



Corporate overview

November 16, 2023



Agenda

High Level Overview

Tax Supported Budget

- Operating Budget
- 2024 Capital Budget and 10 Year Capital Plan

Utility Rate Supported Budget

- Operating Budget
- 2024 Capital Budget and 10 Year Capital Plan

2025 - 2027 Outlook

Next Steps

12 Principles for the Budget

Enabling infrastructure to build homes faster

Building community housing

Investing in Public Safety and Well-Being

Mitigating climate change

Investing in technology to sustain services

Health and safety initiatives

Investing in a state of good repair

Property needs for necessary works

Diversity, Equity and Inclusion

Investments consistent with master plans

Procurement to support uninterrupted service delivery

Implementing Council labour relations direction

Factors for the Budget

Economic and market volatility (inflation)

Provincial funding changes

Legislation and regulations (Bill 112)

Evolving technology

Aging infrastructure

Climate emergency

Diversity, Equity and Inclusion

COVID-19 recovery

Changing nature of employment



Reflects Peel's financial principles

Respect the taxpayer

Value for money

**Ensure the Capital Plan
is sustainable**

User pay where appropriate

Prudent borrowing

Triple A

Credit Rating

**Maintain flexibility to
mitigate volatility in
rates**

**Work with local
municipalities**

28 years

Invest responsibly

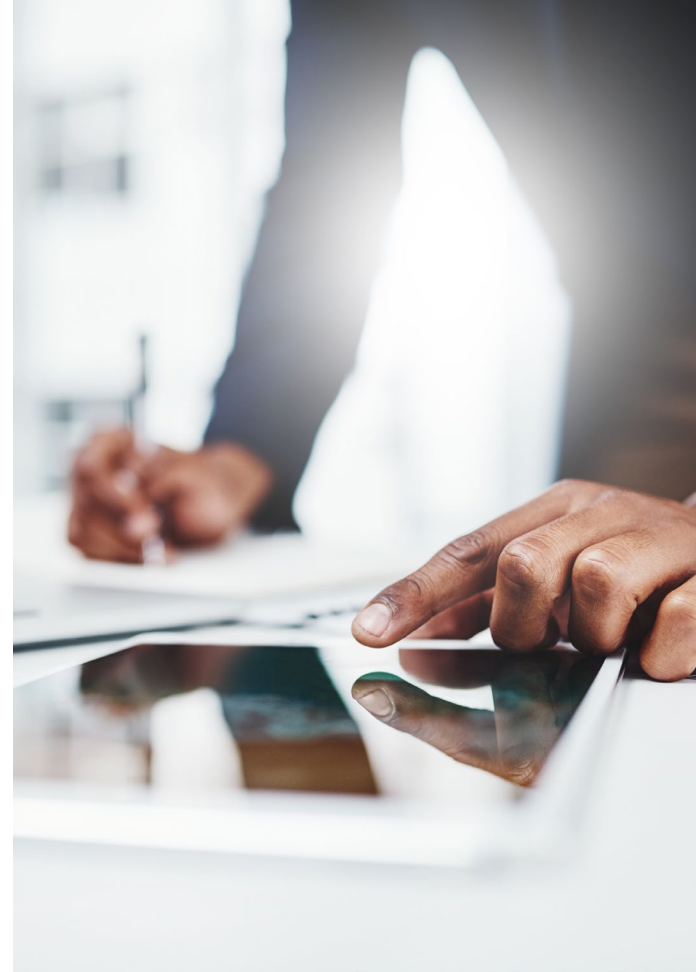
Manage assets

Funding a Growing Community

Issue	Approach
Service Demand	Meet priority community needs with the expectation of the Province meeting its funding commitments
Population growth	Paramedics and Public Health partially funded by the Province, balance by property tax & efficiencies
Inflation	Shortfall funded by a combination of cost savings & property tax

Efficient and Effective Service Delivery

- The Region has a disciplined approach to Continuous Improvement
 - Program evaluation
 - Business process management or LEAN
 - Service level reviews
 - Line-by-line reviews
 - Alternate service delivery models
 - Identified areas for cost savings and cost avoidance
- Leverage lessons learned through COVID response



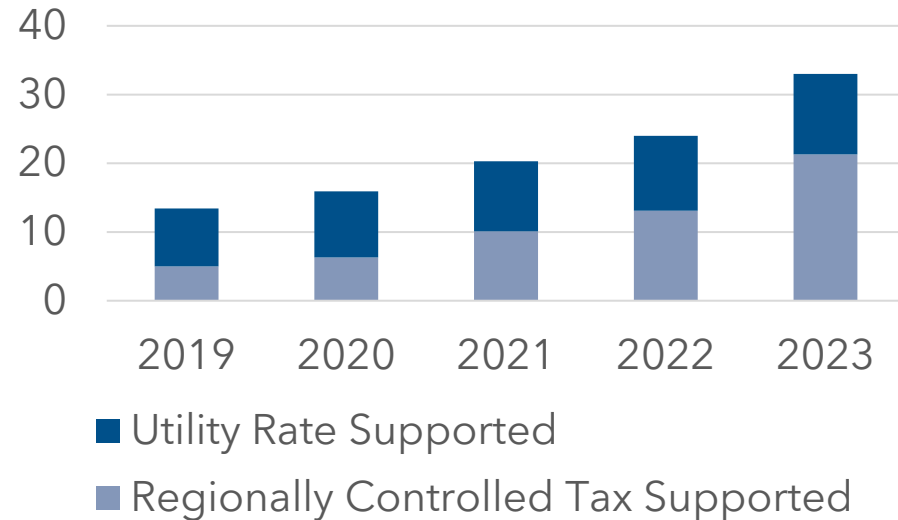
Continuing to find ways to save money

2024 Efficiencies - \$9.0 million

Cost savings - \$5.7 million

Cost avoidance - \$3.3 million

\$33M in Cumulative Savings (2019 - 2023) (\$Million)



