

Date: November 4, 2020	Originator's files:
To: Chair and Members of Budget Committee	
From: Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer	Meeting date: November 23, 2020

Subject

2021 Advance Project Approval

Recommendation

1. That the report of the Commissioner of Corporate Services and Chief Financial Officer dated November 4, 2020 and titled "2021 Advance Project Approval" be received for information.
2. That staff proceed with tenders and proposals where required for the projects listed in appendix 1 in advance of 2021 budget approval.
3. That funding be approved in the amount of \$19,951,600 so that the projects listed in appendix 1 may proceed in Q1 2021.

Background

At their meeting dated October 7, 2020 the members of General Committee directed that the City budget not be approved until after the Region of Peel budget is finalized. However, it was agreed that the scheduled Budget Committee meetings (November 23, 24, 30 and Dec 1 and 2) would remain and to present the proposed budget and departmental business plans at those meetings.

The Region of Peel budget is scheduled to be approved on February 18, 2021. Given the preceding direction from General Committee, the City budget is likely to be scheduled for approval on February 24, 2021.

Comments

The annual budget and business plan when approved delegates spending authority to staff to undertake their business plans. In the absence of an approved plan, the Budget Control By-law 262-97 states:

11. No expenditure shall be incurred until the budget for the current Fiscal Year has been approved by Council unless:

(1) A Budget for a similar item existed in the previous year's Current Budget and the expenditure does not exceed fifty percent (50%) of the amount appropriated in the previous year's Current Budget; or

(2) Council approved the expenditure.

13. No expenditure shall be incurred for a Capital Project until the Budget for the project has been approved by Council.

Under section 11 of by-law 262-97 no action is required by Council to enable the operations of the City to continue on in the absence of budget approval after December 31, 2020. All budget requests put forward in the budget can be delayed. However, there are certain capital projects that are multi-year in nature and other projects that require early approval for Council to meet either construction season timelines or swift replacement. These are listed in appendix 1 and require advance approval in 2020.

Council as in past years will be asked to approve an interim tax levy by-law in December which will provide funding for operations in the first half of 2021. Additionally, the Treasurer has the ability to borrow on a short term basis per by-law 0052-2003 although based upon cash flow projections this will not be necessary.

Financial Impact

Funds are available in the tax capital reserve to meet the cost of the projects recommended for pre-approval and listed in appendix 1 in the amount \$19,951,600.

Conclusion

Projects contained in the 2021 Budget and Business Plan listed in appendix 1 in the amount of \$19,951,600 require Council approval to proceed with tender/proposal and/or the start of construction in Q1 2021.

Attachments

Appendix 1: 2021 List of Capital Projects for Pre-Approval



Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Jeffrey Jackson, MBA, CPA, CA, Director of Finance and Treasurer