Culverts/ Retaining Wall	10.6
Roads	Road Resurfacing & Related Works	10.4
Roads	Winston Churchill Boulevard - Intersection Reconstruction and Norval Bypass	8.1
<b>Total</b>		<b>\$ 313.9</b>

Schedule may not add due to rounding.

\*External Recovery

# 10-Year Tax Capital Budget & Forecast

The following charts provide a breakdown of the 2026 Tax Capital Budget and forecast compared to the 2025 Budget and Forecast. The development-related transportation infrastructure requirements for 2026 were approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24**, therefore for an appropriate representation the expenditures for this time period have been included in the 10-year capital budget to show magnitude of program. In addition, 2032 to 2035 are estimated based on the 7-year average as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: “Integrated Master Plan”) for transportation master plans. The 10-year tax capital forecast Council is approving is \$3.0 billion however to provide an appropriate representation of the 10-year capital program, the summary below includes \$5.0 billion of expenditures as it includes the averages for 2026 from the 2023 Allocation Program and estimates for 2032 to 2035.



The 2026 10-year tax capital program (2026 to 2035) totals \$5.0 billion. This is \$0.2 million or 4.5% higher than the 2025 program, due mainly to a \$174.8 million increase in Transportation, \$184.1 million increase in Capital Construction & Realty, \$17.2 million increase in Waste Management, and \$18.5 million increase in Paramedic Services offset by an \$8.2 million decrease in Digital & Information Services. Details of the 2026 Capital Budget and the 10-Year Forecast (2026-2035) are contained in the **2026 Capital Report** (excluding the 2032 to 2035 Transportation development-related projects). The Transportation development-related infrastructure requirements for 2032 to 2035 are estimated based on the 7-year average for an appropriate representation.

The following summarizes the programs that comprise the 10-year capital forecast:

- **\$4.3 billion 10-year Transportation capital program** consists of \$3.6 billion for the Development-related program and \$720.7 million for the State-of-Good-Repair program (Non-development). The 10-year program in 2026 is \$174.8 million higher than the 2025 program. The increase is predominately driven by cost updates to 2023 Allocation Program and state-of-good-repair projects. The 10-year program provides significant road widening, road resurfacing program initiatives, road studies, bridges and culverts projects.

The 10-year program includes:

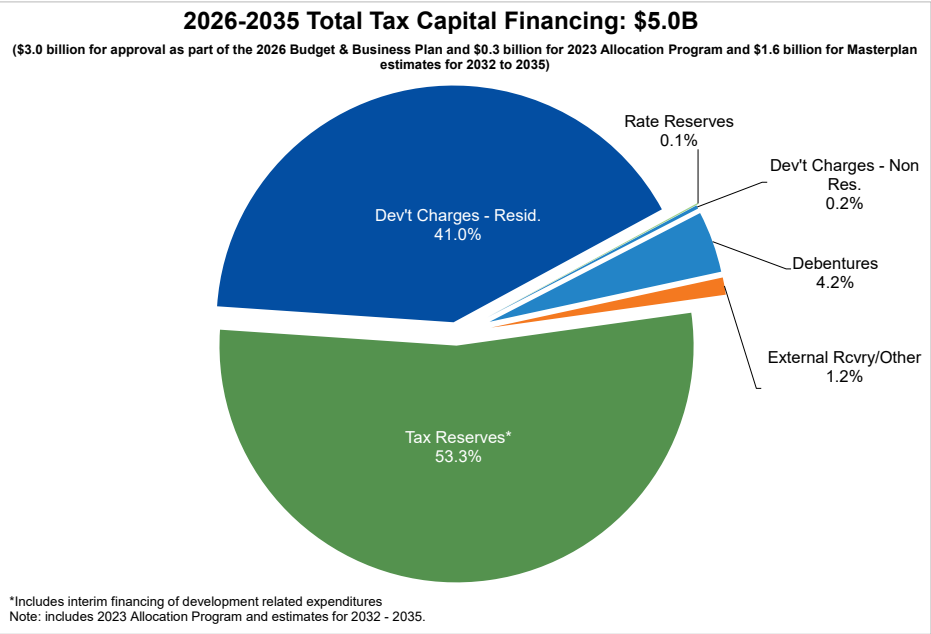
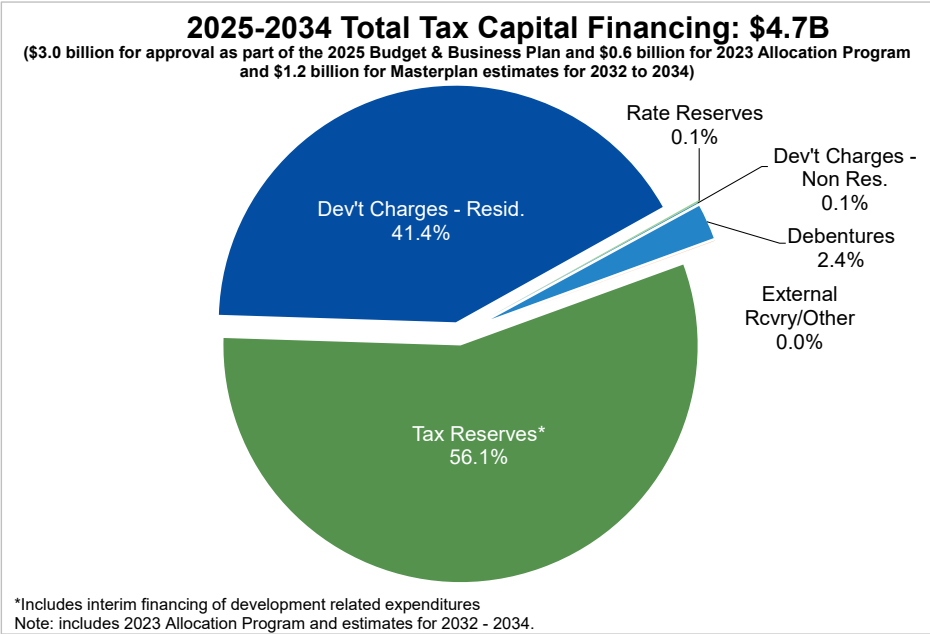
- \$218.9 million for Tremaine Road
  - \$212.4 million for Upper Middle Road
  - \$198.1 million for 5 ½ Line
  - \$194.5 million for Derry Road
  - \$182.8 million for Regional Road 25
  - \$181.2 million for James Snow Parkway
  - \$132.2 million for Steeles Avenue
  - \$117.2 million for Trafalgar Road
  - \$113.9 million for Road Resurfacing & Related Works
- **\$100.8 million 10-year Capital Construction & Realty capital program** is \$5.5 million higher than the 2025 program; this is primarily driven by projected increased expenditures for 1400 Plains Road (\$4.1 million), North Operation Centre (\$1.2 million) and Facility Rehab & Replacement – Other (\$1.0 million) offset by decreased expenditures planned for Halton Region Centre (\$0.3 million) Woodlands Operation Centre (\$0.3 million) and Paramedic Stations – Rehab & Replacement (\$0.2 million).
  - **\$138.3 million 10-year Waste Management capital program** is \$19.9 million higher than the 2025 program mainly due to construction price increases for the Halton Waste Management Site Optimization (\$6.2 million), Transfer Station Study & Construction (\$6.8 million) and lifecycle replacement of the Compactor & Bulldozer (\$5.1 million).
  - **\$80.4 million 10-year Digital & Information Services capital program** is \$8.2 million lower than the 2025 program, driven by rationalization of budgets associated with Operations (\$3.4 million), Transformation (\$4.2 million), and Strategy (\$0.5 million). The IT program includes the ongoing maintenance of IT assets, including software licensing, software and hardware upgrades and replacements, as well as mobile strategy implementation and new software implementation.
  - **\$321.5 million 10-year Paramedic Services capital program** is \$18.5 million higher than the 2025 program, mainly due to construction price increase related to the North Operations Paramedic Centre and manufacturer price increases for ambulance vehicles, emergency response unit vehicles and defibrillators.
  - **\$14.2 million 10-year Waterfront capital program** is \$6.6 million higher than the 2025 program, mainly due to \$5.6 million for land acquisition costs associated with the Burlington Beach project and \$1.0 million for the Burloak Waterfront Project.
  - **\$8.1 million 10-year Services for Seniors capital program** is \$1.5 million higher than the 2026 Forecast included in the 2025 Budget mainly due to increased annual costs to support equipment replacement at Long-Term Care facilities.
  - **\$5.3 million 10-year other capital programs** are \$0.2 million higher than the 2025 program. This is mainly due to equipment replacement in Public Health. Other capital programs include projects to Corporate Services, Children's Services, Public Health, and Capital & Development Financing.



# 10-Year Tax Capital Financing

The following charts present a breakdown of the 2026 10-year financing plan for the Tax capital program compared to the 2025 Plan. Financing of the 2026 10-year Tax Capital Plan (including the on 2023 Allocation Program approved as part of Report No. CA-02-24/PW-04-24/FN-05-24 and 2032 to 2035 development transportation cost estimates) is based on Council-approved financing plans, including Development Financing Plan (Report No. CA-02-24/PW-04-24/FN-05-24) and the 2026 Budget Directions (Report No. FN-17-25). As previously mentioned, the infrastructure needs for 2024 to 2026 were approved as part of Report No. CA-02-24/PW-04-24/FN-05-24, therefore the average of one year of the approved budget from 2024 to 2026 in the 2023 Allocation Program is included to provide appropriate representation, reflecting the significance of the approved program. In addition, 2032 to 2035 are estimated based on the 7-year average as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. PW-35-25 (re: “Integrated Master Plan”).

Of the \$5.0 billion 10-year Tax Capital Plan, \$3.0 billion is presented to Council for approval as part of the 2026 Budget & Business Plan and \$1.9 billion is related to the 2023 Allocation Program and development transportation estimates for 2032 to 2035 which is approved through separate reports.



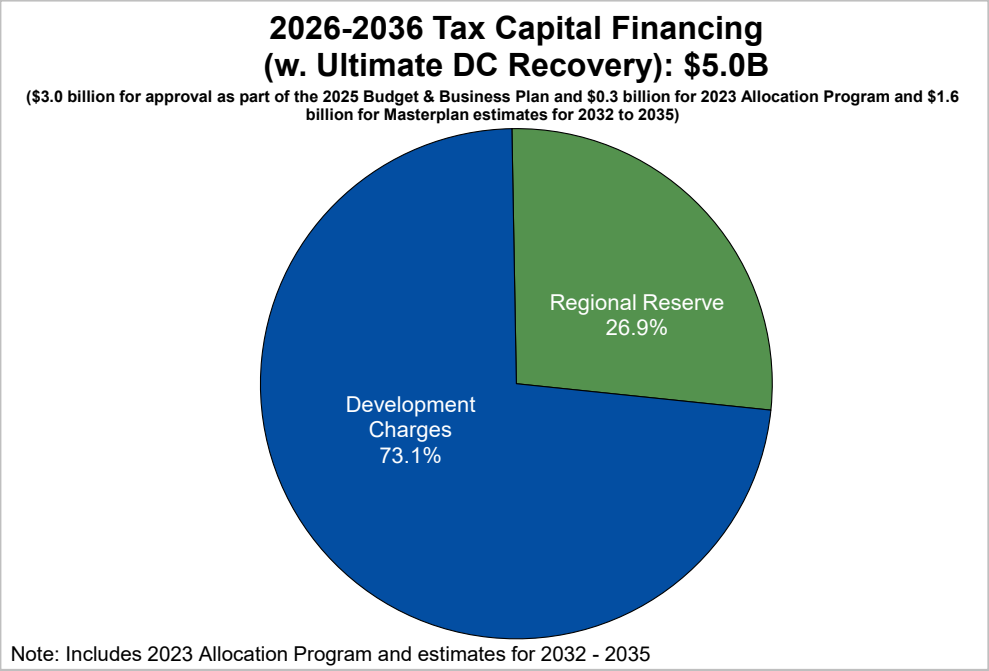
As shown in the charts above, DCs (41.0%) and the Tax Capital reserves including contributions from the Operating Budget and Canada Community-Building Fund (CCBF) (53.3%), continue to be the main sources of financing for the 2026 10-year tax-supported capital program.

The goal of the financing strategy for the tax capital program is to utilize tax reserves (including CCBF) for ongoing and recurring lifecycle costs and replacement of existing assets. The tax reserves are replenished by contributions from the operating budget, interest earnings and year-end surplus distribution.

The Tax Capital reserve is also utilized to provide interim financing for the non-residential growth share of the Transportation Capital Program in accordance with the Development Financing Plan (Report No. **CA-02-24/PW-04-24/FN-05-24**), which is the framework being utilized to develop the 2026 Budget. This strategy supports the Region’s economic objectives and ensures that the capital program is sustained with manageable operating impacts and a minimum requirement for external debt financing. By the end of 2025, the Region’s investment from the Tax Capital reserve is anticipated to be \$353.8 million. This Regional investment will be fully recovered (including interest) from the collection of DCs as non-residential development proceeds in the future.

Residential DCs are used to fund all the capital costs serving residential growth in accordance with the Development Financing Plan (Report No. **CA-02-24/PW-04-24/FN-05-24**). Debt is issued mainly for major upgrade and replacement and capacity expansion infrastructure where required. Debt used to finance growth-related costs will be recovered from future DCs as noted above.

The following chart illustrates the ultimate funding shares when the Region’s interim financing provided for non-residential growth infrastructure (e.g., Transportation) as well as debt issued for the Police facility program are recovered from future DCs as discussed above. Out of the total \$5.0 billion, \$1.4 billion (26.9%) is related to the State-of-Good-Repair capital program and the balance of \$3.6 billion (73.1%) is related to servicing growth. Accordingly, the growth-related cost will be fully funded by DCs (73.1%) and the State-of-Good-Repair program will be funded by the reserves (26.9%) supported by tax.



# Halton Region

## Budget and Business Plan

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**TAX OVERVIEW**

**HEALTH**

# Health Department

The Health Department provides a range of accessible and effective Public Health and Paramedic Services programs. The Public Health programs are defined by the **Health Protection and Promotion Act**, and further specified by the **Ontario Public Health Standards: Requirements for Programs, Services, and Accountability**. This work is designed to support the physical and mental health and well-being of Halton residents through a variety of programs and services that aim to reduce health inequities, protect and promote health, and prevent injury and disease. The Paramedic Services programs are defined by the **Ambulance Act**, which sets out responsibilities regarding the provision of paramedic services in accordance with the needs of persons in the municipality. This includes the provision of advanced pre-hospital care and community paramedic programs, and the delivery of public awareness programs, such as CPR, public access defibrillation, and injury prevention.

## Budget Impacts

The 2026 Budget reflects an increase of \$4.2 million, or 7.8%, over the 2025 Budget, comprised of a \$1.4 million increase in Public Health and a \$2.8 million increase in Paramedic Services.

Health Departmental Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Health Department</b>									
Community Health Services	\$ 13,336	\$ 3,361	\$ 16,697	\$ (10,256)	\$ 6,442	\$ 5,840	\$ 601	10.3%	
Health Protection	12,258	3,284	15,542	(7,753)	7,789	7,204	585	8.1%	
Healthy Families	10,579	3,178	13,757	(7,324)	6,434	6,521	(87)	-1.3%	
Public Health Resources	4,988	1,735	6,723	(3,208)	3,515	3,260	254	7.8%	
<b>Public Health Total</b>	<b>41,162</b>	<b>11,558</b>	<b>52,720</b>	<b>(28,541)</b>	<b>24,179</b>	<b>22,826</b>	<b>1,354</b>	<b>5.9%</b>	
Paramedic Services	54,208	12,269	66,477	(32,724)	33,754	30,939	2,815	9.1%	
<b>Total</b>	<b>\$ 95,370</b>	<b>\$ 23,827</b>	<b>\$ 119,197</b>	<b>\$ (61,264)</b>	<b>\$ 57,933</b>	<b>\$ 53,764</b>	<b>\$ 4,169</b>	<b>7.8%</b>	
2025 Budget	\$ 90,365	\$ 23,833	\$ 114,198	\$ (60,434)	\$ 53,764				
\$ Change	5,004	(5)	4,999	(831)	4,169				
% Change	5.5%	0.0%	4.4%	1.4%	7.8%				
<b>FTE</b>					<b>527.4</b>	<b>523.4</b>	<b>4.0</b>	<b>0.8%</b>	
<b>Relief Hours</b>					<b>83,160.0</b>	<b>70,336.8</b>	<b>12,823.2</b>	<b>18.2%</b>	

Schedule may not add due to rounding

As noted in the table above, there is a net addition of 4.0 FTE and 12,823.2 relief hours in the 2026 Budget. This is comprised of 14.0 FTE and 12,823.2 relief hours as strategic investments in Paramedic Services, partially offset with a reduction of 10.0 FTEs as a result of Public Health's Strategic Program Review, discussed in further detail below.

**Public Health**

In 2025, Public Health completed a Strategic Program Review (Confidential Report No. MO-07-25) which assessed the effectiveness, efficiency, and alignment of programs and services with organization priorities, community needs, and provincial mandates. The review identified efficiencies and reallocated resources to areas of greatest public health need, while maintaining or enhancing desired public health outcomes and addressing the ongoing funding gap in the budget.

Through the COVID-19 pandemic, the budget included anticipated increases in provincial funding to maintain the budgeted cost-share level and support critical investments in the ongoing work continuing post-pandemic in Public Health, however, the actual increases received to date have been significantly lower. For mandatory cost-shared programs, Public Health received 1% base funding increases of approximately \$200,000 per year since 2022. Prior to these increases, the last increase received was in 2018.

This resulted in a gap between the budget for provincial funding and the latest confirmed funding allocation for Public Health cost-shared programs, anticipated to be \$1.9 million in the 2026 Budget if not addressed. Through the Strategic Program Review, opportunities to reduce gross expenditures by \$1.9 million were identified and implemented to fully offset the funding gap in the 2026 Budget, enabling the budget for cost-shared funding to be aligned with the anticipated 2026 funding allocation with no overall net impact.

The *Health Protection and Promotion Act* (HPPA) specifies under Section 72 that municipalities are legally obligated to fund public health services, and provincial contributions under Section 76 are discretionary and not guaranteed. Although the intended cost-sharing model for base funding of public health programs is 75% provincial and 25% municipal, the 2026 Budget reflects a 50/50 funding arrangement between the Province and the Region.

As shown in the following table, the gross expenditures of the Public Health programs are decreasing by \$545,000, or 1.0%, primarily due to the \$1.9 million expenditure reductions resulting from the Strategic Program Review, partially offset by inflationary and other cost adjustments to maintain service levels, and increases in the corporate support allocation related to increased costs for subscription-based software and to support the continued implementation of the Digital Strategy.

Provincial & Federal Funding has been reduced by \$1.9 million, or 6.3%, to align the funding budget with the anticipated 2026 funding allocation for Public Health cost-shared programs. The Region's cost-share is increasing from 47% in the 2025 Budget to 50% in the 2026 Budget as a result of funding not keeping pace with inflation and growth. Funding for other base-funded programs is anticipated to remain frozen at the 2025 funding levels based on the latest funding allocations received from the Provincial and Federal governments including the Ontario Senior Dental Care Program (OSDCP), Healthy Babies Healthy Children (HBHC) program and Canada Prenatal Nutrition Program (CPNP).

2026 Net Program Expenditures for Public Health (\$000s)				
	2025*	2026	Change	
Public Health	Approved Budget	Requested Budget	2026 - 2025	
Total Gross Expenditures	\$ 53,265	\$ 52,720	\$ (545)	-1.0%
Provincial & Federal Funding	(30,343)	(28,439)	1,903	-6.3%
Other Revenue	(97)	(101)	(4)	4.3%
<b>Net Program Expenditures</b>	<b>\$ 22,826</b>	<b>\$ 24,179</b>	<b>\$ 1,354</b>	<b>5.9%</b>

Schedule may not add due to rounding

\* Excludes one-time COVID-19 expenditures & funding

### Paramedic Services

The Paramedic Services 2026 Budget is increasing by a total of \$2.8 million, or 9.1%, and includes strategic investments for an additional 14.0 FTEs and 12,823.2 relief hours to address increasing pressures in paramedic operations due to continuous growth and the recommendations discussed in Report No. **MO-14-24**. Provincial funding is anticipated for the strategic investments based on the current funding model, with a net Regional impact of \$1.6 million. Funding for Paramedic Services is intended to be based on a cost-share of 50% provincial funding and 50% municipal funding, however the 2026 Budget is funded based on 47% funding from the Province, and 53% from the Region. An increase in base funding has been included reflective of the current funding model which includes growth, but not inflation.



# Community Health Services

The Community Health Services Division focuses on promoting health and providing clinical services to the residents of Halton Region. The division is comprised of Immunization Services, Vaccine Management, Ontario Seniors Dental Care Program, and Sexual Health Services. Activities include managing and distributing publicly funded vaccines; providing immunizations to help prevent, control and support eradication efforts for vaccine-preventable diseases; overseeing vaccine storage and handling practices of Halton health care providers; supporting access to dental care services for low-income seniors; and delivery of sexual health clinic services to promote healthy sexuality and safer sexual practices for priority populations in the Halton community.

## Budget Impacts

The 2026 Budget reflects an overall increase of \$601,000, or 10.3%, over the 2025 Budget, mainly driven by reallocations from the Strategic Program Review and inflationary cost adjustments applied where necessary to maintain service levels.

Community Health Services Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Community Health Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Immunization Services	\$ 4,782	\$ 1,378	\$ 6,159	\$ (2,998)	\$ 3,161	\$ 2,644	\$ 517	19.6%	
Ontario Seniors Dental Care Program	3,462	469	3,931	(3,931)	-	-	-	0.0%	
Sexual Health	3,015	1,006	4,021	(2,018)	2,003	1,932	70	3.6%	
Vaccine Management	2,078	508	2,586	(1,309)	1,277	1,264	14	1.1%	
<b>Total</b>	<b>\$ 13,336</b>	<b>\$ 3,361</b>	<b>\$ 16,697</b>	<b>\$ (10,256)</b>	<b>\$ 6,442</b>	<b>\$ 5,840</b>	<b>\$ 601</b>	<b>10.3%</b>	
2025 Budget	\$ 13,682	\$ 3,349	\$ 17,031	\$ (11,191)	\$ 5,840				
\$ Change	(346)	12	(334)	935	601				
% Change	-2.5%	0.4%	-2.0%	-8.4%	10.3%				
<b>FTE</b>					<b>72.0</b>	<b>72.0</b>	-	0.0%	
<b>Relief Hours</b>					<b>1,350.2</b>	<b>1,350.2</b>	-	0.0%	

Schedule may not add due to rounding

**Immunization Services** includes enforcement of the *Immunization of School Pupils Act* (ISPA) and the *Child Care and Early Years Act* (CCEYA), immunization record assessment and responding to public inquiries regarding vaccines and immunization, investigation of adverse events following immunizations (AEFIs) and the administration of certain immunizations through the school-based immunization program. Full compliance with the ISPA is part of the **2023-2026 Halton Region**

**Strategic Business Plan** and is expected to be achieved by the end of the 2026-27 school year, at which time all Halton students ages 7-17 will be subject to enforcement measures if they do not have up-to-date immunization records.

Public Health disseminates information to the public and community partners regarding general immunization practices, seasonal vaccines (including Influenza, COVID-19, and Respiratory Syncytial Virus (RSV)), emerging vaccine needs, and school-based immunizations required under the ISPA. These communications are delivered through multiple channels, including the Halton.ca website, social media platforms, and other community media outlets.

In 2024, Immunization Services responded to 13,900 inquiries from the public and community partners to promote and educate the public on immunizations to help decrease vaccine preventable diseases and increase vaccine coverage. Responding in a timely manner facilitates trust in Public Health and allows the program to be aware of current issues and concerns within the community.

School-based immunization clinics provide the opportunity for Grade 7 and Grade 8 students to receive Meningococcal, Hepatitis B, and HPV vaccines based on eligibility and parental consent. Public Health offers community immunization clinics throughout the year, providing school-based and/or ISPA-required vaccines to eligible students.

The following table demonstrates the impact of Public Health's effort to reach full compliance with ISPA. In the 2024-25 school year (shown as 2024 Actuals in the table below), Public Health enforced the ISPA among students in Grade 2 and those in Grades 7 through 12, resulting in significant increases in compliance rates among these student cohorts. Overall, compliance among students in JK through Grade 12 increased from 40% to 60%, while compliance rates for 16/17 year old rose from 20% to 93%, and rates for 7/8 year old students increased from 15% to 90%, from the 2023-24 to the 2024-25 school years.

The table also outlines Public Health's effort in administering school-based vaccines for HPV, Hep B, and meningococcal disease. There were decreases in doses of Hepatitis and HPV vaccines administered in the 2024-25 school year (shown as 2024 Actuals) when compared to the previous school year, due to the return to more normal rates of school-based vaccine uptake after the significant post COVID-19 pandemic catch-up efforts during prior school years.

Immunization Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Per cent of all students in compliance with ISPA requirements JK-12	48%	40%	60%	70%	80%
Per cent of 16/17 year-old students in compliance with ISPA requirements	46%	20%	93%	95%	95%
Per cent of 7/8 year-old students in compliance with ISPA requirements	25%	15%	90%	90%	90%
Number of HPV doses administered (school year)	17,447	17,198	12,515	8,000	9,500
Number of Hep B doses administered (school year)	10,744	12,052	8,444	6,000	7,500
Number of Meningococcal conjugate A, C, Y, W administered (school year)	10,978	8,089	8,043	7,500	7,500
Number of public inquiries responded to by Immunization Services	5,687	5,882	13,900	15,000	15,000

**Ontario Seniors Dental Care Program (OSDCP)** is a provincial program that offers free, routine dental services to eligible low-income seniors, aged 65 and older, across Ontario. In Halton, seniors who meet the program's criteria, are referred to a network of community dental care providers including general dentists, oral surgeons, Endodontists, Periodontists and Denturists. Referrals to these providers are based on the individual's specific oral health needs.

In 2024, the Canada Dental Care Program (CDCP) was launched and under this new program, a portion of dental care costs are covered by federal funding, making dental care more affordable for Canadians who are eligible for the program. Following the launch of CDCP, the number of Halton residents using OSDCP decreased. While many individuals who are eligible for CDCP are also eligible for OSDCP, the existence of two programs causes confusion for many clients. Outreach and marketing activities are being implemented to increase awareness about the OSDCP, so that eligible residents can make an informed decision about which program will offer the best coverage for their dental needs.

Ontario Seniors Dental Care Program	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of OSDCP claims processed	1,848	5,241	3,699	2,600	2,600
Number of OSDCP client referrals made to dental providers	1,350	2,860	1,825	1,300	1,300

**Sexual Health** clinics provide contraception, pregnancy testing, sexually transmitted and blood-borne infection (STBBI) screening, and treatment with a focus on priority populations. The Sexual Health program also conducts STBBI case and contact management for cases diagnosed in the community, ensuring adequate treatment and guidance has been provided. Services are provided at two fixed clinic locations in South Halton (Burlington and Oakville) and through a mobile clinic in North Halton with active sites now operating in Georgetown, Milton and Acton. Additionally, with the launch of online STBBI screening in 2025, an increase in clinic visits for STI treatment is expected, along with corresponding growth in case management activities in 2026.

Sexual Health Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of client visits - Sexual Health Clinics	373	810	1,152	1,200	1,250
Number of sexually transmitted infections cases managed	1,181	1,181	1,388	1,400	1,450
Per cent of confirmed Gonorrhea cases treated according to recommended Ontario treatment guidelines	64%	64%	60%	85%	90%

The Strategic Program Review included the discontinuation of the smoking cessation clinic, with services transitioned to community partners who now provide clients with access to free nicotine replacement therapy.

**Vaccine Management** includes vaccine distribution to health care providers for all publicly funded vaccines, inspections of fridges containing publicly funded vaccines, and investigations when these vaccines have been stored improperly. Public Health is distributing more publicly funded vaccines due to population growth, ISPA enforcement activities and new publicly funded vaccination programs such as RSV prevention programs. However, fewer influenza and COVID-19 vaccines are being distributed by Public Health because community pharmacies, which receive vaccines from a provincial distributor, are the main source for these immunizations for many Halton residents. While Public Health does not distribute vaccines to pharmacies, Public Health is required to conduct cold chain inspections

and investigations at pharmacy sites where vaccines are administered. As more publicly funded vaccines are distributed and as new primary care practices and pharmacies open, the number of refrigerators requiring annual inspections will continue to increase.

<b>Vaccine Management</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Number of doses of influenza vaccine distributed to community partners (Seasonal Sept 1 - Aug 31)	111,920	113,410	99,345	90,625	95,855
Number of doses of COVID-19 vaccine distributed to community partners (Calendar year)	33,396	16,275	12,066	9,000	9,500
Number of doses of publicly funded vaccines (excluding influenza, COVID-19 and RSV prevention products) distributed to community partners (calendar year)	195,107	216,531	225,330	240,000	250,000
Number of refrigerators that store publicly funded vaccines that received their routine annual inspection (calendar year)	532	619	620	645	660
Number of doses of RSV prevention products distributed to community partners (Sept 1 - Aug 31)	0	0	3,539	7,729	36,460

# Health Protection

The Health Protection Division works to prevent the spread of diseases through inspections and investigations as well as by identifying, assessing and managing health hazards in the community. The division inspects regulated premises (such as restaurants, childcare centres, long-term care homes, pools and personal service settings), manages suspected rabies exposures, enteric and respiratory outbreaks, investigates health hazard complaints, reports of communicable diseases, and infection prevention and control (IPAC) complaints, enforces tobacco control legislation, including vaping and cannabis and conducts surveillance for vector borne diseases. The Health Protection Division provides education and uses both targeted communications and a progressive enforcement approach to protect the health and safety of the Halton community.

## Budget Impacts

The 2026 Budget reflects an increase of \$585,000, or 8.1%, over the 2025 Budget, mainly driven by reallocations from the Strategic Program Review and inflationary cost adjustments applied where necessary to maintain service levels.

Health Protection Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Health Protection</b>									
Communicable Diseases	\$ 2,803	\$ 750	\$ 3,553	\$ (1,775)	\$ 1,779	\$ 1,604	\$ 175	10.9%	
Enteric & Vector-Borne Diseases	1,991	534	2,525	(1,258)	1,267	1,220	47	3.8%	
Environmental Health	3,061	819	3,880	(1,934)	1,946	1,741	205	11.8%	
Food Safety	3,107	833	3,940	(1,966)	1,974	1,761	213	12.1%	
Outbreak Prevention & Control	1,296	347	1,644	(820)	823	878	(55)	-6.3%	
<b>Total</b>	<b>\$ 12,258</b>	<b>\$ 3,284</b>	<b>\$ 15,542</b>	<b>\$ (7,753)</b>	<b>\$ 7,789</b>	<b>\$ 7,204</b>	<b>\$ 585</b>	<b>8.1%</b>	
2025 Budget	\$ 12,662	\$ 3,126	\$ 15,788	\$ (8,584)	\$ 7,204				
\$ Change	(404)	158	(245)	831	585				
% Change	-3.2%	5.1%	-1.6%	-9.7%	8.1%				
<b>FTE</b>					<b>82.6</b>	<b>84.6</b>	<b>(2.0)</b>	<b>-2.4%</b>	

Schedule may not add due to rounding

**Communicable Diseases** responds to reports of new and emerging infectious diseases in the community to prevent the spread of disease. This area is focused on preventing further transmission of diseases of public health significance including tuberculosis (TB), invasive Group A Streptococcus (iGAS), mpox and vaccine preventable diseases such as measles. The work involves assessment and investigation of cases to identify potential exposures that may have led to the acquisition

and/or transmission of disease, as well as identification of close contacts who are at risk for acquiring disease. Case follow-up is provided to assess the well-being of the case and provide timely public health direction and guidance to contacts of cases, while ensuring confidentiality is maintained.

In the table below, TB case and contact investigations are anticipated to increase due to the changing demographics of the community, however, reduced immigration medical surveillance investigations are expected due to the Federal Government's cap on international student permits.

Communicable Diseases	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of TB case investigations	22	32	18	40	45
Number of TB contact investigations	77	91	81	85	90
Number of vaccine preventable disease cases investigated	65	73	112	100	90
Number of Immigration Medical Surveillance (IMS) investigated for TB	251	251	289	210	225

**Enteric & Vector-Borne Diseases (EVBD)** responds to all reports of enteric and vector borne diseases. Staff are also responsible for the vector-borne diseases program, which includes education, case management and monitoring for mosquito and tick-borne diseases (e.g., West Nile Virus and Lyme disease). Included in this program is the coordination of mitigation activities such as the surveillance of 300 standing water sites, larviciding of catch basins and standing water sites, active surveillance of black-legged ticks, and monitoring for other emerging vector-borne diseases. Staff also respond to reports of potential rabies exposures to conduct a risk assessment and support with rabies post exposure prophylaxis treatments where indicated. There has been a significant increase in reports post-pandemic.

Enteric & Vector-Borne Diseases	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of enteric disease cases investigated	349	466	578	500	500
Number of standing water fixed sites monitored for mosquitoes	301	305	319	320	320
Total number of larvicide applications to surface waters for West Nile Virus program	668	744	921	800	800
Number of potential rabies exposures investigated	1,057	1,341	1,577	1,600	1,600
Number of rabies Post Exposure Prophylaxis (rPEP) treatments initiated	142	198	230	270	270

**Environmental Health** inspects public recreational water facilities such as pools and spas, monitors beach water quality, inspects small drinking water systems (SDWS), responds to adverse drinking water quality incidents, provides education to private well owners regarding the testing and maintenance of their wells, and works with community and government agencies to respond to health hazard complaints within 24 hours of receipt. Staff routinely inspect group homes and recreational camps and upon request inspect international agricultural worker housing. Staff also work to increase Halton residents' awareness of health risks associated with extreme temperatures (heat or cold), poor air quality, wildfire smoke, severe weather events and the impacts of climate change.



The team works to prevent chronic diseases related to tobacco and vaping products by enforcing legislation such as the *Smoke Free Ontario Act* (SFOA). Staff routinely inspect and conduct compliance checks of premises that sell tobacco and vaping products to ensure these products are not sold to underage youth, and enforce smoking restrictions for tobacco, vaping and cannabis. Staff are also responsible for the education and enforcement of the Region's Smoking and Vaping in Public Places **By-law No. 40-20**, and the Waterpipe Smoking **By-Law No. 41-21**.

In the following table, the number of tobacco/vaping vendors fluctuates from year to year as some retailers are tobacco only, some are vaping only, and some sell both tobacco and vaping products. The per cent of tobacco vendors in compliance with Youth Access legislation is expected to remain at 2024 levels in 2025 and 2026.

Environmental Health	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Per cent of health hazard complaints responded to within 24 hours of receipt*	N/A	99%	97%	99%	99%
Per cent of Class A pools inspected while in operation	100%	100%	100%	100%	100%
Per cent of required inspections of spas completed	100%	100%	95%	100%	100%
Per cent of tobacco retailers inspected once per year for compliance with the rules of displaying and promoting tobacco products and tobacco product accessories under the SFOA 2017	100%	100%	100%	100%	100%
Total number of tobacco and/or vapour retailers inspected	282	292	281	285	285
Per cent of tobacco retailers in compliance with the ban of sale to persons under 19 years old at the time of the last inspection	99%	98%	98%	98%	98%
Per cent of vapour product retailers in compliance with the ban of sale to persons under 19 years old	92%	95%	95%	95%	95%
Per cent of Small Drinking Water Systems inspections completed for those that are due for re-inspection	100%	100%	100%	100%	100%

*\*Data not available for 2022 as quality assurance work for Health Hazard Complaint tracking was suspended during the COVID-19 pandemic*

The **Food Safety** team is responsible for reducing the risk of food-borne illness by conducting inspections and risk assessments of more than 3,000 food premises annually. In addition to inspections of food premises, staff respond to food safety-related complaints within 24 hours of their receipt, promote safe food handling practices, support the education and awareness of infection prevention and control (IPAC) measures to owners and operators of childcare centres and conduct IPAC inspections of these centres.

Post COVID-19 pandemic, the number of special events that are hosted in Halton Region annually continues to grow. Staff pre-approve all temporary and transient food vendors at these events and conduct risk assessments to determine whether an inspection is needed to ensure food is handled and served to the public in a safe manner. Each year, the number of vendors that are assessed to be high risk, due to the type of food served and complexity of on-site food preparation, that require an inspection is increasing.

<b>Food Safety</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Per cent of required inspections of high risk food premises completed	90%	100%	100%	100%	100%
Number of inspections of high risk food premises completed	1,773	1,950	1,939	1,978	2,000
Number of inspections of food premises completed	4,243	5,639	5,884	6,000	6,100
Number of temporary food premises inspected at special events	557	548	725	900	950
Number of temporary food premises approved at special events	1,427	1,888	2,406	2,550	2,700

**Outbreak Prevention & Control** manage enteric and respiratory outbreaks in the community by reducing the spread of infectious diseases in a variety of settings (e.g., long-term care homes, retirement homes, other congregate settings, correctional facilities and migrant farms). In collaboration with the staff at the various settings, staff work to control the spread of disease and prevent the secondary spread of infection into the larger community. Program staff educate health care providers and staff in institutional and congregate settings about effective outbreak and infection prevention and control (IPAC) practices. Staff ensure all IPAC processes are in place to prevent the spread of disease in congregate settings through IPAC inspections. Staff investigate IPAC complaints in unregulated and regulated health professionals' settings, such as dental clinics and physicians' offices. Staff regularly inspect personal service settings (e.g., spas, tattoo parlours, and salons) and support the education of these operators related to IPAC practices.

As Halton region continues to grow, more personal service settings are anticipated to be established, leading to an increase in the number of inspections as shown in the following table.

<b>Outbreak Prevention &amp; Control</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Number of respiratory outbreaks investigated in institutions (LTC homes, rest and retirement homes, hospitals, group homes, and correctional facilities)	211	187	178	175	175
Number of enteric outbreaks investigated in institutions (LTC homes, rest and retirement homes, hospitals, group homes, correctional facilities, and daycares)	34	61	63	80	80
Number of inspections of personal service settings completed	732	907	939	940	940
Number of IPAC lapse complaints investigated in regulated and unregulated settings	37	28	44	50	50

# Healthy Families

The Healthy Families Division focuses on promoting health across all ages. Services provided include mental health promotion, healthy child development, oral health promotion, substance misuse prevention, harm reduction, active living and healthy eating. Interventions range from intensive support for families with higher needs, to population health promotion through community settings and digital media communication to Halton residents.

## Budget Impacts

The 2026 Budget reflects an overall decrease of \$87,000, or 1.3%, over the 2025 Budget mainly driven by reallocations from the Strategic Program Review. Funding allocations for the Healthy Babies Healthy Children (HBHC) program and Canada Prenatal Nutrition Program (CPNP) are anticipated to remain frozen at the 2025 funding levels based on the latest funding allocations received from the Provincial and Federal governments.

Healthy Families Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Healthy Families</b>									
Early Years	\$ 2,599	\$ 762	\$ 3,361	\$ (1,723)	\$ 1,638	\$ 1,383	\$ 255	18.5%	
Healthy Babies Healthy Children	3,039	875	3,914	(2,385)	1,529	1,615	(86)	-5.3%	
Healthy Living	1,029	312	1,341	(669)	672	606	66	10.9%	
Healthy Smiles Ontario	1,010	321	1,331	(656)	675	886	(211)	-23.8%	
School Years	1,408	428	1,836	(917)	920	1,200	(280)	-23.3%	
Substance Use Prevention & Harm Reduction	1,494	479	1,973	(974)	999	831	168	20.2%	
<b>Total</b>	<b>\$ 10,579</b>	<b>\$ 3,178</b>	<b>\$ 13,757</b>	<b>\$ (7,324)</b>	<b>\$ 6,434</b>	<b>\$ 6,521</b>	<b>\$ (87)</b>	<b>-1.3%</b>	
2025 Budget	\$ 11,499	\$ 3,090	\$ 14,589	\$ (8,068)	\$ 6,521				
\$ Change	(920)	88	(832)	745	(87)				
% Change	-8.0%	2.8%	-5.7%	-9.2%	-1.3%				
<b>FTE</b>					<b>73.6</b>	<b>81.6</b>	<b>(8.0)</b>	<b>-9.8%</b>	

Schedule may not add due to rounding

**Early Years** works to optimize the health, well-being, and resilience of children and families in Halton, by working with the community to prevent and mitigate Adverse Childhood Experiences (ACEs), promote Positive Childhood Experiences (PCEs) and build resilience. In 2025, a local overarching framework to mitigate ACEs and promote PCEs was developed to guide the work of the Early Years and support child development. In addition to ACEs, additional priority issues in Early Years, include healthy pregnancies, healthy child growth and development, mental health promotion, positive parenting and breastfeeding. Interventions to address priority issues include community partnerships, skills development and capacity building.

In 2025, Early Years implemented several population-level interventions to support optimal child social, emotional, cognitive, and physical development. These included (1) training Halton Region staff on both adverse childhood experiences and trauma and violence-informed care, (2) initiating a community action Resiliency table with Our Kids Network and other community partners to promote positive child development outcomes and resilience in Halton and (3) collaborating with community partners to develop key messages related to child development. In 2026, the work on adverse childhood experiences will expand to train community partners, continue Resiliency action table initiatives with community partners to identify and refer children with identified developmental concerns and continue to promote child development key messages.

In collaboration with community partners, Early Years addressed health equity in 2025, through in-person Prenatal Nutrition Programs and Neighbourhood Groups that target families and children most at-risk for poor outcomes. These weekly programs were provided to parents facing challenges or experiencing barriers to accessing other programs in the community. Parents are provided additional support to positively impact healthy pregnancies and child growth and development. Participation in these community programs continues to grow and in 2026, Early Years will ensure the programming meets the continuing needs of parents in Halton to ensure continued increase in participation.

To promote healthy pregnancies, positive parenting and healthy child development, Early Years continues to offer online prenatal classes and Triple P Online. Halton’s Online Prenatal Classes were updated with new content, enhanced with accessibility features, and are now available in eight languages. To further enhance access to prenatal and parent education, programs and supports in 2026, Early Years will implement an evidence informed direct text message platform for pregnant individuals and new parents in Halton called SmartParent.

Halton staff promoted breastfeeding through the Breastfeeding Connection which provided peer support to mothers who are initiating breastfeeding, provided evidence informed breastfeeding education to Hospital and community healthcare partners and worked collaboratively with community partners to ensure families have access to breastfeeding support. In 2026, staff will continue to promote breastfeeding in Halton.

As shown in the following table, all performance measures showed lower levels of service provided during and following the pandemic (2022-2023). Increases experienced in 2024 were the result of the re-establishment of in-person groups, with further gains anticipated in 2025 and 2026 through communication campaigns, physician outreach, and the re-establishment of breastfeeding committees with hospitals.

Early Years	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of contacts with Halton Prenatal Nutrition Program	649	432	960	1,100	1,300
Number of parent participants in parenting groups including series and single sessions	0	1,278	2,768	2,780	3,000
Number of people reached through the online prenatal education program	720	631	604	700	725
Per cent of newborns born to Halton mothers breastfeeding exclusively upon discharge (or at 3 days from birth if a home birth)	51%	49%	54%	55%	55%

**Healthy Babies Healthy Children (HBHC)** is a Provincial program for expectant parents and families with children (birth to six months) who are identified as at-risk based on screening conducted by Public Health and community healthcare providers. The goal of the program is to optimize child growth and development and reduce health inequities. Program components include screening and assessment to identify families in need of service, home visiting, and service coordination.

In 2025, staff continued to build relationships with hospital and community partners to ensure that vulnerable families were being identified through efficient referral processes. Clients were offered HBHC services, mainly through in-person home visits with virtual visits available in exceptional circumstances. As shown in the following table, in 2025, HBHC saw a small increase in clients, who were eligible for the program, accept the home visiting program. Therefore in 2026, HBHC will continue outreach to community partners and priority populations to increase participation in the program to ensure that those who could benefit from the program receive HBHC services.

Healthy Babies Healthy Children	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Halton births screened postpartum	3,953	3,867	4,094	4,000	4,000
Per cent of Halton births screened postpartum	82%	70%	76%	74%	74%
Number of families receiving blended home visiting	224	262	276	310	310
Number of days from HBHC referral to home visiting Public Health Nurse assignment	15	16	19	20	20
Number of HBHC in-depth assessments completed	533	544	559	600	620
Number of home visits provided	1,817	2,427	2,300	2,300	2,300

**Healthy Living** works with partners to reduce chronic diseases and mental health in Halton. In 2025, the priority for the Healthy Living program was to continue to address mental health, which was prioritized after the COVID-19 pandemic. Halton adults reported their overall mental health and well-being worsened due to the pandemic, and national level data suggests that the mental health of Canadians continues to decline post-pandemic. In 2025, Healthy Living promoted mental health in adults through ongoing surveillance of mental health and are working with workplaces in Halton to implement mental health policies.

The goals and measures for the health promotion work of Healthy Living are laid out in the Region's **2023-2026 Strategic Business Plan** and will continue to be achieved over the next year. In 2025, Healthy Living had the opportunity to consult on the Transportation Master Plans of both Oakville and Milton, Halton Region Integrated Master Plan, Halton Hill's Mobility Plan and the Burlington Trails strategy. Through these consultations, the Program promoted healthy food systems, food security, active living, and positive mental health through community design. The Program continues to report annually on household food insecurity in Halton through the annual Nutritious Food Basket Survey. The Program also developed interventions to promote healthy aging and healthy food environments. In 2026, Healthy Living will continue to implement interventions to address adult mental health, healthy eating, healthy built environment and active living.

**Healthy Smiles Ontario** offers dental screening for children under the age of 17 in schools, community settings, public health clinics and through tele-screening. The program also provides support to eligible clients for enrolment and navigation to financial assistance dental programs through Healthy Smiles Ontario (HSO) as well as the new Canada Dental Care Program (CDCP).

In the 2024-25 school year, staff screened 9,469 Junior Kindergarten (JK) and Senior Kindergarten (SK) students in school settings. The decision to screen equity deserving children 0-4 years of age in the community settings has been successful. As of November 19, 2025, the program screened 1,089 children in community settings in 2025, and enrolled 207 of them in Healthy Smiles Ontario for financial assistance to access dental care.

In the 2025-26 school year, the dental screening model in schools will change from screening all children in JK and SK each year, to a model of screening JK, SK in half of Halton schools in 2025-26 and the other half of JK and SK in schools in 2026-27. This model will provide the ability to screen all JK and SK classes every two years and enable staff capacity to continue an oral health community screening program that focuses on children at a greater risk of poor oral health outcomes before beginning school to ensure access to financial assistance and dental care.

Healthy Smiles Ontario	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of children screened or tele-screened for oral health in community settings other than schools (calendar year)	312	246	425	1,100	1,300
Number of children screened for oral health in elementary schools (school year)	0	15,841	9,761	9,469	4,500
Number of children enrolled in HSO (emergency and essential services stream and preventative services only)	340	383	410	240	200

**School Years** aims to enhance the health of students in Halton region by working with public and private schools and school boards. In the 2024-25 school year, the program focused on three key health issues: mental health promotion, substance use prevention and promotion of healthy eating. The program used evidence-based approaches to promote positive mental health through joint local planning using the findings of the *Insights into Youth Mental Health and Well-being in Halton* report (Report No. **MO-08-24**). The program also worked to reduce substance misuse and increase knowledge and adoption of healthy eating habits among students, in collaboration with school boards, parents and community agencies.

In the 2024-25 school year, the School Health program successfully delivered professional development and learning sessions for school staff, parents and school administrators on vaping prevention, cessation, and enforcement. The School Health program provided additional professional development and learning sessions including Brief Contact Intervention vaping cessation training for educators and school administrators and launched an anti-vaping school-based campaign with Halton school board partners in the 2024-25 school year.

In the 2024-25 school year, the School Health program worked in collaboration with school boards on joint local planning of effective school-based mental health promotion interventions and implemented a local school-based mental health initiative, the Mental Health Commission of Canada's Headstrong program. The Headstrong program is a *youth leadership initiative developed to champion mental wellness* by inspiring youth to become leaders in their schools. These student leaders challenge stigma, raise mental health awareness, and promote mental wellness and early help-seeking.

In the 2025-26 school year, the School Health program will continue this important student mental health and student leadership work in partnership with school boards to build mental health promotion capacity within schools. The School Health program will continue work in vaping prevention and expand their work to address broader substance use prevention in youth. Healthy Eating promotion work will focus on healthy eating environments in which all youth can thrive. The 2025-26 school year will also see the addition of a French speaking Public Health Nurse which will enable Public Health to deliver equitable services to all publicly funded schools with a goal of achieving 100% participation as shown in the following table.

School Years	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Per cent of Halton schools that took part in health promotion interventions on prioritized health topics	N/A	N/A	92%	95%	100%
Number of school staff that took part in health promotion training and activities on prioritized health topics	N/A	N/A	757	750	1,000



**Substance Use Prevention & Harm Reduction** aims to decrease the negative impact of substance misuse in Halton.

The scope of work of Harm Reduction consists of needle exchange services to targeted populations, and collaboration with community partners to develop an overall opioid strategy. In 2025, Harm Reduction staff distributed safe needles through the needle exchange program, directly provided naloxone kits and continued to develop agreements with community partners in the Halton community to further promote harm reduction throughout Halton. The opioid strategy aims to collect and report on local data and community needs, increase naloxone distribution to community organizations, and develop an early warning system to identify and respond to a surge in opioid overdoses. In 2026, harm reduction work and the opioid strategy will continue.

In 2025, the priority for the work of Substance Use Prevention was to continue to address alcohol use (Report No. **MO-09-22**) and begin to work on establishing smoke-free multi-unit dwellings in Halton. There continues to be concern about the amount of alcohol that Halton residents consume, the resulting health effects and significant costs of alcohol consumption. In 2025, staff addressed the health risk of increased alcohol consumption through continued surveillance of alcohol related harms, collaboration with the Community Safety and Wellbeing (CSWB) Alcohol Action Table to create a report for the community, titled **Alcohol Use in Halton Report** and an associated communication campaign highlighting details of the report. In partnership with the Social & Community Services Department and the Halton Community Housing Corporation (HCHC), work is being done to ensure that newly built HCHC buildings are smoke-free. For privately owned multi-unit dwellings in Halton, the team is ensuring that owners are supported in the creation of smoke-free buildings. In 2026, staff will continue to implement interventions to address misuse of alcohol through healthcare screening and intervention and youth alcohol prevention and implement interventions to address tobacco through establishing policies with Regional and community partners and communication campaigns.

As shown in the following table, the actual number of safe needles distributed as well as client contacts have increased in recent years, expected to remain at these levels in 2025 and 2026.

Substance Use Prevention & Harm Reduction	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of safe needles distributed by needle exchange for harm reduction	171,349	190,223	203,095	200,000	200,000
Number of client contacts - Needle Exchange Program	874	1,087	1,123	1,200	1,200
Total number of naloxone kits distributed by Halton Public Health	366	503	464	600	625
Total number of naloxone kits distributed by community partners or organizations that have agreements with Halton Public Health	427	863	1,381	1,250	1,350
Total number of community partners or organizations that have agreements with Halton Public Health to receive and distribute naloxone	12	12	15	17	18

# Public Health Resources

Public Health Resources provides services in the areas of Effective Public Health Practice, which includes Physician Engagement and Business Administration, Emergency Management, and Public Health Surveillance. This division provides specialized support for programs in implementing their requirements as required by the Ontario Public Health Standards, while also leading the implementation of the Foundational Standards and Accountability Framework across Public Health.

## Budget Impacts

The 2026 Budget reflects an increase of \$254,000, or 7.8%, over the 2025 Budget, mainly driven by reallocation from the Strategic Program Review and inflationary cost adjustments applied where necessary to maintain service levels.

Public Health Resources Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Public Health Resources</b>									
Effective Public Health Practice	\$ 3,071	\$ 1,726	\$ 4,798	\$ (2,248)	\$ 2,549	\$ 2,364	\$ 185	7.8%	
Emergency Management	304	0	305	(152)	153	137	16	11.8%	
Public Health Surveillance	1,613	8	1,620	(808)	813	759	53	7.0%	
<b>Total</b>	<b>\$ 4,988</b>	<b>\$ 1,735</b>	<b>\$ 6,723</b>	<b>\$ (3,208)</b>	<b>\$ 3,515</b>	<b>\$ 3,260</b>	<b>\$ 254</b>	<b>7.8%</b>	
2025 Budget	\$ 4,887	\$ 1,747	\$ 6,634	\$ (3,373)	\$ 3,260				
\$ Change	101	(12)	89	165	254				
% Change	2.1%	-0.7%	1.3%	-4.9%	7.8%				
<b>FTE</b>					<b>28.0</b>	<b>28.0</b>	<b>-</b>	<b>0.0%</b>	

Schedule may not add due to rounding

**Effective Public Health Practice** provides the necessary support for a high standard of practice in public health program and service design and delivery. To ensure programs and services are designed to meet local need and adhere to the Ontario Public Health Standards, staff follow a structured and standardized public health planning framework and process. These planning efforts are supported by evidence reviews. This area also works with staff to conduct quality improvement projects to identify gaps and recommend improvement opportunities.

In 2025, a significant focus for the area was the Public Health Strategic Program Review. This project assessed the effectiveness, efficiency, and alignment of all Public Health programs and services with organizational priorities and community needs. Much of the focus for Effective Public Health Practice for 2026 will be on

providing planning, assessment, evaluation and quality improvement support needed by programs to adhere to the revised Ontario Public Health Standards and implement the Strategic Program Review recommendations.

Public health and preventive medicine consultations, such as for communicable disease investigations and outbreak management, are provided through the Medical Officer of Health and Associate Medical Officers of Health to all Public Health programs. They also support collaborations with community partners on public health matters.

The Physician Engagement initiative aims to support the health and well-being of the Halton community by providing physicians and other relevant health care professionals with information and guidance on emerging public health issues in the community. This initiative also provides outreach support such as regular public health updates, Continuing Medical Education events for physicians, and public health guidance to community partners such as hospitals and medical practices. In 2026, staff will continue to strengthen the relationships established in 2025 with key community health partners, while exploring opportunities for new and innovative partnerships to meet local needs and improve population health outcomes. The indicator below includes the number of e-faxes and monthly newsletters that are issued to healthcare providers, which ensure the healthcare community is informed and educated about public health issues important to the health of their patients. The downward trend is due to a decreased need for urgent COVID-related updates to be sent to health professionals.

Effective Public Health Practice	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of communications issued to healthcare providers	77	59	57	50	50

Business Administration ensures that the business requirements across Public Health are met. This includes operational planning, performance measurement, risk management, and coordinating all required accountability reports for the Province.

**Emergency Management** ensures that Public Health is prepared to respond, mitigate risks and recover from significant threats to public health, or disruptions to Public Health programs and services. This is done through a range of activities carried out in coordination with corporate and other community partners in accordance with the Ontario Public Health Standards’ Emergency Management Guideline. In 2025, a detailed Public Health Risk Assessment and Hazard Identification was completed and updates as needed will be made to the Health Emergency Response Plan using lessons learned and in line with Halton Emergency Management plan updates. Emergency Management lead and/or participate in emergency simulations and training exercises with internal and external partners, and will be conducting staff training on the Health Emergency Response Plan.

Emergency Management	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Annual Public Health Emergency Exercise Completed	Yes	Yes	Yes	Yes	Yes

**Public Health Surveillance** provides support to Public Health programs, services, and community partners related to population health assessment, surveillance, and performance measurement. In 2025, this team continued to provide epidemiological support for a range of programs and services across the department. This included data support for major initiatives such as expanded ISPA enforcement and the measles response. Public Health Surveillance also continued to update data holdings, including making available new and updated reports to the public, and keeping the integrated respiratory dashboard updated weekly during respiratory season.

Public Health Surveillance creates or updates infographics, health indicator reports, health status reports, and interactive dashboards regularly to support Public Health program decisions. Ongoing surveillance monitoring is also completed to provide actionable information regarding topics such as respiratory viruses and opioid use. Using population health data allows Public Health to target programs and services to populations with the greatest need, prioritize resources to the most important health problems in Halton, respond quickly to emerging issues, and engage the public and community partners to take action to improve health. The indicator below is projected to decrease slightly in 2026 for several reasons. Firstly, post-pandemic catch-up of population health assessment work has been completed, and regular reporting has resumed. Secondly, there is the possibility that fewer data products will be published as the team adapts to new requirements related to accessibility, which may limit the publication of traditional PDF health indicator and health status reports. Finally, the team hopes to work toward consolidating many reports into a smaller number of interactive data products, which means the number of products produced may technically decrease, although the same or additional population health data content will continue to be available.

Public Health Surveillance	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of public-facing data products produced to support population health assessment and surveillance	241	229	242	264	210

# Paramedic Services

The Paramedic Services Division provides advanced pre-hospital care and community paramedicine programs, and delivers public awareness programs, including CPR, public access defibrillation, and injury prevention. Paramedic Services continues to implement new models of care for select patients, enabling paramedics to treat and discharge relevant patients, avoiding transportation to hospital.

## Budget Impacts

The 2026 Budget reflects an increase of \$2.8 million, or 9.1%, over the 2025 Budget and includes strategic investments for an additional 14.0 FTEs and 12,823.2 relief hours to address increasing pressures in paramedic operations due to continuous growth, as discussed in the Master Plan Update (Report No. **MO-14-24**). Provincial funding is anticipated for the strategic investments based on the current funding model, with a net tax impact of \$1.6 million.

Paramedic Services Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Paramedic Services	\$ 54,208	\$ 12,269	\$ 66,477	\$ (32,724)	\$ 33,754	\$ 30,939	\$ 2,815	9.1%	
<b>Total</b>	<b>\$ 54,208</b>	<b>\$ 12,269</b>	<b>\$ 66,477</b>	<b>\$ (32,724)</b>	<b>\$ 33,754</b>	<b>\$ 30,939</b>	<b>\$ 2,815</b>	<b>9.1%</b>	
2025 Budget	\$ 47,635	\$ 12,521	\$ 60,156	\$ (29,218)	\$ 30,939				
\$ Change	6,573	(251)	6,321	(3,506)	2,815				
% Change	13.8%	-2.0%	10.5%	12.0%	9.1%				
<b>FTE</b>					<b>271.2</b>	<b>257.2</b>	<b>14.0</b>	<b>5.4%</b>	
<b>Relief Hours</b>					<b>81,809.8</b>	<b>68,986.6</b>	<b>12,823.2</b>	<b>18.6%</b>	

Schedule may not add due to rounding

Increases have been reflected for external vehicle maintenance due to an aging fleet, corporate support costs due to increased costs for subscription-based software and to support the continued implementation of the Digital Strategy, as well as inflationary increases applied where necessary to maintain service levels.

The 2026 Budget also includes \$1.0 million in expenditures for a temporary leased facility to help address vehicle storage and inventory capacity issues until the new headquarters is constructed and operational, funded by a transfer from the Tax Stabilization reserve with no net tax impact.

Provincial funding is increasing by \$3.5 million which is comprised of a \$2.1 million increase in base cost-share funding based on the current funding model which includes growth but not inflation, \$1.4 million in funding related to the strategic investments based on the current cost-share funding model, and an increase of

\$10,000 in funding for the Burlington Community Health Assessment Program (CHAP). Funding for the Oakville CHAP, the Dedicated Ambulance Patient Offload Position Program and the Community Paramedicine for Long-Term Care program is anticipated to be held at the 2025 level.

**Paramedic Services** provides services from 15 stations with 30 emergency response vehicles. In 2024, Paramedic Services responded to more than 60,000 calls and transported more than 36,000 patients. As outlined in Report No. **MO-11-25** (re: “Paramedic Services Division Annual Update”), over the past ten years (2015 to 2024), call volumes have increased by 40%.

Similar to many other health care organizations, Paramedic Services is also experiencing health human resource challenges. The number of vacant paramedic positions across the province far exceeds the number of new paramedics graduating each year. This is further compounded by a significant number of employees (approximately 15% at any given time) being absent from the workforce due to various reasons including sickness, injury, long-term disability, parental leave, and mental health conditions such as Post Traumatic Stress Disorder (PTSD).

As outlined in Report No. **MO-11-25**, call volume is anticipated to increase between 4% and 6% annually, however 2024 saw a 10% increase and the 2025 increase is anticipated to be 10%. Total call volume is shown in the following table.

Paramedic Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of patient transports	35,136	34,478	36,680	43,000	45,000
Total call volume	57,957	54,451	60,124	66,000	71,000
Per cent of arrivals of defibrillator on the scene of Sudden Cardiac Arrest (SCA) within 6 minutes - target 55%	53%	52%	64%	60%	60%
Per cent of Paramedic arrival at life threatening calls (purple) within 8 minutes - target 75%	70%	73%	83%	75%	75%
Total \$ cost per vehicle in-service hour	\$247	\$257	\$266	\$288	\$303
90th per centile transfer of care time (all Halton hospitals) - target 30 minutes	00:45:27	00:41:00	00:45:00	00:45:00	00:45:00

## Capital Budget & Forecast

The Paramedic Services capital program includes \$321.5 million over the next 10 years, which is \$18.5 million higher than the 2025 10-year program. This is due to increased costs to implement the Paramedic Services Headquarters, North Hub and Community stations master plan. In addition, costs related to ambulances and emergency response vehicles have increased as outlined in Report No. **MO-06-25** coupled with a revision to defibrillator replacement cycles from 6 years to 5 years have contributed to an increase in the 10-year capital plan in 2026 compared to 2025.



Paramedic Services Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 2035	Total
Paramedic Services - HQ	\$114.71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114.71
Paramedic Services - North Hub	5.10	2.77	-	113.81	-	-	121.68
Community Station - Halton Hills	-	1.26	0.13	0.13	4.16	-	5.68
Community Station - Milton	0.24	0.24	3.84	-	-	-	4.33
Community Station - Burlington	-	-	3.75	0.27	0.27	4.32	8.62
Community Station - Oakville	-	-	-	-	0.28	4.78	5.06
PS Vehicles	1.56	4.64	4.21	5.17	1.59	29.89	47.06
Defibrillators	0.26	0.40	0.27	0.28	1.92	3.90	7.03
Power Stretchers	0.08	0.40	0.24	0.33	3.48	1.92	6.45
Storage Facility	0.23	-	-	-	-	-	0.23
Stairs Chair	0.15	0.03	0.02	0.01	0.01	0.13	0.35
PS Master Plan	-	-	-	-	-	0.20	0.20
PortaCount	0.02	-	-	-	-	-	0.02
Gas Flow Analyzer	0.01	-	-	-	-	-	0.01
Small Equipment	0.05	-	-	-	-	-	0.05
<b>Total</b>	<b>\$122.41</b>	<b>\$ 9.74</b>	<b>\$ 12.46</b>	<b>\$119.99</b>	<b>\$ 11.72</b>	<b>\$ 45.14</b>	<b>\$ 321.47</b>

Include financing cost. Schedule may not add due to rounding.