Bottom Line Impact

Average property tax increase

4.5%

Utility rate increase

6.8%

Property tax impact

Average Residential

+ \$ 247

Utility rate impact

Residential

+ \$ 78

Average Small Business Owner

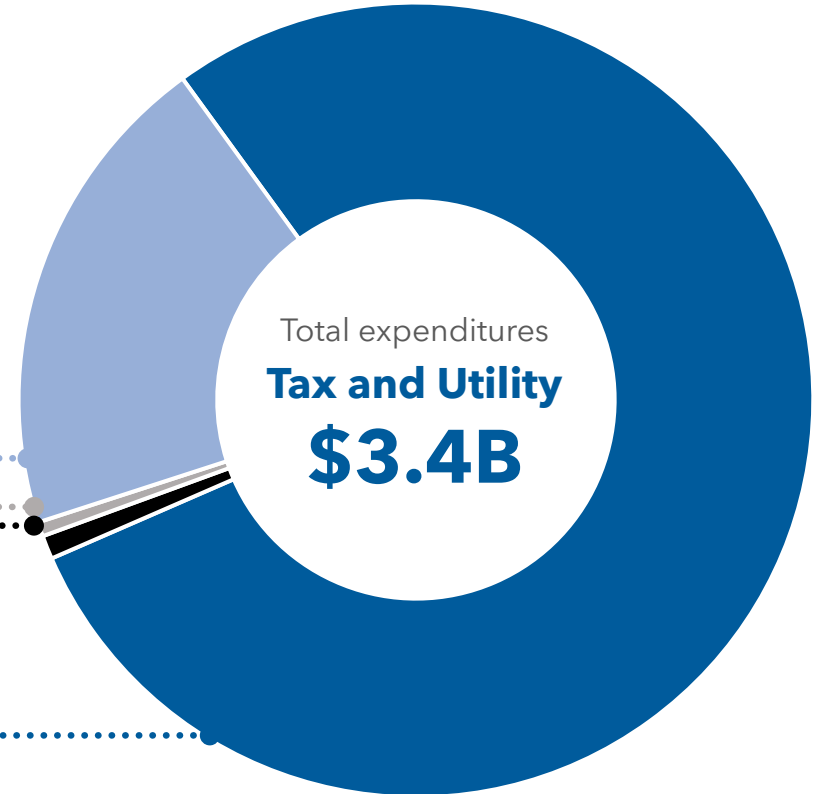
+ \$ 435

Small Business Owner

+ \$ 82

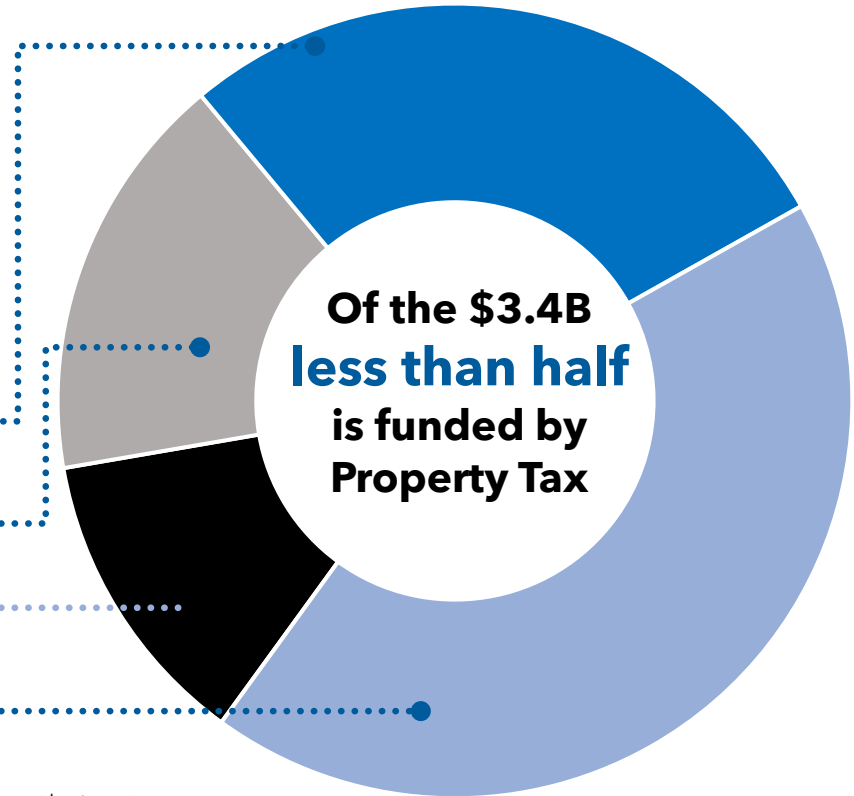
Total proposed operating budget

External Agencies	\$739M	22%
Police Services	\$686M	20%
Municipal Property Assessment Corporation	\$20M	1%
Conservation Authorities	\$33M	1%
Regionally Controlled Services	\$2,693M	78%



Total proposed operating budget funding

Grants and subsidies	\$975M	28%
Utility rate	\$572M	17%
Other*	\$404M	12%
Property tax	\$1,481M	43%



*Includes Transfers from DCs (\$116M), Contributions from Reserves (\$101M), User Fees (\$31M), Other Service Fees & Charges (\$156M)

What the Budget Pays for

People's lives are improved in their time of need.

\$1.3 Billion (Operating Budget)

\$0.2 Billion (Capital Budget)



Housing Support - Providing **11,300** housing subsidies



Community Investment - Providing services to residents through agencies funded by **\$10.7** million in Community Investment grants



Paramedics - Responding to an estimated **142,700** emergency calls by end of 2024



Income Support - Providing an average of **25,000** residents with Ontario Works assistance on a monthly basis.



Senior Services - Providing **943** residents with quality care through five long term care homes



Early Years and Child Care - Providing approximately **10,000** fee subsidies making it possible for families to access affordable licensed childcare.

What the Budget Pays for

Communities are integrated, safe and complete.

