

Clarington

2026 Draft Budget Update

Bringing real value to
your neighbourhood with
services and programs that
make life better.



www.clarington.net/Budget



Table of Contents

CHAPTER ONE

Introduction

A Message from Mayor Adrian Foster 3

Building the Budget 4

2026 Budget Snapshot 5

What Property Taxes Fund 6

2026 Capital Budget Highlights 7

Local Services and Programs That Matter 9

2025 Grant Highlights 11

Continuous Improvement Highlights 13

Budget Basics 14

CHAPTER TWO

Operating Budget Update

2026 Operating Budget Update 19

Operating Budget Amendments 21

CHAPTER THREE

2026 Capital Budget

2026 Capital Budget 25

2026 Capital Budget Details 26

Pre-Budget Approval 43

CHAPTER FOUR

Long-Term Debt

Long-Term Debt Update 45

Proposed New Debt 46

CHAPTER FIVE

Reserves and Reserve Funds

Reserves and Reserve Funds 48

Reserve Fund Contributions and Transfers 54

Reserve Fund Target Balances 59

APPENDIX

Business Cases

Evergreen Proposal
(within Computer Hardware) 62

Telephony Modernization System
(within Computer Hardware) 67

Customer Relationship Management Solution 70

Finance Enterprise Resource Solution 79

Full-time Animal Care Attendant 94

01 Introduction

A Message from Mayor Adrian Foster 3

Building the Budget 4

2026 Budget Snapshot 5

What Property Taxes Fund 6

2026 Capital Budget Highlights 7

Local Services and Programs That Matter 9

2025 Grant Highlights 11

Continuous Improvement Highlights 13

Budget Basics 14

A message from Mayor Foster

Our budget balances keeping costs down while delivering on community priorities



I'm proud to share Clarington's 2026 Operating Budget Update and Capital Budget—a plan shaped by your priorities. This is how we deliver what's most important to you, working towards the long-term vision in our 2024-27 Strategic Plan, informed by record-setting public engagement and feedback.

Clarington's property taxes are among the lowest in Durham Region, but I know every dollar matters—especially right now. I've heard from residents feeling the pressure, and we're working hard to keep costs in check while continuing to deliver the top-notch service you expect. That's why we've lowered the previously approved overall tax levy increase, proposing 3.00 per cent rather than 4.07 per cent. For the average household, it means a modest net increase of \$1.08 weekly on Clarington's third of the property tax bill (which translates to a 0.99 per cent taxpayer increase).

The levy covers about half of our total budget, so we stay laser-focused on easing the burden through smart financial strategies. By pursuing grants, generating investment income, using development charges to support growth, and driving efficiencies, we're stretching resources to deliver real value for our community.

The legendary lifestyle here is why people choose Clarington, and each year we're making careful investments to make it even better. The Parks, Recreation and Culture Master Plan is coming to life with major investments in community spaces over the next 10 to 15 years. In 2026, we're exploring the twin pad expansion at South Courtice Arena to meet future demand for indoor ice. We've got construction of the South Bowmanville Recreation Centre well underway—our biggest community build yet. Plus, a new Aquatics Centre coming soon, too. We'll also be adding an accessible community park and splashpad onsite for neighbours to enjoy time together.

As Clarington's population continues to grow, we're investing in the infrastructure our community relies on today while planning ahead to support the needs of tomorrow. We're building a new fire station and training facility in north Bowmanville to help protect residents and ensure our firefighters are prepared for anything. In 2026, we'll invest in strengthening infrastructure across our community, including road resurfacing and reconstruction, improvements to sidewalks, crossovers and lighting, as well as traffic calming measures.

Stormwater systems will also be strengthened to protect our shoreline and reduce flood risk.

We believe every resident deserves excellent customer service when they connect with us. With our planned improvements, it will become easier to get help and access what you need. Behind the scenes, we're modernizing technology to protect data and enhance service delivery. Year by year, these steady upgrades will keep making things better and better, setting the bar higher for awesome service every time we connect.

This budget is a clear roadmap to our goals and outlines the resources we have to reach them—investing wisely, delivering great service, and keeping costs low through thoughtful, community-informed planning. We're proud to call Clarington home and always looking for ways to make it even better, because truly, there's just no place like it.

Sincerely,

Adrian Foster
Mayor

Your priorities are at the heart of the budget, crafted for impact today and value tomorrow.

Each annual budget is built to deliver on the community’s priorities outlined in the **2024-27 Strategic Plan**, shaped by record levels of public engagement. It also reflects the organizational needs identified in the **2024-27 Multi-Year Operating Budget** to ensure the continued delivery of important local services and programs. The Municipality reviews and updates its Multi-Year Budget annually, as required under the *Municipal Act, 2001*. This provides flexibility to address changes in circumstances or special events that require funding or resource adjustments, ensuring responsible fiscal planning while remaining adaptable to a changing environment due to factors such as:

-  **New/Changed Regulations:** New or changed legislation or regulations that impact the Municipality financially.
-  **New Council Direction:** New direction or plans approved after the initial approval of the Multi-Year Budget.
-  **Cost/Revenue Driver:** A budget adjustment to adapt to a change in economic conditions, events or circumstances.



As Clarington continues to grow, we are committed to delivering meaningful municipal programs and services to best serve our community. We are focused on a collaborative, responsible budgeting process, supporting the delivery of the **Clarington Strategic Plan**. This ensures our business operations are aligned with the priorities identified by the community.



See the progress!

Clarington’s **Year in Review** shows the real impact of our Strategic Plan priorities in action.

Check it out:
www.clarington.net/YearInReview



2026 Budget Snapshot

**User Fees**
Charges for specific services used by individuals

\$19.6M

**Grants, Investment Income, and Other Revenue**
Funding beyond taxes to help keep rates lower

\$18.1M

**Development Charges Projected**
Contributions by developers to support growing needs

\$6.5M

**Reserves / Reserve Funds**
Works like a savings account to support future investments

DRAWS

\$59.6M

CONTRIBUTIONS

\$26.7M

**Debt (New)**
Loans are used strategically to support major investments

\$0



Property Tax Levy
Average household* will see a net levy increase of approximately **\$1.08 weekly** (about \$56.40 annually).
*MPAC home value of \$402,507

\$86.4M

**2026 TOTAL**

BUDGET

\$163.5M

Investing with intention

To ensure budget decisions reflect what matters most to you, we align with priorities from Clarington's 2024-27 Strategic Plan—shaped by nearly **2,500 community responses**. This approach gives us the foresight to invest wisely to support quality of life today and create lasting value for the future.

BUDGET INVESTMENTS

Operating budget \$130.3M

Powering the day-to-day

	PUBLIC SERVICES	59.39%
	PLANNING AND INFRASTRUCTURE	10.39%
	FINANCE AND TECHNOLOGY	7.43%
	LEGISLATIVE SERVICES	6.25%
	LIBRARIES AND MUSEUMS	4.63%
	OFFICE OF THE CAO	4.09%
	EXTERNAL AGENCIES	3.70%
	CORPORATE ACCOUNTS	3.15%
	MAYOR AND COUNCIL	0.97%

Built on the 2024-27 Multi-Year Operating Budget, with 2026 amendments to reflect evolving community needs.

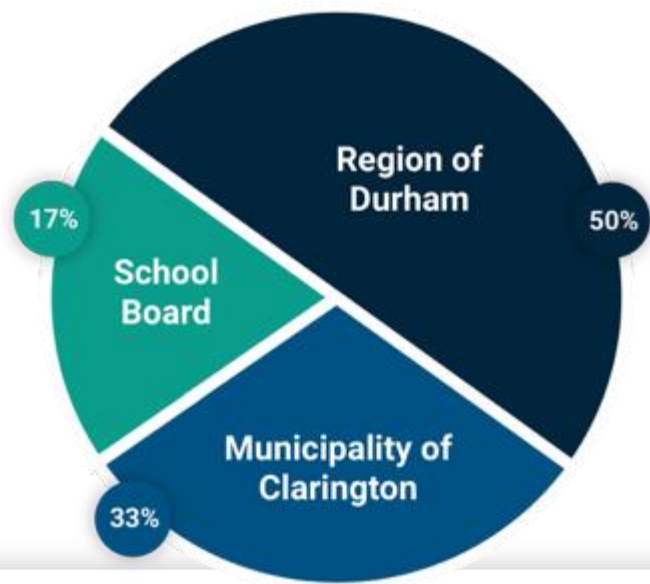
Capital budget \$33.2M

Investing in the future

	ROADS INFRASTRUCTURE	\$8.23M
	FACILITIES	\$7.67M
	PARKS AND CEMETERIES	\$5.67M
	CORPORATE FLEET	\$4.40M
	INFORMATION TECHNOLOGY	\$3.06M
	EMERGENCY SERVICES	\$1.66M
	LIBRARIES AND MUSEUMS	\$1.05M
	TRANSPORTATION INFRASTRUCTURE	\$914K
	PARKING INFRASTRUCTURE	\$297K
	BRIDGES AND CULVERTS	\$186K
	STORMWATER INFRASTRUCTURE	\$76K

Property taxes support what **makes local life better**, covering about half of Clarington’s overall budget.

The property tax levy covers **52.8 per cent of Clarington’s overall 2026 budget**, with the remaining funding coming from other sources – underscoring the importance of optimizing resources and pursuing alternative revenue like grants, investment income, development charges, user fees, and more.



Did you know? Only 33 cents from every property tax dollar goes to the Municipality of Clarington. This portion supports delivery of the local services you rely on and invests in the future of our growing community.

We’re proud to bring you:

- | | |
|---|--|
|  Animal services |  Fire and emergency services |
|  Building inspection |  Libraries |
|  Capital investments |  Local planning |
|  Economic development |  Parks and sports fields |
|  Local road maintenance |  Recreation facilities and programs |
|  Municipal law enforcement |  ... and more! |

What’s the difference between the Operating and Capital Budget?

- | | |
|---|--|
|  | Operating Budget: Powers the day-to-day
Funds important municipal services used daily —like fire and emergency response, local planning, recreation programs, animal services, libraries, and more—as well as the staff who deliver them. |
|  | Capital Budget: Invests in the future
Funds the assets and infrastructure Clarington invests in to support community growth and well-being—like building, repairing, and replacing roads, parks, and facilities. |

We're on a mission to enhance quality of life in our community, and the [2026 capital investments](#) are part of that promise.

1

Bringing the [Parks, Recreation, and Culture Master Plan](#) to life

We're investing in the spaces and places that keep Clarington active, connected, and proud. Across the community, we're upgrading baseball, basketball, pickleball, squash, and tennis facilities, along with splashpads, playgrounds, parks, and trails. We're also building a brand-new accessible community park and splashpad in South Bowmanville, offering barrier-free fun for kids of all ages in a welcoming, inclusive space. These investments support the [Parks, Recreation, and Culture Master Plan](#), our long-term roadmap that will help Clarington grow with its community over the next 10- to 15 years.

**2**

Exploring a new twin ice pad at [South Courtice Arena](#)

To support our growing community, Clarington will explore the feasibility of adding two new indoor ice pads at the South Courtice Arena. This work will begin in 2026 and include studies and investigations that assess items such as (but not necessarily limited to): land needs, requirements for site servicing, traffic and parking impacts, and how the expansion could incorporate and integrate indoor and outdoor amenities. A conceptual design will also be prepared to help visualize what the facility could look like, along with high-level cost estimates to guide future decisions. This is the starting point for the project and will help inform the municipality's capital forecast and position it for potential future funding opportunities.



3

Modernizing technology to serve you better

Planned digital upgrades will make it easier for residents to get help, access services and track requests, thanks to a new customer relationship management (CRM) system. Behind the scenes, a new enterprise resource planning system will streamline workflows, consolidate five outdated applications, and strengthen financial reporting and transparency. Upgraded hardware will also bolster cybersecurity—protecting sensitive data, reducing the financial risks of potential breaches, and ensuring safer, more reliable services for the entire community.



4

Making investments in priority infrastructure

We're upgrading roads, buildings, stormwater systems, facilities, parks, and more to meet service levels in [the Asset Management Plan](#) and support broader community growth. This includes building [the South Bowmanville Recreation Centre with an Aquatics Centre](#), a new [operations depot, fire station and training facility](#), as well as road reconstruction to support the Bowmanville Hospital expansion—investments that strengthen emergency preparedness, improve service delivery, and reflect long-term community priorities.



We spend on things that matter, because planning for Clarington’s future starts with **smart choices today.**



Frontline Services

We invest in fire protection, road and park maintenance, winter response, building inspection, crossing guards, and municipal law enforcement—services that keep Clarington safe, prepared, and connected.



Community Life and Well-being

We support the programs and spaces that make Clarington feel like home. This includes recreation, libraries, museums, cultural initiatives, animal services, and local grants—enhancing quality of life and creating places where people come together.



Clarington’s Backbone

We power the systems and strategies that support every service and shape our future. This includes planning and infrastructure to guide sustainable growth, economic development to attract investment, communications to keep you informed and engaged, technology to protect data and deliver modern services, and finance teams that manage public dollars with care and transparency. It also includes the internal teams that support everything from human resources, legal, long-term planning, and resident and Council service.



How \$100 in property taxes is spent



\$16.52

Emergency and Fire Services



\$14.19

Corporate Support



\$13.71

Public Works



\$11.58

Recreation Facilities and Programs



\$11.05

Capital Financing



\$5.87

Planning and Infrastructure Services



\$4.19

Community Grants, Sponsorships and Hospital Funding



\$9.57

Libraries / Museums



\$3.99

Winter Maintenance



\$1.82

Municipal Law and Parking Enforcement



\$1.38

Communications



\$1.24

Economic Development



\$0.61

Animal Services



\$0.44

Crossing Guards



\$0.95

Building Inspection



\$0.21 Culture

\$2.68

Debt Servicing



2025 Grant Highlights

Our ongoing pursuit of grant opportunities helps reduce dependency on property taxes.

More than **\$10.5 million*** has been secured so far this year, bringing even more important investments to our community.

Clarington is thankful for the generous support of our funding partners, whose contributions are making a meaningful difference in our community.

Through our centralized Grant Administration Program, we're actively pursuing external funding opportunities to reduce reliance on the property tax base. This approach helps us deliver important municipal services that enhance quality of life for our residents.

2025 Highlights

South Bowmanville Recreation Centre | **\$10 million**

Community Sport and Recreation Infrastructure Fund

Soper Creek Baseball Diamond | **\$109,127**

Jays Care Field of Dreams

Community Climate Adaptation Plan | **\$105,000**

Green Municipal Fund Local Leaders for Climate Adaptation

Youth Summer Employment | **\$65,018**

Canada Summer Jobs and Summer Employment Opportunities Program

* as of September 2025



Jays Care
Field of Dreams



South Bowmanville
Recreation Centre



Youth Summer
Employment

Canada Day in
Clarington Event



55+ Cultural Connections
Programming



Accessible Changeroom
Improvements



Accessible Changeroom Improvements | \$33,500

Inclusive Community Grant

Virtual Reality Fire Safety Public Education Simulator | \$25,000

Hydro One Energizing Life Community Fund

55+ Cultural Connections Programming | \$25,000

New Horizons for Seniors Program

Firefighter Bunker Gear Extractor | \$21,866

Firehouse Subs Public Safety Foundation

Canada Day in Clarington event | \$13,000

Canadian Heritage Grant and OPG Power for Change–Regional Empowerment Grant

Accessible Skating Equipment | \$12,000

Enabling Accessibility Fund

More than **\$2 million*** in operational efficiencies have been achieved through **100 initiatives***, making every dollar and every hour go farther.

Continuous improvement means better value for taxpayer dollars.

Launched in late 2023, Clarington’s Continuous Improvement Program is optimizing the way we work to better serve residents. By streamlining processes, reducing waste, and empowering staff to innovate without fear of failure, we’re improving everyday experiences.

This culture of collaboration and creativity helps offset rising costs — delivering more value for every tax dollar. These initiatives reduce costs through productivity gains and optimized resource use, with some delivering immediate impact and others generating long-term savings year after year.

Innovative highlights include:

* since launch, with data as of September 2025



Why is the overall tax levy lower than previously adopted?

To help ease financial pressures on residents, Clarington used smart financial strategies and applied reserve funds, including additional revenue from stronger-than-expected investments, to **reduce the tax levy increase to 3.00 per cent for 2026**, from the previously approved 4.07 per cent.

This translates to a **net increase of 0.99 per cent for the average household*** on Clarington’s portion of property taxes, which accounts for 33 per cent of the total bill.



This means the average household* will see a net increase of approximately **\$1.08 weekly** (about \$56.40 annually) on Clarington’s third of the bill.

*MPAC home value of \$402,507



Tax Levy Revenue

	2024	2025	2026	2027
Previously Approved Levy from 2025 Update	\$76,807,800	\$82,242,900	\$87,232,000	\$92,520,200
Previously Approved % Increase	4.52%	5.32%	4.07%	4.07%
Amendment				
Amended Base Budget	\$76,807,800	\$82,242,900	\$87,232,000	\$91,644,700
Incremental Increase for Asset Management	\$0	\$0	\$1,391,754	\$1,434,100
Incremental Levy Reduction from 2024 Surplus	\$0	\$0	(\$2,267,254)	(\$2,408,600)
Amended Levy (including growth)	\$76,807,800	\$82,242,900	\$86,356,500	\$90,670,200
Amended % Increase from Rates	4.52%	5.32%	3.00%	3.00%

What factors are influencing Clarington's budget?

For 2026, Clarington is presenting a one-year capital budget program, along with the operating budget update, with many factors influencing the budgeting process.

Clarington's 2026 Budget was developed with a strategic mindset, including the following key factors that are influencing the Municipality's finances:

① Asset Management Plan

On June 19, 2025, Council approved the Municipality's 2025 Asset Management Plan, which outlines how Clarington maintains its infrastructure to ensure reliable services for residents. The Plan encompasses all asset categories—core, non-core, and other—detailing a full inventory, condition assessments, current and proposed service levels, and a 10-year lifecycle forecast.

The financing strategy approved by Council addresses both the annual shortfall and the accumulated backlog over a 20-year horizon. The additional investment required will be built into the 2026 budget and future multi-year tax levies. Ongoing annual reporting will track progress and ensure continued alignment with regulatory requirements and service level objectives.

This helps Clarington take care of things like roads, stormwater systems, parks, recreation facilities, and municipal buildings in a smart, cost-effective way — so residents can count on safe, reliable services now and into the future. Learn more at www.clarington.net/AMP.

② Parks, Recreation and Culture Master Plan

Since the adoption of Clarington's Parks, Recreation and Culture Master Plan (PRCMP) in late 2024, significant progress has been made on many of its 113 recommendations. In September 2025, Council endorsed an implementation plan and financing strategy to advance several short-term priorities between 2024 and 2028 — with many already underway!

Inspired by community input and Clarington's deep love for its parkland, the PRCMP serves as a roadmap to inform future Council decisions about Clarington's parkland, programs and services, and what's needed to grow with the community.

Take a peek at what we've accomplished so far, and what's in the works over the next few years at www.clarington.net/PRCMP.