The 10-year 2026 Capital Budget and Forecast includes:

- \$260.1 million to implement the Paramedics Services master plan over the next 10 years. This includes \$114.7 million for the Paramedic Services headquarters, \$121.7 million for the Paramedic Services North Hub construction and construction of four Community stations for \$23.7 million for the local municipalities of Halton Hills, Milton, Burlington and Oakville. In 2026, the capital program includes Paramedic Services headquarters of \$114.7 million, Paramedic North Hub of \$5.0 million, and the Community Station for Milton of \$0.2 million.
- \$53.9 million to purchase new and replacement vehicles, power stretcher/lift systems and stairs chairs for ambulances over the next 10 years. In 2026, the capital program includes \$1.8 million for vehicle replacement and new acquisitions to support ongoing program pressures.
- \$7.0 million to purchase new and replacement defibrillators over the next 10 years with \$0.3 million identified in 2026.

The Paramedic services capital program will be funded from a combination of Debt and Tax Capital Reserve which is replenished from annual operating transfers and development charges. The 2026 Budget includes capital financing (i.e. transfer to reserves) of \$0.5 million for land and feasibility study. The Paramedic vehicles program is funded from the Paramedic Vehicle reserve, which is replenished from annual operating transfers and development charges. The 2026 Budget includes capital financing (i.e. transfer to reserves) of \$2.4 million to support the Paramedic Vehicle capital plan. In addition, approved through **FN-24-25** (re: "Investment Performance to August 31, 2025") is the recommendation that net favourable investment earnings be utilized as partial financing for the new Paramedics Services Headquarter capital project (T5040A). This one-time funding transfer, estimated currently at \$28.0 million, will fund part of the construction works for the Paramedic Services Headquarters reducing the capital financing pressure on the tax-supported budget.

# Halton Region

## Budget and Business Plan



**TAX OVERVIEW**

**SOCIAL & COMMUNITY SERVICES**

# Social & Community Services Department

The Social & Community Services Department delivers programs and services that enhance the quality of life for children, youth, families, adults and older adults in Halton Region. Social & Community Services consists of four divisions: Children's Services, Employment & Social Services, Housing Services, and Services for Seniors. It is supported by the Human Services Planning & Program Support unit.

## Budget Impacts

The 2026 Social & Community Services Budget reflects an increase of \$7.1 million, or 6.6%, over the 2025 Budget and includes \$1.0 million in annual operating funding to support Food for Life and FeedHalton with core operating costs and enhance collaboration with the food rescue and food bank sector as approved through Report No. **SS-13-25**. Other drivers of the increase include \$585,000 increased investment to deliver new housing opportunities as outlined in the Region's **Comprehensive Housing Strategy 2025-2035 (CHS)** and a strategic investment proposed to increase the Halton Region Community Investment Fund by \$500,000 to support Community Safety and Well-Being priorities to positively impact the health, safety and well-being of the community. Additional strategic investments include 2.0 FTEs in Housing Services to support the delivery of Housing programs, and 7,500 relief hours in Children's Services required to meet legislated child-to-educator ratios at the Regional Child Care Centres, which are fully offset by provincial funding with no tax impact.

Social & Community Services Departmental Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Social &amp; Community Services Department</b>									
Children's Services	\$ 253,285	\$ 4,447	\$ 257,732	\$ (246,870)	\$ 10,862	\$ 10,542	\$ 321	3.0%	
Employment & Social Services	51,867	2,796	54,663	(47,381)	7,282	7,050	232	3.3%	
Housing Services	61,729	15,585	77,314	(26,562)	50,752	48,738	2,014	4.1%	
Human Services Planning & Program Support	11,817	1,039	12,856	(937)	11,920	10,378	1,542	14.9%	
Services for Seniors	92,578	18,124	110,702	(77,416)	33,286	30,324	2,962	9.8%	
<b>Total</b>	<b>\$ 471,276</b>	<b>\$ 41,991</b>	<b>\$ 513,267</b>	<b>\$ (399,165)</b>	<b>\$ 114,103</b>	<b>\$ 107,032</b>	<b>\$ 7,071</b>	<b>6.6%</b>	
2025 Budget	\$ 456,336	\$ 41,835	\$ 498,171	\$ (391,139)	\$ 107,032				
\$ Change	14,940	156	15,097	(8,026)	7,071				
% Change	3.3%	0.4%	3.0%	2.1%	6.6%				
<b>FTE</b>					893.6	891.6	2.0	0.2%	
<b>Relief Hours</b>					151,621.9	144,121.9	7,500.0	5.2%	

Schedule may not add due to rounding.

# Children's Services

The Children's Services Division is responsible for the strategic planning, administration of funding, and oversight of early years and child care programs across Halton Region. The division is responsible for the implementation and ongoing administration of the Canada-Wide Early Learning and Child Care (CWELCC) system. The division directly provides fee subsidies to families for child care, services for children with special needs, oversight of EarlyON Child and Family Centres, and provides supports for the early years and child care sector in Halton. The division directly operates three child care centres.

## Budget Impacts

The 2026 Children's Services Budget reflects an increase of \$321,000, or 3.0% over the 2025 Budget primarily due to inflationary cost adjustments applied where necessary to maintain service levels. The 2026 Budget also includes 7,500 relief hours proposed as a strategic investment to meet legislated child to educator ratios at the Regional Child Care Centres, fully offset with CWELCC funding with no tax impact. The 2026 Budget for Children's Services includes a Regional investment of \$10.9 million, of which \$3.5 million is a Provincially-legislated contribution and \$7.4 million is an additional investment to provide additional supports to Halton families.

Children's Services Services Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Children's Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Canada-Wide Early Learning and Child Care	\$ 213,157	\$ 4,641	\$ 217,798	\$ (214,845)	\$ 2,953	\$ 2,840	\$ 113	4.0%	
Early Years Services	32,876	2,360	35,236	(30,193)	5,043	4,963	80	1.6%	
Early Intervention and Community Support Services	3,551	539	4,089	(1,222)	2,867	2,739	128	4.7%	
Regional Child Care Centres	3,701	(3,092)	609	(609)	-	-	-	0.0%	
<b>Total</b>	<b>\$ 253,285</b>	<b>\$ 4,447</b>	<b>\$ 257,732</b>	<b>\$ (246,870)</b>	<b>\$ 10,862</b>	<b>\$ 10,542</b>	<b>\$ 321</b>	<b>3.0%</b>	
2025 Budget	\$ 253,869	\$ 4,562	\$ 258,431	\$ (247,889)	\$ 10,542				
\$ Change	(584)	(115)	(699)	1,019	321				
% Change	-0.2%	-2.5%	-0.3%	-0.4%	3.0%				
<b>FTE</b>					<b>110.8</b>	<b>110.8</b>	<b>-</b>	<b>0.0%</b>	
<b>Relief Hours</b>					<b>9,260.5</b>	<b>1,760.5</b>	<b>7,500.0</b>	<b>426.0%</b>	

Schedule may not add due to rounding.

As reported through Report No. **SS-14-24** (re: "A Canada-Wide Early Learning and Child Care Directed Growth Plan for Halton Region and Cost Based Funding Model Update"), the Children's Services Division implemented a new child care funding model on January 1, 2025, in alignment with Provincial Government direction.

This is a transformative change for both Halton Region and the early years and child care sector. This change shifts the child care sector from a revenue replacement model to a cost-based funding model based on legislated provincial benchmarks. Provincial funding now supports the majority of costs in all CWELCC funded child care environments. Participating child care operators have to meet more thorough operational and audit requirements as a condition of CWELCC funding.

Effective January 1, 2025, CWELCC exclusively supports children 0-5 years of age. A new Local Priorities fund has been created to complement CWELCC. It consolidates previous funding streams, (including general operating and wage supports for child care operators serving children aged 6-12 years, fee subsidies for children aged 0-12, and specialized supports for children with special needs), into one funding envelope. Local Priorities funding also supports child care sector professional learning and capacity building initiatives. Child care operators outside the CWELCC system are not eligible for provincial child care funding. Effective January 1, 2025, parents enrolled in non-CWELCC child care environments are no longer eligible to receive child care fee subsidies and supports for children with special needs.

As the impact of the CWELCC cost-based model continues to evolve, the Children's Services Division is focused on supporting a strong and vibrant child care system in Halton. The Region continues to fulfill its expanded legislated role as Service System Manager for child care within available provincial funding. The total funding allocation from the Ministry of Education for early years and child care in Halton in the 2026 Budget is \$244.7 million, which is comprised of CWELCC cost-based funding of \$213.1 million; Local Priorities funding of \$23.9 million; EarlyON Child and Family Centres funding of \$4.8 million; and Administration funding of \$2.9 million. The 2026 Budget for CWELCC funding is based on 2025 funding levels, as the confirmed funding allocation for 2026 had not been received prior to finalization of the 2026 Budget and Business Plan. Staff are assessing implications for Halton and will report back to Regional Council in 2026 with further details.

As reported through Report No. **SS-09-25**, all CWELCC spaces approved by the Provincial Government have been fully allocated in Halton until the end of 2026. No new spaces are available for allocation. The existing Provincial CWELCC funding and space allocation remains insufficient to meet the needs of Halton as a growing community. The Region continues to advocate to the Provincial Government for more CWELCC funding and spaces so that more Halton families can access affordable child care. The current federal-provincial CWELCC Agreement has been extended until December 31, 2026.

The **Canada-Wide Early Learning and Child Care (CWELCC)** program is a federal-provincial cost-shared initiative that intends to reduce the cost of child care for children aged 0-5 to an average \$10 a day. There has been an incremental reduction in parent fees since 2022 when the program started. On January 1, 2025, parent fees were further reduced to a maximum of \$22 a day alongside the new funding model.

The Budget for CWELCC is increasing by \$113,000 or 4.0%, mainly due to inflationary cost adjustments applied where necessary to maintain service levels.

In 2025, there are 107 CWELCC child care operators in Halton operating 274 child care sites (including three Regionally operated child care centres). There are 19,285 total CWELCC spaces. With 86% of eligible child care sites in Halton enrolled in CWELCC, Halton Region has made considerable progress expanding access to affordable child care. The number of CWELCC spaces will total 19,981 by the end of 2026. All 2026 spaces have been allocated and are expected to be operational over the coming months.

Canada-Wide Early Learning and Child Care	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of child care operators enrolled in Canada-Wide Early Learning and Child Care (CWELCC)	102	109	109	107	108
Percentage of child care operators enrolled in CWELCC	88.0%	88.0%	87.0%	86.0%	87.0%
Number of licensed child care spaces in CWELCC	18,481	19,018	19,194	19,285	19,981
Amount invested by the federal and provincial governments in CWELCC (\$000s) to fund child care operators	\$41,958	\$123,256	\$128,343	\$216,904	\$213,121
Amount invested by the Region in CWELCC (\$000s)	\$0	\$0	\$0	\$2,840	\$2,953

**Early Years Services** includes Local Priorities and EarlyON Child and Family Centres funding. These initiatives are guided by Halton Region's legislated Early Learning and Child Care Plan: 2022-2025 approved through Report No. **SS-12-22** (re: "Early Learning and Child Care Update"). The Plan focuses on responsive, high quality, affordable, accessible and inclusive early years and child care programs across Halton. As reported in Report No. **SS-09-25**, an updated Early Learning and Child Care Plan is in development for the period 2026 – 2030.

The Budget for Early Years Services is increasing by \$80,000 or 1.6%, mainly due to inflationary cost adjustments applied where necessary to maintain service levels. The 2026 Budget also includes \$100,000 to support the development of the updated Early Learning and Child Care Plan, and one-time expenditures of \$139,000 to improve digital service delivery, information management, and customer service to Halton families. These investments will be fully offset by a transfer from the Children's Services Reserve with no tax impact.

Fee Subsidies support eligible low-income families and families in receipt of Ontario Works (OW) with the cost of child care. In 2024, 3,689 children received fee subsidy across an average of 2,190 child care fee subsidy spaces. In 2026, the number of subsidized child care spaces for children ages 0 to 5 is anticipated to decrease as fewer families will require fee subsidy. Demand is expected to diminish if the maximum parental fee for a CWELCC child care spaces is reduced to \$10 per day as committed by the Federal and Provincial Governments. However, fee subsidy cost savings may be limited as the cost per child care space for children ages 6 to 12 may increase in 2026 - there is no provincially mandated fee cap on before and after school care for this age cohort.

Special Needs Resource funding supports children attending licensed child care programs. Supports are provided to families and educators to assist with successful integration of all children into child care classroom environments. Halton Region has seen an increase in the number of children in licensed child care with developmental needs since the COVID-19 pandemic. More children are presenting with social, emotional and developmental needs. It is anticipated that demand for these services will continue to increase over-time.

In 2025, Halton Region continued to fund The Halton Resource Connection (THRC), a third-party non-profit that delivers professional learning to Halton's early child care workforce. In 2024 THRC implemented a new learning and mentorship program that has built greater sector resilience. This initiative continues to be delivered in 2025 and continues to garner increased participation from early childhood educators. In 2025 a new Halton Region Quality Framework was implemented. It is intended to improve customer service to child care operators, ensure compliance with all CWELCC funding requirements, and reduce Regional operational risks. These initiatives will be continued in 2026.



Halton Region is responsible for EarlyON Child and Family Centres service planning, funding and oversight. EarlyON Child and Family Centres provide a broad set of free programs and resources for children ages 0 to 6, their families and caregivers. EarlyON Child and Family Centres are uniquely positioned to provide programs and services to vulnerable and marginalized children and families. In 2025 working with EarlyON Child and Family Centres and Our Kids Network (OKN) a Community Needs Assessment was completed to identify underserved populations in EarlyON programs. In 2026 modified service delivery strategies will be put in place to more effectively meet the needs of underserved families.

Early Years Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Amount invested in building system capacity inclusive of children, youth, parents and service providers (\$000s)	\$2,600	\$2,100	\$2,042	\$2,042	\$2,042
Percentage of Licensed Child Care (LCC) programs in Halton enrolled in Regional Quality Initiatives	92.0%	90.0%	86.8%	86.0%	87.0%
Number of children (birth to 12 years) in Licensed Child Care (LCC) supported with special needs resourcing	1,005	1,134	1,104	1,150	1,200
Average annual cost per subsidized child care space (Fee Subsidy)	\$7,598	\$5,401	\$4,015	\$3,718	\$3,718
Average number of child care subsidy spaces (Fee Subsidy)	2,435	2,331	2,190	2,034	2,034
Number of educational sessions delivered in CWELCC licensed child care	N/A	36	34	31	35
Total number of educators who participated in education sessions in CWELCC licensed child care centres	N/A	475	617	482	525

**Early Intervention and Community Support Services** includes two programs that assist children with, or at risk for, developmental needs in Halton. Services are provided for children from birth to age 21 in a variety of settings. *Infant and Child Development services* provides identification and early intervention to children with developmental needs in home and in community settings. The *Family and Community Behavioural Services program* works to increase parent, child, caregiver and educator capacity with behavioural needs across home, community and school environments.

The Budget for Early Intervention and Community Support Services is increasing by \$128,000 or 4.7% mainly due to inflationary cost adjustments applied where necessary to maintain service levels.

Both programs are intended to be 100% funded by the Province, however the Ministry of Children, Community and Social Services (MCCSS) does not provide sufficient funding to meet the needs of Halton families and Halton Region has provided additional investment over a number of years to minimize wait times for Halton children requiring early intervention services and support with developmental needs. Community need has continued to increase; 675 Halton children were served in 2022 and this is projected to increase to 950 children by the end of 2025. Children are presenting with more acute needs requiring a higher level of support;

a trend that has particularly been observed since the pandemic. In 2026, it is projected that the Region will contribute \$2.9 million and MCCSS will contribute \$974,000.

Early Intervention and Community Support Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Regional Investment in Early Intervention and Community Support (\$000s)	\$2,073	\$2,335	\$2,449	\$2,739	\$2,867
Number of children (birth to 21 years) served through Early Intervention and Community Support Programs	675	738	775	950	950

**Regional Child Care Centres**, directly operated by Children’s Services, provide high-quality child care through 120 child care spaces using the Provincial pedagogy “*How Does Learning Happen?*” to support the development of each child’s learning. In 2025, Regional Child Care Centres (RCCCs) offered nine education sessions to child care professionals. In 2024, the Ministry of Education mandated a value for money audit be undertaken of all municipally operated child care centres in Ontario. The three RCCCs completed this audit in June 2025. The third-party audit concluded that: “Regional Child Care Centres provide value-for-money, allocated funding is used efficiently and effectively, and all provincial requirements of CWELCC funding are met.” A small number of recommended operational process improvements will be implemented in 2026. Audit findings can be accessed at [Halton Region Child Care Centre Value for Money Audit](#).

The three RCCCs are part of the CWELCC system. As of January 1, 2025, the centres receive provincial benchmark funding. While a discretionary regional contribution has traditionally been required, the new CWELCC funding model now fully funds them with no Regional funding requirement in the 2026 Budget. Staff will continue to monitor the impacts of CWELCC for future years.

The Budget for the RCCCs is increasing by \$886,000 or 28.1%, primarily attributed to 7,500 relief hours proposed as a strategic investment to meet legislated child to educator ratios, as well as reduced parental fees to align with the current \$22 maximum daily rate, increased janitorial costs based on price increases, and inflationary cost adjustments applied where necessary to maintain service levels. These increases are projected to be fully funded through CWELCC cost-based funding with no tax impact in 2026.

In 2025 the RCCCs were integrated into Halton Region’s Capital Management program managed by the Capital Facilities and Realty and Energy, Fleet and Facilities Divisions. The facilities are maintained in state-of-good-repair through this program.

Regional Child Care Centres	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Regional Child Care Centre (RCCC) spaces	120	120	120	120	120
Percentage of Fee Subsidy Children in Care	15%	11%	19%	16%	16%
Percentage of Special Needs Children Placed	25.0%	27.6%	28.8%	30.0%	30.0%

# Employment & Social Services

The Employment & Social Services Division provides employment assistance to job seekers and employers, financial assistance to eligible individuals and families through the Provincially-mandated Ontario Works (OW) program, and Regionally-funded supports to low income households.

## Budget Impacts

The 2026 Employment & Social Services Budget reflects a net increase of \$232,000, or 3.3% over the 2025 Budget mainly due to inflationary cost adjustments applied where necessary to maintain service levels, as well as increased demand for the Subsidized Pass for Low Income Transit (SPLIT) program. The 2026 Budget for Employment & Social Services includes a Regional investment of \$7.3 million, of which \$4.6 million is the Provincially-legislated contribution to the Ontario Works program and \$2.7 million is an additional investment above the legislated requirement to provide additional supports in the community.

Employment & Social Services Divisional Summary (\$000s)								
	2026 Budget					2025 Budget	Change	
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025	
<b>Employment &amp; Social Services</b>								
Employment Halton	\$ 2,108	\$ 462	\$ 2,570	\$ (1,981)	\$ 589	\$ 601	\$ (12)	-2.0%
Low Income Financial Benefits	2,330	9	2,339	(100)	2,239	2,152	88	4.1%
Ontario Works	47,429	2,325	49,754	(45,300)	4,454	4,298	157	3.6%
<b>Total</b>	<b>\$ 51,867</b>	<b>\$ 2,796</b>	<b>\$ 54,663</b>	<b>\$ (47,381)</b>	<b>\$ 7,282</b>	<b>\$ 7,050</b>	<b>\$ 232</b>	<b>3.3%</b>
2025 Budget	\$ 43,175	\$ 2,911	\$ 46,086	\$ (39,036)	\$ 7,050			
\$ Change	8,692	(115)	8,577	(8,345)	232			
% Change	20.1%	-4.0%	18.6%	21.4%	3.3%			
<b>FTE</b>					<b>63.0</b>	<b>63.0</b>	<b>-</b>	<b>0.0%</b>

Schedule may not add due to rounding

**Employment Halton** provides services to job seekers and employers through programs designed to help individuals with barriers to employment become successful in obtaining and maintaining employment.

The 2026 Budget for Employment Halton has decreased by \$12,000, or 2.0%, mainly due to a lower allocation of corporate support costs arising from the closure of satellite offices, partially offset by inflationary cost adjustments applied where necessary to maintain service levels.

As reported through Report No. **SS-07-25**, Halton Region was not selected to receive funding for the Canada Connects Program from Immigration, Refugees and Citizenship Canada. As a result, Halton Region discontinued the Canada Connects program as of March 31, 2025. The Federal funding allocation for this program

has been removed from the 2026 Budget, offset by the removal of expenditures required to deliver the program. Eligible newcomers in Halton can access support for language, training, and employment through Employment Halton and other community partners.

Effective July 2022, responsibility for the employment service system in Halton region was transferred from the Ministry of Labour, Immigration, Training and Skills Development to Fedcap Canada. In April 2023, the delivery of employment support to Ontario Works clients was also transferred to Fedcap Canada. The 2026 projected metrics in the following table reflect targets set in the Region's agreement with Fedcap. With Fedcap Canada as the employment service system manager for Halton, employment referrals are shared with various employment service providers across the Region, resulting in a decrease in the number of clients served by Employment Halton.

Mental health supports continue to be required to help individuals overcome barriers to employment. It is expected that 175 individuals will access mental health supports in 2026 to assist them in reaching their employment goals.

Employment Halton	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total Investment in Employment Halton (\$000s) (1+2+3)	\$3,229	\$2,812	\$2,391	\$2,707	\$2,570
Employment Halton Regional Investment (\$000s) (1)	\$654	\$886	\$875	\$727	\$589
Employment Halton Provincial Investment (\$000s) (2)	\$2,210	\$1,456	\$1,070	\$1,676	\$1,733
Employment Halton Federal Investment (\$000s) (3)	\$365	\$470	\$446	\$304	\$248
Number of clients that accessed an Employment Halton Services Workshop	2,657	2,184	1,532	1,200	1,200
Number of clients that started an Employment Action Plan	N/A	380	403	396	396
Number of clients employed more than 20 hours per week	N/A	166	163	183	183
Percentage of individuals employed or participating in an educational opportunity 3 months after leaving the program	71%	71%	75%	70%	70%
Number of individuals accessing mental health supports for assistance with reaching employment and wellness goals	230	127	126	175	175

**Low Income Financial Benefits** are 100% Regionally-funded and promote community well-being through a variety of supports for Halton residents in financial need. These supports are demand-driven and include programs such as the Subsidized Passes for Low Income Transit (SPLIT) program, the Halton Food Connect program, recreation subsidies, assistance with funeral costs and other health-related benefits for low income households.

The Budget for Low Income Financial Benefits has increased by \$88,000 or 4.1% over the 2025 Budget, mainly due to increased demand for the SPLIT program. This increase is partially offset by savings in other low income benefits based on historical trends and savings projected due to the implementation of the Canada Dental Care program.

Low Income Financial Benefits	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Regional investment in Subsidized Passes for Low Income Transit (SPLIT) (\$000s)	\$489	\$608	\$713	\$750	\$788
Number of individuals who purchased a Subsidized Pass for Low Income Transit (SPLIT) pass or tickets	8,659	10,859	10,333	12,800	14,000
Regional investment in Low Income Programs (Halton Food Connect, Low-Income Benefits, Recreation) (\$000s)	\$999	\$927	\$1,171	\$1,522	\$1,451
Number of individuals assisted through Low Income Programs (Halton Food Connect, Low-Income Benefits, Recreation)	816	1,407	1,770	1,975	2,315

SPLIT provides a subsidy for low income residents so they can access affordable public transportation in Burlington, Halton Hills, Milton, and Oakville. Approximately 14,000 passes are expected to be purchased in 2026. Additionally, the Low Income Program includes recreation subsidies, low income benefits, and the Halton Food Connect program. Approximately 2,315 residents are expected to receive support through the various low income programs in 2026.

**Ontario Works (OW)** is a Provincially-mandated program that provides financial assistance to eligible individuals and families. The Province fully funds the discretionary and mandatory benefits associated with the Ontario Works program. The cost of administration for the Ontario Works program is intended to be cost-shared 50/50 with municipalities. Based on the latest confirmed funding allocations from the Ministry of Children, Community and Social Services (MCCSS), the 2026 budgeted cost share is 46% Province / 54% Region, which translates to a provincial funding shortfall of \$388,000. The province is reviewing the Ontario Works funding model, with a new funding formula expected in 2027.

The Ontario Works Program 2026 Budget has increased by \$157,000 or 3.6% due to inflationary cost adjustments applied where necessary to maintain service levels.

As shown in the following table, the 2025 projected average monthly caseload is 3,800, a 22.5% increase over 2024. Based on caseload projections provided by the Province and an analysis of local trends, the caseload is projected to increase a further 6.6% in 2026, to a total of 4,050. In addition to rising Ontario Works caseloads, the Region has continued to receive a significant number of Ontario Works Emergency Assistance applications from individuals who may not qualify for Ontario Works but need one-time assistance with other necessities.

MCCSS has set new performance-based measures and targets for each municipality. The performance-based measures were created to reflect service expectations following Employment Services Transformation. Targets are set annually by the ministry using a combination of historical and current caseload data.

MCCSS has also expanded its centralized provincial intake model for Ontario Works applications. In this model, the province acts as a single point of contact for Ontario Works applicants and determines initial eligibility. To date there have been issues with the implementation of this model and challenges in establishing a seamless client experience. It is anticipated that over time reduced Halton obligations at the initial application phase will allow for improved ongoing caseload management, better supports to clients, and increased program integrity.

<b>Ontario Works</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Average monthly number of Ontario Works recipients	1,862	2,444	3,102	3,800	4,050
Average length of time clients received Ontario Works assistance (in months)	29	23	22	23	23
Percentage of Ontario Works adults and Ontario Disability Support Program non-disabled adults with participation requirements who have an Action Plan	N/A	45.2%	59.6%	70%	75%
Percentage of Ontario Works adults and Ontario Disability Support Program non-disabled adults with participation requirements who have been referred to Employment Ontario	N/A	15.2%	17.1%	20%	25%
Ontario Works cases exit to employment	9.7%	8.6%	7.2%	8%	8%
Cases that exit Ontario Works and do not return to the program within one year	28.8%	32.1%	30.2%	30%	30%
Number of applications approved for Emergency Assistance	559	882	718	700	720



# Housing Services

The Housing Services Division provides programs across the government assisted segment of the housing continuum and is responsible for creating new assisted and supportive housing units in support of the Region's Comprehensive Housing Strategy (CHS), funding community housing providers, administering rental subsidies, providing homelessness prevention and delivery of emergency shelter programs and supportive housing, as well as the operation of the Halton Community Housing Corporation (HCHC).

## Budget Impacts

The 2026 Budget for Housing Services is increasing by \$2.0 million, or 4.1%, mainly due to an increased investment of \$585,000 to deliver new housing opportunities as outlined in the Region's **Comprehensive Housing Strategy 2025-2035 (CHS)**, a \$503,000 increase in assisted housing provider grants, and inflationary cost adjustments applied where necessary to maintain service levels. The 2026 Budget also includes 2.0 FTEs proposed as a strategic investment to support the delivery of Housing and Homelessness programs and services, fully offset by provincial funding with no tax impact.

Housing Services Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Housing Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Assisted Housing	\$ 39,167	\$ 14,197	\$ 53,364	\$ (3,214)	\$ 50,150	\$ 48,169	\$ 1,981	4.1%	
Homelessness	20,321	279	20,600	(19,998)	602	569	33	5.8%	
HCHC	2,241	1,109	3,350	(3,350)	-	-	-	0.0%	
<b>Total</b>	<b>\$ 61,729</b>	<b>\$ 15,585</b>	<b>\$ 77,314</b>	<b>\$ (26,562)</b>	<b>\$ 50,752</b>	<b>\$ 48,738</b>	<b>\$ 2,014</b>	<b>4.1%</b>	
2025 Budget	\$ 60,462	\$ 15,006	\$ 75,468	\$ (26,730)	\$ 48,738				
\$ Change	1,267	579	1,846	168	2,014				
% Change	2.1%	3.9%	2.4%	-0.6%	4.1%				
<b>FTE</b>					<b>55.0</b>	<b>53.0</b>	<b>2.0</b>	<b>3.8%</b>	

Schedule may not add due to rounding.

**Assisted Housing** is subsidized through government programs. Assisted Housing (sometimes referred to as community housing or social housing) helps make rent affordable for lower-income individuals and families primarily through the provision of rental subsidies directly to assisted housing providers, private market landlords, and Halton residents. New housing opportunities are created through four main streams:

1. Third Party Initiatives – The Region funds approved projects from non-profit, co-operative, private, or municipal partners to add assisted units within rental developments.

2. Regional Site Development – The Region builds new assisted and supportive housing on its own or HCHC-owned lands through new construction or intensification.
3. Regional Acquisition – The Region buys land, buildings, or units to reduce waitlist demand, with HCHC or partner agencies managing the properties.
4. Operational Subsidies – The Region provides rent supplements and housing allowances to make housing more affordable for Halton Access to Community Housing (HATCH) applicants.

All new housing opportunities created support Halton Region's new Comprehensive Housing Strategy 2025-2035 (Report No. **SS-11-25**). The new CHS aims to create 450 new assisted and supportive housing opportunities by 2035 with Regional investment alone, or up to a total of 1,350 new housing opportunities with matching funding support from the Provincial and Federal Governments.

The 2026 Budget for Assisted Housing is increasing by \$2.0 million, or 4.1%, which includes an increase of \$585,000 to deliver new housing opportunities as outlined in the Region's **Comprehensive Housing Strategy 2025-2035 (CHS)**. Of this \$585,000 increase, \$300,000 will be used to fund the Regional New Units reserve, bringing the total annual funding to \$11.8 million, and \$285,000 will support projected growth of 20 units in the Rent Supplement program. Other drivers of the increase include \$503,000 in assisted housing provider grants, a \$311,000 reduction in Federal Block funding, and inflationary cost adjustments applied where necessary to maintain service levels. The 2026 Budget also includes 2.0 FTEs proposed as a strategic investment to support the delivery of Housing programs. This strategic investment converts existing temporary positions to permanent positions, and is fully offset by provincial funding with no tax impact. Funding has been aligned with the latest confirmed funding allocations, including the Ontario Priorities Housing Initiative (OPHI) and the Canada-Ontario Community Housing Initiative (COCHI) as reported through Report No. **SS-16-25** (re: "Canda-Ontario Community Housing Initiative and Ontario Housing Priorities Housing Initiative Investment Plan 2025-2026").

Assisted Housing	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total net operating expenditures for assisted housing opportunities (\$000s)	\$36,896	\$39,594	\$42,725	\$47,969	\$50,150
Total Assisted Housing Units Available <sup>1</sup>	5,404	5,538	5600	5,608	5,665
Number of Households Receiving Subsidized Housing Support <sup>1</sup>	4,020	4,007	4003	4,649	4,706
Total number of new assisted housing opportunities in progress annually <sup>1</sup>	N/A	N/A	N/A	39	18
Total number of new assisted housing opportunities created annually (Cumulative total opportunities since 2025) <sup>1</sup>	16	160	77	74	57
Number of applicants on the Halton Access to Community Housing (HATCH) waitlist	6,163	7,111	8,048	9,200	10,500
Percentage of Halton Access to Community Housing (HATCH) waitlist applicants who are Halton residents	46%	45%	43%	42%	41%

1. From 2025 onward, a new data methodology is being used to align with the priorities of the 2025-2035 Comprehensive Housing Strategy

The **Homelessness Prevention** program provides emergency shelter, street outreach, supportive housing, and homelessness prevention initiatives to vulnerable Halton residents. The 2026 Budget for Homelessness Prevention is increasing by \$33,000, or 5.8%, due to an increase in the contribution to the Region's Facilities Replacement reserve to maintain supportive housing in a state-of-good-repair.

Emergency shelter options are available for singles, couples and families across Halton Region. Hotels continue to be utilized for overflow purposes. In addition to basic needs, individuals admitted into emergency shelter programming receive a common intake and assessment that prioritizes them for housing opportunities.

In 2025, Halton Region continued to enhance its street outreach capacity to provide additional response to encampments. This team meets with individuals experiencing homelessness to support them with emergency shelter, food security, mental health, transportation, and other supports. A Homelessness Action Table continues to meet with partners from Halton Region, local municipalities, Halton Regional Police Service (HRPS), and health and social services and justice sectors to standardize processes and improve communications across the Region.

Investment in the Homelessness Prevention Program from the Provincial government for the 2025-26 fiscal year remains unchanged at \$14.3 million and no change is expected for the 2026-27 fiscal year. As reported through Report No. **SS-05-25**, on November 18<sup>th</sup>, 2024, Housing Infrastructure and Communities Canada announced a reversal of the previously planned funding cuts to the Reaching Home Program and provided incremental new funding for Halton Region. This positive outcome reflects the success of advocacy efforts by the Region and its partners, which emphasized the critical need for sustained funding to support vulnerable populations. The 2026 Budget reflects an increase of \$163,000 to a total of \$5.2 million in Federal Reaching Home funding, which reflects the pro-rated portion of the latest funding allocation.

As reported through Report No. **SS-15-25**, Halton Region has been awarded funding under two new programs: the Interim Housing Assistance Program (IHAP) and the Homelessness Reduction Innovation Fund (HRIF). Between these two funding streams, a pro-rated portion of this funding will be utilized in 2026 to strengthen Halton Region's capacity to expand housing options for asylum seekers and pilot new approaches to preventing homelessness, with no net Regional impact. The homelessness system has become more complex and requires increased base federal and provincial funding to support vulnerable populations on a permanent, sustained basis. The Region will continue to advocate for appropriate and sustained funding for homelessness and supportive housing.

In 2026, the division will continue to seek new opportunities and partnerships to serve homeless and precariously housed Halton residents. Key Homelessness Prevention programs include:

- Housing Stability Fund: provides one-time financial assistance to low-income residents struggling with energy arrears, moving costs, essential furniture and last month's rent or rental arrears.
- Halton Housing Help: provides individuals and families with access to safe and affordable housing and connects at-risk residents to the supports they need.
- Halton Housing First: provides permanent housing and intensive case management supports to individuals and families who are experiencing chronic homelessness.
- Supportive Housing provides 152 subsidized beds that give permanent housing with on-site support services for residents who cannot live independently in the community.
- The Emergency Shelter program: provides temporary shelter and services to individuals and families experiencing homelessness. Hotels will continue to be used in 2026 to address surge capacity as needed.
- The total number of individuals and families needing support through homelessness prevention and emergency shelter programs are expected to increase in 2026 as rental costs continue to significantly rise for units in the private market and more individuals/families are at risk of eviction.

Homelessness Prevention	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Households Receiving Housing Stability Fund (HSF) Support Annually	2,127	2,266	2,234	2,405	2,501
Number of clients accessing Halton Housing Help (HHH) annually	1,398	1,507	1,569	1,643	1,742
Number of supportive housing placements annually	53	45	65	75	86
Number of single men accessing emergency shelter annually	307	350	433	515	556
Number of single women accessing emergency shelter annually	72	76	82	88	94
Number of families accessing emergency shelter annually	69	94	87	99	113
Percentage of households supported by the Housing Stability Fund that maintained housing after one year	85%	93%	92%	90%	90%
Number of shelter exits to permanent housing	161	191	204	230	260
Number of households housed annually through HATCH	321	369	275	365	385

The Region provides **Halton Community Housing Corporation (HCHC)** with property management and tenant support services to residents in its rent-geared-to-income (RGI), market rent, and condominium units. The 2026 Budget for HCHC property management and tenant support services includes no net change as the costs are fully recovered by HCHC administration fees. The administration fees are reflected in HCHC's 2026 Budget which will be considered for approval by the HCHC Board through Report No. **HC-13-25** (re: "2026 Operating and Capital Budget") on December 10, 2025.

In 2025, HCHC directly manages a total of 2,332 units. HCHC's housing stock is anticipated to grow incrementally in 2026 with the addition of 1258 Rebecca Street which includes 14 new units of assisted and supportive housing, bringing the total number of units to 2,346. Additional Regional developments/purchases are anticipated in future years.

HCHC communities include townhouses, apartments, condominium units and several single and semi-detached dwellings. HCHC balances fiscal responsibility with keeping vulnerable populations housed. HCHC works with residents to support tenancies and promote community safety and well-being and has a resident informed multi-year Community Development Strategy in place to guide these activities (Report No. **HC-13-24**).

<b>Halton Community Housing Corporation (HCHC)</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Total gross operating expenditures for Halton Community Housing Corporation (HCHC) (\$000s)	\$30,347	\$41,826	\$33,287	\$33,465	\$34,241
Number of units in the Halton Community Housing Corporation (HCHC) portfolio	2,210	2,280	2,280	2,332	2,346
Percentage of total households who are in arrears	16%	15%	14%	12%	14%
Number of households in repayment plans	81	88	84	78	85
# of community development programs offered across the HCHC portfolio	N/A	N/A	16	18	20
Asset management state-of-good-repair spending (\$000s)	\$4,590	\$4,713	\$8,826	\$7,796	\$6,221
Asset management state-of-good-repair capital projects	60	53	89	37	18
# of HCHC sites that offer coordinated, on-site, health and social services to residents	N/A	N/A	4	5	7

# Human Services Planning & Program Support

Human Services Planning & Program Support (HSPPS) undertakes community development activities that strengthen the human services sector in Halton. HSPPS is instrumental in overall human service planning and investment strategies in the community. Key initiatives are Community Safety and Well-Being (CSWB) planning, and the Halton Region Community Investment Fund (HRCIF). The unit also provides support services to all program areas in the Social & Community Services Department, which includes business improvements, compliance reviews, emergency social services and navigation supports for individuals and families.

## Budget Impacts

The 2026 Budget reflects an increase of \$1.5 million, or 14.9%, over the 2025 Budget, which is comprised of \$1.0 million in annual operating funding to support Food for Life and FeedHalton with core operating costs and enhance collaboration with the food rescue and food bank sector as approved through Report No. **SS-13-25**, as well as a proposed strategic investment of \$500,000 to enhance the HRCIF, which supports Community Safety and Well-Being priorities aimed at positively impacting the health, safety and well-being of the community.

Human Services Planning & Program Support Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Human Services Planning &amp; Program Support</b>									
Community Development	\$ 8,324	\$ 52	\$ 8,376	\$ (937)	\$ 7,439	\$ 5,993	\$ 1,446	24.1%	
Professional Support	3,493	988	4,481	-	4,481	4,385	96	2.2%	
<b>Total</b>	<b>\$ 11,817</b>	<b>\$ 1,039</b>	<b>\$ 12,856</b>	<b>\$ (937)</b>	<b>\$ 11,920</b>	<b>\$ 10,378</b>	<b>\$ 1,542</b>	<b>14.9%</b>	
2025 Budget	\$ 10,212	\$ 1,102	\$ 11,314	\$ (937)	\$ 10,378				
\$ Change	1,605	(63)	1,542	-	1,542				
% Change	15.7%	-5.7%	13.6%	0.0%	14.9%				
<b>FTE</b>					<b>27.0</b>	<b>27.0</b>	<b>-</b>	<b>0.0%</b>	

Schedule may not add due to rounding.

**Community Development** supports numerous community partners and initiatives to achieve better health, safety and well-being outcomes for Halton residents. This includes the development and ongoing implementation of the CSWB in partnership with the Halton Regional Police Service and a wide range of community partners. The Plan is built on a model to continuously identify and address broader community and system-level issues to proactively support populations that are vulnerable to negative health and social outcomes.

The 2026 Budget reflects a net increase of \$1.4 million or 24.1%, over the 2025 Budget which includes \$1.0 million in annual operating funding to support Food for Life and FeedHalton with core operating costs and enhance collaboration with the food rescue and food bank sector as approved through Report No. **SS-13-25**, as well as a proposed strategic investment of \$500,000 to enhance the HRCIF, which supports CSWB priorities aimed at positively impacting the health, safety and well-being of the community.

The HRCIF is 100% Regionally funded and is a key component of the Region’s overall approach to support health, safety and well-being of Halton residents. As shown in the following table, the Region has increased HRCIF funding by \$1.8 million since 2022. The HRCIF provides single and multi-year grants for human services programs that support the health, safety and well-being of Halton residents. In 2026, the HRCIF is projected to provide 85 grants that address community needs or are aligned with CSWB planning priorities such as supporting mental health, maintaining housing and preventing homelessness, improving food security, supporting residents vulnerable to negative social and health outcomes and strengthening services to older adults, children and youth. A commitment to equity, diversity and inclusion informs these investments, enhancing the capacity of organizations to meet community needs and continue to respond to a wide range of emergent issues.

The number of HRCIF grants to community organizations continues to demonstrate a high impact in achieving outcomes for Halton residents.

Community Development	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Amount invested in community programs through the Halton Region Community Investment Fund (HRCIF) (\$000s)	\$3,750	\$4,000	\$4,500	\$5,000	\$5,500
Number of active HRCIF Grants	76	70	83	78	85

As reported though Report No. **SS-21-22**, the Building Safer Communities Fund (BSCF) is a Federally funded initiative under Public Safety Canada. This funding has been introduced as a targeted, time-limited contribution program totalling \$250 million for municipalities and Indigenous communities to develop community-based prevention and intervention strategies that aim to prevent gun and gang violence through local programming. Halton Region was selected to receive a funding allocation of approximately \$3.9 million over four years, which expires March 31, 2026. Although funding has not been confirmed beyond this date, it is anticipated to continue as the Federal Government identified extending this program as a key priority to fight crime, protect Canadians, and build safer communities. As such, the program and funding has been extended in the 2026 Budget with an allocation of \$937,000, which is equal to the allocation in the 2025 Budget, which will be utilized to support dedicated program resources and provide grants to community-based agencies. If this anticipated funding does not materialize, Halton Region will wind down and end this program by December 31, 2026.

**Professional Support** provides services across the Social & Community Services Department in the areas of policy and program support, business improvement, emergency social services, eligibility review, navigation supports for individuals and families, revenue recovery and records management. The Professional Support budget is increasing by \$96,000, or 2.2%, mainly due to inflationary cost adjustments reflected where applicable to maintain service levels.

The Region is committed to ensuring accountability in the delivery of human services. The eligibility review team within this group investigates allegations of potential misrepresentation for Ontario Works (OW) and Children’s Services. Through these investigations, it is projected that \$700,000 in overpayments will be identified in 2026 and subject to recovery, which will be used to offset OW benefits and child care fee funding.

Professional Support	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Amount of overpayments identified by investigations into misrepresentation for clients in Children’s Services, and Ontario Works (\$000s)	\$988	\$486	\$516	\$698	\$700



# Services for Seniors

The Services for Seniors Division is responsible for providing a wide range of medical and non-medical support services designed to meet the specific needs of the residents and clients. The Region operates three accredited Long-Term Care (LTC) homes: Allendale, Creek Way Village and Post Inn Village, which provide skilled nursing care, and activities of daily living supports to over 770 individuals through a total of 572 beds. The division also provides Supportive Housing programs at five locations in Halton and Adult Day programs in both Milton and Georgetown that enable older adults to live in their own homes longer and maintain their independence.

## Budget Impacts

The 2026 Services for Seniors Budget reflects an increase of \$3.0 million, or 9.8%, over the 2025 Budget. The increase is driven by contract increases above the rate of inflation for food supplies and assisted living services, increased funding to support ongoing state-of-good-repair projects at the three LTC homes, increased corporate support costs for subscription-based software and to support the continued implementation of the Digital Strategy, and inflationary cost adjustments applied where necessary to maintain service levels. These increases are partially offset by provincial funding increases of \$1.4 million for the LTC homes and \$235,000 in funding for adult day programs and supportive housing services which align with the latest confirmed funding allocations, as well as a \$618,000 increase in resident revenues to align with latest confirmed accommodation rates.

Services for Seniors Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Services for Seniors</b>									
Adult Day Programs	\$ 1,899	\$ 247	\$ 2,145	\$ (1,766)	\$ 380	\$ 321	\$ 59	18.4%	
Long-Term Care Homes	84,938	17,230	102,168	(69,986)	32,182	29,562	2,620	8.9%	
Supportive Housing Programs	5,742	647	6,389	(5,664)	725	441	283	64.2%	
<b>Total</b>	<b>\$ 92,578</b>	<b>\$ 18,124</b>	<b>\$ 110,702</b>	<b>\$ (77,416)</b>	<b>\$ 33,286</b>	<b>\$ 30,324</b>	<b>\$ 2,962</b>	<b>9.8%</b>	
2025 Budget	\$ 88,618	\$ 18,253	\$ 106,871	\$ (76,547)	\$ 30,324				
\$ Change	3,960	(129)	3,831	(869)	2,962				
% Change	4.5%	-0.7%	3.6%	1.1%	9.8%				
<b>FTE</b>					<b>637.8</b>	<b>637.8</b>	-	0.0%	
<b>Relief Hours</b>					<b>142,361.4</b>	<b>142,361.4</b>	-	0.0%	

Schedule may not add due to rounding.

**Adult Day Programs** provide a safe structured environment where older adults can engage in meaningful therapeutic recreational programming and receive essential supports while still living in the community. Staff continue to work closely with the Ontario Health Teams to ensure the provision of appropriate service levels to support the needs of Halton clients. The effectiveness of these programs is demonstrated through an increasing number of clients served, over 97% of whom report overall satisfaction with the quality of care and service.

The 2026 Budget for the Adult Day Programs includes a net increase of \$59,000 or 18.4%, mainly due to inflationary cost adjustments applied where necessary to maintain service levels and increased corporate support costs for subscription-based software and to support the continued implementation of the Digital Strategy.

Adult Day Programs	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total gross operating cost of Regional Adult Day programs (\$000s)	\$1,492	\$1,709	\$2,001	\$2,054	\$2,145
Number of clients served	81	95	102	100	115
Overall satisfaction with the quality of care and service	100%	100%	97%	100%	100%

The Region's **Long-Term Care (LTC) Homes** provide high quality medical and non-medical care and accommodations to older adults who are no longer able to live independently. This commitment is reflected in the operation of three LTC Homes, including a production kitchen, offering a total of 572 LTC beds across the Region. In addition, the Region delivers community-based support through its Meals on Wheels program, serving older adults in Milton and Halton Hills. This program also plays a vital role in supporting our Adult Day Programs, ensuring participants receive nutritious meals that promote health and well-being. These services form a comprehensive care system that enhances the quality of life for older adults in Halton, while supporting aging with dignity and independence.

The 2026 Budget for Long Term Care Homes reflects a net increase of \$2.6 million, or 8.9%, over the 2025 Budget, largely driven by contract increases above the rate of inflation for food supplies and assisted living services, increased funding to support ongoing state-of-good-repair projects at the three LTC homes, increased corporate support costs for subscription-based software and to support the continued implementation of the Digital Strategy, and inflationary cost adjustments applied where necessary to maintain service levels. Partially offsetting these cost increases are increases in provincial funding and other revenues including \$474,000 in provincial funding to support the direct hours of care targets, \$899,000 in provincial base level-of care and other funding envelopes, and \$618,000 in resident revenues to align with latest confirmed accommodation rates.

The 2026 Budget also includes one-time expenditures of \$124,000 to help modernize the division's digital records management, which will be fully funded by a transfer from the Tax Stabilization reserve with no net tax impact.

The 2026 Budget reflects a decrease of \$1.4 million in provincial capital funding. This funding was provided to Post Inn Village and Creek Way Village on a time-limited basis to support the initial financing and future replacements for these LTC homes. The funding for Post Inn Village expired in 2025, while the funding for Creek Way Village is anticipated to expire in 2026. This funding reduction will be fully offset by reduced transfer to capital reserve, with no tax impact.

The Region's LTC homes provide person-centred care that supports the unique needs of its residents and currently meets the 4 hours per day system level average direct care targets as set out in the *Fixing Long-Term Care Act, 2021* and Ontario Regulation 246/22. The LTC homes continue to implement procedures and practises to meet the provincial regulatory and compliance mandates with an ongoing focus on infection prevention and control and improving the resident experience.

Recruitment and retention challenges persist industry-wide and increasing resident complexity support increasing demands for specialized care and services. The Region continues to respond to these challenges with ongoing investments in staffing and operations.

The LTC homes' 24/7 operations require regular utilization of casual relief staff when permanent staff are absent from work due to various reasons (e.g., vacation, illness, injury, training, etc.) to maintain service levels. As shown in the following table, the 2026 Budget for Long-Term Care Homes includes a total of 140,471.0 relief hours. The following table reflects the allocation of budget, FTEs and relief hours for each LTC home and the Meals on Wheels program.

Long-Term Care Homes Budget (\$000s)										
	Allendale		Creek Way Village		Post Inn Village		Meals on Wheels		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Gross Cost	\$ 37,694	\$ 35,711	\$ 25,921	\$ 25,398	\$ 38,331	\$ 37,615	\$ 222	\$ 206	\$ 102,168	\$ 98,930
Subsidies & Revenue	(24,478)	(23,766)	(17,774)	(17,873)	(27,539)	(27,566)	(195)	(163)	(69,986)	(69,368)
<b>Net Tax Impact</b>	<b>\$ 13,216</b>	<b>\$ 11,945</b>	<b>\$ 8,147</b>	<b>\$ 7,525</b>	<b>\$ 10,791</b>	<b>\$ 10,049</b>	<b>\$ 27</b>	<b>\$ 43</b>	<b>\$ 32,182</b>	<b>\$ 29,562</b>
FTE	226.8	226.8	158.5	158.5	227.2	227.2	1.2	1.2	613.7	613.7
Relief Hours	36,826.5	36,826.5	39,953.6	39,953.6	63,690.8	63,690.8	-	-	140,471.0	140,471.0

The 10-year capital program includes \$8.1 million over the next 10 years, which is \$1.5 million higher than the 2025 10-year program.

Services for Seniors Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 2035	Total
LTC Facility Equip. Replacement	0.80	0.80	0.80	0.80	0.92	4.00	8.12
<b>Total</b>	<b>\$ 0.80</b>	<b>\$ 0.80</b>	<b>\$ 0.80</b>	<b>\$ 0.80</b>	<b>\$ 0.92</b>	<b>\$ 4.00</b>	<b>\$ 8.12</b>

Schedule may not add due to rounding.

The Services for Seniors capital program is funded from reserves, which will be replenished from annual operating transfers. The 2026 Budget includes capital financing (i.e., transfer to reserves) of \$865,000.

As shown in the following table, the gross operating cost of the LTC homes continues to increase. Although provincial funding has increased, it has not kept pace with cost increases, resulting in a larger percentage of costs needing to be funded through regional investment. The Region will continue to advocate for appropriate and sustained funding to support the Region's LTC homes. In 2026, it is projected that 770 residents will be cared for at the Regional LTC homes through a total of 572 beds. Resident and family satisfaction with services in the LTC homes is an imperative and is measured annually.

<b>Long-Term Care Homes</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Total gross operating cost of the 3 Regional Long-Term Care Homes (\$000s)	\$83,516	\$89,094	\$95,869	\$98,930	\$102,168
Percentage of Long-Term Care Homes operating budget from Regional investment	25%	28%	26%	30%	31%
Gross Operating Cost of a bed/day in Regionally operated Long-Term Care Homes	\$400	\$427	\$458	\$474	\$489
Percentage of residents satisfied with the Long-Term Care Homes as a place to live as reported to the Ministry of Long-Term Care	92%	94%	84%	90%	92%
Number of beds	572	572	572	572	572
Number of residents served at Regionally operated Long-Term Care Homes	780	742	760	770	770
Percentage of municipal long-term care beds per population over 75 years of age	5%	1%	1%	1%	1%
Allendale - Funded CMI	115%	111%	111%	114%	114%
Post Inn Village - Funded CMI	111%	112%	111%	110%	110%
Creek Way Village - Funded CMI	115%	116%	116%	116%	116%

**Supportive Housing Programs** provide personalized supports designed to help individuals live as independently as possible in their home. Supportive Housing Programs provide support to older adults living in five designated housing buildings and surrounding neighbourhoods (Martin House, Bruce Apartment, John R. Rhodes, Bonnie Place and Wellington Terrace). Four of these housing environments are HCHC properties, including Wellington Terrace and John R. Rhodes where the Senior's Community Hubs are operational. As shown in the following table, in 2025, the Supportive Housing programs are projected to provide personal support services to 277 Halton residents allowing them to remain safely living at home. The Supportive Housing program had over 98% of its clients satisfied with the quality of care and services offered in 2024.

The 2026 Budget for Supportive Housing Programs includes a net increase of \$283,000, or 64.2%, mainly driven by contract increases above inflation for assisted living services, partially offset by a base funding increase of \$218,000 from Ontario Health. The 2026 Budget includes total funding from Ontario Health (OH) of \$5.6 million.

Supportive Housing	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total gross operating cost of Supportive Housing (\$000s)	\$5,026	\$5,051	\$5,703	\$5,888	\$6,389
Amount of Regional funding for Supportive Housing programs (\$000s)	\$507	\$550	\$9	\$441	\$725
Amount of OH funding for Supportive Housing programs (\$000s)	\$3,957	\$4,414	\$5,570	\$5,349	\$5,567
Number of clients served at Regionally operated Supportive Housing locations (1+2+3+4)	232	247	256	277	280
Number of clients served at Bonnie Place (1)	57	61	57	55	55
Number of clients served at Wellington Terrace (2)	57	56	54	55	55
Number of clients served at Martin House (includes Bruce apartments & expansion) (3)	56	68	81	95	98
Number of clients served at John Rhodes Residence (4)	62	62	64	67	67
Overall Satisfaction with the quality of care and service	100%	100%	98%	99%	99%

# Halton Region

## Budget and Business Plan



**TAX OVERVIEW**

**PUBLIC WORKS - TAX**

# Public Works Department - Tax

The Public Works Department provides tax-supported services under Waste Management, Road Operations, and Development Services. Waste Management is responsible for the collection and disposal of solid waste. Road Operations supports all aspects of the Regional road network throughout Halton Region. The Development Services Division is responsible for processing, reviewing and approving Regional engineering submissions associated with developer-contributed infrastructure and Regional Permits, in addition to carrying out permit and development inspections.

## Budget Impacts

The 2026 Budget is increasing by \$5.4 million or 4.2%, which is comprised of increases of \$4.2 million for Waste Management, \$818,000 for Road Operations, and \$366,000 for Development Services. The main driver of the increase is a \$7.1 million increase for waste collection contracts, partially offset with the removal of the one-time transfer of \$4.5 million that was included in the 2025 Budget to fund the automated wheeled cart program, utilizing savings associated with the transition of the blue box program to producer responsibility as reported to Council through Report No. **PW-08-24** (re: "Blue Box Transition Period April 1 to December 31, 2025").

The 2026 Budget also includes a strategic investment for 2.0 FTEs to support the implementation and ongoing operations of the Region-wide automated wheeled cart program and new waste collection contracts, and a \$60,000 enhancement to the Community Circular Economy Fund (formerly called the Waste Diversion Fund) to advance Halton Region's Solid Waste Management Strategy (SWMS) by reducing waste, extending landfill lifespan, and supporting innovative, community-led solutions.

Public Works Department - Tax - Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Public Works Department - Tax</b>									
Waste Management	\$ 46,446	\$ 14,768	\$ 61,214	\$ (3,449)	\$ 57,766	\$ 53,584	\$ 4,182	7.8%	
Road Operations	26,902	40,993	67,895	(749)	67,146	66,329	818	1.2%	
Development Services	6,970	3,552	10,522	(1,872)	8,650	8,284	366	4.4%	
<b>Total</b>	<b>\$ 80,319</b>	<b>\$ 59,314</b>	<b>\$ 139,632</b>	<b>\$ (6,070)</b>	<b>\$ 133,562</b>	<b>\$ 128,197</b>	<b>\$ 5,365</b>	<b>4.2%</b>	
2025 Budget	\$ 79,152	\$ 62,552	\$ 141,704	\$ (13,506)	\$ 128,197				
\$ Change	1,167	(3,239)	(2,071)	7,437	5,365				
% Change	1.5%	-5.2%	-1.5%	-55.1%	4.2%				
<b>FTE</b>					<b>135.2</b>	<b>133.2</b>	<b>2.0</b>	<b>1.5%</b>	

Schedule may not add due to rounding



# Waste Management

Waste Management is responsible for an integrated and sustainable waste management system of collection, processing, and disposal of municipal solid waste for approximately 650,000 Halton residents, eight designated Business Improvement Areas (BIAs), and 2,200 designated commercial locations, as well as the operation and maintenance of the Halton Waste Management Site (HWMS) and 11 closed landfills.

Asset Management activities include monitoring asset conditions as well as developing and implementing infrastructure renewal plans through the Asset Management program.

## Budget Impacts

The 2026 Waste Management Budget reflects a net increase of \$4.2 million, or 7.8%, over the 2025 Budget, driven by a total increase of \$7.1 million in the waste contracts. Savings associated with the transition of the blue box program to producer responsibility of \$4.5 million were reflected in the 2025 Budget and utilized to provide one-time funding for the automated wheeled cart collection program. For the 2026 Budget, the capital transfer to fund the automated wheeled cart collection program has been removed to partially offset the increase in the waste collection contracts.

Additionally, strategic investments are proposed for 2.0 FTEs to support the implementation and ongoing operations of the Region-wide automated wheeled cart program and new waste collection contracts, and for an increase of \$60,000 in the Community Circular Economy Fund (formerly the Waste Diversion Fund) to advance Halton Region's Solid Waste Management Strategy (SWMS) by reducing waste, extending landfill lifespan, and supporting innovative, community-led solutions.

Waste Management Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Waste Management</b>									
Collection	\$ 32,792	\$ 6,334	\$ 39,127	\$ (893)	\$ 38,233	\$ 33,185	\$ 5,048	15.2%	
Processing / Transfer	8,746	(1,886)	6,860	(177)	6,683	8,015	(1,332)	-16.6%	
Residual Management	4,908	10,319	15,228	(2,378)	12,850	12,384	466	3.8%	
<b>Total</b>	<b>\$ 46,446</b>	<b>\$ 14,768</b>	<b>\$ 61,214</b>	<b>\$ (3,449)</b>	<b>\$ 57,766</b>	<b>\$ 53,584</b>	<b>\$ 4,182</b>	<b>7.8%</b>	
2025 Budget	\$ 46,278	\$ 18,219	\$ 64,497	\$ (10,913)	\$ 53,584				
\$ Change	169	(3,451)	(3,283)	7,464	4,182				
% Change	0.4%	-18.9%	-5.1%	-68.4%	7.8%				
<b>FTE</b>					<b>47.2</b>	<b>45.2</b>	<b>2.0</b>	<b>4.4%</b>	

Schedule may not add due to rounding

As shown in the table below, the total increase in the waste management contracts is \$7.1 million in the 2026 Budget. Savings of \$4.5 million associated with the transition of the blue box program to producer responsibility were reflected in the 2025 Budget and utilized to provide one-time funding towards the automated wheeled cart collection program.

Waste Management Contracts (\$000s)							
	2024	2025	Change		2026	Change	
	Budget	Budget	2024-2025		Budget	2025-2026	
<b>Blue Box Program:</b>							
Blue Box Collection & Processing	9,819	7,804	(2,015)	-21%	659	(7,145)	-92%
Blue Box Program Funding (Circular Materials Ontario)	(5,101)	(7,593)	(2,492)	49%	-	7,593	-100%
Blue Bins	373	360	(13)	-4%	-	(360)	-100%
<b>Total Net Expenditures - Blue Box Program</b>	<b>\$ 5,091</b>	<b>\$ 571</b>	<b>\$ (4,520)</b>	<b>-89%</b>	<b>\$ 659</b>	<b>\$ 88</b>	<b>15%</b>
<b>Other Contracts:</b>							
Garbage	\$ 13,080	\$ 13,697	\$ 617	5%	\$ 15,792	\$ 2,095	15%
Green cart	8,592	8,806	214	2%	13,339	4,534	51%
Yard Waste	3,325	3,381	56	2%	3,722	341	10%
Various Other Contracts	2,149	2,179	30	1%	2,207	28	1%
<b>Total</b>	<b>\$ 32,237</b>	<b>\$ 28,634</b>	<b>\$ (3,603)</b>	<b>-11%</b>	<b>\$ 35,719</b>	<b>\$ 7,085</b>	<b>25%</b>

Halton residents' continued participation in waste diversion programs and services has been instrumental in diverting most waste from landfill. The Residential Landfilled Waste Per Capita is targeted at 133kg for 2026, and in combination with the key initiatives identified in the Council approved Solid Waste Management Strategy, will continue to extend the landfill lifespan and defer the significant capital investment required to expand the landfill capacity.

The 2023–2030 Solid Waste Management Strategy provides the framework for developing policy direction that supports the environmental, economic, and social objectives identified through key initiatives. Once implemented, the key initiatives have the ability to keep the residential landfilled waste per capita to 140kg or below. In addition, the Strategy proposes to reduce greenhouse gas emissions by over 13,000 metric tonnes per year and extend the lifespan of the landfill out to 2054-2058 by decreasing the annual amount of garbage generated per person.

In 2024, Council approved the “Solid Waste Collection Future Levels of Service” (Report No. **PW-14-24**) which is one of the key initiatives in Halton Region’s **2023 – 2026 Strategic Business Plan**. The recommended changes include a change from a manual to an automated cart collection system, requirements for alternative fuel sources for collection vehicles to reduce greenhouse gas emissions, and removal of eligible blue box properties that fall under the Blue Box Regulation (O. Reg. 391/21). Base and provisional services for Solid Waste Collection Services and Front-end and Roll-off Container Collection were awarded to Miller Waste Systems Inc. (starting April 3, 2027) and Advantage Waste Systems Inc. (starting March 30, 2026) as reported through the Council Memorandum dated July 9, 2025 (re: “Award of Solid Waste Collection Base Contracts”) and Report No. **PW-20-25**.

The 2026 Budget reflects the terms of the residential solid waste contract extension with Miller Waste (Report No. **PW-13-24**), as well as the terms of the new front-end and roll-off container collection contract with Advantage Waste starting in April 2026. There will continue to be significant pressure on the 2027 & 2028 Waste Management budgets as the impacts of the new Solid Waste Collection contract with Miller Waste, including automated wheeled cart collection, are reflected for services starting in April 2027.