\$1.9 Billion (Operating Budget)

\$1.6 Billion (Capital Budget)



Public Health - Conducting **11,914** compliance health inspections at **6,651** food premises



Water and Wastewater - Treating, transmitting, and distributing **600 million litres per day** of municipal water to over **341,370 retail and wholesale customer accounts**



Waste Management - Managing over **550,000** tonnes of residential waste



Transportation - Maintaining **1,700 lane kilometres** of road to help keep residents safe and traffic moving



Heritage, Arts and Culture - Welcoming **17,000** estimated in person visitors with local arts and exhibitions at the Peel Art Gallery, Museum and Archives (PAMA) to build a connected community that embraces diversity and inclusivity.

What the Budget Pays for

Government is future-oriented and accountable.

\$0.2 Billion (Operating Budget)

\$0.03 Billion (Capital Budget)



Real Property and Asset Management -

Managing 1.2 million square metres of Regional buildings



Information and Technology - Transforming and modernizing service delivery by leveraging technology and implementing the digital strategy



Business Services - Providing trusted, cost-effective and responsive business support to enable the delivery of excellent services



Clerks - Deliver services in compliance with legislation and that respond to the diverse needs of the Peel community

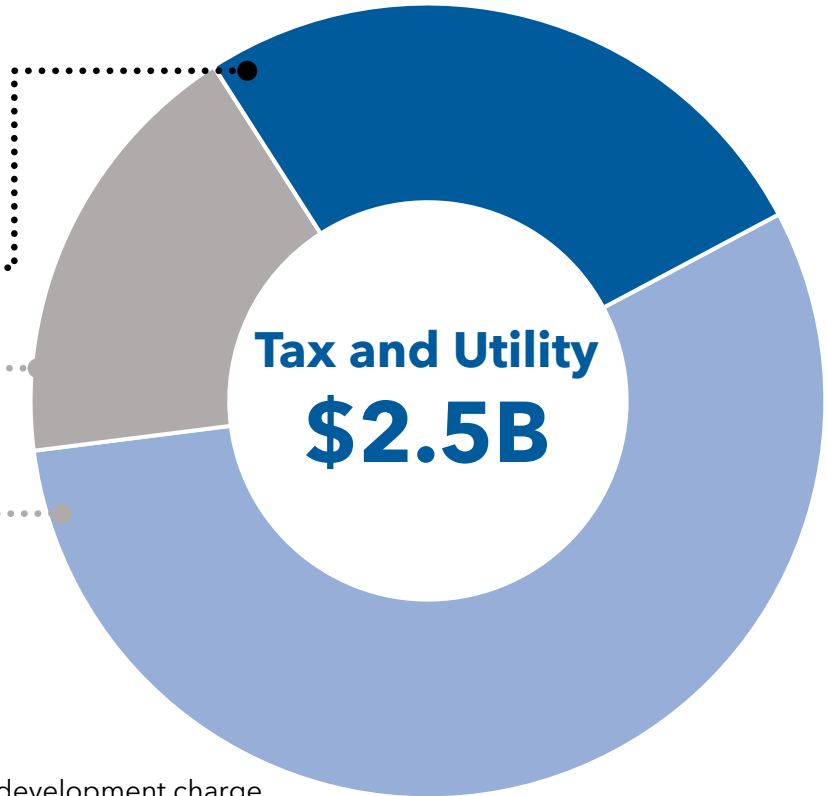
2024 Capital Budget

44% Tax Supported

Police Services \$667M 26%

Regionally Controlled Tax \$455M 18%

Utility Rate Supported \$1,414M 56%



Capital Plan Funding

- 46% Development Charges*
- 32% Capital Reserves
- 21% Debt**
- 1% External Funding

*Debt will be used from time to time to manage mismatch between development charge collections and growth infrastructure expenditures.

**Increase in debt is driven by \$523.5 million for 2024 Peel Regional Police facilities not forecasted in 2023



Tax supported operating



Regionally Controlled Services	Budget Change	Budget Change	Budget Impact
Region Controlled - Maintain Service Levels		\$17.6M	1.3%
Region Controlled - New Initiatives			
• Enhanced Outreach Services	\$6.5M		
• Enhanced Investments in Housing Subsidy	\$5.4M		
• Increased Demand for Housing Supports	\$3.7M		
• Increase to Community Investment Funding	\$3.2M		
• 36 FTE for the Three 24/7 Ambulance Enhancements	\$2.4M		
• Stabilizing Operations in Long Term Care	\$1.7M		
• Various other initiatives	\$5.7M	\$28.6M	2.1%
External Funding Impact		\$8.7M	0.7%
Infrastructure Levy		\$13.2M	1.0%
Total Regionally Controlled		\$68.1M	5.1%
Assessment Growth		(\$8.3M)	(0.6%)
Total Net Regionally Controlled		\$59.8M	4.5%

External Agencies (Regionally Financed)	Budget Change	Budget Change	Budget Impact
Peel Regional Police			
• Maintain Existing Service Levels	\$31.5M		
• Increase Community Safety	\$43.0M		
• Community Safety Levy (capital financing for facilities)	\$12.4M	\$86.9M	6.6%
Ontario Provincial Police		\$0.7M	<0.1%
Conservation Authorities			
• Credit Valley Conservation	\$1.1M		
• Toronto and Region Conservation Authority	\$0.5M		
• Conservation Halton	\$0.1M	\$1.7M	0.1%
Total External Agencies		\$89.3M	6.6%
Assessment Growth		(\$6.8M)	(0.5%)
Total Net External Agencies		\$82.5M	6.1%