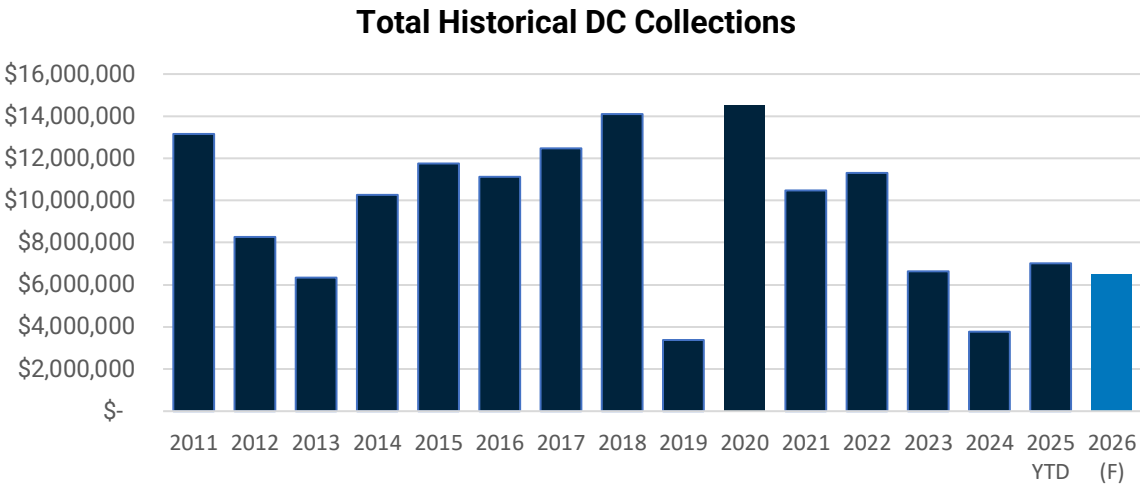
What factors are influencing Clarington’s budget?

3 Development Charges

When new homes or buildings go up, the Municipality collects fees called development charges to help cover the cost of roads, parks, water systems, and other infrastructure needed to support that growth.

In 2025, Clarington, like many other Ontario municipalities, saw a sharp drop in development charge revenue because fewer new housing projects got started. While we expect development to pick up again, the timing is beyond our control.

Staff are keeping a close eye on these revenues and will adjust future budgets as needed to respond to changes.



4 Inflationary Impacts

Recent inflation increases are impacting Clarington’s capital budget. Capital items that the Municipality purchases, such as asphalt for road repair, building materials for our facilities, and snowplows for winter maintenance, have increased significantly. These costs are not anticipated to decrease in the near future, meaning the Municipality’s purchasing power has diminished significantly.

Cost Comparison

Goods	2019 Cost	2024 Cost
Asphalt	\$103	\$121
Building Materials	\$80	\$106
Snowplows	\$238,000	\$342,000

Over the past five years, Municipal tax levy increases have been lower than inflation. Over time, this will reduce our ability to maintain investments in infrastructure at a time when infrastructure renewal is coming due. Clarington mitigates inflationary pressures through continuous improvement initiatives.

How does my MPAC assessment impact my taxes?

Your Municipal Property Assessment Corporation (MPAC) assessment is one of several factors used to calculate your property taxes. A change in your property's assessed value doesn't automatically mean your taxes will increase or decrease proportionally.

The Province is currently reviewing property tax legislation and has indicated that reassessment continues to be deferred. **Therefore, assessments will stay the same until at least the 2026 tax year.**

In the future, if your property's assessed value changes, here's how it works:

Assessment changes don't equal tax changes.

If your property value goes up or down, your taxes won't necessarily change the same way.

Taxes are based on Clarington's budget needs.

Property taxes are set to fund the services and programs the Municipality provides—not to match market values.

Reassessment is revenue-neutral.

The Municipality doesn't collect more money just because property values rise. As assessments increase or decrease, tax rates are adjusted to ensure Clarington only collects what it needs.

Tax share may shift.

Because not all properties change in value at the same rate, reassessment can shift how the overall tax levy is shared among property owners.



MPAC assessments don't decide how much tax Clarington collects — but instead they help determine each property owner's share of the total amount.

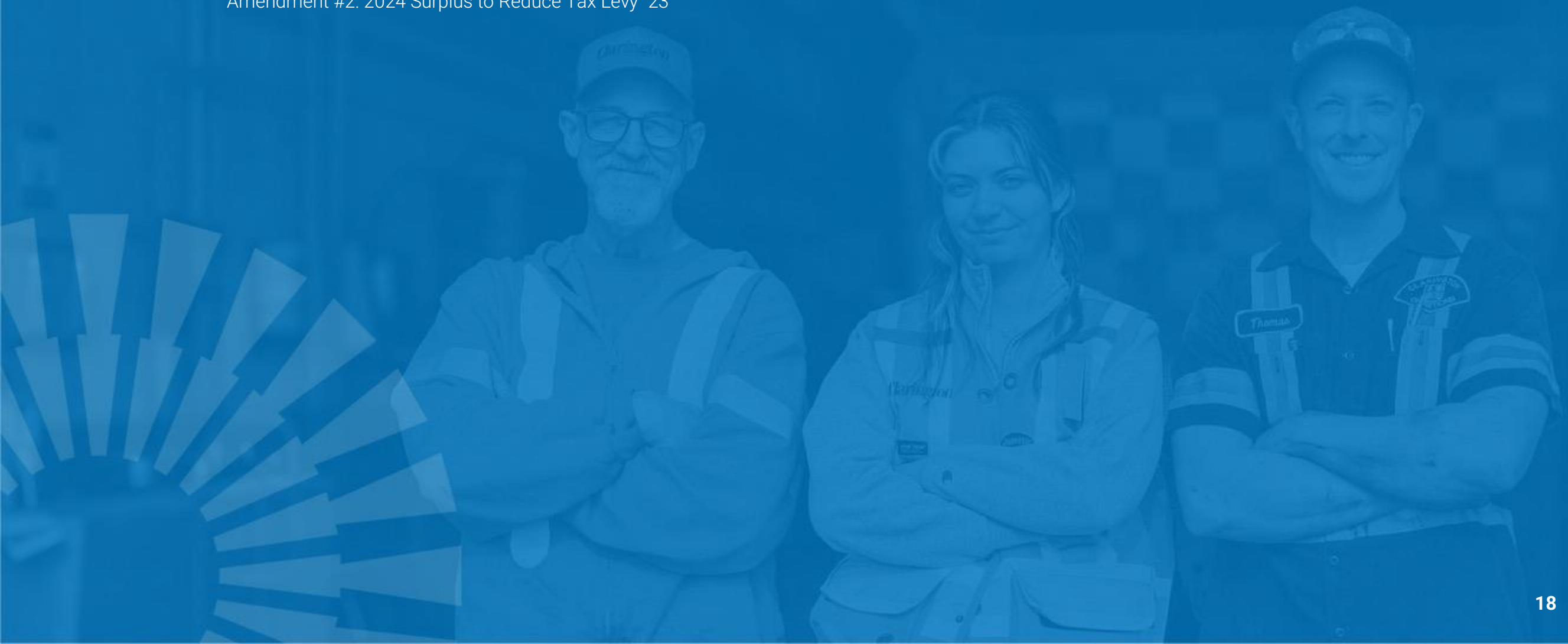
02 Operating Budget Update

2026 Operating Budget Update 19

Operating Budget Amendments 21

Amendment #1: Asset Management Plan 22

Amendment #2: 2024 Surplus to Reduce Tax Levy 23



2026 Operating Budget Update: Powering the day-to-day

We’re adapting to meet the community’s evolving needs with these amendments to the 2024-27 Multi-Year Operating Budget.

The table below provides a comparison of the **2026-27 Multi-Year Operating Budget** approved in 2025, the amended budget for 2026, and the impacts to the 2026 and 2027 budgets.

	2026 Restated ¹	Variance - New	2026 Amended	2027 Amended
Corporate Accounts	(\$82,475,769)	\$968,330 ²	(\$81,507,439)	(\$87,020,508)
Mayor and Council	\$1,244,628	\$18,242	\$1,262,870	\$1,310,598
Office of the CAO	\$5,051,490	\$150,401	\$5,201,891	\$5,292,958
Public Services	\$55,189,975	\$583,828	\$55,773,803	\$59,651,909
Legislative Services	\$6,135,983	\$232,180	\$6,368,163	\$6,673,077
Finance and Technology	\$3,288,757	(\$2,852,662)	\$436,095	\$701,290
Planning and Infrastructure	\$4,958,804	\$1,034,988	\$5,993,792	\$6,214,959
Libraries/Museums	\$5,562,335	(\$135,307)	\$5,427,028	\$6,068,394
External Agencies	\$1,043,797	\$0	\$1,043,797	\$1,107,323
Balanced Budget	\$0	\$0	\$0	\$0

1. The 2026 Restated amounts are the same as those approved in the 2025 update, but they've been adjusted to reflect funds moved between departments. These changes don't affect the overall tax levy.
2. Includes \$875,500 decrease to the tax levy.

Did you know



Clarington is one of the first municipalities in Ontario to take a multi-year approach to budgeting.

This helps us better align our resources to deliver on our strategic vision while ensuring financial sustainability and predictability for tax rates over the four-year period.

It's a new way of doing business—one that is integrated, coordinated, aligned and effective.

2026 Operating Budget Update: Powering the day-to-day

See how your tax dollars are allocated to deliver what matters most to you in daily operations.

The table below provides details of the components making up each department’s 2026 budget.

	2026 Amended	Revenues	Expenses	Net Reserve Fund Transfers
Corporate Accounts	(\$81,507,439)	(\$97,634,192)	\$4,109,925	\$12,016,828
Mayor and Council	\$1,262,870	\$0	\$1,262,870	\$0
Office of the CAO	\$5,201,891	\$0	\$5,325,527	(\$123,636)
Public Services	\$55,773,803	(\$13,169,826)	\$77,383,453	(\$8,439,824)
Legislative Services	\$6,368,163	(\$1,024,800)	\$8,145,522	(\$752,559)
Finance and Technology	\$436,095	(\$3,053,600)	\$9,682,478	(\$6,192,783)
Planning and Infrastructure	\$5,993,792	(\$4,589,170)	\$13,533,217	(\$2,950,255)
Libraries/Museums	\$5,427,028	(\$234,451)	\$6,029,695	(\$368,216)
External Agencies	\$1,043,797	\$0	\$4,818,797	(\$3,775,000)
Total	\$0	(\$119,706,039) ¹	\$130,291,484	(\$10,550,445)

¹ Total revenues does not match total revenue from the budget update snapshot as the snapshot revenue includes capital revenue

Operating Budget Amendment

What is new?

There are **two main amendments** to the operating budget.

All other cost pressures have been offset with increased revenues, decreased expenses, or reserve fund transfers.

Budget Amendment	2026 Tax Levy Impact	2027 Tax Levy Impact
1. Asset Management Plan	\$1,391,754	\$1,434,100
2. 2024 Surplus to Reduce Tax Levy	(\$2,267,254)	(\$2,408,600)
Tax Levy Change from 2024-27 Multi-Year Budget	(\$875,500)	(\$974,500)



Amendment #1 – Asset Management Plan

Clarington is planning ahead to protect the community’s needs and avoid costly disruptions.

The 2025 Asset Management Plan identified an estimated **annual infrastructure gap of approximately \$10.4 million** over the next decade. To close this gap and address the backlog that would accumulate, Council approved a financing strategy that begins in 2026 and extends over 20 years.

As part of this plan, the infrastructure levy will increase by approximately **\$28 per year for the average household**, rising from 0.06% to 0.58% in 2026. Each subsequent investment will increase at the rate of inflation. This ensures public assets—such as roads, parks, and facilities—are maintained responsibly for years to come.

Operating Budget Amendment	2026	2027
Tax Levy Impact		



We’re investing now to maintain what matters.

Clarington owns thousands of assets—bridges, sidewalks, stormwater systems, parks, and facilities—that naturally wear out over time. Regular maintenance keeps these assets safe and reliable, in contrast to delayed repairs, which leads to higher costs and more service disruptions.

Past funding levels haven’t kept pace with future needs.

Historically, annual infrastructure investments have not been enough to meet projected needs to best maintain assets. This has created a growing gap between what’s needed and what’s been budgeted.

Costs are rising faster than expected.

The price of municipal supplies, vehicles, and equipment—like fire trucks and snowplows—has increased more rapidly than general inflation by a wide margin. Annual budget increases based on the Consumer Price Index (CPI) (which tracks inflation) are not enough to cover these rising costs.

This plan helps avoid sudden spikes and builds long-term stability.

By increasing the infrastructure levy now, Clarington can grow its infrastructure reserves and fund scheduled maintenance—avoiding larger one-time spikes when urgent repairs or replacements are needed and ensuring long-term stability for residents and services.

Amendment #2 – 2024 Surplus to Reduce Tax Levy

Clarington is using its 2024 surplus to reduce the previously approved planned tax increases and deliver direct savings to residents.

At the end of 2024, Clarington recorded an operating surplus of approximately \$2.3 million.

This surplus wasn't the result of overtaxing—it mainly came from better-than-expected income from investing reserve funds (like savings earmarked for future projects). These funds are invested carefully, and in 2024, market conditions delivered higher returns than anticipated.

Because investment markets are unpredictable, Clarington does not rely on large gains when building its annual budget. This approach reflects prudent financial stewardship—ensuring that budgets are built on stable, reliable sources of revenue, not speculative forecasts.

The surplus will be used to reduce future tax increases and offset infrastructure costs.

While the 2025 tax levy cannot be changed retroactively, the surplus will be applied to **lower planned tax increases for 2026 and 2027 from 4.07% to 3.00%**. It will also help offset infrastructure levy increases tied to the Asset Management Plan.



For residents, this
means real, measurable
savings — with an
estimated
\$20
in savings per household.

Clarington continues to take a thoughtful, forward-looking approach to financial planning—balancing today's opportunities with tomorrow's responsibilities and always putting residents first.

03 2026 Capital Budget

2026 Capital Budget 25

2026 Capital Budget Details 26

Pre-Budget Approval 43

2026 Capital Budget: Investing in the future

Each year, Clarington plans capital projects that shape the spaces and services residents rely on—from small upgrades (like new equipment) to big projects (like new bridges or recreation facilities). Building, renewing, or replacing infrastructure requires significant commitment and often takes several years to plan and design. That’s why we take a long-term view to carefully plan every investment.

In 2026, Clarington is investing

\$33.2 million

in assets and infrastructure that support growth, safety, and quality of life — all without adding new debt.

How it’s funded:

\$25.7 million

Reserve funds and grants

\$7.5 million

Development charges

\$0

Debt (New)

What’s being built, improved, and delivered for you:



\$33,218,876

2026 Capital Budget Details

See how Clarington is investing in long-term infrastructure and allocating funding to support the spaces, systems, and services that shape daily life.

The following table outlines Clarington’s 2026 Capital Budget by asset type and funding source:

Asset Type	Gross Cost	Reserves	Reserve Funds	Development Charges	External Financing	Debenture
Bridges and Culverts	\$186,411	\$0	\$186,411	\$0	\$0	\$0
Corporate Fleet	\$4,402,845	\$0	\$3,136,682	\$1,266,163	\$0	\$0
Emergency Services	\$1,657,589	\$0	\$1,657,589	\$0	\$0	\$0
Corporate Facilities	\$7,673,400	\$0	\$4,673,400	\$3,000,000	\$0	\$0
Information Technology	\$3,060,454	\$0	\$3,060,454	\$0	\$0	\$0
Library and Museums	\$1,048,113	\$100,000	\$619,944	\$328,169	\$0	\$0
Parking Infrastructure	\$297,979	\$0	\$297,979	\$0	\$0	\$0
Parks and Cemeteries	\$5,673,774	\$0	\$3,380,867	\$2,292,907	\$0	\$0
Transportation Infrastructure	\$914,471	\$0	\$636,700	\$277,771	\$0	\$0
Roads Infrastructure	\$8,227,520	\$0	\$6,888,803	\$338,717	\$1,000,000	\$0
Stormwater Infrastructure	\$76,320	\$0	\$76,320	\$0	\$0	\$0
Total	\$33,218,876	\$100,000	\$24,615,149	\$7,503,727	\$1,000,000	\$0

Bridges and Culverts

Planning ahead to keep Clarington safe and connected.

Newtonville Road Bridge Design

\$186,411 reserve funds

A design assignment required to rehabilitate the structure on Newtonville Road, 2.1 km south of Hwy 401. The design will require restoring, replacing, and upgrading major components of the bridge as well as minor maintenance to reposition the handrail, replace missing end cap(s), and patch potholes on approach.



Corporate Fleet

Keeping important services moving with reliable vehicles and equipment.

Fleet Replacements

\$3,136,682 reserve funds

Parks Vehicles	Vehicle ID	Replacement Cost	Age (years)	Estimated Useful Life (years)	Assessed Condition Rating (2025)
2016 CHEVROLET COLORADO					
2011 60" 2930 ZERO TURN MOWER					
2012 JOHN DEERE GATOR					
2017 JOHN DEERE Z925M MOWER					
Total		\$163,933			

Roads Vehicles	Vehicle ID	Replacement Cost	Age (years)	Estimated Useful Life (years)	Assessed Condition Rating (2025)
2016 FORD TRANSIT VAN	16504	\$95,475	9	10	Fair
Total		\$95,475			

Community Services Vehicles	Vehicle ID	Replacement Cost	Age (years)	Estimated Useful Life (years)	Assessed Condition Rating (2025)
2010 CHEVROLET SILVERADO 1/2 TON LONG BOX	10563	\$90,000	15	10	Very Poor
2013 FORD 1/2 TON 4X4	13021	\$98,000	12	10	Poor
2005 JOHN DEERE GATOR	58743	\$26,130	20	15	Very Poor
2010 OLYMPIA MILLENNIUM ICE RESURFACER - SCA	34010	\$214,564	15	15	Poor
2008 OLYMPIA MILLENNIUM ICE RESURFACER - RRC	35108	\$214,564	17	15	Poor
Total		\$643,258			

Fire Vehicles	Vehicle ID	Replacement Cost	Age (years)	Estimated Useful Life (years)	Assessed Condition Rating (2025)
2010 CHEVROLET HHR CAR 19	671	\$60,000	15	10	Poor
PUMPER 144 – 2005 FREIGHTLINER	660	\$2,174,016	21	15	Very Poor
Total		\$2,234,016			

Fleet Vehicle Additions

\$864,163 development charges

Vehicle	Cost	Position Requiring Vehicle	Funding Source
½ TON REGULAR CAB PICK UP TRUCK	\$90,000	SBRC Lead Hand	Development Charges
4 DOOR SUV	\$65,000	New Position in MLE	Development Charges
ELECTRIC ½ TON CREW CAB PICK UP TRUCK	\$118,111	New Traffic Specialist	Development Charges
WORK VAN	\$95,475	New Plumber	Development Charges
1 TON CREW CAB PICK UP TRUCK	\$125,625	Labourer Positions added in 2023	Development Charges
1 TON CREW CAB DUMP TRUCK	\$125,625	Light Equipment Operator	Development Charges
1 TON CREW CAB DUMP TRUCK	\$125,625	Light Equipment Operator Position/Gardener	Development Charges
ELECTRIC ½ TON PICK UP TRUCK	\$118,702	Parks Technician	Development Charges
Total	\$864,163		

New Fleet Equipment

\$402,000 development charges

Equipment - Parks	Cost
WATER TRAILER	\$20,100
Total	\$20,100

Equipment - Roads	Cost
10 TON MINI EXCAVATOR	
Total	\$271,350

Equipment - Community Services	Cost
50 FT LIFT	\$50,250
UTILITY TRACTOR AND ATTACHMENTS	\$60,300
Total	\$110,550

Emergency Services Equipment

Equipping first responders with what they need to keep Clarington safe.