Staff continue to prepare for the full transition of the Blue Box program to producer responsibility. As of January 1, 2026, producers will be responsible for implementing a standardized provincial Blue Box program across Ontario under O. Reg. 391/21, and Halton Region will no longer be responsible for collecting from eligible locations, responding to Blue Box related issues and inquiries, distributing Blue Boxes, delivering the associated promotion and education and monitoring and enforcing the residential Blue Box program. The impacts on the 2026 Budget are as follows:

- The 2026 Budget includes funding to continue providing recycling collection services to designated non-eligible Industrial, Commercial and Institutional (ICI) locations as approved through Report No. **PW-20-25**.
- As approved through Report No. **PW-30-25**, the Region will collect from new multi-residential buildings, schools and non- profit long-term care and retirement homes built between 2026 and 2031, when producers will become responsible for new builds. As the number of units and recycling volumes are not confirmed at this time, a provision has not been included in the 2026 Budget. Staff will monitor the impact in 2026 and provide updates through the operating variance reports. Updated estimates will inform a provision to be considered for the 2027 Budget and Business Plan through the annual budget process.

Staff will continue to monitor the regulations of the Resource Recovery and Circular Economy Act, 2016 to ensure that the impacts are taken into consideration when developing programs and services to support the key initiatives of the Solid Waste Management Strategy.

**Collection Services** include residential pickup of garbage, organics, bulk waste, metal items and appliances, yard waste and Christmas trees and waste collection to designated commercial locations. The 2026 Budget is increasing by \$5.0 million or 15.2% mainly driven by increases in garbage, green bin and yard waste collection contracts of \$7.1 million and inflationary cost increases for other waste collection contracts. These cost increases are partially offset by the removal of the one-time transfer of \$4.5 million related to the Blue Box program savings which were utilized in the 2025 Budget to provide funding for the automated wheeled cart collection program.

The 2026 Budget also includes the following strategic investments:

- 1.0 Waste Management Data Analyst and 1.0 Waste Collection Customer Service Technician to support the implementation and ongoing operations of the Region-wide automated cart collection program (Report No. **PW-14-24**)
- An increase of \$60,000 in the Community Circular Economy Fund (formerly called the Waste Diversion Fund) to support initiatives set out in the Solid Waste Management Strategy, as well as strengthen community efforts to foster a circular economy in Halton Region.

As shown in the following table, total collected waste is projected to be 129,000 metric tonnes in 2026. The collection costs per metric tonne are increasing due to the significant increases in the collection contracts for 2026 and a reduction in the metric tonnes of solid waste collected due to the removal of the blue box program. Customer satisfaction and confidence in the Region’s waste collection programs and services remains high and continues to be a priority.

Collection	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Resident Enquiries Received Regarding the Collection of Waste Materials per 1,000 Households	47	47	41	44	47
Metric Tonnes of Solid Waste Collected (000s)	170	170	173	174	129
Average Cost / Metric Tonne of Materials Collected	\$161	\$162	\$176	\$191	\$297

**Processing/Transfer Services** represents the programs that support the diversion of waste materials from landfills and the recovery of resources that can be recycled and composted. The 2026 Budget is decreasing by \$1.3 million, or 16.6% mainly due to savings associated with the transition of residential recycling processing costs to producer responsibility. These savings are partially offset by inflationary cost increases for waste processing/transfer contracts to maintain service levels.

Processing / Transfer	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Green Bin Material Processed (Metric Tonnes)	32,897	33,136	33,808	34,345	32,932
Average Cost to Haul and Process Green Bin Material	\$131	\$142	\$144	\$143	\$146

**Residual Management** facilitates the operation and maintenance of open and closed landfills within Halton. The 2026 Budget is increasing by \$466,000 or 3.8%, mainly due to increased costs for bird control at the landfill site, increased inspection costs at closed landfills and inflationary cost increases to maintain existing service levels.

As shown in the following table, the Region continues to divert waste from landfill resulting in an extended lifespan of the Halton Waste Management Site landfill. With the implementation of the key initiatives identified in the 2023-2030 Solid Waste Management Strategy, the projected lifespan of the landfill site is expected to last between 2054 and 2058.

When the Blue Box program transitions from Halton Region to producer responsibility on January 1, 2026, the current methodology to measure the waste diversion rate will no longer be valid, as all the Blue Box materials collected from eligible sources (98 percent of Blue Box material currently collected) will no longer be managed or measured through Halton Region's programs. Blue Box materials made up 21 percent of all residential waste managed, and removal of those materials will have a noticeable impact on the diversion calculation. In response to that, staff are proposing a new key performance indicator that measures the kilograms of waste per capita that ends up in the landfill.

As discussed in Report No. **PW-18-25** (re: "2024 Year End Waste Management Report"), in 2024, the amount of residential waste landfilled in 2024 increased by 2,783 tonnes (about three per cent) from 2023, resulting in 148 kilograms per capita of landfilled waste. The Residential Landfilled Waste per Capita (kg) is expected to decrease in 2025 and 2026 as the Region will no longer be required to process Blue Box residue at the Landfill also as a result of the projected increase in population.

Residual Management	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total Residential Landfilled Waste (Tonnes)	94,824	93,014	95,797	87,840	89,600
Halton Waste Management Site Tip Fee	\$175	\$185	\$194	\$209	\$221
Residential Landfilled Waste per Capita (kg)	151	145	148	132	133

## Capital Budget & Forecast

The 2026 Waste Management budget provides funding to support the following capital projects.

Waste Management Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 2035	Total
Cell Construction & Gas System	\$ 26.42	\$ 0.21	\$ 21.98	\$ 5.53	\$ 2.85	\$ 7.45	\$ 64.43
Buffer Lands & Other	3.56	0.13	14.69	0.30	1.00	0.08	19.76
Studies, Technology & Other	19.38	19.17	3.28	0.36	0.05	0.25	42.48
Equipment & Vehicles	0.37	0.26	4.56	0.47	-	5.95	11.60
<b>Total</b>	<b>\$ 49.73</b>	<b>\$ 19.75</b>	<b>\$ 44.51</b>	<b>\$ 6.66</b>	<b>\$ 3.90</b>	<b>\$ 13.73</b>	<b>\$ 138.27</b>

Schedule may not add due to rounding.

The \$138.27 million 10-year Waste Management capital program is \$17.2 million higher than the 2025 program, mainly due to additional funding needed for HWMS Site Optimization Phase 2 and Transfer Station Study & Construction projects. A total of \$64.4 million has been identified for landfill cell construction and gas system installation over the next 10 years, including a total of \$48.2 million for the HWMS Site Optimization Phase 2 project in 2026 and 2028 and \$13.5 million for State-of-Good-Repair investments identified through the Lifecycle Model between 2028 and 2034. In addition, \$19.8 million has been included for Buffer Lands and Other, which includes \$13.9 million for transfer facility study & construction in 2028. The remaining program includes vehicles and heavy equipment (\$11.6 million for bulldozers and compactors etc.) and studies, which include the Automated Wheeled Cart Program Implementation for \$36.0 million. The \$49.7 million 2026 Waste Management capital program is \$26.0 million higher than the 2026 forecast included in the 2025 Budget mainly due to the acceleration of HWMS Site Optimization Phase 2 funding (\$14.3 million) from 2030 and Automated Wheeled Cart Program funding (\$17.0 million) from 2028.

Funding for the program is initially provided from capital reserves (i.e., Tax Capital, Vehicle and Equipment reserves), which are then replenished through annual operating contributions. The capital financing in the operating budget to support the State-of-Good-Repair program in 2025 is \$8.8 million.

# Road Operations

Road Operations includes all aspects of the Regional transportation system including the planning, design, construction, operations, maintenance and overall management of road and related infrastructure of assets with a netbook value of approximately \$1.2 billion as of December 31, 2024. The Regional Road network includes 1,236 lane kilometers of major arterial roads, 317 signalized intersections, 345 bridges and major culverts, and 8,072 streetlights to be maintained in 2026.

The 2026 Budget includes Asset Management and enhanced safety measures to improve the Region's transportation network. Asset Management activities include monitoring asset conditions as well as developing and implementing infrastructure renewal plans through the Asset Management program.

## Budget Impacts

The 2026 Road Operations budget reflects a net increase of \$818,000 or 1.2% over the 2025 Budget. Key drivers include an increase of \$437,000 to a total of \$16.7 million for regional and local road maintenance contracts and inflationary cost adjustments reflected where necessary to maintain service levels.

Road Operations Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Road Operations	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Road Operations & Maintenance	\$ 15,662	\$ 12,037	\$ 27,698	\$ (398)	\$ 27,300	\$ 26,698	\$ 602	2.3%	
Traffic Signal Operations	1,863	1	1,864	(121)	1,743	1,670	73	4.4%	
Traffic Safety	3,460	2,214	5,673	(58)	5,616	5,466	150	2.7%	
Infrastructure Management	5,918	26,742	32,659	(172)	32,487	32,494	(7)	0.0%	
<b>Total</b>	<b>\$ 26,902</b>	<b>\$ 40,993</b>	<b>\$ 67,895</b>	<b>\$ (749)</b>	<b>\$ 67,146</b>	<b>\$ 66,329</b>	<b>\$ 818</b>	<b>1.2%</b>	
2025 Budget	\$ 26,136	\$ 40,951	\$ 67,087	\$ (759)	\$ 66,329				
\$ Change	766	42	808	10	818				
% Change	2.9%	0.1%	1.2%	-1.3%	1.2%				
<b>FTE</b>					<b>43.0</b>	<b>43.0</b>	<b>-</b>	<b>0.0%</b>	

Schedule may not add due to rounding

**Road Operations & Maintenance** includes services for summer and winter maintenance and stormwater management. The 2026 Budget is increasing by \$602,000, or 2.3%, mainly due to increases in contracted services for regional road maintenance and inflationary cost adjustments reflected where applicable to maintain service levels.

A major driver of the increased road maintenance cost is the increase in lane kilometres to support growth in the Region. As per the table below, between 2022 and 2026, the Region's transportation network system has been in a state of accelerated growth with an estimated increase of 101 lane kilometres.

<b>Roads Operations &amp; Maintenance</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Pavement Quality Index of Regional Roads	79.5%	78.2%	79.1%	79.2%	78.5%
Lane KM of Road Resurfaced	52	20	52	44	41
Number of (lane) Kilometers of New Active Transportation Infrastructure on Regional Roads (On Road ATMP)	26	12	34	35	24
Road Lane Kilometres	1,159	1,171	1,209	1,236	1,260
Road Resurfacing Expenditures (\$000s)	\$8,729	\$10,657	\$13,723	\$15,669	\$11,206
Number of Customer Service Enquiries	1,381	1,349	1,592	1,556	1,556
Number of Kilometres of Stormmains Operated and Maintained	264	268	275	278	281

Halton strives to maintain a network average Pavement Quality Index (PQI) which reflects a state of good repair for the overall road network. Through continued investments in the capital road resurfacing and road maintenance programs for the aging and expanding road network, Halton is able to maintain this rating while accommodating growth and increased traffic volumes. PQI fluctuation is due to capital works in progress and timing of the projects. The index will improve with the completion of forthcoming growth capital projects. For 2026, the operating contribution to the Road Resurfacing reserve has been maintained at the 2025 level of \$9.3 million to ensure sustainable funding is available for the 10-year Road Resurfacing program. The 10-year Road Resurfacing program totals \$105.3 million with \$15.7 million planned for 2026.

The Region is completing a region-wide Integrated Master Plan for Water, Wastewater, and Transportation that will identify road network upgrades and expansions required to accommodate approved growth which will require expanded road resurfacing and maintenance programs to maintain the state-of-good-repair.

The majority of the active transportation infrastructure on regional roads is tied directly to the capital investment of road reconstruction and widening to include walking and cycling facilities, as well as the Road Resurfacing program to include paved shoulders to accommodate active transportation. Halton is also working with local municipalities to complete links for a Region-wide active transportation network. Through the Road Capital and Resurfacing programs and the implementation of the Active Transportation Master Plan (ATMP) and the future Integrated Master Plan, the active transportation network will continue to grow, improving the safety of all road users.

**Traffic Signal Operations** include the operation and maintenance of traffic signals and the Regional Traffic Management Centre (TMC). The 2026 budget is increasing by \$73,000, or 4.4%, mainly due to an increase in traffic signal maintenance and inflationary cost adjustments reflected where necessary to maintain service levels.

<b>Traffic Signal Operations</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Number of Traffic Signals Maintained	322	305	310	317	324



**Traffic Safety** includes the operation and maintenance of streetlights, traffic signal control and the administration of regional road safety programs including the Red Light camera and speed feedback sign programs. The 2026 budget is increasing by \$150,000, or 2.7%, mainly due to an increase in the number of streetlights, including new streetlights along Britannia Road and Derry Road resulting in higher maintenance and hydro costs.

Traffic Safety	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Streetlights Maintained	7,086	7,249	7,793	8,072	8,372
Number of Red Light Camera Intersections Operated	20	22	23	24	25

As noted in Report No. **PW-25-25** (re: “2024 Transportation Progress Report”), staff have made significant progress with the Advanced Traffic Management System (ATMS). In 2025, the ATMS project team focused efforts to expand connectivity to Regional signalized intersections in the Towns of Milton and Halton Hills. Cellular modems were used to establish remote connectivity at pilot locations in both municipalities, with full deployment now underway, connecting all locations in Milton (84 signals) and Halton Hills (22 signals). By the end of 2025, the Region is on track to have all fully operational Regional signalized intersections in the Town of Oakville, Town of Milton and The Town of Halton Hills connected to the ATMS.

The **Infrastructure Management** budget provides for the engineering planning, assessment and design and policy activities required to maintain the overall condition of the assets as infrastructure ages and expansions are constructed to service growth.

Key activities include the infrastructure and environmental planning studies to support growth and the monitoring of asset conditions and development of infrastructure renewal plans through the Asset Management program to support the design and construction of new infrastructure and renewal of aging.

In 2025, the Water, Wastewater and Transportation Integrated Master Plan was developed to identify infrastructure servicing strategies for forecasted growth to 2051. Updates to the Asset Management Plan and Asset Management Policy were developed in accordance with O. Reg. 588 and reported to Council through Report No. **PW-14-25/FN-13-25** (re: “2025 Asset Management Plan and Updated Asset Management Policy”). These activities guide the development of the annual budget and identify required investments in the Region’s capital program.

Halton’s Asset Management program assesses the condition of assets through various inspections and condition assessments to determine the appropriate level of annual capital investment which has resulted in most road assets being rated as good to very good condition and meeting desired service levels. The Life Cycle Models, updated through the Asset Management Plan, provide a long-term projection of the cost of rehabilitation and replacement interventions throughout the life of the Region’s road network.

Infrastructure Management	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Percent of Roads, Bridges and all road related assets rated Good, Very Good or Excellent	73.0%	73.0%	73.0%	68.0%	71.0%
Percent of Paved Lane KM's Rated Good or Very Good	65.8%	70.1%	89.5%	84.5%	83.3%

The 2026 Infrastructure Management Budget is decreasing by \$7,000 due to an increase in construction permit fee revenue received by the program.

# Capital Budget & Forecast

The 2023 Allocation Program was approved in February 2024 via Report No. **CA-02-24/PW-04-24/FN-05-24**. This initiative responds to the current financial climate, municipal housing pledge targets of 92,500 (a more than 70% increase over the originally anticipated residential growth), and the need for accelerated infrastructure development. A financing plan was crafted to ensure that sufficient financial capacity was available.

The 2026 10-year Transportation Capital Program totals \$4.3 billion, aimed at significant road widening and new road construction. While the development-related infrastructure requirements for 2026 were approved in Report No. **CA-02-24/PW-04-24/FN-05-24**, these expenditures were not part of the 2026 budget but have been estimated for an appropriate representation in the 10-year capital budget to illustrate the program's scope. Additionally, the expenditures for 2032, 2033, 2034, and 2035 are based on a 6-year average, as any spending beyond 2031 will be identified through the completion of the Water, Wastewater and Transportation Integrated Master Plan. A review of funding needs will follow as part of the master plan implementation process and will be reflected in the 2027 Budget and Forecast. The total 10-year program, including the 2023 Allocation Program and estimated transportation costs for 2032, 2033, 2034, and 2035, is \$174.8 million higher than the 2025 program, primarily due to updated costs to reflect project staging and ongoing inflation in the construction sector. Detailed capital project information can be found in the **2026 Capital Report**.

## 10-Year Transportation Capital Expenditures

Regional Road Program (\$ Millions)			
	2026*	2027-2035**	Total
Tremaine Road	\$ -	\$ 218.94	\$ 218.94
Upper Middle Road	-	212.40	212.40
5 1/2 Line	-	198.14	198.14
Derry Road	1.06	193.45	194.51
Regional Road 25	4.80	177.96	182.76
James Snow Parkway	-	181.21	181.21
Steeles Avenue	-	132.16	132.16
Trafalgar Road	-	117.23	117.23
Road Resurfacing & Related Works	10.42	103.50	113.92
Ninth Line	25.52	74.00	99.52
North Service Road	-	99.22	99.22
Appleby Line	1.50	95.42	96.92
Brant Street	-	81.62	81.62
No. 10 Sideroad	0.08	79.84	79.92
Guelph Line	-	67.35	67.35
Dundas Street	55.73	-	55.73
Burloak Drive	-	44.56	44.56
Traffic Signals & Intersections	15.78	23.35	39.13
Winston Churchill Boulevard	8.09	26.20	34.29
Eighth Line***	29.72	-	29.72
Bridges, Culverts & Other	10.65	16.43	27.08
Miscellaneous Works (e.g. Operational Improvements)	7.49	13.25	20.74
Road Studies (eg. Travel Demand)	1.34	14.69	16.03
Noise Attenuation Barriers	6.59	5.39	11.98
Campbellville Road	-	10.51	10.51
Active Transportation (Study & Infill Projects)	0.03	0.64	0.67
Vehicles & Equipment	-	0.24	0.24
*2023 Allocation Program avg. expenditures for 2026	326.47	-	326.47
**2032-2035 Development Related Estimate	-	1,599.53	1,599.53
<b>Total</b>	<b>\$ 505.25</b>	<b>\$ 3,787.26</b>	<b>\$ 4,292.51</b>

Schedule may not add due to rounding.

\*Includes 100% non-growth, Increases for 2020 and 2023 Allocation Program and 2023 Allocation Program one year average

\*\*2032 to 2035 has been estimated based on 7 year avg. from 2025-2031.

\*\*\*External Recovery

## 2026 Capital Budget

### 10-year Transportation Capital Financing

The following table summarizes the financing of the 10-year Transportation capital expenditures.

2026 Transportation Capital Program (2026-2035) (\$ Millions)						
	Total	DC Res Share	Capital Reserve			Recovery
			Non-Res Share**	Growth Share**	Region Share	
2026 Budget*	\$ 505.2	\$ 222.3	\$ 125.0	\$ 7.7	\$ 120.6	\$ 29.7
2027-2035 Forecast*	3,787.3	1,788.1	1,005.8	422.9	570.4	-
<b>Total</b>	<b>\$ 4,292.5</b>	<b>\$ 2,010.4</b>	<b>\$ 1,130.8</b>	<b>\$ 430.6</b>	<b>\$ 691.0</b>	<b>\$ 29.7</b>

Schedule may not add due to rounding

\* For 2023 Allocation Program - the amounts for the year 2026 has been used from the program total for years 2024 to 2026

\*\*Non-Res & Oversizing (For 2023 Alloc Program) are Interim Financed from Tax Cap Reserve

With a total cost of \$4.3 billion, \$691.0 million (16.1%) is related to Region's State-of-Good-Repair program to continue to enhance the Regional investment in support of expanding asset base, \$3.6 billion (83.2%) is the growth portion, which will ultimately be financed by development charges (DCs) and \$29.7 million (0.7%) for external recovery related to the Eighth Line, North Service Road East, and Invicta Drive Road Reconstruction from the Town of Oakville. The 10-year Transportation program has been financed based on the Report No. **CA-02-24/PW-04-24/FN-05-24** where:

- **\$2,010.4 million residential development share** will be financed entirely from residential DCs.
- **\$1,130.8 million non-residential development share** will initially be funded from the Regional Tax Capital reserve. This represents Regional interim financing due to the timing differences between the expenditures and the revenue collections and reflects the Region's commitment to economic development. This interim financing will be fully recovered from DCs, including any carrying costs.
- **\$430.6 million growth share** will initially be funded from the Regional Tax Capital reserve. This represents oversizing for 2023 Allocation Program that is Interim Financed which will be fully recovered from DCs including any carrying costs.
- **\$691.0 million Regional share (non-growth) share** represents the benefit attributed to the existing community from the road improvements, as well as the cost to provide enhanced levels of service. This cost will be financed from the Regional Tax Capital reserve.
- **\$29.7 million Recovery** related to the Town of Oakville.

The 2026 Budget includes \$52.0 million in operating contributions to support the Roads State-of-Good-Repair capital program, including roads resurfacing. The \$52.0 million includes \$42.0 million in regional funding and \$10.0 million of Gas Tax funding. The \$52.0 million of operating transfers have not increased from the 2025 Budget.

# Development Services

Development Services is responsible for reviewing and commenting on development and planning applications circulated by the local municipalities for matters of Regional interest in accordance with the Memorandum of Understanding for an Integrated Halton Area Planning System, May 2024. Development Services processes, reviews and approves Regional engineering submissions associated with developer contributed infrastructure and has responsibility for permit and development inspections.

These functions are related to the delivery of water and wastewater infrastructure (including implementing the Allocation Program for Greenfield Development), Regional transportation systems, waste collection and responsibilities associated with mandates prescribed by legislation and protection of Regional interests or services that have a land component.

## Budget Impacts

The 2026 Budget for Development Services reflects a net increase of \$366,000, or 4.4%, over the 2025 Budget primarily due to increases in personnel services and other inflationary cost adjustments reflected where necessary to maintain service levels.

Development Services Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026-2025		
Development Services									
Development Review and Engineering	\$ 5,183	\$ 4,461	\$ 9,645	\$ (994)	\$ 8,650	\$ 8,284	\$ 366	4.4%	
Permits and Inspections	1,787	(909)	878	(878)	-	-	-	0.0%	
Total	\$ 6,970	\$ 3,552	\$ 10,522	\$ (1,872)	\$ 8,650	\$ 8,284	\$ 366	4.4%	
2025 Budget	\$ 6,737	\$ 3,382	\$ 10,119	\$ (1,835)	\$ 8,284				
\$ Change	232	171	403	(37)	366				
% Change	3.4%	5.0%	4.0%	2.0%	4.4%				
FTE					45.0	45.0	-	0.0%	

Schedule may not add due to rounding.

**Development Review and Engineering** involves professional advice and recommendations related to matters of Regional interest as part of local municipal planning applications, reviewing engineering files associated with developer contributed infrastructure as well as the review of area servicing plans. The 2026 Development Review and Engineering budget is increasing by \$366,000, or 4.4%, primarily due to increases in personnel services and other inflationary cost adjustments reflected where necessary to maintain service levels.

The number of pre-consultations and development applications shown in the table below are affected by economic and market conditions, Provincial planning legislation, the timing of the Regional Allocation Program and other factors that are managed through local municipal development review and approval processes. Development activity is anticipated to be strong over the long-term; with the number of development applications and pre-consultations expected to decrease slightly in 2026 as compared to 2025 due to economic and market conditions.

Development Review and Engineering	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Development Applications	803	767	682	750	725
Number of Development Preconsultations with the Local Municipalities	289	275	334	325	300

**Permits and Inspections** provides for review and processing of development related and municipal permits, and inspections for all Regional permits and development. Direct costs for the 2026 Permits and Inspections budget are increasing by \$72,000, or 4.2%, mainly due to increases in personnel services and other inflationary cost adjustments reflected where necessary to maintain service levels. Net costs for permits and inspections are fully recovered from the Water & Wastewater and Road Operations Budgets.

New service connections are good indicators of development activity within the Region. It is anticipated that the number of permits and new service connections will increase in the long-term due to the growth in housing associated with local housing pledges and targets. In 2024 and 2025 permit activity has been impacted by market conditions and higher interest rates, and it is anticipated that the number of permits processed will decrease slightly in 2026. However, as rates improve over the longer term and with development activity and construction projects expected to increase, improvements are expected further into the future once the market improves.

Permits and Inspections	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Permits Processed	432	383	312	380	375
Number of New Service Connections	1,295	1,338	1,709	1,800	1,700

# Halton Region

## Budget and Business Plan



TAX OVERVIEW

CORPORATE ADMINISTRATION



# Corporate Administration

Corporate Administration includes the CAO's Office, the Corporate Services Department, the Digital & Information Services Department, the Finance Department and the Office of the Chair & Regional Council. These areas provide governance and internal support to the departments that deliver services to Halton residents and businesses.

## Budget Impacts

The 2026 Corporate Administration Budget reflects a net increase of \$6.2 million, or 5.4%, over the 2025 Budget. This includes strategic investments for 8.0 FTEs which will ensure service levels are maintained and Council priorities are achieved. Of the 8.0 FTEs, 5.0 FTEs are proposed in Corporate Services and 3.0 FTEs are proposed in Digital & Information Services.

Corporate Administration Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Corporate Administration	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
CAO's Office	\$ 6,616	\$ 22	\$ 6,639	\$ -	\$ 6,639	\$ 6,470	\$ 169	2.6%	
Corporate Services	56,977	9,909	66,886	(4,426)	62,461	59,825	2,636	4.4%	
Digital & Information Services	30,055	5,312	35,367	(116)	35,251	32,434	2,817	8.7%	
Finance	14,926	44	14,970	(715)	14,254	13,671	584	4.3%	
Office of the Chair & Regional Council	2,257	18	2,275	-	2,275	2,238	37	1.7%	
<b>Program Costs</b>	<b>\$ 110,831</b>	<b>\$ 15,306</b>	<b>\$ 126,136</b>	<b>\$ (5,257)</b>	<b>\$ 120,879</b>	<b>\$ 114,637</b>	<b>\$ 6,243</b>	<b>5.4%</b>	
Program and Capital Recoveries - Rate	-	-	-	-	(114,059)	(107,946)	(6,113)	5.7%	
Program Recoveries - Tax (Regional Governance & Fiscal Transactions)	-	-	-	-	(6,821)	(6,691)	(130)	1.9%	
<b>Total</b>	<b>\$ 110,831</b>	<b>\$ 15,306</b>	<b>\$ 126,136</b>	<b>\$ (5,257)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	
2025 Budget	\$ 105,547	\$ 14,146	\$ 119,693	\$ (5,056)	\$ -				
\$ Change	5,284	1,159	6,443	(201)	-				
% Change	5.0%	8.2%	5.4%	4.0%	-				
<b>FTE</b>					<b>486.6</b>	<b>478.6</b>	<b>8.0</b>	<b>1.7%</b>	

Schedule may not add due to rounding

Significant drivers of the base budget increase in Corporate Administration include increases of \$1.5 million for subscription-based software costs based on operational needs and to support the continued implementation of the Digital Strategy, increased capital financing costs of \$1.0 million to support corporate and program-specific projects, \$102,000 in insurance premiums and paid claim losses, as well as \$100,000 related to professional services for external legal support. These costs are partially offset by recoveries from the Halton Community Housing Corporation (HCHC) to support the portfolio.

The costs of these Corporate Administration Divisions have been allocated to program budgets to show the full cost of program delivery through Corporate Support charges, except for Governance-related services. The cost of Governance-related services of the CAO's Office, Office of the Chair, Regional Council, and the Office of the Regional Clerk & Council Services is reported separately in the Regional Governance & Fiscal Transactions for tax-supported services. The net impact of the proposed 2026 strategic investments for the Corporate Administration Divisions is reflected under Regional Governance & Fiscal Transactions in the 2026 Budget, and will be allocated to the program areas in the following year's budget.

Continued efforts ensure that the support provided by Corporate Administration to the service departments is done efficiently, thus contributing to the delivery of services that meet the ongoing needs of Halton residents. The following discussions provide an overview of the internal services and related key performance measures provided by Corporate Administration Divisions.

## Chief Administrative Officer's (CAO) Office

The 2026 CAO's Office Budget reflects a net increase of \$169,000, or 2.6%, over the 2025 Budget mainly due to increases in personnel services costs.

CAO's Office Departmental Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>CAO's Office</b>									
Internal Audit	\$ 925	\$ 1	\$ 926	\$ -	\$ 926	\$ 900	\$ 26	2.9%	
Strategic Initiatives & Government Relations	5,691	21	5,712	-	5,712	5,570	143	2.6%	
<b>Program Costs</b>	<b>\$ 6,616</b>	<b>\$ 22</b>	<b>\$ 6,639</b>	<b>\$ -</b>	<b>\$ 6,639</b>	<b>\$ 6,470</b>	<b>\$ 169</b>	<b>2.6%</b>	
Program Recoveries - Rate	-	-	-	-	(2,091)	(1,984)	(108)	5.4%	
Program Recoveries - Tax (Regional Governance & Fiscal Transactions)	-	-	-	-	(4,547)	(4,487)	(61)	1.4%	
<b>Total</b>	<b>\$ 6,616</b>	<b>\$ 22</b>	<b>\$ 6,639</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>
2025 Budget	\$ 6,430	\$ 40	\$ 6,470	\$ -	\$ -				
\$ Change	186	(17)	169	-	-				
% Change	2.9%	-43.6%	2.6%	-	-				
<b>FTE</b>					<b>41.1</b>	<b>41.1</b>	<b>0.0</b>	<b>0.0%</b>	

Schedule may not add due to rounding

The **Internal Audit** Division strengthens the Region’s ability to create, protect, and sustain value by providing Council and Management with independent, risk based, and objective assurance about the processes and activities carried out that relate to risk management, internal control, and governance. Recommendations to improve the effectiveness of the processes are communicated as necessary as well as advice, insight, and foresight to address today’s complex risk landscape. The 2026 Budget is increasing by \$26,000, or 2.9%, primarily due to increases in personnel services costs.

The **Strategic Initiatives & Government Relations** Division is focused on supporting Council’s advocacy and government relations agenda and key policy initiatives including developing Indigenous Relationships, the Equity, Diversity, and Inclusion Initiatives, and the Region’s Climate Change Response and Sustainability. Additionally, the division leads the development of the Region’s Corporate Strategic Plan and undertakes some of the Region’s key data initiatives such as the employment survey. The 2026 Budget is increasing by \$143,000, or 2.6%, primarily due to increases in personnel services costs.

The following table provides the key performance measure for the Strategic Initiatives & Government Relations Division.

Strategic Initiatives & Government Relations	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total Corporate kWh energy Consumption Actualized data (per Sq. Ft.)	27.7	27.3	24.0	23.7	23.5

Through Report No. **CA-16-23** (re: “Corporate Climate Action Plan and Greenhouse Gas (GHG) Emissions Reduction Target”), Halton Region has committed to take action to achieve a corporate target of net-zero greenhouse gas emissions by 2045. As a result, targets for 2025 and 2026 reflect a projected 1% reduction in energy consumption (electricity and natural gas) per square foot as Halton works towards achieving net-zero emissions.

## Corporate Services

The Corporate Services Department provides key services required to deliver Regional Council and organizational priorities. With a foundational commitment to customer service excellence, a team of six divisions work together to provide key corporate services to the Region that enable the effective delivery of essential programs to Halton residents and businesses. Corporate Services includes the following divisions: Capital Construction & Realty, Communications & Customer Service, Energy, Fleet & Facilities, Human Resource Services, Legal Services, Supply Chain Management as well as the Corporate Policy & Departmental Administration Section.

As shown in the following table, the Corporate Services 2026 Budget reflects a net increase of \$2.6 million, or 4.4%, over the 2025 Budget. Direct Costs are increasing by \$2.0 million, or 3.7%, primarily due to increased costs for insurance premiums and professional services, as well as inflationary cost increases applied where necessary to maintain service levels. Capital Financing & Other Costs are increasing by \$899,000, or 10.0%, mainly due to increased capital financing costs related to corporate facility projects. Funding & Other Revenue is increasing by \$276,000, or 6.6%, primarily due to recoveries from HCHC to support the HCHC portfolio. Additionally, strategic investments are proposed for 5.0 FTEs for the Capital Construction & Realty, Energy, Fleet & Facilities and Supply Chain Management Divisions.

Corporate Services Departmental Summary (\$000s)								
	2026 Budget					2025 Budget	Change	
Corporate Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025	
Capital Construction & Realty	\$ 5,929	\$ 26	\$ 5,956	\$ -	\$ 5,956	\$ 5,428	\$ 528	9.7%
Communications & Customer Service	6,833	25	6,858	(20)	6,838	6,599	240	3.6%
Energy, Fleet & Facilities	18,791	10,740	29,531	(4,104)	25,427	24,580	847	3.4%
Human Resource Services	8,286	(1,019)	7,267	-	7,267	7,015	252	3.6%
Legal Services	12,683	40	12,723	(257)	12,466	12,091	375	3.1%
Supply Chain Management	4,454	98	4,552	(45)	4,507	4,113	394	9.6%
<b>Program Costs</b>	<b>\$ 56,977</b>	<b>\$ 9,909</b>	<b>\$ 66,886</b>	<b>\$ (4,426)</b>	<b>\$ 62,461</b>	<b>\$ 59,825</b>	<b>\$ 2,636</b>	<b>4.4%</b>
Program and Capital Recoveries - Rate	-	-	-	-	(61,744)	(59,136)	(2,608)	4.4%
Program Recoveries - Tax (Regional Governance & Fiscal Transactions)	-	-	-	-	(716)	(688)	(28)	4.1%
<b>Total</b>	<b>\$ 56,977</b>	<b>\$ 9,909</b>	<b>\$ 66,886</b>	<b>\$ (4,426)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
2025 Budget	\$ 54,964	\$ 9,011	\$ 63,975	\$ (4,150)	\$ -			
\$ Change	2,013	899	2,911	(276)	-			
% Change	3.7%	10.0%	4.6%	6.6%	-			
<b>FTE</b>					<b>254.5</b>	<b>249.5</b>	<b>5.0</b>	<b>2.0%</b>

Schedule may not add due to rounding

The following strategic investments for 5.0 FTEs are proposed in the 2026 Budget and discussed further in the Capital Construction & Realty, Energy Fleet & Facilities, and Supply Chain Management sections below.

- 2.0 FTEs, a Project Manager I and Project Manager II (\$289,000), fully recovered from capital projects with no net tax impact.
- 2.0 FTEs, Maintenance Tenant Support Workers (\$218,000, net impact tax impact of \$109,000), 1.0 FTE fully recovered from the HCHC budget.
- 1.0 FTE, a Senior Strategic Sourcing Specialist (\$149,000), fully recovered from capital projects with no net tax impact.

The **Capital Construction & Realty** Division has primary responsibility for the planning, design, development and construction of Halton and HCHC owned facilities and state of good repair/upgrade projects. This includes Halton Regional Police Service and Paramedic facilities, waterfront parks, assisted and supportive housing, health, childcare and office facilities. It also provides capital planning and building science investigations, regulatory compliance (fire safety, accessibility, etc.) and capital project delivery services to the Region. The Realty Services section is responsible for the acquisition of real estate interests required to meet the Regional Corporation's needs including fee simple purchases, leases, easements, licenses, and property administration, as well as the disposition of lands and/or interests in real estate that are surplus to the Regional Corporation's requirements.

The 2026 Budget is increasing by \$528,000, or 9.7%, primarily due to a strategic investment proposed for 2.0 FTEs (Project Manager I and Project Manager II), as well as increases in personnel services costs.

The following strategic investment for 2.0 FTEs is proposed to support the division:

- Due to an increase in program demand pressures and service level requirements, 2.0 FTEs **Project Manager I** and **Project Manager II** (\$289,000, fully recovered from capital projects with no net tax impact) are required to maintain the Region's corporate facilities and HCHC facilities in a state of good repair and meet the corporation's target of net-zero greenhouse gas emissions by 2045.

The \$9.14 million 2026 Capital Construction & Realty Capital Program is \$0.3 million lower than the 2026 forecast included in the 2025 Budget primarily due to decreased expenditures planned for Long Term Care Centres (\$3.1 million) offset by increased expenditures planned for 1400 Plains Road (\$0.9 million), Halton Region Centre (\$0.8 million), and Woodlands Operation Centre (\$0.4 million).

The \$100.81 million 10-year Capital Construction & Realty Capital Program is \$5.5 million higher than the 2025 program; this is primarily driven by projected increased expenditures for 1400 Plains Road (\$4.1 million), North Operation Centre (\$1.2 million) and Facility Rehab & Replacement – Other (\$1.0 million) offset by decreased expenditures planned for Halton Region Centre (\$0.3 million), Woodlands Operation Centre (\$0.3 million) and Paramedic Stations – Rehab & Replacement (\$0.2 million).

Capital Construction & Realty Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 2035	Total
Halton Regional Centre - Rehab & Replacement	\$ 1.69	\$ 1.03	\$ 0.08	\$ 0.08	\$ 0.11	\$ 0.83	\$ 3.82
Long Term Care Centres - Rehab & Replacement	1.93	4.44	6.98	5.02	4.60	29.68	52.66
Paramedic Stations - Rehab & Replacement	0.34	0.14	0.36	0.46	0.39	2.88	4.56
Landfill - Rehab & Replacement	0.38	0.48	0.76	0.15	0.65	2.56	4.97
Bethany Residence - Rehab & Replacement	0.13	0.62	0.56	0.59	0.35	0.83	3.06
1400 Plains Road - Rehab & Replacement	0.86	0.49	0.25	0.26	1.47	0.73	4.05
Childcare Centres - Rehab & Replacement	0.49	0.10	0.16	0.17	0.88	0.26	2.05
North Operational Centre - Rehab & Replacement	0.40	0.52	0.57	2.29	0.41	1.09	5.28
Woodlands Operational Centre - Rehab & Replacement	0.70	0.10	0.07	0.07	0.10	4.74	5.77
Facility Rehab & Replacement - Other	2.11	2.05	0.93	0.58	1.43	5.93	13.02
Energy Program	-	0.10	0.10	0.10	0.10	0.50	0.90
Vehicles & Equipment	0.12	0.10	0.03	0.03	0.09	0.32	0.67
<b>Total</b>	<b>\$ 9.14</b>	<b>\$ 10.14</b>	<b>\$ 10.84</b>	<b>\$ 9.77</b>	<b>\$ 10.57</b>	<b>\$ 50.35</b>	<b>\$ 100.81</b>

Schedule may not add due to rounding.

The following are highlights of the 10-year program:

- \$99.2 million has been identified to facilitate ongoing building rehabilitation and replacement for all Regional facilities over the next 10 years.
- \$0.9 million is required for the 10-year Energy Management program to address energy reduction opportunities identified by energy audits performed on corporate facilities.

The Capital Construction & Realty Capital Program is financed from the Regional Facilities Replacement reserve and capital reserves. These reserves are replenished primarily from operating transfers recovered from program areas that benefit from the Capital Construction & Realty program. As a result, a total capital financing of \$6.8 million is included in the 2026 Budget.

The following table provides the key performance measures for the Capital Construction & Realty Division.

Capital Construction & Realty	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Property Acquisitions (Lease or Buy)	168	128	239	160	200
Number of Major Projects in Design or Construction	N/A	5	6	11	10

The number of property acquisitions is expected to increase and is subject to capital project funding availability. The number of major projects in design or construction is projected to be eleven in 2025, and includes:

- District 1 (Halton Regional Police Service Facility)
- Paramedic Services Headquarters
- Burloak Regional Waterfront Park Improvements – Phase 3 including a splash pad and washroom facility
- Burlington Beach Regional Waterfront Park Update
- Waste Management Expanded Cart Storage facility
- 363 Margaret (13 units, individual and family assisted living)
- Allendale (488 units, seniors' assisted-living)
- 284-314 Maurice (13 units, individual and family assisted living)
- 1258 Rebecca Street (14 units, seniors' assisted-living)
- 265 Kerr Street (52 units, seniors' assisted-living with a Community Wellness Hub), and
- 2404 Queensway Drive (4 Beds, Supportive housing)

The 2026 projection includes continuation of:

- District 1
- Paramedic Station Headquarters and North Hub
- Burloak Regional Waterfront Park
- Burlington Beach Regional Waterfront Park
- Waste Management Expanded Cart Storage facility
- 363 Margaret
- Allendale
- 284-314 Maurice
- 1258 Rebecca Street, and
- 265 Kerr Street

The **Communications & Customer Service** Division promotes Halton's brand through the delivery of timely and accessible information to residents and businesses. The team creates impactful marketing and communication campaigns to engage with the community, promote the Region's services and support the priorities of Regional Council. The team oversees media relations, manages all corporate channels, including [halton.ca](https://www.halton.ca), email marketing, community advertising, and social

media platforms, and provides internal, print, mail and corporate communications services to the organization. The division also includes the Access Halton team who are the first point of contact for community inquiries, providing high quality customer service and engagement excellence through phone, email, digital and in-person channels. Access Halton continues to receive the highest customer satisfaction ratings in the industry. The division also works collaboratively across the organization providing regular issues monitoring, strategic advice and urgent supports in response to critical matters and emergencies.

The 2026 Budget is increasing by \$240,000, or 3.6%, primarily due to personnel services cost increases. The 2026 budget also includes an increase of \$50,000 to support the Region meeting the digital accessibility standards under the *Accessibility for Ontarians with Disabilities Act* (AODA).

The following table provides the key performance measures for the Communications & Customer Service Division.

Communications and Customer Service	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total Service Requests	306,638	286,071	304,308	310,000	315,000
Number of Visits to Halton Region's Website (halton.ca) (000s)	3,767	2,857	2,943	3,140	3,235

The number of visits to the Halton Website in 2024 has increased and is expected to increase steadily in 2025 and 2026.

The **Energy, Fleet & Facilities** Division provides high-quality and cost-effective facility and fleet services. The division oversees and manages fleet and ancillary equipment, provides operational support and security services, and completes maintenance and repair work on regional facilities and HCHC housing stock. Energy, Fleet & Facilities provides customer service excellence by responding to service requests in a timely manner, delivering a comprehensive preventative maintenance program, conforming to codes and regulations, and adopting accepted industry standards and best practices. The 2026 Budget is increasing by \$847,000, or 3.4%, primarily due to increased capital financing costs related to corporate facility projects and a strategic investment proposed for 2.0 Maintenance Tenant Support Worker FTEs.

The following strategic investment for 2.0 FTEs is proposed to support the division:

- 2.0 **Maintenance Tenant Support Workers** (\$218,000, 1.0 FTE fully recovered from the HCHC budget for a net impact tax impact of \$109,000) are required to provide customer service and support to manage the growing volume of service requests resulting from growth in the for Corporate and HCHC facility portfolios. These roles will improve maintenance response times and ensure a safe and well-maintained living environment for the HCHC tenants.

The following table provides the key performance measures for the Energy, Fleet & Facilities Division.

Energy, Fleet & Facilities	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Total Service Area - Corporate Facilities and Social Housing Sq. Ft. (000s)	3,307	3,210	3,210	3,224	3,232

The **Human Resource Services** Division provides support to the Region and its programs in the attraction, engagement and retention of Regional staff. With an approximate average of 3,166 employees (excluding Police Services), the 2026 Budget includes 2,539.8 Full-time Equivalents (FTEs) and 234,781.9 relief hours. Human Resource Services provides support through developing, implementing and maintaining a fiscally responsible and market-competitive total compensation program. The division also provides labour relation expertise and ensures the Region maintains a legislatively compliant healthy and safe workplace with a focus on



employee physical and mental wellness. Human Resource Services ensures the Region has the required employees with the correct skill sets in place to enable it to serve residents. Since 2023, the Region has fully deployed a hybrid model of work, enhancing the Region's ability to attract and retain highly skilled employees and remain one of the GTA's top employers.

The 2026 Budget is increasing by \$252,000, or 3.6%, primarily due to increases in personnel services and other inflationary cost increases.

The following table provides the key performance measure for the Human Resource Services Division.

Human Resource Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
% of Voluntary Turnover of Permanent Positions per year	6.9%	6.5%	6.1%	6.1%	6.3%

The **Legal Services** Division is comprised of Legal, Emergency Management, Risk Management & Insurance Services, and the Office of the Regional Clerk & Council Services. Legal Services provides advice, counsel and legal representation to the Region and HCHC. Legal Services also provides services related to records, data & information, including freedom of information, privacy and records management. The Emergency Management program monitors for community emergencies and coordinates incident response across the organization and with local area partners, creates and publishes emergency preparedness public education materials for Halton residents, develops the Region's emergency response plans, and hosts exercises to ensure that Regional staff are ready to respond to community emergencies when they arise. In addition, the Emergency Management program's business continuity planning program works with corporate departments to ensure Regional services are maintained during emergency events and disruptions. Risk Management & Insurance administers the Region's insurance program, including for HCHC and the Halton Regional Police Service, minimizes the Region's liability loss exposure, and manages property and liability claims. The Office of the Regional Clerk & Council Services provides support to Regional Council, its Committees, and HCHC.

The 2026 Budget is increasing by \$375,000, or 3.1%, driven by an increase of \$102,000 in insurance premiums and paid claim losses, \$100,000 related to professional services for external legal support, as well as increases in personnel services and other inflationary cost increases. As a result of unfavourable market conditions, including global extreme weather events and catastrophes, along with inflationary pressures, insurance premiums have increased annually by an average of 16.8% over the last 5 years, and securing insurance coverage has become increasingly challenging. In addition, the Risk Management & Insurance area has continued to experience a substantial increase in its portfolio, driven by the increase in volume and complexity of claims, incidents, recoveries, subrogated claims, and the organization's need for general risk management support and advice.

The following table provides the key performance measures for the Legal Services Division.

Legal Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Property Damage or Personal Injury Claims Received	412	291	342	360	380
Number of Outstanding Property Damage or Personal Injury Claims	94	72	121	126	133
Number of Formal Freedom of Information (MFIPPA) Requests	52	64	52	65	60
Annual Emergency Exercises Completed	Yes	Yes	Yes	Yes	Yes

The number of claims received and outstanding claims have experienced peaks and troughs, but overall have remained relatively high due to population growth, construction and road widening projects, aging infrastructure, and an increased number of HCHC tenants. These claims are expected to increase in 2025 and 2026 based on prior year actual trends and future projections. Over time, the number of MFIPPA requests has remained relatively constant, with 2025 projected to increase and remain steady in 2026 based on prior year actual trends. Annual emergency exercises are completed annually as required by the *Emergency Management and Civil Protection Act*.

The **Supply Chain Management** Division is responsible for overseeing the procurement of goods, services and construction resources required by the Region in the delivery of the services mandated and approved through the annual Budget and Business Plan in an open, fair and transparent method. The division maintains and upholds the Council approved Procurement By-law by establishing and implementing policies, procedures and guidelines that result in delivering the by-law's objectives in an impartial, efficient and effective manner. The division also supports various essential Regional services through inventory management by maintaining and providing required materials, supplies and equipment to departments.

The 2026 Budget is increasing by \$394,000, or 9.6%, primarily due to a strategic investment proposed for 1.0 Senior Strategic Sourcing Specialist, as well as increases in personnel services and other inflationary cost increases.

The following strategic investment for 1.0 FTE is proposed to support the division:

- 1.0 **Senior Strategic Sourcing Specialist** (\$149,000, fully recovered from capital projects with no net tax impact), is required to support the Region's Digital & Information Services portfolio with ongoing operational requirements and the continued implementation of the Region's Digital Strategy. This role will facilitate high-value, complex procurements in compliance with the Region's Procurement By-law, act as the lead negotiator for these procurements, and support the development of the Digital & Information Services' business plans.

The following table provides the key performance measure for the Supply Chain Management Division; the number of public procurements is projected to increase in 2026.

Supply Chain Management	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Public Procurements per Year	225	229	212	223	235

The 2026 Budget also provides funding to support the following capital project:

Supply Chain Management Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 35	Total
Vehicles - New & Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.18	\$ 0.18
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.18</b>	<b>\$ 0.18</b>

Schedule may not add due to rounding.

The total 10-year Capital Program Budget allocated for Supply Chain Management is \$0.18 million to support vehicles and equipment. This program is financed from the Tax Capital reserve.

## Digital & Information Services

The Digital & Information Services Department's primary focus is delivering the Region's Digital Strategy and maintaining sustainable operating models for the Region's core platforms, strategic and legacy applications. The Region's objective of becoming a "digital first", data-driven organization is enabled through enhancing the Region's resident-facing and internal technology services. The department guides the Region's transition to a self-serve, digitally powered service model that leverages data to support continuous improvement. Operating Technology initiatives such as automatic meter reading (AMI), advanced traffic management (ATMS) and the continued investment in the Region's automation technology (SCADA) require integration with traditional Information Technology and increased cybersecurity focus. Additional priorities include providing ongoing services to program areas, business process enhancements, the introduction of smart technologies, and other key initiatives.

The 2026 Digital & Information Services Budget reflects a net increase of \$2.8 million, or 8.7%, over the 2025 Budget, primarily due to an increase of \$1.5 million for subscription-based software costs to support the continued implementation of the Digital Strategy. A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents, business, and staff. The strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. The 2026 Budget also includes strategic investments proposed for 3.0 FTEs as well as a \$293,000 increase in capital financing costs to support corporate and program-specific projects.

Digital & Information Services Departmental Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Digital & Information Services	30,055	5,312	35,367	(116)	35,251	32,434	2,817	8.7%	
<b>Program Costs</b>	<b>\$ 30,055</b>	<b>\$ 5,312</b>	<b>\$ 35,367</b>	<b>\$ (116)</b>	<b>\$ 35,251</b>	<b>\$ 32,434</b>	<b>\$ 2,817</b>	<b>8.7%</b>	
Program Recoveries					(35,251)	(32,434)	(2,817)	8.7%	
<b>Total</b>	<b>\$ 30,055</b>	<b>\$ 5,312</b>	<b>\$ 35,367</b>	<b>\$ (116)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	
2025 Budget	\$ 27,588	\$ 5,037	\$ 32,625	\$ (191)	\$ -				
\$ Change	2,467	275	2,742	75	-				
% Change	8.9%	5.5%	8.4%	-39%	-				
<b>FTE</b>					<b>96.0</b>	<b>93.0</b>	<b>3.0</b>	<b>3.2%</b>	

Schedule may not add due to rounding

The following strategic investments for 3.0 FTEs (\$455,000) proposed in the 2026 Budget are discussed below:

- 1.0 FTE **Technical Lead** (\$163,000) is required to provide technical leadership in digital transformation projects, with particular emphasis on SAP/SuccessFactors knowledge and institutional knowledge about Halton's technical landscape of nearly 300 applications. Every release implementation will require a Technical Lead with sound technical knowledge in SAP/SuccessFactors/Salesforce, institutional knowledge of Halton's broader technical landscape, and leadership skills to activate various technical subject matter experts at Halton and with external vendor(s). This position will provide the technical knowledge and leadership that is required for the SAP Release 1 (and subsequent releases) to proceed successfully and be sustained, in alignment with the Digital Strategy.

- **1.0 FTE Data Management & Cutover Specialist** (\$146,000) is required to oversee application data and check for accuracy, consistency and readiness for use in the new system. The role will also be responsible for data modeling and governance, data cleansing, transformation and migration, data loading and testing, and provide cutover/go-live support. This position is critical in ensuring that the SAP data is accurate, accessible, secure, and usable, ultimately enabling better decision-making, operational efficiency, and compliance for Halton users at large. A strong data foundation is a critical success factor for each SAP release and will ensure the long-term digital transformation is successful at Halton.
- **1.0 FTE Change Management Specialist** (\$146,000) is required to provide change management and training expertise, management of community engagement, and management of the change agent networks. This position will support the delivery of Halton's "Deliver Digital" roadmap by providing change management methodology to the organization, ensuring that stakeholders adopt and effectively use new SAP functionality in a sustained manner, in alignment with the Digital Strategy.

The Cyber Security Team was established as a corporate, Regional function within the Digital & Information Services Department responsible for protecting the availability, veracity, and (where appropriate) confidentiality of digital services and data provided by the department to the organization, partners and residents of Halton Region.

The Digital & Information Services Department is comprised of three divisions as discussed below.

The **Digital Transformation** Division acts as a strategic partner in transformative service initiatives with a focus on coordinating, planning, and delivering Halton Region's resident facing and internal digital service initiatives and leveraging the Region's core platforms (Microsoft365, SAP and Salesforce) and strategic applications to create efficiencies. The division provides project management services for the entire Digital & Information Services Department through a project management office with consistent project delivery methodology, milestones and quality gates. The division's resident facing digital services work includes setting standards for online service delivery including a customer relationship management (CRM) system that can support the Region's digital service aspirations and delivering a range of new digital services. The division supports planning, integrating and delivering systems and digital platforms effectively.

The **Digital Operations** Division is responsible for provisioning, managing and maintaining the Region's core digital information and technology infrastructure, applications, assets and services. The team maintains and supports more than 370 software applications and 10,000 hardware assets in a state-of-good-repair and provides secure, reliable access to these assets and services. The division is responsible for executing an application modernization and consolidation program to reduce the Region's technology footprint and for delivering new modern digital services to support both the front-office and back-office platforms including both the Internet of Things (IoT) and cloud services. Operating Technology initiatives such as automatic meter reading (AMI), advanced traffic management (ATMS) and the continued investment in the Region's automation technology (SCADA) require integration with traditional Information Technology and increased cybersecurity focus.

The **Digital Strategy** Division is responsible for developing and maintaining Halton's Digital Strategy, establishing a Digital First technology architecture and subsequent updates. The Strategy, Product Management and Architecture function ensures alignment of the department's initiatives with the Region's Business Strategic Plan, develops and maintains roadmaps for the Region's core platforms (Microsoft365, SAP and Salesforce) and strategic applications. The Digital Strategy Division is responsible for the relationship with regional departments through the Business Relationship Management function to ensure that digital initiatives are aligned with the Region's Strategic Plan and departmental objectives.

The \$80.4 million 10-year Digital & Information Services Capital Program is \$8.2 million lower than the 2025 program, primarily due to budget rationalization in the Operations and Transformation Capital Programs.

Digital & Information Services Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 2035	Total
Operations	\$ 1.01	\$ 2.86	\$ 4.12	\$ 3.47	\$ 3.30	\$ 14.42	\$ 29.19
Transformation	5.20	5.75	3.90	3.88	4.03	16.00	38.75
Security	0.50	0.35	0.35	0.35	0.35	1.75	3.65
Strategy	-	0.21	0.21	0.21	0.21	0.83	1.67
Program Specific	0.07	0.17	0.87	0.52	0.18	1.02	2.83
Rate Program Specific	0.34	0.62	0.35	0.42	0.42	2.12	4.26
<b>Total</b>	<b>\$ 7.12</b>	<b>\$ 9.96</b>	<b>\$ 9.79</b>	<b>\$ 8.84</b>	<b>\$ 8.48</b>	<b>\$ 36.16</b>	<b>\$ 80.35</b>

Schedule may not add due to rounding.

The 2026 Digital & Information Services Capital Budget has decreased by \$4.5 million over the 2026 Forecast from the 2025 Budget primarily due to the decreases in the Digital Operations Capital Program. The Capital Program is initially funded from the Technology Replacement Reserve which is replenished by operating transfers that the Department recovers from program areas. A total of \$5.1 million in capital financing (i.e. transfers to reserves) is budgeted in 2026. This represents a \$293,000 increase, or 6.1%, from the 2025 Budget to support corporate initiatives (new and replacement hardware, software, and infrastructure) and program-specific projects for Paramedic Services, Housing Services, and Long-Term Care. The 10-year financing plan ensures that the Technology Replacement Reserve is maintained at levels to ensure financial sustainability and is projected to increase each year over the forecast period. The operating contributions to reserves will continually be reviewed as part of the asset management plan.

The following table provides the key performance measures for the Digital & Information Services Department.

Digital & Information Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of IT Devices Supported	5,022	4,211	4,278	4,305	4,340
Number of Digital Transactions	3,006,476	1,891,818	1,702,311	1,688,516	1,600,000
Number of Services that can be Accessed Online	85	87	87	87	91

The increase in the number of IT devices supported is due to the implementation of the Mobile Access Strategy, HRC Modernization, and Digital Access Strategy as the Region steadily grows. The number of devices supported has remained consistent with prior year levels and is projected to slightly increase in 2025 and 2026. The number of digital transactions decreased significantly in 2023 due to the discontinuation of the COVID-19 vaccine appointment booking, returning to historic levels in 2024 and is expected to remain at these levels in 2025 and 2026. The number of services that can be accessed online is projected to increase due to streamlining of processes and the introduction of new digital services. In response to the COVID-19 pandemic in 2020, Regional staff enhanced online access to Regional services. These initiatives are continuing throughout 2025 and are expected to further expand in 2026.

## Finance

The 2026 Finance Department Budget is increasing by \$584,000, or 4.3%, over the 2025 Budget, primarily due to increases in personnel services costs, as well to reflect current contractual and usage costs related to banking and investment service charges.

Finance Departmental Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Finance	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
Budgets & Tax Policy	\$ 3,932	\$ 3	\$ 3,935	\$ -	\$ 3,935	\$ 3,798	\$ 137	3.6%	
Capital & Development Financing	3,691	33	3,724	(592)	3,132	2,898	234	8.1%	
Financial Services & Payroll	7,303	7	7,311	(123)	7,187	6,974	213	3.1%	
<b>Program Costs</b>	<b>\$ 14,926</b>	<b>\$ 44</b>	<b>\$ 14,970</b>	<b>\$ (715)</b>	<b>\$ 14,254</b>	<b>\$ 13,671</b>	<b>\$ 584</b>	<b>4.3%</b>	
Program Recoveries	-	-	-	-	(14,254)	(13,671)	(584)	4.3%	
<b>Total</b>	<b>\$ 14,926</b>	<b>\$ 44</b>	<b>\$ 14,970</b>	<b>\$ (715)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	
2025 Budget	\$ 14,343	\$ 42	\$ 14,386	\$ (715)	\$ -				
\$ Change	583	1	584	-	-				
% Change	4.1%	3.1%	4.1%	-	-				
<b>FTE</b>					<b>94.0</b>	<b>94.0</b>	<b>0.0</b>	<b>0.0%</b>	

Schedule may not add due to rounding

The **Budgets & Tax Policy** Division prepares and monitors the operating component of the annual Budget and Business Plan, develops and maintains financial policies and plans to ensure the Region's Business Plan is financially sustainable in conjunction with the Capital & Development Financing Division, and prepares and implements Tax Policy in consultation with Halton Region's Local Municipalities. The division works with departments to develop business cases for new operating initiatives and monitors the annual budget performance through variance and ministry reporting. The 2026 Budget is increasing by \$137,000, or 3.6%, due to increases in personnel services costs.

The **Capital & Development Financing** Division prepares and monitors the capital component of the annual Budget and Business Plan, develops and maintains financial policies and plans to ensure the Region's Business Plan is financially sustainable in conjunction with the Budgets & Tax Policy Division, works with departments to develop sustainable financing strategies to fund capital projects in alignment with the Strategic Business Plan approved by Council, updates the Development Charge (DC) by-laws and coordinates the Allocation Programs, leads the annual credit rating review process, and prepares and implements development financing plans to ensure that the cost of growth-related infrastructure does not impact tax/rate payers to the extent possible under the *Development Charges Act*. The division also provides investment services for the Region's \$3.117 billion investment portfolio and issues debentures as needed to meet the financing requirements of the Region and Local Municipalities as approved by Regional Council. The 2026 Budget is increasing by \$234,000, or 8.1%, due to increases in personnel services costs, as well as to reflect current contractual and usage costs related to investment service charges.

The **Financial Services & Payroll** Division maintains the Region’s financial records in compliance with legislation and in accordance with Canadian Public Sector Accounting Standards for the preparation of the annual consolidated financial statements and is responsible for preparing HCHC’s budget and financial statements. In addition, the division prepares ministry reports such as the Financial Information Return and Annual Financial Report. The division manages the water and wastewater billing service contract with the four Local Distribution Companies (LDCs) and also provides payroll services to approximately 3,533 full-time equivalents, including Police Services (2024 FIR), in compliance with legislation, collective agreements, and benefit programs. The 2026 Budget is increasing by \$213,000, or 3.1%, due to increases in personnel services costs, as well as to reflect current contractual and usage costs related to banking service charges.

The following table provides the key performance measures for the Finance Department.

Finance	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Region's Credit Rating	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa
Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes	Yes
GFOA Canadian Award for Financial Reporting	Yes	Yes	Yes	Yes	Yes
Gross % Realized Return on the Total Internally Managed Investment Portfolio	2.4%	2.9%	3.1%	3.3%	3.2%

The Region’s AAA/Aaa credit rating has been maintained in 2025, which is a testament to the financial position, policies and practices of the Region. Halton Region has successfully continued to receive the Government Financial Officers Association (GFOA) Awards for the annual budget and financial report, which demonstrates that the budget and annual financial results that are presented to Halton’s tax and rate payers are clear and easy to understand, and meet the highest principles of governmental budgeting and financial reporting. The Realized Rate of Return on the Total Internally Managed Investment Portfolio is projected to be 3.2% for 2026.



## Office of the Chair & Regional Council

The 2026 Office of the Chair & Regional Council Budget reflects an increase of \$37,000, or 1.7%, over the 2025 Budget, primarily due to increases in dues and membership fees, and inflationary personnel services cost increases.

Office of the Chair & Regional Council Departmental Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Office of the Chair &amp; Regional Council</b>									
Office of the Chair	\$ 314	\$ 14	\$ 328	\$ -	\$ 328	\$ 319	\$ 9	2.9%	
Regional Council	1,942	5	1,947	-	1,947	1,919	28	1.5%	
<b>Program Costs</b>	<b>\$ 2,257</b>	<b>\$ 18</b>	<b>\$ 2,275</b>	<b>\$ -</b>	<b>\$ 2,275</b>	<b>\$ 2,238</b>	<b>\$ 37</b>	<b>1.7%</b>	
Program Recoveries - Rate	-	-	-	-	(718)	(722)	4	-0.5%	
Program Recoveries - Tax (Regional Governance & Fiscal Transactions)	-	-	-	-	(1,557)	(1,516)	(41)	2.7%	
<b>Total</b>	<b>\$ 2,257</b>	<b>\$ 18</b>	<b>\$ 2,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>
2025 Budget	\$ 2,221	\$ 17	\$ 2,238	\$ -	\$ -				
\$ Change	36	2	37	-	-				
% Change	1.6%	9.8%	1.7%	-	-				
<b>FTE</b>					<b>1.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0%</b>	

Schedule may not add due to rounding

The **Office of the Chair** includes the Regional Chair, a directly elected position who is the head of Regional Council and is the Chief Executive Officer of the Regional Corporation. The 2026 Budget is increasing by \$9,000, or 2.9%, due to inflationary personnel services cost increases.

