

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. <>

A BY-LAW TO AMEND BY-LAW 2019-79 BEING A
BY-LAW TO DEFINE BUDGET PLANNING
REQUIREMENTS FOR THE REGIONAL
MUNICIPALITY OF NIAGARA AND TO REPEAL
BY-LAW 2024-22

WHEREAS Section 224(d) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, states that it is the role of council to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council;

WHEREAS Section 289(1) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, requires that for each year, The Regional Municipality of Niagara, in the year or the immediately preceding year, prepare and adopt a Budget including estimates of all sums required during the year;

WHEREAS Regional Council passed By-law 2019-79 being a By-law to Define Budget Planning Requirements for The Regional Municipality of Niagara on October 17, 2019, and amended By-law 2019-79 on November 19, 2020, and further amended it on March 21, 2024; and

WHEREAS Regional Council deems it necessary to further amend By-law 2019-79.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the Section 2.1 “Definitions” be amended as follows:

Delete 2.1 (a).

Add :“Assessment Growth” means the increase in property assessment as a result of the changes that happen to a property within a calendar year, including; new construction, major renovations, demolitions and property value appeals.

Add: “Business Case” means a document that justifies the scope of a project and provides insight into benefits, risk assessment, and financial and staffing impacts.

Add: "Incremental Operating Costs of Growth" means additional operating costs including staffing, materials, maintenance, etc., but excluding the related debt servicing cost associated with capital project as a result of growth.

Add: "Rate Budget" means the budget for services such as water and wastewater treatment, biosolids management and lab services. Costs for these services are charged to the municipalities based on usage. The rates charged to residents for each of these services will vary depending on where they live.

Add: "Tax Increment Grant" or "TIG" means a refund of taxes on assessment growth directly related to a development.

Add: "Transit Special Tax Levy" means Regional property taxes that pay for transit services across the Region and varies between municipalities based on service levels.

Add: "Waste Management Special Tax Levy" means Regional property taxes that pay for services including curbside collection, recycling and landfill sites and waste management and varies between municipalities based on service levels.

Delete: "Special Levy".

2. That Section 4 be deleted and replaced with the following:

4.1 That a schedule of BRCOTW meetings, which deliberate budget approvals, be presented to Council directly or during the planning meeting identified in 4.3 whereas;

- a) The annual operating and capital budgets are scheduled to be approved in the year prior to the new budget year.
- b) That the exception to item 4.1.a) be where the new budget year immediately follows a year in which a municipal election is held, as allowed in the Act.

4.2 That the schedule in which the budgetary reports are presented to BRCOTW be in the following order, or as may otherwise be determined at the meeting referred to in 4.3:

- a) Capital program;
- b) Special Tax Levies (Waste Management and Niagara Transit Commission);
- c) Rate (Water and Wastewater);
- d) ABCs included the General Tax Levy;

- e) Regional Departments and Consolidated General Tax levy programs.
- 4.3 That a planning meeting of BRCOTW for a new budget year be scheduled no later than July 31 of the year preceding the new budget year.
- 4.4 That the budget plan, deliberations, and approval of the budget be based upon the following for fullness of Council decision making and transparency to the public:
- a) That the increase in budget to provide base services, excluding revenues and the costs of growth and capital, be prepared with reference to an appropriate inflationary factor as determined by Council at the planning meeting for the new budget year.
 - b) That the incremental operating budget requirements to support the capital asset plan be provided with a separate increase. That any new programs and services to be considered be provided with a separate increase.
 - c) That net assessment growth revenue be prioritized in the following order:
 - i. Tax Increment Grants
 - ii. Incremental Operating Costs of Growth
 - iii. Costs to fund new and growth capital assets
 - iv. Gaps in funding items in sections 4.4 (b) and 4.4 (c) of this By-law
 - v. Programs aimed at driving economic growth or other Council priorities
- Other factors such as growth and strategic plans may be incorporated into the overall prioritization of assessment growth.
- 4.5 That budget deliberations provide Council with a Business Case where any one of the following conditions are met:
- a) The request includes the addition of (a) permanent FTE(s);
 - b) The request adds (a) new service(s) not offered by the Niagara Region in the year prior to the new budget year. This excludes changes in delivery of (a) service(s) within a division.

- 4.6 That budget deliberations provide Council with information on material changes meeting the following conditions:
- a) The net request is in excess of \$500,000 increase or decrease to a departmental budget. This excludes increases or decreases for general labour related costs (other than those in 4.5.a) as these general costs will be reported on corporately
 - b) The gross divisional change is in excess of \$1,000,000. A gross change less than \$1,000,000, with a net impact less than \$500,000 will be at the discretion of the Commissioner and/or Treasurer.
3. That Section 5.3 be deleted.
4. That the following wording in Section 5 be amended as follows:
- That estimated incremental debt payments for a project be included in the operating budget in the year the capital project is approved as a placeholder for the payments that will be made. Where a surplus may occur due to timing, that placeholder will be used to fund pay-as-you-go capital or debt substitution unless otherwise approved by Council.
- That operating programs that are time limited or one-time in nature may be funded by time limited or one-time sources, such as reserves in accordance with the Reserve Policy.
5. That By-law 2024-22 is hereby repealed.
6. That this by-law shall come into force and effect on the day upon which it is passed.

THE REGIONAL MUNICIPALITY OF NIAGARA

James Bradley, Regional Chair

Ann-Marie Norio, Regional Clerk

Passed: < >