New Equipment

\$357,589 reserve funds

Item	Cost	Funded by
Station Equipment	\$38,909	Reserve Funds
Public Education Technology	\$20,800	Reserve Funds
Inspection Technology	\$15,000	Reserve Funds
Self-Contained Breathing Apparatus	\$54,080	Reserve Funds
Bunker Gear	\$39,000	Reserve Funds
Leather Bunker Boots	\$10,400	Reserve Funds
Portable Radios	\$52,000	Reserve Funds
Improved Fire Ground Operations	\$104,000	Reserve Funds
Apparatus Technology Improvements	\$10,400	Reserve Funds
Training Aids	\$7,800	Reserve Funds
Pagers	\$5,200	Reserve Funds
Total	\$357,589	

Change of Dispatch Services

\$1,300,000 reserve funds

- Finding and implementing the changeover dispatch service provider

Corporate Facilities

Planning for safer, more accessible, and efficient public buildings.

Accessibility Improvements

\$371,800 reserve funds

- Upgrades will be made based on findings from studies such as the Rick Hansen Accessibility Audits, helping ensure facilities are inclusive and welcoming for all

Building Improvements

\$841,500 reserve funds

- Sarah Jane Williams Heritage Centre: Abatement of accessible asbestos containing building materials
- Hampton Operations Centre: Air scrubber installation and overhead door replacements
- Municipal Administrative Centre: Renovations to accommodate staffing requirements
- Kendal Community Centre: New wells, SDWS upgrade system replacement, restoration of the defects of the building envelope, and replacement of the exterior windows
- Visual Arts Centre: Brick and masonry repairs
- Haydon Community Centre: Replacement of holding tank with septic system
- Brownsdale Community Centre: Window replacements
- Memorial Park Clubhouse: Foundation repairs
- Animal Shelter: Sound deadening measures in the kennel area

Building Studies

\$959,800 reserve funds

- Building condition assessments to align with the Asset Management Plan
- Electrical load analysis at 33 facilities
- Design and engineered drawings for the Municipal Administrative Centre Space Optimization Plan
- Accessibility audits at remaining buildings

Interior Improvements

\$260,300 reserve funds

- Orono Library Branch: Boiler replacement due to the end of its useful life
- Solina Community Hall: Air conditioning replacement
- Animal Shelter: Replacement of unit heaters at the end of their useful lives
- Sarah Jane Williams Heritage Centre: Phase 1 humidification control equipment installation
- Community Resource Centre: Replacement or conversion of the Package Air Condition units
- Fire Station 2: Upgrade interior lighting to LED

Roof Replacements

\$1,506,800 reserve funds

- At Courtice Community Complex, Garnet B. Rickard Recreation Complex, and Fire Station 1

Corporate Facilities

Enhancing recreation and community spaces.

Alan Strike Aquatic and Squash Centre

\$20,600 reserve funds

- Squash court refurbishment
- Replacement of automatic floor scrubber

Courtice Community Complex

\$71,600 reserve funds

- Annual fitness equipment replacement due to life cycle requirements
- Partial replacement of chairs and tables to host full-capacity events

Diane Hamre Recreation Complex

\$229,800 reserve funds

- Upgrading pool deck lighting to meet required minimum lumens per the Ontario Building Code

Garnet B. Rickard Recreation Complex

\$411,200 reserve funds

- Acoustic corrections in the multi-purpose room based on a 2025 investigation of requirements
- Domestic hot water tank replacement for Pad A
- Washroom refurbishments at Pad B

South Courtice Arena

\$3,000,000 development charges

- Feasibility study for adding a new twin ice pad, including studies and investigations that assess items such as (but not necessarily limited to): land needs, requirements for site servicing, traffic and parking impacts, and how the expansion could incorporate and integrate indoor and outdoor amenities
- A conceptual design will also be prepared, along with high-level cost estimates to guide future decisions

Information Technology

Enhancing service delivery, operational efficiency, and cybersecurity with modern technology.

Computer Hardware

\$1,665,000 reserve funds

- Investing in hardware replacements including computers and technology to improve service delivery, innovation, and support daily municipal functions

Computer Software

\$72,300 reserve funds

- Investing in software resources to support municipal operations and long-term strategic goals

Customer Relationship Management (CRM) System Implementation

\$2,395,629 total project cost (\$1,323,154 reserve funds spent in 2026)

- Implementing Microsoft Dynamics 365 CRM will centralize service request intake, unify communications across more than 75 resident-facing services, and enable real-time dashboards for performance reporting
- \$1,323,154 of the total cost will be funded in 2026 with an additional \$1,072,475 in 2027

Enterprise Resource Planning (ERP) Software Implementation

\$4,099,134 total project cost (no reserve funds spent in 2026)

- Replacing fragmented financial systems with Microsoft Dynamics 365 Finance & Operations will automate workflows, consolidate five legacy applications, and improve financial reporting and transparency
- \$1,954,334 will be funded in 2027, with additional funding of \$2,114,800 and \$30,000 in 2028 and 2029 respectively

Strategic investments in IT infrastructure will improve how residents access services, optimize internal operations, and strengthen digital safeguards to protect sensitive data – reducing financial risks associated with cyber threats and ensuring reliable, secure municipal systems.

Total IT Capital Spending in 2026: **\$3,060,454**

Total IT Capital Projects Approved: **\$8,232,063**

See Business Cases in the Appendix for additional details on IT projects and related operating budget impacts.

Library

Supporting modern library services while protecting historical archives for future generations.

Library Technology

\$101,944 reserve funds

- The Clarington Library, Museums & Archives (CLMA) maintains an Information Technology (IT) capital replacement schedule to preserve the integrity and functionality of critical tools and infrastructure; this includes two book vending machines costing \$50,000 each

Library Collection

\$273,169 development charges

- New materials added to the library collection to meet the needs of the growing community, such as multimedia resources, books, periodicals, and electronic resources, funded through the Library DC reserve fund

Book Lockers

\$55,000 development charges

- New book lockers will offer residents a convenient self-service point where they can access books, holds and returns

Museum Archives Preservation and Digitization

\$100,000 reserves

- The archival collection requires preservation and digitization to ensure future generations can access heritage documents such as photographs, diaries, and maps
- CLMA has prioritized grant applications for these efforts; if grant funding is received, then this will reduce what draws are made in this capital program
- CLMA is also seeking joint applications with the Jury Lands Foundations to further extend our eligibility for grants
- Museum & Archival schools have been contacted to utilize their students to assist in the preservation efforts to reduce the costs

Technology Modernization

\$518,000 reserve funds

- Replacement of outdated technology as a part of the Municipality of Clarington’s 2025-27 IT Modernization Strategy, supporting the modernization and stabilization of the CLMA IT environment

Parking Infrastructure

Making improvements that prioritize long-term public access and safety.

Orono Arena Parking Lot Rehabilitation Design

\$42,979 reserve funds

- Complete the design for a future rehabilitation of the parking lot at 2 Princes St., Orono, servicing the Orono Arena and Community Centre, as assessed and prioritized through the Municipality’s parking lot assessments, completed by an external consultant.

Clarington Parking Study

\$255,000 reserve funds

- In response to Council Resolution #C-033-24, this project will undertake a comprehensive review of Clarington’s municipal parking practices to address increasing on-street parking pressures in both new and existing neighbourhoods. The study will assess design standards and zoning requirements for new developments and evaluate strategies to reduce parking conflicts and optimize parking management in existing neighbourhoods. The findings will inform updated municipal policies and standards and may include recommendations for amendments to the Boulevard By-law to support implementation of these recommendations.

Parks Infrastructure

Investing in safe, inclusive, and well-maintained outdoor spaces for recreation, play, and connection.

Clarington Fields Backstop Replacement

\$504,831 reserve funds

- Enhancements to hard ball diamond facilities to improve safety, visibility, and accessibility for spectators

Columbarium (Bowmanville Cemetery)

\$156,736 development charges

- Installation of two new columbariums to expand options for families seeking above-ground interment for their loved ones

Elliot Park Improvements

\$262,540 reserve funds

- Replacing boundary fencing at Old Scugog Road entrance, reconstructing basketball half court with a new backboard, and reconstructing the trail

Foster Creek Neighbourhood Park West

\$847,737 development charges

- Construction of a new neighbourhood park in the Foster Creek Northwest subdivision

Optimist Park Sportsfield Improvements

\$369,338 reserve funds

- Enhancing the functionality and safety of this sports facility by upgrading various elements of the park

Orono Park Court Resurfacing

\$282,170 reserve funds

- Upgrading tennis and pickleball courts with new asphalt and acrylic surface, plus updated markings, to enhance durability, safety and playability in line with current standards for both sports

Orono Park Washroom Renovation

\$378,547 reserve funds

- Renovating washroom entrance and interior to meet current accessibility standards

Playgrounds and Park Upgrades

\$678,637 reserve funds

- Barlow Court Parkette, Glanville Parkette and Cecil B Found Parkette have been identified, in accordance with Resolution #C-407-21

Port of Newcastle Pergola Replacements

\$188,867 reserve funds

- Replacement of wood pergolas with metal structures and upgrading the surrounding area to enhance durability and aesthetics

Splashpad Reconstruction

\$377,814 reserve funds

- Reconstruction of Guildwood Park splashpad to meet current standards and enhance accessibility

Tree Inventory

\$181,387 reserve funds

- Data collection on boulevard trees including species, size, health, location, hazards, and more, in accordance with the Clarington Urban Forest Strategy endorsed by Council in 2018

South Bowmanville Recreation Centre Community Park and Splashpad

\$1,445,170 development charges

- Construction of a new community park with features including junior and senior play structures, water play, shade elements, and accessible rubber surfacing

Transportation Infrastructure

Enhancing road safety and pedestrian access across Clarington.

Traffic Calming Initiatives

\$59,794 reserve funds

- Implementation of traffic calming initiatives to improve road safety and enhance the living environment in affected areas, as recommended by the Traffic Calming Policy

Street Light Installation

\$153,873 reserve funds

- Installing additional streetlights in locations identified as requiring illumination

Sidewalk Improvements

\$208,816 reserve funds

- Replacement and improvement of pedestrian facilities, prioritized based on safety, connectivity, and accessibility

Pedestrian Crossovers

\$214,217 reserve funds

- Installation of pedestrian crossovers at two locations to be determined based on ongoing safety analysis

Baseline Multi-use Path (Green Road to Westside Drive)

\$277,771 development charges

- Installation of a multi-use path along the south side of Baseline Road between Green Road and Bowmanville Avenue

Road and Stormwater Infrastructure

Investing in resilient roads, water systems, and shoreline infrastructure for long-term community benefit.

Pavement Rehabilitation Program

\$2,782,155 reserve funds

Road	From	To
Prestonvale Road	Meadowglade Road	Glenabbey Drive
Prestonvale Road	Glenabbey Drive	Claret Road
Prestonvale Road	Claret Road	Phair Avenue
Prestonvale Road	Phair Avenue	Durham Highway 2
Whitecliffe Drive/Court	Hathaway Drive	South Limits of Cul-de-sac
Halstead Road	Whitecliffe Drive	Hathaway Drive
Sandringham Drive	Durham Highway 2	Windham Crescent
Sandringham Drive	Windham Crescent	Yorkville Drive
Sandringham Drive	Yorkville Drive	Trulls Road
Raymond Court	Hart Boulevard	North End Cul-de-sac
Vincent Court	Hart Boulevard	North End Cul-de-sac
Chester Lane	Hart Boulevard	Edward Street
Hart Court	Chester Lane	East End Clu-de-sac
Hart Boulevard	Rudell Road	Chester Lane
Yorkville Drive	Sandringham Drive	Granville Drive
Yorkville Drive	Granville Drive	Trulls Road
Granville Drive	Yorkville Drive	Sandringham Drive
Strathallan Drive	Sandringham Drive	Trulls Road
Stephen Avenue	Strathallan Drive	Stuart Road
Stuart Road	Strathallan Drive	Sandringham Drive
Baseline Road	Approx 90m East of Trulls Road	Courtice Road

Note: These locations are preliminary and are subject to change based on site assessments.

Baseline Road Improvement Utilities (Mearns Avenue to Lambs Road)

\$250,000 development charges

- Utility relocation to support future road reconstruction, including widening to an urban standard, underground storm sewer services, concrete curb and gutter, asphalt road surface, multi-use path, sidewalk improvements, and concrete box culvert

Caroline Street Utilities (Baldwin Street to Beaver Street South)

\$71,190 reserve funds

- Utility relocation to support future road reconstruction

Grady Drive Design

\$88,717 development charges

- Completion of design and geotechnical services to support future culvert installation and road extension over Foster Creek
- Site soils require multi-year construction delivery; a future project will complete the road and crossing

Mill Lane Utilities

\$82,895 reserve funds

- Work required to support future road reconstruction
- Final scope to be determined through detailed design phase and may include detailed design, contract administration, utility relocation, installation or replacement of underground services and streetlights, and road reconstruction to base course asphalt with new sidewalk

Roadside Protection Program

\$295,586 reserve funds

- Complete the construction of safety improvements, including but not limited to the Installation of new guide rail, upgrades to deficient roadside protection measures, or removal of hazards from the clear zone adjacent to the road

Road Reconstruction to Support Bowmanville Hospital Expansion

\$103,603 reserve funds

- Reconstruction works on Queen Street (Liberty Street to St. George Street), Lambert Street (King Street East to Queen Street), and St. George Street (King Street East to Queen Street)

Rural Road Resurfacing

\$2,079,970 reserve funds

- Resurfacing rural roads prioritized through a 10-year road needs study to ensure safe and efficient travel

Third Street Reconstruction Design (High Street to Bernard Street)

\$143,863 reserve funds

- Work required to support future road reconstruction
- Final scope to be determined through detailed design phase and may include detailed design, contract administration, utility relocation, installation or replacement of underground services and streetlights, and road reconstruction to base course asphalt with new sidewalk

Bond Head Jetty and Beach Erosion Protection

\$1,014,633 reserve funds + \$1,000,000 external funding (grant)

- The Lake Ontario Shoreline Management Plan identified infrastructure threats and shoreline management recommendations for the Bond Head Jetty and eroding east beach; Clarington completed an erosion analysis report which further recommended the reconstruction of the jetty at Graham Creek
- The restoration is intended to reinstate the rock protection to extend the life of the structure and will include improved pedestrian access

Clarington Stormwater Pond Cleanout

\$76,320 reserve funds

- Cleanout and maintenance of Robinson Ridge Pond to reduce sediment loading in creek systems, minimize erosion, and protect downstream infrastructure—part of the stormwater pond cleanout and maintenance program aimed at ensuring older ponds function effectively
- Design planned for 2026; construction to begin in 2027

Municipal-Wide Whistle Cessation Study and Policy Development

\$314,908 reserve funds

- As part of report LGS-020-25, Council directed Staff to prepare a 2026 Budget request for a Clarington-wide whistle cessation study to understand the potential implementation and operating costs, develop policies to address future requests, and consider performance information from the Cobbledick Road and Bennett Road CN Rail crossings (post-whistle cessation)

Pre-Budget Approval: Planning ahead for essential items

Some capital items take years to manufacture and deliver, like certain types of fleet vehicles. To make sure these vehicles arrive when we need them, Clarington is requesting early budget approval to place orders in 2026 for delivery in their desired year.

These new snowplows will help improve winter road safety across our community:

Vehicle Type	Vehicle Being Replaced	Estimated Cost	Year of Delivery
Snowplow	NEW – SINGLE AXLE COMBINATION PLOW	\$452,250	2027
Snowplow	NEW – SINGLE AXLE COMBINATION PLOW	\$452,250	2027
Snowplow	55004 - 2016 FREIGHTLINER TANDEM TRUCK	\$477,375	2027
Snowplow	55005 - 2016 FREIGHTLINER TANDEM TRUCK	\$477,375	2027
Snowplow	55006 - 2016 FREIGHTLINER TANDEM TRUCK	\$477,375	2027
Total		\$2,336,625	

04 Long-Term Debt

Long-Term Debt Update 45

Proposed New Debt 46

Long-Term Debt Update

The Municipality of Clarington has external debt related to capital infrastructure, which is issued by the Region of Durham. The Province of Ontario limits how much debt a municipality can have, known as the Annual Repayment Limit (ARL). This limit is based on a maximum percentage of the Municipality’s annual revenue that can be used to cover debt costs, including interest and principal payments. That limit is currently set at 25 per cent of the Municipality’s net own source revenues minus debt servicing costs. For 2026, the Municipality of Clarington’s Annual Repayment Limit is approximately \$25,672,867, with available space of roughly \$18,514,765. If the proposed new debt is acquired, the available space is estimated to be \$15,123,388.

The following table summarizes the realized external debt servicing costs for the taxation year 2026-27:

Debenture	2026 Principal Payments	2026 Interest Payments	Total	2027 Principal Payments	2027 Interest Payments	Total
Green Road	\$477,000	\$73,225	\$550,225	\$492,000	\$56,292	\$548,292
Courtice Library	\$68,000	\$10,891	\$78,891	\$69,000	\$9,395	\$78,395
Garnet B. Rickard Recreation Complex Improvements	\$67,851	\$16,313	\$84,164	\$69,840	\$14,345	\$84,185
Municipal Administration Centre Improvements	\$87,064	\$20,932	\$107,996	\$89,617	\$18,407	\$108,024
South Bowmanville Recreation Centre	\$2,197,000	\$2,416,759	\$4,613,759	\$2,451,000	\$2,533,188	\$4,984,188
Newcastle and Orono Arena Improvements	\$599,000	\$193,433	\$792,433	\$622,000	\$170,671	\$792,671
Newcastle Park	\$114,000	\$129,772	\$243,772	\$118,000	\$125,839	\$243,839
Outdoor Rink	\$283,000	\$324,994	\$607,994	\$293,000	\$315,232	\$608,232
Newcastle Community Hall	\$57,000	\$21,870	\$78,870	\$59,000	\$19,904	\$78,904
Total	\$3,949,915	\$3,208,189	\$7,158,104	\$4,263,457	\$3,263,273	\$7,526,730

Proposed New Debt

The Municipality is proposing new debt issuance for the following projects over the 2026-27 period.