**Regional Council** is comprised of 24 members, including the Regional Chair, who have been elected to represent the residents of Halton for a 4-year term from 2022 to 2026. The 2026 Budget is increasing by \$28,000, or 1.5%, primarily due to increases in Halton's membership fees for the Association of Municipalities of Ontario and the Federation of Canadian Municipalities, as well as inflationary personnel services cost increases.

# Halton Region

## Budget and Business Plan



### TAX OVERVIEW

### SMALL BUSINESS CENTRE & HERITAGE SERVICES

# Small Business Centre & Heritage Services

Small Business Centre facilitates small business growth, thereby contributing to job creation in Halton. Services to support Halton entrepreneurs, small business owners and agricultural businesses to start up, grow their businesses and expand into global markets are provided through the Small Business Enterprise Centre.

Heritage Services will cease to be delivered by Halton Region effective January 1 2026, as approved through Confidential Report No. CA-13-25 (re: “Service Delivery Updates”).

## Budget Impacts

The Small Business Centre & Heritage Services 2026 Budget reflects a net decrease of \$1.2 million, or -46.0%, over the 2025 Budget primarily due to the cessation of Heritage Services delivered by Halton Region as of January 1, 2026.

Small Business Centre & Heritage Services Divisional Summary (\$000s)								
	2026 Budget					2025 Budget	Change	
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025	
<b>Small Business Centre &amp; Heritage Services</b>								
Facilitate Small Business Growth	\$ 907	\$ 695	\$ 1,602	\$ (215)	\$ 1,387	\$ 1,550	\$ (163)	-10.5%
Heritage Services	450	(450)	-	-	-	1,017	(1,017)	-100.0%
<b>Total</b>	<b>\$ 1,357</b>	<b>\$ 245</b>	<b>\$ 1,602</b>	<b>\$ (215)</b>	<b>\$ 1,387</b>	<b>\$ 2,568</b>	<b>\$ (1,181)</b>	<b>-46.0%</b>
2025 Budget	\$ 1,565	\$ 1,217	\$ 2,782	\$ (215)	\$ 2,568			
\$ Change	(208)	(972)	(1,180)	(1)	(1,181)			
% Change	-13.3%	-79.8%	-42.4%	0.4%	-46.0%			
<b>FTE</b>					<b>5.0</b>	<b>9.0</b>	<b>-4.0</b>	<b>-44.4%</b>

Schedule may not add due to rounding

**Facilitate Small Business Growth** provides small business support services and resources and cycling tourism to foster small business growth. The Region’s Small Business Enterprise Centre provides support services to help Halton entrepreneurs, small business owners and agricultural businesses to start-up and to grow their businesses. The Global Business Centre program helps business owners expand into global markets. Services include free one-on-one business consultations, programs for starting, managing or growing a small business, exporting support, small business recovery services and entrepreneurial training programs. The 2026 Budget is decreasing by \$163,000, or -10.5%, due to a reduced allocation of corporate support charges due to decreased usage of office square footage, technology, and communications support.

As shown in the following table, the Small Business Centre continues to support the Halton business community, assisting 1,607 local entrepreneurs with their business start-up, growth and recovery in 2024, and projected to increase in 2025 and 2026. There remains a continued focus on start-ups, business growth and a renewed focus to support local entrepreneurs to expand internationally. The number of unique consultations is expected to almost double in 2025 due to increased

demand from local businesses to explore international opportunities. The Global Business Centre expects to host more in-person events in 2026 which will further contribute to the growth in consultations. With respect to cycling tourism and small business growth, the number of bicycle friendly businesses in Halton designated under the Ontario by Bike program has been growing steadily and is expected to increase in 2025 and 2026.

Facilitate Small Business Growth	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Unique Small Business Consultations Conducted Annually	1,100	1,339	1,607	1,650	1,700
Number of Unique Global Business Centre Consultations Conducted Annually	20	22	28	60	65
Number of Bicycle Friendly Businesses in Halton Designated Under the Ontario By Bike Program	75	83	81	85	85

**Heritage Services** supported local heritage and community organizations through advisory services, professional education and networking. Heritage Services also collaborated to deliver heritage exhibitions, facilitated learning and engagement activities across Halton Region, and managed and preserved the Region's historical collection.

At its meeting on July 9, 2025, through Confidential Report CA-13-25, Council was provided with an update on the review of Heritage Services and the Region's historical collection. As reported in **Attachment #1** to CA-13-25 (Confidentiality Lifted at Regional Council on July 9, 2025), staff were directed to deaccession items from the Region's historical collection, cease delivering heritages services as of January 1, 2026, and work with the Local Municipalities and local community heritage organizations to address any impacts or opportunities resulting from these changes. It is anticipated that deaccessioning will be a significant undertaking with an extended timeline. As such, one-time funding of \$450,000 is included in the 2026 Budget to support the deaccessioning and dispersal processes, funded by a transfer from the Tax Stabilization reserve with no net tax impact. Staff will provide Council with updates on the implementation progress as required.

The 2026 Budget is decreasing by \$1.0 million and 4.0 FTEs due to the cessation of the heritage services delivered by Halton Region as of January 1, 2026. Of this amount, \$682,000 is related to savings in direct costs mainly driven by the FTE reduction, and \$335,000 is related to chargebacks and other facility and technology support costs that have been reallocated to other program areas.

As shown in the following table, the number of Heritage Services partner projects declined in 2022 with the COVID-19 pandemic affecting local heritage partner operations and due to available staff capacity. Recovery in external programming has occurred since that time, but is predicted to be lower in 2025 with existing staffing levels as the service winds up. As noted above, heritage services will cease to be delivered by the Region as of January 1, 2026.

Heritage Services	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Heritage Network Partner Projects Completed Annually	3	27	55	25	N/A*
Heritage Network Partner Satisfaction Level with Heritage Network Partner Projects (%)	90%	95%	95%	95%	

\* services no longer provided by the Region effective January 1, 2026 (CA-13-25)

# Halton Region

## Budget and Business Plan

### TAX OVERVIEW

### REGIONAL GOVERNANCE & FISCAL TRANSACTIONS

# Regional Governance & Fiscal Transactions

## Budget Impacts

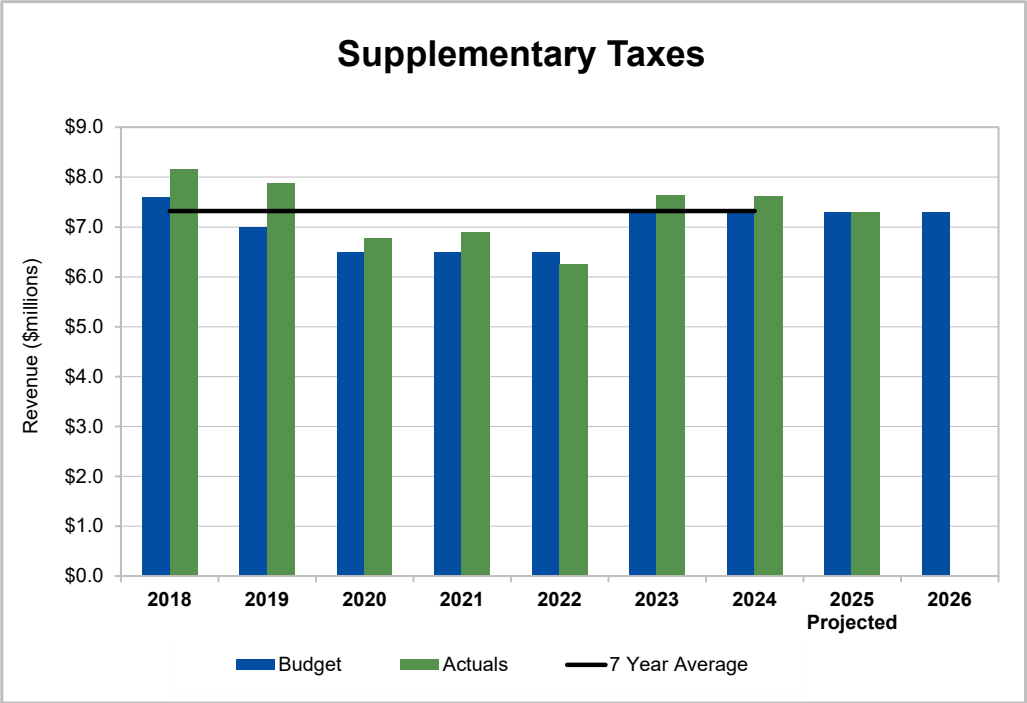
The 2026 Budget reflects an increase of \$1.4 million, or 4.6%, over the 2025 Budget mainly due to an increase of \$563,000 in the cost for the Municipal Property Assessment Corporation (MPAC) assessment services based on the MPAC's budgetary increases and Halton's apportionment, as well as a net impact of \$563,000 for 8.0 FTEs proposed as strategic investments for Corporate Administration, which will be allocated to the programs areas in the following year's budget. Additionally, there is an increase of \$130,000 in the chargeback of governance-related costs which are charged to Regional Governance & Fiscal Transactions for tax-supported services.

Regional Governance & Fiscal Transactions Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Tax Impact	Net Tax Impact	2026 - 2025		
<b>Regional Governance &amp; Fiscal Transactions</b>									
Supplementary Tax Revenue	\$ -	\$ -	\$ -	\$ (7,300)	\$ (7,300)	\$ (7,300)	\$ -	-	0.0%
Other Tax Revenue	-	-	-	(4,900)	(4,900)	(4,900)	-	-	0.0%
Tax Write-Off Provision	4,900	-	4,900	-	4,900	4,900	-	-	0.0%
Tax Policy Expenditures	628	-	628	-	628	628	-	-	0.0%
Assessment Services	10,891	-	10,891	-	10,891	10,328	563	5.5%	
<i>Provincial Offences Act</i> Revenue	-	-	-	(919)	(919)	(919)	-	-	0.0%
Net Interest Earnings	-	43,632	43,632	(61,610)	(17,978)	(17,978)	-	-	0.0%
Capital Financing & Other Expenditures	3,058	45,745	48,803	(10,100)	38,703	38,038	665	1.7%	
Regional Governance Chargeback	-	6,821	6,821	-	6,821	6,691	130	1.9%	
<b>Total</b>	<b>\$ 19,476</b>	<b>\$ 96,198</b>	<b>\$ 115,674</b>	<b>\$ (84,829)</b>	<b>\$ 30,845</b>	<b>\$ 29,487</b>	<b>\$ 1,358</b>	<b>4.6%</b>	
2025 Budget	18,856	95,466	114,321	(84,835)	29,487				
\$ Change	621	732	1,353	6	1,358				
% Change	3.3%	0.8%	1.2%	0.0%	4.6%				

Schedule may not add due to rounding

Supplementary Tax Revenue

Throughout the year, MPAC provides the Region with additions to the assessment roll for supplementary and/or omitted assessment, which generates supplementary tax revenue. This revenue is difficult to predict as it depends on the number of properties assessed by MPAC, general economic conditions, and the level of development within each Local Municipality. For this reason, many municipalities choose not to budget for supplementary tax revenue as a recurring source of revenue. The Region uses prior year actual trends as the basis for budgeting supplementary tax revenue. The 2026 Supplementary Tax Revenue Budget remains unchanged from the 2025 Budget of \$7.3 million, which reflects the 7-year actual trend as shown in the following chart.



Other Tax Revenue

Other Tax Revenue includes payments-in-lieu of taxes (PIL) and rights-of-way taxes (ROW) revenues. The Region receives provincially established PIL for various Federal and Provincial properties that are exempt from taxation, including hospitals, universities, colleges and correctional facilities. The Region also receives property taxes on railway and utility ROW based on a per acre rate set by the Province. The 2026 Other Tax Revenue Budget remains unchanged from the 2025 Budget of \$4.9 million, comprised of \$3.7 million for PIL revenues and \$1.2 million for ROW revenues, which reflects the 7-year actual trends. Staff will continue to monitor these tax revenues to determine whether any adjustments are needed in future budgets.



**Tax Write-Off Provision**

Tax write-offs are primarily due to CVA reductions, such as from a successful assessment appeal, change in use of a property, or demolition. They result in less revenue collected, putting pressure on the continued delivery of the Region’s core services. In recent years, owners of commercial and industrial properties have challenged the property assessment values as returned by MPAC through appeals to the Assessment Review Board (ARB). As a result of successful appeals between 2018 and 2024, the cumulative CVA loss on commercial and industrial properties amounted to \$4.2 billion. This decrease in the CVA results in an increase in the tax write-offs of the Region and Local Municipalities.

Future potential for additional tax write-offs is a risk for the Region. For the taxation years of 2018 to 2024, 23 commercial and industrial properties in Halton Region are currently under appeal with a CVA greater than \$15.0 million. To demonstrate the magnitude of risk, the total CVA under appeal pertaining to these properties for just the 2024 taxation year is \$1.7 billion. It is important to note that appeals with the ARB can include multiple taxation years, which would mean the potential for numerous years’ worth of tax write-offs resulting from one successful appeal.

To mitigate this risk, the 2026 Budget includes a Tax Write-Off Provision, which remains unchanged from the 2025 Budget at \$4.9 million. Over the past 10 years, actual tax write-offs have ranged from \$2.1 million to \$7.3 million per year, with an overall average of \$4.6 million over this time. Staff will continue to monitor the tax write-offs to determine whether any adjustments are needed in future budgets.

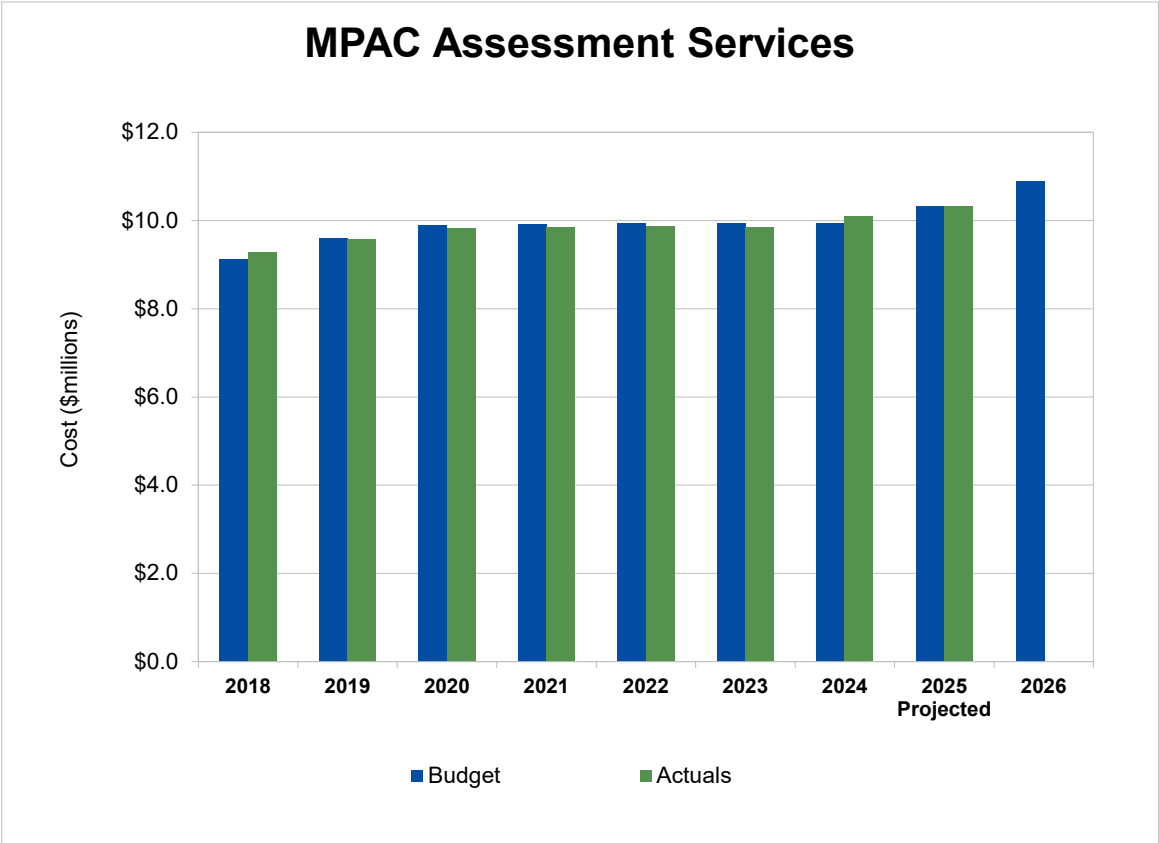
**Tax Policy Expenditures**

The tax relief programs offered by the Region include provincially-mandated and discretionary programs. The mandatory programs include a property tax increase deferral for eligible older adults or persons living with disabilities and rebates for charities. The discretionary programs include the full deferral of property taxes for eligible older adults, for which the Region pays the interest, as well as rebate programs such as the Region’s portion of the tax rebate for older adults provided by the Local Municipalities and rebates for eligible heritage properties. The 2026 Budget for tax relief programs remains unchanged from the 2025 Budget of \$628,000 as shown in the table below. Further details of the property tax relief programs available in Halton Region can be found in Halton’s **2025 Current Value Assessment (CVA) and Tax Policy Reference Manual**.

Tax Policy Expenditures	2025	2026	Change	
	Budget	Budget	2025 to 2026	
Rebates for Charitable Organizations	158,000	158,000	-	0%
Local Tax Rebate for Low-Income Older Adults and Low-Income Persons with Disabilities	220,000	220,000	-	0%
Local Tax Rebate for Eligible Heritage Property	50,000	50,000	-	0%
Older Adults Property Tax Deferral Programs	200,000	200,000	-	0%
<b>Total</b>	<b>\$ 628,000</b>	<b>\$ 628,000</b>	<b>\$ -</b>	<b>0%</b>

**Assessment Services**

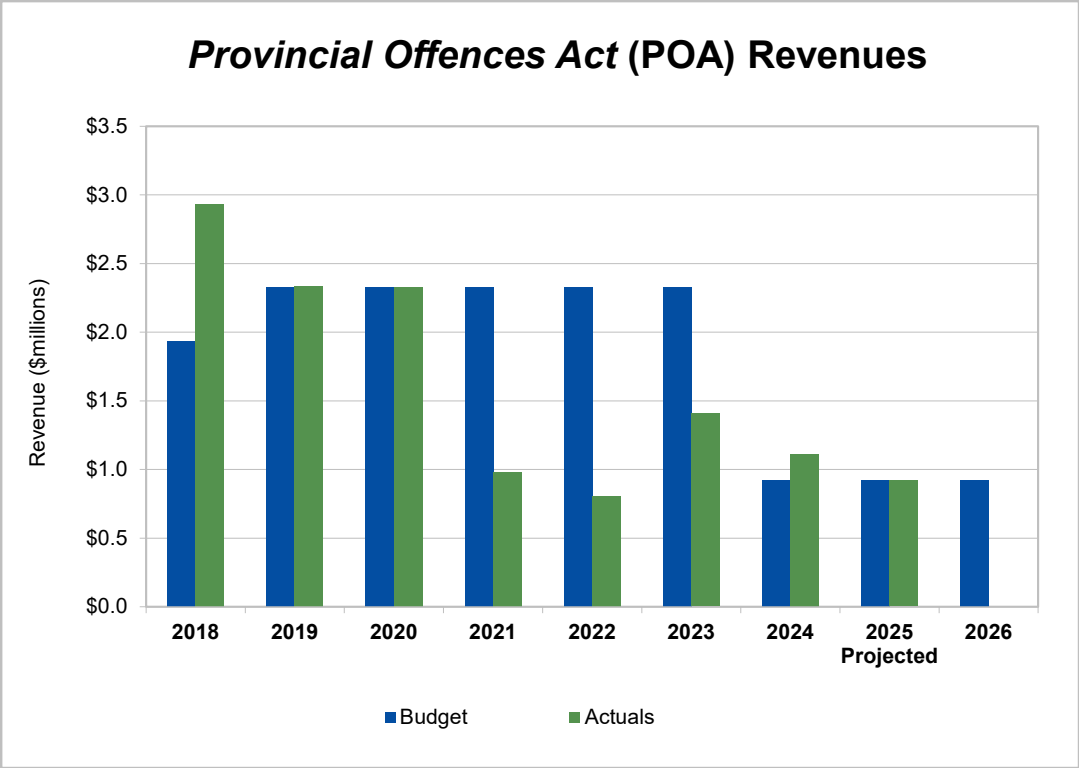
MPAC provides assessment services to the Region and Local Municipalities. The Region is responsible for paying for these services, the cost of which is based on Halton’s CVA in proportion to the Province’s CVA. Through this method, MPAC’s Budget is apportioned to all municipalities across Ontario. Therefore, factors affecting the cost of assessment services include MPAC’s budgetary increases and apportionment increases relating to Halton Region’s growth. The 2026 Budget for Assessment Services is increasing over the 2025 Budget by \$563,000 to align with MPAC’s increased costs and Halton’s growth.



**Provincial Offences Act (POA) Revenue**

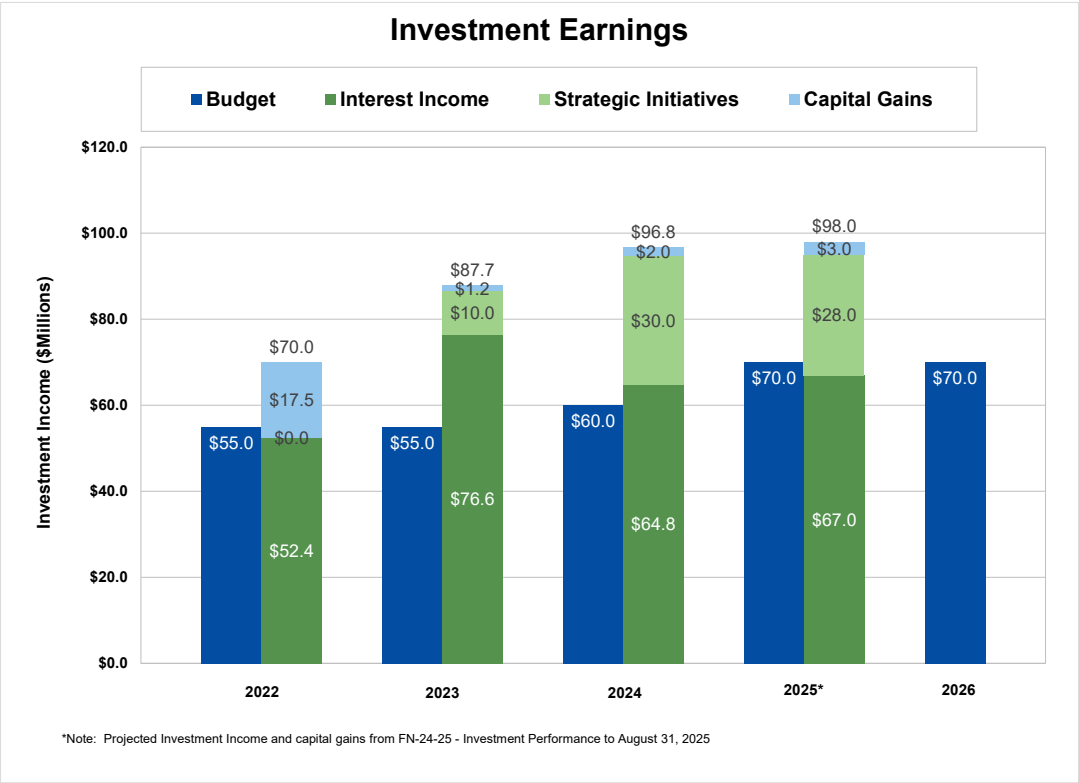
Halton Court Services (HCS) provide court services for offences related to the *Provincial Offences Act*. This act applies to all provincial statutes, as well as municipal bylaws and some minor federal contraventions, and it governs how charges are processed and prosecuted. HCS administers Part I, Part III, and Red Light Camera charges through the *Provincial Offences Act*. Part I charges reflect tickets that are generally related to minor infractions such as speeding, failing to wear a seatbelt, failing to surrender an insurance card etc., and various by-law offences. Part III charges generally reflect a summons, and often include criminal charges.

Net revenues generated from POA offences administered by HCS are shared between the Region and the Municipal Partners (City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville), with the Region’s share being 50%. POA Revenues dropped significantly as a result of the COVID-19 pandemic and related lockdowns, and the 2024 Budget was reduced to \$919,000 to reflect the actual trends. The 2026 Budget remains unchanged at \$919,000. Staff will continue to monitor the POA Revenues to determine whether any adjustments are needed in future budgets.



Net Interest Earnings

The gross revenue budget for Investment Earnings is based on general economic trends, the mix of investments in the Region’s portfolio, and the fluctuating balances in operating cash account, reserves, reserve funds and the capital fund. As part of the annual budget process, staff review trends and projections related to the Region’s investment performance. Based on this review, as shown in the chart below, the Region’s 2026 Budget for Investment Earnings has remained the same as the 2025 Budget at \$70.0 million. Of this revenue, \$42.7 million will be transferred directly to finance the Region’s State-of-Good-Repair Capital Programs, \$18.8 million for the tax supported operating budget, and \$8.4 million for the rate supported operating budget. As part of the annual budget process, staff review trends and projections related to the Region’s investment performance. It is expected that opportunities to generate higher interest earnings is temporary in the short-term, as the Bank of Canada has already started reducing interest rates from the highest levels in decades. In addition, the Region’s capital program is projected to be higher than in previous years due to the cumulative impact of increased prices and accelerated spending, which creates uncertainty in the longer-term investment forecast as capital dollars will be spent. Based on assumptions and sensitivities, the investment income budget remains at a sustainable revenue source of \$70.0 million reflecting an achievable target in the short-term as the market settles and inflation reduces.



The Region’s portfolio continues with strong investment returns, outperforming its benchmark during increased market volatility but as the labor market continues to weaken and shows signs of a significant slowdown, bond yields are likely to decline in response to the deteriorating economic outlook. This deceleration could have a substantial impact on future earnings. The global economic outlook has become increasingly uncertain as global trade relationships have been disrupted by U.S. trade policy. There are still unresolved geopolitical conflicts, which could further cloud the outlook. As well, the Canadian economy has been significantly impacted

by the trade conflict with the U.S. To support the weakening economy, the Bank of Canada resumed cutting interest rates at their October meeting, taking the overnight rate 25 basis points lower.

In previous years, favourable investment earnings have been directed to strategic initiatives through Council reports. Through Report No. **FN-01-24** (re: "2023 Year-End Accounting Transactions"), \$10.0 million was directed to the Housing-New Units Reserve (501620) to address the shortfall related to the removal of housing services from eligible services in the Development Charges Act, 1997 that was enacted through Bill 23. In 2024, through Report No. **CS-34-24/MO-19-24** (re: "Paramedic Services Facilities Development Update"), \$15.0 million was allocated towards the implementation of the Paramedic Services Master Plan; \$10.0 million for the Paramedic Services Headquarters, \$4.0 million for the design of the Paramedic Services – North Hub project, and \$1.0 million for the land acquisition for the Community Station projects. An additional \$15.0 million was directed to the Housing-New Units Reserve through Report No. **FN-03-25** (re: "2024 Year-End Accounting Transactions") to support the Region's Comprehensive Housing Strategy. In 2025, approved through Report No. **FN-24-25** (re: "Investment Performance to August 31, 2025") was the recommendation that net favourable investment earnings be utilized as partial financing for the new Paramedics Services Headquarter capital project (T5040A). The one-time funding transfer, estimated at \$28.0 million, will fund part of the construction works for the Paramedic Services Headquarters, reducing the capital financing pressure on the tax-supported budget.

Weaker economic growth and higher unemployment will most likely lead to lower interest rates in the near future, negatively impacting the interest earned on cash accounts and the yield on bond investments. Given this uncertain environment, the Region continues to closely monitor economic developments and actively manage its investment portfolio. The focus remains on preserving capital and maintaining liquidity, as guided by Council through the Region's Cash Management and Investment Policy as outlined through Report No. **FN-24-25** (re: "Investment Performance to August 31, 2025"). As part of the year-end process and in keeping with the Region's Reserve Policy as approved by Regional Council through Report No. CS-83-02 (re: "Regional Reserve Policy"), any residual surplus after the stabilization targets are met will be distributed to the appropriate Capital Reserves (Tax, Water or Wastewater). This amount is taken into consideration when reviewing reserve balances and transfers during the budget process. Investment earnings will be monitored throughout 2026 and recommendations will be brought forward to Council to direct temporary favourable earnings to strategic initiatives, if significant.

### **Capital Financing & Other Expenditures**

A significant component of the Capital Financing & Other Expenditures Budget is reserve transfers related to benefit obligations, corporate and capital initiatives and grant contributions. The 2026 Budget includes a net impact of \$563,000 for 8.0 FTEs proposed as strategic investments for Corporate Administration which will be allocated to the programs areas in the following year's budget.

Capital Financing has an overall net increase of \$56,000 of which \$99,000 is the payback to the Tax Stabilization reserve for the Credit Valley Conservation Authority's Black Creek Subwatershed and Hazard Tree Management programs, partially offset by a decrease of \$43,000 for the payback to the Tax Stabilization reserve related to the Emerald Ash Borer and Floodplain Mapping Programs, per the 2026 Financing Plan.

An increase of \$37,000 is also included in the 2026 Budget related to the Town of Oakville's new stormwater fee which is anticipated to be charged to Region-owned properties beginning in 2026. Additionally, an increase of \$10,000 in grants is included to support the Halton Region Federation of Agriculture (HRFA), on an interim basis in 2026 and 2027, to fund the HRFA Coordinator position.

The total Federal Canada Community-Building Fund (formerly Gas Tax) allocated to Halton is \$19.5 million in 2026 of which \$10.1 million is allocated to the Tax-Supported Budget to fund the Transportation State-of-Good-Repair Capital Program (\$9.0 million) and the Road Resurfacing Program (\$1.1 million). The remaining \$9.5 million is allocated to the Rate-Supported Budget to fund the Water and Wastewater State-of-Good-Repair Capital Program.

The 2026 Budget also includes a reduction of \$108,000 due to the removal of the one-time transfer to the Tax Stabilization reserve related to the surplus resulting from higher-than-anticipated assessment growth of 1.82% compared to the assumption of 1.80% that was reflected in the 2025 Budget.

### Regional Governance Chargeback

Regional Governance is comprised of the Office of the Chair, Regional Council, the CAO's Office, and the Regional Clerk & Council Services and Emergency Management which are part of the Corporate Services Department. Regional Governance costs are recovered from the rate-supported budget, and the Regional Governance & Fiscal Transactions budget for tax-supported services. As shown in the table below, in 2026 there is a \$235,000 increase in governance-related costs primarily due to inflationary cost increases applied where necessary to maintain service levels, of which \$130,000 is reflected in the chargeback in the tax-supported budget, and \$105,000 is reflected in the rate-supported budget.

Regional Governance Chargeback (\$000s)			
	2025	2026	Change
	Approved Budget	Requested Budget	2026 Requested / 2025 Approved
Office of the Chair	\$ 319	\$ 328	\$ 9
Regional Council	1,919	1,947	28
CAO's Office	6,470	6,639	169
Corporate Services			
Regional Clerk & Council Services	498	512	14
Emergency Management	514	530	15
<b>Total</b>	<b>\$ 9,720</b>	<b>\$ 9,955</b>	<b>\$ 235</b>
Program Recoveries - Rate	3,029	3,134	105
<b>Program Recoveries - Tax (Regional Governance &amp; Fiscal Transactions)</b>	<b>\$ 6,691</b>	<b>\$ 6,821</b>	<b>\$ 130</b>

## Capital Budget & Forecast

The 2026 Budget also provides funding to support the following capital projects.

Regional Governance & Fiscal Transactions Capital Program (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 35	Total
Burlington Waterfront Master Plan Implementation	\$ -	\$ 4.04	\$ -	\$ 3.50	\$ -	\$ -	\$ 7.54
Burlington Waterfront - Land Acquisition	4.70	0.85	-	-	-	-	5.55
Burloak Waterfront Park	1.10	-	-	-	-	-	1.10
<b>Total</b>	<b>\$ 5.80</b>	<b>\$ 4.89</b>	<b>\$ -</b>	<b>\$ 3.50</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14.19</b>

Schedule may not add due to rounding.

The total 10-year Capital Program Budget allocated for Regional Governance & Fiscal Transactions is \$14.19 million to support Halton's Waterfront. This Program is financed from the Tax Capital Reserve and Development Charges. The total capital financing to support the waterfront in the 2026 Budget totals \$5.8 million which has increased by \$5.7 million from the 2025 Budget. The increase is mainly related to additional costs required for the Burlington Beach Land Acquisition project.

# Halton Region

## Budget and Business Plan



**TAX OVERVIEW**

**BOARDS & AGENCIES**



# Boards & Agencies

Boards & Agencies consist of external entities to whom the Region provides funding. This includes Conservation Authorities, the Royal Botanical Gardens, and North Halton Mental Health Clinic (NHMHC), as outlined in the table below. Halton Regional Police Service (HRPS) is also included in this section due to the *Community Safety and Policing Act, 2019* which requires that Police Services Boards submit to Regional Council the operating and capital estimates to maintain the police service and provide it with the necessary equipment and facilities.

## Budget Impacts

The 2026 Boards & Agencies Budget is increasing by \$608,000, or 4.2% over 2025, with details provided below.

Boards & Agencies Halton Region Funding (\$000s)				
	2025	2026	Change	
	Approved Budget	Requested Budget	2026 Requested / 2025 Approved	
<b>Boards &amp; Agencies</b>				
Conservation Halton	\$ 11,006	\$ 11,480	\$ 474	4.3%
Credit Valley Conservation	748	766	18	2.5%
Grand River Conservation Authority	340	351	12	3.4%
<b>Conservation Authorities</b>	<b>\$ 12,094</b>	<b>\$ 12,598</b>	<b>\$ 504</b>	<b>4.2%</b>
Royal Botanical Gardens	921	944	23	2.5%
North Halton Mental Health Clinic	1,325	1,406	81	6.1%
<b>Total</b>	<b>\$ 14,340</b>	<b>\$ 14,948</b>	<b>\$ 608</b>	<b>4.2%</b>

Schedule may not add due to rounding

## Conservation Authorities

Conservation Authorities (CAs) receive funding from those municipalities that fall within their watershed in accordance with the *Conservation Authorities Act*, R.S.O. 1990, c. C.27, as amended (the "Act"). Halton Region provides funding to three CAs through a Municipal Levy: Conservation Halton, Credit Valley Conservation and Grand River Conservation Authority. The 2026 Budget for the Conservation Authorities is \$12.6 million, an increase of \$504,000 or 4.2% over the 2025 budget.

To support the Province's commitment to increase the supply of housing in Ontario, over the past several years the Province has introduced a series of legislative amendments as well as regulatory and policy changes. Many of the changes affecting Conservation Authorities have been incorporated into the Conservation Authorities' budgets for the last three years.

Changes to the way Conservation Authorities are funded became effective on January 1, 2024, with legislation setting out the following three categories to define programs and services:

- Category 1 Mandatory programs and services allow the municipal levy to be used without any agreement and is therefore not subject to a municipal agreement.
- Category 2 Municipal programs and services are subject to municipal approval and the municipal funding is through a memorandum of understanding (MOU) or other type of agreement.
- Category 3 includes other programs and services an Authority determines are advisable with alternate funding and may be funded using municipal funds through a cost apportioning agreement.

Halton Region's MOU with Conservation Authorities for non-mandatory programs and services was endorsed by Regional Council on November 22, 2023 through Report No. **CA-14-23** (re: "Conservation Authority Memorandums of Understanding").

Through Regional Report **CA-14-24** (re: "2024 Integrated Halton Planning System MOU: A New Model that Recognizes Changing Roles for Halton Municipalities") Council approved the MOU for an Integrated Halton Area Planning System which addresses the changes outlined in Bill 23 and Bill 185, the *Cutting Red Tape to Build More Homes Act, 2024*, related to the changing roles of the Region, Local Municipalities and Conservation Authorities. The legislation also included a Minister's Order for Conservation Authorities to freeze planning and permit review fees. This is the third year that the Conservation Authorities have received this Order. The Conservation Authorities' 2026 Budgets assume that the fee freeze will remain in effect for 2026.

On October 31, 2025, the Ontario government announced plans to introduce legislation to create the Ontario Provincial Conservation Agency (OPCA) to provide centralized leadership, efficient governance, strategic direction and oversight of all conservation authorities. Under OPCA, conservation authorities will continue to deliver existing programs such as protecting people and property from natural hazards, drinking water source protection and the management of lands and recreational trails, including public access to local natural areas, as well as other recreational and educational activities. OPCA will lead the implementation of developing a single digital permitting platform, streamlining and standardizing service delivery, and overseeing the implementation of a regional, watershed-based consolidation of conservation authorities. As part of this work, the Ontario government will consult with the public, municipalities, stakeholders, Indigenous communities and other partners. There are no anticipated impacts to the 2026 Budget requests from the Conservation Authorities at this time.

### Conservation Halton

Before apportionment, Conservation Halton's 2026 Municipal Levy increased by 4.1%, which is within the guideline of 4.3% provided by Regional Council through Report No. **FN-17-25**. The main drivers for the increase in Conservation Halton's 2026 Budget and the Municipal Levy request are related to personnel services, which account for 68% of their operating budget.

Halton Region's share of the total Municipal Levy request for 2026 is \$11.2 million based on an apportionment of 88.0300%. This represents an increase of \$447,000, or 4.2%, over the 2025 Municipal Levy. Conservation Halton's 2026 Budget request also includes \$155,000 for Benefit-Based Operating Funding to accelerate the flood hazard mapping project in Halton Region. Additionally, Conservation Halton included a request in the 2026 Budget for Benefit-Based Capital Funding of \$1.1 million which consists of:

- \$794,000 for Capital Project T5228A Conservation Halton – Emerald Ash Borer (approved through Report No. **FN-19-17** re: "Emerald Ash Borer Funding Request from Conservation Halton"), funded from the Tax Stabilization Reserve, with repayments from the Tax-Supported Operating Budget over a five-year period.
- \$224,960 for Capital Project T5230A Conservation Halton – Flood Hazard Mapping (approved through Report No. **FN-41-19** re: "2020 Budget Overview – Conservation Halton"), funded from the Tax Stabilization Reserve, with repayments from the Tax-Supported Operating Budget over a five-year period.

- \$130,000 for Capital Project T5240A Conservation Halton – Flood Hazard Mitigation to protect from natural hazard-related risks (approved through Report No. **FN-29-25** re: “2026 Budget Overview – Conservation Halton”) funded from the Tax Stabilization Reserve with repayments from the Tax-Supported Operating Budget.

The Conservation Halton Board of Directors approved the 2026 Budget on October 16, 2025. Further details on Conservation Halton’s 2026 Budget can be found in Report No. **FN-29-25** (re: “2026 Budget Overview – Conservation Halton”).

### **Credit Valley Conservation**

Before apportionment, Credit Valley Conservation’s 2026 Municipal Levy increased by 2.3%, which is within the guideline of 4.3% provided by Regional Council. The main drivers for the increase in Credit Valley Conservation’s 2026 Budget and the Municipal Levy request are related to personnel services, which accounts for 78% of their operating budget.

Credit Valley Conservation’s 2026 total Municipal Levy request from the Region is \$766,000, based on the Region’s apportionment of 5.2184% in 2026. This represents an increase of \$18,000, or 2.5%, over the 2025 Municipal Levy.

Through Report No. **FN-09-25** (re: “Funding Request from Credit Valley Conservation”), Council approved an additional Benefit-Based Funding Request from Credit Valley Conservation of \$2.1 million over 5 years to support unfunded projects for Black Creek Subwatershed and Hazard Tree Management, that fall within Halton Region’s watershed, of which \$495,000 is requested in the 2026 Budget. This request will be funded through capital projects in the Region’s budget (account T5238A - Credit Valley Conservation - Black Creek Subwatershed and account T5239A - Credit Valley Conservation - Hazard Tree Management) with transfers from the Tax Stabilization reserve. Repayments to the reserve are included in the Region’s 2026 Tax-Supported Operating Budget.

The Credit Valley Conservation 2026 Budget was endorsed by the Credit Valley Conservation Board of Directors on September 12, 2025 and will be considered for approval on February 13, 2026. Further details on Credit Valley Conservation’s 2026 Budget can be found in Report No. **FN-28-25** (re: “2026 Budget Overview – Credit Valley Conservation”).

### **Grand River Conservation Authority**

Before apportionment, Grand River Conservation Authority’s 2026 Municipal Levy increased by 3.5%, which is within the guideline of 4.3% provided by Regional Council. The main drivers for the increase in Grand River Conservation Authority’s 2026 Budget and the Municipal Levy request are related to administrative expense increases across Grand River Conservation Authority programs.

Halton Region’s share of the total Municipal Levy request based on the Region’s 2.4678% apportionment is \$351,000 for 2026, which reflects an increase of \$12,000 or 3.4% over the 2025 Municipal Levy. The Grand River Conservation Authority Board of Directors approved the first draft of the 2026 Budget on October 24, 2025 for consultation purposes, and will consider the 2026 Budget for approval on February 27, 2026. Further details on Grand River Conservation Authority’s 2026 Budget can be found in Report No. **FN-27-25** (re: “2026 Budget Overview – Grand River Conservation Authority”).

## **Royal Botanical Gardens (RBG)**

Royal Botanical Gardens (RBG) receives an operating grant from the Region and the City of Hamilton. The Region continues to provide funding to RBG at the rate of inflation. The Region’s contribution is budgeted to increase by 2.5%, or \$23,000, to a total of \$944,000 in the 2026 Budget.

## North Halton Mental Health Clinic (NHMHC)

Effective April 1, 2018, NHMHC was transferred from Halton Region to Halton Healthcare Services (HHS) as per Report No. MO-33-17. Pursuant to a funding agreement between the Region and HHS, an annual grant of \$1.4 million is being provided for NHMHC programming, which includes an increase of \$81,000 over the 2025 Budget to reflect increased lease costs. The Region has agreed to continue to support NHMHC until such time as additional mental health funding is secured by HHS for the transferred programs, which will be used to reduce the Region's annual contribution. Regional staff continue to work with HHS and Ontario Health to secure additional funding.

## Halton Regional Police Service (Police Services)

The Halton Regional Police Service (Police Services) 2026 budget request is \$252.4 million, an increase of \$19.4 million, or 8.3% over the 2025 approved budget which is above the guideline provided by Regional Council of 8.2% as set out in the 2026 Budget Directions (Report No. **FN-17-25**). The 2026 Police Services Budget was approved by the Halton Police Board on November 27, 2025. The increase is driven by contract-related compensation and benefits cost increases, resourcing requirements to address the policing needs of the growing Region, IT software costs, and capital financing requirements including an additional \$250,000 in the operating transfer to capital reserve to ensure there is sufficient capital funding to support a Public Safety Unit in 2026. The following table summarizes the 2026 Budget request. Further details can be found in Report No. **FN-26-25** (re: "2026 Budget Overview – Halton Regional Police Service").

Halton Regional Police Service Operating Budget Comparison by Cost Category (\$000s)								
	2025	2026			Change			
Halton Regional Police Service	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Personnel Services	\$ 199,364	\$ 213,031	\$ 1,537	\$ 214,569	\$ 13,668	6.9%	\$ 15,205	7.6%
Materials & Supplies	8,710	8,514	420	8,934	(196)	-2.2%	224	2.6%
Purchased Services	19,106	21,797	-	21,797	2,691	14.1%	2,691	14.1%
Financial & Rent Expenses	1,374	1,209	-	1,209	(165)	-12.0%	(165)	-12.0%
<b>Total Direct Costs</b>	<b>228,553</b>	<b>244,551</b>	<b>1,957</b>	<b>246,508</b>	<b>15,998</b>	<b>7.0%</b>	<b>17,955</b>	<b>7.9%</b>
Allocated Charges	2,990	3,121	-	3,121	131	4.4%	131	4.4%
<b>Gross Operating Expenditures</b>	<b>231,543</b>	<b>247,672</b>	<b>1,957</b>	<b>249,630</b>	<b>16,129</b>	<b>7.0%</b>	<b>18,086</b>	<b>7.8%</b>
Transfers to Reserves - Capital	9,790	11,165	-	11,165	1,375	14.0%	1,375	14.0%
Transfers from Reserves - Capital	(3,004)	(3,089)	-	(3,089)	(85)	2.8%	(85)	2.8%
Debt Charges	6,874	6,874	-	6,874	-	0.0%	-	0.0%
<b>Capital Financing Expenditures</b>	<b>13,660</b>	<b>14,950</b>	<b>-</b>	<b>14,950</b>	<b>1,290</b>	<b>9.4%</b>	<b>1,290</b>	<b>9.4%</b>
<b>Total Gross Expenditures</b>	<b>245,203</b>	<b>262,623</b>	<b>1,957</b>	<b>264,580</b>	<b>17,419</b>	<b>7.1%</b>	<b>19,377</b>	<b>7.9%</b>
Provincial Funding	(6,422)	(6,178)	-	(6,178)	244	-3.8%	244	-3.8%
Other Revenue	(5,792)	(6,000)	-	(6,000)	(208)	3.6%	(208)	3.6%
<b>Total Revenue</b>	<b>(12,214)</b>	<b>(12,178)</b>	<b>-</b>	<b>(12,178)</b>	<b>36</b>	<b>-0.3%</b>	<b>36</b>	<b>-0.3%</b>
<b>Net Program Expenditures</b>	<b>\$ 232,990</b>	<b>\$ 250,445</b>	<b>\$ 1,957</b>	<b>\$ 252,402</b>	<b>\$ 17,455</b>	<b>7.5%</b>	<b>\$ 19,412</b>	<b>8.3%</b>

Schedule may not add due to rounding

# Halton Region Budget and Business Plan

## | WATER & WASTEWATER OVERVIEW

# Water & Wastewater Budget Overview

## 2026 Operating Budget Summary

Water and Wastewater Services are fully funded by water and wastewater rates that include a usage charge which is based on the volume of water consumed and a fixed charge based on meter size. The fixed charge is designed to ensure the recovery of expenditures which do not vary based on usage, such as the cost of maintaining the water and wastewater infrastructure in a state-of-good-repair. The fixed service charge is an important part of the fee structure to ensure there is a stable source of funding to maintain the water and wastewater system, whether the service is used or not. The combination of a fixed and variable fee structure is a recommended industry best practice to ensure a reliable, sustainable source of revenue while also providing customers with control over spending and encouraging water conservation. In Halton, water and wastewater charges are billed on behalf of the Region on the electricity bills issued through the four Local Hydro Distribution Companies (Report No. **FN-17-22** (re: "Agreement for Water and Wastewater Billing and Collection Services - Contract Renewal with the Local Distribution Companies")). Industrial, commercial and institutional customers are typically billed monthly for water and wastewater services, and residential customers are typically billed bi-monthly.

As shown in the following table, the 2026 Water and Wastewater Rate-Supported Budget has a 6.0% increase, which is in line with the guideline set out in Report No. **FN-17-25** (re "2026 Budget Directions"). For a typical residential customer using 226 cubic metres (m<sup>3</sup>) of water per year, this will result in an additional \$71 annually in 2026 for combined water and wastewater charges.

Rate Impact					
On a Typical Residential Customer (226 m <sup>3</sup> / Year)					
	2025	2026	Change*		
	Budget	Budget	\$	%	
Water	\$ 545	\$ 577	\$ 32	5.8%	
Wastewater	628	667	39	6.3%	
<b>Total</b>	<b>\$ 1,173</b>	<b>\$ 1,244</b>	<b>\$ 71</b>	<b>6.0%</b>	

Schedule may not add due to rounding

\*Based on 0.0% consumption growth and 1.4% customer growth

As shown in the following table, the 2026 Budget for Water and Wastewater Services is increasing from \$268.3 million to \$286.3 million, an increase of \$18.0 million or 6.7%. This includes the base budget increase of \$16.6 million and net strategic investments of \$1.4 million that address operational and strategic priorities. Customer growth is estimated to be 1.4%, or \$1.8 million, while consumption growth is estimated at 0.0%, resulting in a net water and wastewater rate increase of \$16.2 million, or 6.0% for the 2026 Budget.

2026 Budget Summary (\$000s)					
	2025		2026		Change in Budget
	Approved Budget		Requested Budget		2026 Requested / 2025 Approved
Gross Operating Expenditures	\$ 138,936	\$	147,964	\$ 9,028	6.5%
Capital Financing Expenditures	152,494		161,615	9,120	6.0%
Gross Expenditures	\$ 291,431	\$	309,579	\$ 18,149	6.2%
Other Revenues	(23,093)		(23,263)	(169)	0.7%
<b>Net Program Impact</b>	<b>\$ 268,337</b>	<b>\$</b>	<b>286,317</b>	<b>\$ 17,979</b>	<b>6.7%</b>
Growth*				(1,781)	-0.7%
<b>Rate Increase</b>				<b>\$ 16,199</b>	<b>6.0%</b>

Schedule may not add due to rounding.

\* Includes 0.0% consumption growth and 1.4% customer growth

As outlined in the table above, operating costs are increasing by \$9.0 million, driven by inflationary costs and other projected increases mitigated with savings and efficiencies which are discussed in the following sections.

In addition, there is a \$9.1 million increase in capital financing expenditures which fund the Water and Wastewater State-of-Good-Repair capital program. The operating contributions for the existing Water and Wastewater State-of-Good-Repair capital program have increased by \$8.6 million based on the Public Works' Asset Management Plan. Further contributing to the increase is a \$478,500 increase in the transfer to vehicle reserve to support new and replacement vehicles.



Of the 6.0% rate increase, 3.0% is driven by capital financing required to support the State-of-Good-Repair capital program, 2.5% is required to operate and maintain the water and wastewater system and 0.5% to fund the enhancements to the Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**.

2026 Budget: Operating and Capital Financing Impact (\$000s)				
	Change in Budget			
	Net Program Impact	Growth*	With Growth*	Rate Impact
Net Operating Expenditures	\$ 7,505	\$ (743)	\$ 6,761	2.5%
Basement Flooding Mitigation Program	1,354	(134)	1,220	0.5%
Capital Financing	9,120	(903)	8,217	3.0%
<b>Net Impact</b>	<b>\$ 17,979</b>	<b>\$ (1,781)</b>	<b>\$ 16,199</b>	<b>6.0%</b>

Schedule may not add due to rounding.

\* Includes 0.0% consumption growth and 1.4% customer growth

The following table highlights the process undertaken to prepare the 2026 Rate-Supported Budget.

2026 Budget Process				
	Report	Date	Rate Increase	Consumption / Customer Growth
2026 Forecast	<b>FN-34-24</b>	December 11, 2024	5.0%	0.0% / 1.4%
2026 Budget Directions	<b>FN-17-25</b>	July 9, 2025	6.0%	0.0% / 1.4%
2026 Budget	<b>FN-31-25</b>	December 10, 2025	6.0%	0.0% / 1.4%

The 10-Year Operating Budget & Forecast in the 2025 Budget and Business Plan (Report No. **FN-34-24**) projected a rate increase of 5.0% in 2026. The forecast was developed based on existing program financing plans and program-specific assumptions with respect to expected inflationary and growth factors. For the 2026 Budget Directions (Report No. **FN-17-25**), the rate forecast budget model maintained the water consumption (0.0%) and customer growth (1.4%) projected in the forecast, and included capital financing based on Report No. **PW-14-25/FN-13-25** (re: “2025 Asset Management Plan and Updated Asset Management Policy”). Due to increased pressures required to operate and maintain the water and wastewater system, and additional funds required to enhance the Basement Flooding Mitigation Program, the target was increased to 6.0% from the 5.0% projection. Based on these factors, Council approved the 2026 Budget Directions with a rate increase not to exceed 6.0% for Water and Wastewater services.

Several times during the budget process, the base budget and proposed strategic investments were reviewed to ensure levels of service would be maintained and achieve Council priorities. These considerations are reflected in the 2026 Budget with a 6.0% rate increase.

## 2026 Water & Wastewater Operating Budget by Program

As shown in the following table, the 2026 Budget for Water and Wastewater Services is increasing from \$268.3 million to \$286.3 million, an increase of \$18.0 million or 6.7%. This includes a base budget increase of \$16.6 million, or 6.2%, and net strategic investments of \$1.4 million that align with Council priorities, address operational pressures and support the growth priorities of the Local Municipalities. When combined with 1.4% customer growth (\$1.8 million), this results in a net water and wastewater rate increase for the 2026 Budget of \$16.2 million, or 6.0%. The net expenditures shown below incorporate Corporate Administration costs to reflect the full cost of service delivery.

As discussed earlier, of the 6.0% increase, 3.0% relates to capital financing of the State-of-Good-Repair program, 2.5% is required to operate and maintain the water and wastewater system and 0.5% is required to fund enhancements to the Basement Flooding Mitigation Program. The changes in the 2026 Budget by program area are discussed in detail later in this section.

Net Operating Budget for Water & Wastewater Services (\$000s)								
	2025	2026			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Water Treatment and Distribution	\$ 56,968	\$ 60,831	\$ 108	\$ 60,940	\$ 3,863	6.8%	\$ 3,972	7.0%
Wastewater Collection and Treatment	68,377	72,004	1,260	73,264	3,628	5.3%	4,887	7.1%
Infrastructure Management	142,992	152,113	-	152,113	9,120	6.4%	9,120	6.4%
<b>Net Program Impact</b>	<b>\$ 268,337</b>	<b>\$ 284,948</b>	<b>\$ 1,368</b>	<b>\$ 286,317</b>	<b>\$ 16,611</b>	<b>6.2%</b>	<b>\$ 17,979</b>	<b>6.7%</b>
Growth							(1,781)	-0.7%
<b>Net Rate Increase</b>							<b>\$ 16,199</b>	<b>6.0%</b>

Schedule may not add due to rounding.

## 2026 Water & Wastewater Operating Budget by Cost Category

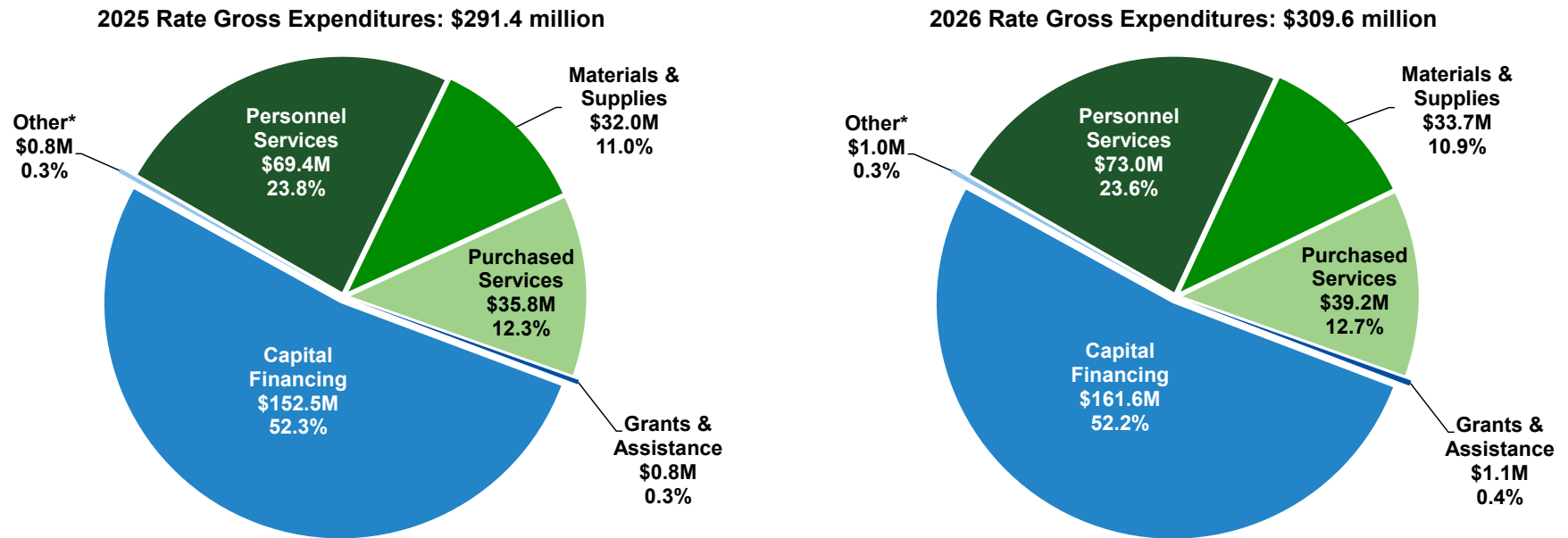
The following table provides a summary of expenditures and revenues by category.

Total Rate Operating Budget Comparison by Cost Category (\$000s)								
	2025	2026			Change			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Personnel Services	\$ 69,436	\$ 71,747	\$ 1,218	\$ 72,965	\$ 2,311	3.3%	\$ 3,529	5.1%
Materials & Supplies	31,968	33,661	33	33,695	1,693	5.3%	1,726	5.4%
Purchased Services	35,841	39,025	157	39,182	3,184	8.9%	3,341	9.3%
Financial & Rent Expenses	552	642	-	642	90	16.2%	90	16.2%
Grants & Assistance	849	1,141	-	1,141	293	34.5%	293	34.5%
<b>Total Direct Costs</b>	<b>138,646</b>	<b>146,217</b>	<b>1,408</b>	<b>147,625</b>	<b>7,571</b>	<b>5.5%</b>	<b>8,979</b>	<b>6.5%</b>
Allocated Charges/(Recoveries)	(23,204)	(24,326)	(40)	(24,366)	(1,121)	4.8%	(1,161)	5.0%
Corporate Support Charges	23,409	24,623	-	24,623	1,214	5.2%	1,214	5.2%
Transfers to Reserves - Operating	94	81	-	81	(12)	-12.9%	(12)	-12.9%
Transfers from Reserves - Operating	(9)	-	-	-	9	-100.0%	9	-100.0%
<b>Gross Operating Expenditures</b>	<b>138,936</b>	<b>146,596</b>	<b>1,368</b>	<b>147,964</b>	<b>7,660</b>	<b>5.5%</b>	<b>9,028</b>	<b>6.5%</b>
Capital Financing Expenditures	152,494	161,615	-	161,615	9,120	6.0%	9,120	6.0%
<b>Total Gross Expenditures</b>	<b>291,431</b>	<b>308,211</b>	<b>1,368</b>	<b>309,579</b>	<b>16,780</b>	<b>5.8%</b>	<b>18,149</b>	<b>6.2%</b>
Federal Funding	(9,482)	(9,482)	-	(9,482)	-	0.0%	-	0.0%
Other Revenues	(13,611)	(13,781)	-	(13,781)	(169)	1.2%	(169)	1.2%
<b>Total Revenue</b>	<b>(23,093)</b>	<b>(23,263)</b>	<b>-</b>	<b>(23,263)</b>	<b>(169)</b>	<b>0.7%</b>	<b>(169)</b>	<b>0.7%</b>
<b>Net Expenditures</b>	<b>\$ 268,337</b>	<b>\$ 284,948</b>	<b>\$ 1,368</b>	<b>\$ 286,317</b>	<b>\$ 16,611</b>	<b>6.2%</b>	<b>\$ 17,979</b>	<b>6.7%</b>
<b>Consumption Growth</b>								<b>0.0%</b>
<b>Customer Growth</b>								<b>1.4%</b>
<b>Rate Increase</b>								<b>6.0%</b>

Schedule may not add due to rounding.

## Expenditures

The following charts show the breakdown of the gross expenditures in the total 2026 Operating Budget for Regional Rate-Supported services of \$309.6 million by cost category, as well as a comparison to the breakdown in 2025.



\*Other Expenditures include Transfers to/from Operating Reserves, Corporate Support Charges, Recoveries, and Financial & Rent Expenses

Total gross expenditures are increasing by \$18.2 million (6.2%) in the 2026 Rate-Supported Budget, attributable to the following key changes:

### Personnel Services – \$3.5 million increase

As shown in the following table, compensation costs are proposed to increase by 5.08%, or \$3.4 million in 2026 as a result of:

- 3.33% or \$2.3 million in base budget compensation increases, comprised of the following:
  - 2.32%, or \$1.6 million increase to salary budget based on a 2.5% increase in the non-union pay band based on a pay-for-performance merit system and anticipated increases in union agreements and an increase in the budgeted percentage of job rate (from 95.0% to 95.5%) to reflect actual trends.
  - 1.01% or \$700,000 increase to benefit costs based on increases in statutory and other benefits calculated as a percentage of earnings.
- 1.75% or \$1.2 million increase for an additional 8.0 full-time equivalents (FTEs) recommended as strategic investments in the 2026 Budget. Of the 8.0 FTEs, 1.0 FTE is partially funded by recoveries from capital projects.

2026 Compensation Summary - Rate-Supported Regional Services						
	2024	2025	2026			
	Compensation Budget	Compensation Budget	Compensation Inc/(Dec)	Strategic Investments	Compensation Budget	Change
Infrastructure & Environmental Services	\$ 7,530,581	\$ 7,900,377	\$ 231,354	\$ 241,830	\$ 8,373,561	5.99%
Engineering & Construction	14,126,008	14,902,406	563,009	-	15,465,415	3.78%
Water & Wastewater System Services	18,992,319	20,640,845	686,155	843,161	22,170,161	7.41%
Water & Wastewater Treatment	24,528,131	25,992,425	830,806	132,913	26,956,144	3.71%
<b>Total</b>	<b>\$ 65,177,039</b>	<b>\$ 69,436,054</b>	<b>\$ 2,311,323</b>	<b>\$ 1,217,904</b>	<b>\$ 72,965,281</b>	<b>5.08%</b>
<b>Compensation Increase</b>			<b>3.33%</b>	<b>1.75%</b>	<b>5.08%</b>	

#### Staff Complement

As shown in the following table, the additional staff complement proposed in the 2026 Rate-Supported Budget as strategic investments is 8.0 FTEs or a 1.57% increase, which results in a total complement of 516.0 FTEs.

