
MEMORANDUM

BRC-C 9-2019

Subject: Response to Budget Planning - 2020 Operating Budget 136.2019

Date: October 10th, 2019

To: Budget Review Committee of the Whole

From: Helen Chamberlain, Director Financial Management and Planning

A memo was received by the Office of the Regional Clerk, dated July 3, 2019, from Deb Reid, Executive Director, of the Niagara Regional Police Services Board (NRPSB). The memo included a motion that was passed at the NRPSB public meeting held June 27, 2019. The motion is as follows:

'That the Board formally request the Region to restate the 2020 Net Expenditures Budget before Indirect Allocations to include the portion of the 2019 Program Changes amount of \$706,196 that was deferred.'

During the 2019 Budget Process the Niagara Regional Police Services (NRPS) presented its budget to BRCOTW on January 31, 2019 at an initial request of \$147,420,210 or a 6.5% increase. On February 14, 2019 BRCOTW passed a motion as follows:

'That the NRPS BE REQUESTED to find further cost savings related to program changes of 3.1 million dollars.'

Subsequently, the NRPS returned the budget to BRCOTW, through a memo dated February 21, 2019, with a reduction of \$706,196, or 0.5%. This reduction was achieved by deferring the initiation of the program changes to April 1, 2019.

In order to continue offering the programs on an annual basis in 2020, the NRPS must include the 2019 deferred portion within their 2020 budget. As a result the NRPSB has made their request for restatement.

In order to restate a base budget as requested, a budget adjustment is required as per By-law 2017-63 Budget Control. The definition of a budget adjustment per the By-law is as follows:

"Budget (Operating) Adjustment" means a change in the allocation of Budget resources for Operating Programs and Operating Projects from one Dept ID or account combination to another. A Budget Adjustment must be net zero; it cannot increase or decrease the Net Tax Levy or Net Rate Requisition and can be applied to the Working, Base or Commitment Budget;

In order to undertake an adjustment, an offsetting reduction funded elsewhere through the tax levy would be required, meeting the definition of “a change in the allocation of budget resources”. This request does not provide for an offsetting reduction to net to zero or an alternative non-taxation funding source and therefore does not meet the definition of an adjustment.

The procedure for addressing a pressure in a budget as a result of the annualized cost of a program is to identify the impact in the NRPS 2020 budget. If this pressure cannot be accommodated within the budget planning recommendations approved by Council, Regional staff would advise the NRPS staff to identify the pressure as well as possible mitigation options.

Respectfully submitted and signed by

Helen Chamberlain, CPA, CA
Director Financial Management and Planning, Deputy Treasurer

Appendix 1 Memo from NRPSB