



# Volume 1

Part A:

## Executive Summary and Budget Overview

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2025–2028 Business Plan  
and 2025 Budget

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# Executive Summary

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2025–2028 Business Plan  
and 2025 Budget

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# Message from the Chief Administrative Officer



Peel Region is an award winning anchor institution in the community that more than 1.5 million residents and over 200,000 businesses rely on to deliver critical programs and infrastructure at scale, driving efficiencies and community partnerships.

The past five years has seen Peel Region operate in crisis mode where our employees, with the support of Regional Council and our community, firstly delivered the public health pandemic response and then, while the community and other local

governments were recovering and restarting, Peel went through a massive Provincial exercise to define its future, while at the same time remaining focused on business continuity and delivering uninterrupted, core, high-quality services.

While some of our services in Public Works are still under review, 2025 promises to be a year of recovery at the staff level and community progression on multiple fronts.

We have re-anchored to our Strategic Plan and are committed to our vision of *Community for Life*. Our dedication to the Peel community remains steadfast.

We're the first and only regional municipality in Canada to receive the Platinum Award from Excellence Canada for organization wide excellence, innovation & wellness. We're one of only 5 Canadian municipalities to achieve AAA rating by both Moody's and S&P; we have achieved AAA rating consecutively for 29 years.

We are also working with the Metamorphosis Network, a group in Peel of more than 100 non-profit community organizations, who are advocating to address the chronic underfunding in Peel for health and human services. Along with them, we continue to call upon the federal and provincial governments to ensure that funding for mandatory programs is on par with similar municipalities across the Greater Toronto Area.

The future of Peel Region will be dominated by massive population growth. Immigration patterns, in addition to, the new provincial housing targets mean that all the growth Peel had forecasted to 2051, and their associated services and infrastructure, need to be delivered by 2031.

It is our responsibility to deliver housing-enabling infrastructure but also ensure that all the services in our portfolio such as community housing, public health, paramedics, are designed to meet the needs of the community.

The 2025 budget and business plan starts to address these emerging needs, at a time when all levels of government are running fiscal deficits and when the community needs, through not only the affordability crisis but also the realization of climate impacts and the need for all levels of government to de-colonize their systems, are at an all time high.

In October 2024, Regional Council approved our strategic agenda for the next few years ([Peel's Strategic Agenda 2024–2027](#)). Our strategic agenda reiterates our commitment to housing and social impact, sustainability, service excellence, future readiness, and fostering an environment where our employees are supported in their wellness, growth, and creativity.

Our staff have been incredible through all these events and my thanks goes to them all for their loyalty, commitment, dedication and hard work. They have truly demonstrated that they care about our community.

The Budget and Business plan provides funding to not just deliver existing services, but to look ahead and plan for the future, ensuring we drive ahead to meet our vision of Peel being a *Community for Life*.



**Gary Kent. CPA, CGA, ICD.D (he/him)**  
**Chief Administrative Officer**  
**Region of Peel.**

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# Message from the Chief Financial Officer



It is my great privilege to present the 2025–2028 Business Plan and 2025 Budget to our community.

Peel continues to be intently focused on the everyday operations of the Region and our uninterrupted service delivery, while facing the challenges from the social emergency in Peel.

As we move away from an acute health care crisis of the COVID era, there is a renewed focus on “catching up” on some of our broader public health programs, on our housing affordability crisis, the influx of asylum seekers, the continued climate change emergency and, of course, the Province’s aggressively updated infrastructure targets.

This year’s budget proposes to provide additional paramedics to support the growing public health need in Peel. We are also investing in people and programs to prevent communicable disease transmission and reduce outbreak risks in the community. We are also proposing investments to address increased demand for Housing Support.

As always, this budget has been built on a foundation of long-term sustainability. However, that sustainability is being challenged as we attempt to address the social emergency with the limited revenue tools available to us as a municipality.

Our long-term capital needs will require some difficult decisions to maintain our assets in a condition that continues to service the Peel community well while also accommodating the Province’s bold housing targets.

The 2025 Budget proposes an average residential property tax increase of 1.3 per cent for Regionally controlled services and 4.1 per cent for the Peel Regional Police and 0.1 per cent for the other external agencies.

I am thankful for the dedication and commitment of all Peel employees who have developed this year’s budget under uncertain and difficult circumstances.

We look forward to Council’s deliberations.

A handwritten signature in black ink, appearing to read 'D. Valeri'.

**Davinder Valeri, CPA, CA (she/her)**  
**Chief Financial Officer and Commissioner of Corporate Service**

# About Peel Region
















Peel Region is a diverse municipality that is home to approximately 1.5 million people and 225,090 businesses. Pearson International Airport, Canada’s largest, is in Peel Region.

Peel is also diverse – home to over 90 distinct ethnic groups and over half of Peel residents were born outside Canada.

In this executive summary, there is an overview of how the budget is created, and what the 2025 budget proposes to do. There are also some highlights as to how the budget will help this community continue to grow in 2025 by with needed investments in community housing, housing-enabling infrastructure and public safety and well-being.

Some key facts about Peel Region:

## Exhibit 1. Magnitude, Scale, Complexity, and Integration Services

 <p>Peel’s population is <b>1.5 million</b>, which is larger than 6 of Canada’s provinces</p>	 <p><b>1 in 10 Ontarians</b> live in Peel</p>	 <p><b>69 per cent of residents</b> identify with a racialized group, the highest percentage in the GTA</p>
 <p><b>Second largest</b> water and wastewater system in Ontario and fourth largest in Canada</p>	 <p><b>30 per cent lower</b> utility rates than other GTA municipalities</p>	 <p><b>Third largest</b> community housing provider in Ontario</p>
 <p><b>21 per cent</b> of all goods movement GDP in Ontario carried on Peel Region roads</p>	 <p><b>\$1.8 billion</b> worth in goods travel to, from or through Peel everyday</p>	 <p><b>Second largest</b> police service in Ontario and third largest in Canada</p>
 <p><b>Second largest</b> in paramedic service in Ontario</p>	 <p><b>Second largest</b> waste management program in Ontario and fourth largest in Canada</p>	 <p><b>Second largest</b> public health service in Ontario and one of the largest in Canada</p>
 <p><b>\$10.3 million</b> annual funding to over 150 community agencies in the non-profit sector</p>	 <p><b>\$3.9 billion</b> Annual Operating Budget and <b>\$2.3 billion</b> Annual Capital Budget</p>	 <p>Total value of Peel assets is <b>\$51 billion</b></p>



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# About the Budget and Business Plan

## What's the Budget For?

The budget is how the Region pays for the services and infrastructure that residents and business need. There are two budgets - an operating budget and a capital plan.

The operating budget pays for services like waste collection, paramedics and child care services, while the capital plan pays for infrastructure and facilities, like roads, treatment plants and affordable housing.

The capital plan and operating budget are funded in diverse ways. Broadly speaking, the operating budget is funded through property taxes and utility charges, while the capital plan is funded through development charges, capital reserves, and, when advisable, debt.

## How Does the Budget Get Put Together?

Peel Regional Council decides how municipal services are delivered. Council's decision-making process is based on [Peel's Strategic Plan 2015–2035](#).

The regional budget is a recommendation to Council on what the Region needs over the next year but also looks ahead to the future. In addition to the 2025 budget year, there is a four-year planning horizon for the operating budget and a ten-year planning horizon for the capital plan where the Region provides its best estimates as to what later years budgets might look like.

As a service-focused municipality, the budget is made up of 17 service business plans. Guided by the strategic plan, each service business plan provides an overview of the service, the pressures facing the service, their direction, and plans over the next four years and what they're considering in order to help improve service delivery and make it more efficient.

With a focus on addressing the complexities and risks before us and to forge ahead into the future, Regional Council recently approved [Peel's Strategic Agenda 2024–2027](#) which outlines short-term work to achieve our long-term outcomes and advance our vision of *Community for Life*.

Peel's Strategic Agenda is organized by 5 pillars – Housing and Social Impact, Sustainability, Service Excellence, Our People, and Future Ready – each with corresponding outcomes and key initiatives.

A visual of the 5 Pillars of Peel’s Strategic Agenda 2024–2027 and the corresponding outcomes are below:



**Housing and Social Impact outcome.** We will amplify collective impact, strengthen partnerships and integration to address vital, pressing community needs, including providing affordable housing options and supports to residents in need.

**Sustainability outcome.** We will ensure Peel delivers value for money and is environmentally and financially sustainable today and for the future.

**Service Excellence outcome.** We will deliver high-quality services, enhance value, and elevate organizational effectiveness.

**Our People outcome.** We will foster an environment where employees are supported in their wellness, growth, and creativity.

**Future Ready outcome.** We will enable future preparedness in managing disruption, volatility, uncertainty, growth, complexity and ambiguity with resilience and foresight.

## External Agency Funding

In addition to our own services that Regional Council directly oversees, the Region of Peel also provides funding to several agencies, such as the Peel Regional Police, Ontario Provincial Police (Caledon) and three conservation authorities. Although the fiscal impact of the external agency budgets is ultimately approved by Regional Council, the respective boards of each external agency, and not Regional Council, approves the budget submission that is presented to Peel Regional Council.