2026 Complement Summary - Rate-Supported Regional Services					
	2024	2025	2026		
	Budgeted Staff Complement	Budgeted Staff Complement	Strategic Investments	Budgeted Staff Complement	Change
Infrastructure & Environmental Services	54.0	54.0	2.0	56.0	3.70%
Engineering & Construction	100.0	101.0	-	101.0	0.00%
Water & Wastewater System Services	155.0	160.0	5.0	165.0	3.12%
Water & Wastewater Treatment	190.0	193.0	1.0	194.0	0.52%
<b>FTE</b>	<b>499.0</b>	<b>508.0</b>	<b>8.0</b>	<b>516.0</b>	<b>1.57%</b>

#### Materials & Supplies – \$1.7 million increase

- \$1.3 million increase for hydro due to higher rates.
- \$258,000 increase for potable water for cooling critical equipment at the Skyway Wastewater Treatment Plant.
- \$186,000 increase for materials from Regional Stores due to an increase in the number of jobs and repairs.
- \$119,000 increase for additional ultraviolet supplies required at the Mid-Halton WWTP.
- \$169,000 decrease in natural gas, gasoline and diesel due to the elimination of the carbon tax.

#### Purchased Services – \$3.3 million increase

- \$1.3 million increase for plant maintenance due to growth of the system increasing the number of assets to be maintained together with market increases in contract labour and material costs.
- \$1.1 million increase in contracted service due to higher costs for contract renewals and a greater number of jobs requiring larger, more complex repairs.
- \$431,000 increase in the Biosolids Haulage contract due to increased rates.

- \$165,000 increase due to the Town of Oakville's new stormwater fee which is anticipated to be charged to Regional Water & Wastewater facilities beginning in 2026.
- \$131,000 increase in water billing charges from Local Hydro Distribution Companies due to a 2.2% LDC fee increase and customer growth.
- \$125,000 increase in professional services primarily to support the Basement Flooding Mitigation Program.
- \$79,000 increase in property taxes based on an inflationary increase.

#### **Financial & Rent Expenses – \$90,000 increase**

- \$118,000 increase due to increased need for vehicle leases.
- \$29,000 decrease in equipment rentals due to decreased demand.

#### **Grants & Assistance – \$293,000 increase**

- \$326,000 increase to reflect the enhanced basement flooding subsidy amounts as approved through Report No. **PW-27-25/FN-20-25**.
- \$26,000 decrease due to the end of the Woodlands Stewardship Program.

#### **Allocated Charges/Recoveries – \$1.2 million increase in net recoveries**

- \$1.4 million increase in capital recoveries to reflect project delivery costs.
- \$213,000 increase in charges from the Tax-Supported Budget mainly related to increases in fleet services and Digital & Information Services.

#### **Corporate Support Charges – \$1.2 million increase**

- Increase required to support expanding needs, including additional resources acquired through the 2025 strategic investments, and the continued implementation of the Region's Digital Strategy.

#### **Transfers to Reserves – Operating – \$12,000 decrease**

- \$15,000 increase in transfer to reserves for the Regional Forestry program.
- \$27,000 decrease in reserve transfer based on a reduction of local improvement and service charge revenue.

#### **Transfers from Reserves – Operating – \$9,000 decrease**

- \$9,000 decrease transfer from reserves for the Regional Forestry program.

#### **Capital Financing Expenditures – \$9.1 million increase**

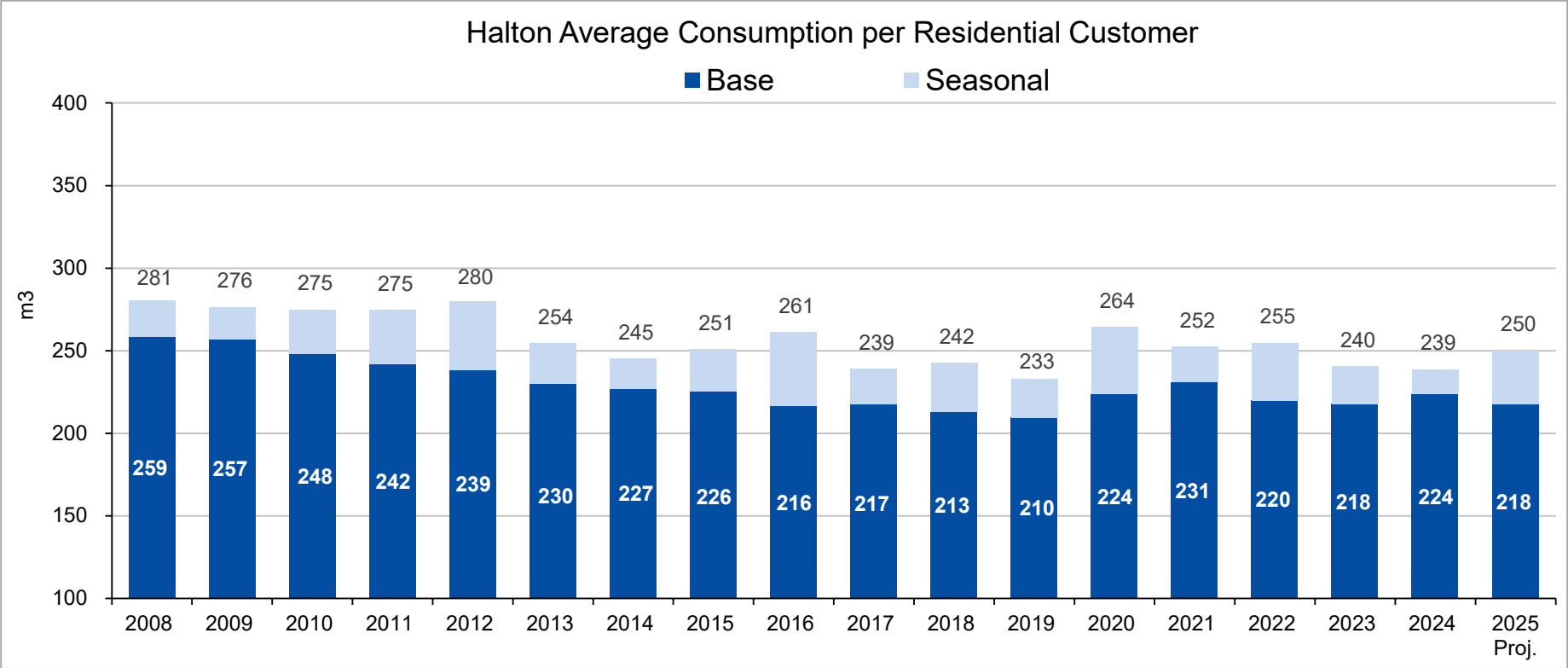
- \$8.6 million increase in transfers to capital reserves to support the Water and Wastewater State-of-Good-Repair capital program.
- \$480,000 increase to support new and replacement vehicles.

# Revenues

The \$309.6 million total gross expenditures in the Rate Budget are funded from water and wastewater utility revenues, program fees and other revenues.

**Utility Revenues** – shown in the following graph, during the COVID-19 pandemic, there was an increase in residential water consumption as a result of the shift to more residents working from home. This trend has continued post-pandemic, although water consumption is starting to normalize to pre-pandemic usage trends. As such, the 2026 Budget continues to reflect 5-year actual average seasonal conditions and pre-pandemic consumption trends, with 0.0% consumption growth projected for 2026. The 10-year operating forecast maintains system-wide consumption of 53.3 million m<sup>3</sup> over the first half of the forecast period, with annual increases of 0.5% projected in the last five years, increasing system-wide consumption to 54.7 million m<sup>3</sup> by 2035 driven by the growth priorities of the Local Municipalities.

The 2026 Budget reflects a 1.4% increase in customer growth. The number of water and wastewater customers continues to grow, although at a slower rate than anticipated in the last several years. This trend is not expected to continue in the long term, as customer growth is anticipated to accelerate to accommodate the growth priorities of the Local Municipalities.





### Program Fees & Other Revenues – \$169,000 increase

In addition to water and wastewater rate revenue, a number of other revenues fund the water and wastewater program. As shown in the following table, the 2026 Budget includes \$23.3 million in other revenues, an increase of \$169,000 over 2025.

Rate Funding & Other Revenues (\$000s)				
	2025	2026	Change in Budget	
Federal Funding	\$ 9,482	\$ 9,482	\$ -	0.0%
Investment Income	8,390	8,390	-	0.0%
Program Fees & Other Revenue	5,222	5,391	169	3.2%
<b>Total</b>	<b>\$ 23,093</b>	<b>\$ 23,263</b>	<b>\$ 169</b>	<b>0.7%</b>

Schedule may not add due to rounding

Increases include \$44,000 for wastewater discharge agreement revenue and \$59,000 for service fee revenue based on an inflationary increase on the user fees of 2.5%, and \$66,000 for higher bulk water charges based on the water rate increase. The 2026 proposed user fees and charges for Regional Services are detailed in Attachment #4 to Report No. **FN-31-25** and the corresponding By-laws for Regional Council's consideration and approval.

The 2026 Budget includes Investment Income of \$8.4 million to support the Water & Wastewater state-of-good-repair capital program, which is unchanged from the 2025 Budget. The 2026 Budget also includes federal funding of \$9.5 million from the Canada Community-Building Fund, which is used to fund the Water and Wastewater State-of-Good-Repair capital programs and is unchanged from the 2025 Budget.

## 2026 Rate Strategic Investments

The 2026 Rate-Supported Budget includes 8.0 FTEs proposed as strategic investments resulting in a net rate impact of \$1.4 million:

- 1.0 FTE Cross Connection Control Program Coordinator for program delivery and customer service for the Cross Connection Control Program and ensuring compliance of the Drinking Water By-law.
- 1.0 FTE Laboratory Analyst to maintain service levels in response to increased growth of Halton's capital program and service population as well as ensuring adherence to rigorous quality requirements.
- 1.0 FTE Maintenance Material Coordinator to enable Treatment Plant Maintenance to develop and maintain material management practices for critical water and wastewater equipment.
- 5.0 FTEs (1.0 Manager, Wastewater Performance, 1.0 Special Project Advisor, 1.0 Engineer, 1.0 Program Education Specialist, and 1.0 Operations Support Coordinator, as well as \$157,000 in professional services) to deliver the enhancements to the Region-Wide Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**.

## 10-Year Water & Wastewater Operating Budget & Forecast

The rate forecast has been prepared based on current financing plans approved by Council to maintain levels of service. The following budget assumptions have been incorporated into the 10-year forecast:

- General inflation of 2.0% where applicable.
- Inflationary increases on chemicals with additional increases over the second half of the forecast to accommodate growth in water consumption.
- Hydro increases of 4.5% to 5.0%.
- Plant Maintenance increases ranging from 3.0% to 5.0% to reflect inflationary increases and the acceleration of infrastructure to support growth.
- Customer growth ranging from 1.4% to 3.0%.
- Consumption growth of 0.0% to 0.5%.
- Transfers to support the State-Of-Good-Repair capital program based on the financing plan for the Capital Budget.
- Debt financing rate of 5.0%.

Potential pressures on the 10-year forecast include:

- Growth of the system required to meet the Provincial Housing Target and the Local Municipalities' Housing Pledges.
- Changes in customer growth.
- Reductions in water consumption per customer.
- Provincial energy policy changes impacting the Industrial Conservation Initiative program and Ontario's Comprehensive Electricity Plan.
- Price impacts over and above the estimated inflationary assumptions; increases in costs to maintain the system based on growing infrastructure.
- Impact of capital financing that may be required based on Asset Management Plan updates resulting from the Halton Region Asset Management Roadmap Implementation Plan.
- Overall economic conditions.
- The full impact of changes as a result Bill 23 (*More Homes Built Faster Act, 2022*), Bill 185 (*Cutting Red Tape to Build More Homes Act, 2024*) and Bill 17 (*Protect Ontario by Building Faster and Smarter Act, 2025*) are not yet known, however, the ongoing effects of DC legislative changes will be monitored and reported in the annual DC Reserve Fund Report.

### Cost Increases, Capital Replacement & System Growth

The extended period of high inflation and continuing global inflationary trends has had a significant impact on the cost of goods, services and construction, and continues to be a significant driver of the increases in the 2026 capital and operating budgets required to maintain core services. Continued periods of high inflation and cost escalations coupled with the increase in construction in the GTHA to support the housing targets will put additional pressure on future years' budgets. It is expected that it will take a number of years to recover from the high impacts of inflation experienced over the past several years. For Rate-Supported Services, the increases required to operate and maintain the water and wastewater system are projected to be at the rate of inflation throughout the forecast.

Housing pledges were introduced and signed on by the Local Municipalities to assist the Province in meeting the objective of delivering 1.5 million homes by 2031. Halton Region has a shared objective with the Province and the Local Municipalities to advance housing supply and will need to play a role in providing infrastructure in support of the Local Municipalities' housing pledges by proactively planning for, financing and delivering infrastructure. The housing pledges represent a significant acceleration of growth in Halton Region. The housing pledges total 92,500 units by 2031 which is more than a 70% increase over the residential growth anticipated in the Region's 2011 Infrastructure Master Plans. A capacity review of Halton's water and wastewater systems was undertaken, and it confirms that there is sufficient

capacity to support the Local Municipalities in achieving housing pledges as per Report No. **CA-12-25/PW-22-25** (re: “2025 Enhanced Growth Monitoring Report”). The rate forecast has been prepared with a conservative outlook on customer growth expectations based on current market conditions. Customer growth ranges from 1.4% to 3.0% with growth expected to increase beyond 2.0% each year from 2031 to 2035.

In addition to the legislative changes since 2018, the demand for infrastructure has been accelerated to support the Provincial housing target to achieve 1.5 million homes by 2031. The 2026 Budget and Business Plan has been prepared based on 2011 Master Plan and financing plans approved by Council to maintain levels of service. The planning is underway to incorporate capital cost beyond 2031 with an updated master plan time horizon of 2051 as identified in Report No. **PW-35-25** (re: “Integrated Master Plan”). These costs are anticipated to be incorporated into the 2027 Budget and forecast once the implementation process is complete. Further, extended periods of high inflation have had significant pressures on the cost of delivering infrastructure and the risk that this continues could impact future budgets. In combination with the changes in the *Development Charges Act* since 2018, which eliminate, restrict and delay DC collections limiting the Region’s ability to fund capital works, without alternative sources of funding, these changes could have an impact on existing ratepayers and the delivery of services.

As presented through Report No. **PW-14-25/FN-13-25**, the Asset Management Plan and Updated Asset Management Policy demonstrates sound stewardship of the Region’s existing assets to support services at desired levels and to ensure financial sustainability. Financing for the State-of-Good-Repair capital program has been increased based on the Asset Management Program, necessitating a rate increase between 2.3% and 3.0% in the forecast. The annual operating contributions to fund the State-of-Good-Repair capital program will continue to be assessed each year as part of the annual budget process.

Maintaining Regional assets and infrastructure in a state-of-good-repair is a key priority. Growth of the system continues to increase the number of assets to be maintained, putting pressure on the existing operating budgets and maintenance programs. These pressures are anticipated to increase with acceleration of infrastructure to support the growth priorities of the Local Municipalities. As such, maintenance provisions above inflation have been factored into the forecast to support maintaining assets in a state-of-good-repair. Staff are continuing to optimize the Reliability Centred Maintenance program with a focus on maximizing asset life cycle through refurbishments which will continue to have a favourable impact on mitigating the cost increases for the 10-year State-Of-Good-Repair Capital Budget for the treatment plants.

#### **Basement Flooding Mitigation Program**

The 2026 Budget includes a 0.5% rate increase to fund the enhancements to the Basement Flooding Mitigation Program, as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**, with an assumed 10% increase in subsidy participation and additional staff resources. Additional 0.5% rate increases are projected for 2027 and 2028 to fund increased investment in the program. This funding will support the expected growth in subsidy participation over the next few years as a result of expanded public education, targeted outreach and homeowner support, as well as increased system and field investigations, household drainage surveys and flow monitoring in order to build long-term resiliency by reducing excessive inflow and infiltration in the wastewater system. Beginning in 2026, staff will update Council bi-annually in March and September on the ongoing progress of the Basement Flooding Mitigation Program. Funding requirements will be monitored and adjusted as needed through the annual budget process to ensure continued support for the program.

#### **Growth Assumptions**

During the COVID-19 pandemic, there was an increase in residential water consumption as a result of the shift to more residents working from home. This trend has continued post-pandemic, although water consumption is starting to normalize to pre-pandemic usage trends. As such, the 2026 Budget continues to reflect 5-year actual average seasonal conditions and pre-pandemic consumption trends, with 0.0% consumption growth projected for 2026. The 10-year operating forecast maintains system-wide consumption of 53.3 million m<sup>3</sup> over the first half of the forecast period, with annual increases of 0.5% projected in the last five years, increasing system-wide consumption to 54.7 million m<sup>3</sup> by 2035 driven by the growth priorities of the Local Municipalities.

The 2026 Budget reflects a 1.4% increase in customer growth. The number of water and wastewater customers continues to grow, although at a slower rate than anticipated in the last several years. This trend is not expected to continue in the long term, as customer growth is anticipated to accelerate to accommodate the growth priorities of the Local Municipalities.

The Water and Wastewater Rate Forecast has been prepared to maintain the operating cost increases at the rate of inflation and ensure that the funding for the repair and replacement of the water and wastewater infrastructure is financially sustainable. The rate forecast anticipates increases in a range between 4.3% and 5.5% over the forecast period, with over half of the increase (2.3% to 3.0%) required to support the capital expenditure financing to maintain the State-of-Good-Repair capital program.

Ten Year Operating Budget Forecast for Rate-Supported Services (\$000s)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Requested Budget	Forecast								
Water Treatment and Distribution	\$ 60,940	\$ 64,627	\$ 68,468	\$ 71,769	\$ 75,218	\$ 79,274	\$ 83,793	\$ 88,641	\$ 93,833	\$ 99,602
Wastewater Treatment and Collection	73,264	77,697	82,315	86,283	90,430	95,307	100,739	106,568	112,810	119,745
Infrastructure Management	152,113	161,724	171,908	182,973	193,907	206,417	218,676	232,018	246,041	260,771
<b>Net Program Impact</b>	<b>\$ 286,317</b>	<b>\$ 304,048</b>	<b>\$ 322,690</b>	<b>\$ 341,024</b>	<b>\$ 359,555</b>	<b>\$ 380,997</b>	<b>\$ 403,208</b>	<b>\$ 427,228</b>	<b>\$ 452,684</b>	<b>\$ 480,118</b>
Customer Growth	1.4%	1.4%	1.5%	1.8%	2.0%	2.3%	2.5%	2.8%	3.0%	3.0%
Consumption Growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%
Annual Water Consumption m <sup>3</sup> (000s)	53,340	53,340	53,340	53,340	53,340	53,607	53,875	54,144	54,415	54,687
<b>Rate Increase</b>	<b>6.0%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>5.0%</b>	<b>4.8%</b>	<b>4.7%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>
<b>Rate Impact:</b>										
State-of-Good-Repair	3.0%	3.0%	3.0%	3.0%	2.8%	2.7%	2.5%	2.5%	2.4%	2.3%
Basement Flooding Mitigation	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenses	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>Residential Bill (226 m<sup>3</sup> p.a.)</b>	<b>\$ 1,244</b>	<b>\$ 1,312</b>	<b>\$ 1,384</b>	<b>\$ 1,454</b>	<b>\$ 1,523</b>	<b>\$ 1,595</b>	<b>\$ 1,667</b>	<b>\$ 1,742</b>	<b>\$ 1,818</b>	<b>\$ 1,896</b>
<b>\$ Increase</b>	<b>\$ 71</b>	<b>\$ 68</b>	<b>\$ 72</b>	<b>\$ 69</b>	<b>\$ 70</b>	<b>\$ 72</b>	<b>\$ 72</b>	<b>\$ 75</b>	<b>\$ 77</b>	<b>\$ 78</b>

Schedule may not add due to rounding

Rate Budget Forecast as Projected in the 2025 Budget									
<b>Annual % Rate Increase</b>	<b>5.0%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.3%</b>
<b>Rate Impact:</b>									
State-of-Good-Repair	3.0%	2.9%	2.9%	2.8%	2.6%	2.6%	2.5%	2.5%	2.5%
Operating Expenses	2.0%	1.7%	1.7%	1.7%	1.8%	1.9%	1.8%	1.9%	1.9%

# Water & Wastewater Budget

The Region's Water & Wastewater Rate-Supported Budget provides for the delivery of safe, clean drinking water and the effective treatment of wastewater. The Public Works department delivers the Water & Wastewater program through systems that include twelve water treatment plants, six wastewater treatment plants and the Biosolids Management Centre.

## Budget Impacts

The 2026 Rate-Supported Budget total net expenditures are increasing by \$18.0 million or 6.7%. Combined with customer growth, this results in a 6.0% rate increase, which equates to a \$71 annual increase per typical residential customer (consuming 226 m<sup>3</sup> per year).

Water & Wastewater Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
Water & Wastewater Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Rate Impact	Net Rate Impact	2026 - 2025		
Water Treatment and Distribution	\$ 51,678	\$ 16,056	\$ 67,733	\$ (6,794)	\$ 60,940	\$ 56,968	\$ 3,972	7.0%	
Wastewater Treatment and Collection	66,652	13,266	79,918	(6,653)	73,264	68,377	4,887	7.1%	
Infrastructure Management	23,180	138,748	161,928	(9,816)	152,113	142,992	9,120	6.4%	
<b>Total</b>	<b>\$ 141,510</b>	<b>\$ 168,069</b>	<b>\$ 309,579</b>	<b>\$ (23,263)</b>	<b>\$ 286,317</b>	<b>\$ 268,337</b>	<b>\$ 17,979</b>	<b>6.7%</b>	
2025 Budget	\$ 132,748	\$ 158,682	\$ 291,431	\$ (23,093)	\$ 268,337				
\$ Change	8,761	9,387	18,149	(169)	17,979				
% Change	6.6%	5.9%	6.2%	0.7%	6.7%				
<b>FTE</b>					<b>492.0</b>	<b>484.0</b>	<b>8.0</b>	<b>1.7%</b>	

Schedule may not add due to rounding.

The increase is mainly driven by a \$9.1 million increase in capital financing to support the State-of-Good-Repair capital program. The 2026 Operating Budget also includes an increase of \$1.3 million, which equates to a 0.5% rate increase, to fund the enhancements to the Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25** including 5.0 FTEs proposed as strategic investments to deliver the program. In addition, 3.0 FTEs are proposed as strategic investments to support Water & Wastewater System operations and maintenance as detailed in the Strategic Investments section.

## Hydro

Hydro is a major component of the Rate-Supported Budget, with rate-supported services budgeted to use more than 112 million kilowatt hours of hydro per year, or approximately 82% of the Region's electricity consumption. As shown in the following table, hydro savings have been achieved through the participation of five treatment plants and two pumping stations in the Industrial Conservation Initiative, which allows eligible customers to manage their global adjustment costs by reducing demand during peak periods. Savings achieved through the Industrial Conservation Initiative have been fully achieved and reflected, and increases to the hydro budget are anticipated to be required on a go-forward basis. This is reflected in the 2026 Budget, with an increase of \$1.3 million compared to the 2025 Budget.

Rate-Supported Hydro Costs & Consumption							
	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected	2026 Budget
Cost (\$000s)	\$ 12,556	\$ 12,654	\$ 13,298	\$ 14,365	\$ 13,391	\$ 14,441	\$ 14,697
Kilowatt Hours (000s)	108,889	111,267	111,230	112,084	111,230	112,084	112,084

### Water and Wastewater Maintenance Program

The 2026 Rate-Supported Operating Budget provides \$26.0 million for the ongoing repair and maintenance of the water and wastewater system, which is an increase of \$1.6 million or 6.5%, from the 2025 Budget. Growth of the system, which continues to increase the number of assets to be maintained, coupled with market increases in contracted labour and material costs, continues to put pressure on the existing operating budgets and maintenance programs. There are 24,000 Industrial, Linear and Facility assets that make up the water and wastewater program. The 2026 Budget includes a strategic investment proposed for a Material Maintenance Coordinator to help manage the increased volume of work of maintaining accurate stock levels of materials required for each asset.

Staff are continuing to optimize the Reliability Centred Maintenance program to deliver a maintenance program that strives for zero unplanned operational interruptions, through planning and scheduling that efficiently and effectively realizes the value of Halton Region's Water and Wastewater critical assets. This focus on maximizing asset life cycle through refurbishments will continue to have a favourable impact on mitigating the cost increases for the 10-year State-of-Good-Repair capital budget for the treatment plants.

## Water & Wastewater Capital Budget & Forecast Overview

The Water and Wastewater capital program consists of the Development program and the State-of-Good-Repair (Non-Development) program. The Development program facilitates the infrastructure required to provide new and expanded capacity, distribution and conveyance systems to support the anticipated growth in Halton. The development-related infrastructure requirements for 2026 stem from the 2023 Allocation Program as detailed in Report No. **CA-02-24/PW-04-24/FN-05-24** (re: "Revised 2023 Allocation Program"). Although these expenditures are not part of the 10-year capital budget, the average of one year of approved budget from 2024 to 2026 is included to highlight the program's scope. In addition, for the years 2032-2035, estimates are based on the 7-year average as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: "Integrated Master Plan") for water and wastewater master plans. In the 2026 Capital Budget, project timelines and cost estimates from the 2020 Allocation Program and 2023 Allocation Program were reviewed and adjusted as needed. The changes outlined in Appendix B and Appendix C respectively of the **2026 Capital Report**, provided separately, were mainly influenced by project advancements and revised cost estimates to reflect ongoing inflation in the construction sector.

The State-of-Good-Repair program sets out the rehabilitation, upgrade and replacement needs for existing capital infrastructure as updated in the Asset Management Plan (Report No. **PW-14-25/FN-13-25** (re: "2025 Asset Management Plan and Updated Asset Management Policy")). State-of-good-repair requirements will also be addressed as part of the Development-related program, in particular servicing of the built-boundary area. As detailed later, the 2026 10-year Water and Wastewater capital program (including the 2023 Allocation Program and 2032 to 2035 development water and wastewater estimates) is \$4.1 billion. Of the \$4.1 billion 10-year Rate Capital Plan, \$2.4 billion is presented to Council for approval as part of the 2026 Budget and Business Plan and \$1.7 billion is related to the 2023 Allocation Program and development water and wastewater estimates for 2032-2035. The planning is underway to incorporate capital cost beyond 2031 with an updated master plan time horizon of 2051 as identified in Report No. **PW-35-25** (re: "Integrated Master Plan"). These costs are anticipated to be incorporated into the 2027 Budget and forecast once the implementation process is complete.



# Water Treatment and Distribution

Water Treatment is responsible for the reliable provision of clean, safe drinking water in accordance with all legislative requirements. Water Treatment operates and maintains twelve water treatment plants: three surface water, or lake-based sources (Burlington, Burloak and Oakville) and nine groundwater, or well-based sources. These facilities employ a multi-barrier treatment approach and highly trained, licenced operators to ensure that the drinking water produced complies with all Provincial and Federal regulations, approvals, and standards, as monitored through regular laboratory analysis, reporting to support compliance and data-based decision making. Operations and maintenance staff manage water treatment facility assets through planned and preventive maintenance programs.

Water Distribution is responsible for the operation and maintenance of water system infrastructure and distributes over 53 billion litres of safe drinking water to more than 170,000 Residential Industrial, Commercial and Institutional customers in Halton each year. Water Distribution also ensures drinking water is supplied in a safe, efficient manner and in accordance with all legislative requirements. Water Distribution maintains and operates over 2,400 kilometres of watermain, 22 water reservoirs, 16 booster pumping stations, over 15,000 hydrants, and 22,000 valves. In addition to continuous monitoring at reservoirs and booster pumping stations, licensed operators sample and test drinking water more than 5,000 times annually. Operations staff manage the water distribution system through preventive and reactive maintenance programs and respond to customer service inquiries, including 24/7 emergency response.

## Budget Impacts

The 2026 Operating Budget for Water Treatment and Distribution is \$60.9 million which reflects a net increase of \$4.0 million or 7.0%. This increase is mainly driven by increased costs related to hydro rates, plant maintenance, service connection repairs and other inflationary cost adjustments applied where necessary to maintain service levels.

Water Treatment and Distribution Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Rate Impact	Net Rate Impact	2026-2025		
<b>Water Treatment and Distribution</b>									
Plant Operations	\$ 16,146	\$ 6,748	\$ 22,895	\$ (2,133)	\$ 20,761	\$ 19,169	\$ 1,593	8.3%	
Plant Maintenance	6,682	1,161	7,843	-	7,843	7,393	451	6.1%	
Distribution Operations & Maintenance	19,427	4,060	23,486	(3,849)	19,637	18,299	1,338	7.3%	
Service Connections	1,746	-	1,746	(255)	1,490	1,358	132	9.8%	
Water Pumping Stations	7,545	3,662	11,208	-	11,208	10,750	458	4.3%	
Cross Connection Control	132	424	556	(556)	-	-	-	0.0%	
<b>Total</b>	<b>\$ 51,678</b>	<b>\$ 16,056</b>	<b>\$ 67,733</b>	<b>\$ (6,794)</b>	<b>\$ 60,940</b>	<b>\$ 56,968</b>	<b>\$ 3,972</b>	<b>7.0%</b>	
2025 Budget	\$ 48,569	\$ 14,979	\$ 63,549	\$ (6,581)	\$ 56,968				
\$ Change	3,108	1,076	4,185	(213)	3,972				
% Change	6.4%	7.2%	6.6%	3.2%	7.0%				

Schedule may not add due to rounding.



The 2026 Budget also includes the following strategic investments to support both Water Treatment and Distribution and Wastewater Treatment and Collection:

- 1.0 FTE Cross Connection Control Program Coordinator for program delivery and customer service for the Cross Connection Control Program and ensuring compliance of the Drinking Water By-law.
- 1.0 FTE Laboratory Analyst to maintain service levels in response to increased growth of Halton's capital program and service population as well as ensuring adherence to rigorous quality requirements.
- 1.0 FTE Maintenance Material Coordinator to support Treatment Plant Maintenance with material management practices for critical water and wastewater equipment.

**Water Plant Operations** provides clean, safe, potable water sourced from all 12 of the Region's water treatment plants to the residents and businesses of Halton. The Town of Oakville, the City of Burlington and a portion of the Towns of Milton and Halton Hills are supplied with water from Lake Ontario, with portions of Towns of Milton and Halton Hills including Acton, Campbellville, and portions of Georgetown supplied from groundwater well systems. All water plants and groundwater systems are controlled through a computerized Supervisory Control and Data Acquisition (SCADA) system that is monitored 24/7.

The 2026 Water Plant Operations budget reflects an increase of \$1.6 million, or 8.3% driven by increased hydro costs of \$437,000 due to increased rates, and \$165,000 to support Halton Region's participation in the Lake Ontario Collaborative (Report No. **PW-30-24** re: "Halton Region's Participation in the Lake Ontario Collaborative"). The 2026 Budget also includes increased corporate support costs driven by increased costs for subscription-based software and to support the continued implementation of the digital strategy.

The volume of treated drinking water is driven by many factors, including the amount of warm weather experienced in the Region, rainfall, population growth, the type and age of the homes being served, as well as the number and types of businesses being served. In general, the volume of drinking water treated from both the Region's groundwater-based and Lake Ontario-based systems has increased only moderately in recent years despite a growing population, mainly attributable to the Region's water conservation program, changes to the Ontario Building Code and increased environmental awareness among Halton's residents and businesses to conserve water.

Hydro consumption at the water treatment plants depends on the treatment processes, size, quantity, type, and age of equipment in the individual treatment plants. Enhancements to the levels of treatment to improve water quality at the Region's water treatment plants, as well as expansions, can increase annual electricity demand. Halton staff actively manage hydro use where feasible and continue to seek efficiencies through conservation in electricity in accordance with the Region's energy management plan.

The Region has maintained an excellent compliance rating within a stringent regulatory framework over the past five years and aims to continue this trend.

Water Plant Operations	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Megalitres of Treated Drinking Water (Ground Water based)	8,801	8,447	8,453	8,590	8,620
Megalitres of Treated Drinking Water (Surface Water Based)	58,270	56,495	57,409	57,110	57,970
Megalitres of Treated Drinking Water (Total)	67,071	64,942	65,862	65,700	66,950
Water Plant Operations Cost / Megalitre of Water Treated	\$256	\$284	\$298	\$297	\$310
Hydro Consumption (kWh) / Megalitre of Water Treated	443.1	445.7	446.1	447.2	438.8
Percent of Compliance on Drinking Water Inspections *	100.0%	100.0%	99.6%	100.0%	100.0%

\* Based on Ministry of the Environment, Conservation and Parks Inspection Report

**Water Plant Maintenance** manages a reliability centered maintenance program for all 12 of the Region's water treatment plants through a combination of tactics that include preventive and condition-based predicative maintenance conducted by certified and competent tradespersons and staff. Plant maintenance work also includes corrective and emergency repairs, and the coordination of contractors and specialized trades conducting technical work at water plants.

The Water Plant Maintenance budget for 2026 reflects an overall increase of \$451,000, or 6.1%, mainly due to growth of the system resulting in an increased number of assets to be maintained coupled with market increases in contracted labour and material costs.

Staff are continuing to optimize the Reliability Centred Maintenance program to deliver a maintenance program that strives for zero unplanned operational interruptions, through planning and scheduling that efficiently and effectively realizes the value of Halton Region's critical assets. This focus on maximizing asset life cycle through refurbishments will continue to have a favourable impact on mitigating the cost increases for the 10-year State-Of-Good-Repair capital budget for the treatment plants. Substantial effort is dedicated to proactive (planned and scheduled) maintenance that supports reliability of critical equipment, power systems and controls, and compliance with regulations. As a result of proactive maintenance processes and work effort, reactive (unscheduled) maintenance is effectively managed. The program continues to advance toward excellence in maintenance and reliability, with a growing emphasis on predictive maintenance and risk reduction. These efforts support long-term asset management planning and contribute to the overall resilience of the system.

Water Plant Maintenance	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Maintenance Hours (Internal) by Type: Non-Breakdown	13,342	12,421	12,109	14,883	13,258
Maintenance Hours (Internal) by Type: Breakdown	880	1,046	732	496	417
Total Maintenance Expenditure as a Percentage of Replacement Asset Value (RAV)	0.64%	0.60%	0.66%	0.77%	0.77%
Plant Process Downtime Hours – 5 year rolling average	1,400	1,233	1,413	1,441	1,571

**Distribution Operations & Maintenance** includes all activities necessary to protect the integrity of the water distribution network of watermains and appurtenances, as well as ensuring that they are functioning properly. Water distribution operators complete preventive and reactive maintenance and repairs to sustain the distribution network and ensure an uninterrupted supply of safe drinking water. Operators also respond to customer requests for service, such as frozen water service complaints and conducting water quality tests.

The 2026 Distribution Operations & Maintenance budget is increasing by \$1.3 million, or 7.3%, mainly driven by an increase of \$750,000 due to a higher number of repairs/replacements for watermains, valves and hydrants. The 2026 Budget also includes other inflationary cost increases applied where required to maintain service levels and increased corporate support costs driven by increased costs for subscription-based software and to support the continued implementation of the digital strategy.

Growth of the Region's water distribution network continues to increase the number of assets including pipes, service connections, water meters, and fire hydrants being operated and maintained.

Over the last five years, the Region has maintained a high level of compliance to drinking water standards. Water quality is continuously monitored throughout the distribution system to ensure safe, high-quality drinking water. The total volume of drinking water distributed has varied over the past four years, mainly due to changing seasonal conditions.

<b>Distribution Operations &amp; Maintenance</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Annual Number of Watermain Breaks	101	85	106	110	110
Number of Watermain Breaks / 100 Kilometres of Watermain	4.3	3.5	4.4	4.5	4.4
Number of Kilometres of Watermain Operated and Maintained	2,366	2,402	2,412	2,446	2,480
Megalitres of Drinking Water Distributed - m3 (000's)	56,139	54,313	54,745	56,004	53,340
Water Loss Rate - Percent	16.3%	16.4%	16.9%	16.7%	16.5%
Cost / Kilometre of Watermain Operated and Maintained	\$4,745	\$5,146	\$7,497	\$7,459	\$7,918
Number of Customer Service Inquiries	211	415	317	300	300
Percent of Compliance to Drinking Water Standards in the Distribution System*	100.0%	100.0%	100.0%	100.0%	100.0%
Number of Fire Hydrants Operated and Maintained	14,932	15,126	15,382	15,583	15,801

\* Based on Ministry of the Environment, Conservation and Parks Inspection Report

The cost to operate and maintain the distribution network is affected by external factors required to deliver services throughout the Region, such as the cost for energy, materials, supplies, and equipment, as well as changing weather patterns. Significant efforts continue to be made to mitigate the pressures of rising costs, such as the optimization of operating and maintenance programs to ensure the most efficient use of resources. The kilometres of watermain (and the associated number of valves and hydrants within the distribution network) continue to expand as the Region grows. Operational programs continue to evolve to meet the demands of maintaining the infrastructure as efficiently as possible while continuing to recognize the need to manage overall operating costs. Programs will focus on remediating assets that are breaking down frequently or becoming increasingly costly to repair on a reactive basis.

Halton will improve the resiliency of the distribution system by focusing on preventive maintenance and repairs of critical valves, protection valves and valve chambers. These activities are critical to protecting the Region's infrastructure, environment, and customers. Preventive maintenance of older fire hydrants proactively identifies age-related deficiencies. The Hydrant Preventive Maintenance program ensures that adequate fire protection is available across the Region by identifying deficient hydrants that need to be replaced or repaired. Fire flow testing measures the flows and pressure from hydrants and ensures that they are delivering sufficient water for fire fighting. This critical information is also provided to local fire departments.

To ensure the integrity of the infrastructure is maintained, the Region completes annual capital programs to replace aging watermain and preventive maintenance programs that ensure pipes are in good condition and function as intended. Early detection of deficiencies that could potentially lead to breaks allows the Region to take action before a break occurs. The success of these programs is demonstrated by the number of watermain breaks per year, which is one of the lowest rates of annual watermain breaks amongst neighbouring municipalities. By minimizing watermain breaks through investment in capital renewals and optimization of maintenance programs, water system losses are reduced.

**Service Connections** maintenance is related to maintaining the public water services that connect each residence and business to the Region’s water network. Water distribution operators maintain curb boxes and respond to customer inquiries related to water pressure and flow.

The 2026 Budget is increasing by \$132,000, or 9.8%, as a result of higher contract renewal costs for service connection repairs due to larger, more complex repairs being experienced.

As shown in the table below, the number of water service customers has been growing each year, increasing the number of service connection repairs and meters being maintained.

Service Connections	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Service Connections Operated and Maintained (000s)	170	171	173	175	177
Number of Water Meters Maintained (000s)	169	171	173	175	177

The proactive maintenance program for large meters (40 mm and greater) will continue, prolonging the life of the meters and ensuring that the volume of water being recorded is accurate. Based on the results of meter testing, the meter replacement program will be optimized to ensure that larger meters are scheduled for replacement when the accuracy of the measured volume degrades. The Advanced Metering Infrastructure (AMI) project will complement the proactive maintenance and reactive maintenance programs with meter replacements being completed along with the installation of a radio transmitter.

**Water Pumping Stations** – Operations and Maintenance of reservoirs and pumping stations refers to the activities that are carried out to ensure that the outlying facilities - reservoirs, towers and the booster pumping stations - are in good condition and functioning properly. Reservoirs and towers store drinking water to ensure an uninterrupted supply of water and fire protection, and booster pumping stations are used to maintain water pressure and pump water from the water facilities to homes and businesses across the Region.

These outlying facilities contain more than 2,700 critical pieces of equipment that are inspected and maintained on a regular basis. Critical equipment is maintained to ensure uninterrupted service by implementing planned and preventive maintenance programs, providing corrective and 24/7 emergency repair services, as well as coordinating contractors and specialized trades conducting maintenance work.

The 2026 Budget is increasing by \$458,000, or 4.3%, mainly due to increased hydro rates and inflationary cost increases applied where necessary to maintain service levels.

Water Pumping Stations	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Pumping Stations Operated and Maintained	15	15	16	16	16

Optimization of the Reliability Centered Maintenance program will continue to be a focus in 2026. Optimization will include work process improvements, such as increased utilization of internal resources to complete work. This will ensure that preventive and corrective maintenance programs for mechanical and electrical systems and instrumentation at reservoirs and booster pumping stations provide the best value and that critical pumps, valves, controls and instruments continue to be in a state-of-good-repair. There will be an increased focus on completing larger corrective maintenance projects to extend the life of assets and ensure they will operate reliably for years to come.

The **Cross Connection Control** program serves to protect the municipal water distribution system and prevent contamination from non-drinking water sources by requiring all industrial, commercial and institutional (ICI), and multi-unit residential property owners to install and maintain backflow prevention devices.

Cross Connection Control	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Customers	9,209	9,251	9,251	9,400	9,450
Number of Testing and Inspection Reports	5,786	7,770	7,005	7,500	7,550

The Direct Costs in the 2026 Budget for the Cross Connection Control Program are increasing by \$124,000, mainly due to a strategic investment proposed for a Cross Connection Control Program Coordinator to support program delivery, customer service, and ensuring compliance of the Drinking Water By-law. This program is fully funded by user fees received from ICI and multi-residential property owners related to testing and inspection reports for the program.

# Wastewater Treatment and Collection

Wastewater Treatment is responsible for the safe, efficient, and effective removal of contaminants from wastewater prior to discharging it into the environment. There are currently six active wastewater treatment plants servicing Halton Region, as well as a centrally located Biosolids Management Centre where solids generated as part of the treatment process are transported for further processing for land application. Wastewater is treated in a safe and responsible manner that complies with all provincial and federal regulations, approvals, and standards, as monitored through regular laboratory analysis and reporting to support compliance. Operations and maintenance staff manage wastewater treatment facility assets through planned and preventive maintenance programs.

Wastewater Collection is responsible for collecting and conveying wastewater from residential, commercial, and industrial customers in six separate catchment areas of the wastewater treatment plants (WWTPs). Halton collects around 90 billion litres of wastewater every year in a safe, and environmentally responsible manner in accordance with all legislated requirements. Wastewater Collection operates and maintains more than 2,000 kilometres of wastewater mains and 83 pumping stations. Operations staff manage the wastewater collection system by undertaking preventive and reactive maintenance programs, providing customer service, and responding to emergencies 24/7.

## Budget Impacts

The 2026 Operating Budget for Wastewater Treatment and Collection is \$73.3 million which represents a net increase of \$4.9 million, or 7.1% over the 2025 Budget.

Wastewater Treatment and Collection Divisional Summary (\$000s)									
	2026 Budget					2025 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Rate Impact	Net Rate Impact	2026-2025		
<b>Wastewater Treatment and Collection</b>									
Plant Operations	\$ 29,319	\$ 4,833	\$ 34,153	\$ (2,099)	\$ 32,053	\$ 30,863	\$ 1,190	3.9%	
Plant Maintenance	11,416	1,338	12,754	-	12,754	11,693	1,060	9.1%	
Biosolids Management	3,648	859	4,506	-	4,506	3,755	752	20.0%	
Collection Operations & Maintenance	10,540	1,965	12,505	(2,438)	10,067	9,936	131	1.3%	
Lateral Connections	1,777	-	1,777	(77)	1,699	1,527	172	11.3%	
Flood Mitigation Program	2,051	-	2,051	-	2,051	695	1,356	195.0%	
Wastewater Pumping Stations	6,776	3,624	10,400	(266)	10,134	9,908	225	2.3%	
Industrial Waste	1,126	647	1,773	(1,773)	-	-	-	0.0%	
<b>Total</b>	<b>\$ 66,652</b>	<b>\$ 13,266</b>	<b>\$ 79,918</b>	<b>\$ (6,653)</b>	<b>\$ 73,264</b>	<b>\$ 68,377</b>	<b>\$ 4,887</b>	<b>7.1%</b>	
2025 Budget	\$ 61,620	\$ 13,504	\$ 75,124	\$ (6,747)	\$ 68,377				
\$ Change	5,032	(239)	4,793	94	4,887				
% Change	8.2%	-1.8%	6.4%	-1.4%	7.1%				

Schedule may not add due to rounding.

This increase is mainly driven by increased costs related to hydro rates, plant maintenance, biosolids haulage and other inflationary cost adjustments applied where necessary to maintain service levels. In addition, there is a total increase of \$1.3 million, which equates to a 0.5% rate increase, to fund the enhancements to the Region-Wide Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**.

The 2026 Budget also includes the following strategic investments to support both Wastewater Treatment and Collection and Water Treatment and Distribution:

- 1.0 FTE Cross Connection Control Program Coordinator for program delivery and customer service for the Cross Connection Control Program and ensuring compliance of the Drinking Water By-law.
- 1.0 FTE Laboratory Analyst to maintain service levels in response to increased growth of Halton's capital program and service population as well as adherence to rigorous quality requirements.
- 1.0 FTE Maintenance Material Coordinator to enable Treatment Plant Maintenance to develop and maintain material management practices for critical water and wastewater equipment.

**Wastewater Plant Operations** provides 24/7 operations for three secondary and three tertiary treatment plants to treat wastewater prior to being discharged to the environment. The 2026 Wastewater Plant Operations budget is increasing by \$1.2 million, or 3.9%, which is mainly driven by a \$478,000 in hydro due to increasing rates, \$239,000 due to increased usage of potable water for cooling critical equipment at the Skyway Wastewater Treatment Plant, \$119,000 for additional ultraviolet supplies at the Mid-Halton Wastewater Treatment Plant and other inflationary cost adjustments reflected where applicable to maintain service levels.

The volume of wastewater treated has remained relatively stable over recent years. Factors such as population growth and wet weather that would normally increase flows have been offset by other influencing factors including changes to the Ontario Building Code requiring water efficient devices, concerted efforts by the Region to remove extraneous stormwater from the collection system, as well as water efficiency programs that increase awareness of environmental impacts of water use within Halton's residential and business communities. However, from year-to-year changes may be noticeable, especially if there are significant swings in weather patterns. As part of the implementation of the Region-wide Basement Flooding Mitigation program, the Region continues to invest in the Wastewater System Optimization capital program and with the approval of the enhancements to Program, private side upgrades such as downspout, weeping tile and exterior storm drain disconnections will reduce stormwater entering the wastewater system from private property. The improvement to system performance will further increase the resiliency of the system to the impacts of future storm events. An overall increase in flows could be anticipated in the future should growth outpace these offsetting factors.

Hydro consumption at the wastewater treatment plants depends on the level of treatment, size, quantity, type and age of equipment in the individual treatment plants. Enhancements to the levels of treatment to improve effluent quality at the Region's wastewater treatment plants, as well as expansions, can increase annual electricity demand. Halton staff actively manage hydro use where feasible and continue to seek efficiencies through conservation in electricity in accordance with the Region's energy management plan.

Wastewater treatment consistently treats over 99.7% of wastewater to a secondary or better level of treatment. This treatment is critical in the protection of Halton's natural environment and its drinking and recreational water sources.



Wastewater Plant Operations	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Megalitres of Wastewater Treated	85,250	97,365	89,039	90,250	92,100
Wastewater Plant Operations Cost / Megalitre of Wastewater Treated	\$321	\$325	\$371	\$345	\$348
Hydro Consumption (kWh) / Megalitre of Wastewater Treated	669.2	594.3	641	632	612
Treated Wastewater that Receives Secondary or Better Treatment Prior to Discharge into the Environment	100.0%	99.8%	99.5%	99.7%	99.7%

**Wastewater Plant Maintenance** provides maintenance services for all six of the Region's wastewater treatment plants and the Biosolids Management Centre through planned and preventive maintenance programs conducted by skilled tradespersons and experienced maintenance planning staff. Plant Maintenance services also include corrective and emergency repairs, and coordination of contractors and specialized trades conducting maintenance work at wastewater plants.

Staff are continuing to optimize the Reliability Centred Maintenance program to deliver a maintenance program that strives for zero unplanned operational interruptions, through planning and scheduling that efficiently and effectively realizes the value of Halton Region's critical assets. This focus on maximizing asset life cycle through refurbishments will continue to have a favourable impact on mitigating the cost increases for the 10-year State-Of-Good-Repair capital budget for the treatment plants.

The 2026 Wastewater Plant Maintenance budget reflects an overall increase of \$1.1 million, or 9.1%, primarily due to growth of the system increasing the number of assets to be maintained coupled with market increases in contract labour and material costs. Substantial effort is dedicated to proactive (planned and scheduled) maintenance that supports reliability of critical equipment, power systems and controls, and compliance with regulations. As a result of proactive maintenance processes and work effort, reactive (unscheduled) maintenance is effectively managed. The program continues to advance toward excellence in maintenance and reliability, with a growing emphasis on predictive maintenance and risk reduction. These efforts support long-term asset management planning and contribute to the overall resilience of the wastewater system.

Wastewater Treatment Maintenance	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Maintenance Hours (Internal) by Type: Non-Breakdown	20,442	21,314	23,999	21,432	22,644
Maintenance Hours (Internal) by Type: Breakdown	1,688	1,537	2,141	2,454	2,701
Total Maintenance Expenditure as a Percentage of Replacement Asset Value (RAV)	0.84%	0.83%	0.94%	0.76%	0.76%
Plant Process Downtime Hours – 5 year rolling average	2,829	843	695	482	312

**Biosolids Management** – The 2026 Biosolids Management budget reflects an increase of \$752,000, or 20%, mainly driven by a \$430,000 increase in the contract rates for biosolids haulage, \$78,000 for polymer due to increased quantities, \$81,000 for the Town of Oakville’s new stormwater charge for the Biosolids Management Centre and inflationary cost adjustments reflected where applicable to maintain service levels.

<b>Biosolids Management</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Tonnes of Bio-solids Treated and Disposed	38,434	41,099	44,402	45,000	41,850
Cost / Tonne of Bio-solids Treated and Disposed	\$94	\$77	\$83	\$93	\$108

**Collection Operations & Maintenance** includes all activities necessary to protect the integrity of the infrastructure network of pipes and maintenance holes, ensuring wastewater is effectively and efficiently collected and conveyed to the wastewater treatment plants. Wastewater Collection operators are responsible for completing preventive and reactive maintenance, such as routine and emergency wastewater main flushing and repairs. Operators also respond to customer requests for service.

The 2026 Collection Operations & Maintenance budget is increasing by \$131,000, or 1.3%, mainly due to inflationary cost adjustments reflected where applicable to maintain service levels, partially offset by savings in equipment costs.

<b>Collection Operations &amp; Maintenance</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Number of Kilometres of Wastewater Main Operated and Maintained	1,983	2,014	2,025	2,053	2,097
Cost per Kilometre of Wastewater Collection Network Operated and Maintained	\$4,486	\$4,474	\$4,507	\$4,812	\$4,800
Number of Main Line Wastewater Back-Ups / 100 Kilometre of Pipe	0.35	0.35	0.64	0.39	0.40
Number of Customer Service Inquiries	675	706	2,792	900	750
Number of KM Smoke Tested	N/A	N/A	N/A	N/A	60
Number of KM Wet Weather CCTV	N/A	N/A	N/A	N/A	10

The quantity of wastewater collection infrastructure continues to increase to accommodate growth in the Region. As wastewater mains, maintenance holes, pumps and other assets are added to the system, operations and maintenance programs are expanded to ensure that Halton remains compliant with standards and continues to provide uninterrupted conveyance of wastewater from households and businesses. Operational programs continue to evolve to meet the demands of maintaining the infrastructure as efficiently as possible. As noted in Report No. **PW-21-25**, smoke testing, drone testing, and video inspections support the identification of connections that allow stormwater to enter the wastewater system for remediation.

**Lateral Connections** maintenance refers to the activities that ensure wastewater is conveyed from homes and businesses to Regional wastewater mains. Building plumbing is connected via service laterals to wastewater mains. Closed Circuit Television (CCTV) inspection is used to diagnose issues that prevent wastewater from flowing from buildings to wastewater mains properly. When issues are identified, repairs are made to the Region-owned or “public” sections of broken laterals, and blockages are cleared when necessary.

The 2026 Budget is increasing by \$172,000, or 11.3%, mainly due to higher costs for contract renewals and an increased number of jobs expected to require larger, more complex repairs.

Lateral Connections	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Lateral Connections Maintained (000s)	123	125	127	129	131

The increase in the number of service connections requiring maintenance is reflective of the aging of infrastructure in the Region. The Basement Flooding Mitigation program includes a subsidy for lateral repairs to reduce issues that lead to blockages and backups. This program is expected to reduce pressures on staff time by reducing the occurrences of blocked and broken laterals.

**Flood Mitigation** Halton Region continues to advance its **Basement Flooding Mitigation Program** to improve wastewater system resiliency and reduce the risk of basement flooding, in response to the impacts of climate change and the increasing frequency and intensity of storm events. To support homeowners in reducing inflow and infiltration, Basement Flooding Prevention Subsidy amounts have been increased to better reflect average actual costs and a new subsidy has been introduced to support the disconnection of exterior storm drains, as approved through Report No. **PW-27-25/FN-20-25**. A key focus of the program is to increase voluntary disconnection of private stormwater connections, which is a major contributor to wastewater system overload.

Public education and homeowner support will be enhanced through targeted outreach in high-risk communities, which aims to help raise awareness of basement flooding risks, promote household drainage surveys, and encourage voluntary disconnection of private stormwater connections. To further assist homeowners and contractors, the Region is developing several technical resources, including a *Homeowner’s Guide to Hiring Contractors* and will update *Subsidy Installation Standards and Inspection Requirements*. The Region is also strengthening collaboration with the Local Municipalities and Conservation Authorities to align flood mitigation strategies across jurisdictions, ensuring a coordinated and effective approach to protecting homes and infrastructure.

The 2026 Budget includes a total increase of \$1.3 million, which equates to a 0.5% rate increase, to fund the enhancements to the Region-Wide Basement Flooding Mitigation Program as approved through Report Nos. **PW-21-25** and **PW-27-25/FN-20-25**. This includes \$326,000 for the enhanced basement flooding prevention subsidy amounts, bringing the basement flooding subsidy budget to a total of \$960,000 as well a strategic investment for 5.0 FTEs proposed to deliver the program including a Manager, Wastewater Performance, Special Project Advisor, Engineer, Program Education Specialist, and an Operations Support Coordinator, as well as \$157,000 in professional services.

The budget for subsidies is based on a projected 10% increase over historic participation rates of the flooding subsidy programs, however actual payments will be based on the number of eligible applications that are received.

The Flood Mitigation Budget continues to include \$60,000 for the Region’s Residential Basement Flooding Grant program.

Program enhancements are also included to improve wastewater system flow monitoring and detection of stormwater inflow and infiltration through smoke testing, drone surveys, wet weather closed-circuit television (CCTV) inspections, and household drainage surveys.

Additionally, beginning in 2026, private-side lateral repairs will be coordinated with regional capital and maintenance programs. The Region will also work with the Local Municipalities' and Conservation Authorities to coordinate wastewater and stormwater infrastructure improvements with private-side inflow and infiltration reduction efforts in areas at high risk of flooding.

The 2026 Budget includes capital project funding of \$4.1 million for various state-of-good-repair projects across the Region directly targeting wastewater system performance and basement flooding.

Flood Mitigation Program	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Weeping Tiles Disconnected	34	37	126	44	74
Number of Downspouts Disconnected	9	8	48	14	32
Number of Exterior Storm Drain Disconnections	N/A	N/A	N/A	N/A	40
Number of Household Drainage Surveys	N/A	N/A	N/A	N/A	500

**Wastewater Pumping Stations** Operations and Maintenance refers to the activities that are carried out to ensure that the pumping stations that convey wastewater to treatment plants are in good condition and functioning properly. The 2026 Budget is increasing by \$225,000 or 2.3% mainly due to increased hydro rates and inflationary cost increases applied where necessary to maintain service levels.

Operators and skilled trades complete daily inspections, checks and maintenance to ensure that pumps, generators, protection valves and other equipment are maintained and functioning properly. Critical equipment is maintained to ensure uninterrupted service through planned and preventive Reliability Centred Maintenance programs, providing corrective and 24/7 emergency repair services, and coordinating contractors and specialized trades to complete maintenance work. There will be an increased focus on completing larger corrective maintenance projects to extend the life of assets and ensure they will operate reliably for years to come.

Pumping station maintenance reduces the risk of by-passes. Pump station upgrades, such as pump and valve replacements, have improved performance during high flow events resulting from storm events. Improved alarm protocols have led to faster response times by Operations staff to resolve issues that could result in by-pass events.

Wastewater Pumping Stations	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Pumping Stations Operated and Maintained	83	83	84	84	84
Number of By-passes at Pumping Stations	5	4	11	4	5

There are more than 2,900 critical pieces of equipment within the pumping stations that transfer the wastewater collected from homes and businesses across the Region to the treatment plants. Staff continue to focus on optimizing Reliability Centred Maintenance programs to ensure critical infrastructure is maintained, breakdowns are minimized and the service life of the assets is maximized. The number of by-passes at pumping stations is expected to return to historical levels after the 2024 increase in by-passes at pumping stations related to the storm events. While unexpected equipment failures contribute to the number of by-passes each year, the number remains stable. Specifically, annual projects to replace pumps and valves increase station reliability to ensure that equipment failures are minimized and wastewater can be conveyed to treatment plants during high flow events to mitigate the risk of flooding. This demonstrates that the optimized programs are meeting the objectives noted above. Optimization work includes improvements to work process flows and completing more maintenance using internal resources. Since 2020, back-up generators or connections for temporary generators have been installed at stations that did not previously have back-up power to mitigate by-passes resulting from power outages.

**Industrial Waste** programs include sampling, monitoring and by-law enforcement along with the implementation of Sanitary Discharge Agreements, Restrictive Agreements and Overstrength Discharge Agreements and the coordination of spill response efforts with the Local Municipalities. Direct costs for the 2026 Industrial Waste budget are increasing by \$29,000, or 2.7%, mainly due to inflationary cost increases applied where necessary to maintain service levels. The expenditure budget for Industrial Waste is fully offset by revenues from the Sanitary Discharge and Overstrength agreements.

The Region established the Industrial Waste program to protect the Region's infrastructure and natural environment by working collaboratively with wastewater dischargers to achieve by-law compliance and recover overstrength wastewater treatment costs. Opportunities exist to expand efforts with small to medium businesses in the program and to undertake a future by-law review of fees.

Industrial Waste	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Number of Discharge Agreements	23	29	40	42	44

# Infrastructure Management

Infrastructure Management includes all engineering planning, design and environmental protection and policy activities related to the Region's Public Works infrastructure required to maintain the overall condition of the assets as infrastructure ages and expansions are constructed to service growth. The net book value of these assets as of December 31, 2024, was \$5.1 billion. Key activities include the infrastructure and environmental planning studies to support growth and the monitoring of asset conditions and development of infrastructure renewal plans through the Asset Management program to support the design and construction of new infrastructure and renewal of aging infrastructure.

In 2025, Report Nos. **PW-35-25** (re: "Integrated Master Plan") and **PW-36-25** (re: "Implementation and Next Steps to Deliver Water, Wastewater and Transportation Infrastructure to 2051") for water and wastewater master plans were developed to identify infrastructure servicing strategies for forecasted growth to 2051. Updates to the Asset Management Plan and Asset Management Policy were developed in accordance with O. Reg. 588 and reported to Council through Report No. **PW-14-25/FN-13-25**. These activities guide the development of the annual budget and identify required investments in the Region's capital program.

Infrastructure Management activities also include the maintenance and support of asset information and inventory records as well as development and enforcement of Regional water and wastewater policies.

## Budget Impacts

The Infrastructure Management capital budget reflects a net increase of \$9.1 million, or 6.4%, which is required to support the Region's investment in the State-of-Good-Repair capital program and the expanding asset base.

Infrastructure Management Divisional Summary (\$000s)								
	2026 Budget					2025 Budget	Change	
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Funding & Other Revenue	Net Rate Impact	Net Rate Impact	2026-2025	
<b>Infrastructure Management</b>								
State-of-Good-Repair	\$ -	\$ 161,595	\$ 161,595	\$ (9,482)	\$ 152,113	\$ 142,992	\$ 9,120	6.4%
System Growth Planning	1,425	(1,425)	-	-	-	-	-	0.0%
Capital Project Delivery	16,109	(16,109)	-	-	-	-	-	0.0%
Information Management	3,205	(3,203)	2	(2)	-	-	-	0.0%
Environmental Services	2,440	(2,109)	332	(332)	-	-	-	0.0%
<b>Total</b>	<b>\$ 23,180</b>	<b>\$ 138,748</b>	<b>\$ 161,928</b>	<b>\$ (9,816)</b>	<b>\$ 152,113</b>	<b>\$ 142,992</b>	<b>\$ 9,120</b>	<b>6.4%</b>
2025 Budget	\$ 22,559	\$ 130,198	\$ 152,758	\$ (9,765)	\$ 142,992			
\$ Change	621	8,550	9,171	(50)	9,120			
% Change	2.8%	6.6%	6.0%	0.5%	6.4%			

Schedule may not add due to rounding.

**State-of-Good-Repair** includes the operating contribution required to finance the 10-Year Water and Wastewater State-of-Good-Repair capital program. Infrastructure assets have significant value and are the key resources used to provide services to the public and improve the quality of life for residents. As explained in further detail in the following Capital Budget section, the 2026 10-Year Water and Wastewater State-Of-Good-Repair capital program will invest \$1.6 billion to renew existing water and wastewater infrastructure assets to continue providing reliable, safe, sustainable, suitable and cost-efficient services. The first three years of the 2026 capital plan are prioritized by applying a risk-based approach, while the timing of projects in years four through ten are identified through the application of Life Cycle Models that provide a long-term projection of the cost of rehabilitation and replacement interventions throughout the life of the Region’s assets. Public Works employs its optimized decision-making process to support the development of a capital program that is prioritized for alignment with Halton Region’s Strategic Business Plan and documented in a transparent manner.

Halton’s Asset Management program assesses the condition of assets through various inspections and condition assessments to determine the appropriate level of annual capital investment which has resulted in most infrastructure assets being rated as good to very good condition and meeting desired service levels. The relatively young age of the Region’s network contributes to high infrastructure rating percentage.

State of Good Repair	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Projected
Percent of Water Infrastructure Rated as Good and Very Good	79.0%	79.0%	79.0%	79.0%	88.2%
Percent of Wastewater Infrastructure Rated as Good and Very Good	78.0%	78.0%	78.0%	78.0%	75.0%

**System Growth Planning** includes the planning studies and activities required for infrastructure identified to support approved growth. Public Works is completing a region-wide Integrated Master Plan for Water, Wastewater, and Transportation to identify infrastructure strategies to accommodate future growth. Through Report No. **PW-35-25** (re: “Integrated Master Plan”) the recommended servicing strategies to support growth in Halton Region to 2051 as set out in the Integrated Master Plan for Water, Wastewater and Transportation were adopted.