- South Bowmanville Recreation Centre (SBRC) – Aquatic Centre** – Council previously approved debenture financing for this project and authorized the Treasurer to divide the debenture into phases at their discretion. The current assumption is that the debenture will be issued in two instalments: the first in late 2025 and the second in 2026. However, if interest rates and broader economic conditions are favourable at the time of issuance, the Municipality may pursue a single debenture for this project. This decision will be made in collaboration with the Region of Durham. The total principal amount that was approved to be debentured through Report PUB-011-24 was \$37.05 million. However, the required debenture has since risen to approximately \$46.8 million after accounting for a \$10 million grant the Municipality has secured.
- Public Works Operations Depot Emergency and Fire Services Training Facility** – Total principal to be debentured is \$95.5 million split into two instalments of \$47.75 million each. The first instalment is to be issued in late 2025 and the second in 2026. The terms of the debentures would be 20 years.

Project	Total Principal	Year of Issuance	Est. Annual Debt Servicing Cost	Tax Levy Funded	Development Charge Funded
NEW SBRC Aquatic Centre – First Instalment	\$23,402,500	2025	\$1,799,094	\$0	\$1,799,094
NEW SBRC Aquatic Centre – Second Instalment	\$23,402,500	2026	\$1,721,997	\$0	\$1,721,997
NEW Operations Depot / CEFS Training Facility – First Instalment	\$47,750,000	2025	\$4,267,191	\$0	\$4,267,191
NEW Operations Depot / CEFS Training Facility – Second Instalment	\$47,750,000	2026	\$4,267,191	\$0	\$4,267,191
Total	\$142,305,000		\$12,055,473	\$0	\$12,055,473

Note: The above figures are estimates and can change significantly due to the prevailing terms at the time of issuance

05 Reserves and Reserve Funds

Reserves and Reserve Funds 48

Reserve Fund Contributions and Transfers 54

Reserve Fund Target Balances 59

Reserves and Reserve Funds

Reserves and reserve funds allow the Municipality to plan for the long term, provide financing for one-time operating or capital projects, and prepare for any unknown situations while minimizing changes in the tax levy. Consistent contributions to reserve and reserve funds are crucial to preserving the Municipality's financial stability.

Reserve

A **reserve** is an allocation of accumulated net revenue that's not tied to any specific asset and does not require the physical segregation of money. Reserves are part of the revenue fund, which can be invested in accordance with the Municipality's Investment Policy. Interest earned on funds invested from the revenue fund flow back into the Operating Budget as investment income.

Reserve Funds

Reserve funds are physically segregated and restricted to meet a specified purpose. These funds are invested in accordance with the Municipality's Investment Policy, and all earnings remain in the reserve fund.

2026-2027 Reserve Fund Summary

Reserve Name	2025 ¹ Projected Ending Balance	2026 Expenditures Capital	2026 Expenditures Operating	2026 Contributions from General	2026 Ending Balance (Estimated)	Forecasted 2027 Ending Balance
Self-Insured Losses	\$258,141	\$0	\$0	\$0	258,141	258,141
Municipal Acquisition of Property	\$3,685,379	\$0	\$0	\$0	3,685,379	3,685,379
Library Reserve	\$877,661	\$0	\$0	\$0	877,661	877,661
Records Maintenance	\$137,733	\$0	\$0	\$10,000	147,733	157,733
Museum	\$330,578	\$0	\$0	\$0	330,578	330,578
Fire Prevention Reserve	\$305,489	\$0	\$0	\$0	305,489	305,489
General Capital	\$863,892	\$0	\$0	\$0	863,892	863,892
Pits and Quarries	\$425	\$0	\$0	\$0	425	425
Rural Road Rehabilitation	\$52,168	\$0	\$0	\$0	52,168	52,168
Legal Fees	\$303,092	\$0	\$0	\$0	303,092	303,092
Consulting / Professional Fees	\$172,362	\$0	\$0	\$0	172,362	172,362
Park Development	\$812	\$0	\$0	\$0	812	812
Election Expenses	\$516,965	\$0	(\$641,373)	\$125,000	592	125,592
Burketon Park Improvement	\$7,569	\$0	\$0	\$0	7,569	7,569
Samuel Wilmot Nature Area	\$3,373	\$0	\$0	\$0	3,373	3,373
Clarington Heritage Committee	\$12,262	\$0	\$0	\$0	12,262	12,262
Total	\$7,527,901	(\$0)	(\$641,373)	\$135,000	\$7,021,528	\$7,156,528

¹ Represents available balance as of August 27, 2025.

The following tables identify the estimated year-end balances for all reserve funds, categorized by intended purpose. The projected ending balance for 2025 represents the projected year-end balance as of August 27, 2025. Internal transfers represent transfers between reserve funds that are intended to top up certain reserve fund balances that have fallen below desired levels.

Capital Asset Rehabilitation and Replacement

	2025 Projected Ending Balance	2026 Expenditures Capital	2026 Expenditures Operating	2026 Contributions from General	2026 Internal Transfers	2026 Revenues	2026 Ending Balance (Estimated)
Facilities Capital	\$1,371,633	(\$3,166,600)	\$0	\$2,304,010	\$0	\$0	\$509,043
Corporate Fleet Capital	\$2,083,661	(\$3,136,682)	\$0	\$4,000,000	\$0	\$0	\$2,946,979
Emergency Services Capital	\$505,193	(\$357,589)	\$0	\$425,000	\$0	\$0	\$572,604
Information Technology Capital	\$443,402	(\$72,300)	\$0	\$425,000	\$0	\$0	\$796,102
Parking Infrastructure Capital	\$867,766	(\$297,979)	\$0	\$375,000	\$0	\$0	\$944,787
Parks and Cemeteries Capital	\$1,148,561	(\$2,070,352)	\$0	\$1,002,300	\$0	\$0	\$80,509
Transportation Infrastructure Capital	\$615,762	(\$932,286)	\$0	\$370,000	\$0	\$0	\$53,476
Library and Museum Capital	\$585,563	(\$501,944)	\$0	\$0	\$50,000	\$0	\$133,619
Roads Capital	\$2,786,442	(\$3,309,656)	\$0	\$530,000	\$0	\$0	\$6,786
Bridges and Culvert Capital	\$849,203	\$0	\$0	\$740,000	\$0	\$0	\$1,589,203
Stormwater Capital	\$406,905	(\$76,320)	\$0	\$185,000	\$0	\$0	\$515,585
Total	\$11,664,091	(\$13,921,708)	\$0	\$10,356,310	\$50,000	\$0	\$8,148,693

Capital Asset Growth and Expansion

	2025 Projected Ending Balance	2026 Expenditures Capital	2026 Expenditures Operating	2026 Contributions from General	Internal Transfers	Revenues	2026 Ending Balance (Estimated)
DC Growth Studies	\$295,834	\$0	\$0	\$0	\$0	\$78,604	\$374,438
DC Library Services	\$1,562,902	(\$328,169)	(\$78,891)	\$0	\$0	\$214,073	\$1,369,915
DC Fire Protection Services	\$4,653,412	\$0	(\$219,173)	\$0	\$0	\$133,654	\$4,567,893
DC Park & Recreation Services	\$870,734	(\$5,292,907)	(\$6,142,752)	\$0	\$0	\$2,218,034	(\$8,346,891)
DC Services Related to Highways	\$28,319,536	(\$1,882,651)	(\$1,706,784)	\$0	\$0	\$3,844,558	\$28,574,659
Miscellaneous Capital	\$3,733,742	(\$6,939,422)	\$0	\$3,796,754	\$0	\$0	\$591,074
Total	\$39,436,160	(\$14,443,149)	(\$8,147,600)	\$3,796,754	\$0	\$6,488,923	\$27,131,088

Special Projects and Initiatives

	2025 Projected Ending Balance	2026 Expenditures Capital	2026 Expenditures Operating	2026 Contributions from General	Internal Transfers	Revenues	2026 Ending Balance (Estimated)
Climate Action	\$359,943	\$0	\$0	\$175,000	\$0	\$0	\$543,943
Grant Reserve Fund	\$0	\$0	(\$123,636)	\$200,000	\$0	\$0	\$76,364
Economic Development	\$404,244	\$0	\$0	\$50,000	\$0	\$0	\$454,244
Strategic Capital	\$3,297,796	(\$3,750,000)	\$0	\$125,000	\$0	\$0	(\$327,204)
Canada Community-Building Fund Receipts	\$603,451	(\$3,279,081)	\$0	\$3,321,747	\$0	\$0	\$646,117
Provincial Infrastructure	\$445,930	(\$103,603)	\$0	\$0	\$0	\$0	\$342,327
Port Granby Low Level Radioactive Waste Agreement	\$334,383	\$0	\$0	\$0	\$0	\$0	\$334,383
Community Improvement Plans	\$263,658	\$0	\$0	\$0	\$0	\$0	\$263,658
Continuous Improvement	\$325,250	\$0	\$0	\$53,000	\$0	\$0	\$378,250
Beautification / Tree Planting	\$71,377	\$0	\$0	\$0	\$0	\$0	\$71,377
Parkland Cash in Lieu	\$9,432,103	\$0	\$0	\$0	\$0	\$0	\$9,432,103
General Municipal	\$1,219,767	\$0	(\$564,048)	\$0	\$0	\$0	\$655,719
Newcastle BIA	\$88,328	\$0	\$0	\$0	\$0	\$0	\$88,328
Bowmanville BIA	\$16,379	\$0	\$0	\$0	\$0	\$0	\$16,379
Orono BIA	\$24,328	\$0	\$0	\$0	\$0	\$0	\$24,328
Total	\$16,886,936	(\$7,132,684)	(\$687,684)	\$3,924,747	\$0	\$0	\$13,000,316

Stabilization and Contingency

	2025 Projected Ending Balance	2026 Expenditures Capital	2026 Expenditures Operating	2026 Contributions from General	Internal Transfers	Revenues	2026 Ending Balance (Estimated)
Rate Stabilization	\$10,783,670	(\$471,335)	(6,449,210)	\$0	(\$50,000)	\$0	\$3,813,125
Debenture Retirement	\$529,512	\$0	(\$500,000)	\$0	\$0	\$0	\$29,512
Municipal Government Enterprise	\$27,835,212	\$0	\$0	\$0	\$0	\$0	\$27,835,212
Municipal Government Enterprise - Other	\$1,442,874	\$0	(\$1,110,552)	\$30,000	\$0	\$0	\$362,322
Building Division	(\$1,927,437)	\$0	(\$1,122,029)	\$0	\$0	\$0	(\$3,049,466)
Parking Enforcement	\$372,656	\$0	(\$646,186)	\$400,000	\$0	\$0	\$126,470
Community Emergency Management	\$724,891	\$0	(\$400,000)	\$250,000	\$0	\$0	\$574,891
Future Staffing	\$720,857	\$0	(\$1,668,889)	\$1,427,464	\$0	\$0	\$479,432
Benefits Stabilization	\$535,105	\$0	(\$500,000)	\$0	\$0	\$0	\$35,105
Engineering Review and Inspection	\$1,559,044	\$0	(\$650,000)	\$0	\$0	\$0	\$909,044
Total	\$42,576,384	(\$471,335)	(\$13,046,866)	\$2,107,464	(\$50,000)	\$0	\$31,115,647

Reserve Fund Contributions and Transfers

The following outlines the updated contributions to reserves and reserve funds as well as the transfers out to the general fund.

Contributions to Reserves

The following are the updated contributions to reserves for the years 2026-27:

Reserve	Purpose	2026 Contribution	2027 Contribution
Records Maintenance	Records maintenance	\$10,000	\$10,000
Election Expenses	Election expenses	\$125,000	\$125,000
Total		\$135,000	\$135,000

Contributions to Reserve Funds

The following are the updated contributions to reserve funds for the years 2026-27:

	Purpose	2026 Contribution	2027 Contribution
Bridges and Culvert Capital	Annual Allocation - Capital	\$740,000	\$760,000
Climate Action	Annual Allocation - Climate Resilience	\$50,000	\$50,000
Climate Action	Annual Allocation - Climate Action Plan	\$125,000	\$125,000
Community Emergency Management	Fire Overtime	\$250,000	\$250,000
Continuous Improvement	Funding KPI and Staffing Reviews	\$53,000	\$54,600
Corporate Fleet Capital	Annual Allocation - Capital	\$4,000,000	\$4,000,000
Economic Development	Annual Allocation	\$50,000	\$50,000
Emergency Services Capital	Annual Allocation - Capital	\$425,000	\$437,000

Facilities Capital	Funds for New Animal Services Facility	\$25,000	\$25,000
Facilities Capital	Annual Allocation - Capital	\$2,273,010	\$2,307,072
Facilities Capital	Annual Allocation - Museum	\$6,000	\$6,000
Future Staffing	Future Staffing Provision for Fire Departments, Public Works, and Community Services	\$1,427,464	\$2,324,102
Grant Reserve Fund	New Reserve Fund for Grants	\$200,000	\$0
Information Technology Capital	Annual Allocation - Capital	\$425,000	\$437,000
Miscellaneous Capital	Annual Allocation - Capital	\$2,405,000	\$2,470,000
Miscellaneous Capital	Additional Allocation from Capital Levy Increase	\$1,391,754	\$2,825,260
Municipal Government Enterprise - Other	Energy Master Plan Savings	\$30,000	\$30,000
Parking Enforcement	Meter Revenue	\$400,000	\$400,000
Parking Infrastructure Capital	Annual Allocation - Capital	\$375,000	\$400,000
Parks and Cemeteries Capital	Annual Allocation - Capital	\$905,300	\$905,400
Parks and Cemeteries Capital	Transfer for Various Parks Upgrades - Capital	\$82,000	\$82,000
Parks and Cemeteries Capital	Transfer for Stuart Park Windscreen - Capital	\$15,000	\$15,000
Rate Stabilization	Offset \$680K Contribution in 2026	\$0	\$680,000
Roads Capital	Annual Allocation - Capital	\$530,000	\$546,000
Stormwater Capital	Annual Allocation - Capital	\$185,000	\$190,000
Strategic Capital	Annual Allocation to Pay Hospice Grant	\$125,000	\$125,000
Transportation Infrastructure Capital	Annual Allocation - Capital	\$370,000	\$380,000
Total		\$16,863,528	\$19,874,434

Withdrawals from Reserves to General Fund

The following are the updated withdrawals from the reserves to fund operating expenses in the general fund in 2026-27:

Reserve	Purpose	2026 Withdrawal	2027 Withdrawal
Election Expenses	2026 Municipal Election	(\$641,373)	\$0
Total		(\$641,373)	\$0

Withdrawals from Reserve Fund to General Fund

The following are the withdrawals from the reserve funds to fund operating expenses in the general fund in 2026-27:

	Purpose	2026 Withdrawal	2027 Withdrawal
Benefits Stabilization	To help cover pay increases	(\$500,000)	\$0
Building Division	Deficit Funding for Building Inspections	(\$872,029)	(\$894,366)
Building Division	AMANDA Annual Maintenance	(\$250,000)	(\$250,000)
Community Emergency Management	Fire Department Overtime	(\$400,000)	(\$400,000)
DC Fire Protection Services	New Fire Station / Training Facility Debt Repayment	(\$212,288)	(\$956,253)
DC Library Services	Courtice Library Debt Repayment	(\$78,891)	(\$78,395)
DC Park & Recreation Services	Newcastle Park Debt Repayment	(\$243,772)	(\$243,839)
DC Park & Recreation Services	South Bowmanville Recreation Centre Debt Repayment	(\$5,290,986)	(\$7,010,022)
DC Park & Recreation Services	Outdoor Rinks Debt Repayment	(\$607,995)	(\$608,232)
DC Services Related to Highways	Operations Depot Debt Repayment	(\$967,088)	(\$4,356,265)
DC Services Related to Highways	Green Road Debt Repayment	(\$550,225)	(\$548,292)
DC Services Related to Highways	Principal Planner – Land Budgeting and Forecasting	(\$158,106)	(\$169,778)
Debenture Retirement	South Bowmanville Recreation Centre – Non-DC portion of Debt	(\$500,000)	\$0

Engineering Review and Inspection	\$150K to Offset Inspection Costs	(\$150,000)	(\$150,000)
Engineering Review and Inspection	Funds to Offset Engineering Expenses	(\$500,000)	(\$601,000)
Future Staffing	Public Works Positions	(\$692,237)	(\$960,824)
Future Staffing	South Bowmanville Recreation Centre Positions	(\$723,436)	(\$1,808,831)
Future Staffing	Library Pay Equity	(\$70,641)	\$0
Future Staffing	Museum Pay Equity	(\$182,575)	(\$1,126)
General Municipal	Additional Transfer from General Municipal	(\$564,048)	(\$170,654)
Grant Reserve Fund	Grant Coordinator	(\$123,636)	(\$132,869)
Municipal Government Enterprise - Other	Additional Transfer to Balance Budget	(\$1,110,552)	(\$350,000)
Parking Enforcement	Parking Enforcement Operating Budget	(\$642,833)	(\$658,506)
Parking Enforcement	Increasing Legislative Services Student Wages to \$20	(\$3,353)	(\$3,353)
Rate Stabilization	Public Services Position Returned to Budget	(\$138,773)	(\$146,524)
Rate Stabilization	Tax Levy Reduction	(\$2,267,254)	(\$5,550,760)
Rate Stabilization	Additional Transfer to Balance Budget	(\$3,338,183)	(\$6,014,547)
Rate Stabilization	Additional Transfer to Offset in 2027	(\$680,000)	\$0
Rate Stabilization	Contribution to the Expansion of Charles H. Best Diabetes Centre	(\$25,000)	\$0
Strategic Capital	Bowmanville Hospital	(\$3,750,000)	(\$3,750,000)
		(\$25,593,899)	(\$35,814,435)

Internal Reserve Fund Transfers

Internal transfers are completed to reallocate funds between reserve funds. The internal transfers are identified in the table below and have been captured in the reserve fund balances in the tables above. Internal transfers represent a net-zero change as funds are simply being moved from one fund to another.

Amount	From	To	Notes
\$50,000	Rate Stabilization	Library and Museum Capital	Replenish Reserve Fund

Reserve Fund Target Balances

Reserve fund target balances have been set for the Capital Asset Rehabilitation and Replacement Reserve Funds. The target balances have been set according to GFOA best practice, which suggests that asset management reserve funds should have ending balances equal to a dollar amount or a percentage of the five-year average of the annual capital budget. The Municipality has set a preliminary ending balance target of 30 per cent of the five-year average capital budget for each reserve, which will be evaluated annually to determine its effectiveness.

The table below provides the historic five-year average capital budget allocation for each asset category, as well as the estimated year-end balance for 2025. Any balances significantly exceeding target will be brought down over time through reduced contributions.