**Table 1. Budget Process**

<b>Month</b>	<b>Activity</b>
<b>February</b>	<b>Executive Leadership Team (ELT):</b> Priority setting discussion
<b>March</b>	<b>Executive Leadership Team (ELT):</b> Priority setting and direction to services for business planning
<b>March–July</b>	<b>Service Directors:</b> Develop proposed budget and business plans and based on ELT direction. Link to Strategic Service Plan, Master Plans and service outcomes, risks, and opportunities
<b>May/ June</b>	<b>ELT:</b> Review and feedback on budget requests, cost containment and overall budget direction <b>Regional Council:</b> Approach to 2025 Budget
<b>July/ August</b>	<b>Service Directors:</b> Refine and complete budget development (capital and operating), service business plans and presentations based on feedback from ELT
<b>September</b>	<b>ELT:</b> Review of final proposed budget and budget requests
<b>September/ October</b>	<b>Service Directors:</b> Finalization of service business plans and presentations
<b>October/ November</b>	<b>Develop Consolidated Business Plan and Budget: 2025–2028</b> Business Plan, 2025 Budget and presentations; Distribute to Council
<b>November/ December</b>	<b>Regional Council:</b> Deliberation of the proposed business plan and budget on: <ul style="list-style-type: none"> <li>• Day 1 – November 21, 2024 <ul style="list-style-type: none"> <li>• Peel Regional Police</li> </ul> </li> <li>• Day 2 – November 28, 2024 <ul style="list-style-type: none"> <li>• Corporate Overview</li> <li>• Region controlled services</li> </ul> </li> <li>• Day 3 – December 5, 2024 <ul style="list-style-type: none"> <li>• Conservation Authorities</li> </ul> </li> <li>• If required – December 12, 2024</li> </ul> <p><i>Agenda subject to flow of budget discussions with Council.</i></p>

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# Peel 2025 Budget Highlights

## Meeting the Needs of a Community for Life

To support the critical needs of the growing community, the 2025 Budget makes necessary investments to maintain services and support growth. It also includes investments in people and programs to improve and sustain essential services to our community now and in the future.

Some of the key investment highlights include:

### Exhibit 2. 2025 Budget Highlights

 <p><b>Supporting</b> population-driven service demand</p>	 <p><b>Building</b> housing enabling infrastructure</p>
 <p><b>Enhancing</b> community safety and well-being through health services and police services</p>	 <p><b>Keeping</b> Peel's infrastructure assets in good repair</p>
 <p><b>Advancing</b> the Climate Change Masterplan</p>	 <p><b>Promoting</b> Diversity, Equity and Inclusion</p>
 <p><b>Investing</b> in modern and cyber-secure technology</p>	 <p><b>Managing</b> the impacts of funding shortfalls</p>

Over the following pages, we will provide some detail on how the 2025 budget invests in Peel's people, infrastructure, including housing-enabling infrastructure, and policies that support a community for life.



## Supporting Population-Driven Service Demand

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Peel is growing and residents need their services to grow with the community. To meet these current and future needs, the 2025 Budget will invest an additional annual \$6.0 million in operating and \$2.5 million in capital.

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### These new investments include...

- \$1.5 million to add **22 Paramedics** to support the Peel's growing needs.
- \$0.5 million for a **new paramedic reporting station** in Brampton.
- \$0.2 million to expand reach of virtual **Adult Day Services** to improve the mental and social well being for Peel's frail elderly living at home.
- \$1.0 million to better **protect peel communities** against increasingly complex communicable diseases and outbreaks.
- \$0.8 million to build necessary capacity in **Peel's Tuberculosis Program**.
- \$0.4 million to add resources for **Healthy Sexuality Clinics** to improve community health and wellness as a result of a significant increases in sexually transmitted and blood-borne infections in Peel.
- \$0.4 million to address increased demand for **Public Health Inspection** to keep up with population growth.
- \$1.2 million to manage the increased demand for **housing supports** and management pressures due to the **growing needs in the homelessness population** and the surge of asylum claimants.
- \$4.0 million, funded from reserves, to ensuring community groups in need, including Black and Indigenous agencies, have supports to provide programs and services to Peel's **vulnerable population** through the Community Investment program. This investment includes continued enhanced funding for **food security**.
- \$1.2 million in capital to ensure Peel **community development sites** are development ready for new community.

### Some of our recent accomplishments supporting population-driven service demand include:

- Enhanced Housing service offerings in Peel, including new intake and needs assessment process for clients, eviction prevention funds to over 3,400 households, case management to over 2,800 clients, seven fully

funded affordable housing projects, 392 new units completed since 2019 and over 1,100 units in progress.

- Provided housing and related supports to 33,897 households, including 16,497 households accommodated within Peel's affordable housing system in 2023.
- Supported more than 4,800 households in 2023 with one-time financial assistance, including funding for first and last month's rent, assistance with moving costs or help to pay off utility arrears.
- Opened Birch Place housing project in Brampton with 67 affordable rental housing units. This project converted a hotel to affordable rental housing with \$30.4 million of funding through the federal government's Rapid Housing Initiative.
- In partnership with Indwell, created 40 affordable supportive housing units in Streetsville, including 10 accessible units.
- Net cost avoidance of \$2.48 million achieved by providing clients at risk of homelessness or are homeless with portable subsidies to stabilize their housing conditions and avoid the cost of housing these clients in shelters/ overflow hotels which are more expensive.
- Addressed food insecurity in Peel by working with local foodbanks to distribute over 30,000 grocery gift cards in 2023.
- Expanded access to Peel's award-winning emotion-based, integrated care for seniors to all five long term care homes. Peel is working with partners across the community and health system to further expand access to this model.
- Led the joint procurement of three helicopters for Peel, Halton and Durham Police Services, in partnership with the Province of Ontario and the Ontario Provincial Police.





## Building Housing-Enabling Infrastructure

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Peel is ensuring housing-enabling infrastructure is built to support the Province's accelerated housing targets. The budget will invest an additional annual \$2.7 million in operating and \$1.3 billion in capital to help build homes faster.

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### These new investments include...

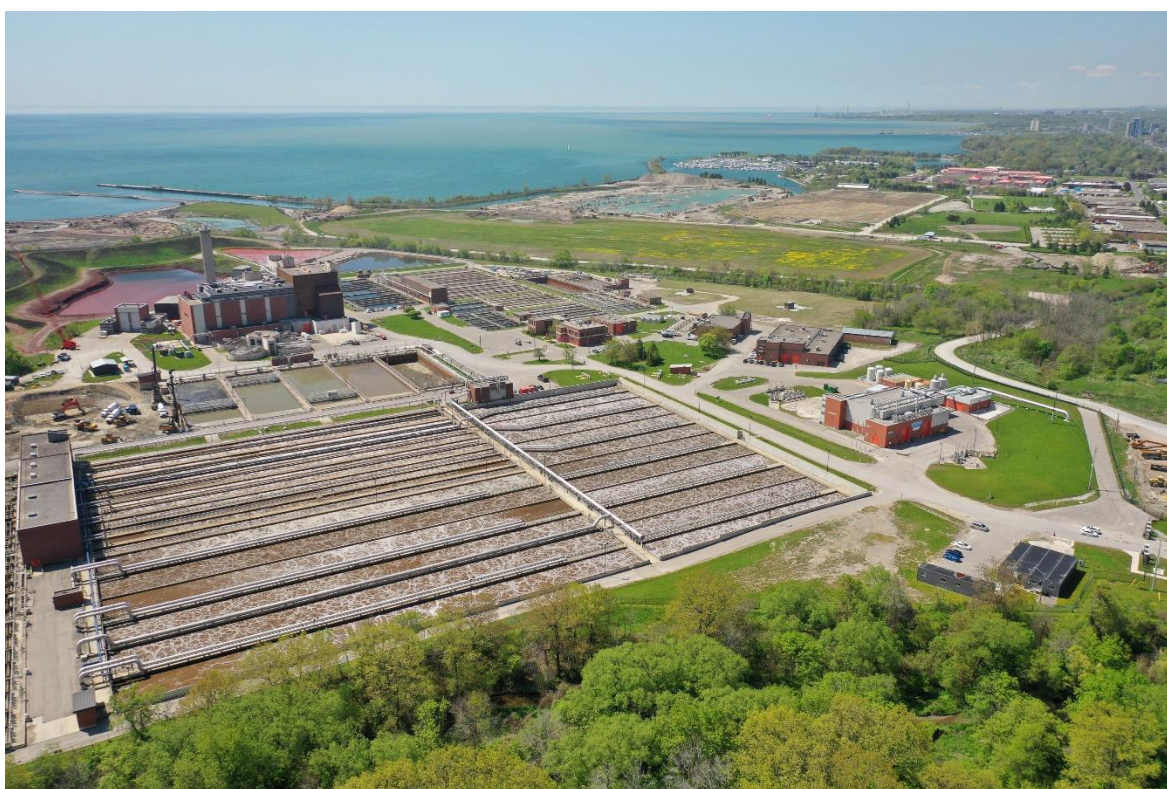
- Investing over \$1.3 billion in **water and wastewater capital** investments:
  - \$615.3 million for wastewater collection main replacement and construction.
  - \$558.1 million for water main replacement and construction.
- \$2.1 million in Water and Wastewater to implement the **increased capital work** to support housing-enabling infrastructure and other capital needs.
- \$0.4 million to support Water and Wastewater's **asset management**, as well as **emergency preparedness** and business continuity for critical infrastructure and service.
- \$0.2 million to increase regulatory compliance support due to the introduction of **Source Water Protection** polices which impact land use, groundwater study needs, and require developing groundwater risk mitigation plans.
- \$3.4 million in IT capital to improving efficiencies in the management of Peel's construction projects through modernized Project Management Software.

### Some of our recent accomplishments supporting the building of housing-enabling infrastructure include:

- Supported growth and the housing pledges by scaling up capital improvements in water/ wastewater infrastructure. Peel is now the third largest capital program in all of North America as reported by Bluefield Research.
- Significantly improving the comment review time since 2022 as data demonstrates that Peel is currently meeting the MOU timelines on average by three (3) days for all application types and even providing comments an average of seven (7) days early for some application types.

- Council approved a \$130 million investment to enhance wastewater flow capacity that includes a \$35 million investment from the province. The goal for the G.E. Booth Water Resources Recovery Facility is to increase capacity by an additional 40 million litres per day. These efforts aim to support the province’s objective of building more homes, including up to 47,000 additional housing units in Peel Region.
- Continued partnership with the Lakeview Community for the construction of a District Energy system using wastewater effluent contributing to environmental sustainability.
- Peel received a 100 per cent inspection report rating in 2024 from the Ministry of Environment, Conservation and Parks for all seven municipal drinking water systems in Peel.

### **Exhibit 3. G.E. Booth Water Resource Recovery Facility**







## Enhancing Community Safety and Well-Being Through Health Services

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As Peel's population grows and density increases, new challenges to the community's public health can emerge. The 2025 Budget invests an additional annual \$1.3 million and \$1.4 million in capital to enhance community safety and well-being through Health Services.

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### These investments include...