Direct costs for the 2026 System Growth Planning budget are increasing by \$9,000, or 0.6%, mainly due to compensation and other inflationary cost adjustments reflected where applicable to maintain service levels, partially offset with savings due to the removal of one-time technology costs.

**Capital Project Delivery** – The Public Works Capital Program is focused on the design and construction of safe and sustainable municipal infrastructure that maintains the Region’s asset base in a state-of-good-repair and supports approved growth. The capital program continues to introduce larger and more complex projects annually and Halton Region endeavors to reduce construction impacts on residents and businesses and achieve the lowest project delivery cost by bundling water, wastewater, and road replacement components as larger contracts, where practical. Managing the increasing volume of capital works with balanced consistency and a standardized approach across the entire division is extremely challenging. To address this, the Engineering Management Office works to ensure that a standardized, consistent, quality-based and transparent capital program delivery model is followed. This model must also meet the growing public expectation of highly effective, accurate, timely and unified communication on capital projects, as well as deliver exceptional customer service that exceeds the expectations of the community.

Direct costs for the 2026 Capital Project Delivery budget are increasing by \$535,000, or 3.4%, mainly due to increases in personnel services costs and other inflationary cost adjustments reflected where necessary to maintain service levels.



**Information Management** includes the development and implementation of the Public Works Asset Management Program and the organization and control of information used to inform the operation, maintenance and development of Halton’s water and wastewater infrastructure. In 2025, an update to the Asset Management Plan was completed that includes a robust roadmap to further sustain the asset management program and ensure it is responsive, useful, and successful in the future in the face of emerging climate and technological changes impacting infrastructure assets. Key information management activities include the enhancement of models used to assess system capacity to accommodate growth and electronic sharing of capital programs with the local municipalities to improve coordination of construction.

Direct costs for the 2026 Information Management budget are increasing by \$94,000, or 3.0%, mainly due to increases in personnel services costs and other inflationary cost adjustments reflected where necessary to maintain service levels.

**Environmental Services** includes environmental planning, hydrology and source water protection initiatives, the preparation of forest management plans, and tree marking services.

Direct costs for the 2026 Environmental Services Budget are decreasing by \$16,000 or 0.7%, primarily due to the ending of the Woodlands Stewardship Program as per Report No. **PW-16-25** (re: “Halton Region Tree By-law and Woodlands Stewardship Program – 2024 Annual Report”). The decrease is partially offset by inflationary cost adjustments reflected where applicable to maintain service levels.

## Environmental Services Capital Budget & Forecast

The 2026 Budget also provides funding to support the following capital projects.

Enviromental Services (\$ Millions)							
	2026	2027	2028	2029	2030	2031 - 35	Total
Forest Management Program	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.10	\$ 0.20
Vehicle Replacements - Forestry	0.04	-	-	-	-	0.04	0.08
<b>Total</b>	<b>\$ 0.06</b>	<b>\$ 0.02</b>	<b>\$ 0.02</b>	<b>\$ 0.02</b>	<b>\$ 0.02</b>	<b>\$ 0.14</b>	<b>\$ 0.28</b>

Schedule may not add due to rounding.

The Forest Management program requires \$0.20 million over the next 10 years to address improvements to the Regional Forests as set out in the Regional Forest Master Plan (PPW96-06). The required funding is provided from the Forest Agreement reserve, which is supported by an aggregate lease (Cox Tract Haul Route) and royalty revenues collected in the operating budget. This program is funded from the Agreement Forests/ESA’s Reserve.

## 2026 Water & Wastewater Capital Budget

The table below provides a summary of the 2026 10-year Water and Wastewater Capital Plan of \$4.1 billion. The water and wastewater development infrastructure requirements for 2026 stem from the 2023 Allocation Program, as detailed in Report No. **CA-02-24/PW-04-24/FN-05-24**. Although not part of the 2026 budget, the average of one year of the approved budget from 2024 to 2026 in the 2023 Allocation program is included in the 2026 Budget and Business Plan to provide appropriate representation, reflecting the significance of the approved program. In addition, 2032 to 2035 are estimated based on the 7-year average as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: "Integrated Master Plan") for water and wastewater master plans.

2026 Capital Budget & Forecast (including 2023 Allocation Program)											
Summary of Rate Capital Budget & Financing (\$000s)											
	Gross Cost	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Development</b>											
Water	\$ 920,291	\$ 248,887	\$ 24,744	\$ 59,697	\$ 56,160	\$ 26,411	\$ 11,868	\$ 123,131	\$ 123,131	\$ 123,131	\$ 123,131
Wastewater	1,611,224	470,111	206,082	157,704	1,765	22,392	178	188,248	188,248	188,248	188,248
Sub-total	2,531,515	718,998	230,826	217,401	57,925	48,803	12,046	311,379	311,379	311,379	311,379
<b>State-Of-Good-Repair</b>											
Water	\$ 797,405	\$ 85,263	\$ 109,999	\$ 91,208	\$ 65,596	\$ 98,840	\$ 112,642	\$ 57,575	\$ 51,399	\$ 51,755	\$ 73,128
Wastewater	803,586	91,860	86,280	77,411	71,656	66,582	50,489	64,704	93,810	89,568	111,226
Environmental Services	280	60	20	20	20	20	20	20	60	20	20
Sub-total	1,601,271	177,183	196,299	168,639	137,272	165,442	163,151	122,299	145,269	141,343	184,374
<b>Total</b>	<b>\$ 4,132,786</b>	<b>\$ 896,181</b>	<b>\$ 427,125</b>	<b>\$ 386,040</b>	<b>\$ 195,197</b>	<b>\$ 214,245</b>	<b>\$ 175,197</b>	<b>\$ 433,678</b>	<b>\$ 456,648</b>	<b>\$ 452,722</b>	<b>\$ 495,753</b>
<b>Financing</b>											
External Rcvry/Other	\$ 12,350	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235
Dev't Charges - Res.	1,367,062	353,055	120,537	33,613	43,371	37,949	1,125	194,353	194,353	194,353	194,353
Rate Capital Reserves	1,887,216	258,808	257,625	180,474	138,416	164,568	161,916	155,330	178,300	174,374	217,405
Capital Invstmnt Rvl. Fnd.	584,756	153,637	45,772	20,718	12,175	10,493	10,921	82,760	82,760	82,760	82,760
Alternative Financing/Debenture	281,402	129,446	1,956	150,000	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,132,786</b>	<b>\$ 896,181</b>	<b>\$ 427,125</b>	<b>\$ 386,040</b>	<b>\$ 195,197</b>	<b>\$ 214,245</b>	<b>\$ 175,197</b>	<b>\$ 433,678</b>	<b>\$ 456,648</b>	<b>\$ 452,722</b>	<b>\$ 495,753</b>

Includes financing cost. Schedule may not add due to rounding.

\*- For 2023 Allocation program: Based on estimated average expenditures for 2026.

\*- For 2032 to 2035 has been estimated based on 7 year avg. from 2025 to 2031

As detailed above, the 2026 10-year Water and Wastewater capital program is \$4.1 billion of which \$2.4 billion is presented to Council for approval as part of the 2026 Budget and Business Plan and \$1.7 billion is related to the 2023 Allocation Program (\$0.5 billion) and development water and wastewater estimates for 2032 to 2035 (\$1.2 billion). The impacts since Bill 23, which are still not all known, the demand for infrastructure based on the Provincial housing target to achieve 1.5

million homes by 2031 and inflationary risks all have significant pressures in the cost of delivering infrastructure and the risk that this continues could impact future budgets. Although some of these pressures have currently been mitigated through alternate funding strategies in the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**) there is risk that without alternate sources of funding, these changes could have a significant impact on existing taxpayers and the delivery of services in the future.

The section below highlights the 2026 Capital Budget and changes from the 2026 Forecast included in the 2025 Budget:

**The \$719.0 million Water and Wastewater Development-related program** in 2026 reflects \$688.9 million in estimated expenditures related to the 2023 Allocation Program (\$455.1 million approved through Report No. **CA-02-24/PW-04-24/FN-05-24** and \$233.8 million included in the 2026 Budget) and \$30.1 million for increases related to the 2020 Allocation Program. Some of the key projects include:

- \$108.0 million for 3000mm Trunk WWM from Lower Base Line WWPS (OAK) to Fourth Line (MIL) – Construction and Land
- \$28.8 million for 1650mm WWM on Fifth Line from Britannia Rd to Lower Base Line West (MIL) – Design and Construction
- \$19.1 million for 600mm WM on Burloak Drive from Burloak Pump Station (BPS) to Wyecroft Rd, and a 600 mm WM on Wyecroft Rd from RR25 to 3rd line and QEW (OAK) – Construction
- \$15.5 million for 1650 mm WWM on Lower Base Line West from 4th Line to 5th Line (MIL) – Design and Construction
- \$12.7 million for 8th Line Zone 4 Pumping Station and Reservoir alterations to support Zone 3/4/5 Boundary Re-alignment (OAK) – Construction
- \$9.1 million for WWM at Aldershot Creek between Fairwood Place West and North Shore Blvd West and on North Shore Blvd West from Fairwood Place West to the La Salle Park WWPS (BUR) – Construction and Land
- \$455.1 million in expenditures previously approved through the 2023 Allocation Program (Report No. **CA-02-24/PW-04-24/FN-05-24**) for 2026 which is the average of one year of the approved budget from 2024 to 2026

The **\$177.2 million State-of-Good-Repair program** has increased from the 2025 Forecast by \$12.5 million. The 2026 Budget incorporates significant investments of \$99.4 million for water distribution and wastewater collection systems rehabilitation and replacements, \$60.4 million for plant/facilities infrastructure upgrades and replacements and \$4.1 million for the Basement Flooding Mitigation program. The 2026 Budget includes the following major projects:

- \$13.0 million for Burloak WTP – Replace Zebra Mussel Chlorination and Sampling Lines (Intake)
- \$9.4 million for WWM on NSR E from 8th Line to Ironoak Way
- \$9.4 million for WWM on NSR E from Iroquois Shore Road to 8th Line
- \$9.4 million for WWM 8th Line from Falgarwood Dr to Iroquois Shore Road, WWM on Falgarwood Dr from 8th Line to 74m west of Gainsborough Dr, Abandoning WWM on Easement between Falgarwood Dr to Invicta Dr
- \$9.2 million for WM on Spruce Ave (Walkers to Goodram) \$8.2 million for WM on Commerce Cr. from Wallace St. to End
- \$8.1 million for WWM on Commerce Cr. from Wallace St. to End
- \$7.5 million for Mid-Halton WWTP (Third Line PS) – Replacement of Sewage Lowlift
- \$6.7 million for WM on Upper Middle Road from Mountain Grove to Guelph Line

## 10-Year Water & Wastewater Capital Budget & Forecast

The 2026 10-year Water and Wastewater capital program totals \$4.1 billion including the 2023 Allocation Program approved through Report No. **CA-02-24/PW-04-24/FN-05-24** and 2032 to 2035 development water and wastewater estimates. Of the \$4.1 billion 10-year Rate Capital Plan, \$2.4 billion is presented to Council for approval as part of the 2026 Budget and Business Plan and \$1.7 billion is related to the 2023 Allocation Program approved through Report No. **CA-02-24/PW-04-24/FN-05-24** (\$0.5 billion) and development water and wastewater master plan estimates for 2032 to 2035 (\$1.2 billion) which is anticipated to be approved in 2026.

The 10-year \$4.1 billion Water and Wastewater program consists of \$2.5 billion (61.3%) for the Development program and \$1.6 billion (38.7%) for the State-of-Good-Repair program. As discussed above, the development-related infrastructure requirements for 2026 were approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24**, therefore for appropriate representation the expenditures for this time period have been included in the 10-year capital budget to show the level of magnitude of the program. In addition, 2032 to 2035 are estimated based on the 7-year average.

**The \$2.5 billion 10-year Water and Wastewater Development program** is a \$18.9 million decrease from the 2025 capital program. The costs are related to greenfield, built boundary and capacity related infrastructure. The 10-year capital program includes:

- \$748.1 million to service region-wide capacity-related infrastructure.
- \$1,384.7 million to service greenfield area related infrastructure.
- \$199.5 million to service built boundary areas related infrastructure.
- \$199.2 million for employment land servicing related infrastructure.

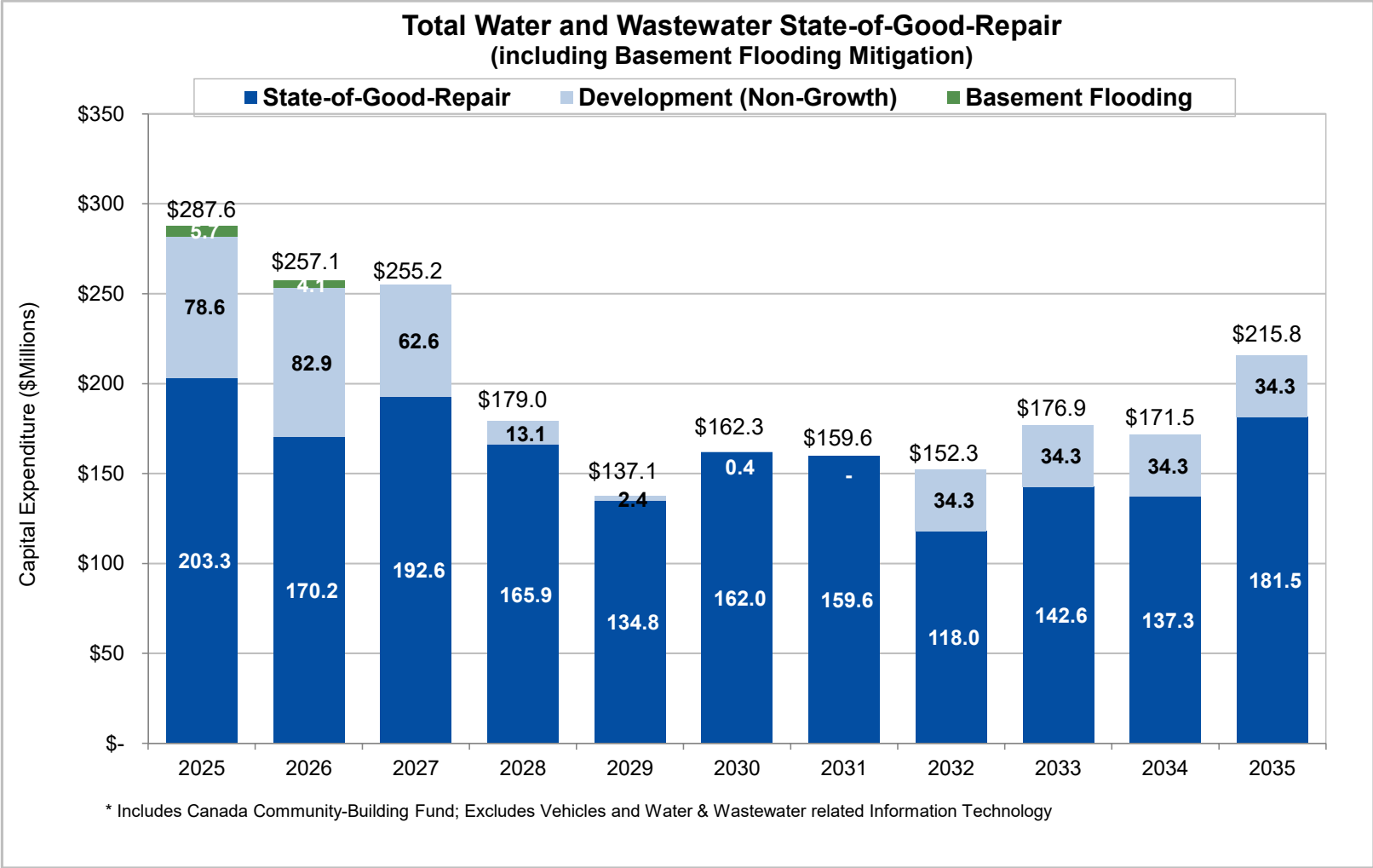
Implementation of the \$2.5 billion Development program will also address state-of-good-repair needs for existing infrastructure in the amount of \$298.3 million. Combined with the non-Development State-of-Good-Repair program of \$1.6 billion discussed below, the total 10-year (2025-2034) State-of-Good-Repair program is \$1.9 billion.

**The \$1.6 billion 10-year State-of-Good-Repair program** is a \$14.5 million decrease from the 2025 program. The 2026 Plan has been prepared based on the updated 2025 Asset Management Plan and Updated Asset Management Policy (Report No. **PW-14-25/FN-13-25**). As discussed earlier, the 10-year State-of-Good-Repair program will continue to be updated through the annual budget process based on the optimized decision-making process developed under the Public Work's Asset Management Strategy.

The 10-year water and wastewater State-of-Good-Repair program includes:

- \$1.0 billion for water distribution and wastewater collection systems rehabilitation and replacements, including the Basement Flooding Mitigation program of \$4.1 million.
- \$523.3 million for plants/facilities infrastructure upgrades, replacements, including \$76.5 million for plant maintenance.
- \$21.7 million for SCADA Master Plan implementation and other SCADA related projects.

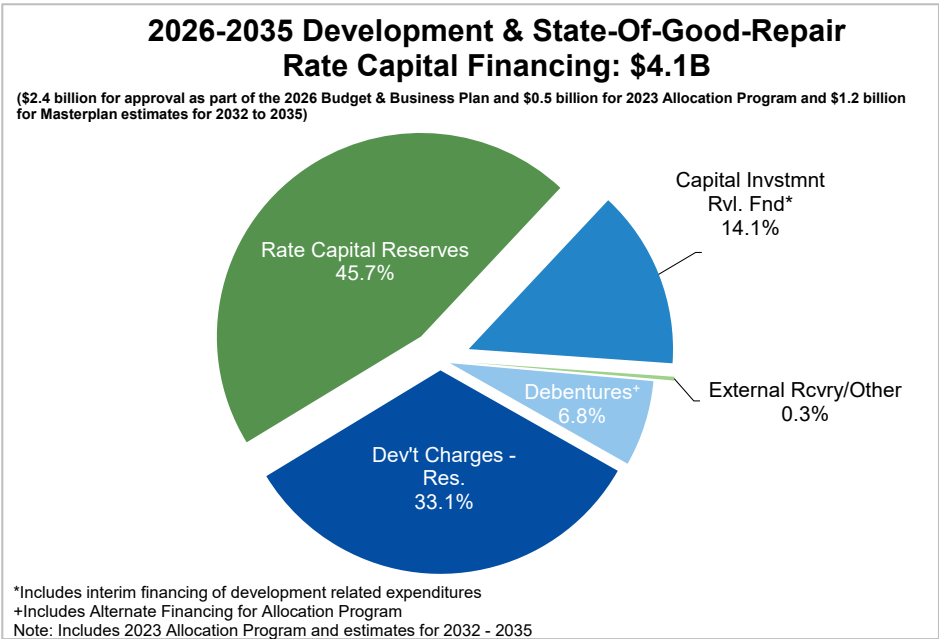
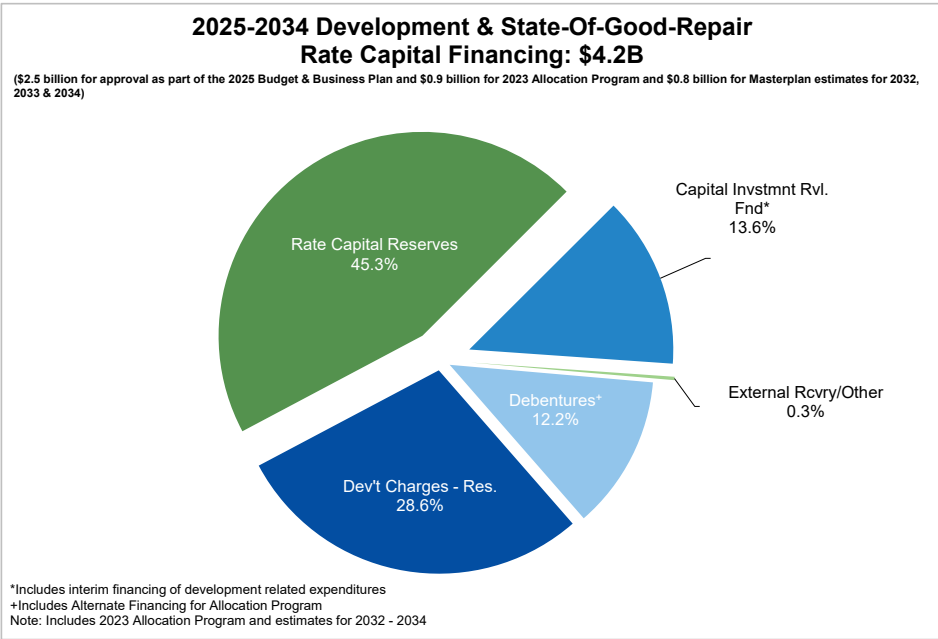
The following graph illustrates the state-of-good-repair (\$1.9 billion), including the Development-related state-of-good-repair infrastructure needs of \$298.3 million over the next 10 years.



# 10-Year Water & Wastewater Capital Financing

The following charts present a breakdown of the 2026 10-year financing plan for the Water and Wastewater capital program, compared to the 2025 Plan.

Financing of the 2026 10-year Water & Wastewater Capital Plan (including the 2023 Allocation Program approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24** and 2032 to 2035 development water and wastewater cost estimates) is based on Council-approved financing plans, including Development Financing Plan (Report No. **CA-02-24/PW-04-24/FN-05-24**) and the 2026 Budget Directions (Report No. **FN-17-25**). As previously mentioned, the infrastructure needs for 2024-2026 were approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24**, therefore for appropriate representation the expenditures for this time period have been included in the 10-year capital budget to show level of magnitude of the program. In addition, 2032 to 2035 are estimated based on the 7-year average as expenditures beyond 2031 require updates to reflect the new planning period outlined in Report No. **PW-35-25** (re: “Integrated Master Plan”) and Report No. **PW-36-25** (re: “Implementation and Next Steps to Deliver Water, Wastewater and Transportation Infrastructure to 2051”) for water and wastewater master plans.

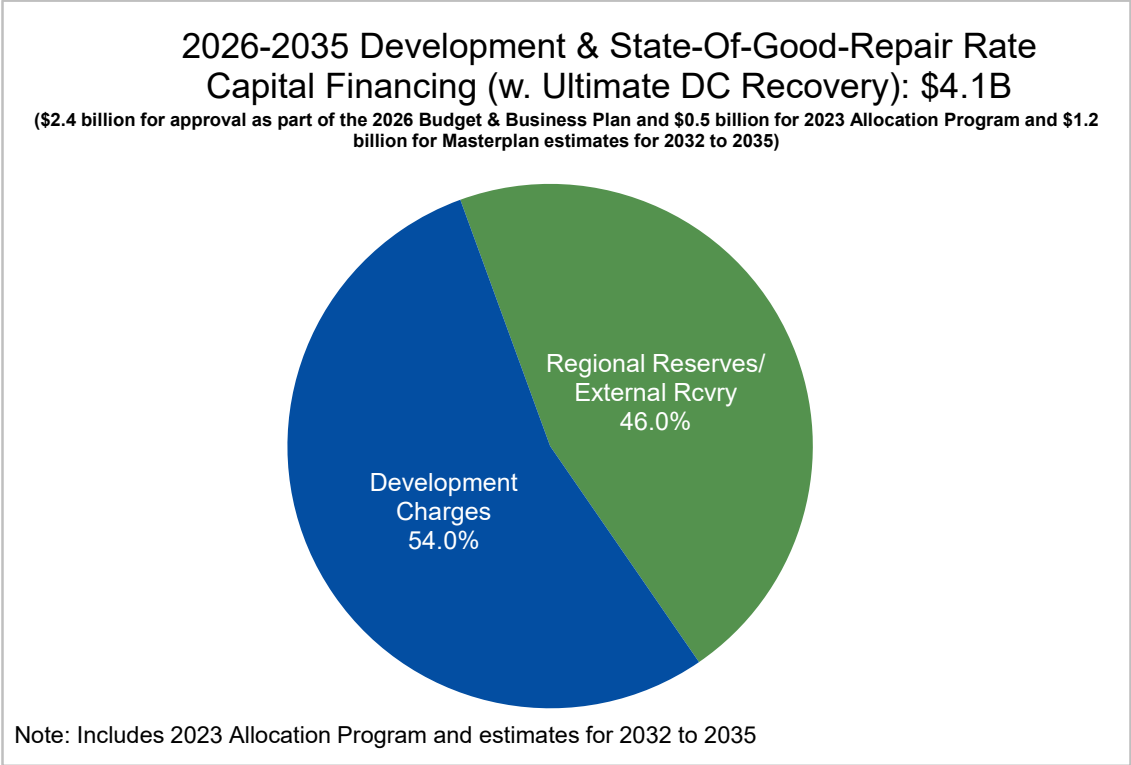


The 2026 Budget and Business Plan includes increasing operating budget contributions to reserves throughout the forecast period. The Regional reserves (including transfers from the Operating Budget, investment earnings, and Canada Community-Building Fund revenues) are used to fund the State-of-Good-Repair (non-growth) infrastructure program. In order to maintain sufficient reserves and adequate ratios between the operating contributions and amortization expenses, the 2026 Water and Wastewater budget increased the total operating contributions to \$155.2 million in support of the Water and Wastewater State-of-Good-Repair capital program. As noted earlier, the financing to the Rate Capital reserve provides sufficient capacity to fund the growing State-of-Good-Repair capital program on a pay-as-you-go basis over the next 10 years.

The funding share of the DCs and the interim financing through the Capital Investment Revolving Fund in the 2026 10-year Development program is greater than the 2025 program on a percentage. This is due to the fact that alternative financing (debt) is being used to help finance the residential and non-residential share of significant capacity projects that needed to be accelerated to meet the housing objectives of the Province.

The Capital Investment Revolving Fund is used to provide interim financing for the non-residential development-related costs, in accordance with the Development Financing Plan (Report No. CA-02-24/PW-04-24/FN-05-24), which is the framework being utilized to develop the 2026 Budget. This strategy supports the Region's economic objectives and ensures that the capital program is sustained with manageable operating impacts and a minimum requirement for external debt financing. By the end of 2025, the Region's investment from the Capital Investment Revolving Fund is anticipated to be \$360.3 million. These Regional investments will be fully recovered (including interest) from the collection of DCs as non-residential development proceeds in the future.

The following chart illustrates the ultimate funding shares when the Region's interim financing provided for growth infrastructure (i.e., non-residential share) is recovered from future DCs. As noted above, out of the total \$4.1 billion, \$1.9 billion (45.5%) is related to the State-of-Good-Repair capital program and the balance of \$2.3 billion (54.5%) is related to servicing growth. Accordingly, the growth-related cost will be fully funded by DCs (54.5%) and the State-of-Good-Repair program will be funded by the reserves (45.5%) supported by water and wastewater rates and external recoveries.





## State-of-Good-Repair Water & Wastewater Capital Financing

The 10-year Water and Wastewater State-of-Good-Repair capital program identifies \$1.6 billion, with \$177.1 million required in 2026. In the 2026 Budget Forecast, the funding required for the State-of-Good-Repair program will be financed by external recoveries (\$12.35 million) and capital reserves (\$1.60 billion) on a pay-as-you-go basis.

The Region's financial strategy includes funding state-of-good-repair (lifecycle and replacement) costs from capital reserves. These reserves are financed through contributions from the operating budget, year-end surplus, and investment earnings. In addition, Canada Community-Building Fund of \$94.8 million has been applied as a revenue source over the 10-year period in support of the State-of-Good-Repair capital program, including \$9.5 million applied in 2026.

## Development Water & Wastewater Capital Financing

The 2026 10-year Development Water and Wastewater program totals \$2.5 billion and reflects development infrastructure needs for 2026 that were approved as part of Report No. **CA-02-24/PW-04-24/FN-05-24**. These needs were included in the 10-year capital budget to highlight the program's scope. In addition, for the years 2032 to 2035, estimates are based on the seven-year average since expenditures beyond 2031 will require updated water and wastewater master plans to align with the new planning period.

The program consists of the following:

- **\$2,132.8 million for servicing Greenfield and Region-wide Capacity.** The program will consist of \$748.1 million of capacity-related projects with region-wide benefits and \$1,384.7 million of distribution/collection projects with Greenfield area specific benefits. There are expenditure changes within the 2020 and 2023 Allocation Programs requiring cost increases.
- **\$199.2 million for servicing Employment Land.** The Region has provided \$106.0 million of construction funding to service key strategic employment lands in 2011 (e.g., Milton Business Park phase 2, Oakville Winston Park West and Halton Hills 401 Corridor) through Report No. **CS-33-11/PW-53-11/LPS58-11**. An additional \$199.2 million has been identified in the 2026 Budget forecast to facilitate servicing of future employment lands. There are expenditure changes within the 2020 and 2023 Allocation Programs requiring cost increases.
- **\$199.5 million for servicing of Built Boundary areas.** This will support intensification objectives of the Sustainable Halton (ROPA38). Due to the magnitude and timing of these projects, the implementation timing and scope of this program will continue to be reviewed as part of the Budget Process.

The following is a summary of the financing plan for the \$2.5 billion 10-year Development program. DCs, combined with the Regional interim financing through the Capital Investment Revolving Fund, and alternative financing (debt), are used for the financing growth-related projects in the 10-year capital budget.

Development Water/Wastewater Capital 2026-2035 (\$ Millions)						
Program	Total	External Recovery	DC Res Share	Alternative Financing (Debt)	Revolving Fund*	Non-Growth Regional Reserve
Water	\$ 920.3	\$ -	\$ 536.0	\$ 78.2	\$ 283.5	\$ 22.6
Wastewater	1,611.2	-	831.0	203.2	301	275.7
<b>Total</b>	<b>\$ 2,531.5</b>	<b>\$ -</b>	<b>\$ 1,367.1</b>	<b>\$ 281.4</b>	<b>\$ 584.8</b>	<b>\$ 298.3</b>

Schedule may not add due to rounding.

-For 2023 Allocation Program: Based on estimated average expenditures for 2026

-For 2032 to 2035 has been estimated based on 7 year avg. from 2025 to 2031

\*Non-Res & Oversizing (For 2023 Alloc Program) are Interim Financed from Revolving Fund

This reflects the Region's financing approach to the growth-related water and wastewater capital program as outlined in the Development Financing Plan Framework (Report No. **CA-02-24/PW-04-24/FN-05-24**), which is the basis for the 2026 Capital Budget financing. The key principles of the Development Financing Plan are consistent with the principles used in previous Regional development financing plans approved by Council and include:

- The development financing plan will not impact the current or subsequent year's forecasted tax and rate increases.
- The development financing plan will not require the Region to exceed its own debt capacity levels.
- The repayment assumptions for Regional interim financing will assume a conservative "slow growth" scenario to ensure that economic conditions do not create unexpected impacts to the Region.
- All growth-related costs that can be recovered under the DC By-law from growth will be recovered.
- Halton's strong financial position and financial planning principles will not be compromised.

Consistent with these principles, the residential funding share of future allocation programs will be provided by the participating residential developers and the Regional funding will be provided mainly from the internal reserve borrowing capacity (e.g. Capital Investment Revolving Fund) while limiting significant debt issuance. The following is a breakdown of water and wastewater infrastructure financing for the 2026 Budget and Forecast:

#### Residential Development Financing (\$1,580.5 million):

- **The Residential-led Greenfield development** in the allocation areas (e.g., Oakville, Burlington, Milton, Acton and Georgetown) – require a Development Financing Agreement from residential developers to front-end finance, including funding required to address shortfalls in total DC revenues resulting from timing differences in the residential DC revenue collection.
- **The Residential cost in Built-boundary areas** (e.g., Burlington, Oakville, Milton, Acton and Georgetown) – will be funded as part of the Development Allocation Program and by DCs collected at subdivision agreement.

### Non-Residential Development (\$552.6 million):

- **Non-residential cost in Residential-led and Built-boundary areas (\$503.6 million)** – the Region provides interim and debt financing for non-residential costs that will ultimately be recovered from DCs (including carrying costs). Halton currently uses internal borrowing primarily from the Capital Investment Revolving Fund and alternate financing to interim finance these costs.
- **Non-residential share of Employment areas (\$49.0 million)** – the Region will provide front-end financing through the Capital Investment Revolving Fund for servicing the non-residential share of employment lands. The interim financing will be recovered from DCs (including carrying costs). Serviced employment lands are one of the most effective investments the Region can make to promote economic growth in Halton.

### Non-Growth (\$298.3 million) and Oversizing (\$100.0 million):

- **Non-growth (benefit to existing taxpayers) share (\$298.3 million)** – This represents the state-of-good-repair requirements needed to be addressed when existing infrastructure is expanded for growth. \$298.3 million will be financed from capital reserves. Of the \$298.3 million required, \$161.2 million (54.1%) is scheduled for the first five years of the forecast period including:
  - Lower Base Line WWPS (OAK) (\$28.5 million).
  - New 2400mm WWM inlet to Skyway WWTP parallel to QEW. Design and Construction (BUR) (\$26.0 million).
  - 7.5 ML storage expansion at Waterdown Reservoir (existing site) (Zone B1A) (BUR) (\$10.4 million)
  - Agnes St. WWPS Strategy - Construction (HHACT) (\$7.9 million)
  - WWM at Aldershot Creek between Fairwood Place West and North Shore Blvd West and on North Shore Blvd West from Fairwood Place West to the La Salle Park WWPS (BUR) (\$6.2 million).
  - 3000mm Trunk WWM from Lower Base Line WWPS (OAK) to Fourth Line (MIL) (\$5.4 million)
  - Twinning of 525 - 600 mm WWM from Elgin St South along Black Creek alignment to Acton WWTP - Construction (HHACT) (\$2.4 million)
  - 2023 Allocation Program non-growth expenditures for the 2023 Allocation Program, approved under Report No. **CA-02-24/PW-04-24/FN-05-24** (\$68.4 million)

# Halton Region Budget and Business Plan

## | STRATEGIC INVESTMENTS

# Key Investments: 2007-2025

## Live. Grow. Thrive: Building a Stronger Halton Together

Over the past two decades, Halton Region has made significant and strategic investments to improve services, support growth, and enhance the well-being of our community. These investments reflect Council's commitment to delivering high-quality services while planning for a sustainable future.



### Health & Well-Being

- **\$625,000** regional contribution to reduce hospital offload delays (2016–2017).
- **135+ paramedics added**, 7 new paramedic stations, and 48 ambulances upgraded with power stretchers (since 2016).
- **Mobile sexual health clinic** launched in North Halton to reach vulnerable populations.
- **COVID-19 response:** Additional staff hired for infectious disease prevention and control as well as mental health promotion.
- **Community Health Assessment Program (CHAP)** piloted with McMaster University to support older adults in social housing.



### Housing & Social Services

- **2,226 new housing opportunities** created since 2008.
- Increased investment of **\$800,000** in **food security** for vulnerable Halton residents to a total annual investment of **\$1.4 million**.
- **\$7.7 million** invested in **rental assistance programs**.
- **\$35.2 million** in grants through the **Halton Region Community Investment Fund (HRCIF)** with total annual investment of **\$5.0 million**.
- **Expansion of emergency supportive housing** to provide greater capacity to serve vulnerable residents, including women, families, and couples.
- **\$7.3 million** invested since 2011 in the **SPLIT transit program** to support low-income residents.
- **Older Adults Property Tax Deferral program** implemented to help seniors stay in their homes with **\$220,000** in annual funding.
- **19,285 licensed child care spaces** available at reduced fees under the Canada-Wide Early Learning and Child Care (CWELCC) program.
- Cost-share **Local Municipal property tax rebate programs** for low-income older adults and low-income persons with disabilities, with annual funding of **\$220,000**



# Key Investments: 2007-2025 (continued)



## Infrastructure & Environment

- **State-of-Good-Repair program** increased from \$74.9M (2007) to **\$297.4M** (2025).
- **\$85.3 million** planned investment in **basement flooding mitigation** from 2016-2025.
- **Advanced Traffic Management System (ATMS)**: 75% of traffic signals will be remotely monitored by end of 2025.
- **LED streetlight conversion** completed in 2022 to reduce energy use.
- **80%** of Halton Region's assets are in **Very Good to Good condition**.
- An initial investment of **\$3.0 million** to **improve customer services at the Halton Waste Management Site**, with annual funding of **\$50,000 for Sunday operation** since 2017.
- **Increase in waste diverted** from the landfill from 42% in 2007 to **58% in 2024**, as a result of successful waste diversion programs.
- **Advanced Metering Infrastructure (AMI)** technology implemented to support radio frequency reading for all Halton residents and businesses.
- **Reliability Centered Maintenance Plan: \$15 million** for a capital investment to build a **centralized industrial works centre** at the Mid-Halton Treatment Plant to broaden mechanical, electrical and Instrumentational skills.



## Community Development & Innovation

- **\$5 million** funding contribution to McMaster University for health and management studies.
- **\$2.2 million** funding contribution for Randle Reef environmental remediation.
- **Digital Strategy** implementation underway to deliver high-quality online digital services including the most frequently used customer-facing services, internal processes and staff experiences.

# Key Investments: 2007-2025 (continued)



## Community Development & Innovation (continued)

- **Halton Region Police Service Public Safety Broadband Network** provides a dedicated, secure, high-speed wireless data communications network for emergency responders and public safety personnel to address the mandated Next-Gen 911 services in Canada.
- **Internship and Apprenticeship Program** implemented to support youth employment with annual funding of **\$919,000**.
- **Conservation Halton** and **Credit Valley Conservation additional benefit-based** funding for critical initiatives integral to the safety and well-being of Halton residents.
- **Local Municipal Heritage** property tax rebate programs cost share to promote the conservation of cultural heritage resources with annual funding of **\$50,000**.

## 2026 Strategic Focus

The 2026 Budget continues to prioritize core services while investing in strategic initiatives that support community growth and well being.



# Halton Region

## Budget and Business Plan

STRATEGIC INVESTMENTS

TAX-SUPPORTED STRATEGIC INVESTMENTS

# Tax-Supported Strategic Investments

Dept.	Division	Strategic Investment / Position Title	FTE	Relief Hrs	Personnel Services	Gross Impact	Savings	Recoveries	Funding & Revenue	Tax Impact
HLTH	Paramedic Services	Paramedics	12.0	11,836.8	\$2,465,356	\$2,615,340	\$ -	\$ -	\$(1,229,210)	\$1,386,130
HLTH	Paramedic Services	Operations Superintendent	1.0	986.4	290,383	300,558	-	-	(141,262)	159,296
HLTH	Paramedic Services	Operations Coordinator	1.0	-	102,091	106,346	-	-	(49,983)	56,363
SCS	Housing Services	Supportive Housing Program Staffing	2.0	-	223,504	223,504	(223,504)	-	-	-
SCS	Human Services Planning & Program Support	Halton Region Community Investment Fund	-	-	-	500,000	-	-	-	500,000
SCS	Children's Services	Regional Child Care Centres - Relief Hours	-	7,500.0	387,068	387,068	(387,068)	-	-	-
PW	Waste Management	Wheeled Cart Collection Program	2.0	-	227,939	235,549	-	-	-	235,549
PW	Waste Management	Community Circular Economy Fund	-	-	-	60,000	-	-	-	60,000
CS	Capital Construction & Realty	Project Managers I and II	2.0	-	278,946	289,416	-	(289,416)	-	-
CS	Energy, Fleet & Facilities	Maintenance Tenant Support Worker	2.0	-	198,533	217,163	-	-	(108,582)	108,582
CS	Supply Chain Management	Senior Strategic Sourcing Specialist	1.0	-	146,033	149,133	-	(149,133)	-	-
DIS	Digital Transformation	Technical Lead	1.0	-	162,776	162,776	-	-	-	162,776
DIS	Digital Transformation	Data Management & Cutover Specialist	1.0	-	146,033	146,033	-	-	-	146,033
DIS	Digital Transformation	Change Management Specialist	1.0	-	146,033	146,033	-	-	-	146,033
<b>Tax-Supported Strategic Investments Total</b>			<b>26.0</b>	<b>20,323.2</b>	<b>\$4,774,695</b>	<b>\$5,538,919</b>	<b>\$ (610,572)</b>	<b>\$ (438,549)</b>	<b>\$(1,529,037)</b>	<b>\$2,960,762</b>

## Strategic Investment

### Paramedics

#### Funding Source

Tax

#### Program Details

Department	Health
Division	Paramedic Services
Program	Operations

#### Complement Details

Position Title	Paramedics
FTE Impact	12.0
Relief Hours Impact	11,836.8
Personnel Group	OPSEU_EMS

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 2,465,356	\$ 2,465,356
Materials & Supplies	136,384	18,240
Purchased Services	13,600	6,400
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>2,615,340</b>	<b>2,489,996</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>2,615,340</b>	<b>2,489,996</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	(1,229,210)	(1,170,298)
Other Revenue	-	-
<b>Total Revenue</b>	<b>(1,229,210)</b>	<b>(1,170,298)</b>
<b>Net Program Expenditures</b>	<b>\$ 1,386,130</b>	<b>\$ 1,319,698</b>

#### Business Case

##### Recommendation:

Approve 12.0 Paramedics (6.0 Advanced Care Paramedics FTEs and 6.0 Primary Care IV Paramedics FTEs), 11,836.8 relief hours, one ambulance and the required equipment to provide one additional 24-hours per day, 7 days per week staffing, and to convert an existing 12-hour ambulance to 24-hours per day to address pressures related to increasing call volume (growth) and to maintain response times.

##### Need:

This request will provide an additional 24-hour per day, 7-day per week ambulance and convert an existing 12-hour ambulance to 24-hour per day, with paramedics and relief hours to address pressures related to increasing call volume due to growth and an ageing population, in order to maintain response times to emergency calls. Over the past 10 years (2015 to 2024), call volume (emergency and non-emergency) has increased by 40% and the number of patients transported has increased by 31%. In 2024, there was a 10% increase in call volume and a 6% increase in the number of patients transported, compared to the previous year. By the end of 2025, call volumes are projected to increase a further 10%, exceeding levels originally forecasted for 2026 in the Master Plan (Report No. **MO-14-24**), with further growth of 6-8% expected in 2026.

The additional Paramedics will be deployed by the provincial communications centre to all areas of the Region as required as a component of the Paramedic Services' comprehensive deployment strategy.

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$1.4 million.

##### Implications:

Call volume increases impact the Paramedic Services' ability to maintain service levels and meet response time targets. Without these additional resources, there is a significant risk of increasing response times, primarily to low acuity calls, resulting in prolonged wait times. There will also be an increase in paramedic workload and the potential for an increase in the frequency of Paramedics not receiving legislated meal breaks.

##### Alternatives:

None

##### Reference:

Report No. **MO-14-24** (re: "Paramedic Services 10-Year Master Plan Update")

Report No. **MO-11-25** (re: "Paramedic Services Division Annual Update")

## Strategic Investment

### Operations Superintendent

Funding Source	Tax
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Program Details	
Department	Health
Division	Paramedic Services
Program	Operations

Complement Details	
Position Title	Operations Superintendent
FTE Impact	1.0
Relief Hours Impact	986.4
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2026 Impact	2027 Impact
Personnel Services	\$ 290,383	\$ 290,383
Materials & Supplies	9,975	1,420
Purchased Services	200	200
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>300,558</b>	<b>292,003</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>300,558</b>	<b>292,003</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	(141,262)	(137,241)
Other Revenue	-	-
<b>Total Revenue</b>	<b>(141,262)</b>	<b>(137,241)</b>
<b>Net Program Expenditures</b>	<b>\$ 159,296</b>	<b>\$ 154,762</b>

## Business Case

### Recommendation:

Approve 1.0 Operations Superintendent FTE and 986.4 relief hours to meet the recommended Paramedic to Operations Superintendent ratio of 20:1, ensuring adequate supervision of paramedics, management of frontline operations, and health and safety obligations are met.

### Need:

An additional Operations Superintendent position is needed to support ongoing growth in the Paramedic Services Division, manage the increasing workload and complexity of 24/7 operations, and maintain an appropriate level of supervisory oversight.

The division currently has 12 frontline Operations Superintendents, resulting in a Paramedic-to-Superintendent ratio of 22:1. An additional Operations Superintendent is required to ensure that an appropriate number of supervisory staff are in place to oversee Paramedic staff, direct day-to-day-operations, monitor system performance, ensure the health and safety of assigned staff and manage Paramedic Services pressures such as hospital offload delay.

With the proposed addition of Paramedic FTEs in the 2026 Budget, the ratio will increase unless an additional Superintendent is approved. Adding one Operations Superintendent would maintain the current 22:1 ratio and help ensure continued operational effectiveness.

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$159,000.

### Implications:

Without the additional 1.0 Operations Superintendent FTE, it will result in a Paramedic-to-Superintendent ratio of 25:1. This would result in an impact on the division's ability to fulfill current operational responsibilities, manage risk, comply with health and safety requirements, respond to customer service inquiries, meet project timelines, reduce field supervision of frontline staff as well as increase the workload for the existing Operations Superintendents.

### Alternatives:

None

### Reference:

Report No. **MO-14-24** (re: "Paramedic Services 10-Year Master Plan Update")

Report No. **MO-11-25** (re: "Paramedic Services Division Annual Update")

## Strategic Investment Operations Coordinator

Funding Source	Tax
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Program Details	
Department	Health
Division	Paramedic Services
Program	Operations

Complement Details	
Position Title	Operations Coordinator
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2026 Impact	2027 Impact
Personnel Services	\$ 102,091	\$ 102,091
Materials & Supplies	4,255	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>106,346</b>	<b>102,451</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>106,346</b>	<b>102,451</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	(49,983)	(48,152)
Other Revenue	-	-
<b>Total Revenue</b>	<b>(49,983)</b>	<b>(48,152)</b>
<b>Net Program Expenditures</b>	<b>\$ 56,363</b>	<b>\$ 54,299</b>

## Business Case

### Recommendation:

Approve 1.0 Operations Coordinator FTE to enhance operational efficiency, improve responsiveness to inquiries, and support strategic initiatives.

### Need:

Paramedic Services continues to experience sustained growth in call volumes, staffing, and public engagement. Existing operational support roles are fully utilized, leaving limited capacity to address emerging needs, respond to public inquiries, and support frontline staff.

To meet these demands, the addition of 1.0 Operations Coordinator FTE is recommended for 2026, as outlined in the Paramedic Services 10-Year Master Plan (Report No. **MO-14-24**). This role will enhance operational efficiency, improve responsiveness, and support strategic initiatives.

Growth pressures are driven by rising emergency and non-emergency call volumes, expanded staffing needs, increased public engagement, and operational strain on current supervisory staff, who are focused on maintaining daily service delivery.

### Implications:

Without the additional 1.0 Operations Coordinator FTE, there will be delays in responding to public and internal inquiries, reduced capacity for quality assurance and performance monitoring and missed opportunities for operational improvements and innovation.

### Alternatives:

None

### Reference:

Report No. **MO-14-24** (re: "Paramedic Services 10-Year Master Plan Update")  
Report No. **MO-11-25** (re: "Paramedic Services Division Annual Update")

## Strategic Investment

### Supportive Housing Program Staffing

Funding Source	Tax
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Program Details	
Department	Social & Community Services
Division	Housing Services
Program	Assisted Housing

Complement Details	
Position Title	Multiple Positions
FTE Impact	2.0
Relief Hours Impact	-
Personnel Group	Multiple

Funding Impact		
Operating	2026 Impact	2027 Impact
Personnel Services	\$ 223,504	\$ 223,504
Materials & Supplies	-	-
Purchased Services	(223,504)	(223,504)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	-	-
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	-	-
<b>Net Program Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>

### Business Case

#### Recommendation:

Approve 2.0 FTEs in the Housing Services Division (1.0 Quality and Compliance Coordinator (QCC) FTE and 1.0 Integrated Housing Worker (IHW) FTE) to address the ongoing increase in demand for Housing and Homelessness programs and services. This investment converts temporary contract positions to permanent, fully offset with funding provided through the Canada-Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI), with no tax impact.

#### Need:

The QCC supports evidence-based housing policy through outcome reporting and trend analysis. The QCC manages the Halton Accessibility Repair Program (HARP), helping homeowners stay housed through capital and accessibility upgrades and allowing them to age-in-place. The QCC delivers timely analysis supporting the implementation of the new CHS 2025-2035 and the Region's portfolio approach to create new supportive and assisted housing. The QCC also completes annual compliance reporting for various funding programs.

The IHW collaborates with internal and external partners to house vulnerable households, including those exiting homelessness. Beyond assisting new tenants, the IHW supports existing tenants in maintaining their Rent-Geared-to-Income (RGI) subsidies and provides essential eviction prevention services. Given the high demand nature of this role, adequate staffing levels are critical to sustaining support for vulnerable tenancies. The IHW portfolio continues to grow, requiring adequate staffing to sustain direct support services.

Converting these temporary positions to permanent will support the retention of high-quality staff performing high profile and legislative required functions, addressing the ongoing increase in demand for Housing and Homelessness programs and services. With continued COCHI and OPHI funding expected through 2028, a permanent QCC and IHW will ensure stability, maintain service quality and support Divisional and Regional priorities.

#### Implications:

Utilization of annual contracts for these highly specialized positions will impact Halton Region's ability to attract and retain high-performing staff with the necessary technical expertise. Without permanent staffing for these roles, continuity, service quality, and the Region's ability to meet Housing goals will be significantly impacted. This could result in gaps in critical service delivery for vulnerable populations and challenges in meeting key reporting and compliance requirements.

#### Alternatives:

Continue to utilize temporary staff resources in 2026 and revisit potential permanency of the positions as part of the 2027 Budget and Business Plan process.

#### Reference:

N/A

## Strategic Investment

### Halton Region Community Investment Fund

<b>Funding Source</b>	Tax
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#### Program Details

Department	Social & Community Services
Division	Human Services Planning & Program Support
Program	Community Partnerships

#### Complement Details

Position Title	
FTE Impact	
Relief Hours Impact	
Personnel Group	

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	500,000	500,000
<b>Total Direct Costs</b>	<b>500,000</b>	<b>500,000</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>500,000</b>	<b>500,000</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>

#### Business Case

##### Recommendation:

Approve a \$500,000 increase in funding to the Halton Region Community Investment Fund (HRCIF) from the current approved budget of \$5.0 million.

##### Need:

The HRCIF enhances the health, safety and well-being of Halton residents through \$5.0 million in annual funding to non-profit human service programs and initiatives.

In 2025, a wide range of programs have been funded to support the well-being of children, youth and older adults; increase food security among residents with low incomes; strengthen equity and inclusion; and enhance mental health. The number of grant applications submitted to the Region continues to increase year over year, demonstrating an increased awareness and need in the community.

The HRCIF funding framework enables the provision of single year and multi-year grants of up to three years.

The HRCIF is also an important tool to support the Halton Community Safety and Well-Being (CSWB) initiative. Strong alignment between the HRCIF and CSWB reinforces an integrated approach to planning and investment in keeping with direction in Halton Region's **2023-2026 Strategic Business Plan**.

A \$500,000 increase in the HRCIF will support Halton Region to meet emerging community needs and fund key human service programs and initiatives.

##### Implications:

An increase of \$500,000 will enhance the capacity of HRCIF to address CSWB and other emergent community priorities.

##### Alternatives:

Maintain the program at 2025 funding levels. This will limit the amount of investment available to address CSWB and emergent priorities.

##### Reference:

Report No. **SS-17-25** (re: "Halton Region Community Investment Fund – 2025 Funding Summary")



## Strategic Investment

### Regional Child Care Centres - Relief Hours

Funding Source	Tax
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#### Program Details

Department	Social & Community Services
Division	Children's Services
Program	Regional Child Care Centres

#### Complement Details

Position Title	Multiple Positions
FTE Impact	-
Relief Hours Impact	7,500.0
Personnel Group	OCT_MMSG

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 387,068	\$ 387,068
Materials & Supplies	-	-
Purchased Services	(387,068)	(387,068)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	-	-
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	-	-
<b>Net Program Expenditures</b>	\$ -	\$ -

#### Business Case

##### Recommendation

Approve the addition of 7,500 relief hours at Regional Child Care Centres (RCCCs), converting temporary resources to permanent, fully funded through Canada-Wide Early Learning and Child Care (CWELCC) funding with no net tax impact.

##### Need:

Child care centres in Ontario must meet child to educator ratios mandated under the Child Care and Early Years Act 2014 (CCEYA). Halton Region relies on a pool of relief/casual staff to ensure ratios are maintained at three Regionally owned child care centres. Relief/Casual staff backfill permanent employees when on vacation, ill, or unable to work for other reasons. If staff to child ratios cannot be achieved classrooms must be closed, which would adversely impact Halton parents.

On January 1, 2025 a new Canada-Wide Early Learning and Child Care (CWELCC) funding model was implemented. Provincial cost-based benchmark funding is now provided to all child care operators enrolled in the program, including the three RCCCs. Relief Hours are considered an eligible cost to be reimbursed through the CWELCC funding allocation. The cost of this strategic investment will be fully offset by an equal reduction in Purchased Services converting temporary resources to permanent, budgeted relief hours.

##### Implications:

Approval of this recommendation will ensure legislated child to educator ratios are met at the RCCCs, fully funded through CWELCC funding and a conversion of temporary resources to permanent, budgeted relief hours.

##### Alternatives:

Continue to manage the relief hours through temporary resources.

##### Reference:

N/A

## Strategic Investment

### Wheeled Cart Collection Program

<b>Funding Source</b>	Tax
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<b>Program Details</b>	
Department	Public Works
Division	Waste Management
Program	Various

<b>Complement Details</b>	
Position Title	Multiple Positions
FTE Impact	2.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

<b>Funding Impact</b>		
<b>Operating</b>	<b>2026 Impact</b>	<b>2027 Impact</b>
Personnel Services	\$ 227,939	\$ 227,939
Materials & Supplies	7,610	720
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>235,549</b>	<b>228,659</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>235,549</b>	<b>228,659</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 235,549</b>	<b>\$ 228,659</b>

### Business Case

#### Recommendation:

Approve 2.0 FTEs (Waste Management Data Analyst and Waste Collection Customer Service Technician) to support Region-wide automated cart collection and the new waste collection contracts. The Waste Management Data Analyst will support ongoing data collection and analysis requirements and the Waste Collection Customer Service Technician will support wheeled cart customer service and contractor oversight.

#### Need:

Additional resources are required to support the ongoing phased implementation of wheeled carts and the new waste collection contracts.

The Waste Management Data Analyst is required to support the implementation of wheeled carts by developing tools and processes to manage wheeled cart program information effectively throughout its lifecycle. The position will manage data inventory for new assets, provide ongoing data support and analysis, ensure the over 200,000 data points are in a functional state, and manage contractor data (RFID, front-end weights, GPS/AVL, photo/video footage, etc.). The position will improve existing practices by using a data management system to monitor performance analytics for waste collection contracts and services, support legislative compliance and reporting requirements and develop and monitor key performance indicators for data-driven decision-making on projects and initiatives.

The Waste Collection Customer Service Technical will enhance customer service and support asset management of the wheeled carts, as well as provide additional contractor monitoring and administration during preparation, implementation and ongoing operational delivery of the next waste collection contracts.

#### Implications:

The Waste Management Data Analyst role is critical to managing the new and complex data sets associated with the wheeled cart program that are not part of the existing waste collection program. The ability to effectively manage cart capital assets will be compromised without dedicated support. The Additional Waste Collection Customer Service Technician will provide enhanced customer service, contractor oversight, and account for forecasted growth over the term of the next waste collection contract agreements.

#### Alternatives:

For the Waste Collection Customer Service position, continue to rely on existing resources which may reduce the level of customer service and contractor oversight. For the Waste Management Data Analyst role, without this dedicated resource, external resources would be required to provide data support and analysis for the wheeled cart program.

#### Reference:

Report No. **PW-14-24** (re: "Solid Waste Collection Future Levels of Service")

## Strategic Investment

### Community Circular Economy Fund

#### Funding Source

Tax

#### Program Details

Department	Public Works
Division	Waste Management
Program	Waste Management Planning

#### Complement Details

Position Title	
FTE Impact	
Relief Hours Impact	
Personnel Group	

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	60,000	60,000
<b>Total Direct Costs</b>	<b>60,000</b>	<b>60,000</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>60,000</b>	<b>60,000</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>

#### Business Case

##### Recommendation:

Approve an increase of \$60,000 in annual funding for the Community Circular Economy Fund (formerly called the Waste Diversion Fund) from the current approved budget of \$218,900.

##### Need:

The Community Circular Economy Fund (CCEF) advances Halton Region's Solid Waste Management Strategy by reducing waste, extending landfill lifespan, and supporting innovative, community-led solutions. The CCEF builds on the success of the Waste Diversion Fund, which since 2003 has provided subsidies to non-profit organizations operating reuse centres and collection programs. Over its 20-year history, the Waste Diversion Fund diverted more than 70,000 tonnes of material from landfill and invested nearly \$2.2 million into local reuse organizations.

The CCEF modernizes and expands this approach by supporting a wider range of circular economy initiatives such as repair cafés, lending libraries, creative reuse programs, and food recovery projects. These initiatives foster innovation, build community capacity, increase waste reduction opportunities, and provide local organizations with resources to expand their impact. By investing in community-led initiatives, the CCEF helps build local networks, create volunteer and skill-building opportunities, and increase resident access to waste reduction solutions. Beyond direct diversion, the CCEF builds community capacity, raises awareness, and inspires long-term sustainable behaviour.

Applications have been accepted in 2025 from 11 organizations for funding in 2026. This demonstrates the community's readiness for circular practices and programs and the need for additional investment to help organizations who have embraced the circular economy to meet their priorities.

The CCEF supports Halton's Solid Waste Management Strategy by reducing waste, protecting the environment, and conserving resources. An additional \$60,000 will support the expansion to high-impact projects, strengthen community partnerships, and accelerate the circular economy transition.

##### Implications:

An increase of \$60,000 will enhance the capacity of the CCEF to support initiatives set out in the SWMS, as well as strengthen community efforts to foster a circular economy in Halton Region.

##### Alternatives:

Continue using limited operational funding, which would reduce the number of organizations supported and the scope of their initiatives. Alternatively, the CCEF could focus only on waste minimization, limiting engagement and education activities.

##### Reference:

Report No. **PW-06-25** (re: "Conversion of the Waste Diversion into the Community Circular Economy Fund")

## Strategic Investment

### Project Managers I and II

Funding Source	Tax
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Program Details	
Department	Corporate Services
Division	Capital Construction & Realty
Program	Asset Management and State of Good Repair

Complement Details	
Position Title	Multiple Positions
FTE Impact	2.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2026 Impact	2027 Impact
Personnel Services	\$ 278,946	\$ 278,946
Materials & Supplies	10,070	1,720
Purchased Services	400	400
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>289,416</b>	<b>281,066</b>
Allocated Charges/Recoveries	(289,416)	(281,066)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>-</b>	<b>-</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>

## Business Case

### Recommendation:

Approve 1.0 Project Manager I FTE and 1.0 Project Manager II FTE to maintain the Region's corporate facilities and Halton Community Housing Corporation (HCHC) facilities due to increased program demand pressures and service level requirements, and meet the corporation's target of net-zero greenhouse gas emissions by 2045.

### Need:

Halton's regional facilities deliver essential services to residents. The Capital Construction & Realty division delivers the yearly state-of-good-repair capital program for corporate and HCHC facilities, as well as third-party housing funding programs. The team is also responsible for in-year project requests as well as any health and safety items that arise. Capital replacement requirements continue to grow as building components age and new assets are added to the Region's portfolio. Since 2021, a number of new capital-intensive properties were added to the portfolio (Bethany, Normandy Place, Burlington Inn, Glenwood School Drive, City View Inn) and in 2025 two new HCHC properties are expected to come online. The combined lifecycle capital budget to maintain the state of good repair of HCHC and Corporate facilities has increased significantly from \$6.9 million in 2016 to a proposed \$17.7 million in 2026 (a 158% increase), and the number of units managed by HCHC has grown from 1,961 in 2016 to 2,346 projected in 2026 (a 19.6% increase). Additionally, HCHC's portfolio is aging with a significant increase in expected work starting in 2026. Additional staff are required to meet the growth in demand for services.

The Region's **2023-2026 Strategic Business Plan** includes a commitment to achieve a corporate target of net-zero greenhouse gas emissions at corporate facilities and HCHC properties by 2045. The nature of the work requires experienced, dedicated staff trained in all aspects of the role. With the growth of Regional assets, service delivery expectations and increased workload associated with program delivery, the additional resources are required to provide the expertise needed to implement these deliverables.

These positions support capital projects and therefore will be fully recovered from the capital budget.

### Implications:

Without the Project Manager roles, there is a risk that projects will be delayed and the Region will not be able to deliver programs efficiently. There is also a risk of degradation to existing facilities if capital improvements cannot be completed, and the Region may not achieve its net-zero greenhouse gas emissions target by 2045.

### Alternatives:

Continue to work on projects with current resources which may lead to deferral of projects and increased capital costs, and affect the Region's ability to deliver programs, as well as achieving net-zero greenhouse gas emissions by 2045.

### Reference:

N/A

## Strategic Investment

### Maintenance Tenant Support Worker

<b>Funding Source</b>	Tax
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#### Program Details

Department	Corporate Services
Division	Energy, Fleet & Facilities
Program	Facility Services

#### Complement Details

Position Title	Maintenance Tenant Support Worker
FTE Impact	2.0
Relief Hours Impact	-
Personnel Group	OPSEU_MTSW

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 198,533	\$ 198,533
Materials & Supplies	13,630	11,930
Purchased Services	5,000	5,000
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>217,163</b>	<b>215,463</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>217,163</b>	<b>215,463</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	(108,582)	(107,732)
<b>Total Revenue</b>	<b>(108,582)</b>	<b>(107,732)</b>
<b>Net Program Expenditures</b>	<b>\$ 108,582</b>	<b>\$ 107,732</b>

#### Business Case

##### Recommendation:

Approve 2.0 Maintenance Tenant Support Worker FTEs to enhance tenant support services, improve maintenance response times, and ensure a safe and well-maintained living environment for Halton Community Housing Corporation (HCHC) and emergency supportive housing tenants.