	Five-Year Average Capital Budget	Target Balance (30% of five-year Average)	2026 Ending Balance (Estimated)	Actual Percentage of Five-Year Average	On Target
Facilities Capital	\$2,807,144	\$842,143	\$509,043	18%	No
Corporate Fleet Capital	\$3,091,902	\$927,571	\$2,946,979	95%	Yes
Emergency Services Capital	\$272,300	\$81,690	\$572,604	210%	Yes
Information Technology Capital	\$634,195	\$190,259	\$796,102	126%	Yes
Parking Infrastructure Capital	\$400,445	\$120,134	\$944,787	236%	Yes
Parks and Cemeteries Capital	\$2,175,615	\$652,685	\$80,509	4%	No
Transportation Infrastructure Capital	\$905,245	\$271,573	\$53,476	6%	No
Roads Capital	\$6,480,208	\$1,944,062	\$6,786	0%	No
Bridges and Culvert Capital	\$1,567,500	\$470,250	\$1,589,203	101%	Yes
Stormwater Capital	\$416,979	\$125,094	\$515,585	124%	Yes
Total	\$18,751,533	\$5,625,461	\$8,015,074		

The Library and Museum Capital Reserve Fund has been excluded from the table above as the planned expenditures from this reserve fund were approved through Report #FSD-020-23. The report outlines the plan to fully expend the funds within the reserve fund by 2027.

Reserve fund targets have also been established for Miscellaneous Capital and Rate Stabilization. The target balance for Miscellaneous Capital has been set at \$1.5 million to ensure a sufficient balance for any unexpected expenditures that may arise throughout the year. The ending balance target for the Rate Stabilization reserve fund has been set at 5- to 10 per cent of the annual levy. This is in line with industry best practice and ensures a sufficient amount is available to mitigate potential future deficits and to help smooth out future tax levy increases. The table below provides the current progress towards these targets.

	2026 Ending Balance (Estimated)	Target Balance	On Target
Miscellaneous Capital	\$591,074	\$1,500,000	No
Rate Stabilization	\$3,813,125	\$4,417,690 - \$8,835,381	No

Target reserve fund balances for the remaining reserve funds will be established in the future. The current goal for the remaining reserve funds is to ensure that the balances do not turn negative.

Appendix

Business Cases 62

Evergreen Proposal (within Computer Hardware) 62

Telephony Modernization System (within Computer Hardware) 67

Customer Relationship Management (CRM) Solution 70

Finance Enterprise Resource Planning (ERP) Solution 79

Full-time Animal Care Attendant 94

BUSINESS CASE: Information Technology

Evergreen Proposal (within Computer Hardware)

Overview / Background

To keep Clarington’s technology systems reliable and secure, the Information Technology (IT) department is requesting additional capital to replace aging equipment and to facilitate evergreen (life cycle management) of IT assets. This addresses technical debt and ensures staff have the tools they need to serve the community effectively.

By the end of 2025, the following devices will be beyond their usable life, and current budgets are not sufficient to replace them:

- **110 laptop computers:** \$187,000
- **50 desktop computers:** \$45,000
- **134 smartphones:** ~\$114,000 (varies on device procured)
 - older or lower-cost models have shorter lifespans; support typically ends after 3 years
- **53 tablets:** ~\$74,000 (varies on device procured)
 - older or lower-cost models have shorter lifespans; support typically ends after 3 years
- **140 monitors:** \$28,000

Total sum: \$448,000

Budget Amendment Description

Maintaining IT assets within their lifecycle is essential for security, efficiency, and cost control. With Windows 10 having reached end of life in October 2025, outdated devices will be vulnerable to cyber threats and compliance risks.

Aging hardware also causes slow performance, system crashes, and compatibility issues, which reduce productivity and increase IT support costs. Frequent repairs and unplanned failures raise the total cost of ownership (TCO) and disrupt operations. A proactive lifecycle strategy helps minimize risks, reduces downtime, and maintains a secure, efficient, and cost-effective IT environment.

1. Security and Risk Mitigation

- A significant portion of devices indicated above are not eligible to upgrade to Windows 11.
 - Windows 10 is end-of-life at the end of October 2025.
 - Outdated IT assets no longer receive security updates and patches, making them vulnerable to cyber threats, malware, and data breaches.
- Telephones and tablets support operating system compatibility for five years from the release date.
 - Devices in production without latest versions of an operating system face the same risks as computers.
- Legacy systems often lack modern security controls like encryption and multi-factor authentication, increasing exposure to cyberattacks.

- Compliance risks arise when assets no longer meet regulatory security requirements, such as alignment with cybersecurity frameworks or industry standards.

2. Operational Efficiency and Performance

- Aging hardware and software cause slow performance, frequent system crashes, and downtime, reducing employee productivity (as demonstrated in the IT Survey).
- Compatibility issues arise with newer applications, leading to integration challenges and inefficient workflows.
- Increased maintenance costs and troubleshooting time on outdated assets lowers return on investment (ROI).
- It is recommended that computers (laptops/monitors) be replaced at the end of their warranty period.

3. Cost Management and Business Continuity

- Older assets require more frequent repairs and maintenance, resulting in a higher total cost of ownership (TCO) than newer, more efficient replacements.
- Unplanned failures of critical IT assets can disrupt business operations, impacting service delivery and business continuity.
- Vendors phase out support for legacy systems, leading to higher costs for extended warranties or third-party support.

Financial Impacts

A capital amendment of **\$448,000** is required to replace all end-of-life end-user devices. This amount covers the cost of replacing monitors, desktops, and laptops, along with the average of the high-end and low-end budget estimates for smartphones and tablets.

Relationship to Council’s Strategic Priorities

LEAD: Exceptional Municipal Services and Governance

- L.2.2 Use technology and process improvements to modernize and optimize services → Ensures IT systems are efficient, secure, and reliable
- L.2.3 Design and implement a service delivery continuity plan → Prevents system failures due to outdated hardware and software
- L.2.5 Maintain, protect, and invest in municipal infrastructure and assets → Ensures IT infrastructure is proactively managed rather than reactively replaced

CONNECT: Safe, Diverse, Inclusive, and Vibrant Community

- L.4.1 Increase opportunities for civic engagement and public participation → Up-to-date IT systems enhances public engagement efforts
- C.2.5 Support the proactive management of community safety and well-being → Strengthens cybersecurity by safeguarding municipal data and services from cyber threats

GROW RESPONSIBLY: Resilient, Sustainable, and Complete Community

- G.4.2 Be a leader in anticipating and addressing the impacts of climate change → Promotes energy-efficient IT systems that reduce overall consumption
- G.1.2 Continue to support business and industry to thrive → Ensures the municipality has modern digital tools to support local businesses and economic initiatives

Climate Change Considerations

The Municipality can easily quantify its climate change considerations through energy efficiency, recycling IT assets, and sustainably procuring new assets. Ensuring IT assets remain within their lifecycle contributes to Clarington’s climate action efforts by:

1. Reducing Energy Consumption

- Modern IT equipment is more energy-efficient as it reduces electricity demand from data centres and municipal offices.
- Older hardware runs less efficiently which tends to consume more power for the same workload and generates excess heat, increasing building cooling needs.

See calculations in appendices for energy-saving opportunities for monitors.

2. Reducing, Reusing and Recycling Electronic Waste (E-Waste)

- Proactive replacing IT assets before they become obsolete enables responsible disposal or repurposing, preventing unnecessary landfill contributions.
- This also supports G.4.3 (Protect and enhance Clarington’s natural heritage) by reducing environmental contamination from improperly disposed electronics through a recycler. This enables electronics to be prioritized for reuse in the community, such as educational institutions, not-for-profits, or startup businesses.

3. Supporting Sustainable Procurement

- Aligns with G.4.1 (Design and implement Priority Green Standards for all new development) by ensuring IT purchasing decisions prioritize energy-efficient and environmentally friendly products.
- Allows Clarington to select IT vendors with sustainable business practices, reinforcing its leadership in climate-conscious governance.

Analysis of Alternative Approaches

Alternative approaches to the amendment were evaluated and ruled out.

A) Continue operating with outdated IT assets (status quo)

Maintain current IT assets beyond their expected lifecycle and delay replacements until devices fail.

Why it doesn't work:

- **Security risks:** Many devices are incapable of using Windows 11, leaving them without security updates as Windows 10 reached end-of-life in October 2025, significantly increasing exposure to cyber threats.
- **Compliance issues:** Outdated systems do not align with regulatory security frameworks, increasing liability and non-compliance risks.
- **Operational inefficiencies:** Aging hardware results in frequent crashes, slow performance, and increased downtime, reducing employee productivity.
 - Indicated and supported by primary research conducted in 2024/2025 as per the IT Strategy.
 - Repeated concerns from the Fire Department (iPads).
- **Higher Total Cost of Ownership (TCO):** The cost of maintaining old equipment (repairs, troubleshooting, and extended warranties) often meets or exceeds the cost of replacement over time.

B) Extend the lifecycle of existing devices beyond usable limits

Implement temporary fixes such as memory upgrades, SSD replacements, or extended warranties to extend the lifespan of devices.

Why it doesn't work:

- **Limited impact on security:** While hardware upgrades can improve performance, they do not resolve security vulnerabilities arising from unsupported operating systems (still unable to upgrade to Windows 11).
- **Incompatibility with modern software:** Many new applications require updated hardware and operating systems, creating integration challenges.
- **Increased IT support costs:** Older devices require more maintenance, leading to higher labour costs for IT staff and reducing the department's ability to focus on strategic initiatives.
- **User productivity loss:** Extended lifecycles often result in suboptimal performance, causing frustration and decreased efficiency among staff; the fire department have cited that their existing tablet fleet are crashing regulatory due to resource exhaustion.

C) Implement a "break-fix" approach (replace only upon failure)

Devices are replaced when they fail instead of following a scheduled lifecycle refresh.

Why it doesn't work:

- **Operational disruptions:** Unexpected device failures disrupt business operations and reduce staff productivity who must wait for replacements.
- **Unpredictable budgeting:** IT expenses become unpredictable, making financial planning difficult and increasing emergency procurement costs.
- **Security and compliance risk:** Devices that fail may still be in service due to critical applications, leaving the Municipality vulnerable to cybersecurity threats.
- **Higher support costs:** Older devices require more troubleshooting and maintenance, consuming valuable IT resources.

D) Operationalize costs by leasing

Replace devices within a defined lifecycle by means of a lease.

Why it doesn't work:

- **Total cost of ownership (TCO):** If devices are not returned at the end of the term, the TCO exceeds the alternative of a one-time cost.
- **Ownership and end-of-term costs:** At the end of the lease, the Municipality does not own the equipment and may face additional costs to purchase, return, or extend the lease; lease agreements tend to have strict return conditions, potentially leading to extra fees for excessive wear and tear or missing components.
- **Vendor lock-in:** Lease terms may not align with the Municipality's evolving needs, leading to financial penalties for early termination or changes in equipment needs; switching vendors mid-term can be difficult, limiting future flexibility in sourcing IT equipment.

Appendices Energy Saving Calculations (Monitors)

Total Energy Consumption for 215 Monitors

Monitor Type	Annual Energy Use (kWh per monitor)	Total for 215 monitors (kWh/year)
Old Monitors (2013 or earlier)	87.36	18,780.4
New Dell 2025 Monitors	31.2	6,708.0

Annual Energy Savings

18,740.4kWh – 6,708kWh = 12,072.4kWh saved per year or 64.3%

Cost Savings (Based on Electricity Price)

- Assumed Electricity Rate = \$0.12 per kWh (Ontario, Canada average for commercial rates)
- Annual Cost for Old Monitors:
 - 18,780.4 kWh x \$0.12 = \$2,253.65
- Annual Cost for New Monitors:
 - 6,708 kWh x \$0.12 = \$805
- Total Annual Savings:
 - \$1,448.65

Environmental Impact – CO2 Reduction

- Emission Factor (Ontario’s electricity grid is mostly clean, but assuming 0.04 kg CO₂ per kWh)
- CO₂ Emissions from Old Monitors:
 - 18,780.4 kWh x 0.04kg CO₂ = 751.2kg CO₂
- CO₂ Emissions from New Monitors:
 - 6,708 kWh x 0.04kg CO₂ = 268.3kg CO₂
- Total CO₂ Reduction:
 - 268.3kg CO₂ (roughly equivalent to planting 8 trees per year)

BUSINESS CASE: Information Technology

Telephony Modernization System (within Computer Hardware)

Overview / Background

Over the past two years staff, Councillors and residents have reported a steady rise in call-quality issues with the Municipality’s on-premises Mitel system. Dropped calls, one-way audio and mis-routed transfers have disrupted front-line services, By-Law Enforcement and Public Works dispatching. An internal focus-group confirmed that these problems are damaging customer-service metrics and morale. Ticketing data is also too fragmented to be able to diagnose problems efficiently. Subsequently, Mitel has announced that they are restructuring under Chapter 11, raising insolvency concerns.

To eliminate these risks and modernize voice services, IT has evaluated a cloud migration to Microsoft Teams Phone. Recent research and consultation with industry experts, other municipalities, and IT leaders indicates that a Microsoft Teams solution can be delivered as a managed utility, and to be implemented through a delivery partner which would outline discovery, design, network assessment, configuration and migration services for all of the Municipality of Clarington.

The Town of Ajax and the City of Pickering are in a similar position as they use the same solution and are also moving towards adopting a new telephony system soon.

Financial Considerations

Implementation costs:

- Telephony Implementation through Professional Services onboarding and number porting.
- IT staff training and development to operationalize the solution moving forward.
- Teams-certified peripherals for desks and meeting rooms (e.g., headsets, room phones).

Annual/ongoing impacts (starting 2026)

- Microsoft Teams Phone licensing and usage plans: Enables inbound, outbound and toll-free dialing for staff who require the ability to dial out and be reached externally.
- A reserve fund to ensure telephony hardware is in good working order (10 per cent year over year contingency to cover increases in costs, FOREX, etc.).
- Staff with municipal cell phones will not receive Teams extensions; they will use their mobile numbers for official business.

Cost Savings:

- Discontinuation of Mitel maintenance, PRI/SIP trunk rentals and legacy firewall support: **Savings of \$60,000 per year**

Item Description	Capital Impact (2026)	Operation Impact (2026 and onward with inflationary increases)
Microsoft Teams Telephony Implementation (professional services)	\$75,000	\$0
Teams-certified Peripherals for Desks and Meeting Rooms (handsets, headsets)	\$45,000	\$10,000
Microsoft M365 Telephony Licenses, Public Branch Exchange (PBX)	\$100,000	\$100,000
Decommissioning of Legacy Telephony Systems*	\$0	(\$53,000)
Contingency (20 per cent)	\$40,000	\$11,400
Total	\$260,000	\$68,400

* Savings are likely not possible until 2027 as decommissioning will take time

Relationship to Council’s Strategic Priorities

LEAD: Exceptional Municipal Services and Governance

L.2.2 Use technology and process improvement to modernize and optimize services → Replacing the Mitel PBX with Microsoft Teams Phone streamlines call routing, eliminates end-of-life hardware risk, and provides staff with a single, secure communications hub

L.3.1 Develop and implement customer-service standards → Cloud telephony lays the technical foundation for a future 311/CRM system, supporting a “one-front-door” experience ensuring consistent, measurable responses to every call

CONNECT: Safe, Diverse, Inclusive, and Vibrant Community

C.1.1.4 Proactively leverage municipal infrastructure to enhance connectivity → Migrating voice services to Microsoft 365 cloud removes isolated PBX hardware across 14 facilities, improves resiliency during outages, and ensures staff remain reachable from anywhere.

Climate Change Considerations

- 1. **Energy Efficiency:** All new end-user devices will be Teams-certified low-power headsets/phones; desktop sets will only be deployed in areas that are absolutely required.
- 2. **Reduced Travel:** Cloud Public Switched Telephone Network (PSTN) plus hybrid work reduce travel to offices by enabling meetings through Teams.

Analysis of Alternative Approaches

Alternative approaches to the amendment were evaluated and ruled out.

A) Continuing to use existing solution provider

Keep and maintain the existing Mitel solution, applying only break-fix support until it reaches end of life.

Why it doesn't work:

- Insolvency concerns with the solution provider (Mitel).
- Unacceptable call quality and reliability issues continue to impact customer experience.

B) Migrate to a new PBX carrier

Acquire a new telephony services provider while migrating call flows, reusing existing handsets and licenses, and remaining on a legacy telephony ecosystem.

Why it doesn't work:

- Mitel’s uncertain corporate direction leaves long-term viability in doubt; a different Mitel based service provider still faces the same risks as our existing one.
- Higher capital and operating costs than a cloud-native alternative, while still siloed from Microsoft 365 collaboration.

Conclusion

Clarington’s current telephony system delivers sub-par call quality and unreliable service. After evaluating all alternative options, staff determined that migrating to **Microsoft Teams Phone with Operator Connect** offers the most secure, cost-effective, and future-ready solution.

While the transition involves an additional licence uplift and change-management effort, these costs are offset by retiring legacy hardware, reducing energy consumption, consolidating third-party tools, and strengthening compliance capabilities.

Adopting Teams Phone not only resolves immediate technical risk but also advances multiple Council Strategic Plan goals:

- **L.2.2** Modernizing service delivery
- **L 3.2** Improving customer-service transparency
- **C 1.1.4** Enhancing connectivity resilience

It also positions the Municipality to upskill and overlap with Customer Relationship Manager (CRM) technologies that will provide 311-style service levels, leverage built-in call analytics, and continuously benefit from Microsoft’s innovation roadmap, including AI-powered voice enhancements.

Staff recommend Council approve the budget amendment and authorize the expedited transition to Teams Phone, enabling Clarington to deliver reliable, sustainable, and citizen-focused telephony well beyond 2025.

BUSINESS CASE: Information Technology

Customer Relationship Management (CRM) Solution

Overview / Background

The Municipality of Clarington currently delivers over 75 public-facing services through a variety of disconnected systems, each developed to meet specific departmental needs. This siloed approach has led to inconsistent customer experiences, operational inefficiencies, and limited visibility into service performance. Service delivery has historically been designed around internal processes rather than resident expectations, which has affected customer satisfaction.

Residents often face challenges accessing services through their preferred channels, while staff struggle with fragmented data, disjointed communication, and limited awareness of cross-departmental activities. These issues were confirmed in a 2021 consultant-led review, which identified the need for:

- Consistent service standards
- Data-driven decision-making
- Streamlined processes
- Expanded self-service and omnichannel access

In 2024, the Region of Durham conducted a survey which provides insight on **Clarington’s customer expectations**, expressing a strong preference for:

- Quick and effective responses
- Availability of multiple communication channels
- Self-service options
- Ability to track inquiries
- Extended service hours (weekends and 24/7 availability)
- Strong interest in live chat and a mobile app.

This highlights customers’ preference for an omnichannel experience, self-service tools and chatbot.

The **2025 Clarington Resident Satisfaction Survey** reinforces the need for improvement:

- 58% are interested in using self-service options
- 56% agreed staff were knowledgeable and provided accurate information
- 54% said the hours of service were convenient
- 48% felt their question, concern, or issue was resolved in a timely way

These results highlight the need for a more consistent, transparent, and responsive service model.

To support this vision, staff propose implementing a **centralized Customer Relationship Management (CRM) system** to:

- Unify service request intake across departments
- Enable performance tracking (e.g., satisfaction scores, escalation rates)
- Improve internal coordination and accountability
- Enhance the overall customer experience

In 2024-2025, Clarington partnered with the Region to develop a proof of concept using Microsoft Dynamics. This experience provided firsthand insight into the platform’s capabilities and reinforced its potential to support exceptional service delivery. It also aligns with the direction taken by other municipalities, further validating Dynamics as a proven scalable solution.