- \$0.6 million to **stabilize Long Term Care operations** to increase accountability and enforcement measures for non-compliance due to changes in provincial legislation.
- \$0.2 million to cultivate a **resilient, empowered, and thriving workforce** across Seniors Services.
- Ongoing funding to continue to advance operations at the **Seniors Health and Wellness Village**.
- \$0.5 million to continue Peel's investment in the **Anti-Human Sex Trafficking Program** by supporting growing demand for prevention, intervention, and housing programs.
- Funding from reserve for a resource supporting the sustainability of the **Health Services Electronic Medical System**.
- An additional resource to **manage pharmaceutical oversight** across Health Services.
- \$1.4 million in capital to optimize the **Davis Centre Adult Day Service** space.

### Some of our recent accomplishments enhancing community safety and well-being through health services include:

- Continue to deliver on Peel Region's Community Safety and Well-being Plan (CSWB), which was adopted by Regional Council and is a collaborative effort involving over 25 organizations, including emergency services, school boards, social service providers, cultural organizations, and governments.
- Peel developed Canada's first emotion-based dementia training program geared towards providing first responders (Peel Paramedics, Peel Regional Police, Caledon OPP) with strategies to de-escalate emotional responses during calls for support in the community.

- The newly constructed Seniors Health and Wellness Village at Peel Manor aims to be the heart of a vibrant, thriving neighbourhood that enhances the quality of life and supports the well-being of those who live and work in the Village, and the surrounding community.

#### **Exhibit 4. Seniors Health and Wellness Village**





## Keeping Peel's Infrastructure Assets in Good Repair

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Maintaining Peel's \$51 billion in assets in a state of good repair is an investment in our community's future well-being and resiliency. That's why the 2025 Budget proposes a 1.0 per cent Infrastructure Levy for Regionally Controlled Tax Supported programs and a 5.0 per cent Infrastructure Levy for Utility Rate-Supported programs. This allows Peel to invest an additional annual \$14.8 million and \$61.3 million in capital to support necessary state of good repair investments.

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### Key projects these levies and resources will support include...

- \$168.1 million for Road Construction, Intersection **Improvements**, and Active Transportation.
- \$56.7 million for Road Reconstruction, Structure Replacement/Rehabilitations and Other Asset Management Works.
- \$43.4 million for pumping station expansion, rehabilitation, and water treatment plant **equipment replacement**.
- \$61.3 million to maintain the state of good repair of buildings in Peel Living.
- \$17.3 million for ambulances and other fleet purchases.
- \$3.6 million for ambulance equipment.
- \$6.9 million to maintain Peel-owned housing in a **state of good repair**.
- \$0.6 million to support Peel's shelter system state of good repair.

### Some of our recent accomplishments to keep Peel's infrastructure assets in good repair include:

- Continued to maintain and renew \$51 billion of infrastructure assets to sustainably deliver Peel Region services in accordance with the Council approved Asset Levels of Service.
- Continued advancement of infrastructure planning strategy to respond to new provincial housing targets while addressing the dynamic needs of our local municipalities and ensuring sustainable growth and development.
- Continued to work on the Asset Management Plans for the Peel's infrastructure to meet the requirements of Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure.



## Advancing The Climate Change Masterplan

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Peel's recent floods reminds us, that climate change is here and affects all of us. The 2025 Budget invests \$17.7 million in capital to tackle the climate emergency and make investments to advance the Climate Change Emergency Master Plan.

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### Peel continues to deliver on 20 actions from the Climate Change Master Plan with investments that...

- Support parts of Peel's state of good repair plans pertaining to **climate change mitigation and resiliency**, including \$13.7 million for climate-related projects in Peel Living and \$4.0 million for climate-related projects in Peel-owned housing.
- Assist in **Peel's certification and registration with ISO 37125** indicators to support leaders to address risk and improve decision-making around climate change.

### Some of our recent accomplishments advancing the climate change masterplan include:

- Peel continued to lead in climate change response and remains committed to climate action. The 2023 progress report on Peel's Climate Change Master Plan highlighted the status of implementation, significant achievements and future climate action priorities.
- Peel and Peel Regional Police have approximately 50 Zero Emission Vehicles (ZEVs) and more than 100 charging stations in operation, thus avoiding an estimated 418 tonnes of GHG emissions which is equivalent to taking 128 gasoline powered cars off the road.
- Peel partnered with Circular Innovation Council to expand its community-based circular hub. The Share, Reuse, Repair Hub is a community-based virtual resource that provides easy access to share, reuse, repair services in the community. It also offers a platform for local businesses to promote their contribution to the circular economy.
- Continuing to advance the designing or building of 10 new construction projects to meet Peel's Net Zero Emissions Building Standard for New Construction.
- Facilitating greater climate resiliency by integrating engineered and natural green infrastructure into Peel's asset management program, including an inventory and condition assessment of 11 green roofs, 20 permeable pavement sites and over 15,900 individual trees on Regional properties.



## Promoting Diversity, Equity And Inclusion

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Peel's growth has also come with demographic changes, that need to be reflected in the work we do. The 2025 Budget invests an additional annual \$0.5 million to promote diversity, equity, and inclusion.

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### These investments include...

- \$0.1 million to continue to address ongoing impacts of systemic discrimination, inequities and to build lasting relationships based on a strong **commitment to truth and reconciliation**.
- Funding to expand organizational learning to increase employee understanding of the colonial values and beliefs we have all inherited and how they continue to impact **diverse communities**.
- A one-year student fellowship opportunity that will invest in research and data analysis to support the development of an **equitable and inclusive service delivery** model.
- \$0.2 million to support Paramedic Education and Research that will improve patient care while **meeting the demands of a diverse and growing population**.  
\$0.2 million to **advance organizational culture**, wellbeing, and psychological health equity within Paramedic Services.

### Some of our recent accomplishments promoting Diversity, Equity And Inclusion include:

- Peel Region presented a new 5-year Diversity, Equity, and Inclusion Strategy to Regional Council in October 2024 which aims to advance and enable the Region's ability to provide inclusive and culturally responsive services and create a foundation for organizational transformation. It also serves as Peel Region's Municipal Diversity Plan, in compliance with the *Community Safety and Policing Act, 2019*.
- Peel introduced of a series of expanded Indigenous observances and events including, but not limited to, the National Day for Truth and Reconciliation, Treaties Recognition Week, National Day of Awareness for Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA+ people, National Indigenous Peoples Day, and National Indigenous History Month.
- Peel Region continues to implement the Inclusive Organizational Development Framework, including diversity, equity, inclusion and

accessibility training, inclusion competency development for individual contributors and people leaders, expanded our hiring self-identification options and continued implementation of the Multi-Year Accessibility Plan.

- Peel Region transformed the way we work with community partners to advance health equity in the community. Examples include the International Students Collaborative, the Black Health and Wellness Collaborative and broadly deepening partnerships with community organizations and health sector partners in Peel and leading research institutions.
- Peel is prioritizing equity and anti-racism by developing a Stakeholder Engagement Plan for the GTHA Reception Centre and shelters, including feedback from Black community members and other marginalized groups to inform service design and implementation.





## Investing In Modern and Cyber-Secure Technology

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Peel's continued successful growth will depend on making the best use of safe and modern technology. The 2025 Budget invests an additional annual \$0.6 million and \$6.5 million in capital to sustain services and infrastructure, improve cybersecurity and prevent cybercrime.

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### These investments include...

- \$0.2 million to better enable patient care through **enhanced information technology** support for Seniors Services.
- \$0.3 million to help address the critical need to improve Peel's **cybersecurity**, prevent cybercrime and oversee the organization's information technology security.
- \$0.1 million to support the modernization and **digitization of service delivery** of TransHelp's systems.
- Advancing **TransHelp's transportation technology platforms** to support digital service delivery, business continuity and service growth to passengers.
- Increased initiatives related to **Digital Peel**, including content management automation, optimization and modernization, to enhance the client experience.
- Sustaining the increased work and initiatives related to the **Public Sector Network**.
- \$1.0 million in capital for software that uses encryption to **protect private data** stored in critical data fields within the various applications that deliver services to Peel residents and business, while also helping with compliance and privacy protection regulations.  
\$5.5 million capital investment in hardware and software that provides **more sophisticated controls** to better support the large-scale needs **in water and wastewater** capital, planning and operations.

### Some of our recent accomplishments supporting modern and cyber-secure technology include:

- Creation of an Open Data Policy to enable the release of data to support transparency, accountability, citizen engagement, and align with directives and messaging at the provincial and federal levels, building on best practices.

- Launched the Open Data Portal to provide data to citizens and increase transparency. The platform leverages work undertaken by the local municipalities through their Open Data portals and brings a consistent experience for users across all of Peel Region, as well as the opportunity to collaborate and find efficiencies between municipalities in the future.
- Launch of online water and wastewater billing services in 2022. Digitized the Freedom of Information application allowing the public to submit requests online.







## Managing the Impacts of Funding Shortfalls

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Region is well known for its effective services, financial stability, and strong community partnerships.

For many years Peel has been underfunded for services it is mandated to deliver including Public Health, and Long Term Care and Housing. The ongoing funding shortfall has had serious implications for the financial health of Peel and the limitations it puts on the health and well being of Peel residents that need to be addressed.

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### Funding Shortfall Impacts for 2025...

- **Public Health's** base pressures increased \$4.65 million, however Provincial funding increase has been limited to 1 per cent, or \$0.56 million, leaving a **gap of \$4.1 million**.
- **Senior Services** base pressures, including salaries and goods and services are increasing by \$8.38 million, however funding only increased by \$2.31 million, leaving a **gap of \$6.07 million**.
- There has been planned reductions in funding over time, but significantly more investment from federal and provincial governments in **community housing** is required. The federal **funding decrease is \$4.1 million**.
- **Early Years and Child Care** is faced with a **reduction in funding of \$4.4 million** due to changes in provincial funding for administration.
- **Taxpayers in Peel have had to pay more** towards making up the difference left by the shortfall to ensure services are not eroded.
- To provide time for advocacy and to phase in the impact to taxpayers, a draw from the Tax Rate Stabilization reserve of approximately 50 per cent of the 2025 impact has been included.