##### Need:

Energy, Fleet and Facilities is committed to delivering high-quality and timely maintenance services to tenants across the HCHC and Corporate portfolios. Increasing service demands, driven by aging infrastructure, and an expanding asset base are placing significant pressure on the maintenance team who are currently operating at full capacity.

Maintenance Tenant Support Workers (MTSWs) play a vital role in bridging the gap between maintenance operations and tenant well-being. They support unit access, perform minor repairs and inspections, and help coordinate repairs with contractors. Current staffing levels are no longer sufficient to manage the growing volume of service requests or to provide proactive support to vulnerable tenants. With two new buildings entering the portfolio and four recently opened emergency supporting housing facilities, the demand for MTSW services has increased significantly. There has been a 17% increase in work orders from 2020 to 2025, highlighting sustained pressure on maintenance services.

The addition of two MTSWs will improve response times for maintenance issues, enhancing tenant satisfaction and safety, reduce deferred maintenance and associated costs by enabling more proactive and preventative maintenance practices, and ensure adequate support for the new buildings. These investments support the Region's commitment to tenant-centred service delivery and the maintenance of safe, healthy home environments. One position is fully recovered from HCHC.

##### Implications:

Without the Maintenance Tenant Support Workers, there is a risk that responses to maintenance requests will not be done in a timely and effective manner which would impact tenant relations negatively resulting in an increase in complaints related to maintenance delays. The team would be unable to support the long-term sustainability of housing assets by not being able to provide more preventative maintenance, and adequate coverage for newly added buildings would not be provided.

##### Alternatives:

Continue operating with current staffing levels, risking increased tenant dissatisfaction due to delayed maintenance, reduced ability to support vulnerable tenants effectively, greater strain on existing staff, and inadequate support for new facilities, compromising service quality.

##### Reference:

N/A

## Strategic Investment

### Senior Strategic Sourcing Specialist

<b>Funding Source</b>	Tax
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<b>Program Details</b>	
Department	Corporate Services
Division	Supply Chain Management
Program	Supply Chain Management

<b>Complement Details</b>	
Position Title	Senior Strategic Sourcing Specialist
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

<b>Funding Impact</b>		
<b>Operating</b>	<b>2026 Impact</b>	<b>2027 Impact</b>
Personnel Services	\$ 146,033	\$ 146,033
Materials & Supplies	1,700	-
Purchased Services	1,400	1,400
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>149,133</b>	<b>147,433</b>
Allocated Charges/Recoveries	(149,133)	(147,433)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>-</b>	<b>-</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>

## Business Case

### Recommendation:

Approve 1.0 Senior Strategic Sourcing Specialist FTE to support the Region's Digital and Information Services (DIS) portfolio with the continued implementation of the Region's Digital Strategy.

### Need:

The Supply Chain Management (SCM) division provides vital support for Regional initiatives through the procurement of goods, services and construction to support the Region in the delivery of safe, high-quality, and reliable services to residents and businesses. SCM currently facilitates an average annual procurement value of \$565M of goods, services and construction. In addition, there has been an increase in procurement complexity that requires additional research, due diligence and negotiation of pricing and service terms.

The Senior Strategic Sourcing Specialist position will facilitate activities associated with complex procurements for the DIS department, including innovative and high-risk projects and services, to ensure consistency in service level delivery as well as system security. This position will provide expertise in vendor pre-qualification processes for DIS operational requirements and projects, and will ensure that procurement activities are carried out in compliance with the Procurement By-law and related policies, procedures, legislation, industry practices and professional standards.

This position is required to support the increased demands and complexity for Information Technology procurements, including developments related to artificial intelligence and increased security requirements. This resource will focus specifically on complex, high-value, high-risk procurements to ensure the Region can continue to deliver required levels of service, support implementation of the Region's Digital Strategy and mitigate operational risks.

This position will support capital project procurements and will therefore be funded from the capital budget.

### Implications:

Without the Senior Strategic Sourcing Specialist, there is a risk that the division will not be able to successfully support the growth and increasing complexity of the DIS portfolio. This resource will ensure compliance with the Procurement By-law and allow for continued collaboration with the DIS team to ensure service delivery and risk mitigation.

### Alternatives:

Continue to utilize temporary resources which will have a significant financial impact and will cause delays due to turnover. Hiring qualified staff with the necessary skills is very challenging when only temporary positions are offered versus permanent positions. Using external contractors may negatively impact business continuity, quality of work, and expected service levels.

### Reference:

N/A

## Strategic Investment

### Technical Lead

#### Funding Source

Tax

#### Program Details

Department	Digital & Information Services
Division	Digital Transformation
Program	SAP Transformation

#### Complement Details

Position Title	Technical Lead
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 162,776	\$ 162,776
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>162,776</b>	<b>162,776</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>162,776</b>	<b>162,776</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 162,776</b>	<b>\$ 162,776</b>

#### Business Case

##### Recommendation:

Approve 1.0 Technical Lead FTE to provide technical leadership in digital transformation projects, with particular emphasis on SAP/SuccessFactors and institutional knowledge about Halton's technical landscape of nearly 300 applications.

##### Need:

A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents and businesses. To achieve this objective, the Region has developed "Digital First: A Digital Strategy for Halton Region" (Report No. **ST-07-21** re: "Digital Strategy and Audit and Accountability Fund Update"). The strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. The Region's digital workplace is focused on making it easier for staff to get work done, find and access information, collaborate, and connect all staff to the digital tools that they need.

To uphold the Digital Strategy's objectives and to address key challenges and opportunities for improvement raised in the current state, a target state architecture based on an SAP platform was developed. Subsequently, a SAP Roadmap outlining implementation timing and sequencing was determined in 2022, and recently refreshed in July 2025. The SAP Roadmap illustrated 6 major SAP releases for implementation and highlighted 5 top at-risk applications to be remedied in parallel. A Technical Lead is required with sound technical knowledge in SAP/SuccessFactors, institutional knowledge of Halton's broader technical landscape, and leadership skills to collaborate with various staff and external vendors. The roadmap's implementation timeline is estimated to be 10-20 years. This role will provide stability for the program and a true reflection of Halton's commitment to the success of the SAP Transformation and Digital Strategy.

##### Implications:

Without this role, there will be further delays and pressures on meeting the SAP Transformation timeline. The Technical Lead role is a mandatory requirement in the Release 1 project and will provide the technical knowledge and leadership that is required for all SAP releases to proceed successfully.

##### Alternatives:

Continue to utilize temporary resources which will cause further delays and add pressure to the SAP Transformation timeline. Hiring qualified staff with the necessary skills is very challenging when only temporary positions are offered versus permanent positions.

##### Reference:

N/A



## Strategic Investment

### Data Management & Cutover Specialist

Funding Source	Tax
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#### Program Details

Department	Digital & Information Services
Division	Digital Transformation
Program	SAP Transformation

#### Complement Details

Position Title	Data Management & Cutover Specialist
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 146,033	\$ 146,033
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>146,033</b>	<b>146,033</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>146,033</b>	<b>146,033</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 146,033</b>	<b>\$ 146,033</b>

#### Business Case

##### Recommendation:

Approve 1.0 Data Management & Cutover Specialist FTE which will oversee application data, check for accuracy, consistency and readiness for use in the new system.

##### Need:

A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents and businesses. To achieve this objective, the Region has developed "Digital First: A Digital Strategy for Halton Region" (Report No. **ST-07-21** re: "Digital Strategy and Audit and Accountability Fund Update"). The strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. The Region's digital workplace is focused on making it easier for staff to get work done, find and access information, collaborate, and connect all staff to the digital tools that they need.

This role will support the delivery of Halton's "Deliver Digital" roadmap by building the data management framework for SAP data and interfacing systems, and lead the cutover and other data activities as Halton migrates from legacy systems to new SAP environments, while ensuring minimal disruption to the business. This role will ensure that the SAP data is accurate, accessible, secure, and usable, which will enable better decision-making, operational efficiency, and compliance for Halton users. A strong data foundation is a critical success factor for each SAP release and is critical to Halton's long term digital transformation success.

##### Implications:

Without this role, there may be delays and pressures on meeting the SAP Transformation timeline. Without reliable, timely, and well-structured data, business users will not be able to rely on the information within the SAP application which will lead to poor decision making, operational inefficiencies, and potential compliance issues for some departments in Halton.

##### Alternatives:

Continue to utilize external contractors which may cause delays and add pressure to the SAP Transformation timeline.

##### Reference:

N/A

## Strategic Investment

### Change Management Specialist

<b>Funding Source</b>	Tax
-----------------------	-----

<b>Program Details</b>	
Department	Digital & Information Services
Division	Digital Transformation
Program	SAP Transformation

<b>Complement Details</b>	
Position Title	Change Management Specialist
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

<b>Funding Impact</b>		
<b>Operating</b>	<b>2026 Impact</b>	<b>2027 Impact</b>
Personnel Services	\$ 146,033	\$ 146,033
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>146,033</b>	<b>146,033</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>146,033</b>	<b>146,033</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 146,033</b>	<b>\$ 146,033</b>

### Business Case

#### Recommendation:

Approve 1.0 Change Management Specialist FTE to provide change management and training expertise, management of stakeholder engagement tactics, and management of the change agent networks.

#### Need:

A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents and businesses. To achieve this objective, the Region has developed "Digital First: A Digital Strategy for Halton Region" (Report No. **ST-07-21** re: "Digital Strategy and Audit and Accountability Fund Update"). The strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. The Region's digital workplace is focused on making it easier for staff to get work done, find and access information, collaborate, and connect all staff to the digital tools that they need.. The Region's digital workplace is focused on making it easier for staff to get work done, find and access information, collaborate with others, and connect all staff to the digital tools that they need.

This role will support the delivery of the Halton's "Deliver Digital" roadmap by providing change management methodology to the organization, ensuring that stakeholders adopt and effectively use new SAP functionality in a sustained manner. Every major release on the SAP roadmap will require a change management specialist to ensure change awareness and adoption is managed not just at go-live but in the long term. The role's responsibilities may include change management strategy and planning, stakeholder engagement planning and tactics, change impact assessments, and adoption readiness assessments, as well as management of a change agent network, which is a group of individuals across the organization that will collaborate and drive change by planning, activating, and orchestrating change management activities, beyond the day-to-day implementation project team.

#### Implications:

Without this role, there may be delays and pressures on meeting the SAP Transformation timeline. Issues that typically arise from digital implementation such as user resistance, poor adoption rates, misalignment with business processes, and communication breakdown will continue which can derail the project or reduce SAP's long-term value to Halton's users.

#### Alternatives:

Continue to utilize temporary resources which will cause further delays and add pressure to the SAP Transformation timeline. Hiring qualified staff with the necessary skills is very challenging when only temporary positions are offered.

#### Reference:

N/A

# Halton Region

## Budget and Business Plan

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STRATEGIC INVESTMENTS

RATE-SUPPORTED STRATEGIC INVESTMENTS

# Rate-Supported Strategic Investments

Dept.	Division	Strategic Investment / Position Title	FTE	Personnel Services	Gross Impact	Recoveries	Rate Impact
PW	PW Admin	CCCP Coordinator	1.0	\$ 120,915	\$ 123,020	\$ -	\$ 123,020
PW	PW Admin	Laboratory Analyst	1.0	120,915	124,090	(40,000)	84,090
PW	W&WW Treatment	Maintenance Material Coordinator	1.0	132,913	132,913	-	132,913
PW	W&WW System Services	Basement Flooding Mitigation Program	5.0	843,161	1,028,228	-	1,028,228
<b>Rate-Supported Strategic Investments Total</b>			<b>8.0</b>	<b>\$ 1,217,904</b>	<b>\$ 1,408,251</b>	<b>\$ (40,000)</b>	<b>\$ 1,368,251</b>

**Strategic Investment****CCCP Coordinator****Funding Source**

Rate

**Program Details**

Department	Public Works
Division	PW Admin
Program	Industrial Waste

**Complement Details**

Position Title	CCCP Coordinator
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

**Funding Impact**

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 120,915	\$ 120,915
Materials & Supplies	2,105	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>123,020</b>	<b>121,275</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>123,020</b>	<b>121,275</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 123,020</b>	<b>\$ 121,275</b>

**Business Case****Recommendation:**

Approve 1.0 Cross Connection Control Program (CCCP) Coordinator FTE which is required for program delivery, customer service, and ensuring compliance of the Drinking Water By-law.

**Need:**

The Cross Connection Control Program protects the municipal drinking water distribution system by preventing contamination from non-potable water sources. The Program has grown since inception with the number of properties steadily increasing, currently managing approximately 10,200 backflow devices. An additional staff resource is required to fulfill all program requirements such as manage incidents, effectively complete field and enforcement activities and respond to increased program complexity.

The additional coordinator position will maintain compliance rates while addressing pressures related to program growth and development, as well as expanded Program implementation. This role will support effective customer communications, ensure customer service standards are met, finalize full implementation of fire system backflow requirements, and enhance staff's ability to conduct additional field inspections to confirm adherence with by-law compliance requirements.

**Implications:**

In order to maintain the program, staff have had to rely on temporary resources which has resulted in an increasing backlog and delayed responses to customers. Additional program resources will support ongoing compliance through annual testing, ensuring confidence in the safety of the water supply.

**Alternatives:**

Continue with the current complement utilizing overtime and temporary resources.

**Reference:**

N/A

## Strategic Investment

### Laboratory Analyst

Funding Source	Rate
----------------	------

Program Details	
Department	Public Works
Division	PW Admin
Program	Halton Regional Laboratory

Complement Details	
Position Title	Laboratory Analyst
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2026 Impact	2027 Impact
Personnel Services	\$ 120,915	\$ 120,915
Materials & Supplies	3,175	30
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>124,090</b>	<b>120,945</b>
Allocated Charges/Recoveries	(40,000)	(40,000)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>84,090</b>	<b>80,945</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 84,090</b>	<b>\$ 80,945</b>

### Business Case

#### Recommendation:

Approve 1.0 Laboratory Analyst FTE to maintain services levels in response to increased growth of Halton's capital program and service population, as well as adherence to rigorous quality requirements.

#### Need:

Since 2015, construction samples have increased by 31%, industrial waste related samples have increased by 90%, and the total number of samples has increased 17%. The number of Quality Control samples has also increased by 22%, with an associated increase in administration to satisfy requirements of the ISO 17025 Quality Management System.

Due to the increased volume of samples received and to be responsive to construction needs, a new Lab Analyst position is required to create sustainable work schedules aligned with operational demand and service expectations and requirements. The addition of a new Lab Analyst will help spread weekend shift scheduling across more staff and provide better resourcing coverage during workload peaks, vacations, illnesses. Additionally, the additional Lab Analyst will create the capacity for lab staff to complete required training and allow cross-training.

This investment will provide support to capital programs and therefore be partially recovered from the capital budget.

#### Implications:

The growing workload volume is increasingly difficult to manage combined with coverage for vacation, illness and weekend work. The existing staffing model provides no contingency or allowance to address emerging requirements and conduct cross training.

#### Alternatives:

Continue to rely on the current complement utilizing overtime and lieu time, which is unsustainable given the workload.

Contracting analysis and temporary employment are not recommended due to the training requirements to support the importance of quality laboratory operations and associated legislative obligations.

#### Reference:

N/A

## Strategic Investment

### Maintenance Material Coordinator

Funding Source	Rate
----------------	------

#### Program Details

Department	Public Works
Division	W&WW Treatment
Program	Treatment Plant Maintenance

#### Complement Details

Position Title	Maintenance Material Coordinator
FTE Impact	1.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

#### Funding Impact

Operating	2026 Impact	2027 Impact
Personnel Services	\$ 132,913	\$ 132,913
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>132,913</b>	<b>132,913</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>132,913</b>	<b>132,913</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 132,913</b>	<b>\$ 132,913</b>

#### Business Case

##### Recommendation:

Approve 1.0 Maintenance Material Coordinator FTE to develop and maintain material management practices for critical water and wastewater equipment.

##### Need:

The Water and Wastewater Treatment Plant Maintenance team maintains 24,000 Industrial, linear and facility assets. Each asset has potentially 20 to 30 materials that could be procured and maintained, resulting in a total possible quantity of 480,000 to 720,000 master records that are required in SAP to maintain accurate stock levels, and enable material requisitioning planning of non-stock materials.

The Plant Maintenance team has identified a need to improve material management practices due to emerging supply chain and trade challenges, a general increase in the length of time required to acquire parts, and to efficiently complete both planned and emergency work.

Improvements to Halton Region's material management practices include procuring only "need to have" materials that meet business needs and address risks, implementing monitoring and control processes for stock materials and non-stock records, and implementing satellite stores for emergency repair materials for regulatory assets across Halton Region.

The new Maintenance Material Coordinator position is required to support the implementation of material management improvement initiatives and support ongoing inventory sourcing, replenishment and record maintenance for the water and wastewater treatment plants.

##### Implications:

Material requisitioning is necessary for maintaining operation of the water and wastewater treatment plants. Delays in material requisitions would put the Region at risk of regulatory non-compliance and/or plant interruptions.

##### Alternatives:

Continue to rely on temporary staffing and/or consultants which increases the risk of service unreliability and loss of intellectual capital.

##### Reference:

N/A



## Strategic Investment

### Basement Flooding Mitigation Program

Funding Source	Rate
----------------	------

Program Details	
Department	Public Works
Division	W&WW System Services
Program	Basement Flooding

Complement Details	
Position Title	Various
FTE Impact	5.0
Relief Hours Impact	-
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2026 Impact	2027 Impact
Personnel Services	\$ 843,161	\$ 843,161
Materials & Supplies	28,025	1,800
Purchased Services	157,042	157,042
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
<b>Total Direct Costs</b>	<b>1,028,228</b>	<b>1,002,003</b>
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
<b>Gross Operating Expenditures</b>	<b>1,028,228</b>	<b>1,002,003</b>
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
<b>Capital Financing &amp; Other Costs</b>	<b>-</b>	<b>-</b>
Provincial & Federal Funding	-	-
Other Revenue	-	-
<b>Total Revenue</b>	<b>-</b>	<b>-</b>
<b>Net Program Expenditures</b>	<b>\$ 1,028,228</b>	<b>\$ 1,002,003</b>

### Business Case

#### Recommendation:

Approve 5.0 FTEs (1.0 Manager, Wastewater Performance FTE, 1.0 Special Project Advisor FTE, 1.0 Engineer FTE, 1.0 Program Education Specialist FTE and 1.0 Operations Support Coordinator FTE) to deliver enhancements to the Basement Flooding Mitigation Program.

#### Need:

Regional Council approved enhancements to the Basement Flooding Mitigation Program identified in Report Nos. **PW-21-25** and **PW-27-25/FN-20-25** which include enhancing the Basement Flooding Subsidy Program, expanding public education, targeted outreach and homeowner supports to disconnect stormwater sources from the wastewater system, enhancing stormwater inflow and infiltration field investigations and Wastewater System Remediation, and increasing inter-jurisdictional infrastructure coordination with Local Municipalities and Conservation Authorities.

While some re-prioritizing of staff has already been completed to better respond to flooding, these improvements are not sustainable in the long-term without additional staff.

A dedicated team will be required to build and deliver this program. The five additional resources proposed by this SIF will provide strategic oversight of the program, expand flow monitoring and field investigations to enhance detection of stormwater inflow and infiltration into the wastewater system, identify and carry out appropriate wastewater system remediation, enhance program education and targeted outreach, and provide technical support and guidance to homeowners undertaking the necessary private-side remediation work.

Resources may be scaled to meet increasing needs, as the Region is expected to contact up to 15,000 homes in the 11 priority areas to promote participation and complete private side disconnections, beginning with the highest-risk areas on a priority basis. This is a multi-year program requiring significant resources.

#### Implications:

This work is currently managed by management and front-line staff that have other operational responsibilities. Ensuring dedicated support for flood mitigation and response is critical to supporting the participation growth the program requires to achieve objectives.

#### Alternatives:

Continue to utilize the existing current staff complement which diverts the focus required to enhance the program.

#### Reference:

Report No. **PW-21-25** (re: "July 2024 Flood Response Action Update and Recommended Enhancements to the Region-Wide Basement Flooding Mitigation Program")

Report No. **PW-27-25/FN-20-25** (re: "Basement Flooding Prevention Subsidy Program Enhancements and Financial Analysis")

# Halton Region Budget and Business Plan

## | OPERATING BUDGET

# Tax-Supported Budget Summary

Tax-Supported Budget Summary (\$000s)								
	2025	2026			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Regional Services	\$ 335,388	\$ 349,818	\$ 2,961	\$ 352,778	\$ 14,430	4.3%	\$ 17,391	5.2%
Police Services	232,990	250,445	1,957	252,402	17,455	7.5%	19,412	8.3%
<b>Total</b>	<b>\$ 568,378</b>	<b>\$ 600,262</b>	<b>\$ 4,918</b>	<b>\$ 605,181</b>	<b>\$ 31,885</b>	<b>5.6%</b>	<b>\$ 36,803</b>	<b>6.5%</b>

Schedule may not add due to rounding

Summary of Tax Changes (With 1.8% Weighted Assessment Growth)				
	2026			2026
	Base Budget	Strategic Investments	Requested Budget	Budget Directions
Regional Services	2.5%	0.9%	3.3%	3.5%
Police Services	5.6%	0.8%	6.4%	
<b>Total</b>	<b>3.7%</b>	<b>0.9%</b>	<b>4.6%</b>	

# Net Program Expenditures - Tax

The following tables set out the net expenditure by program at a detailed level.

Net Dollars	2023	2024	2025		2026			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actuals <sup>1</sup>	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
<b>Health</b>											
Community Health Services	\$ 5,311,714	\$ 5,234,817	\$ 5,840,387	\$ 4,866,119	\$ 6,441,534	\$ -	\$ 6,441,534	\$ 601,147	10.3%	\$ 601,147	10.3%
Health Protection	7,941,599	7,164,529	7,204,082	8,342,050	7,789,278	-	7,789,278	585,196	8.1%	585,196	8.1%
Healthy Families	5,401,366	5,905,441	6,520,732	7,401,996	6,433,599	-	6,433,599	(87,132)	-1.3%	(87,132)	-1.3%
Public Health Resources	3,292,777	2,877,248	3,260,447	3,255,483	3,514,740	-	3,514,740	254,293	7.8%	254,293	7.8%
Total Public Health	21,947,456	21,182,034	22,825,647	23,865,647	24,179,151	-	24,179,151	1,353,503	5.9%	1,353,503	5.9%
Paramedic Services	23,237,792	25,672,162	30,938,502	30,138,502	32,151,987	1,601,789	33,753,776	1,213,485	3.9%	2,815,274	9.1%
<b>Total Health</b>	<b>45,185,247</b>	<b>46,854,196</b>	<b>53,764,149</b>	<b>54,004,150</b>	<b>56,331,137</b>	<b>1,601,789</b>	<b>57,932,926</b>	<b>2,566,988</b>	<b>4.8%</b>	<b>4,168,777</b>	<b>7.8%</b>
<b>Social &amp; Community Services</b>											
Children's Services	8,540,515	9,446,879	10,541,840	10,541,840	10,862,373	-	10,862,373	320,533	3.0%	320,533	3.0%
Employment & Social Services	7,687,539	6,832,988	7,050,026	6,550,026	7,282,481	-	7,282,481	232,455	3.3%	232,455	3.3%
Housing Services	40,014,484	43,246,824	48,738,076	48,538,076	50,752,099	-	50,752,099	2,014,024	4.1%	2,014,024	4.1%
Human Services Planning & Program Support	8,898,391	9,273,139	10,377,892	10,177,892	11,419,696	500,000	11,919,696	1,041,804	10.0%	1,541,804	14.9%
Services for Seniors	25,573,504	25,551,403	30,324,183	31,024,183	33,286,069	-	33,286,069	2,961,886	9.8%	2,961,886	9.8%
<b>Total Social &amp; Community Services</b>	<b>90,714,433</b>	<b>94,351,234</b>	<b>107,032,017</b>	<b>106,832,017</b>	<b>113,602,719</b>	<b>500,000</b>	<b>114,102,719</b>	<b>6,570,702</b>	<b>6.1%</b>	<b>7,070,702</b>	<b>6.6%</b>
<b>Public Works - Tax</b>											
Waste Management	49,069,750	51,945,086	53,583,988	53,583,988	57,470,080	295,549	57,765,629	3,886,092	7.3%	4,181,641	7.8%
Road Operations	59,361,832	60,837,739	66,328,829	65,778,829	67,146,469	-	67,146,469	817,640	1.2%	817,640	1.2%
Development Services	8,204,535	7,512,268	8,284,314	8,284,314	8,650,357	-	8,650,357	366,043	4.4%	366,043	4.4%
<b>Total Public Works - Tax</b>	<b>116,636,117</b>	<b>120,295,093</b>	<b>128,197,131</b>	<b>127,647,131</b>	<b>133,266,906</b>	<b>295,549</b>	<b>133,562,455</b>	<b>5,069,776</b>	<b>4.0%</b>	<b>5,365,325</b>	<b>4.2%</b>
<b>Small Business Centre &amp; Heritage Services</b>											
Small Business Centre & Heritage Services	3,499,654	3,595,940	2,567,516	2,527,516	1,386,794	-	1,386,794	(1,180,722)	-46.0%	(1,180,722)	-46.0%
<b>Total Small Business Centre &amp; Heritage Services</b>	<b>3,499,654</b>	<b>3,595,940</b>	<b>2,567,516</b>	<b>2,527,516</b>	<b>1,386,794</b>	<b>-</b>	<b>1,386,794</b>	<b>(1,180,722)</b>	<b>-46.0%</b>	<b>(1,180,722)</b>	<b>-46.0%</b>
<b>Corporate Administration</b>											
Corporate Administration	5,285,854	2,907,612	-	-	-	-	-	-	0.0%	-	0.0%
<b>Total Corporate Administration</b>	<b>5,285,854</b>	<b>2,907,612</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>

Schedule may not add due to rounding

<sup>1</sup> Projected Actuals discussed in Report No. **FN-25-25** (re: "Operating Budget Variance Report for the period ending August 31, 2025 and Capital Budget Variance and project closure for the period ending June 30, 2025")

Net Dollars	2023	2024	2025		2026			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actuals <sup>1</sup>	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
<b>Regional Governance &amp; Fiscal Transactions</b>											
Supplementary Tax Revenue	(7,644,774)	(7,612,077)	(7,300,000)	(7,300,000)	(7,300,000)	-	(7,300,000)	-	0.0%	-	0.0%
Other Tax Revenue	(5,152,465)	(5,138,576)	(4,900,000)	(4,900,000)	(4,900,000)	-	(4,900,000)	-	0.0%	-	0.0%
Tax Write-Off Provision	3,624,227	2,921,998	4,900,000	4,900,000	4,900,000	-	4,900,000	-	0.0%	-	0.0%
Tax Policy Expenditures	582,442	625,339	628,000	628,000	628,000	-	628,000	-	0.0%	-	0.0%
Assessment Services	9,858,050	10,088,664	10,327,700	10,327,700	10,890,500	-	10,890,500	562,800	5.4%	562,800	5.4%
<i>Provincial Offences Act</i> Revenue	(1,405,586)	(1,113,190)	(918,752)	(918,752)	(918,752)	-	(918,752)	-	0.0%	-	0.0%
Net Interest Earnings	(7,750,800)	(11,159,900)	(17,978,100)	(17,978,100)	(17,978,100)	-	(17,978,100)	-	0.0%	-	0.0%
Capital Financing & Other Expenditures	33,545,642	45,487,689	38,037,549	38,037,549	38,139,543	563,423	38,702,966	101,994	0.3%	665,417	1.7%
Regional Governance Chargeback	5,633,856	6,280,657	6,690,568	6,690,568	6,820,583	-	6,820,583	130,015	1.9%	130,015	1.9%
<b>Total Regional Governance &amp; Fiscal Transactions</b>	<b>31,290,593</b>	<b>40,380,602</b>	<b>29,486,965</b>	<b>29,486,965</b>	<b>30,281,774</b>	<b>563,423</b>	<b>30,845,197</b>	<b>794,809</b>	<b>2.7%</b>	<b>1,358,232</b>	<b>4.6%</b>
<b>Boards &amp; Agencies</b>											
Conservation Authorities	10,939,051	11,539,112	12,094,109	12,094,109	12,598,169	-	12,598,169	504,060	4.2%	504,060	4.2%
North Halton Mental Health Clinic	1,126,442	1,130,098	1,324,834	1,324,834	1,406,005	-	1,406,005	81,171	6.1%	81,171	6.1%
Royal Botanical Gardens	859,959	894,357	921,188	921,188	944,218	-	944,218	23,030	2.5%	23,030	2.5%
<b>Total Boards &amp; Agencies</b>	<b>12,925,452</b>	<b>13,563,567</b>	<b>14,340,131</b>	<b>14,340,131</b>	<b>14,948,392</b>	<b>-</b>	<b>14,948,392</b>	<b>608,261</b>	<b>4.2%</b>	<b>608,261</b>	<b>4.2%</b>
<b>Net Regional Impact Expenditure</b>	<b>305,537,349</b>	<b>321,948,244</b>	<b>335,387,909</b>	<b>334,837,910</b>	<b>349,817,722</b>	<b>2,960,761</b>	<b>352,778,483</b>	<b>14,429,814</b>	<b>4.3%</b>	<b>17,390,575</b>	<b>5.2%</b>
<b>Halton Regional Police Service</b>											
Police Services	176,992,015	196,120,827	219,329,779	219,329,779	235,494,371	1,957,418	237,451,789	16,164,592	7.4%	18,122,010	8.3%
Police Services - Debt Charges	3,199,598	3,625,375	6,874,063	6,874,063	6,874,063	-	6,874,063	-	0.0%	-	0.0%
Police Services - Reserves/Capital Transfers	5,847,396	4,040,429	6,786,049	6,786,049	8,076,339	-	8,076,339	1,290,290	19.0%	1,290,290	19.0%
<b>Total Halton Regional Police Service</b>	<b>186,039,009</b>	<b>203,786,630</b>	<b>232,989,891</b>	<b>232,989,891</b>	<b>250,444,773</b>	<b>1,957,418</b>	<b>252,402,191</b>	<b>17,454,882</b>	<b>7.5%</b>	<b>19,412,300</b>	<b>8.3%</b>
<b>Net Regional Levy Requirement</b>	<b>\$ 491,576,358</b>	<b>\$ 525,734,874</b>	<b>\$ 568,377,800</b>	<b>\$ 567,827,801</b>	<b>\$ 600,262,495</b>	<b>\$ 4,918,179</b>	<b>\$ 605,180,674</b>	<b>\$ 31,884,696</b>	<b>5.6%</b>	<b>\$ 36,802,875</b>	<b>6.5%</b>

Schedule may not add due to rounding

<sup>1</sup> Projected Actuals discussed in Report No. **FN-25-25** (re: "Operating Budget Variance Report for the period ending August 31, 2025 and Capital Budget Variance and project closure for the period ending June 30, 2025")

Net Dollars	2023	2024	2025		2026			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actuals <sup>1</sup>	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
<b>Corporate Administration</b>											
<b>CAO's Office</b>											
Internal Audit	\$ 775,403	\$ 860,609	\$ 900,348	\$ 900,348	\$ 926,200	\$ -	\$ 926,200	\$ 25,852	2.9%	\$ 25,852	2.9%
Strategic Initiatives & Government Relations	4,647,390	5,185,303	5,569,708	5,569,708	5,712,480	-	5,712,480	142,773	2.6%	142,773	2.6%
<b>Total CAO's Office</b>	<b>5,422,793</b>	<b>6,045,912</b>	<b>6,470,055</b>	<b>6,470,055</b>	<b>6,638,680</b>	<b>-</b>	<b>6,638,680</b>	<b>168,625</b>	<b>2.6%</b>	<b>168,625</b>	<b>2.6%</b>
<b>Corporate Services</b>											
Capital Construction & Realty	4,280,332	4,791,029	5,427,687	5,427,687	5,661,917	289,416	5,955,633	234,230	4.3%	527,946	9.7%
Communications & Customer Service	5,999,610	6,314,406	6,598,566	6,598,566	6,839,472	-	6,838,386	240,905	3.7%	239,820	3.6%
Energy, Fleet & Facilities	21,554,408	21,401,725	24,579,899	24,579,899	25,320,723	108,581	25,427,235	740,824	3.0%	847,336	3.4%
Human Resource Services	6,413,103	7,681,852	7,014,672	7,014,672	7,267,934	-	7,266,780	253,262	3.6%	252,108	3.6%
Legal Services	11,658,174	12,217,734	12,090,793	12,090,793	12,467,641	-	12,465,662	376,848	3.1%	374,869	3.1%
Supply Chain Management	3,917,763	4,193,803	4,113,184	4,113,184	4,355,689	149,133	4,506,809	242,505	5.9%	393,626	9.6%
<b>Total Corporate Services</b>	<b>53,823,391</b>	<b>56,600,550</b>	<b>59,824,801</b>	<b>59,824,801</b>	<b>61,913,375</b>	<b>547,130</b>	<b>62,460,505</b>	<b>2,088,574</b>	<b>3.5%</b>	<b>2,635,704</b>	<b>4.4%</b>
<b>Digital &amp; Information Services</b>											
Digital & Information Services	26,529,575	28,563,493	32,433,768	32,433,768	34,796,161	454,842	35,251,003	2,362,393	7.3%	2,817,235	8.7%
<b>Total Digital &amp; Information Services</b>	<b>26,529,575</b>	<b>28,563,493</b>	<b>32,433,768</b>	<b>32,433,768</b>	<b>34,796,161</b>	<b>454,842</b>	<b>35,251,003</b>	<b>2,362,393</b>	<b>7.3%</b>	<b>2,817,235</b>	<b>8.7%</b>
<b>Finance</b>											
Budgets & Tax Policy	3,365,896	3,427,520	3,798,469	3,798,469	3,935,411	-	3,935,411	136,942	3.6%	136,942	3.6%
Capital & Development Financing	2,791,267	2,281,232	2,898,086	2,898,086	3,131,676	-	3,131,676	233,590	8.1%	233,590	8.1%
Financial Services & Payroll	5,908,027	7,008,227	6,973,955	6,973,955	7,187,312	-	7,187,312	213,356	3.1%	213,356	3.1%
<b>Total Finance</b>	<b>12,065,190</b>	<b>12,716,979</b>	<b>13,670,510</b>	<b>13,670,510</b>	<b>14,254,398</b>	<b>-</b>	<b>14,254,398</b>	<b>583,888</b>	<b>4.3%</b>	<b>583,888</b>	<b>4.3%</b>
<b>Office of the Chair &amp; Regional Council</b>											
Office of the Chair	279,579	291,903	318,923	318,923	328,033	-	328,033	9,110	2.9%	9,110	2.9%
Regional Council	1,666,704	1,792,817	1,918,781	1,918,781	1,946,872	-	1,946,872	28,091	1.5%	28,091	1.5%
<b>Total Office of the Chair &amp; Regional Council</b>	<b>1,946,282</b>	<b>2,084,721</b>	<b>2,237,704</b>	<b>2,237,704</b>	<b>2,274,905</b>	<b>-</b>	<b>2,274,905</b>	<b>37,201</b>	<b>1.7%</b>	<b>37,201</b>	<b>1.7%</b>
<b>Total Corporate Administration Costs</b>	<b>\$ 99,787,230</b>	<b>\$ 106,011,654</b>	<b>\$ 114,636,838</b>	<b>\$ 114,636,838</b>	<b>\$ 119,877,519</b>	<b>\$ 1,001,972</b>	<b>\$ 120,879,491</b>	<b>\$ 5,240,681</b>	<b>4.6%</b>	<b>\$ 6,242,653</b>	<b>5.4%</b>

Schedule may not add due to rounding

<sup>1</sup> Projected Actuals discussed in Report No. **FN-25-25** (re: "Operating Budget Variance Report for the period ending August 31, 2025 and Capital Budget Variance and project closure for the period ending June 30, 2025")

# Corporate Administration Costs

The Region allocates corporate support costs to program delivery departments. This table includes details of the Corporate Administration expenditures that are reallocated through corporate support.

Net Dollars	Total Expenditures					Allocated Recoveries & External Revenues					Net Expenditures / Corporate Support				
	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved	
<b>CAO's Office</b>															
Internal Audit	\$ 877,917	\$ 900,348	\$ 926,200	\$ 25,852	2.9%	\$ (15,000)	\$ -	\$ -	\$ -	0.0%	\$ 862,917	\$ 900,348	\$ 926,200	\$ 25,852	2.9%
Strategic Initiatives & Government Relations	5,188,826	5,569,708	5,712,480	142,773	2.6%	(5,831)	-	-	-	0.0%	5,182,995	5,569,708	5,712,480	142,773	2.6%
<b>Total CAO's Office</b>	<b>6,066,743</b>	<b>6,470,055</b>	<b>6,638,680</b>	<b>168,625</b>	<b>2.6%</b>	<b>(20,831)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>6,045,912</b>	<b>6,470,055</b>	<b>6,638,680</b>	<b>168,625</b>	<b>2.6%</b>
<b>Corporate Services</b>															
Capital Construction & Realty	4,783,048	5,419,656	5,946,986	527,330	9.7%	(4,211,976)	(4,618,259)	(5,100,414)	(482,155)	10.4%	508,376	738,478	777,281	38,803	5.3%
Communications	6,304,391	6,608,633	6,848,285	239,652	3.6%	(4,548)	(19,506)	(19,506)	-	0.0%	6,405,990	6,715,857	6,960,888	245,031	3.6%
Energy, Fleet & Facilities	25,003,612	28,440,879	29,561,517	1,120,638	3.9%	(15,100,063)	(18,643,268)	(19,676,052)	(1,032,784)	5.5%	9,811,248	9,670,161	9,746,539	76,377	0.8%
Human Resource Services	8,687,876	8,190,652	8,305,430	114,778	1.4%	(1,948,958)	(2,098,600)	(1,951,271)	147,329	-7.0%	6,819,080	6,173,914	6,444,601	270,687	4.4%
Legal Services	13,136,162	12,331,968	12,753,263	421,295	3.4%	(7,903,948)	(7,695,384)	(7,886,162)	(190,778)	2.5%	5,184,715	4,595,400	4,828,971	233,571	5.1%
Supply Chain Management	4,269,192	4,149,797	4,546,211	396,414	9.6%	(1,639,524)	(1,573,939)	(1,778,325)	(204,386)	13.0%	2,645,855	2,598,819	2,791,682	192,863	7.4%
<b>Total Corporate Services</b>	<b>62,184,281</b>	<b>65,141,585</b>	<b>67,961,691</b>	<b>2,820,106</b>	<b>4.3%</b>	<b>(30,809,016)</b>	<b>(34,648,956)</b>	<b>(36,411,730)</b>	<b>(1,762,774)</b>	<b>5.1%</b>	<b>31,375,265</b>	<b>30,492,629</b>	<b>31,549,961</b>	<b>1,057,333</b>	<b>3.5%</b>
<b>Digital &amp; Information Services</b>															
Digital & Information Services	29,086,478	32,932,575	35,730,030	2,797,455	8.5%	(3,877,029)	(4,054,576)	(4,383,335)	(328,759)	8.1%	25,209,450	28,877,999	31,346,694	2,468,696	8.5%
<b>Total Digital &amp; Information Services</b>	<b>29,086,478</b>	<b>32,932,575</b>	<b>35,730,030</b>	<b>2,797,455</b>	<b>8.5%</b>	<b>(3,877,029)</b>	<b>(4,054,576)</b>	<b>(4,383,335)</b>	<b>(328,759)</b>	<b>8.1%</b>	<b>25,209,450</b>	<b>28,877,999</b>	<b>31,346,694</b>	<b>2,468,696</b>	<b>8.5%</b>
<b>Finance</b>															
Budgets & Tax Policy	3,400,146	3,786,496	3,923,497	137,000	3.6%	(1,993,379)	(2,055,440)	(2,121,353)	(65,913)	3.2%	1,406,767	1,731,056	1,802,144	71,087	4.1%
Capital & Development Financing	3,417,629	3,516,615	3,749,913	233,298	6.6%	(2,902,624)	(3,083,642)	(3,276,673)	(193,031)	6.3%	515,005	432,973	473,240	40,267	9.3%
Financial Services & Payroll	7,334,100	7,082,649	7,296,239	213,590	3.0%	(1,341,112)	(1,482,140)	(1,556,572)	(74,432)	5.0%	5,992,988	5,600,509	5,739,667	139,158	2.5%
<b>Total Finance</b>	<b>14,151,875</b>	<b>14,385,760</b>	<b>14,969,648</b>	<b>583,888</b>	<b>4.1%</b>	<b>(6,237,115)</b>	<b>(6,621,222)</b>	<b>(6,954,598)</b>	<b>(333,376)</b>	<b>5.0%</b>	<b>7,914,760</b>	<b>7,764,538</b>	<b>8,015,050</b>	<b>250,512</b>	<b>3.2%</b>
<b>Office of the Chair &amp; Regional Council</b>															
Office of the Chair	291,903	318,923	328,033	9,110	2.9%	-	-	-	-	0.0%	291,903	318,923	328,033	9,110	2.9%
Regional Council	1,792,817	1,918,781	1,946,872	28,091	1.5%	-	-	-	-	0.0%	1,792,817	1,918,781	1,946,872	28,091	1.5%
<b>Total Office of the Chair &amp; Regional Council</b>	<b>2,084,721</b>	<b>2,237,704</b>	<b>2,274,905</b>	<b>37,201</b>	<b>1.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>2,084,721</b>	<b>2,237,704</b>	<b>2,274,905</b>	<b>37,201</b>	<b>1.7%</b>
<b>Total Corporate Administration</b>	<b>\$ 113,574,097</b>	<b>\$ 121,167,679</b>	<b>\$ 127,574,954</b>	<b>\$ 6,407,275</b>	<b>5.3%</b>	<b>\$ (40,943,991)</b>	<b>\$ (45,324,754)</b>	<b>\$ (47,749,663)</b>	<b>\$ (2,424,909)</b>	<b>5.4%</b>	<b>\$ 72,630,107</b>	<b>\$ 75,842,925</b>	<b>\$ 79,825,291</b>	<b>\$ 3,982,366</b>	<b>5.3%</b>

Schedule may not add due to rounding



# Gross Expenditures & Revenues by Program (Tax)

This table sets out the total direct costs, other expenditures, capital financing expenditures, which total gross expenditures, as well as total revenue and net program expenditures.

	Total Direct Costs					Other Expenditures					Capital Financing Expenditures				
	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change	
				2026 Requested / 2025 Approved					2026 Requested / 2025 Approved					2026 Requested / 2025 Approved	
<b>Health</b>															
Community Health Services	\$ 13,055,516	\$ 13,682,177	\$ 13,336,293	\$(345,883)	-2.5%	\$ 1,875,198	\$ 3,280,146	\$ 3,292,078	\$ 11,932	0.4%	\$ 68,857	\$ 68,857	\$ 68,857	\$ -	0.0%
Health Protection	11,357,470	12,662,144	12,258,388	(403,756)	-3.2%	2,772,678	3,125,537	3,283,862	158,325	5.1%	-	-	-	-	0.0%
Healthy Families	11,734,631	11,498,842	10,579,066	(919,775)	-8.0%	2,618,428	3,077,276	3,150,742	73,466	2.4%	11,166	13,000	27,600	14,600	112.3%
Public Health Resources	4,999,367	4,886,705	4,988,050	101,345	2.1%	1,101,952	1,746,938	1,734,863	(12,075)	-0.7%	-	-	-	-	0.0%
Total Public Health	41,146,984	42,729,867	41,161,798	(1,568,070)	-3.7%	8,368,257	11,229,897	11,461,545	231,648	2.1%	80,024	81,857	96,457	14,600	17.8%
Paramedic Services	41,832,046	47,635,298	54,207,859	6,572,561	13.8%	7,438,093	8,617,661	8,366,314	(251,347)	-2.9%	3,349,001	3,903,175	3,903,175	-	0.0%
<b>Total Health</b>	<b>82,979,030</b>	<b>90,365,165</b>	<b>95,369,656</b>	<b>5,004,492</b>	<b>5.5%</b>	<b>15,806,350</b>	<b>19,847,558</b>	<b>19,827,859</b>	<b>(19,699)</b>	<b>-0.1%</b>	<b>3,429,024</b>	<b>3,985,032</b>	<b>3,999,632</b>	<b>14,600</b>	<b>0.4%</b>
<b>Social &amp; Community Services</b>															
Children's Services	194,976,292	253,868,843	253,284,941	\$(583,902)	-0.2%	4,167,408	4,496,507	4,381,695	\$(114,812)	-2.6%	65,600	65,600	65,600	-	0.0%
Employment & Social Services	40,984,938	43,174,866	51,867,285	8,692,419	20.1%	2,982,842	2,911,422	2,796,056	\$(115,366)	-4.0%	-	-	-	-	0.0%
Housing Services	57,978,446	60,461,811	61,729,069	1,267,257	2.1%	3,775,383	3,341,065	3,586,567	245,502	7.3%	7,650,000	11,665,000	11,998,000	333,000	2.9%
Human Services Planning & Program Support	9,896,454	10,212,132	11,816,941	1,604,809	15.7%	534,471	1,102,349	1,039,344	\$(63,005)	-5.7%	-	-	-	-	0.0%
Services for Seniors	87,655,012	88,618,383	92,578,167	3,959,784	4.5%	14,015,386	15,987,449	17,258,911	1,271,462	8.0%	2,265,223	2,265,223	864,700	\$(1,400,523)	-61.8%
<b>Total Social &amp; Community Services</b>	<b>391,491,142</b>	<b>456,336,035</b>	<b>471,276,402</b>	<b>14,940,367</b>	<b>3.3%</b>	<b>25,475,490</b>	<b>27,838,792</b>	<b>29,062,573</b>	<b>1,223,782</b>	<b>4.4%</b>	<b>9,980,823</b>	<b>13,995,823</b>	<b>12,928,300</b>	<b>\$(1,067,523)</b>	<b>-7.6%</b>
<b>Public Works - Tax</b>															
Waste Management	48,886,873	46,079,236	46,248,451	169,215	0.4%	5,358,159	6,045,484	6,495,445	449,961	7.4%	7,781,927	12,372,322	8,470,472	\$(3,901,850)	-31.5%
Road Operations	17,988,970	20,428,377	20,984,576	556,199	2.7%	4,542,663	4,693,020	4,937,501	244,481	5.2%	39,147,001	41,966,021	41,973,398	7,377	0.0%
Development Services	6,156,962	6,737,448	6,969,850	232,402	3.4%	3,362,642	3,381,695	3,552,437	170,743	5.0%	-	-	-	-	0.0%
<b>Total Public Works - Tax</b>	<b>73,032,806</b>	<b>73,245,061</b>	<b>74,202,877</b>	<b>957,816</b>	<b>1.3%</b>	<b>13,263,464</b>	<b>14,120,199</b>	<b>14,985,383</b>	<b>865,184</b>	<b>6.1%</b>	<b>46,928,928</b>	<b>54,338,343</b>	<b>50,443,870</b>	<b>\$(3,894,473)</b>	<b>-7.2%</b>
<b>Small Business Centre &amp; Heritage Services</b>															
Small Business Centre & Heritage Services	2,610,662	1,564,813	1,356,708	\$(208,105)	-13.3%	1,255,221	1,198,783	226,927	\$(971,856)	-81.1%	18,500	18,500	18,500	-	0.0%
<b>Total Small Business Centre &amp; Heritage Services</b>	<b>2,610,662</b>	<b>1,564,813</b>	<b>1,356,708</b>	<b>\$(208,105)</b>	<b>-13.3%</b>	<b>1,255,221</b>	<b>1,198,783</b>	<b>226,927</b>	<b>\$(971,856)</b>	<b>-81.1%</b>	<b>18,500</b>	<b>18,500</b>	<b>18,500</b>	<b>-</b>	<b>0.0%</b>
<b>CAO's Office</b>															
Internal Audit	868,859	896,808	922,420	25,612	2.9%	\$(851,407)	\$(896,808)	\$(922,420)	\$(25,612)	2.9%	-	-	-	-	0.0%
Strategic Initiatives & Government Relations	5,186,751	5,533,593	5,693,895	160,302	2.9%	\$(5,210,500)	\$(5,533,593)	\$(5,693,895)	\$(160,302)	2.9%	-	-	-	-	0.0%
<b>Total CAO's Office</b>	<b>6,055,609</b>	<b>6,430,401</b>	<b>6,616,315</b>	<b>185,914</b>	<b>2.9%</b>	<b>\$(6,061,907)</b>	<b>\$(6,430,401)</b>	<b>\$(6,616,315)</b>	<b>\$(185,914)</b>	<b>2.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Corporate Services</b>															
Capital Construction & Realty	4,899,413	5,525,421	6,034,348	508,927	9.2%	\$(5,034,939)	\$(5,525,421)	\$(6,034,348)	\$(508,927)	9.2%	-	-	-	-	0.0%
Communications & Customer Service	6,178,143	6,476,670	6,711,695	235,025	3.6%	\$(6,459,272)	\$(6,460,164)	\$(6,695,189)	\$(235,025)	3.6%	3,000	3,000	3,000	-	0.0%
Energy, Fleet & Facilities	17,098,652	18,424,613	18,815,919	391,305	2.1%	\$(19,252,941)	\$(20,804,096)	\$(21,594,172)	\$(790,076)	3.8%	5,745,607	6,213,007	6,881,807	668,800	10.8%
Human Resource Services	8,574,970	8,087,132	8,201,381	114,249	1.4%	\$(7,295,660)	\$(8,087,132)	\$(8,201,381)	\$(114,249)	1.4%	-	-	-	-	0.0%
Legal Services	13,141,142	12,354,232	12,764,316	410,084	3.3%	\$(11,341,599)	\$(12,099,409)	\$(12,507,074)	\$(407,665)	3.4%	-	-	-	-	0.0%
Supply Chain Management	4,004,806	4,095,764	4,448,896	353,132	8.6%	\$(3,922,167)	\$(4,096,193)	\$(4,485,124)	\$(388,932)	9.5%	6,000	42,429	81,429	39,000	91.9%
<b>Total Corporate Services</b>	<b>53,897,127</b>	<b>54,963,832</b>	<b>56,976,554</b>	<b>2,012,721</b>	<b>3.7%</b>	<b>\$(53,306,578)</b>	<b>\$(57,072,415)</b>	<b>\$(59,517,288)</b>	<b>\$(2,444,873)</b>	<b>4.3%</b>	<b>5,754,607</b>	<b>6,258,436</b>	<b>6,966,236</b>	<b>707,800</b>	<b>11.3%</b>

Schedule may not add due to rounding

	Total Direct Costs					Other Expenditures					Capital Financing Expenditures				
	2024	2025	2026	Change		2024	2025	2026	Change		2024	2025	2026	Change	
	Actuals	Approved Budget	Requested Budget	2026 Requested / 2025 Approved		Actuals	Approved Budget	Requested Budget	2026 Requested / 2025 Approved		Actuals	Approved Budget	Requested Budget	2026 Requested / 2025 Approved	
<b>Digital &amp; Information Services</b>															
Digital & Information Services	24,048,171	27,587,994	30,055,037	2,467,043	8.9%	(28,106,843)	(32,218,098)	(35,053,108)	(2,835,010)	8.8%	4,550,501	4,820,990	5,113,957	292,967	6.1%
<b>Total Digital &amp; Information Services</b>	<b>24,048,171</b>	<b>27,587,994</b>	<b>30,055,037</b>	<b>2,467,043</b>	<b>8.9%</b>	<b>(28,106,843)</b>	<b>(32,218,098)</b>	<b>(35,053,108)</b>	<b>(2,835,010)</b>	<b>8.8%</b>	<b>4,550,501</b>	<b>4,820,990</b>	<b>5,113,957</b>	<b>292,967</b>	<b>6.1%</b>
<b>Finance</b>															
Budgets & Tax Policy	3,520,289	3,838,122	3,995,373	157,250	4.1%	(3,633,365)	(3,838,122)	(3,995,373)	(157,250)	4.1%	-	-	-	-	0.0%
Capital & Development Financing	3,478,563	3,594,596	3,859,356	264,760	7.4%	(2,279,935)	(3,002,596)	(3,267,356)	(264,760)	8.8%	-	-	-	-	0.0%
Financial Services & Payroll	7,119,692	6,910,616	7,071,199	160,583	2.3%	(5,956,404)	(6,787,366)	(6,947,949)	(160,583)	2.4%	-	-	-	-	0.0%
<b>Total Finance</b>	<b>14,118,544</b>	<b>14,343,334</b>	<b>14,925,928</b>	<b>582,594</b>	<b>4.1%</b>	<b>(11,869,705)</b>	<b>(13,628,084)</b>	<b>(14,210,678)</b>	<b>(582,594)</b>	<b>4.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Office of the Chair &amp; Regional Council</b>															
Office of the Chair	281,348	306,837	314,319	7,482	2.4%	(297,923)	(306,837)	(314,319)	(7,482)	2.4%	-	-	-	-	0.0%
Regional Council	1,792,817	1,914,281	1,942,372	28,091	1.5%	(1,760,424)	(1,914,281)	(1,942,372)	(28,091)	1.5%	-	-	-	-	0.0%
<b>Total Office of the Chair &amp; Regional Council</b>	<b>2,074,166</b>	<b>2,221,118</b>	<b>2,256,691</b>	<b>35,573</b>	<b>1.6%</b>	<b>(2,058,347)</b>	<b>(2,221,118)</b>	<b>(2,256,691)</b>	<b>(35,573)</b>	<b>1.6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Regional Governance &amp; Fiscal Transactions</b>															
Supplementary Tax Revenue	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Other Tax Revenue	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Tax Write-Off Provision	2,921,998	4,900,000	4,900,000	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Tax Policy Expenditures	625,339	628,000	628,000	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Assessment Services	10,088,664	10,327,700	10,890,500	562,800	5.4%	-	-	-	-	0.0%	-	-	-	-	0.0%
Provincial Offences Act Revenue	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Net Interest Earnings	14,818,402	-	-	-	0.0%	65,752,936	43,632,200	43,632,200	-	0.0%	-	-	-	-	0.0%
Capital Financing & Other Expenditures	7,816,345	3,000,000	3,057,725	57,725	1.9%	13,111,425	10,239,417	10,791,909	552,491	5.4%	24,667,512	34,903,607	34,953,118	49,511	0.1%
Regional Governance Chargeback	-	-	-	-	0.0%	6,280,657	6,690,568	6,820,583	130,015	1.9%	-	-	-	-	0.0%
<b>Total Regional Governance &amp; Fiscal Transactions</b>	<b>36,270,747</b>	<b>18,855,700</b>	<b>19,476,225</b>	<b>620,525</b>	<b>3.3%</b>	<b>85,145,018</b>	<b>60,562,185</b>	<b>61,244,692</b>	<b>682,507</b>	<b>1.1%</b>	<b>24,667,512</b>	<b>34,903,607</b>	<b>34,953,118</b>	<b>49,511</b>	<b>0.1%</b>
<b>Boards &amp; Agencies</b>															
Conservation Authorities	11,539,112	12,094,109	12,468,169	374,060	3.1%	-	-	130,000	130,000	0.0%	-	-	-	-	0.0%
Royal Botanical Gardens	894,357	921,188	944,218	23,030	2.5%	-	-	-	-	0.0%	-	-	-	-	0.0%
North Halton Mental Health Clinic	1,069,998	1,264,734	1,267,281	2,547	0.2%	60,100	60,100	138,724	78,624	130.8%	-	-	-	-	0.0%
<b>Total Boards &amp; Agencies</b>	<b>13,503,467</b>	<b>14,280,031</b>	<b>14,679,668</b>	<b>399,637</b>	<b>2.8%</b>	<b>60,100</b>	<b>60,100</b>	<b>268,724</b>	<b>208,624</b>	<b>347.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Halton Regional Police Service</b>															
Halton Regional Police Service	207,868,859	228,553,120	246,508,232	17,955,112	7.9%	726,538	2,990,235	3,121,498	131,263	4.4%	9,372,504	13,660,112	14,950,402	1,290,290	9.4%
<b>Total Halton Regional Police Service</b>	<b>207,868,859</b>	<b>228,553,120</b>	<b>246,508,232</b>	<b>17,955,112</b>	<b>7.9%</b>	<b>726,538</b>	<b>2,990,235</b>	<b>3,121,498</b>	<b>131,263</b>	<b>4.4%</b>	<b>9,372,504</b>	<b>13,660,112</b>	<b>14,950,402</b>	<b>1,290,290</b>	<b>9.4%</b>
<b>Net Regional Tax Levy</b>	<b>\$ 907,950,329</b>	<b>\$ 988,746,604</b>	<b>\$ 1,033,700,294</b>	<b>\$ 44,953,689</b>	<b>4.5%</b>	<b>\$ 40,328,800</b>	<b>\$ 15,047,735</b>	<b>\$ 11,083,576</b>	<b>\$ (3,964,159)</b>	<b>-26.3%</b>	<b>\$ 104,702,400</b>	<b>\$ 131,980,843</b>	<b>\$ 129,374,014</b>	<b>\$ (2,606,829)</b>	<b>-2.0%</b>

Schedule may not add due to rounding

	Total Gross Expenditures					Total Revenue					Net Program Expenditures				
	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved	
<b>Health</b>															
Community Health Services	\$ 14,999,571	\$ 17,031,180	\$ 16,697,229	\$ (333,951)	-2.0%	\$ (9,764,754)	\$ (11,190,793)	\$ (10,255,695)	\$ 935,098	-8.4%	\$ 5,234,817	\$ 5,840,387	\$ 6,441,534	\$ 601,147	10.3%
Health Protection	14,130,148	15,787,681	15,542,250	(245,431)	-1.6%	(6,965,619)	(8,583,599)	(7,752,972)	830,627	-9.7%	7,164,529	7,204,082	7,789,278	585,196	8.1%
Healthy Families	14,364,225	14,589,118	13,757,408	(831,709)	-5.7%	(8,458,785)	(8,068,386)	(7,323,809)	744,577	-9.2%	5,905,441	6,520,732	6,433,599	(87,132)	-1.3%
Public Health Resources	6,101,320	6,633,643	6,722,913	89,270	1.3%	(3,224,072)	(3,373,196)	(3,208,173)	165,023	-4.9%	2,877,248	3,260,447	3,514,740	254,293	7.8%
Total Public Health	49,595,265	54,041,621	52,719,800	(1,321,822)	-2.4%	(28,413,231)	(31,215,974)	(28,540,649)	2,675,325	-8.6%	21,182,034	22,825,647	24,179,151	1,353,503	5.9%
Paramedic Services	52,619,140	60,156,134	66,477,348	6,321,214	10.5%	(26,946,977)	(29,217,632)	(32,723,572)	(3,505,940)	12.0%	25,672,162	30,938,502	33,753,776	2,815,274	9.1%
<b>Total Health</b>	<b>102,214,404</b>	<b>114,197,755</b>	<b>119,197,147</b>	<b>4,999,392</b>	<b>4.4%</b>	<b>(55,360,208)</b>	<b>(60,433,606)</b>	<b>(61,264,221)</b>	<b>(830,615)</b>	<b>1.4%</b>	<b>46,854,196</b>	<b>53,764,149</b>	<b>57,932,926</b>	<b>4,168,777</b>	<b>7.8%</b>
<b>Social &amp; Community Services</b>															
Children's Services	199,209,300	258,430,950	257,732,236	(698,714)	-0.3%	(189,762,421)	(247,889,110)	(246,869,863)	1,019,247	-0.4%	9,446,879	10,541,840	10,862,373	320,533	3.0%
Employment & Social Services	43,967,780	46,086,288	54,663,341	8,577,053	18.6%	(37,134,791)	(39,036,262)	(47,380,860)	(8,344,598)	21.4%	6,832,988	7,050,026	7,282,481	232,455	3.3%
Housing Services	69,403,829	75,467,876	77,313,636	1,845,760	2.4%	(26,157,005)	(26,729,800)	(26,561,536)	168,264	-0.6%	43,246,824	48,738,076	50,752,099	2,014,024	4.1%
Human Services Planning & Program Support	10,430,925	11,314,481	12,856,285	1,541,804	13.6%	(1,157,786)	(936,589)	(936,589)	-	0.0%	9,273,139	10,377,892	11,919,696	1,541,804	14.9%
Services for Seniors	103,935,621	106,871,055	110,701,778	3,830,723	3.6%	(78,384,218)	(76,546,872)	(77,415,709)	(868,837)	1.1%	25,551,403	30,324,183	33,286,069	2,961,886	9.8%
<b>Total Social &amp; Community Services</b>	<b>426,947,455</b>	<b>498,170,650</b>	<b>513,267,276</b>	<b>15,096,626</b>	<b>3.0%</b>	<b>(332,596,221)</b>	<b>(391,138,633)</b>	<b>(399,164,557)</b>	<b>(8,025,924)</b>	<b>2.1%</b>	<b>94,351,234</b>	<b>107,032,017</b>	<b>114,102,719</b>	<b>7,070,702</b>	<b>6.6%</b>
<b>Public Works - Tax</b>															
Waste Management	62,026,959	64,497,042	61,214,368	(3,282,674)	-5.1%	(10,081,873)	(10,913,054)	(3,448,739)	7,464,315	-68.4%	51,945,086	53,583,988	57,765,629	4,181,641	7.8%
Road Operations	61,678,634	67,087,418	67,895,475	808,057	1.2%	(840,895)	(758,589)	(749,006)	9,583	-1.3%	60,837,739	66,328,829	67,146,469	817,640	1.2%
Development Services	9,519,604	10,119,143	10,522,287	403,145	4.0%	(2,007,337)	(1,834,829)	(1,871,930)	(37,101)	2.0%	7,512,268	8,284,314	8,650,357	366,043	4.4%
<b>Total Public Works - Tax</b>	<b>133,225,198</b>	<b>141,703,603</b>	<b>139,632,130</b>	<b>(2,071,472)</b>	<b>-1.5%</b>	<b>(12,930,105)</b>	<b>(13,506,472)</b>	<b>(6,069,675)</b>	<b>7,436,797</b>	<b>-55.1%</b>	<b>120,295,093</b>	<b>128,197,131</b>	<b>133,562,455</b>	<b>5,365,325</b>	<b>4.2%</b>
<b>Small Business Centre &amp; Heritage Services</b>															
Small Business Centre & Heritage Services	3,884,383	2,782,096	1,602,135	(1,179,961)	-42.4%	(288,443)	(214,580)	(215,341)	(761)	0.4%	3,595,940	2,567,516	1,386,794	(1,180,722)	-46.0%
<b>Total Small Business Centre &amp; Heritage Services</b>	<b>3,884,383</b>	<b>2,782,096</b>	<b>1,602,135</b>	<b>(1,179,961)</b>	<b>-42.4%</b>	<b>(288,443)</b>	<b>(214,580)</b>	<b>(215,341)</b>	<b>(761)</b>	<b>0.4%</b>	<b>3,595,940</b>	<b>2,567,516</b>	<b>1,386,794</b>	<b>(1,180,722)</b>	<b>-46.0%</b>
<b>CAO's Office</b>															
Internal Audit	17,452	-	-	-	0.0%	-	-	-	-	0.0%	17,452	-	-	-	0.0%
Strategic Initiatives & Government Relations	(23,750)	-	-	-	0.0%	(5,831)	-	-	-	0.0%	(29,581)	-	-	-	0.0%
<b>Total CAO's Office</b>	<b>(6,298)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>(5,831)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>(12,129)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Corporate Services</b>															
Capital Construction & Realty	(135,526)	-	-	-	0.0%	-	-	-	-	0.0%	(135,526)	-	-	-	0.0%
Communications & Customer Service	(278,128)	19,506	19,506	-	0.0%	(497)	(19,506)	(19,506)	-	0.0%	(278,625)	-	-	-	0.0%
Energy, Fleet & Facilities	3,591,318	3,833,524	4,103,553	270,029	7.0%	(3,577,134)	(3,833,524)	(4,103,553)	(270,029)	7.0%	14,185	-	-	-	0.0%
Human Resource Services	1,279,310	-	-	-	0.0%	-	-	-	-	0.0%	1,279,310	-	-	-	0.0%
Legal Services	1,799,543	254,823	257,242	2,419	0.9%	(923,192)	(254,823)	(257,242)	(2,419)	0.9%	876,350	-	-	-	0.0%
Supply Chain Management	88,639	42,000	45,200	3,200	7.6%	(70,502)	(42,000)	(45,200)	(3,200)	7.6%	18,138	-	-	-	0.0%
<b>Total Corporate Services</b>	<b>6,345,156</b>	<b>4,149,853</b>	<b>4,425,501</b>	<b>275,648</b>	<b>6.6%</b>	<b>(4,571,324)</b>	<b>(4,149,853)</b>	<b>(4,425,501)</b>	<b>(275,648)</b>	<b>6.6%</b>	<b>1,773,832</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