What the average Property Tax bill funds

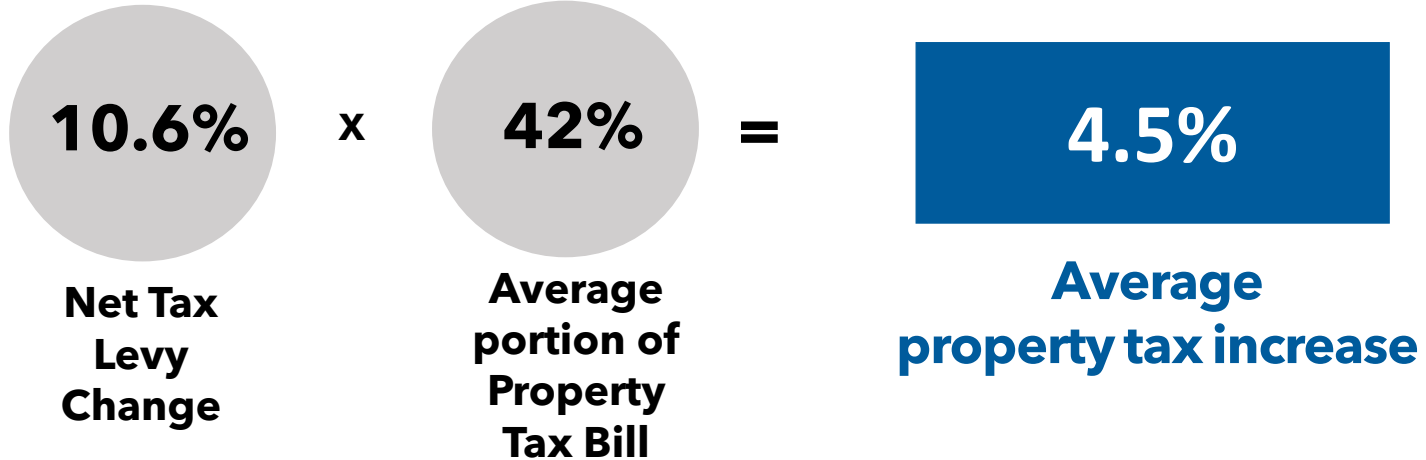
Peel Region **42%**

Local municipalities **41%**

Education **17%**



Property Tax Impact



Bottom Line Impact

Average property tax increase

4.5%

Property tax impact

Residential

Brampton	Caledon	Mississauga
4.4%	2.2%	4.9%
+\$265	+\$107	+\$251

Small Business Owner

+ \$ 435

Where your 2024 tax dollars will be spent



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A house with a value of \$580,400 will see an increase of \$247; 2024 Tax \$2,566

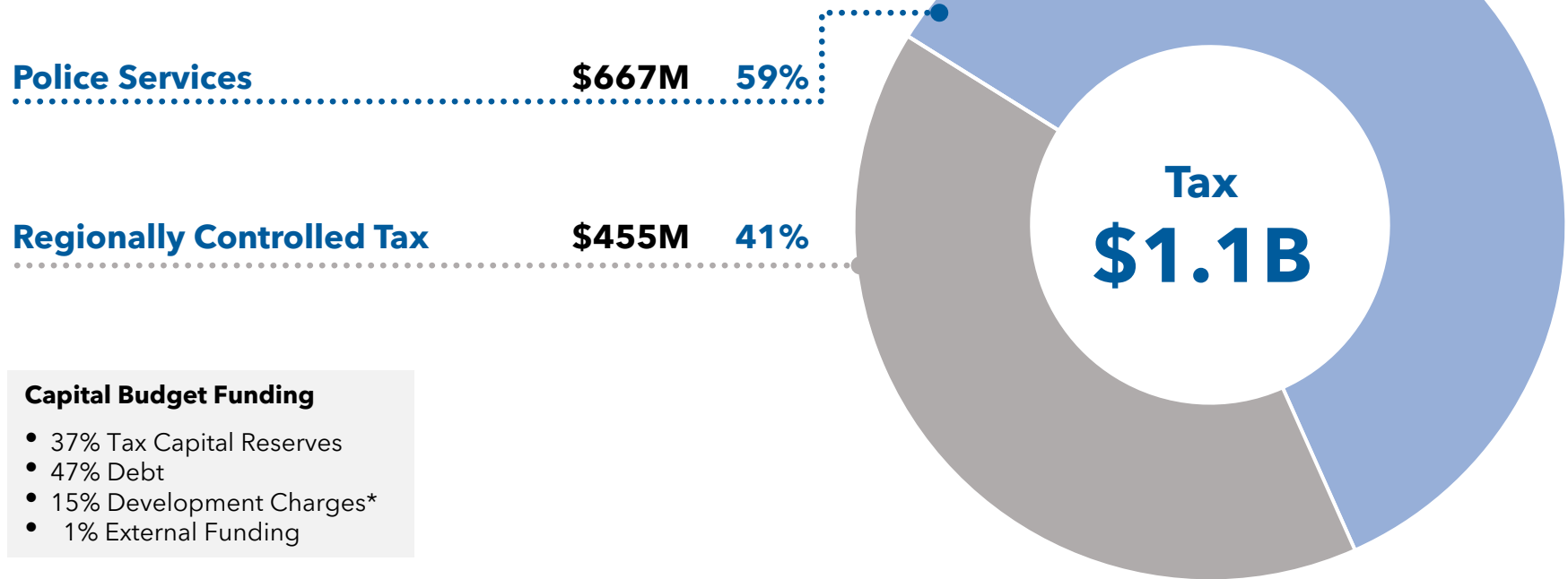
Per \$100,000 assessment value:
 Property tax increase of \$42.47
 2024 taxes of \$442



Tax Supported Capital Budget and Plan



2024 Capital Budget



Capital Budget Funding

- 37% Tax Capital Reserves
- 47% Debt
- 15% Development Charges*
- 1% External Funding

*Debt will be used from time to time to manage mismatch between development charge collections and growth infrastructure expenditures.