Project Description

As Clarington continues to grow, so do resident expectations. To meet these demands and deliver modern, efficient, and transparent services, the Municipality must invest in a CRM.

Council approval is requested to fund the CRM software, implementation partner, and dedicated internal project team (including new or seconded staff) to ensure successful delivery. This is a critical step toward modernizing service delivery, improving customer satisfaction, and aligning with Council's strategic priority to establish standardized, transparent, performance-tracked, and resident-focused service delivery. As part of this strategic direction, customer service standards have been developed to set clear expectations for service delivery. To be effective, they must be supported by consistent performance measurement and reporting.

The proposed solution is a scalable, cloud-based **Microsoft Dynamics CRM platform**. It will centralize the management, monitoring, and reporting of all customer transactions—across all communication channels—for both internal and external customers. Benefits include:

- Unified service request intake across departments
- Real-time performance tracking and accountability
- Improved internal coordination and reduced manual processes
- Enhanced the resident experience through self-service and omnichannel access
- Support data-driven decision-making and enable continuous service improvement

Centralized tracking will help:

- Improve first-contact resolution
- Reduce response times
- Gain operational efficiencies through improved cross-divisional communication

With the development and implementation of customer service standards, the CRM will serve as the key tool to measure performance and report outcomes to

the public. Ultimately, this initiative will improve the customer experience and help build a consistent brand experience—ensuring that Clarington's words and actions foster lasting trust.

Stakeholders and Impacts

The CRM implementation will affect a broad range of internal and external stakeholders:

Primary Stakeholders:

- **Residents and constituents:** Will benefit from improved services, better communication, quicker responses, and a ticket-based case reference system
- **Local businesses and developers:** Frequent service users will benefit from streamlined processes and faster response times
- **Departmental customer service staff:** Frontline CRM users who manage service requests, complaints, inquiries, and follow-ups to ensure ticket closure
- **Corporate customer service staff:** Responsible for overseeing customer service standards, performance metrics and CRM adoption

Secondary Stakeholders:

- **Departmental staff (non-front-line-facing):** Will receive and respond to service requests routed through the CRM and benefit from improved workflows
- **Regional partners (e.g., Durham Region / myDurham311):** Potential collaborators or integration partners for shared information and service delivery models
- **Information Technology (IT):** Leads the technical implementation, integration, maintenance and support of the CRM system
- **Communications team:** CRM solution supports public engagement with ability to provide public messaging, branding, customer surveying and event reminders

Resource Requirements / Project Costs

The following outlines the estimated costs for implementing and supporting a CRM system. Assessed over a **5-year period**, these figures provide a comprehensive financial overview of the investment needed to successfully deploy and maintain the CRM system.

Staffing Requirements

Role	Pay Band/ Code	Annual Salary (inclusive of all costs/benefits)	Duration	Capitalized/ Operating
IT Project Coordinator **	Code 12	\$121,431	2 years	Capitalized
Business Coordinator **	Code 6 (Non-Affiliated)	\$150,293	2 years	Capitalized
IT Developer & 365 Expert (Solutions Analyst) **	Code 12	\$121,431	2 years	Capitalized
Total five-year staffing *		\$595,629		

* A 3 per cent inflationary increase in staffing costs for each subsequent year has been included in the resource cost calculations.

** These positions will be utilized for both the CRM and ERP and will transition from one project to the other in 2027. Therefore, 50 per cent of their annual salaries are allocated to each project in 2027.

Operating Costs

Cost Category	Description	Estimated Cost
Licensing Fees (Dynamics365 CRM)	User licenses, capacity, and subscriptions over five years	\$778,052
Contingency/Risk Buffer	20 per cent contingency on all operating expenditures, cost of inflation, FOREX	\$394,869
Total five-year operating *		\$1,172,920

* A 3 per cent inflationary increase in staffing costs for each subsequent year has been included in the resource cost calculations.

Capital Costs

Cost Category	Description	Estimated Cost
Implementation Services and Ongoing Maintenance Support	Vendor services for configuration, data migration, integrations, testing, training, change management, and one-year ongoing maintenance support	\$1,000,000
Training and Change Management	Training on the new system for multidisciplinary units and the required change management activities	\$100,000
Communications and Branding	Marketing and communications efforts; citizen engagement	\$50,000
Language, Accessibility, Privacy, and Security Assessments	AODA/WCAG audits, privacy impact assessment, threat-risk assessment, and post-go-live penetration testing	\$50,000
System Integration and Data Migration	Integrating Dynamics with AMANDA, Citywide, GIS/ESRI, and telephony, plus cleansing and importing decades of legacy data, regularly adds 15 to 25 per cent to project spend	\$300,000
Contingency/Risk Buffer	20 per cent contingency for unforeseen implementation or scope changes	\$300,000
Total five-year capital		\$1,800,000

Total estimated project cost: \$3,568,549

The full implementation is expected to take approximately 24 months to complete, depending on the complexity of integrations, level of customization, and resource availability. For comparison, the Town of Whitby issued an RFP with a similar timeline, relying on internal staff working off the side of their desks.

Relationship to Council’s Strategic Priorities

LEAD: Exceptional Municipal Services and Governance

- **L.3.1** Enables the development and implementation of corporate customer service standards
- **L.1.2.1** Standardized service delivery and improved interdepartmental communication to promote corporate excellence
- **L.2.2** Modernizing service delivery through technology
- **L.3.2** Provides the tools to identify and report on service levels important to the community, making it a strategic investment in operational efficiency and service quality

Climate Change Considerations

This implementation indirectly aligns with the corporate strategic goal to “Grow Responsibly.” This project aims to reduce the municipal carbon footprint through smart technology.

- **Emission reduction:** A SaaS (Software as a Service) platform will help to cut server room energy use and reduce the need for power, heat, and cooling for on-premises servers at the MAC. Microsoft’s data centres are far more efficient than the Municipality’s, providing carbon offset [\[source\]](#).
- **Resilience by design:** Microsoft’s data centres are geographically dispersed, which means if climate action occurs in a specific location, it would not affect our operations due to the nature of Microsoft’s architecture.
- **Less paper and consumables:** A new CRM may result in less paper. Staff will no longer need to print documents such as correspondence, invoices, and reports. Citizen-facing correspondence will be digital, eliminating the need for print/mailouts.

- **Analytics and reporting:** A new CRM system will provide us with better analytics, visual tools, and data-driven decision making. For instance, these analytics could help us map vulnerable residents (i.e. flood plain), push heat-alert communications, and log service disruptions during severe-weather events.

The World Economic Forum [Global Risk Report for 2025](#) cites that in the next ten years, environmental impacts account for five of the top 10 challenges we will face as an organisation. A new CRM will assist us with moving forward with a plan to counteract these risks in the next decade.

Comparative Analysis

Municipalities across Ontario are increasingly adopting CRM systems to modernize service delivery and meet rising resident expectations. Although many of the municipalities below are in the early stages of their CRM journey, Clarington can learn from their experiences and implement a solution that is scalable, integrated, and future-ready.

Municipality	Population	CRM Status	Key Takeaway
Stouffville	55,000	Planned for 2028	Highlights need for transparency and resident communication
Pickering	105,000	Implementing Dynamics; Transitioning from Amanda	Integration issues and siloed data with Amanda; Clarington can avoid this.
Aurora	67,910	Upgrading Dynamics	Uses CRM for dashboards, coaching, and service improvement
Markham	346,331	Moving to Dynamics	Replacing legacy system; integrating with Amanda and GIS
Hamilton	734,281	RFP issued for Dynamics	Aims to unify systems and improve analytics, automation, and transparency
Whitby	147,172	Acquired Dynamics	CRM will centralize customer interaction and integrate with existing tools; Using Microsoft Dynamics 365 CRM aims to integrate with ERP and telephony
Ajax	132,500	Acquired Dynamics	Prioritizing integration with Amanda, ESRI and Cityworks

Summary of Findings

These examples demonstrate a clear trend: CRM is no longer optional—it is essential for municipalities seeking to deliver efficient, transparent, and resident-focused services. Clarington is well-positioned to act now, leveraging these insights to implement a CRM that meets both current and future needs.

Analysis of Alternative Approaches

As part of Clarington’s move toward a hybrid customer service model, we evaluated three key systems: the existing AMANDA platform, the internally developed Inquiry Portal, and the potential adoption of Microsoft Dynamics CRM through a regional partnership. This comparison helped identify the strengths and limitations of each option and informed our recommendation for a solution that balances centralized coordination with departmental flexibility. While AMANDA and the Inquiry Portal offer interim solutions, they lack the scalability, integration, and customer-facing capabilities required for a long-term, customer centric service model. A true CRM is the only solution that fully aligns with Clarington’s strategic goals for consistent, data-driven, and customer-centric service delivery.

To determine the most effective approach for implementing a CRM, four options have been assessed from a financial, operational and strategic perspective.

1. Maintain status quo:

- Maintaining the status quo results in continuing without a proper CRM tool, leaving the Municipality unable to evaluate its customer service standards or track performance.
- While this option requires no immediate financial outlay, it severely limits operational insight and fails to meet the community's expectations for accountability and service excellence. In addition, the Municipality’s strategic plan emphasizes the need to establish service standards and enhance customer experience, which is not achievable without a modern CRM.

2. Deployment of the Region of Durham’s solution:

- The Municipality previously partnered with the Region to develop a CRM proof of concept using KPMG’s Velocity365 platform. While this initiative provided an initial look at CRM architecture, the experience underscored several limitations with this partnership, including delayed timelines and insufficient technical support.

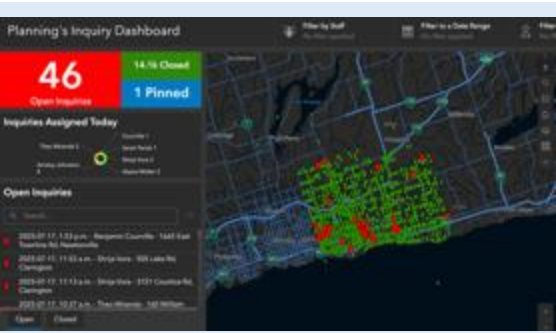
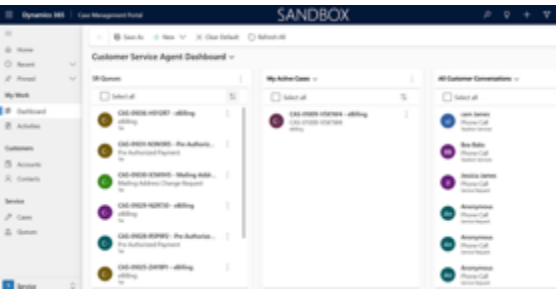
- The Region lacked the expertise and experience to determine whether a Dataverse integration intended to enable seamless service request sharing between the Region and municipalities was even feasible. As a result, integration remains undeveloped and its viability uncertain.
- The Town of Scugog, which pursued the same approach, encountered similar challenges, citing unreliable and costly technical support, lack of built-in integration, and limited system adoption. Meanwhile, the Towns of Whitby and Ajax both declined the Region’s CRM offer in favour of vendor-led solutions. Whitby chose to develop its own CRM architecture to maintain system independence while keeping Dataverse-sharing possibilities open.
- Ajax issued a competitive RFP and is finalizing an agreement with KPMG directly, prioritizing flexibility, ownership, and tailored support.

3. Internally develop a CRM without guidance or deployment expertise of a specialized CRM consultant:

- Pursuing an out-of-the-box CRM implementation independently would offer greater control and autonomy but comes with considerable trade-offs. This approach demands significant internal capacity and technical know-how that may not currently exist within Municipal teams.
- Without dedicated external support, there is a high risk of developing a fragmented system that struggles to scale, placing long-term strain on staff for maintenance, training, and user-adoption—ultimately offsetting any perceived cost savings.

4. Tender a Request for Proposal to hire an implementor and deploy CRM:

- Engaging a CRM consultant is the most strategic and dependable approach. It brings expert guidance, a tailored implementation plan, and ensures the system is customized to meet Municipal needs. Municipalities like Ajax have successfully followed this path, securing competitive pricing and dedicated support.
- This model accelerates adoption, delivers actionable insights, and enhances service quality for both staff and residents.

System	Strength	Limitation	Customer Communication	Snapshot
AMANDA	Good for permitting, licensing, and workflow management; customizable	Not originally designed as a CRM, requires significant customization, difficult-to-use reporting tools	Limited; not designed for omnichannel communication	
Inquiry Portal	Simple, easy to use for specific inquiries	Limited to specific departments, lacks scalability and integration; high effort and costs to maintain	Minimal, lacks customer-facing features-lacks two-way communication functionality	
Microsoft Dynamics CRM	Comprehensive, scalable, integrates multiple channels; robust reporting functionality on service levels by department and division, request volumes, handling times, escalations, sentiment, resolution time, and satisfaction scores to identify trends and optimize delivery	Higher initial investment, requires training and change management	Robust, supports omnichannel communication and self-service	

Cost and Benefit Analysis

Cost Implications

The total costs associated with this project are estimated to be \$4,169,211. Previous budget allotment of \$300,000 (\$150,000 in 2025 and \$150,000 in 2026) was dedicated to the CRM and ERP solutions, and \$165,000 of those funds have been allocated for the Proof-of-Concept CRM project done with the Region. Therefore, there is \$135,000 left over that can be re-allocated to the approved CRM project.

Additionally, the existing CRM solution used only by the Economic Development Division (Zoho) will be replaced by the new Dynamics365 solution and will therefore result in cost savings of \$5,950 annually.

Operational Efficiencies

Clarington recently conducted a review of its public-facing services, organizing them into four main categories: completing an application or permit, getting information or support, addressing a need or issue, and making a purchase or payment. Through staff consultations, several recurring pain points were identified across departments. These included intake and routing confusion/misrouted inquiry handling, information gaps, a lack of two-way communication with residents and staff, multiple systems required to resolve inquiry, duplication, manual reporting and online account information access.

To better understand the impact of these issues, a staggered two-week time study was conducted with a variety of front-line staff. The study focused on tracking time spent on rework—tasks that had to be redone due to the identified inefficiencies. Results showed that rework was common and time-consuming, particularly in cases involving misrouted inquiries or missing information.

The study’s short duration limits its ability to reflect seasonal or staffing changes. Ideally, it would span a year, but it still reveals clear inefficiencies impacting customer satisfaction that technology could address. A more detailed review of the future state process is planned to further quantify efficiencies.

Based on the time study and internal analysis, implementing a CRM system is expected to significantly reduce rework at an estimate of \$33,246.87 annually, with a potential variance of plus or minus 10%. Over the long term, this investment is expected to deliver sustained cost savings and enable more efficient resource allocation across departments. Additional efficiencies may be realized through a process review conducted as part of the CRM implementation.

A CRM will improve service delivery by centralizing customer interactions, automating workflow, and reducing manual effort. Intelligent case tracking and task ownership ensure inquiries are routed accurately and resolved efficiently. Automated reminders, escalation paths, and communication logs enhance responsiveness and accountability.

Staff benefit from access to complete customer histories, while leadership gains real-time visibility through dashboards and performance metrics. Standardized templates and a centralized knowledge base support consistent, accurate communication and information sharing. Integration with email, chat, SMS and telephony enables flexible, real-time engagement.

For residents this means faster resolutions, fewer followups, and transparent service tracking. Whether reporting an issue or renewing a license, interactions are streamlined through a single portal. Cross- department collaboration is improved; routine tasks are automated and insights into service trends help drive continuous improvement. Ultimately, a CRM fosters an efficient, consistent and citizen-focused service, building public trust and satisfaction.

Future Growth & Opportunity

Looking ahead, the implementation of a CRM system positions Clarington for sustained growth, innovation, and digital leadership. A modern CRM will enable seamless data exchange and service coordination with regional partners and municipalities, fostering greater intergovernmental collaboration and operational efficiency. Integration with the Municipality’s ERP system will unlock advanced capabilities in supply chain management, asset tracking, job costing, and financial reporting—streamlining operations and enhancing fiscal oversight.

Beyond internal improvements, CRM adoption lays the foundation for Clarington to modernize service delivery with digital technologies and data—enhancing service delivery, sustainability, and resident engagement. Features such as omnichannel communication, self-service portals, and real-time dashboards will empower residents to access services how and when they prefer, while enabling staff to respond more efficiently and transparently. The CRM will also support AI-powered tools like chatbots and intelligent search, helping residents quickly find answers and allowing staff to focus on more complex needs.

As more residents turn to digital channels for basic inquiries and expect faster, more personalized service, these enhancements will not only improve day-to-day service delivery but also support Clarington’s long-term strategic goals of digital transformation, operational resilience, and data-driven decision-making. The CRM will serve as a scalable, future-ready platform for continuous improvement and innovation.

Conclusion and Recommendation

To meet rising service expectations and deliver on Council’s strategic priorities, Clarington must invest in a modern CRM system. A CRM will centralize service delivery, improve staff efficiency, and provide residents with faster, more transparent, and consistent service. It will enable performance tracking, support self-service, and lay the foundation for future integration with ERP systems, AI tools, and regional partners.

We are seeking the Council’s approval to procure the Microsoft Dynamics365 CRM software, engage an implementation partner, and allocate the necessary resources to ensure a successful rollout.

This is a critical step toward modern, resident-focused service delivery.

BUSINESS CASE: Information Technology

Finance Enterprise Resource Planning (ERP) Solution

Overview / Background

The Finance Division currently operates within a fragmented technological landscape, relying on a mix of legacy systems and manual processes to conduct core financial operations. Key systems in use include Vailtech for taxation, FMW for budgeting, Microsoft Great Plains for core accounting functions, Paramount for procurement, and SharePoint for accounts payable invoices. Additionally, SharePoint and a wide array of Excel-based workflows are used to manage reporting, accruals, and interdepartmental collaboration.

This mix of outdated systems and manual workarounds has created real challenges. Staff are spending too much time on repetitive tasks like re-entering data, managing spreadsheets, or matching invoices manually. Important processes like tracking capital spending or managing vendor information are more complex and time-consuming than they need to be.

Great Plains, a critical financial system, will reach an end-of-life on December 31, 2029, adding urgency to the need for modernization.

To address these challenges and align with the Municipality’s strategic goals of operational excellence, financial transparency, and digital transformation, the replacement of an Enterprise Resource Planning (ERP) system has been identified as a high-priority initiative.

Project Description

This project will implement a comprehensive ERP solution to consolidate financial systems, automate key processes, and standardize business practices across departments. The ERP will replace legacy applications such as Great Plains, FMW, Vailtech, and Paramount, and integrate with essential systems including ActiveNet, AMANDA and SharePoint where needed.

Key objectives of the ERP implementation include:

- **System Consolidation:** Replace multiple disjointed systems with a unified ERP platform, streamlining financial operations and reducing duplication.
- **Process Automation:** Automate budgeting, accruals, vendor management, PO and invoice matching, and other key workflows to eliminate manual tasks and improve accuracy.
- **Real-time Reporting:** Provide robust, real-time financial reporting capabilities to support data-driven decision-making and compliance.
- **Process Standardization:** Create consistent financial workflows across departments, improving collaboration and reducing operational risk.