## Enhancing Community Safety and Well-Being Through Police Services (External Agency)

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The Peel Regional Police budget invests an additional annual \$131.7 million in operating, plus \$12.4 million to fund capital infrastructure and \$155.7 million in capital to enhance community safety and well-being.

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### These investments include...

- Hiring 300 police officers, 55 civilian professionals and 10 communicators at a cost of \$65.4 million to address the growing demands of our community and increased legislated responsibilities.
- Investing in capital projects of \$155.7 million to replace infrastructure, vehicles and equipment, expansion of facilities, and advancing innovation.
- Investing \$12.4 million in operating to fund the expansion of facilities infrastructure.

### Some of our recent accomplishments supporting community safety and well-being through police services include:

- CSOC the Community Safety Operations Centre (CSOC), formerly the Real Time Operations Centre (RTOC), is the culmination of a multi-year project to leverage technology and innovation to enhance frontline officer situation awareness and ultimately, improve public safety. The CSOC works under the direction of the Duty Inspectors to support frontline operations. The CSOC has developed relationships with community partners, as well as internal partnerships where they have been able to leverage dashboards such as the Live Unit Activity Dashboard and the Vulnerable Person Registry (VPR) to assist in the resolution of incidents as quickly and efficiently as possible.
- PRP launched the South Asian Community Engagement (SACE) Initiative, which aimed to strengthen partnerships and identify ways to better support the needs of our diverse populations.
- The Elder Abuse Team revamped and operationalized the Vulnerable Persons Registry, leveraging the latest technology to provide better service to the community. The Elder Abuse Unit delivered 37 presentations with 1,200 participants and 280 community consultations. The Diversity, Equity and Inclusion (DEI) Unit was actively involved in 367 community events, including meetings and presentations and visited 433 places of worship.

# Peel 2025 Budget Financial Overview

The budget is divided between services that are supported by property taxes (which includes the regionally financed external organizations) and those that are supported by the utility (Water/Wastewater) rate.

2025 Regional Budget Overview: \$6.2 billion  
 Operating Budget: \$3.9 billion and Capital Budget: \$2.3 billion  
 10-Year Capital Plan: \$23.5 billion



## Property Tax Supported

Region Controlled Services		External Agencies	
Budget Item	Amount	Budget Item	Amount
Operating Budget	\$2,273 million	Operating Budget	\$893 million
Budgeted Rate Stabilization Reserve Draws	(\$35 million)	Budgeted Rate Stabilization Reserve Draws	(\$6 million)
Capital Budget	\$435 million	Capital Budget	\$156 million
10-Year Capital Plan	\$5,158 million	10-Year Capital Plan	\$965 million
<b>Property Tax Increase*</b>	<b>1.3%</b>	<b>Property Tax Increase</b>	<b>4.2%</b>
<b>Impact:**</b>		<b>Impact:</b>	
Average Home assessed at \$581,200	\$73	Average Home assessed at \$581,200	\$248
Small Business assessed at \$641,900	\$128	Small Business assessed at \$641,900	\$436
Commercial assessed at \$1,925,700	\$385	Commercial assessed at \$1,925,700	\$1,307
Industrial assessed at \$1,937,300	\$428	Industrial assessed at \$1,937,300	\$1,449
<b>Region Controlled Services' Portion of Annual Residential Municipal Tax Bill</b>	<b>\$1,455</b>	<b>External Agencies' Portion of Annual Residential Municipal Tax Bill</b>	<b>\$1,437</b>

\* Assumed weighted average municipal portion of residential tax bill is approximately 44 per cent.

\*\* Weighted average of three local municipalities. Actual impact will vary based on the MPAC assessment and the local municipality.



## Utility Rate Supported

Budget Item	Amount
Operating Budget	\$742 million
Budgeted Rate Stabilization Reserve Draws	(\$3 million)
Capital Budget	\$1,704 million
10-Year Capital Plan	\$17,339 million
<b>Average Utility Rate Increase</b> (includes 5.0 per cent for Infrastructure)	<b>5.9%</b>

Impact:	
Household water consumption of 290m <sup>3</sup>	\$62
Small Business water consumption of 695m <sup>3</sup>	\$118
<b>Annual Residential Water Bill</b>	<b>\$1,036</b>

## Tax Operating Budget Summary

The 2025 combined impact of Regionally Controlled Services and External Agencies is a 5.5 per cent increase in property taxes, which is comprised of 1.3 per cent for Regionally Controlled Services, 4.1 per cent for Peel Regional Police and 0.1 per cent for Other Externally Controlled Organizations after assessment growth.

**Table 2. Total Region**

Budget Drivers	Net Tax Levy Increase (%)	Property Tax Increase (%)
Regionally Controlled Services	2.9%	1.3%
Peel Regional Police	9.3%	4.1%
Other Externally Controlled Organizations	0.3%	0.1%
<b>Total Net Regionally and Externally Controlled</b>	<b>12.5%</b>	<b>5.5%</b>

About 23 per cent of the total proposed net tax levy increase of 12.5 per cent is for Regionally Controlled services which are overseen by Regional Council. This increase is largely driven by higher costs to maintain services, an infrastructure levy and new service investments that address priority community needs.

**Table 3. Regionally Controlled Services**

Budget Drivers	Budget Change (in \$ millions)	Tax Levy Increase (%)	Property Tax Increase (%)
Maintain Existing Service Levels	15.4	1.1%	0.4%
Infrastructure Levy	14.8	1.0%	0.4%
Net External Funding Impacts	9.4	0.6%	0.3%
New Service Investments:			
<i>Additional Paramedics to Support a Growing Demand (BR# 30)</i>	1.5	0.1%	<0.1%
<i>Strengthening Capacity to Protect Peel Communities Against Communicable Diseases and Outbreaks (BR# 37)</i>	1.0	0.1%	<0.1%
<i>Increased Demand for Housing Support (BR# 21)</i>	0.8	0.1%	<0.1%
<i>Remaining Service Investments</i>	5.4	0.3%	0.1%
Growth	1.4	0.1%	<0.1%
<b>Total Regionally Controlled</b>	<b>\$49.7</b>	<b>3.4%</b>	<b>1.5%</b>
Assessment Growth	(7.2)	(0.5)%	(0.2)%
<b>Total Net Regionally Controlled</b>	<b>\$42.5</b>	<b>2.9%</b>	<b>1.3%</b>

77 per cent of the total proposed net tax levy increase of 12.5 per cent is for Regionally Financed External Agencies budgets, which are overseen and governed by their own respective boards. The increase is largely driven by increases in the Peel Regional Police budget.



**Table 4. External Agencies (Regionally Financed)**

Budget Drivers	Budget Change (in \$ millions)	Tax Levy Increase (%)	Property Tax Increase (%)
Peel Regional Police			
Maintain Service Levels	131.7	8.5%	3.7%
Community Safety Levy	12.4	0.8%	0.4%
Ontario Provincial Police	3.8	0.3%	0.1%
Conservation Authorities			
Credit Valley Conservation Authority	1.3	0.1%	<0.1%
Toronto and Region Conservation Authority	0.4	<0.1%	<0.1%
Conservation Halton	0.1	<0.1%	<0.1%
Assessment Services	0.4	<0.1%	<0.1%
<b>Total Externally Agencies</b>	<b>\$150.2</b>	<b>10.1%</b>	<b>4.4%</b>
Assessment Growth	(6.1)	(0.4)%	(0.2)%
<b>Total Net Externally Controlled</b>	<b>\$144.1</b>	<b>9.6%</b>	<b>4.2%</b>

Note: Numbers may not add due to rounding

## Utility Rate Budget Summary

The 2025 utility rate supported budget has a 5.9 per cent increase which includes the assumptions of 1.3 per cent customer growth and 1.3 per cent consumption growth. The utility rate increase includes a 5.0 per cent infrastructure levy.

**Table 5. Total Region**

	Budget Increase (%)	Customer Growth (%)	Consumption Growth (%)	Utility Rate Increase (%)
Water and Wastewater	7.6%	1.3%	1.3%	5.9%

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# Peel Region In Depth

Peel Region serves more than 1.5 million residents and approximately 225,090 businesses in Brampton, Caledon, and Mississauga. We deliver a wide range of resident focused services across the Region. The Region of Peel is the second largest municipality in the Greater Toronto Area (GTA) and growing steadily.

## Regional Government

Since 1974, Peel has been delivering a wide range of programs and services to enhance our community.

This includes public health, seniors' services, paramedic services, housing support, income support, childcare, community investment, transportation (including a transit service for people with mobility issues), waste management, development services, water and wastewater, business services, legislative services, information and technology, real property asset management, and a heritage, art and culture facility.

We are governed by the Regional Chair and 24 members of Council, who represent the City of Mississauga (12), City of Brampton (9) and the Town of Caledon (3).

The elected council is supported by a team of professional staff who are dedicated to improving the lives of residents and businesses in Peel and achieving a vision for a Community for Life.

## Location

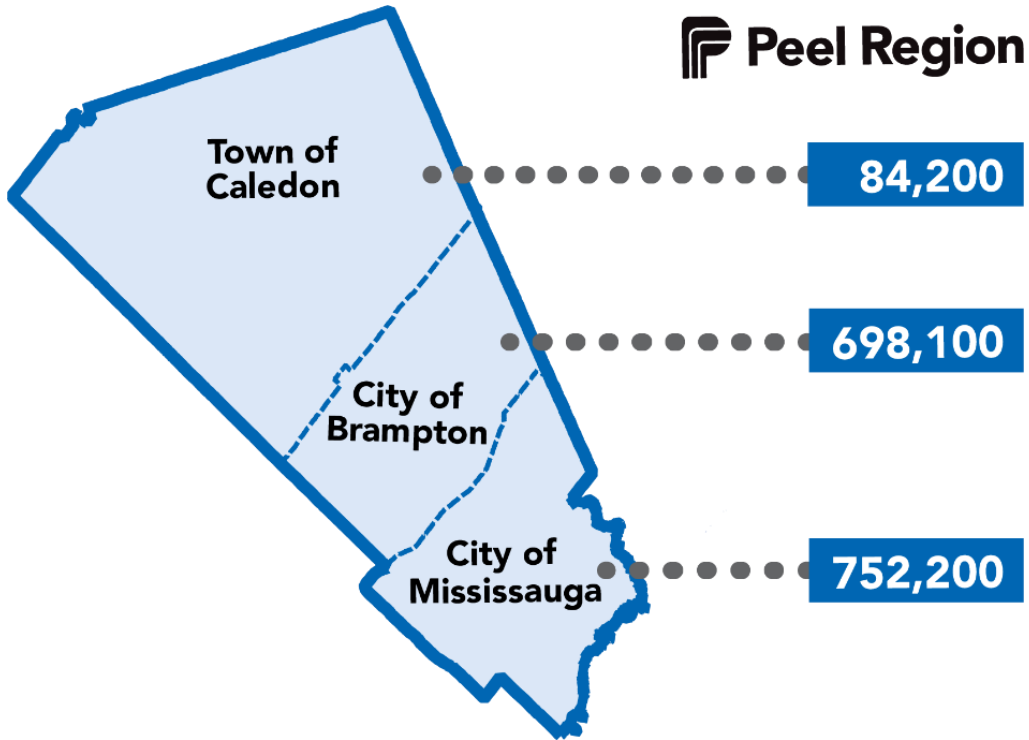
Peel Region is located 45 kilometers west of the City of Toronto or about a 30-minute drive.

