

Clause 12 in Report No. 9 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on May 25, 2017.

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2018 Budget Direction

Committee of the Whole recommends adoption of the following recommendation contained in the report dated April 27, 2017 from the Commissioner of Finance:

1. Council endorse the proposed timeline for the development and approval of the 2018 budget.
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Report dated April 27, 2017 from the Commissioner of Finance now follows:

1. Recommendation

It is recommended that:

1. Council endorse the proposed timeline for the development and approval of the 2018 budget.

2. Purpose

The report seeks Council direction on the proposed timeline for the 2018 operating and capital budget. It also outlines general guidelines for budget development.

3. Background and Previous Council Directions

2018 will be the fourth and final year of the multi-year budget

In February 2015 Council approved the first year of the multi-year budget and an outlook for the following three years, covering the period of this Council term. The outlook formed the basis for budget development the following year and was

updated as part of the annual budget cycle. The 2018 budget will be the last year of the current multi-year budget.

The multi-year budget provides several advantages:

- Enables better coordination of budgeting and strategic priorities
- Provides greater certainty for departments in managing their expenditures
- Improves fiscal discipline.

On December 15, 2016, the 2017 budget was approved with a tax levy increase after assessment growth of 2.87% and an outlook for 2018 of 2.65%. The rates represent a change from the prior outlook of 2.69% for 2017 and 2.35% for 2018, due to higher than anticipated staffing needs for York Regional Police and lower than anticipated assessment growth revenue.

The outlook captures a number of budget pressures, an increased contribution for capital asset replacement and increased contractor costs.

A multi-year budget approval changes but does not eliminate the annual budget process.

4. Analysis and Implications

December approval of the 2018 budget is proposed

Table 1 below summarizes the key dates in the 2018 budget process.

Table 1
Proposed 2018 Budget Timeline

Milestone	Date
Budget direction report to Council	May 18
Budget submission to Finance	July/August
Treasurer reviews and briefings	September
CAO reviews and briefings	October
Chair briefing	October
Table Budget with Council	November 16
Committee of the Whole review of budgets for Housing York Inc., York Region Rapid Transit Corporation, York Regional Police, Toronto and Region Conservation Authority, and Lake Simcoe Region Conservation Authority	November 30
Committee of the Whole review of budgets for Regional departments	December 7
Budget approval	December 14

It is proposed that the 2018 budget be tabled with Council in November 2017. Budget review would take place on November 30th for services with separate Boards (Housing York Inc., York Region Rapid Transit Corporation, York Regional Police, Toronto and Region Conservation Authority, and Lake Simcoe Region Conservation Authority). All other departmental budgets would be reviewed at a combined Committee of the Whole meeting on December 7th. Final budget approval by Council is scheduled for December 14th.

The approved outlook will be the starting point for the 2018 budget

As noted above, an outlook for 2018 was approved as part of the 2017 multi-year budget. This outlook will be the starting point for the 2018 budget. Departments will be expected to submit their budgets within the allocations in their approved outlook.

If any revisions to the approved outlook are required, they will be presented to Council as part of the 2018 budget process.

As the 2018 budget covers the final year of this term, Council will be asked to approve the budget for 2018. Budgets for 2019 and beyond will be part of a new multi-year budget to be developed for the next term of Council.

Link to key Council-approved plans

The 2015 to 2019 Strategic Plan guides the multi-year business planning and budgeting process. Many priorities outlined in the Plan will be reflected in current and future Regional budgets.

5. Financial Considerations

While there are no direct financial implications associated with this report, the budget will establish expenditures and funding for the provision of Regional services in 2018.

6. Local Municipal Impact

There is no direct local municipal impact associated with this report. Certainty and discipline in the budget helps local municipalities with their budget planning.

7. Conclusion

It is proposed that the 2018 budget be tabled with Regional Council in November 2017, with approval in December 2017.

For more information on this report, please contact Kelly Strueby, Director, Office of the Budget, at 1-877-464-9675 ext. 71611.

The Senior Management Group has reviewed this report. April 27, 2017

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