- **Future-readiness:** Ensure business continuity by preparing the organisation for the upcoming sunset of Great Plains, mitigating business risks associated with outdated systems, such as increased operational inefficiencies, system downtimes, and higher maintenance costs. The continued use of legacy software also exposes the Municipality to cybersecurity risks, including vulnerabilities to data breaches, hacking attempts, and compliance issues with evolving regulations. Migrating to a modern, scalable ERP solution will help protect sensitive data, enhance system security, and reduce the likelihood of costly security incidents. A timely migration is essential to avoid disruptions, safeguard critical information, and maintain operational integrity in the years ahead.

In addition to Finance, the ERP system will also impact other departments and divisions that engage in financial processes, such as Legislative Services, Public Works, and Community Services, enhancing organisation-wide integration and transparency.

To support the successful implementation of the ERP system, a formal request for proposal (RFP) will be issued to procure a qualified implementation partner. The selected vendor will be responsible for executing the project in collaboration with internal stakeholders, providing expertise in system configuration, data migration, integration, training, and change management. This approach ensures that the project is delivered efficiently, with the necessary technical support and best practices to maximize long-term value and minimize risk.

Stakeholders and Impacts

The ERP implementation will influence a broad range of internal and external stakeholders, each playing a vital role in the success of the project, including:

Primary Stakeholders

- **Finance Division:** Leading the initiative and directly impacted by system changes, process automation, and improved reporting.
- **Information Technology (IT):** Responsible for system integration, data migration, and technical support.

Secondary Stakeholders

- **All Other Departments (e.g., Legislative Services, Public Services):** Will benefit from improved processes related to budgeting, procurement, invoice approvals, and cost centre management. Their collaboration will be essential in adopting standardized business processes and workflows.

External Stakeholders

- **Banks and Financial Institutions:** May interact with the system through payment processing or financial reporting.
- **Vendors:** Will benefit from streamlined procurement and payment processes.
- **Auditors:** Will gain easier access to accurate, timely financial records, improving audit efficiency and transparency.

Role	Pay Band/ Code	Annual Salary (inclusive of all costs/benefits)	Duration	Capitalized / Operating
Financial Analyst	Code 10		2 years	Capitalized
Accountant	Code 10		2 years	Capitalized
Senior Buyer	Code 10		2 years (PT)	Capitalized
Revenue Coordinator	Code 10		2 years (PT)	Capitalized
IT Project Coordinator **	Code 12		2 years	Capitalized
Business Coordinator **	Code 6 (Non-Affiliated)		2 years	Capitalized
IT Developer & 365 Expert (Solutions Analyst) **	Code 12		Permanent FTE	Capitalized until 2028, 2029 and later is operating
Total five-year staffing*		\$1,647,322		

* A 3 per cent inflationary increase in staffing costs for each subsequent year has been included in the resource cost calculations.

** These positions will be utilized for both the CRM and ERP and will transition from one project to the other in 2027. Therefore, 50 per cent of their annual salaries are allocated to each project in 2027.

Resource Requirements/Project Costs

Staffing Breakdown

ERP projects that require staff to complete tasks on top of their regular workload often lead to failure or increased costs over time. To avoid this and ensure the ERP project is successful without compromising ongoing operations, key finance staff will be seconded to the project full-time. Their regular duties will be covered through backfill positions. Some roles will be required only for the initial two years of implementation to maintain service continuity, while others will remain in place for the full five-year lifecycle of the ERP system, supporting system stabilization, maintenance, and continuous improvement.

Operating Costs

Cost Category	Description	Estimated Cost
Licensing Fees (Dynamics365 CRM)	User licenses, capacity, and subscriptions over five years	\$1,202,004
Contingency/Risk Buffer	20 per cent contingency on all operating expenditures, cost of inflation, FOREX	\$664,719
Total five-year operating *		\$1,866,723

* A 3 per cent inflationary increase in staffing costs for each subsequent year has been included in the resource cost calculations.

Capital Costs

Cost Category	Description	Estimated Cost
Implementation Services	Vendor services for configuration, data migration, integrations, testing, training, and change management	\$2,375,000
Contingency/Risk Buffer	20 per cent contingency for unforeseen implementation or scope changes	\$455,000
Total five-year capital		\$2,850,000

The full implementation is expected to take approximately 24 months to complete, depending on the complexity of integrations, level of customisation, and resource availability.

It is recommended that the ERP implementation project not run concurrently with the CRM implementation project. Running both projects in parallel could strain resources and impact the success of both initiatives. A sequential approach will ensure dedicated focus and proper execution of each project. This recommendation was also reiterated repeatedly by our municipal peers.

Total estimated project cost: \$6,364,045

Strategic Goal	Description	Alignment with Project
L 1.3	Empower staff to identify opportunities to improve efficiency and effectiveness	Backfilled subject-matter experts (SMEs) work full-time on redesigning workflows. This allows us to be critical about changing existing processes and procedures to adopt best practices embedded natively.
L.2.1	Implement a multi-year budget to promote effective and long-term fiscal management	The ERP’s budget-to-report automation links operating and capital budgets directly to live actuals and forecasts, giving Finance and Council a rolling multi-year view instead of annual spreadsheets. Adoption into this platform will also enhance business intelligence (BI) capabilities and customisation – see L.3.2 below.
L.2.2	Use technology and process improvement to modernize and optimize services	Replaces five legacy finance apps with one cloud ERP , automates procure-to-pay and invoice matching, and embeds self-serve dashboards—freeing staff from manual data entry and ad hoc Excel reports.
L.2.3	Design and implement a service-delivery continuity plan	Microsoft’s cloud environment structure is geographically distributed which allows the platform to be readily available in the event of an incident. Clarington’s data centre is a single site, and there is no secondary disaster recovery site that could be activated in short order. The move to a Microsoft cloud-based solution ensures that our core Enterprise Resource Planning systems continue to operate in the event of disaster.
L 2.5	Maintain, protect and invest in Municipal infrastructure and assets	Capital project and asset ledger modules track lifecycle costs and funding sources in one place, improving management of roads, facilities and fleet investments.
L 3.2	Identify, establish and report on service levels of interest to the community	Power BI integration lets staff publish public-facing financial dashboards (reserves, capital progress, vendor payment cycles), meeting Council’s transparency KPI obligations.
G 2.1	Prepare a new Official Plan that will guide community growth to 2051	With unified data and multi-year capital forecasting, Planning and Public Works can model growth scenarios, revenues and infrastructure costs directly inside the ERP.
G 4.2	Be a leader in anticipating and addressing the impacts of climate change	Moving finance to SaaS cuts local server room energy and can fully digitize processes that still require paper.

Climate Change Considerations

This implementation indirectly aligns with the corporate strategic goal to “Grow Responsibly.” This project aims to reduce the Municipal carbon footprint through smart technology.

Emission reduction: By moving Finance systems to a SaaS (Software as a Service) platform, the project will cut server room energy use and reduce the need for power, heat, and cooling for on-premise servers at the MAC. Microsoft’s data centres are far more efficient than the Municipality’s, providing carbon offset [\[source\]](#).

Resilience by design: Microsoft’s data centres are geographically dispersed, which means if climate action occurred in a specific location, it would not affect Clarington’s operations due to the nature of Microsoft’s architecture.

Less paper and consumables: A new ERP will likely result in less paper. Finance will no longer have the need to print documents such as invoices, purchase orders, and reports. Additionally, citizen-facing correspondence will be digital, eliminating the need for print/mailouts.

Analytics and reporting: A new ERP system will provide us with better analytics, visual tools, and data-driven decision making. Finance analytics give us clearer TCO for green-infra projects (e.g. solar carports, electric vehicle chargers)

The World Economic Forum Global Risk Report for 2025 cites that in the next ten years, environmental impacts account for five of the top 10 challenges we will be facing as an organisation. The move to a new and streamlined ERP will assist us with moving forward with a plan to counteract these risks in the next decade.

Comparative Analysis

This section outlines how other municipalities of similar size and scope have approached ERP modernization and consolidation, drawing on insights gathered through peer networks and direct consultations.

Comparison Dimension	City of Pickering	Town of Whitby	Town of Ajax	City of Oshawa	Region of Durham
Population	105,000	147,172	132,500	187,813	753,090
Number of Employees	1,000+	1,000+	1,200	1,615	3,000+
ERP Vendor	SAP (4HANA Finance) SAP Success Factors (HR)	Workday (Finance)	Workday (HR and Payroll)	Peoplesoft	Peoplesoft Financials / Human Capital Management (HCM)
Deployment Type (e.g., on-premise, cloud, hybrid)	Cloud	Cloud	Cloud	On-premise - Legacy system (20+ years)	On-premise (currently); considering SaaS or OCI (Oracle Cloud Infrastructure) in future
Implementation Year	2019 to 2025	Initially scoped for 9 months; 24 months to complete	2024 to 2025	1998	Financials: 1999; HCM (HRIS): 2003
Modules Implemented	HR, Finance	HRIS, Core Finance	HR, Payroll	HRIS, Finance (AR/AP, Payroll etc.)	Financials, Human Capital Management (HCM)
Legacy System Replaced	Vailtech	FMW + Mpower	- Niche Scheduling Solution - JD Edwards Payroll - Oracle - Taleo (Recruitment) - Oracle - ESS (Time/Absence)	Oracle PeopleSoft - To be replaced	PeopleSoft Financials and HCM – To be replaced
Key Drivers	Aging financial system	Service-oriented approach	- Multiple disparate and unreliable systems - Lack of system integration	Cost, support difficulties, lack of modern features and self-service capabilities	Outdated, on-premise systems

			Need for operational efficiency		
Implementation Duration	Five to seven years (ongoing)	24 months	Three years (ongoing)	- HCM: 12 to 18 months expected - Budget: 4 months - Asset Management: 12 months expected - Core Finance: 2+ years (2027)	Current assessment project: Two years (for planning and roadmap)
Implementer	Blue IT Group / NTTData	Workday	Workday (no third-party)	Not yet determined	Assessment phase includes a third-party consulting firm (to be procured via RFP)
Approach (Big Bang versus Phased)	Phased	Big Bang	Phased	Phased	Assessment project to identify business needs will be conducted prior to exploring an implementation project
Cost Estimate	\$6M (Initial engagement, configuration, hosting, design)	\$7.5M budgeted \$850K annual licensing and support costs	\$4.2M + (Implementation and TCO) Resourcing: 4 FTEs (1 IT, 1 HR, 2 Finance) - Change Management/Trainer: (one-year contract) - \$200K	- HCM: \$1.8-2M - Questica: \$270K - Asset Management. Solution: \$250K to \$500K (Implementation and first year operations)	Total Assessment Budget: \$1.6M, broken down as: \$300K–\$400K for third-party consulting (via RFP) - Remaining \$1.2M–\$1.3M for Project Manager, business analyst, training, and other assessment-related activities

Reported Benefits	Improved financial reporting	Streamlined operations through system upgrades, automation, standardization, and mobile app access for field staff	Improved efficiency, enhanced security and privacy, greater mobility, integrated systems providing a single source of truth, and simplified access through single sign-on (SSO)	TBD	TBD
Challenges	- Had to hire 14 people to keep things working. - Over complicated.	- Knowledge Transfer/Retention: Project knowledge must be preserved. - Seconded Union Employees: Returned to their old jobs (home roles) resulting in lost experience - New Habits: New team members need to be supported to ensure former bad habits are not carried forward	- A full-time, dedicated project team is critical—this cannot be done off the side of someone's desk. - Change management and training are crucial. - Strong leadership support helped drive the project's success. - Use a Negotiated RFP (NRFP). This provides better control over contract terms and vendor accountability.	To be determined, however, significant organisational change is anticipated as the primary challenge. A robust internal change management program is in place to support these efforts	TBD

Summary of Findings

A review of ERP initiatives in comparable municipalities, including Pickering, Whitby, Ajax, Oshawa, Red Deer County, and the Region of Durham reveals several consistent themes that have direct implications for the Municipality of Clarington.

Most municipalities are currently replacing outdated and disparate financial systems with modern, cloud-based ERP platforms such as SAP or Workday. These implementations typically span a two- to three- year timeline, though in some cases, durations extend depending on scope, internal readiness, and resource availability. Budgets for these projects generally fall between \$4 million and \$6 million in capital costs, covering software, implementation services, training, change management, and additional staffing.

To support delivery, municipalities have had to allocate dedicated internal teams, commonly between four and 10 full-time equivalents, representing roles in Finance, HR, and IT. These projects are not typically manageable as part-time responsibilities; a focused project team has been cited as a key success factor. Cloud deployment has become the preferred model due to its scalability, reduced infrastructure overhead, and alignment with modern IT strategies.

Key drivers for these projects include aging systems, lack of integration, inefficiencies in reporting and operations, and the need for improved user experience and self-service functionality. Clarington similarly operates with disparate and outdated financial systems, indicating a shared need for modernization. The experience of other municipalities also highlights the importance of early investment in change management and training to support organizational transition and mitigate resistance.

The analysis suggests that, if Clarington proceeds with ERP implementation, it should anticipate similar timelines, costs, and resource requirements, and adopt a proactive approach to governance, change management, and staff engagement to ensure project success.

Analysis of Alternative Approaches

The project team assessed alternative approaches to implementing a unified ERP solution. The goal was to understand whether other viable options could meet the municipality’s financial, operational, and strategic needs. The following three alternatives were considered:

A) Replace Great Plains (only) and continue using existing applications

This approach involves replacing Great Plains, which is approaching end-of-life, with a newer standalone accounting solution. The rest of the finance ecosystem including Vailtech (Tax), FMW (Budgeting), SharePoint (A/P Invoices), and Paramount (Procurement) would remain in place and continue to function independently.

Advantages:

- Lower upfront investment compared to full ERP replacement
- Focused implementation with limited organizational disruption
- Addresses the immediate risk associated with Great Plains’ end-of-life

Disadvantages:

- Maintains siloed systems, requiring continued duplication of data entry and reconciliation across platforms
- Limited integration means reporting and financial oversight remain fragmented
- Workflow inefficiencies, such as manual A/P processes, continue to burden staff
- No centralized audit trail or single source of financial truth
- Incremental gains do not align with long-term modernization or digital transformation goals
- Future upgrades or replacements of other systems (e.g., FMW, Paramount) would require separate projects and resources

Conclusion:

This approach addresses a short-term system risk but fails to resolve systemic inefficiencies or support long-term strategic goals. It is not recommended as a sustainable solution.

B) Upgrade individual legacy systems (Great Plains, Vailtech, FMW, SharePoint, Paramount)

This approach involves upgrading or replacing each of the existing finance-related systems independently, with newer versions or best-of-breed alternatives. Integration between systems would be handled via custom APIs or middleware solutions where needed.

Advantages:

- Allows departments to tailor solutions to their specific operational needs
- Costs could be spread over multiple fiscal years
- Less disruptive than a full ERP implementation in the short term

Disadvantages:

- High total cost of ownership due to maintaining multiple systems, licenses, support contracts, and upgrades
- Complex integration and data synchronization are required to maintain consistency across systems
- Staff would continue to navigate multiple interfaces, reducing usability and increasing training needs
- Cross-functional processes (e.g., procure-to-pay, budget-to-report) would remain disjointed
- Governance, security, and compliance become more challenging to manage across systems

Conclusion:

This approach creates the illusion of modernization without delivering true integration or process efficiency. While functional upgrades may benefit

individual departments, the overall organization continues to operate in silos, missing out on the benefits of automation, centralized data, and unified reporting. It is not recommended as it does not provide the holistic transformation required.

C) Replace all legacy systems with a Non-Dynamics 365 ERP

C.1 Oracle Cloud ERP

- **Profile:** Cloud-native, enterprise-grade solution including financials, procurement, project management, risk management, and AI-driven automation
- **Use Case Fit:** Designed for medium-to-large organizations, and commonly implemented in large-scale public-sector and government institutions
- **Cost:** Starts around \$625 USD per user per month; implementation often exceeds \$1M USD for larger setups [\[Oracle ERP Cloud Licensing Costs\]](#)
- **Pros:** Robust out-of-the-box finance capabilities, seamless integration within the Oracle ecosystem, robust analytics, and compliance support
- **Cons:** Significant investment in licensing and implementation; higher complexity; generally suited for larger organizations with extensive scale

C.2 SAP S/4HANA

- **Profile:** High-end, in-memory ERP with advanced modules including financial accounting, controlling, asset accounting, and procurement
- **Use Case Fit:** Targeted at **large enterprises** and complex public-sector organizations; small municipalities typically find it excessive.
- **Cost & Implementation:**
 - Licensing costs range from approximately \$200 to \$250 USD per user per month (approximately \$2,400 to \$3,000 USD annually) [[SAP S/4HANA Licensing Costs and Models for CIOs, Procurement, and Finance](#)]
 - For modest scope (e.g., only Finance and Controlling), implementation cost range from \$3 million to \$10 million USD [[Deloitte Consulting LLP: D-Life](#)]
- **Pros:** Industry-leading depth, analytics, real-time processing
- **Cons:** High cost, long implementation timelines, significant internal change management

C.3 Workday Financial Management

- **Profile:** Workday is a leading cloud-native ERP platform originally built for HR but now with full-fledged financial management modules including general ledger, accounts payable/receivable, budgeting, reporting, and more
- **Use Case Fit:** Typically adopted by medium-to large organisations and is gaining traction in the public and educational sectors, benefiting from its unified data model

- **Cost:**
 - For a mid-sized organisation (500 to 2,500 employees), Financial Management modules typically cost \$300K to \$600K USD per year [[Workday Pricing Benchmarks and Market Rates for Enterprises](#)]
 - Total cost of ownership falls between \$500K to \$2M USD [[Workday Financials vs. SAP: An In-Depth Analysis](#)]
 - Suitable for organisations with several hundred users, smaller sites (≤800 users) may find the cost burdensome
- **Pros:**
 - Unified platform across HR and Finance minimizes data silos
 - Highly scalable with advanced planning, global compliance, and embedded analytics
 - Proven success across enterprise-scale entities
- **Cons:**
 - High cost of licensing and implementation
 - Complex to configure, requiring dedicated internal team and strong reporting expertise
 - Targeted to larger organisations, smaller municipalities may struggle with overhead

Conclusion:

Replacing all systems with a non-Dynamics ERP provides a fully integrated solution, but it comes with significantly **higher complexity, cost, and resource demand**. These solutions are typically optimized for larger or more complex organisations than the Municipality of Clarington.

Cost and Benefit Analysis

Operational Efficiencies

Process Automation and Workflow Standardization

- **Automated invoice processing:** Replaces manual A/P workflows (currently managed through SharePoint) with automated invoice matching, approvals, and payments, reducing processing time and human error.
- **Budget-to-report automation:** Automates the budgeting cycle (replacing FMW) and links budget data directly to actuals and forecasts, eliminating manual reconciliations and spreadsheet workarounds.