Peel encompasses a mixed landscape of bustling urban centres, charming villages, rural lands, and Toronto Pearson International Airport. Our geography is as diverse as our population. Portions of the Oak Ridges Moraine, the Niagara Escarpment, Etobicoke Creek, and the Lake Ontario waterfront are contained within our borders.

# Breakdown of Peel's Population

The Region of Peel has a population of approximately 1.53 million residents who live in the Town of Caledon, City of Brampton, and City of Mississauga.

- Town of Caledon – 84,200.
- City of Brampton – 698,100.
- City of Mississauga – 752,200.



## We are Industrious

Peel Region is a significant freight hub for Canada. An estimated \$1.8 billion worth of commodities travel to, from and through Peel every day making goods movement a pillar of the Regional economy.





## We are Diverse

Peel has the highest percentage of racialized people in the GTA. 69 per cent of people in Peel identify with a racialized group. By comparison, just 34 per cent of Ontarians and 27 per cent of Canadians overall identify with a racialized group. Since 2006, the racialized population of Peel increased 72 per cent.



**Table 6. Distribution of Racialized Population**

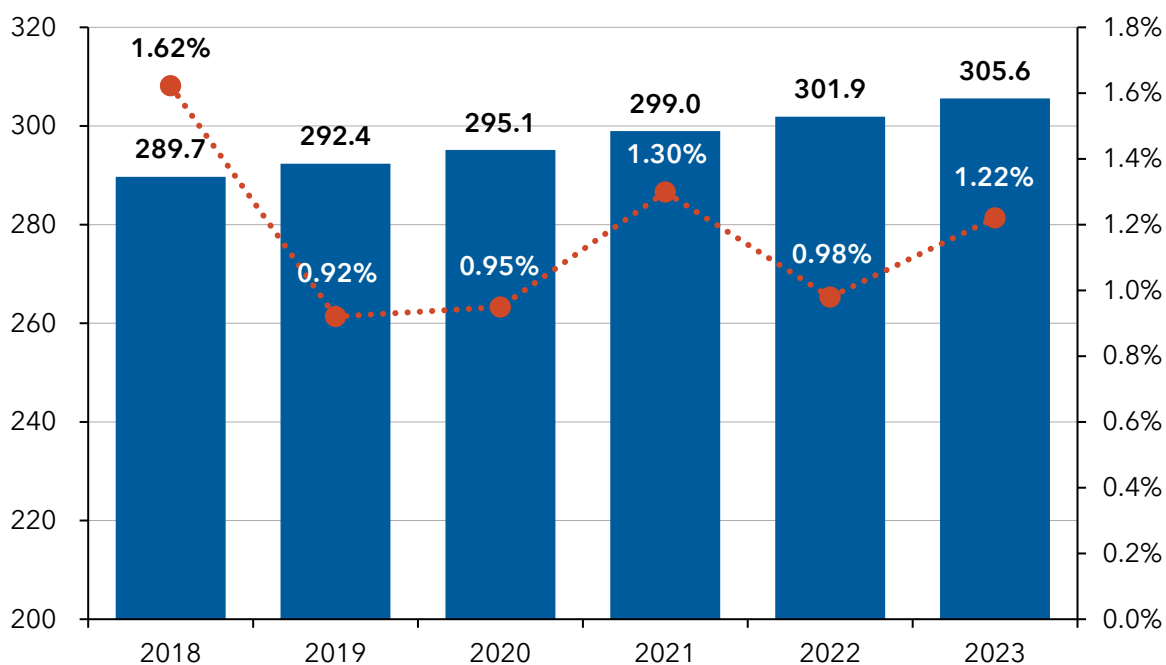
	Percentage
South Asian	54.3%
Black	13.9%
Chinese	6.1%
Filipino	6.1%
Arab	5.0%
Latin American	3.2%
Southeast Asian	2.7%
West Asian	1.6%
Korean	0.6%
Japanese	0.3%
Other	6.2%

## Economy

The Region of Peel has a population of 1.53 million residents and, in 2023 remained the second largest region in the Greater Toronto Area (GTA). Peel has the youngest population among the GTA regions with an average age of 39 years. Peel's economy benefits from this young, growing and educated workforce. It also benefits from being located within the economic hub of the GTA and being close to the American market.

The annual growth in Peel's total taxable assessment base accelerated alongside significant growth in Peel in the early 2000s, peaking at 3.96 per cent in 2005. Growth has remained positive since then but slowed as the base increased and required more to generate the same level of growth as before. In 2023, the growth of 1.22 per cent observed fell below the long-term average of 2.11 per cent but was in line with more recent trend.

**Figure 1. Sustained Growth in Peel's Taxable Assessment Base (in \$ billions)**



Peel's long term growth prospects remain positive. Total population is forecasted to be 2.28 million by 2051. Factors that contribute to its long-term population growth are:

- Planned increase in immigration.
- Diverse communities and cultures that attract newcomers.
- Location and transportation advantages.

## Diversified Economic Base

The industries in Peel’s economy are more diverse than ever before, strengthening our ability to overcome slumps in any given industry. In 2023, the distribution of Peel’s business establishments was as follows:

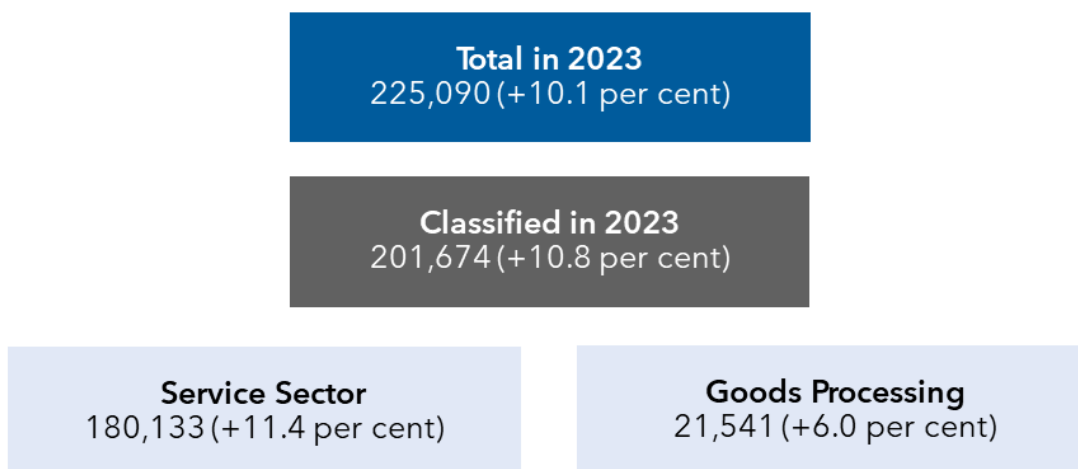
**Table 7. Distribution of Peel’s Business Establishments**

	Percentage
Finance, Insurance, Real Estate Rental and Leasing	24.4%
Transportation and Warehousing	23.6%
Professional, Scientific and Technical Services	14.1%
Trade	8.0%
Construction	7.8%
Healthcare and Social Assistance	4.9%
Admin. Supp, Waste Mgt and Remediation Services	3.8%
Manufacturing	2.5%
Accommodation and Food Services	2.3%
Education Services	1.0%
Other and Other Services	7.6%

## Peel’s Businesses Continue to Grow

In 2023, Peel saw more business establishments with growth in both goods processing and the service sector. This continued business growth contributed to greater employment opportunities in Peel.

**Exhibit 5. Business Establishments**



In fact, there were approximately 20,600 additional small businesses in 2023, a growth of 10.1 per cent. Government supports played a major factor in cushioning the impacts of the pandemic on businesses. However, some businesses will likely be challenged by a constantly changing business environment.

## Our Values

The Region of Peel delivers its services through a culture highlighted by five core values: Care and Support, Leadership, Inclusion, Collaboration and Transparency. These values guide our decisions, actions and how we will interact with our community.

- **Care and support.** We respect and care about everyone, while supporting their well-being and success.
- **Leadership.** We are all leaders in the work we do to motivate, inspire, and achieve a *Community for Life*.
- **Inclusion.** We create opportunities for everyone to contribute, be successful and recognized for their diversity and experience – fostering safety, respect and a sense of belonging.
- **Collaboration.** We find and implement solutions together to achieve our goals.
- **Transparency.** We build trust in our services, programs, and each other by being genuine, transparent, and accountable.



## Awards and Achievements

Peel recently received the **Platinum Award for Excellence, Innovation and Wellness** from the Canada Awards for Excellence.

Additionally, Peel Region's 2024 Budget received the Government Financial Officers Association (GFOA) **Distinguished Budget Presentation Award**.