Schedule may not add due to rounding

	Total Gross Expenditures				Total Revenue				Net Program Expenditures			
	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved
<b>Digital &amp; Information Services</b>												
Digital & Information Services	491,829	190,886	115,886	(75,000) -39.3%	(185,682)	(190,886)	(115,886)	75,000 -39.3%	306,147	-	-	- 0.0%
<b>Total Digital &amp; Information Services</b>	<b>491,829</b>	<b>190,886</b>	<b>115,886</b>	<b>(75,000) -39.3%</b>	<b>(185,682)</b>	<b>(190,886)</b>	<b>(115,886)</b>	<b>75,000 -39.3%</b>	<b>306,147</b>	<b>-</b>	<b>-</b>	<b>- 0.0%</b>
<b>Finance</b>												
Budgets & Tax Policy	(113,077)	-	-	- 0.0%	-	-	-	- 0.0%	(113,077)	-	-	- 0.0%
Capital & Development Financing	1,198,628	592,000	592,000	- 0.0%	(1,078,294)	(592,000)	(592,000)	- 0.0%	120,334	-	-	- 0.0%
Financial Services & Payroll	1,163,288	123,250	123,250	- 0.0%	(346,602)	(123,250)	(123,250)	- 0.0%	816,686	-	-	- 0.0%
<b>Total Finance</b>	<b>2,248,840</b>	<b>715,250</b>	<b>715,250</b>	<b>- 0.0%</b>	<b>(1,424,896)</b>	<b>(715,250)</b>	<b>(715,250)</b>	<b>- 0.0%</b>	<b>823,944</b>	<b>-</b>	<b>-</b>	<b>- 0.0%</b>
<b>Office of the Chair &amp; Regional Council</b>												
Office of the Chair	(16,575)	-	-	- 0.0%	-	-	-	- 0.0%	(16,575)	-	-	- 0.0%
Regional Council	32,393	-	-	- 0.0%	-	-	-	- 0.0%	32,393	-	-	- 0.0%
<b>Total Office of the Chair &amp; Regional Council</b>	<b>15,818</b>	<b>-</b>	<b>-</b>	<b>- 0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>- 0.0%</b>	<b>15,818</b>	<b>-</b>	<b>-</b>	<b>- 0.0%</b>
<b>Regional Governance &amp; Fiscal Transactions</b>												
Supplementary Tax Revenue	-	-	-	- 0.0%	(7,612,077)	(7,300,000)	(7,300,000)	- 0.0%	(7,612,077)	(7,300,000)	(7,300,000)	- 0.0%
Other Tax Revenue	-	-	-	- 0.0%	(5,138,576)	(4,900,000)	(4,900,000)	- 0.0%	(5,138,576)	(4,900,000)	(4,900,000)	- 0.0%
Tax Write-Off Provision	2,921,998	4,900,000	4,900,000	- 0.0%	-	-	-	- 0.0%	2,921,998	4,900,000	4,900,000	- 0.0%
Tax Policy Expenditures	625,339	628,000	628,000	- 0.0%	-	-	-	- 0.0%	625,339	628,000	628,000	- 0.0%
Assessment Services	10,088,664	10,327,700	10,890,500	562,800 5.4%	-	-	-	- 0.0%	10,088,664	10,327,700	10,890,500	562,800 5.4%
Provincial Offences Act Revenue	-	-	-	- 0.0%	(1,113,190)	(918,752)	(918,752)	- 0.0%	(1,113,190)	(918,752)	(918,752)	- 0.0%
Net Interest Earnings	80,571,337	43,632,200	43,632,200	- 0.0%	(91,731,237)	(61,610,300)	(61,610,300)	- 0.0%	(11,159,900)	(17,978,100)	(17,978,100)	- 0.0%
Capital Financing & Other Expenditures	45,595,282	48,143,024	48,802,751	659,727 1.4%	(107,594)	(10,105,475)	(10,099,786)	5,689 -0.1%	45,487,689	38,037,549	38,702,966	665,417 1.7%
Regional Governance Chargeback	6,280,657	6,690,568	6,820,583	130,015 1.9%	-	-	-	- 0.0%	6,280,657	6,690,568	6,820,583	130,015 1.9%
<b>Total Regional Governance &amp; Fiscal Transactions</b>	<b>146,083,277</b>	<b>114,321,492</b>	<b>115,674,035</b>	<b>1,352,543 1.2%</b>	<b>(105,702,675)</b>	<b>(84,834,527)</b>	<b>(84,828,838)</b>	<b>5,689 0.0%</b>	<b>40,380,602</b>	<b>29,486,965</b>	<b>30,845,197</b>	<b>1,358,232 4.6%</b>
<b>Boards &amp; Agencies</b>												
Conservation Authorities	11,539,112	12,094,109	12,598,169	504,060 4.2%	-	-	-	- 0.0%	11,539,112	12,094,109	12,598,169	504,060 4.2%
Royal Botanical Gardens	894,357	921,188	944,218	23,030 2.5%	-	-	-	- 0.0%	894,357	921,188	944,218	23,030 2.5%
North Halton Mental Health Clinic	1,130,098	1,324,834	1,406,005	81,171 6.1%	-	-	-	- 0.0%	1,130,098	1,324,834	1,406,005	81,171 6.1%
<b>Total Boards &amp; Agencies</b>	<b>13,563,567</b>	<b>14,340,131</b>	<b>14,948,392</b>	<b>608,261 4.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>- 0.0%</b>	<b>13,563,567</b>	<b>14,340,131</b>	<b>14,948,392</b>	<b>608,261 4.2%</b>
<b>Halton Regional Police Service</b>												
Halton Regional Police Service	217,967,901	245,203,467	264,580,132	19,376,665 7.9%	(14,181,271)	(12,213,576)	(12,177,941)	35,635 -0.3%	203,786,630	232,989,891	252,402,191	19,412,300 8.3%
<b>Total Halton Regional Police Service</b>	<b>217,967,901</b>	<b>245,203,467</b>	<b>264,580,132</b>	<b>19,376,665 7.9%</b>	<b>(14,181,271)</b>	<b>(12,213,576)</b>	<b>(12,177,941)</b>	<b>35,635 -0.3%</b>	<b>203,786,630</b>	<b>232,989,891</b>	<b>252,402,191</b>	<b>19,412,300 8.3%</b>
<b>Net Regional Tax Levy</b>	<b>\$ 1,052,981,529</b>	<b>\$ 1,135,775,183</b>	<b>\$ 1,174,157,884</b>	<b>\$ 38,382,702 3.4%</b>	<b>\$ (527,246,655)</b>	<b>\$ (567,397,383)</b>	<b>\$ (568,977,210)</b>	<b>\$ (1,579,827) 0.3%</b>	<b>\$ 525,734,874</b>	<b>\$ 568,377,800</b>	<b>\$ 605,180,674</b>	<b>\$ 36,802,875 6.5%</b>

Schedule may not add due to rounding

# Rate-Supported Budget Summary

	2023	2024	2025		2026			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actuals <sup>1</sup>	Base Budget	Strategic Investments	Requested Budget	2026 Base / 2025 Approved		2026 Requested / 2025 Approved	
Treatment	\$ 76,396,338	\$ 78,638,413	\$ 81,534,576	\$ 83,434,576	\$ 86,598,135	\$ 236,468	\$ 86,834,603	\$ 5,063,559	6.2%	\$ 5,300,027	6.5%
System Services	52,409,638	58,135,254	61,025,809	63,725,809	63,753,079	1,131,783	64,884,862	2,727,271	4.5%	3,859,054	6.3%
Infrastructure & Environmental Services	3,044,017	3,230,037	3,656,258	3,480,606	3,899,872	-	3,899,872	243,614	6.7%	243,614	6.7%
Engineering & Construction	14,946,148	16,541,400	18,285,112	17,527,112	19,187,966	-	19,187,966	902,854	4.9%	902,854	4.9%
Public Works Administration	2,141,671	2,578,114	2,306,600	2,226,043	2,363,500	40,000	2,403,500	56,900	2.5%	96,900	4.2%
Recoveries from Capital Projects	(19,761,556)	(22,348,835)	(27,872,169)	(27,057,960)	(29,206,350)	(40,000)	(29,246,350)	(1,334,181)	4.8%	(1,374,181)	4.9%
<b>Gross Operating Expenditures</b>	<b>129,176,255</b>	<b>136,774,383</b>	<b>138,936,185</b>	<b>143,336,185</b>	<b>146,596,203</b>	<b>1,368,251</b>	<b>147,964,454</b>	<b>7,660,017</b>	<b>5.5%</b>	<b>9,028,268</b>	<b>6.5%</b>
<b>Capital Financing Expenses</b>											
Debt Charges	16,219,151	14,858,066	10,335,309	10,335,309	10,333,542	-	10,333,542	(1,766)	0.0%	(1,766)	0.0%
Transfers to Reserve	109,572,402	119,199,949	137,609,325	137,609,325	146,252,957	-	146,252,957	8,643,631	6.3%	8,643,631	6.3%
Transfers to Vehicle Reserve	1,646,900	1,709,000	1,965,500	1,965,500	2,444,000	-	2,444,000	478,500	24.3%	478,500	24.3%
Transfers to Canada Community-Building Fund Reserve	9,482,000	9,482,000	9,482,000	9,482,000	9,482,000	-	9,482,000	-	0.0%	-	0.0%
Transfers from Reserve	(6,897,720)	(6,897,720)	(6,897,719)	(6,897,719)	(6,897,720)	-	(6,897,720)	-	0.0%	-	0.0%
<b>Capital Financing Expenditures</b>	<b>130,022,733</b>	<b>138,351,295</b>	<b>152,494,415</b>	<b>152,494,415</b>	<b>161,614,780</b>	<b>-</b>	<b>161,614,780</b>	<b>9,120,365</b>	<b>6.0%</b>	<b>9,120,365</b>	<b>6.0%</b>
<b>Total Gross Expenditures</b>	<b>259,198,989</b>	<b>275,125,678</b>	<b>291,430,600</b>	<b>295,830,600</b>	<b>308,210,982</b>	<b>1,368,251</b>	<b>309,579,233</b>	<b>16,780,382</b>	<b>5.8%</b>	<b>18,148,633</b>	<b>6.2%</b>
Federal Funding	(9,482,000)	(9,482,000)	(9,482,000)	(9,482,000)	(9,482,000)	-	(9,482,000)	-	0.0%	-	0.0%
Bulk Water Charges	(1,060,542)	(1,087,273)	(1,123,575)	(1,123,575)	(1,189,947)	-	(1,189,947)	(66,372)	5.9%	(66,372)	5.9%
Fees for Service	(3,006,984)	(3,041,222)	(2,348,044)	(2,348,044)	(2,407,075)	-	(2,407,075)	(59,031)	2.5%	(59,031)	2.5%
Sewer Discharge Agreements	(1,493,147)	(1,819,511)	(1,750,000)	(1,750,000)	(1,793,800)	-	(1,793,800)	(43,800)	2.5%	(43,800)	2.5%
Interest Earnings	(3,617,000)	(5,207,900)	(8,389,700)	(8,389,700)	(8,389,700)	-	(8,389,700)	-	0.0%	-	0.0%
<b>Total Revenue</b>	<b>(18,659,673)</b>	<b>(20,637,906)</b>	<b>(23,093,319)</b>	<b>(23,093,319)</b>	<b>(23,262,522)</b>	<b>-</b>	<b>(23,262,522)</b>	<b>(169,203)</b>	<b>0.7%</b>	<b>(169,203)</b>	<b>0.7%</b>
<b>Net Program Impact</b>	<b>\$ 240,539,316</b>	<b>\$ 254,487,772</b>	<b>\$ 268,337,281</b>	<b>\$ 272,737,281</b>	<b>\$ 284,948,460</b>	<b>\$ 1,368,251</b>	<b>\$ 286,316,711</b>	<b>\$ 16,611,179</b>	<b>6.2%</b>	<b>\$ 17,979,430</b>	<b>6.7%</b>
<b>Growth Impact:</b>											
Consumption growth (0.0%)										-	0.0%
Customer Growth (1.4%)										(1,780,915)	-0.7%
<b>Net Increase Requirement</b>										<b>16,198,516</b>	<b>6.0%</b>

Schedule may not add due to rounding

<sup>1</sup> Projected Actuals discussed in Report No. **FN-25-25** (re: "Operating Budget Variance Report for the period ending August 31, 2025 and Capital Budget Variance and project closure for the period ending June 30, 2025")

# Gross Expenditures & Revenues by Program (Rate)

This table sets out the total direct costs, other expenditures, capital financing expenditures, which total gross expenditures, as well as total revenue and net program expenditures.

	Total Direct Costs					Other Expenditures					Capital Financing Expenditures				
	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved	
Treatment	\$ 68,487,967	\$ 65,760,131	\$ 70,057,178	\$ 4,297,047	6.5%	\$ 6,805,665	\$ 11,341,299	\$ 12,093,303	\$ 752,004	6.6%	\$ -	\$ -	\$ -	\$ -	0.0%
System Services	47,569,750	44,096,417	47,709,218	3,612,801	8.2%	11,143,555	15,203,633	15,462,862	259,230	1.7%	-	-	-	-	0.0%
Infrastructure & Environmental Services	7,448,190	8,227,823	8,355,643	127,820	1.6%	(7,052,240)	(7,964,718)	(8,042,251)	(77,533)	1.0%	-	-	-	-	0.0%
Engineering & Construction	12,220,739	14,152,470	14,678,307	525,837	3.7%	(12,220,739)	(14,152,470)	(14,678,307)	(525,837)	3.7%	-	-	-	-	0.0%
Public Works Administration	6,092,097	6,409,526	6,825,091	415,565	6.5%	(3,720,601)	(4,137,926)	(4,496,591)	(358,665)	8.7%	-	-	-	-	0.0%
Capital Financing	-	-	-	-	0.0%	-	-	-	-	0.0%	138,351,295	152,494,415	161,614,780	9,120,365	6.0%
<b>Total Water &amp; Wastewater Systems</b>	<b>141,818,743</b>	<b>138,646,367</b>	<b>147,625,437</b>	<b>8,979,070</b>	<b>6.5%</b>	<b>(5,044,361)</b>	<b>289,818</b>	<b>339,017</b>	<b>49,199</b>	<b>17.0%</b>	<b>138,351,295</b>	<b>152,494,415</b>	<b>161,614,780</b>	<b>9,120,365</b>	<b>6.0%</b>
<b>Water &amp; Wastewater Rate Revenues</b>															
Federal Funding	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Bulk Water Charges	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Fees for Service	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Sewer Discharge Agreements	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
<b>Total Rate Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Total Rate Impact</b>	<b>\$ 141,818,743</b>	<b>\$ 138,646,367</b>	<b>\$ 147,625,437</b>	<b>\$ 8,979,070</b>	<b>6.5%</b>	<b>\$ (5,044,361)</b>	<b>\$ 289,818</b>	<b>\$ 339,017</b>	<b>\$ 49,199</b>	<b>17.0%</b>	<b>\$ 138,351,295</b>	<b>\$ 152,494,415</b>	<b>\$ 161,614,780</b>	<b>\$ 9,120,365</b>	<b>6.0%</b>

Schedule may not add due to rounding

	Total Gross Expenditures					Total Revenue					Net Program Expenditures				
	2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved		2024 Actuals	2025 Approved Budget	2026 Requested Budget	Change 2026 Requested / 2025 Approved	
Treatment	\$ 75,293,632	\$ 77,101,430	\$ 82,150,481	\$ 5,049,051	6.5%	\$ -	\$ -	\$ -	\$ -		\$ 75,293,632	\$ 77,101,430	\$ 82,150,481	\$ 5,049,051	6.5%
System Services	58,713,305	59,300,050	63,172,080	3,872,031	6.5%	-	-	-	-		58,713,305	59,300,050	63,172,080	3,872,031	6.5%
Infrastructure & Environmental Services	395,950	263,105	313,392	-	0.0%	-	-	-	-		395,950	263,105	313,392	-	0.0%
Engineering & Construction	0	-	-	-	0.0%	-	-	-	-		0	-	-	-	0.0%
Public Works Administration	2,371,496	2,271,600	2,328,500	56,900	2.5%	-	-	-	-		2,371,496	2,271,600	2,328,500	56,900	2.5%
Capital Financing	138,351,295	152,494,415	161,614,780	9,120,365	6.0%	-	-	-	-		138,351,295	152,494,415	161,614,780	9,120,365	6.0%
<b>Total Water &amp; Wastewater Systems</b>	<b>275,125,678</b>	<b>291,430,600</b>	<b>309,579,233</b>	<b>18,148,633</b>	<b>6.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>275,125,678</b>	<b>291,430,600</b>	<b>309,579,233</b>	<b>18,148,633</b>	<b>6.2%</b>
<b>Water &amp; Wastewater Rate Revenues</b>															
Federal Funding	-	-	-	-	0.0%	(9,482,000)	(9,482,000)	(9,482,000)	-	0.0%	(9,482,000)	(9,482,000)	(9,482,000)	-	0.0%
Bulk Water Charges	-	-	-	-	0.0%	(1,087,273)	(1,123,575)	(1,189,947)	(66,372)	5.9%	(1,087,273)	(1,123,575)	(1,189,947)	(66,372)	5.9%
Fees for Service	-	-	-	-	0.0%	(3,041,222)	(2,348,044)	(2,407,075)	(59,031)	2.5%	(3,041,222)	(2,348,044)	(2,407,075)	(59,031)	2.5%
Sewer Discharge Agreements	-	-	-	-	0.0%	(1,819,511)	(1,750,000)	(1,793,800)	(43,800)	2.5%	(1,819,511)	(1,750,000)	(1,793,800)	(43,800)	2.5%
Interest Earnings	-	-	-	-	0.0%	(5,207,900)	(8,389,700)	(8,389,700)	-	0.0%	(5,207,900)	(8,389,700)	(8,389,700)	-	0.0%
<b>Total Rate Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>(20,637,906)</b>	<b>(23,093,319)</b>	<b>(23,262,522)</b>	<b>(169,203)</b>	<b>0.7%</b>	<b>(20,637,906)</b>	<b>(23,093,319)</b>	<b>(23,262,522)</b>	<b>(169,203)</b>	<b>0.7%</b>
<b>Total Rate Impact</b>	<b>\$ 275,125,678</b>	<b>\$ 291,430,600</b>	<b>\$ 309,579,233</b>	<b>\$ 18,148,633</b>	<b>6.2%</b>	<b>\$ (20,637,906)</b>	<b>\$ (23,093,319)</b>	<b>\$ (23,262,522)</b>	<b>\$ (169,203)</b>	<b>0.7%</b>	<b>\$ 254,487,772</b>	<b>\$ 268,337,281</b>	<b>\$ 286,316,711</b>	<b>\$ 17,979,430</b>	<b>6.7%</b>

Schedule may not add due to rounding

# Halton Region Budget and Business Plan

## | POLICIES & PROCEDURES



# Presentation of Halton Region's Financial Information

The Corporation of the Regional Municipality of Halton (Regional Municipality of Halton or Halton Region) is an upper-tier municipality in the Province of Ontario ("Province"), Canada. Halton Region is comprised of four municipalities: the City of Burlington and the Towns of Halton Hills, Milton and Oakville. It conducts its operations guided by the provisions of provincial statutes such as the *Municipal Act 2001*, *Planning Act*, *Building Code Act*, *Provincial Offences Act* and other related legislation.

## General guidelines

Halton Region prepares and presents consolidated financial statements in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

## Basis of accounting and financial reporting

Halton Region follows the full accrual basis of accounting and recognizes:

- revenues as they are earned; and
- expenditures as they are incurred and measured through the receipt of goods or services and a legal obligation to pay.

As required at year-end, revenues and expenses that have not yet been processed are recognized as accruals, and then reversed in the following year when the transaction is processed.

Halton Region's Fund-Based budget is converted to full accrual basis of accounting in the following way:

1. The Capital Fund is reported through the Tangible Capital Asset accounts in the Consolidated Statement of Financial Position as per PSAB 3150.
2. Reserves and Reserve Funds are reflected in the Consolidated Statement of Financial Position as "Accumulated Surplus".



3. The Operating Fund is reflected in the Consolidated Statement of Operations (which is adjusted to reflect interest on debt), amortization expense, gain or loss on disposal of tangible capital assets, post-employment benefits and asset retirement obligations as per PSAB 3280.

## Basis of budgeting

The operating budget includes annual expenditures for personnel costs, materials and supplies, purchased services, financial and rent expenses, debt charges, reserve transfers, as well as anticipated Provincial and Federal funding and program fees.

Halton Region's capital budget includes expenditures and financing sources to acquire, construct, upgrade and rehabilitate Regional capital assets such as Regional facilities, roads, bridges, paramedic stations, long-term care facilities and water and wastewater treatment plants, along with the water distribution and collection systems and waste management facilities. The capital budget is established on a project-by-project basis, where the costs usually span more than one fiscal year.

Regional Council approves the operating and capital budgets each year for the period of January 1 to December 31.

The *Municipal Act* requires municipalities to budget for all estimated expenses; however O. Reg. 284/09 provides an exclusion for amortization expenses, post-employment benefits expenses, and solid waste landfill closure and post-closure expenses provided the municipality prepares a report about the excluded expenses that is adopted by Council resolution. PSAB requires municipalities to report on future liabilities including post-employment benefits and asset retirement obligations such as the solid waste landfill. Halton Region does not budget for these expenses and satisfies the legislated reporting requirement through Council's approval of the annual consolidated financial statements, with the most recent approval occurring through Report No. **FN-11-25**. The Region budgets for reserve transfers to fund these future liabilities. These liabilities are assessed periodically and the Region adjusts the contribution to reserves accordingly.

PSAB also requires municipalities to report Tangible Capital Assets and the associated amortization. The Region budgets reserve transfers for Tangible Capital Assets based on anticipated future capital replacement requirements in accordance with the Region's Asset Management Plan. The total annual transfers to capital reserves currently exceed amortization.

Halton allocates corporate administration costs to the service delivery departments through the following chargebacks:

- Demand Driven chargebacks are allocated to various service areas based on demand/usage of services.
- Corporate Sustaining chargebacks are allocated to all service areas based on a proportional share of average budgeted net controllable costs, as these services generally do not vary based on demand/usage.
- Regional Governance chargebacks, comprised of the costs to support the Office of the Chair, Regional Council, the CAO's Office, Regional Clerk & Council Services, and Emergency Management, are allocated to the tax and rate-supported budgets. In the tax-supported budget, the Regional Governance chargeback is shown separately within Regional Governance & Fiscal Transactions.

## Fund structure and budgeting

Halton Region uses Fund Accounting for budgeting purposes, in which a self-balancing group of accounts is provided for each accounting entity established as the basis for recording and reporting all financial transactions. The Regional budget is composed of two primary funding sources—Tax-Supported Services and Rate-Supported Services.

**Operating Fund:** Activities are budgeted annually for each program based on the estimated operating costs. The factors considered in developing these budgets include inflation, growth, service quality, mandated requirements and customer needs. At the end of any given budget year as part of the year-end closing, any surplus or deficit is transferred to or from reserves and/or reserve funds in accordance with Council-approved policies, ensuring a closing balance of zero dollars in the operating fund.

**Capital Fund:** Capital projects can be budgeted in one year or several years depending on the requirements of the project (i.e., design, land purchase, construction, etc.). The corresponding expenditures may materialize over several years as the project is completed. Upon completion, each project is closed through a semi-annual variance closure reporting process, and any surplus or deficit is transferred to or from the appropriate reserves, reserve funds or Capital Holding Account in accordance with Council-approved policies.

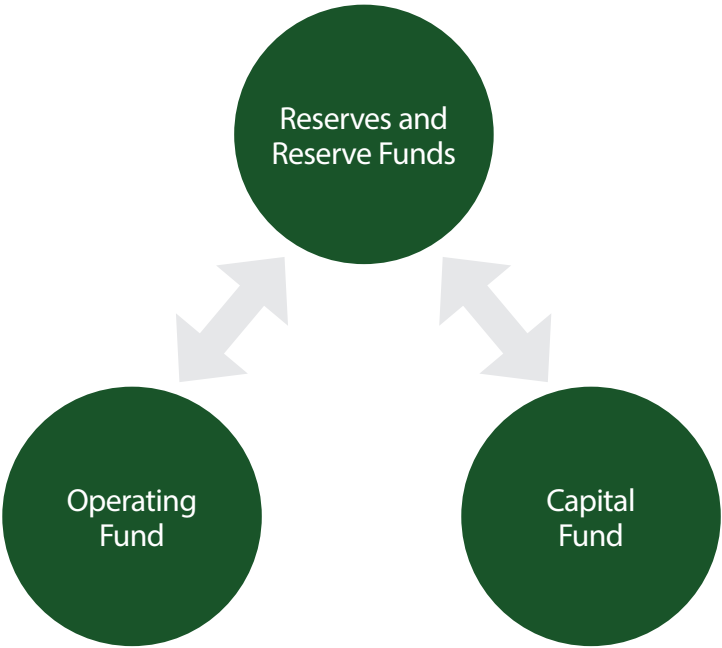
**Reserves and Reserve Funds:** The use of reserves is an integral part of the budget planning process and is an important financial tool in developing short-term and long-term fiscal policies. Prudent use of reserves mitigates fluctuations in taxation and rate requirements and assists in stabilizing the impact of unanticipated occurrences as set out in Report No. CS-83-02, re: "Regional Reserve Policy". General principles relating to the use of the reserves are set out in the Financing of State-of-Good-Repair and Financing of Growth sections of the Executive Summary. Budgeted reserve transactions flow through either the operating or capital budgets.

Regional Council approves the creation of Reserves and Reserve Funds for specific liabilities, contingencies and other specific uses. Policies dictate the use of certain Reserve Funds for designated purposes and prevent monies from being diverted to any other use.

The Region also collects development charges (DCs) as provided for in the *Development Charges Act, 1997*. These funds are maintained in separate Reserve Funds that are restricted in use and applied to eligible growth-related capital projects in accordance with the legislation and Regional DC by-laws.

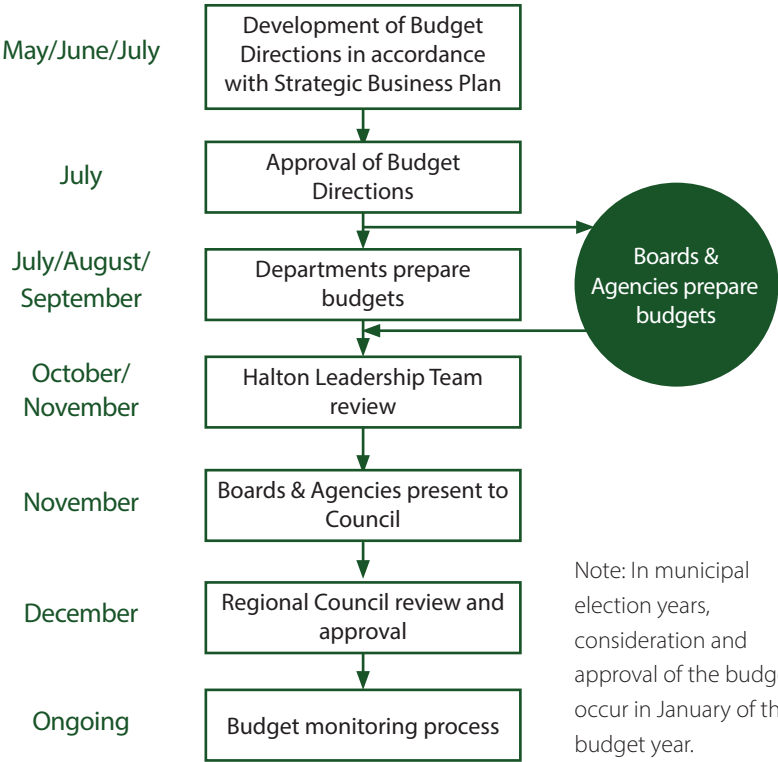
Fund relationships

The activities in the Operating and Capital Budgets are mutually exclusive. However, in some cases transactions occur between them as shown below.



Halton Region’s Budget Process

As illustrated below, Halton Region’s budget preparations begin in the spring. Based on a Regional Council-approved Strategic Business Plan, the Region develops the Budget Directions Report. The Budget Directions Report is a policy document that establishes Council’s program and fiscal priorities for the following year’s budget, and is considered and approved by Regional Council. Staff also use this as a guide in developing the following year’s budget process.



Operating departments prepare their preliminary budget requests based on the Council-approved Budget Directions Report and Strategic Business Plan. Preliminary budgets are prepared by all Regional departments with the help of the Finance Department. Finance staff maintain a Budget Information Package, which provides an overview of the budget process, includes specific technical information to assist in the budget preparation and outlines how to input information into the Region's financial system.

Departments include base budget adjustments and strategic investment requests in their preliminary budgets. Strategic investment requests are required for any significant change in direction for the program, changes to funding sources or any change in staffing levels. Preliminary budgets are reviewed by Finance staff, as well as the Halton Leadership Team, which is comprised of the Region's Chief Administrative Officer and Commissioners.

Budget review by senior staff in each department occurs in September and October. At this time, Finance staff also receive budget requests from the boards and agencies funded through the property tax levy. These requests are reviewed with the consulting boards and agencies, and are then incorporated into the proposed budget.

The proposed budget document is compiled by Finance staff and reviewed by the Halton Leadership Team in October and November. The final proposed budget document is presented to Regional Council in late November prior to Regional Council approval in December. In an election year, Regional Council begins reviewing the budget in January of the budget year, with adoption targeted

for late January. Regional Council review provides for public participation in the budget process.

**Proposed Budget:** The proposed budget is prepared based on the Council-approved Budget Directions Report, the most recent program pressures and economic data, and iterative refinements and reviews by the Halton Leadership Team. Operating and Capital Budgets are prepared for services funded from property taxes (Tax-Supported) and from water and wastewater utility rates (Rate-Supported).

**Budget adoption:** Regional Council adopts the Budget by resolution as the Region's annual Budget for the year beginning January 1.

Regional Council meetings are open to the public and are advertised through the Region's social media channels as well as on the Region's website. The following dates are for the review and consideration of the 2026 Budget and Business Plan.

November 19, 2025	2026 Boards & Agencies Budget Presentations
December 3, 2025	2026 Budget Meeting Regional Services
December 10, 2025	2026 Budget Consideration for Approval by Regional Council



# Halton Region's Financial Policies

## Balanced budget

The operating budget is balanced with revenues equal to budgeted expenditures. Any shortfall in budgeted revenues versus budgeted expenditures for a budget period will be funded by tax levies or utility rate revenues equal to the shortfall, which will result in a balanced budget.

## Deficit avoidance

In accordance with the *Municipal Act*, municipalities are prohibited from budgeting for a deficit. The annual budgets continue to show fiscal restraint to meet expenditure and revenue targets. When actual revenue shortfalls or unforeseen expenditures appear to be more than temporary occurrences, both the capital and operating budgets are reviewed. Alternatives are then identified to minimize the Region's financial risks, including drawing from reserves, reallocating budgets and expenditure constraints.

## Amendments to approved budget

The approved budget may be amended at the direction of Regional Council, provided that the amount to be collected from property taxes or user rates remains unchanged. Operating budget amendments commonly occur as a result of Provincial funding initiatives for fully subsidized operating programs. The capital budget, if required, can be revised in May/June after the Local Municipalities' budgets are approved in order to align Regional programs with Local Municipalities' work. The capital budget is also amended throughout the year as a result of the public tendering process which formalizes the estimated costs and related financing to undertake specific projects.

## Budget monitoring and reporting

The Region uses a real-time, enterprise-wide financial system. Financial reports are available on-demand for all appropriate staff to monitor actual expenditures and revenues. Operating budget variance reports are presented annually to Regional

Council with year-end projections as at April 30 and August 31 and year-end results as at December 31.

Capital budget (life-to-date) variance and project closure reports are presented twice annually as at June 30 and December 31.

## Operating fund balance

Any actual surplus or deficit arising at year-end is transferred to or from a Tax or Rate Stabilization Reserve or other reserves as directed by Regional Council. The targeted balances in the stabilization reserves are 10 per cent of total operating expenditures for tax-supported programs and 15 per cent for water and wastewater programs. These reserves are used to mitigate the effect of any large variations in major sources of revenue or expenditure. Any increase in staff complement must be explicitly approved by Regional Council. New positions are approved through the Region's budget process.

## Master Plans and Asset Management Plans

Master Plans support the long-term program needs for Regional services, including the Official Plan and the Asset Management Plans that ensure Regional assets are maintained in a state-of-good-repair. These plans are developed and updated regularly for specific programs, including housing, Regional facilities, Paramedic Services, transportation and water and wastewater, which then provide the basis for the annual budget and forecast requirements.

## Operating budget forecasts

Operating budget forecasts are prepared and reviewed annually for each program for a 10-year period, based on recommendations included in approved Master Plans, Asset Management Plans and requirements to maintain service levels. The forecasts are designed to provide sustainable funding to maintain existing levels of service and Regional assets in a state-of-good-repair.





## Capital budget forecasts

Capital budget forecasts are presented annually to forecast expenditures on a project-by-project basis. The capital 10-year forecast includes major works required to upgrade, replace or construct capital infrastructure based on Master Plans and Asset Management Plans. The ongoing maintenance of this infrastructure is included in the operating budget. Financing of the forecast capital program (Master Plans and Asset Management Plans) is undertaken at a detailed level and established as a long-term financing plan. The long-term financing plan is then reviewed and approved through the annual budget process and presented at a summary level in the budget.

## Use of one-time revenues

The Region does not utilize one-time revenues for ongoing expenditures. However, one-time revenues may be used to fund non-recurring expenditures subject to Regional Council approval. One-time revenue is transferred to the appropriate reserves in accordance with Regional Council's direction.

## User fees and alternative revenue sources

The Region establishes cost-recovery policies for user fees to determine whether fees collected are sufficient to recover the cost of providing certain goods or services. These policies determine the percentage of full-service cost to be

recovered through fees. The level of cost recovery is reviewed and adjusted annually through the budget process to ensure that fees are current, equitable, competitive and sustainable.

## Uses of unpredictable revenues

Certain revenues fluctuate widely year-to-year. At year-end, favourable revenue variances are transferred to the stabilization reserves or other reserves as approved by Regional Council.

## Use of supplementary tax revenue

Supplementary taxes are generated by property tax revenue from new assessments added in-year to the property tax roll. This revenue source is estimated annually and reflected in the Region's operating budget.

## Debt capacity

The Province sets a debt capacity guideline for municipalities of 25 per cent of own revenues. The Region's own guidelines (10 per cent of gross operating expenditures) translate to approximately 15 per cent of the Region's own revenues. The current projected debt capacity for the next 10 years remains well below these targets, which is evident in the Projected Debt Charge Position Relative to Provincial Guideline chart found in the Debt Financing section of the Executive Summary.

### Halton Reserve Policy Summary (CS-83-02)

#### Stabilization Reserves:

<b>Purpose</b>	To address in-year, uncontrollable or unanticipated changes in economic conditions, funding or costs
<b>Target</b>	Tax stabilization 10% of gross expenditures Rate stabilization 15% of gross expenditures
<b>Funding</b>	Shortfalls from the target should be funded from annual operating surpluses Balances in excess of target can be used to finance one-time programs or to address deficiencies in other reserves
<b>Authority to Access</b>	Council authority required to access funds
<b>Interest Allocation</b>	No interest to be allocated to these reserves

#### Program-Specific Reserves:

<b>Purpose</b>	To fund specific programs
<b>Target</b>	Financial plan required for each reserve and reviewed annually
<b>Funding</b>	Based on a financial plan
<b>Authority to Access</b>	Council authority required to access funds, normally established within annual budget or specific Council resolution
<b>Interest Allocation</b>	No interest to be allocated to these reserves



## Halton Reserve Policy Summary (CS-83-02)

### Vehicle/Building and Equipment Reserves:

<b>Purpose</b>	To fund the maintenance and replacement of Regional assets
<b>Target</b>	Based on lifecycle costs of assets
<b>Funding</b>	Based on lifecycle costs of assets Shortfalls in funding may require funding from annual operating surpluses or transfers from other reserves
<b>Authority to Access</b>	Council authority required to access funds, normally established within annual budget or specific Council resolution
<b>Interest Allocation</b>	Interest allocation at year-end based on actual interest earnings

### Capital Reserves:

<b>Purpose</b>	To finance the Region's capital program
<b>Target</b>	Based on capital programs
<b>Funding</b>	Annual operating budget provisions Annual operating budget surpluses
<b>Authority to Access</b>	Council authority required to access funds, normally established with annual budget or specific Council resolution delegating authority to staff (e.g., project closures or tender awards)
<b>Interest Allocation</b>	Interest allocation at year-end based on actual interest earnings

## Commodity Price Hedging Policy

The goal of the Commodity Price Hedging Policy is to allow the Regional Treasurer to enter into a fixed price agreement for the future delivery of any or all portions of a commodity, when it is deemed advantageous for the Region to do so. The Treasurer must report annually on all commodity price hedging agreements in place in accordance with the *Municipal Act*, 2001, Regulation 653/05, and the Region's Commodity Price Hedging Policy as approved through Report No. CS-19-07.

The Region considers procuring price hedging agreements for electricity, natural gas, gasoline and diesel, as discussed below:

- Halton Region did not enter into a fixed price agreement for electricity in 2025 as it was determined that the Hourly Ontario Energy Price (HOEP) was the lowest cost option at the time.
- For natural gas, Halton Region manages risk by locking into fixed price contracts. From November 1, 2024 to October 31, 2025, approximately 50 per cent was purchased on contract with the remaining 50 per cent purchased at the spot market price. Halton Region has also locked into fixed price contracts for approximately 51 per cent of the estimated annual forecast volume for the period November 1, 2025 to October 31, 2026, 24 per cent for the period November 1, 2026 to October 1, 2027 and 25 per cent for the period November 1, 2027 to October 31, 2028.

- Gasoline and diesel fuel are purchased in bulk for vehicles and back-up generators through a competitive bid process. Paramedic Services uses the bulk fuel and also purchases gasoline and diesel fuel at retail outlets with procurement cards when needed. Halton Region entered into a four-year contract term with Canada Clean Fuels in 2020, following an open competitive sourcing process, to enable the bulk purchase of gasoline, diesel, and biodiesel fuels. The initial agreement has been extended by two years to December 31, 2026.

As shown below, electricity savings related to the Industrial Conservation Initiative, which allows eligible customers to manage their global adjustment costs by reducing demand during peak periods, have been fully realized. As such, increases to the electricity budget are anticipated to be required on a go-forward basis. Staff will continue to work with consultants to determine the best procurement strategy by reviewing market conditions, as well as continue to review the eligibility of additional facilities to participate in the Industrial Conservation Initiative to further mitigate electricity costs.

Commodity (\$000s)	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected Actual	2026 Requested Budget	Changes in Budget (2026-2025)
Electricity	16,544	17,450	18,610	17,925	19,027	19,388	1,463
Natural Gas	1,338	1,398	1,042	1,389	1,390	1,248	(141)
Gasoline and Diesel	2,030	1,688	1,703	1,814	1,873	1,708	(165)

Schedule may not add due to rounding.

# Halton Region Budget and Business Plan

## | GLOSSARY

# Glossary of Terms

Term	Definition
<b>Accrual Accounting</b>	Halton Region's sources of financing and expenditures are recorded using the accrual basis of accounting. This basis recognizes expenses and revenues when there is a legal obligation to pay or be paid, not when cash is paid or collected. This is also the basis for developing the Region's budget.
<b>Active Transportation</b>	The act of travelling by means of human-powered physical exercise, such as walking or cycling.
<b>Actual</b>	Actual revenue earned and expenditures incurred, as opposed to budgeted revenues or expenditures for the fiscal year indicated.
<b>Allocated Charges/Recoveries</b>	Transactions related to allocating direct charges and recoveries between departments.
<b>Allowance</b>	A provision for an expected loss or reduction in the value of an asset in order to reduce the reported value of the asset to an amount that reflects its estimated realizable value.
<b>Amortization</b>	The annual expense of writing off the cost of an asset over a period of time.
<b>Annualization</b>	The cost of a full year of operation.
<b>Assessment</b>	A value that is established for real property for use as a basis for property taxes.
<b>Audit</b>	The examination of financial statements to determine if they present fairly, in all material respects, the financial position of an entity. The Region's external auditor conducts the audit in accordance with Canadian generally accepted auditing standards.
<b>Balanced Budget</b>	A budget where the revenues equal the expenditures. During the Region's budget development, any shortfall in budgeted revenues versus budgeted expenditures will be funded by tax levies or utility rate revenues equal to the shortfall, which will result in a balanced budget.
<b>Base Budget</b>	The budget required to maintain service levels as established by the previous year's budget.
<b>Benchmarking</b>	Determining the quality of products, services and practices by measuring critical factors (e.g., how fast or how reliable a product or service is) and comparing the results to those of highly regarded competitors.

Term	Definition
<b>Boards &amp; Agencies</b>	Autonomous bodies that receive funding from Halton Region, including Conservation Halton, Credit Valley Conservation, Grand River Conservation Authority, North Halton Mental Health Clinic, Royal Botanical Gardens, and the Halton Regional Police Service.
<b>Budget</b>	A financial plan for a specified period of time (fiscal year) that estimates all planned revenues and expenditures for various municipal services.
<b>Budget Book</b>	The official written statement prepared by staff, which presents the proposed budget to Regional Council.
<b>Budget Directions</b>	A policy document that establishes Council's program and fiscal priorities for the following year's budget, which is considered and approved by Regional Council. Regional staff also use this as a guide in developing the following year's budget process.
<b>Canadian Public Sector Accounting Standards</b>	Authoritative standards for financial accounting and reporting developed through an organized standard-setting process and issued by the Public Sector Accounting Board (PSAB).
<b>Canadian Union of Public Employees (CUPE)</b>	Canada's largest union, with 800,000 members across the country. CUPE represents workers in health care, emergency services, education, early learning and child care, municipalities, social services, libraries, utilities, transportation, airlines and more.
<b>Capital Budget and Forecast</b>	A plan of proposed capital expenditures to be incurred in the current year and over a period of nine future years, identifying each capital project and the method of financing.
<b>Capital Expenditure</b>	An expense for the acquisition, renovation, maintenance or replacement of fixed assets resulting in an extension of the asset's useful life; or an expenditure to purchase or construct a specific capital asset or project that spans more than one fiscal year, having a value of at least \$10,000. Typically, a capital expense encompasses a purchase of land and/or the construction of a building or facility.
<b>Case Mix Index (CMI)</b>	The Provincial measurement used for assessing the level of care required for residents at each long-term care facility, relative to the Provincial average of 100.
<b>Complement</b>	The total number of full-time equivalent (FTE) staff positions and relief hours approved by Regional Council.
<b>Contingency</b>	An appropriation of funds available to mitigate unforeseen events that may occur during the fiscal year.

Term	Definition
<b>Corporate Sustaining Chargeback</b>	A method that is used to allocate costs that are required for corporate management purposes, generally fixed in nature, and not directly or indirectly consumed through a service-delivery process.
<b>Current Value Assessment (CVA)</b>	Real estate property value that is determined under the direction of the Province of Ontario as a basis for levying property taxes.
<b>Debenture</b>	The payment of interest and repayment of principal to holders of the Region's debt instruments.
<b>Deficit</b>	The excess of expenditures over revenues in a fund over an accounting period.
<b>Demand Driven Chargeback</b>	A method that is used to allocate costs that are required for program support purposes. An allocation driver is specified for each area of program support, with the allocation of costs based on the percentage of driver units for a program area as compared to the total driver units.
<b>Development Charges (DCs)</b>	Charges collected from developers that are imposed under the <i>Development Charges Act</i> when land is developed.
<b>Development Charges By-law</b>	By-law approved by Regional Council to authorize the amount and collection of Development Charges under the <i>Development Charges Act</i> .
<b>Expenditure</b>	The disbursement of appropriated funds to purchase goods and/or services.
<b>Fees and Charges</b>	Charges for expenses incurred when services are provided to an individual or groups rather than the community at large.
<b>Fiscal Year</b>	The 12-month accounting period for recording financial transactions. Halton Region's fiscal year is from January 1 to December 31.
<b>Fleet</b>	The vehicles owned and operated by the Region, including Police.
<b>Fringe Benefits</b>	Payment to which participants may be entitled under a plan, including pension benefits.
<b>Full-time Equivalent (FTE)</b>	A measure of staffing equivalent to that produced by one person working full-time for one year.
<b>Geographic Information System (GIS)</b>	A system that integrates existing regional graphic and tabular spatial data into a common shared database.

Term	Definition
<b>Government Finance Officers Association (GFOA)</b>	A professional association of government finance officers in the United States and Canada identifying and developing financial policies and best practices through education, training and facilitation of member networking and leadership.
<b>Grant</b>	A monetary contribution by one governmental unit or other organization to another. The Provincial and Federal governments make these contributions to local governments. Halton Region provides grants to various social service agencies.
<b>Gross Expenditures</b>	For Regional Services, the total amount of spending required in order to continue operations and deliver services, net of any recoveries from external sources (e.g. capital, Police) and transfers from reserves. Conversely, after considering Provincial and Federal funding and other revenues, this amount would then be known as “Net Expenditures”.
<b>Halton Community Housing Corporation (HCHC)</b>	A separate Regionally owned corporation that owns and manages social housing units in Halton Region. HCHC has no staff. The Region provides staff support to HCHC.
<b>Halton Leadership Team</b>	The Region’s senior leadership team comprised of the Chief Administrative Officer (CAO) and six Commissioners.
<b>Halton Police Board</b>	The governing body for the Halton Regional Police Service (HRPS).
<b>Halton Region</b>	The geographic area made up of the City of Burlington, the Town of Halton Hills, the Town of Milton and the Town of Oakville.
<b>Halton Regional Police Service (HRPS)</b>	A police agency that contributes to the safety and well-being of the Region’s more than 650,000 residents through the provision of police services.
<b>Inflation</b>	A rise in price levels caused by general economic activity and growth.
<b>Investment Income</b>	Revenue associated with the Region’s cash management activities of investing cash balances.
<b>Levy</b>	Property taxation funding which is raised through taxes.
<b>Local Municipalities</b>	Within Halton Region this includes the City of Burlington, the Town of Halton Hills, the Town of Milton and the Town of Oakville.



Term	Definition
<b>Modified Accrual</b>	Method of presentation for the Region's budget where certain expenses that would be recognized under full accrual accounting are permitted to be excluded from a municipality's budget per O. Reg 284/09 of the <i>Municipal Act</i> , including amortization expenses, post-employment benefit expenses and solid waste landfill closure and post-closure expenses. Other expenses such as transfers to reserves and debt principal repayment are also included as expenses in the budget, but would not be recognized as expenditures in the financial statements.
<b>Municipal Property Assessment Corporation (MPAC)</b>	Established by the <i>Municipal Property Assessment Corporation Act</i> , MPAC administers and determines a uniform, province-wide system of current value assessment (CVA) for all properties.
<b>Net Expenditures</b>	For Regional Services, the amount of spending required in order to continue operations and deliver services, net of any recoveries from external sources (e.g., capital, Police), transfers from reserves, Provincial and Federal funding and other revenues. In other words, the amount to be either levied from property taxes or recovered through water and wastewater rates.
<b>Ontario Disability Support Program (ODSP)</b>	An income redistribution program previously funded by the Province of Ontario (80%) and the Region (20%) to provide payments to individuals with disabilities who are unable to work. Municipal funding for this program was completely phased out in 2011.
<b>Ontario Land Tribunal (OLT)</b>	The Ontario Land Tribunal (OLT) hears and decides appeals and matters related to land use planning, environmental and natural features and heritage protection, land valuation, land compensation, municipal finance, and related matters.
<b>Ontario Municipal Employees Retirement System (OMERS)</b>	A local government pension plan coordinated by the Province of Ontario and funded from municipal employee and employer contributions.
<b>Ontario Nurses' Association (ONA)</b>	The union representing over 68,000 nurses and health-care professionals and over 18,000 nursing student affiliates providing care in hospitals, long-term care, public health, the community, clinics and industry across Ontario.
<b>Ontario Public Service Employees Union (OPSEU)</b>	A union in Ontario for public sector workers. OPSEU has about 180,000 members across the province working for the Ontario government, inside community colleges, for the LCBO, in the health care sector, and employed in a wide range of community agencies within the broader public sector.

Term	Definition
<b>Ontario Works (OW)</b>	A Provincial program jointly funded with, and administered by, the Region to provide social assistance to residents. The Province of Ontario fully funds the social assistance benefits.
<b>Operating Budget</b>	The budget containing allocations for expenditures, such as salaries and wages, materials and supplies, utilities and insurance, to provide government services for the current year.
<b>Performance Measure</b>	Data collected to determine how effective and/or efficient a program is in achieving its objectives.
<b>Program</b>	A regional business unit formed to provide a specific type of service (e.g., Public Health, Waste Management).
<b>Property Tax</b>	A tax levied on the assessed value of real estate.
<b>Province (“the Province”)</b>	The Province of Ontario (the Provincial government).
<b>Provincial Offences Act (POA)</b>	An Act that governs how charges are processed and prosecuted. It applies to all Provincial statutes, as well as municipal by-laws and some minor federal contraventions. Most of the POA offences are related to the <i>Highway Traffic Act</i> , the <i>Compulsory Automobile Insurance Act</i> , the <i>Liquor Licence Act</i> or the <i>Trespass to Property Act</i> .
<b>Public Sector Accounting Board (PSAB)</b>	A board overseen by the Accounting Standards Oversight Council, which develops standards for municipal financial reporting.
<b>Rate-Supported Budget</b>	Referring to the budget containing expenditures relating to the Water and Wastewater Programs that are funded through water and wastewater rates.
<b>Reserve</b>	An allocation of accumulated net revenue. It has no reference to any specific asset and does not require the physical segregation of money or assets. An example of one of the Region’s reserves is the Tax Stabilization Reserve.
<b>Reserve Fund</b>	Assets segregated and restricted to meet the purpose of the reserve fund, which may be obligatory (created whenever a statute requires revenue received for special purposes to be segregated) or discretionary (created whenever a municipal council wishes to earmark revenue to finance a future project, e.g., Development Charges Reserve Funds).
<b>Revenue</b>	Funds that a government receives as income, including property tax payments, water and wastewater rates, user fees, Provincial and Federal funding and interest income.
<b>Strategic Business Plan</b>	A plan to reflect Halton Regional Council’s priorities and focus on what services are important to Halton residents, developed each new term by Council. The 2023-2026 Strategic Business Plan was approved in July 2023.

Term	Definition
<b>Strategic Investments</b>	Any proposed variation in the budgeted expenditures or revenues that are not provided for in the Base Budget, and for which separate budget disclosure is provided for Regional Council's consideration.
<b>Supplementary Taxes</b>	Property taxes resulting from assessment added to the tax roll after January 1 of a given tax year.
<b>Surplus</b>	When total revenues from current operations exceed total expenditures.
<b>Systems, Application, and Products in Data Processing (SAP)</b>	Software used for the Region's financial and human resource information systems.
<b>Tangible Capital Assets (TCA)</b>	Non-financial assets with physical substance that: are held for use in the production or supply of goods and services, rental to others, administrative purposes or the development, construction, maintenance or repair of other TCA; have useful economic lives extending beyond an accounting period; are to be used on a continuing basis; and are not for sale in the ordinary course of operations.
<b>Tax Levy</b>	The total amount to be received by property taxes for operating and debt service purposes specified in the annual Tax Levy By-law.
<b>Tax Rate</b>	The actual rate of tax applied to the Current Value Assessment (CVA) to determine taxes payable.
<b>Tax-Supported Budget</b>	Referring to the collective budget of the Health, Social & Community Services, Small Business Centre & Heritage Services, Waste Management, Roads Operations, Development Services, Corporate Administration, Boards & Agencies and other regional governance and fiscal transactions. The net expenditures of these programs are funded by property taxes.
<b>Wastewater Treatment Plant (WWTP)</b>	Halton Region owns and operates state-of-the-art Wastewater Treatment Plants that safely, efficiently and effectively remove contaminants from wastewater prior to discharging it into the environment.
<b>Water Treatment Plant (WTP)</b>	Halton Region owns and operates state-of-the-art Water Treatment Plants that deliver safe, high-quality and cost-effective drinking water.

# Acronyms

Acronym	Term
<b>AHT</b>	Anti-Human Trafficking
<b>ADP</b>	Adult Day Programs
<b>AEFI</b>	Adverse Events Following Immunization
<b>AMI</b>	Advanced Metering Infrastructure
<b>AMP</b>	Asset Management Plan
<b>AODA</b>	<i>Accessibility for Ontarians with Disabilities Act</i>
<b>ARB</b>	Assessment Review Board
<b>ATMP</b>	Active Transportation Master Plan
<b>ATMS</b>	Advanced Traffic Management System
<b>AWWA</b>	American Water Works Association
<b>BCA</b>	Building Condition Assessment
<b>BIA</b>	Business Improvement Area
<b>BILD</b>	Building Industry and Land Development Association
<b>BPE</b>	Best Planning Estimates
<b>BSCF</b>	Building Safer Communities Fund
<b>BSO</b>	Behavioural Supports Ontario
<b>BUR</b>	Burlington
<b>CAO</b>	Chief Administrative Officer

Acronym	Term
<b>CCBF</b>	Canada Community-Building Fund (Formerly Federal Gas Tax)
<b>CCEYA</b>	<i>Child Care Early Years Act</i>
<b>CCTV</b>	Closed Circuit Television
<b>CH</b>	Conservation Halton
<b>CHAP</b>	Community Health Assessment Program
<b>CHS</b>	Comprehensive Housing Strategy
<b>CMI</b>	Case Mix Index
<b>COCHI</b>	Canada-Ontario Community Housing Initiative
<b>COHB</b>	Canada-Ontario Housing Benefit
<b>CPI</b>	Consumer Price Index
<b>CPNP</b>	Canada Prenatal Nutrition Program
<b>CSWB Plan</b>	Community Safety and Well-Being Plan
<b>CUPE</b>	Canadian Union of Public Employees
<b>CVA</b>	Current Value Assessment
<b>CVC</b>	Credit Valley Conservation
<b>CWELCC</b>	Canada-Wide Early Learning and Child Care
<b>DATS</b>	Development Application Tracking System
<b>DC</b>	Development Charge

Acronym	Term
<b>DCA</b>	<i>Development Charges Act</i>
<b>EA</b>	Environmental Assessment
<b>EAB</b>	Emerald Ash Borer
<b>EDU</b>	Ministry of Education
<b>EMR</b>	Electronic Medical Record
<b>ERP</b>	Enterprise Resource Planning
<b>EVBD</b>	Enteric and Vector-Borne Diseases
<b>FTE</b>	Full-time Equivalent
<b>GFOA</b>	Government Finance Officers Association
<b>GIS</b>	Geographic Information System
<b>GRCA</b>	Grand River Conservation Authority
<b>HATCH</b>	Halton Access to Community Housing
<b>HBHC</b>	Healthy Babies Healthy Children
<b>HCHC</b>	Halton Community Housing Corporation
<b>HFG</b>	Home for Good
<b>HFIT</b>	Healthy Families Information Team
<b>HGBC</b>	Halton Global Business Centre
<b>HHACT</b>	Halton Hills - Acton
<b>HHGEO</b>	Halton Hills - Georgetown
<b>HHS</b>	Halton Healthcare Services

Acronym	Term
<b>HOEP</b>	Hourly Ontario Energy Price
<b>HPP</b>	Homelessness Prevention Program
<b>HPV</b>	Human Papillomavirus
<b>HRAP</b>	Halton Rental Assistance Program
<b>HRC</b>	Halton Regional Centre
<b>HRCIF</b>	Halton Region Community Investment Fund
<b>HRIF</b>	Homelessness Reduction Innovation Fund
<b>HRPS</b>	Halton Regional Police Service
<b>HSO</b>	Healthy Smiles Ontario
<b>HSPPS</b>	Human Services Planning & Program Support
<b>HWMS</b>	Halton Waste Management Site
<b>IAH-SIF</b>	Investment in Affordable Housing - Social Infrastructure Fund
<b>iGAS</b>	invasive Group A Streptococcus
<b>IGMS</b>	Integrated Growth Management Strategy
<b>IHAP</b>	Interim Housing Assistance Program
<b>IPAC</b>	Infection Prevention and Control
<b>ISPA</b>	<i>Immunization of School Pupils Act</i>
<b>KM</b>	Kilometres
<b>kWh</b>	kilowatt-hour
<b>LCC</b>	Licensed Child Care

Acronym	Term
<b>LDC</b>	Local Distribution Companies
<b>LED</b>	Light Emitting Diode
<b>LTC</b>	Long-Term Care
<b>m<sup>3</sup></b>	Cubic Metres
<b>MCCSS</b>	Ministry of Children, Community and Social Services
<b>MCU</b>	Ministry of Colleges and Universities
<b>MECP</b>	Ministry of the Environment, Conservation and Parks
<b>MFIPPA</b>	<i>Municipal Freedom of Information and Protection of Privacy Act</i>
<b>MIL</b>	Milton
<b>ML/d</b>	Megalitres per day (one Megalitre is equivalent to one million litres)
<b>MLITSD</b>	Ministry of Labour, Immigration, Training and Skills Development
<b>MLTC</b>	Ministry of Long-Term Care
<b>MMAH</b>	Ministry of Municipal Affairs and Housing
<b>MNRF</b>	Ministry of Natural Resources and Forestry
<b>MOH</b>	Ministry of Health
<b>MPAC</b>	Municipal Property Assessment Corporation
<b>MTC</b>	Make the Connection
<b>NHMHCC</b>	North Halton Mental Health Clinic

Acronym	Term
<b>OAK</b>	Oakville
<b>ODSP</b>	Ontario Disability Support Program
<b>OH</b>	Ontario Health
<b>OKN</b>	Our Kids Network
<b>OLT</b>	Ontario Land Tribunal
<b>OMERS</b>	Ontario Municipal Employees Retirement System
<b>ONA</b>	Ontario Nurses' Association
<b>OPHI</b>	Ontario Priorities Housing Initiative
<b>OPHS</b>	Ontario Public Health Standards
<b>OPSEU</b>	Ontario Public Service Employees Union
<b>OSDCP</b>	Ontario Seniors Dental Care Program
<b>OW</b>	Ontario Works
<b>PHFAA</b>	Public Health Funding and Accountability Agreement
<b>PIL</b>	Payments-In-Lieu (of taxes)
<b>POA</b>	<i>Provincial Offences Act</i>
<b>PPE</b>	Personal Protective Equipment
<b>PRV</b>	Pressure Reduction Valve
<b>PSAB</b>	Public Sector Accounting Board
<b>PSAS</b>	Public Sector Accounting Standards
<b>PQI</b>	Pavement Quality Index

Acronym	Term
<b>RAV</b>	Replacement Asset Value
<b>RBG</b>	Royal Botanical Gardens
<b>RCCC</b>	Regional Child Care Centre
<b>RCM</b>	Reliability Centred Maintenance
<b>RGI</b>	Rent-Geared-to-Income
<b>RH</b>	Reaching Home - Canada's Homelessness Strategy
<b>ROW</b>	Rights Of Way (taxes)
<b>SAP</b>	Systems, Application, and Products in Data Processing
<b>SCA</b>	Sudden Cardiac Arrest
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SDE</b>	Single Detached Equivalents
<b>SDWS</b>	Small Drinking Water Systems
<b>SFOA</b>	<i>Smoke Free Ontario Act</i>
<b>SH</b>	Supportive Housing
<b>SPLIT</b>	Subsidized Passes for Low Income Transit
<b>STI</b>	Sexually Transmitted Infection
<b>TB</b>	Tuberculosis
<b>TCA</b>	Tangible Capital Asset
<b>THRC</b>	The Halton Resource Connection
<b>TMC</b>	Traffic Management Centre

Acronym	Term
<b>TODS</b>	Tourism-Oriented Destination Signage
<b>WM</b>	Water Main
<b>WTP</b>	Water Treatment Plant
<b>WWM</b>	Wastewater Main
<b>WWPS</b>	Wastewater Pumping Station
<b>WWTP</b>	Wastewater Treatment Plant