Centralized and Accurate Data

- **Single source of truth:** Replaces fragmented data across Great Plains, Vailtech, SharePoint, FMW, and Paramount with a single integrated system, eliminating duplication and reducing data reconciliation tasks.
- **Real-time financial visibility:** Enables finance staff to access real-time balances, commitments, and projections across departments, improving responsiveness and accuracy in reporting and decision-making.

Reporting and Analytics Improvements

- **Self-serve financial reporting:** Empowers users with self-service access to financial reports, dashboards, and KPIs through Power BI integration, reducing dependency on finance teams for ad hoc reporting.
- **Audit readiness and traceability:** Automated audit trails across all financial transactions reduces the time spent preparing for audits and improves accountability and compliance with regulations.

Reduced Manual Effort and Administrative Overhead

- **Elimination of redundant data entry:** Staff no longer need to input or transfer the same data across multiple systems.
- **Digitized approvals and notifications:** Built-in workflows automate approval routing and provide real-time notifications, reducing processing delays and bottlenecks.

Staff Efficiency and Reallocation of Resources

- **Time savings across departments:** Administrative and financial staff can reallocate time from manual tasks (data entry, reconciliations, chasing approvals) to higher-value activities such as analysis, planning, or service delivery.
- **Improved collaboration:** A shared platform enhances interdepartmental collaboration and data sharing, reducing miscommunication and duplicate work.

IT and System Maintenance Efficiencies

- **Fewer systems to support:** Reduces the number of separate systems requiring licensing, support contracts, staff training, and maintenance (e.g., no need to maintain Great Plains, SharePoint-based A/P forms, FMW, etc.).

Cost Avoidance

Implementing Microsoft Dynamics 365 Finance & Operations will eliminate or significantly reduce the number of time-intensive manual processes currently performed across Finance and other departments. While a thorough time-study and analysis of the existing processes would reveal even more opportunities for cost savings, we have only quantified a few at this stage due to the time constraints involved in such detailed exercise. Additionally, some intangible benefits such as quicker audits, reduced errors, and improved satisfaction for both stakeholders and vendors have yet to be quantified in monetary terms. By digitizing and integrating financial workflows, the Municipality can avoid future costs related to inefficiencies, system maintenance, data reconciliation, and error correction. The following table highlights five key processes with the highest cost avoidance potential:

Manual Process	Description	Estimated Annual Cost Avoidance
Manual Data Bridging	Tasks where staff manually enter the same data into multiple systems due to lack of integration. Staff manually search, verify or duplicate data between disconnected finance systems.	~ \$7,000
System Fragmentation	Use of 12+ software systems requiring separate logins, access management, and batch cash receipts creation.	~ \$16,000
Invoice Management and Approvals	Includes difficulties with invoice tracking, approvals, and cost apportionment. Manual workflows, lack of visibility, and limited search/reporting functions hinder efficiency.	~ \$11,000
Data Accuracy and Reconciliations	Manual comparisons of financial data between systems (e.g., journals or account balances) to ensure consistency and accuracy, often requiring cross-system report validation.	~ \$8,000
Reporting	Processes that rely heavily on exporting, reformatting, or manually compiling data due to the lack of built-in or dynamic reporting capabilities.	~ \$24,000

In addition, the acquisition of a new, consolidated ERP system will eliminate the following annual fees charged for our current finance applications:

Software Application	Description	Annual Cost Savings
Great Plains	Core accounting functions	\$63,062
FMW	Budgeting and financial planning	\$15,054
Paramount	Procurement (purchase orders, requisitions)	\$12,000
Vailtech	Taxation Services	\$20,574
A/P Invoices	SharePoint solution built in-house	N/A

Total Estimated Annual Cost Avoidance: ~ \$176,000/year

Future Growth and Opportunity

The implementation of Microsoft Dynamics 365 Finance & Operations lays the foundation for a modern, scalable ERP platform that can evolve with the Municipality’s needs. While the initial phase focuses on core financial functions—general ledger, accounts payable/receivable, budgeting, procurement, and taxation—future iterations could unlock further value across departments.

Potential future expansions include:

- **Asset Management:** Integration of asset tracking, depreciation, lifecycle costing, and maintenance planning for roads, facilities, and fleet.
- **Work Order Management:** Linking service requests, inspections, and maintenance tasks with budget tracking and financial reporting.
- **Job Costing:** Capturing full labour, equipment, and material costs for individual projects or services to support budgeting, forecasting, and performance reporting.
- **Payroll / HR:** A fulsome Enterprise Resource Planning system will include key HRIS functions and a seamless integration with the finance system for more accurate budgeting and reporting for human resources.
- **Grants and Fund Accounting:** More sophisticated handling of restricted funding, reporting, and compliance, particularly useful for capital projects and provincial funding streams.
- **Citizen Engagement Integration:** Future CRM integration (with Dynamics 365 Customer Service) could connect service requests and financial processes for more transparent, accountable service delivery.

Conclusion and Recommendation

This business case presents a comprehensive review of the current financial systems used by the Municipality and outlines the strategic, operational, and financial rationale for modernizing those systems through the implementation of an integrated Enterprise Resource Planning (ERP) solution.

The Municipality’s current financial environment—comprising Great Plains, Vailtech, FMW, SharePoint workflows, Paramount, and other disconnected tools—is fragmented, inefficient, and increasingly unsustainable. System limitations, duplication of effort, manual workarounds, and a lack of real-time visibility into financial data are affecting both staff productivity and service delivery.

Through stakeholder engagement, current-state analysis, and a comparative review of alternatives, it is clear that the status quo and partial upgrades will not provide the integration, efficiency, or scalability required for long-term success. Higher-end ERP systems like Oracle or SAP offer robust functionality but exceed the Municipality’s needs and budget.

Microsoft Dynamics 365 Finance & Operations (F&O) is the recommended solution. It provides a cost-effective, scalable, and fully integrated platform capable of meeting the Municipality’s current and future needs. It will replace all key legacy systems, streamline financial operations, improve reporting and accountability, and position the Municipality for long-term sustainability—by reducing system redundancy, enabling consistent data management, and supporting continuous improvements in financial stewardship.

BUSINESS CASE: Legislative Services

Full-Time Animal Care Attendant for Animal Services

Overview

The Clarington Animal Shelter is facing increasing challenges as it strives to accommodate the growing demands of a rising population. Currently, the shelter operates with a dedicated team consisting of a Supervisor, two full-time Animal Care Attendants (ACAs), and a full-time administrative Clerk. This full-time staffing is supplemented with up to 48 hours of part-time ACA labour. However, the number of animals in our care doubled from 2023 to 2024 and continues to climb in 2025, making it increasingly difficult to maintain operations and provide essential care with the existing staff.

An additional qualified full-time ACA would ensure that each animal receives the attention, care, and enrichment they need while alleviating strain on current staff, enhancing efficiency, and supporting the shelter’s mission to provide a safe and humane environment for all animals within the shelter’s care.

Background

Surging Animal Population

The shelter's intake has doubled from 2023 to 2024 and continues rising in 2025. Overcrowding affects animal health, adoption rates, and staff workload. Increased intake demands more time for cleaning, feeding, and medical assessments.

Operational Strains

ACAs are vital to the health and well-being of the animals in care. Six cat rooms, two large dog run areas, and an outdoor exercise area are required to be maintained and thoroughly sanitized daily. On a typical day, the shelter houses 12 dogs, 30 cats, and two to three small animals (rabbits, birds, etc.), which all require cleaning, feeding, watering, walking and quality enrichment. This number balloons in the spring and summer, when there are many kittens and puppies coming into the shelter.

Each full-time ACA works eight hours per day, 40 hours per week. One ACA is dedicated to caring for dogs. The other is dedicated to caring for cats. Small animals are generally the responsibility of the ACA on cats. Time must also be made for human customer interactions (e.g. adoption introductions), intake exams, medical treatments as well as various other things, such as spending extra time with a shy dog to build its confidence or grooming a cat whose hair is matted.

It is difficult to quantify the hours required for care, as it can vary from animal to animal, and from day to day. With only two ACAs, it can be a struggle to finish everything in the limited time available.

The primary goal for animals that come into the Municipality’s care is to unite them with their owners, or if that is not possible, to successfully place them in permanent adoptive homes. However, due to staffing limitations, existing team members struggle to provide the necessary enrichment to ensure animals are well-adjusted and ready for adoption. Without sufficient time for socialization and stimulation, animals may develop negative or anti-social behaviours, making successful adoption less likely. This challenge is compounded by the extensive time required to meet the basic needs of the animals, which places

additional strain on the team and reduces the overall efficiency of shelter operations.

Limited personnel affect adoption processing, behavioural evaluations, and enrichment activities. Public outreach, volunteer coordination, and educational programs are also impaired.

Staffing Limitations

Two full-time attendants (40 hours per week each) and two or three part-time attendants (maximum of 48 hours collectively per week) struggle to meet rising demands. Scheduling gaps reduce efficiency in responding to emergencies or high-intake periods. The availability of reliable part-time workers has proved a challenge and shifts frequently go unfilled. Employee fatigue and burnout risk impacting animal care and public service.

Working in an animal shelter, even with an appropriate staff-to-animal ratio, is emotionally and physically demanding. Animal care is a profession where compassion fatigue is a constant reality, and burnout is a serious concern. The ACAs at Clarington's Animal Shelter are dedicated, hardworking, and passionate, but the workload can become overwhelming. When intake reaches capacity, fulfilling even the most basic care requirements becomes a challenge. Furthermore, when a staff member is on vacation or ill, the strain on the remaining team intensifies, exacerbating these ongoing challenges and further impacting the quality of care.

Position Summary

This position encompasses all aspects of animal care within the shelter, including the management of stray, impounded, and quarantined animals. Responsibilities include, but are not limited to, feeding, exercising, socializing, and maintaining a clean and comfortable environment for the animals. Staff closely monitor each animal's health, administer follow-up treatments, and ensure routine preventative care, such as vaccinations and parasite treatments. They also perform various other duties to ensure animals are well in their care,

such as grooming, training tasks, providing enrichment and anything else required.

Strong record-keeping skills are essential, as daily documentation of an animal's health, appetite, and behaviour is required. ACAs work directly with the animals to promote positive outcomes, providing medical treatment to sick and injured animals until they recover, helping stressed or frightened animals build confidence, and creating safe spaces to support their well-being. While adoption is the primary goal, other positive outcomes include releasing feral cats or facilitating placement with rescue organisations.

Additionally, ACAs play a key role in the adoption process. They introduce potential adopters to dogs and cats, assess compatibility between animals and people, and provide guidance on successful transitions to a home environment. Follow-up check-ins ensure that adopters have the support they need. On weekends, ACAs also manage front counter and phone interactions, as the shelter does not have a dedicated clerk during this time.

Key Duties and Responsibilities

- Daily cleaning and disinfecting animal housing areas and facility
- Conducting general physical/behavioural exams of all animals
- Feeding, general care of animals
- Medicating animals under the direction of a veterinarian
- Maintaining physical and emotional health of animals in care
- Keeping records current and detailed in health records and shelter software
- Promoting and facilitating adoptions of animals in shelter
- Interacting with the public and staff in a courteous and professional manner
- Repetitive lifting of heavy items up to 18kg, repetitive motions and standing for prolonged periods
- Providing general information to the public for all aspects of Animal Services
- General clerical duties, including data entry, call dispatch, handling payments and answering phones

Relationship to Council's Strategic Priorities

Clarington is a vibrant growing community, and with an increasing human population comes an increasing pet population. To better serve the community, more space and funding will be required to fill the ever-growing numbers of animals coming in as stray or abandoned. Staff are already feeling the stress from the greater numbers, and care levels will inevitably begin to suffer as these numbers continue to increase. Prioritization must occur to ensure the health and well-being of the animals.

Improving this service will align with the Strategic Priorities in multiple ways including strengthening and contributing to the health of the community, as well as supporting business and industry to thrive.

Comparative Analysis

Region	Capacity	Animals per year (Domestic)	Full-Time Staff (*Animal Care Attendant Duties)	Part-time Staff
Whitby	15 dogs, up to 40 cats	No data provided	4 *Animal Services Officers (ASOs)	1 *ASO
Pickering	Relies heavily on fosters, animals housed outside shelter	~500 animals yearly	1 Shelter Attendant 2 *ASO 3 Summer Students (1 attendant, 2 *ASO)	2 Shelter Attendants
Oshawa	25 dogs, 140 cats, 32 small animals	No data provided	4 Animal Care Attendants 2 Animal Shelter Attendants	3 Animal Shelter Attendants (24-28 hours each)
Uxbridge-Scugog	12 dogs, ~20 cats	~325 animals in 2024	2 * ASOs 1 *Supervisor/ ASO	1 *ASO (24 hours) 2 Kennel Attendants (24 hours each)
Clarington	14 dogs, 40-60 cats and kittens, 3-5 small animals	415 animals in 2024	2 ACAs 1 Summer Student ACA	3 ACAs (16 hours each)

Comparing staffing across shelters highlights that Clarington’s shelter, despite handling over 400 animals in 2024, operates with significantly fewer full-time staff than large shelters like Oshawa or Whitby. This discrepancy underscores the urgency of adding a full-time ACA to support growing intake rates and improve service quality.

Analysis of Alternative Approaches

A) Volunteer and Foster Program

A volunteer and foster program is in the process of being developed. Volunteers assist with exercising and socializing the animals in care. Their time spent working with the animals is very beneficial to their health and well-being. Foster parents commonly care for animals requiring medical care before adoption, pregnant animals and their offspring and other situations where the animal would benefit from being outside of the shelter environment. Both volunteer and foster positions require extensive screening and training to be able to manage stressed animals in shelter or special cases at home.

At this time with the current staffing complement, selection and on-boarding of volunteers and fosters would place too much of a burden on staff time. With more staffing available for animal care, more time may be able to be allocated to working on training with volunteers and fosters.

Cost and Benefit Analysis

While hiring an additional ACA requires an upfront financial commitment, the long-term benefits will outweigh the costs. Increased efficiency, healthier animals, better adoption rates, and improved staff well-being contribute to a well-functioning shelter with reduced operational strains. With the benefits that accompany the addition of staff, many long-term savings will be made due to the resulting improvements. More flexible scheduling will reduce overtime costs, improve adoption rates, and decrease extended care costs day-to-day. These savings will open doors to more expanded programs and fundraising opportunities.

Cost and Benefit Summary

Costs	Details
Salary and Benefits	\$61,358 to \$72,605 (2024 Grade 4 of CUPE Local 74, excluding pension & benefit costs)
Training and Onboarding	Initial training in shelter procedures, animal handling, record-keeping, and health monitoring
Equipment and Supplies	Uniforms, safety gear, and additional necessary supplies
Benefits	Details
Improved Animal Welfare and Adoption Rates	More socialization and enrichment improves adoptability, reduces shelter stays and costs
Reduced Staff Burnout and Increased Efficiency	Full-time ACA alleviates strain on existing staff, improving morale and operational efficiency
Scheduling Flexibility	Higher staffing enables better scheduling, ensuring smooth shelter operations and emergency response
Lower Veterinary Costs	Early health monitoring reduces medical expenses
Enhanced Public Engagement and Customer Service	More staff improves adoption experiences and community outreach, increasing donations
Potential Increase in Revenue	Faster adoptions boost fees, while better customer service encourages donations/sponsorships
Improved Public Service and Engagement	Increased staffing allows for participation in community events, fundraising, and pet owner education
Regulatory Compliance and Safety	Ensures adherence to Ontario shelter laws, reducing risks associated with understaffing

Costs:

Salary and Benefits

The compensation for an additional Animal Care Attendants would start at \$66,872 Wage Grade 4 of the CUPE Local 74 Outside Collective Agreement. With pension, benefits and other payroll costs, the full cost would be \$92,692.85 for the first year.

Training and Onboarding

Initial costs may include training in shelter procedures, animal handling, record-keeping, and health monitoring.

Equipment and Supplies

Uniforms, safety gear, and additional supplies may be needed.

Benefits

Improved Animal Welfare and Adoption Rates

Increased socialization and enrichment activities make animals more adoptable, reducing their time in the shelter and lowering costs associated with prolonged stays. Conducting thorough medical and behavioural assessments would become more efficient, allowing for dedicated time to design and implement tailored enrichment activities that support each animal’s well-being and adoptability.

Reduced Staff Burnout and Increased Efficiency

Operational efficiency would be greatly improved by adding a full-time ACA to the roster at the animal shelter. The strain on the existing employees would be reduced, minimizing potential burnout and improving morale.

Scheduling Flexibility

More scheduling flexibility would be available and more consistent shelter operations would result. More appropriate staffing levels would increase the shelter’s capacity to deal with emergency cases as well as unexpected surges in animal intake numbers.

Lower Veterinary Costs

More consistent animal monitoring can lead to early intervention for health concerns, reducing medical expenses.

Enhanced Public Engagement and Customer Service

More staff availability can improve adoption experiences and outreach efforts, bringing in donations and community support.

Potential Increase in Revenue

Faster adoptions lead to more adoption fees being collected, while improved customer service fosters more donations and sponsorships. Enhanced care and enrichment create healthier, well-adjusted animals, increasing adoption success rates. Shorter shelter stays reduce daily costs for food, cleaning, and staff time, allowing more animals to be cared for and prevents overcrowding.

Improved Public Service and Engagement

The Clarington Animal Shelter has been invited to numerous community events and partnerships with local businesses and agencies but has often had to decline due to staffing limitations. Increasing staff would allow the shelter to fully engage in adoption events, fundraising initiatives, and educational programs, fostering greater public support and awareness while promoting responsible pet ownership.

Additional personnel would also enable more consistency in customer service, ensuring residents receive timely assistance both in person and over the phone. Currently, with only one clerk, coverage gaps place extra strain on the Supervisor and ACAs. More staff would ease this burden, allowing for smoother operations and better service.

Expanding community outreach has already begun, with efforts such as redistributing donated pet food to families in need. With increased staffing, the shelter could further develop programs like rabies vaccination clinics and wellness clinics in collaboration with local veterinarians. Strengthening existing partnerships and creating new opportunities would reinforce the shelter’s role as a vital community resource, helping more animals while supporting pet owners in need.

Regulatory Compliance and Safety

The animal care field is continually evolving, with regulations and standards improving to enhance animal welfare and facility operations. In Ontario, shelters must comply with Provincial legislation including the Pounds Act, Animals for Research Act, and Provincial Animal Welfare Services (PAWS) Act. Proper staffing is essential to ensure compliance, reducing risks associated with understaffing, and upholding facility management standards.

Adequate personnel ensure that animals receive appropriate care while mitigating operational challenges. Meeting regulatory requirements supports a safe, well-managed shelter, allowing staff to maintain high standards in animal welfare, health monitoring, and overall facility operations.

Conclusion

With the increasing shelter intake numbers and growing demands, adding a full-time ACA is a strategic and necessary investment. This role will enhance animal welfare, improve public service, reduce staff strain, and align Clarington’s shelter with best practices demonstrated by regional counterparts. As the Municipality continues to expand, sustainable shelter operations must be prioritized for the benefit of the community, the residents and the animals.



Clarington

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