

DATE: February 21, 2018

REPORT TITLE: **APPROACH TO THE DEVELOPMENT OF THE 2019 BUDGET**

FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

## RECOMMENDATION

**That the timelines for the 2019 Budget deliberations as outlined in Appendix I of the report of the Commissioner of Finance and Chief Financial Officer, titled “Approach to the Development of the 2019 Budget” be approved;**

**And further, that the external agencies be requested to meet the proposed timelines for the 2019 Budget.**

## REPORT HIGHLIGHTS

- Through the 2018 Budget, Council established a target of 2.4% increase on the net tax levy for the 2019 Budget and will enable the priorities identified in Council’s vision of a Community for Life.
- The 2019 Budget, as a budget immediately following the 2018 election and as outlined in the *Municipal Act*, will be deliberated in 2019.
- Staff will provide Council with the budget information five weeks prior to the deliberation of the 2019 Budget.
- External agencies (Peel Regional Police, Ontario Provincial Police, Credit Valley Conservation, Toronto and Region Conservation Authority and Conservation Halton) are required to obtain approval from their respective boards.
- The proposed timelines will provide Council with time to review and consider the multiple budgets they receive each year.

## DISCUSSION

### 1. Background

The focus of the 2019 Budget will be to enable the priorities identified by Council through its vision of a Community for Life. On November 16, 2017, Regional Council approved a target increase of 2.4% on the net tax levy for the 2019 Budget. In order to achieve Council’s target, staff start the annual planning and budgeting process in January. Part of this process includes establishing timelines in order to provide Council with the required materials such as the budget document and budget presentations prior to the budget meeting.

As per the *Municipal Act, 2001 s.289*, upper tier municipalities are required to prepare and adopt a budget on an annual basis. The act stipulates that “a budget for a year immediately

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following a year in which a regular election is held, may only be adopted in the year to which the budget applies”.

### 2. Proposed Direction

In order to provide the new Council with time to review and consider the 2019 Budget, staff is proposing that the budget documents be distributed on December 13, 2018 and the budget deliberations will begin in January, 2019. Under the proposed timeline, the first date for budget deliberation is January 17, 2019 where Council will be presented the 2019 Budget Overview by the Chief Financial Officer followed by the service budget presentations for Regionally Controlled programs.

The external agencies Peel Regional Police (PRP), Ontario Provincial Police (OPP), Credit Valley Conservation (CVC), Toronto and Region Conservation (TRCA) and Conservation Halton (CH) will present their respective budgets to Regional Council on January 24, 2019 with January 31, 2019 held as a budget date for further deliberations (see Appendix I).

This will provide Council with sufficient time to review the budget. However there are some risks and logistical challenges associated with the proposed date (see Table 1 below). Staff believes the risks are minimal and can be mitigated appropriately.

Table 1

<b>Risk</b>	<b>Description</b>	<b>Risk Assessment/mitigation</b>
Informed Decision Making	Budget discussions will be scheduled for the third meeting into the new term of Council	Staff will distribute budget documentation five weeks ahead of the first Budget discussion
Alignment of the external agencies' approvals	The PRP, OPP, CVC, TRCA and CH would need to adjust their timelines to obtain approval from their respective governing body	Staff will work with key members of the external agencies on the proposed timelines and/or make appropriate assumptions
Regional Business Priorities	Three of the first five Regional Council Reserve Days of the new term are proposed to be dedicated to budget discussions	Staff will strive to utilize the non-budget dedicated Council meetings for Regional Service business reports
Changes in information	The budget is built around assumptions and existing information	If there is newer information that would cause a material impact on the budget prior to the budget dates, Council will be informed of the impact of these changes

The 2019 Budget will have a target delivery date of December 13, 2018 which coincides with the first Regional Council meeting after the Inaugural meeting for the newly elected Council.

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**CONCLUSION**

The timeline for deliberation of the 2019 Budget will provide Council with time to review and consider the proposed budgets at the Regional and Local levels as well as budgets for external agencies.



Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

**Approved for Submission:**



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D. Szwarc, Chief Administrative Officer

**APPENDICES**

Appendix I - Budget Timelines

*For further information regarding this report, please contact Norman Lum at extension 3567 or via email at [Norman.Lum@peelregion.ca](mailto:Norman.Lum@peelregion.ca).*

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**APPENDIX I  
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**Proposed 2019 Budget Timelines**

<b>Date</b>	<b>Presentation/Presenter</b>
April, 2018	Update on Region's Financial Condition and Peel's Financial Strategy report to Council
December 13, 2018	Electronic and hard copy of 2019 Budget Documentation to Councillors
January 3, 2019	Notice to the Public
January 10, 2019	<p>The Region of Peel 2018 Infrastructure Update report to Council</p> <p>Overview and Update on the Status of Reserves report to Council</p> <p>Continuous Improvement Update report to Council</p> <p>Budget Documents Available on Website</p>
January 17, 2019 – Full day	<p>2019 Budget Overview</p> <p>Regionally Controlled Service Budget Presentations</p>
January 24, 2019 – Full day	<p>Peel Regional Police</p> <p>Ontario Provincial Police</p> <p>Conservation Authorities</p>
January 31, 2019 – Full day	Additional date for deliberations.