Capital Budget by areas of focus

Regionally Controlled Tax – \$455 Million

People's lives are improved in their time of need.	Communities are integrated, safe and complete.	Government is future-oriented and accountable.
\$238M 52%	\$189M 42%	\$27M 6%

- Peel Living State of Good Repair (\$97.6M)
- Non-Profit Housing Development Program (\$71.0M)
- Additional costs for the fifth Paramedics reporting station and one additional satellite station (\$23.2M)
- Peel Community Housing Development Program (\$12.4M)
- Enhancement and state of good repair for ambulance and other fleet (\$8.2M)

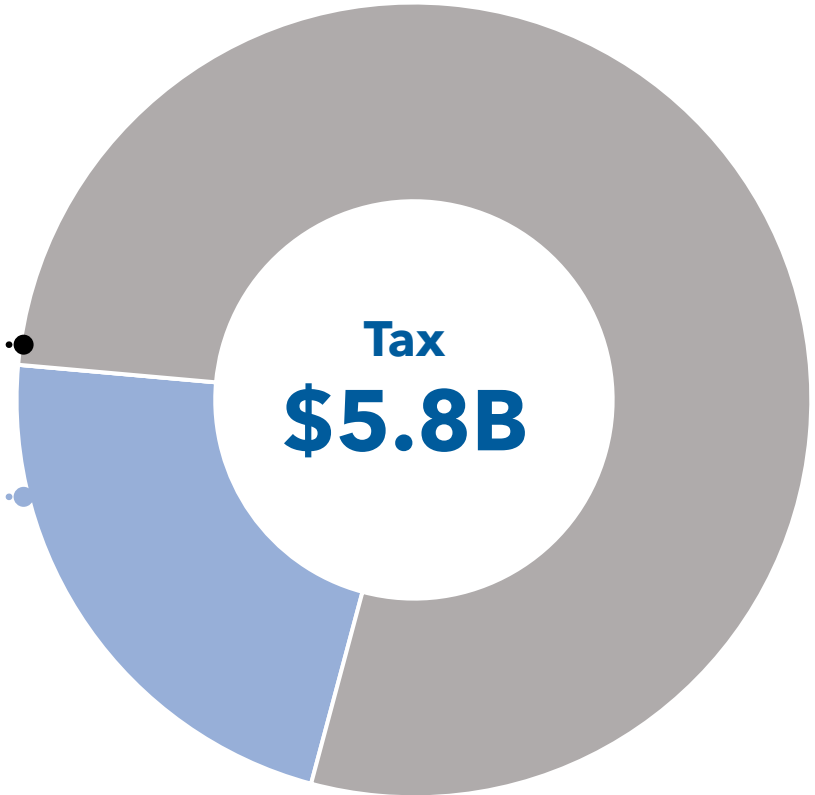
- Road construction, intersection improvements, and active transportation (\$117.0M)
- Structure replacement/ rehabilitation and other asset management works (\$25.0M)
- Maintain facilities and equipment in state of good repair, including retrofitting Peel Curing Facility for yard waste composting and site improvements and weight scale system upgrade and replacement at Peel's Community Recycling Centres (\$8.9M)

- Network and communication infrastructure replacement and upgrades (\$3.9M)
- Workforce Enablement Program (\$2.5M)
- Enterprise Resource Planning Implementation (\$6.3M)
- Enterprise Asset Management (\$6.0M)

2024-2033 10 Year Capital Plan

Regionally Controlled Tax **\$4,543M** **78%**

Police Services **\$1,300M** **22%**



Capital Plan Funding

- 57% Tax Capital Reserves
- 25% Development Charges*
- 15% Debt
- 3% External Funding

*Debt will be used from time to time to manage mismatch between development charge collections and growth infrastructure expenditures.

10-Year Capital Plan by areas of focus

Regionally Controlled Tax – \$4.5 Billion

People's lives are improved in their time of need.	Communities are integrated, safe and complete.	Government is future-oriented and accountable.
\$1,391M 31%	\$2,879M 63%	\$272M 6%

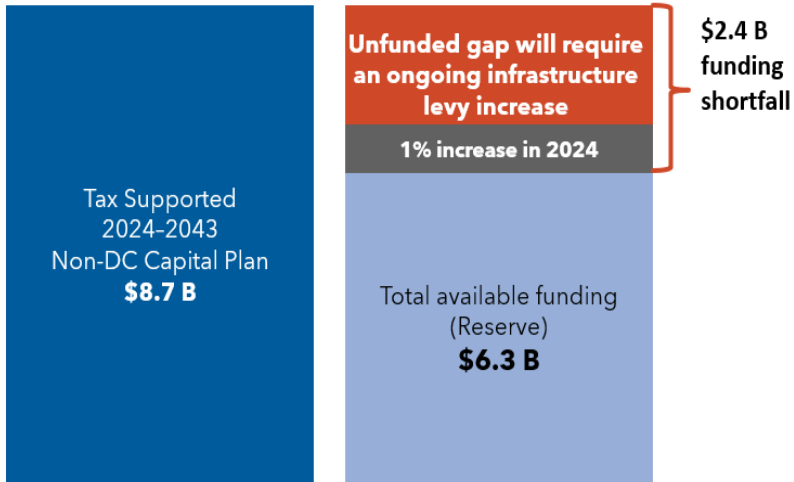
- Peel Living State of Good Repair (\$509.8M)
- Peel Community Housing Development Program (\$231.9M)
- Loans for Community Housing Provider State of Good Repair (\$184.0M)
- Growth-related Paramedics reporting stations and satellite (\$97.8M)
- Non-Profit Housing Development Plan (\$71.0M)

- Road construction, intersection improvements, and active transportation (\$1,650.0M)
- Road reconstruction/resurfacing and other asset management related works (\$556.0M)
- Design and construction of Mixed Waste Processing Facility (\$195.0M)
- Purchase and replace Waste collection containers (\$108.8M)

- Major maintenance requirements at 10 Peel Centre Drive and 7120 Hurontario Street (\$66.3M)
- Workforce Enablement Program (\$45.9M)
- Digital Peel (\$28.0M)
- Initiatives to adapt and mitigate the impacts of climate change and find innovative approaches to improve energy efficiencies that optimize greenhouse gas reduction (\$22.0M)
- Enterprise Asset Management (\$20.0M)