In addition to these honours, Peel also received the following awards and recognition:

- Peel Region received the **Ontario Public Works Association Project of the Year Award** for the Bovaird Drive Transformation at Mount Pleasant Village
- The National Institute for Governmental Procurement recognized Peel's Procurement team with its **Quality Public Procurement Department Award** for the sixth consecutive three-year term, for a total of 18 years.
- Peel received the **Canada Green Building Council Government Leadership Award** for advancing green building through the corporate Net Zero Emissions New Construction Policy and Standard.
- Colliers Project Leaders recognized Peel Region with the **Innovation and Excellence Capital Project Award** for the Seniors Health and Wellness Village at Peel Manor in Brampton.
- Peel Region's Household Hazardous Waste program won the Longstanding Program Excellence award from the **North American Hazardous Materials Management Association**. This award recognizes programs that have been in service for more than 20 years which have consistently gone above and beyond to serve their community.
- Peel won the **2024 Workplace Benefits Award** from Benefits Canada in the Mental Health Program (>1,000 employees) category.
- Peel Region was also named one of **Canada's Best Employers** by Forbes magazine, placing 166<sup>th</sup> overall.
- **Triple A credit rating** achieved consecutively for 29 years, currently only one of five Canadian municipalities to be rated Aaa(Stable)/AAA(Stable) by both Moody's Ratings and S&P Global Ratings, respectively.

## Employee Profile

At Peel Region, our strength lies in our people. We are committed to creating a workplace where everyone feels empowered to grow, thrive, and contribute their unique talents towards building a more inclusive and sustainable future for our community.

As a model employer, the Region of Peel is an organization that focuses on attracting, developing, and retaining top talent, while fostering a culture of continuous growth, collaboration, and advancement in the municipal sector. Peel's salaries are competitive with municipal comparators and has a culture that promotes a mentally healthy and flexible workplace, while also creating a dynamic environment where creativity flourishes, and groundbreaking solutions emerge.

As one of the most diverse regions in Canada, the Region of Peel is committed to building a workforce that reflects the diversity and vibrancy of our community, and where everyone is treated fairly and has opportunity to grow and develop to reach their full potential. Our commitment to fostering a culture of belonging ensures that diversity is celebrated, well-being is prioritized, and every individual's voice is amplified.



# Organizational Structure

## Region of Peel (5,572.7 FTE, 2024)

### Residents

**Regional Chair:** Nando Iannica (3.0 FTE)

### Regional Council

Navjit Kaur Brar	Stephen Dasko	Mayor Annette Groves	John Kovac	Michael Palleschi	Rowena Santos
Mayor Patrick Brown	Christina Early	Natalie Hart	Matt Mahoney	Mayor Carolyn Parrish	Alvin Tedjo
Brad Butt	Chris Fonseca	Joe Horneck	Sue McFadden	Martin Reid	Gurpartap Singh Toor
Dipika Damerla	Pat Fortini	Dennis Keenan	Martin Medeiros	Mario Russo	Paul Vicente

**Office of the Chief Administrative Officer**  
Gary Kent  
(5,569.7 FTE)

### Departments

Health Services Nancy Polsinelli Commissioner (2,452.5 FTE)	Human Services Steve Jacques Commissioner (844.5 FTE)	Public Works Kealy Dedman Commissioner (1,309.3 FTE)	Corporate Services Davinder Valeri Commissioner (808.4 FTE)	Legislative Services Patricia Caza Commissioner (155.0 FTE)
Paramedic Services	Early Years and Child Care	Development Services	Business Services	Business Services
Public Health	Community Investment	Transportation	Heritage, Arts and Culture	Clerks
Seniors Services	Housing Support	Waste Management	Information and Technology	Real Property Asset Management
	Income Support	Water and Wastewater		

## Regional Services

### Health Services

Public Health	Seniors Services
<ul style="list-style-type: none"> <li>Chronic Disease and Injury Prevention</li> <li>Communicable Disease</li> <li>Community Safety and Well-being</li> <li>Family Health</li> <li>Health Protection</li> <li>Immunization Services</li> <li>Public Health Intelligence</li> </ul>	<b>Seniors Services Development</b> <ul style="list-style-type: none"> <li>Adult Day Services</li> <li>Caregiver Support and Education</li> <li>Respite Care</li> <li>Neurobehavioural Service</li> </ul>
<b>Paramedic Services</b> <ul style="list-style-type: none"> <li>Out-of-Hospital Care</li> <li>Community Programs</li> <li>Community Paramedicine</li> <li>Rapid Response</li> <li>Tactical Response</li> <li>Psychological Health and Safety</li> </ul>	<b>Long Term Care</b> <ul style="list-style-type: none"> <li>Resident Care and Services</li> <li>Butterfly Model of Care</li> <li>Specialized Behavioural Support Units</li> <li>Neurobehavioral Nurse Practitioner Program</li> </ul>

## Human Services

### Housing Support

- System oversight, strategic planning and advocacy
- Financial assistance and case Management
- Emergency shelter and homelessness supports
- Transitional housing operations and maintenance
- Affordable and subsidized rental housing operations and maintenance
- Programs to increase affordable supply

### Income Support

- Access and System Navigation
- Assessment and Financial Support
- Stability Support
- Internal Support and Program Accountability

### Early Years and Child Care

- Plan, fund, and oversee Licensed Child Care
- Provide Child Care Subsidy for lower income families
- Administer funding to lower child care fees for all families
- Partner with child care providers to ensure quality child care services
- Plan, fund and oversee Special Needs Resourcing services for children in licensed child care
- Plan, fund and oversee EarlyON Child and Family Centres

### Community Investment

- Peel Poverty Reduction Initiatives
- Community Investment Funding Program
- Anti-Human Sex Trafficking Program
- Community Intelligence
- Community Engagement
- Affordable Transit Program

## Public Works

### Development Services

- Policy
- Research and Analysis
- Development Services Brampton
- Development Services Mississauga
- Development Services Caledon
- Servicing Connections
- Planning and Performance

### Transportation

- Planning
- Development
- Infrastructure Programming
- Design and Construction
- Operations
- Maintenance
- TransHelp

### Waste Management

- Waste Education, Policy, and Program Development
- Waste Collections
- Community Recycling Centres
- Transfer, Haulage, Processing and Disposal
- Infrastructure Development and Maintenance

### Water and Wastewater

- Infrastructure Planning, Partnerships and Compliance
- Water and Wastewater Operations
- Water and Wastewater Engineering Services



## Corporate Services

### Business Services

- Climate Change and Energy Management
- Communications
- Culture and Inclusion
- Finance
- Government Relations
- Human Resources
- Internal Audit
- Legal Services
- Procurement
- Service Peel
- Strategy and Transformation
- Office of the CAO

### Heritage, Arts and Culture

- Art Gallery
- Museum
- Education and Programming
- Facility Rentals
- Visitor Services
- Mentorships and Donations
- Volunteer Program
- PAMA Retail Shop

### Information and Technology

- Content and Data Analytics
- Cybersecurity
- Enterprise Platforms and Business Solutions
- Governance and Service Management
- Infrastructure, Connectivity and Operations
- Resident Digital Services
- Strategy and Architecture
- Workforce Enabling Services

## Legislative Services

### Clerks

- Freedom of Information
- Privacy Compliance
- Council and Committee Support
- Archives and Records Management
- Accountability and Transparency Services

### Real Property Asset Management

- Capital Planning and Building Condition Assessments
- Design and Construction Project Management and Delivery
- Technical Testing, Repair, Renewal of Capital Assets
- Facility Maintenance and Operations
- Workplace Design and Accommodation
- Facility and Capital Acquisitions
- Emergency Response and Management
- Business Continuity Planning and Corporate Security

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## Conclusion

Peel has experienced a number of significant legislative changes announced by the Province over the last year. However, despite these challenges, service delivery to the residents and businesses in the Peel community has continued to be our focus.

As our community faces more complex social and economic difficulties, there remain long-standing and increased pressures on all of our services. By making important strategic investments that take Peel's long-term growth into account, in areas such as paramedics, public safety, and housing enabling infrastructure, Peel Region is ensuring that our growth does not come at the cost of reduced or compromised services.

In addition, Peel continues to invest its young and diverse community with its investments in fighting climate change, supporting diversity, equity and inclusion and many other socially necessary programs.

As this is the community's budget, we encourage you to [visit our budget site](#), where you can read over the full budget document, watch our latest budget videos, attend Budget meetings, and provide comments and ask questions on programs and services that matter to you.



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# Executive Summary of Services

The Region of Peel delivers a wide range of services. For business planning purposes, each service has developed a business plan and budget that is in line with the corporate direction and the Strategic Plan. Each of the service business plans is developed using the framework below:

## Executive Summary

### Core Services

- Purpose of the service.
- Service levels and trends.
- Performance measurements.

### The 2025–2028 Business Plan Outlook

- Plans for the future.
- Finding efficiencies.
- Leveraging technology.
- Maintaining infrastructure.

### Proposed Operating Budget

- High level revenue and expenditures.
- Costs to maintain service levels and costs for proposed service level increases.

### Proposed Capital Plan and Capital Budget

- Overview of the 10 Year Capital Plan and 2025 Capital Budget.
- Lists of capital projects for the capital budget and 10 Year capital plan.

### Budget Requests

- Two-page explanations of budget requests (BR) that explain what is being requested, why it's being requested, what is the impact of the request and how much will it cost.

The following pages are the Executive Summaries for each service.

# Housing Support

**Mission:** Together with Peel Housing Corporation, we provide emergency, subsidized and affordable housing options and supports to residents who are homeless, unstably housed and unable to afford housing within the private market.

## Services We Provide

- Oversee the Region of Peel’s affordable housing system.
- Along with our community partners, we build, fund, own and operate emergency, transitional, supportive, subsidized, and affordable rental housing.
- Administer housing subsidies and financial assistance.
- Provide case management supports.
- Provide street outreach to the homeless living rough.

## Interesting Facts About This Service

- In Peel, there is an estimated 97,000 households living in core housing need.
- In 2023, the system provided housing, financial assistance or supports to over 33,000 households in Peel.
- Over \$114.5 million in subsidies were administered in 2023 to over 10,500 households, with more than 32,000 households waiting for subsidized housing in Peel.
- \$3.3 billion of housing assets are owned by Peel Housing Corporation (Peel Living).
- Capital investments of over \$1.1 billion are in the 10-year plan to maintain existing assets and build new infrastructure.