Ensure the Capital Plan is Sustainable Tax Supported

20-Year Outlook State of Good Repair



Total asset value: **\$7.5 B** Regionally Controlled Services





Utility rate supported operating



Utility Rate supported budget





Water and wastewater services for 4,200 new customers

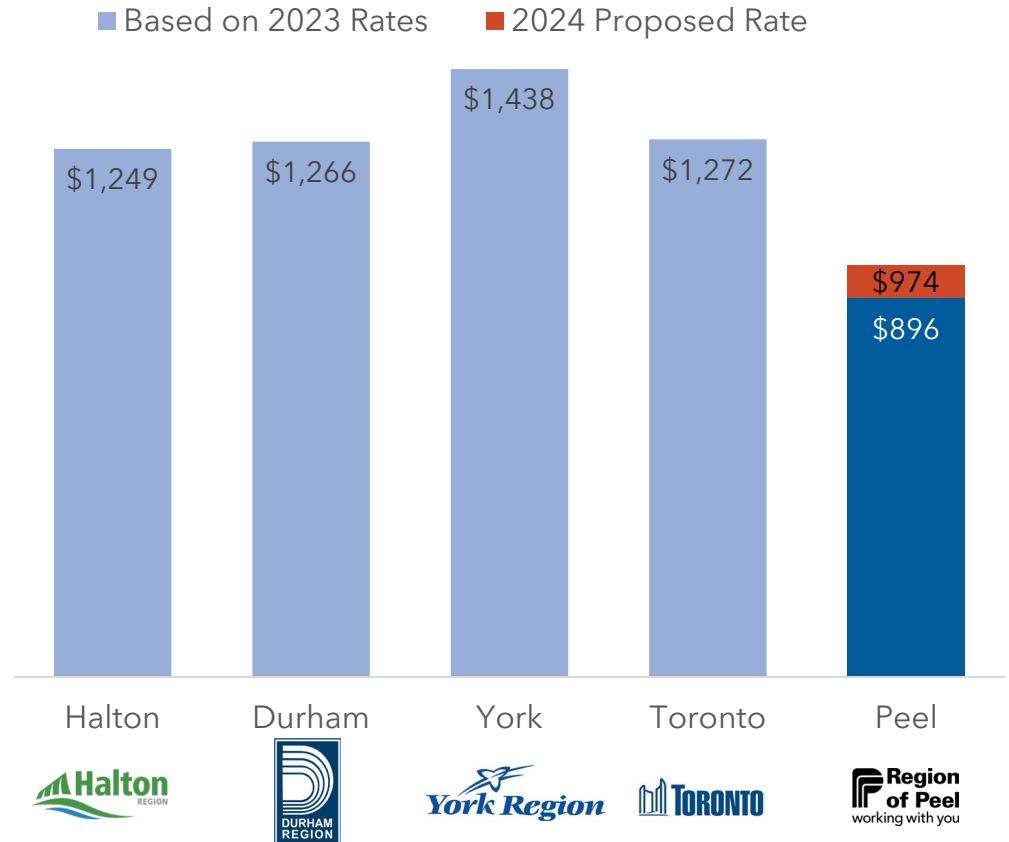
	2024 Net Increase (\$Millions)
Maintain Service Level	13.4
Continuous Improvement Savings	(0.8)
Service Investments	1.0
Capital Infrastructure	25.5
Total Increase	39.1
Average Utility Rate Increase	6.8%

Users Pay Where Appropriate

Utility Rate Payer Impact

Issue	 Residential	 Small Business
Increase	\$0.21/day \$78/year	\$0.22/day \$82/year
Annual Water Bill	\$974	\$2,379
Annual Consumption	290m ³	695m ³

Peel Water Bills are over 30% below GTA Average



Note: York Region - average of three municipalities: Markham, Vaughan & Richmond Hill



Utility Supported Capital Budget and Plan



2024 Capital Budget

Water

\$601M 42%

Wastewater

\$813M 58%

Utility
\$1.4B

Category	Amount	Percentage
Water	\$601M	42%
Wastewater	\$813M	58%
Total	\$1.4B	100%

Capital Plan Funding*

- 72% Development Charges**
- 27% Utility Rate Capital Reserves
- 1% External Funding

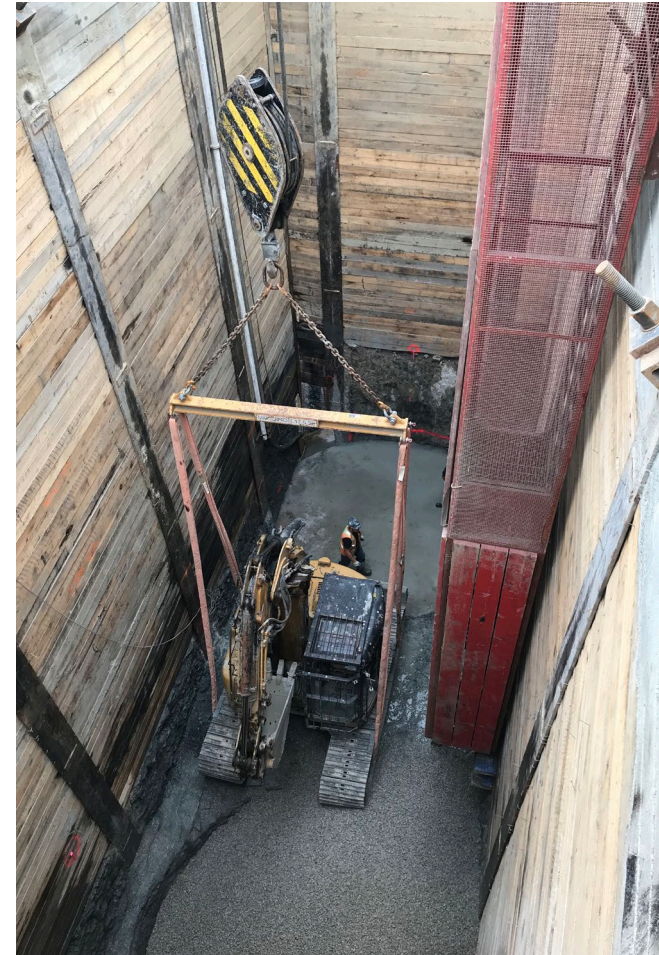
*Figures do not reflect any impacts from *Bill 23; More Homes Built Faster Act* yet

**Debt will be used from time to time to manage mismatch between development charge collections and growth infrastructure expenditures.

Highlights of the 2024 Capital Budget

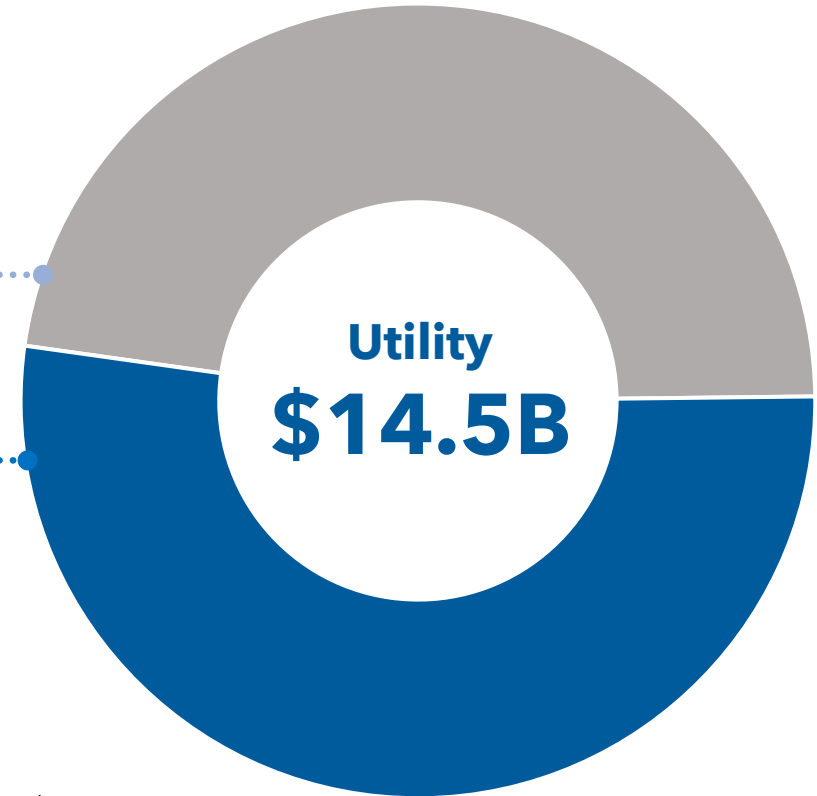
Major capital projects

- Wastewater collection main replacement and construction (\$459.6M)
- Water main replacement and construction (\$384.2M)
- Expansion of Water Resource Recovery Facilities (\$272.5M)
- Pumping station expansion, rehabilitation and water treatment plant equipment replacement (\$97.7M)
- Condition asset and replacement (\$59.8M)



2024-2033 10 Year Capital Plan

Water	\$6,916M	48%
Wastewater	\$7,614M	52%



Capital Plan Funding*

- 74% Development Charges**
- 26% Utility Rate Capital Reserves
- 0.2% External Funding

*Figures do not reflect any impacts from *Bill 23; More Homes Built Faster Act* yet
 **Debt will be used from time to time to manage mismatch between development charge collections and growth infrastructure expenditures.

Highlights of the 2024-2033 10 Year Capital Plan

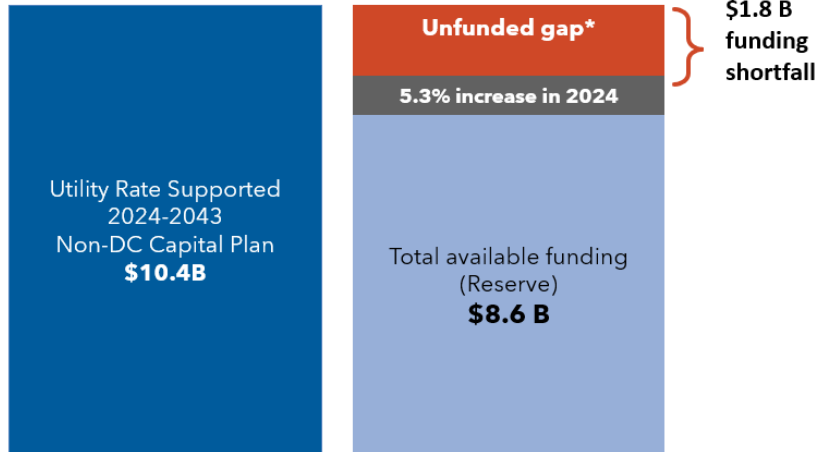
Major capital projects

- Wastewater collection main construction and replacement (\$4,740.8M)
- Water main construction and replacement (\$4,081.2M)
- Water treatment plant and pumping station expansion and rehabilitation (\$2,088.2M)
- Expansion of Water Resource Recovery Facilities (\$1,943.6M)
- Condition asset and replacement (\$797.5M)