## Highlights of the Business Plan

- The lack of affordable housing is a challenge for a growing number of Peel residents. The demand for housing supports has increased significantly.
- Peel Region is steadily increasing its investment in community housing and homelessness supports, over this term of council, since 2022, a 34 per cent increase in capital and 51 per cent in operating has been committed.
- The housing needs of our community cannot be funded through property tax alone. Significantly more investment from federal and provincial governments in community housing is required.

**Table 8. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	219,344	227,280	237,472	246,565
Capital Net Investment (in \$ thousands)	75,302	135,981	244,113	167,031
Full Time Equivalents	213.7	213.7	213.7	213.7
Full Time Equivalents Peel Living	163.0	163.0	163.0	163.0

# Waste Management

**Mission:** To provide reliable, cost-effective, highly integrated, and customer-focused services that maximize resource recovery, support innovation and foster a circular economy.

## Services We Provide

- Collection, processing and disposal of waste from residents and eligible small businesses and recycling from schools within the Cities of Brampton and Mississauga and the Town of Caledon.
- Operation of six Community Recycling Centres (CRCs) where residents can drop off a wide range of recyclable materials and re-usable items.
- Management of 20 former landfills, including ongoing monitoring and/or management of landfill gas and leachate.
- Promotion and education to encourage reduction, reuse and recycling and to educate residents and students about Peel's programs.
- Advocacy for fair and progressive Provincial and Federal waste management legislation, regulations and programs.

## Interesting Facts About This Service

- Peel operates the second largest municipal waste management program in the province, collecting over 550,000 tonnes of waste from 1.5 million residents in approximately 347,000 curbside households and 107,000 units within 834 multi-residential buildings.
- 70 per cent of Peel's waste services are delivered by third party contractors.
- In 2023, a total of 445,000 customers visited Peel's Community Recycling Centres.
- In 2023, Peel, in partnership with one of its collection contractors, introduced Ontario's first electric waste collection vehicle.
- Over 250,000 Peel residents have now signed up for waste reminders, that they can receive by text, email, or phone.

## Highlights of the Business Plan

- Transition of Peel's Blue Box program to producers on October 1, 2024, including:
  - The 2023 sale of Peel's Material Recovery Facility equipment and lease of Peel's Material Recovery Facility building.
  - Agreement to sell Peel's recycling collection containers (effective January 1, 2026).

- Agreement to provide blue box collection services, including at Community Recycling Centres, on behalf of producers from October 1, 2024 to December 31, 2025.
- Agreements to collect, process and market recyclables from non-eligible sources from October 1, 2024 until December 31, 2025.
- Producers' contractors taking over all blue box operations as of January 1, 2026, except collection and processing from non-eligible sources, which Peel will continue to be responsible for.
- Over the next few years, Peel will transition its in-house green bin organics processing to third-party processing, including demolition of Peel's existing in-house composting tunnels, expansion of Peel's transfer capacity and optimization of short- and long-term processing contracts.
- In 2024, staff reported to Council with recommendations on how a mixed waste processing facility fits into Peel's long-term waste management strategy and options for future procurement. Council approved the approach to competitively procure 100,000 tonnes-per year of third-party mixed waste processing capacity for a 20-year term with the facility located at the vendor's site(s).
- Since 2020, increases in waste collection costs have far outpaced headline Consumer Price Index (CPI) increases, and waste collection service providers have been absorbing inflationary increases beyond CPI. When Peel's collection contracts were extended/renewed in 2023 and 2024 due to the blue box transition and then due to Peel governance uncertainties, contractors were able to negotiate price increases, which is a key driver of the budget increases in 2025, 2026 and 2027 reflected in Table 9.

**Table 9. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	142,652	162,718	169,818	173,305
Capital Net Investment (in \$ thousands)	14,466	49,467	69,409	19,474
Full Time Equivalents	236.9	238.3	238.5	238.7

# Transportation

**Mission:** To provide safe, efficient, and accessible transportation services for the residents and businesses of Peel.

## Services We Provide

- Peel offers transportation services that provide safe travel and community access for residents and businesses. Services include infrastructure planning, design, construction, operation, and maintenance of a multi-modal network of transportation assets and related structures. These assets include roadways, bridges, sidewalks and multi-use trails, stormwater infrastructure, streetlighting, traffic signals, noise and retaining walls, signs, safety barriers and street trees.
- Provision of door-to-door specialized public transit that enables residents with disabilities to travel without barriers and maintain independence.

## Interesting Facts About This Service

- 52 per cent of commercial truck trips in Ontario use Peel roads; a large proportion of which have their origin or destination in Peel.
- 56 per cent of the dollar value of goods shipped by road in Ontario are carried by commercial vehicles in Peel.
- Transportation infrastructure replacement value is \$4.6 billion.
- Peel operates 26 Regional roads consisting of approximately 1,700 lane kilometres, 733 signalized and unsignalized intersections and 7,723 streetlights.
- Peel owns and maintains 181 major structures (bridges and major culverts), 355 km of storm sewers, 58 km of noise and retaining walls, and approximately 14,000 trees along regional roads.
- Peel has 390 km of active transportation facilities including multi use trails, cross rides, and sidewalks.
- TransHelp provides 700,000 door-to-door trips annually to more than 8,000 residents living with disabilities.



## Highlights of the Business Plan

- Major components of Transportation’s \$137.5M Operating budget are maintaining our roads infrastructure assets in a state of good repair, Transhelp and Road Operations and Maintenance.
- Major components of Transportation’s \$238.8 million Capital budget are road construction, intersection and active transportation improvements, structure rehabilitations and TransHelp vehicle purchase and replacement.
- As Transportation continues to ensure its services meet the needs of the future, the Business Plan provides for:
  - Improvements to Regional Roads, including the widening of Mayfield Road from Hurontario Street to Chinguacousy Road, the widening of Dixie Road from Bovaird Drive to Countryside Drive, and corridor improvements along Airport Road, in conjunction with investments in maintaining a state of good repair and asset management.
  - A focus on supporting the Province to deliver rapid transit projects, such as the Hazel McCallion Line.
  - Updating the Accessible Transportation Master Plan to reflect current ridership and aging population forecasts and planning for the implementation of PRESTO to support transit integration and ensure the TransHelp program continues to meet the needs of residents in an efficient and financially sustainable manner.

**Table 10. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	137,453	143,639	149,978	155,815
Capital Net Investment (in \$ thousands)	238,805	431,272	384,155	253,452
Full Time Equivalents	349.7	367.9	385.5	395.1

# Paramedic Services

**Mission:** Elevating emergency and community health care, together.

## Services We Provide

- Quality out-of-hospital, emergency, and community care – including health prevention and promotion – within the Region of Peel.
- Specialized rapid response and tactical teams.
- Innovative community paramedicine programming aimed at decreasing 9-1-1 call volumes through upstream approaches and filling system gaps for vulnerable populations.

With continued focus on advanced care models, staff health and well-being, and critical capital investments, Paramedic Services will continue to provide high quality care to residents and visitors in the Region of Peel.

## Interesting Facts About This Service

- To date in 2024, 43 per cent of patients who received services are 65 years of age or older.
- In 2023, the average number of unfilled shifts increased from 11 per cent to 15 per cent over 2022 – the equivalent of 17 ambulances off the road each day.
- In 2023, 4,392 appointments were made through the Community Paramedicine program.
- The Low Acuity Diversion Program has saved 2,984 hours in the emergency health system in 2023 and 1,131 hours between January 1 and May 31, 2024.

## Highlights of the Business Plan

- Paramedic Services continues to evolve to meet the needs of a rapidly growing population.
- The Medical Priority Dispatch System (MPDS) is allowing for better triaging of calls and faster response to high acuity calls.
- Health system partnerships have played a critical role in addressing pressures.
- Employee wellbeing is central to delivering high-quality care, and continues to be a focus.

**Table 11. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	100,258	106,891	115,268	120,667
Capital Net Investment (in \$ thousands)	22,804	13,070	75,987	7,155
Full Time Equivalents	799.1	852.8	894.1	922.8

# Seniors Services

**Mission:** To provide compassionate, loving, respectful care that is individualized for everyone we serve.

## Services We Provide

- Seniors Services consists of two divisions: Seniors Services Development and Long-Term Care.
- There are five Peel Long-Term Care centres with an Adult Day Services program co-located within each centre.
- Seniors Services Development provides supports for seniors and older adults living in the community including:
  - Adult Day Services
  - Caregiver Support and Education
  - Respite Care
  - Neurobehavioural Supports
- Long-Term Care services include:
  - Resident Care and Services
  - Emotion-Based Butterfly model of care
  - Specialized Behavioural Support Units
  - Neurobehavioural Nurse Practitioner Program
- With continued focus on innovative and person-centred care delivery as well as employee well-being and workplace culture, Seniors Services is committed to providing high quality care to clients, residents, caregivers, and families in Peel Region.

## Interesting Facts About This Service

- 31,283 visits provided by Adult Day Services virtually and in-person and this number continues to increase alongside the waitlist.
- 93 per cent of clients reported that Adult Day Services contributed to their ability to live at home.
- 866 residents served in Peel Long Term Care homes required increased staffing to meet legislative obligations to support quality care, and infection prevention and control measures.
- 93 per cent of new Long-Term Care resident admissions had a diagnosis of dementia, which significantly contributes to the complex care needs of residents.

## Highlights of the Business Plan

- Stabilizing operations to improve resident, client, caregiver, and staff experience.
- Cultivating a resilient and empowered workforce by promoting employee psychological health, well-being, and culture.
- Piloting integrated care and expanding Adult Day Services and Respite Care to support clients and caregivers to age at home.
- Leveraging technology and infrastructure to meet current and future needs.

**Table 12. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	56,814	62,225	72,471	75,296
Capital Net Investment (in \$ thousands)	16,018	17,038	43,132	19,415
Full Time Equivalents	966.2	1001.3	1002.6	1004.3

# Public Health

**Mission:** To keep people healthy and reduce their risk of becoming ill.

## Services We Provide

- Population health assessment and surveillance.
- Infectious disease prevention, management, and immunization.
- Chronic disease and injury prevention.
- Promotion of children’s healthy growth and development.
- Protection from environmental health hazards and other health risks.
- Public health emergency management.
- Health promotion and healthy policy development.
- Community safety and well-being planning and support.