Ensure the Capital Plan is Sustainable Utility Rate Supported

20-Year Outlook State of Good Repair



Total asset value: **\$28.5 B** Regionally Controlled Services

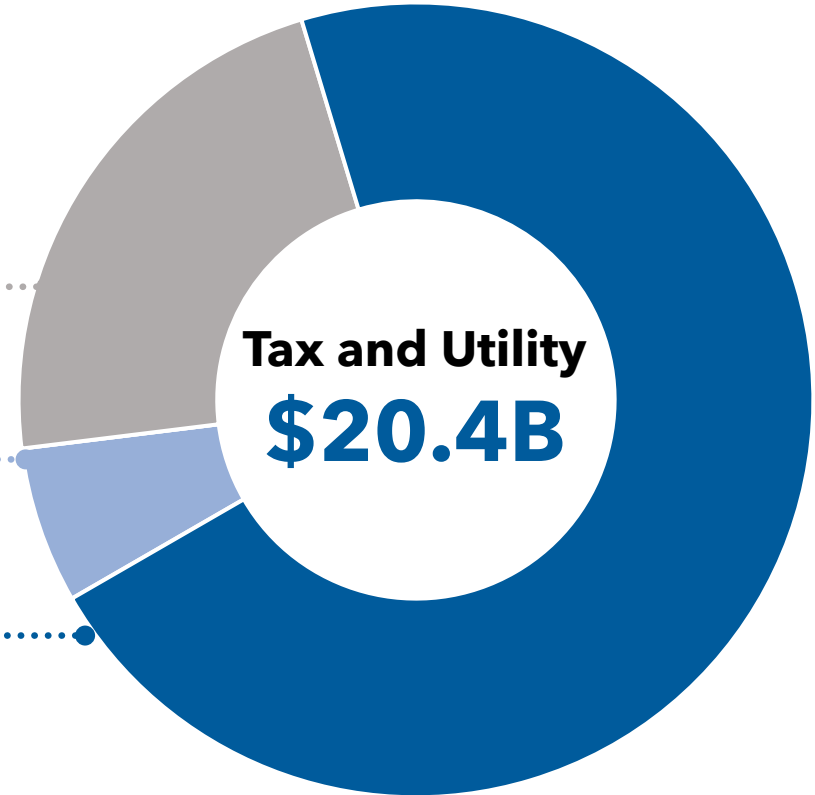


2024-2033 10 Year Capital Plan

Regionally Controlled Tax **\$4,543M** **22%**

Police Services **\$1,300M** **6%**

Utility Rate Supported **\$14,530M** **71%**



Capital Plan Funding

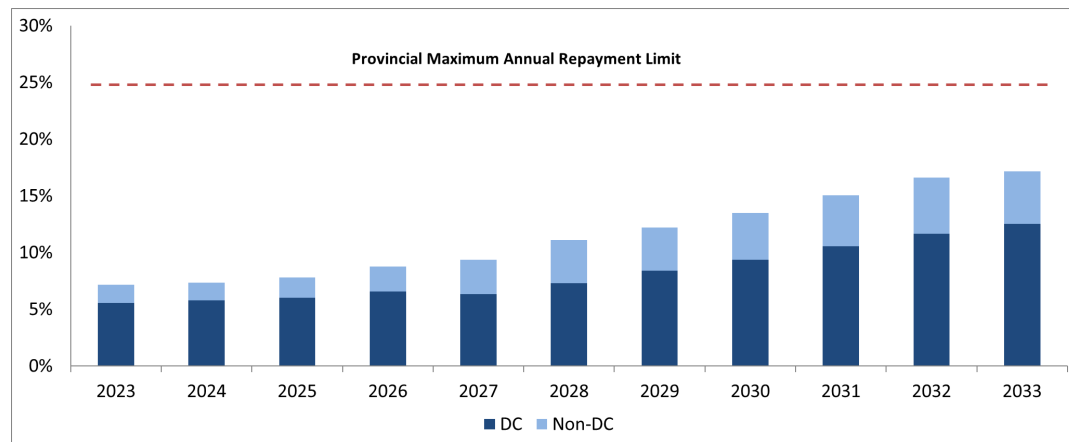
- 60% Development Charges*
- 35% Capital Reserves
- 4% Debt
- 1% External Funding

*Debt will be used from time to time to manage mismatch between development charge collections and growth infrastructure expenditures.

Managing long-term debt requirements

Strategic, Planned Approach

- Current Regional net debt outstanding ~\$1.2 billion.
- Debt levels are expected to increase rapidly to help finance infrastructure requirements needed to meet Province's growth targets.
 - Growth in Non-DC contribution to Annual Repayment Limit (ARL) is attributable to increasing housing and community safety requirements.
- Reduction in financial flexibility.
 - Higher interest rate environment = higher debt service costs on new debt.
 - ARL expected to increase but remain below provincial limit however, future borrowing capacity will be limited given rapid increase in ARL over the 10-year planning horizon.






2025 - 2027 Outlook




Tax Supported Programs 2025 to 2027 Outlook

	2024	2025*	2026*	2027*
Net Tax Levy Increase	10.6%	8.4%	8.2%	6.5%
Regionally Controlled Services	4.5%	3.0%	3.3%	2.7%
External Agencies	6.1%	5.4%	4.9%	3.8%

*Includes 1% for Tax Supported Capital plan, assumes 1.1% for Assessment Growth, and reflects the known impacts of provincial funding changes

Utility Rate Supported Programs 2025 to 2027 Outlook

	2024*	2025**	2026**	2027**
Utility Rate Increase	6.8%	5.6%	5.9%	6.0%

* Includes 5.3% infrastructure levy; rates may change due to the review of the Utility Long Term Financial Plan

** Includes 5.0% infrastructure levy

Next Steps:

November 16 - External Agencies Service Presentations:

- Peel Regional Police (PRP)
-

Future Budget Meetings:

November 23 - Regional Services Budget Presentations:

- Housing Support
- Water and Wastewater
- Transportation
- Paramedics
- Seniors Services
- Public Health
- Community Investment
- Waste Management
- Early Years and Child Care

Future Budget Meetings:

November 30 - External Agencies Service Presentations:

- Conservation Authorities:
 - Credit Valley Conservation (CVC)
 - Toronto & Region Conservation Authority (TRCA)
- December 7 - Additional Budget Deliberations

977
11/30

Services to be Presented	Net Expenditure (\$M)
Peel Regional Police	617.7
Housing Support	180.7
Water & Wastewater	572.1
Transportation	131.2
Paramedics	82.8
Seniors Services	54.2
Public Health	40.1
Community Investment	17.8
Waste Management	137.6
Early Years & Child Care	21.8
Credit Valley Conservation and Toronto Regional Conservation Authority	32.3
Total	1,888.3

Services available for presentation or question	Net Expenditure (\$M)
Business Services	28.8
Income Support	27.5
Information & Technology	14.2
Real Property & Asset Mgt	6.6
Heritage, Arts and Culture	5.5
Land Use Planning	4.6
Clerks	3.6
Regional Council	0.9
Regional Chair	0.8
Capital Allocation	37.3
Ontario Provincial Police	14.2
Conservation Halton	0.7
MPAC	19.7
Total	164.4



Questions?