## Interesting Facts About This Service

- Peel Public Health service delivery is provincially and regionally mandated. The service is cost-shared with the Province. However, provincial per capita funding for Peel Public Health continues to be low, despite a growing population and increasingly complex public health issues.
- In Peel, major chronic diseases, such as cardiovascular disease, cancer, respiratory disease, and diabetes, place a significant burden on the daily living, productivity, health, and mortality of residents. In particular, the prevalence of diabetes in Peel has been consistently higher than the provincial rates.
- Due to the COVID-19 pandemic-related backlog in records screening, suspension enforcement, and administering vaccines, 50 per cent, or 115,000 students were missing the record of at least one dose of vaccine required to attend school. Although it will take multiple years to catch-up, Peel Public Health has already made significant efforts to tackle the pandemic-related backlog.
- In Peel, there is an increasing burden of communicable diseases including a high number of institutional outbreaks and increasing rates of some communicable diseases. For example, in 2023 HIV rates increased 154 per cent, and syphilis cases increased 61 per cent, compared to the five-year average from 2018 to 2022.
- There is an increasing demand for inspections due to population growth and the accompanying increased number of food premises, recreational water premises and childcare centres. From 2013 to 2023, there was a 234 per cent increase in high-risk food premises and a 23 per cent increase in childcare centres, all requiring inspections. This

year alone, there has been a 5.1 per cent increase in the number of childcare centres requiring inspection, due to new centres opening and many expanding their capacity.

## Highlights of the Business Plan

- Continue to catch-up and stabilize Peel Public Health’s programs and services post-pandemic to maximize our impact on the community, amid increasing service demands and ongoing Provincial funding shortfall.
- Advance the 2020–2029 Peel Public Health strategic priorities: practicing effective public health; enabling active living and healthy eating; promoting mental well-being; reducing health-related impacts of climate change; and advancing health equity.
- Enhance our approach to creating an inclusive workplace culture and promoting employee well-being.
- Continue to expand the reach and impact of Peel’s Community Safety and Well-being Plan through the Health Services' Strategy, Planning and Partnerships Division, as mandated by provincial legislation.

**Table 13. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	43,063	53,740	66,083	73,848
Capital Net Investment (in \$ thousands)	550	2,350	1,560	550
Full Time Equivalents	766.1	796.8	811.1	824.8

# Income Support

**Mission:** To provide income and stability supports to Peel residents to enable self-sufficiency and improved quality of life.

## Services We Provide

- Help Peel residents navigate and access income and community support and services.
- Provide application and assessment services for Ontario Works (OW) social assistance, Child Care Fee Subsidy, and emergency assistance programs.
- Delivery of the provincial Ontario Works social assistance program by offering case management and stability support services to help clients move toward employment.
- Oversee and ensure accountability for the Ontario Works program.

## Interesting Facts About This Service

- Over 25,000 residents (1.7 per cent of Peel's population) receive Ontario Works assistance for an average of 2.5 years, facing complex barriers resulting in the need for intensive case management and stability support.
- In 2023, the maximum monthly Ontario Works benefit for basic needs and shelter for a single person was \$733, less than a third of Peel's Living Wage (the wage a worker needs to cover their basic needs and community participation).
- Ontario Works rates have not increased since 2018.
- 100 per cent of Ontario Works benefit costs are paid by the province.
- Ontario Works benefits paid to Peel clients are projected to exceed \$297.8 million in 2025.
- The municipal social assistance program now focuses on 'life stability support' as a core program element as the Income Support service continues to align its program delivery with the province's vision for transforming the social assistance program.

## Highlights of the Business Plan

- Due to economic uncertainty, the increase in asylum seekers and the addition of Ontario Disability Support Program non-disabled adult clients to stability support services, there continues to be a sharp increase in applications and demand for Income Support services.



- Clients face increasingly complex barriers to finding and keeping employment, such as mental health challenges and addictions.
- The service delivery model and staff roles are being realigned to improve efficiency and service experience.
- Creating more equitable access for clients through inclusive, modernized services and better access to digital solutions.
- Ensuring Peel’s needs are well represented by participating in provincially led client, employee, and community partner engagement opportunities.
- Completing file audits to ensure greater program accountability by verifying that program rules and requirements are being followed.
- Equipping staff with training and support to deliver services that lead to successful client outcomes.

**Table 14. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	30,092	32,530	33,967	35,441
Capital Net Investment (in \$ thousands)	–	–	–	–
Full Time Equivalents	372.7	372.7	372.7	372.7

# Business Services

**Mission:** Provide trusted, cost-effective, and responsive business supports across the organization to enable Peel Region services to achieve the outcomes that matter most to residents and businesses.

## Services We Provide

- Business Services is made up of twelve teams that provide shared services to the entire organization. This value creating partnership enables reliable supports to Peel Region services so they can focus on what matters most – getting the job done for our community.
- Business Services consists of: Climate Change and Energy Management, Communications, Culture and Inclusion, Finance, Government Relations, Human Resources, Internal Audit, Legal Services, Procurement, Service Peel, Strategy and Transformation, and the Office of the Chief Administrative Officer (CAO).

## Interesting Facts About This Service

- Manages Peel Region’s \$3.8 billion operating and \$2.2 billion capital budgets annually and oversees approximately \$1.1 billion of funding from upper levels of government.
- Manages a \$3.3 billion investment portfolio, achieving a five-year annualized realized investment return of 2.83 per cent, equating to approximately \$415 million in realized investment income over the 2019–2023 period.
- Awards approximately \$1.9 billion value of procurement contracts annually to enable services to the community.
- Proactively plans for and operates infrastructure assets valued at \$51 billion to sustainably deliver Peel Region services.
- Successfully placed 1,849 hires in job vacancies in 2023, with 42 per cent of all new hires self-identifying as belonging to a marginalized or under-represented group. This increased to 46 per cent in the first third of 2024 with 694 hires.
- Increased Peel’s flagship newsletter, *Connect to Peel*, by 25,000 subscribers (206,000 total), social media followers surpassed 150,000, and peelregion.ca generated a total of 19 million views.
- Manages Peel Region’s corporate greenhouse gas emissions, achieving 0.6 per cent decrease in 2022 compared to previous inventory levels.
- Commenced the legal processes for over 193 property acquisitions in support of 17 distinct capital projects.

## Highlights of the Business Plan

- Delivering on 20 actions from the Climate Change Master Plan to manage Peel Region’s assets for climate risk and reduce corporate greenhouse gas emissions by 45 per cent below 2010 levels by 2030.
- Developing an equitable and inclusive service delivery model, guidelines and training, and an effective approach to consulting with equity-seeking communities and Indigenous peoples.
- Addressing labour market challenges through attraction and retention strategies that focus on diversity hiring practices.
- Supporting psychological health and well-being for employees.
- Supporting LEAN practices across the organization resulting in \$592 thousand in cost savings and \$4.8 million in cost avoidance in 2024 related to process improvements.
- Enhancing Procurement’s Vendor Performance Management, Contractor Health and Safety Requirements, and Sustainable Procurement programs.
- Advancing Peel Region’s Digital Transformation through numerous transformational projects on Peel Region’s website [peelregion.ca](https://peelregion.ca), including a new content management system (CMS), new digital service pages and 21 new digital forms.

**Table 15. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	27,191	30,409	31,081	31,543
Capital Net Investment (in \$ thousands)	4,150	3,890	4,300	2,500
Full Time Equivalents	573.5	597.5	598.5	598.5

# Early Years and Child Care

**Mission:** To build and support an early years and child care system that is responsive to current and future needs of children and families in Peel.

## Services We Provide

Plan, support, fund, evaluate, and oversee the system, working with service providers to ensure families have inclusive, affordable, accountable, high quality and accessible early years and child care services.

- **Licensed child care.** We assess and respond to child care service needs, provide funding to offset parent fees, support child care provider viability as well as provide funding enhancements for child care staff.
- **EarlyON child and family centres.** We oversee free programs that help families with children six years and younger to grow and learn together. EarlyON connects families with early childhood professionals who can answer questions about child development.
- **Child care subsidy.** We reduce the amount of money that eligible families pay for child care for children 12 years and younger so that families with lower incomes have access to licensed child care.
- **Special needs resourcing.** Through Peel Inclusion Resource Services (PIRS) we support access, inclusion, participation and belonging of all children in licensed child care by connecting providers and families with special needs resourcing supports.

## Interesting Facts About This Service

- Early Years and Child Care has one of Peel's largest program budgets with a total budget over \$540 million.
- 96 per cent of licensed child care sites in Peel participate in the Canada-Wide Early Learning and Child Care (CWELCC) plan which improves affordability by lowering fees to an average of \$10 a day by 2026.
- Even with CWELCC's goal of \$10 a day, 79 per cent of families in receipt of child care subsidy now pay \$10 or less a day for care. In addition, families with children 6 years and older do not qualify for CWELCC. These families will still need ongoing financial support to afford licensed child care.
- Peel has not had a wait list for child care subsidy since 2013; however, many approved families are now waiting for spaces to become available due to higher child care demand since CWELCC implementation.

- CWELCC’s expansion plan will increase child care spaces in Peel by 41 per cent for children five years and younger by 2026.
- 15 per cent of the program’s 2024 budget (\$72.1 million) supported improving wages for early childhood professionals; however, the average base wage of Registered Early Childhood Educators is \$23.86 per hour which is lower than the GTA living wage of \$25.05 per hour.
- In 2023, there were 592,631 visits from children and families to EarlyON programs. This is an 81 per cent increase from 2022.
- 99 per cent of licensed child care programs participate in PIRS.

## Highlights of the Business Plan

- Ongoing implementation of CWELCC to improve child care affordability to an average of \$10 a day by 2026.
- We will add 11,980 new child care spaces by 2026. As CWELCC improves affordability, we will still need 9,800 additional spaces to meet the expected demand for care.
- Implementing strategies to attract, hire and keep qualified educators. Peel needs approximately 1,625 additional early years and child care staff to operate the new spaces to be added by 2026.
- Improving EarlyON and child care programs, policies, and practices to ensure that they reflect the diversity of our community and that families feel a sense of belonging when accessing child care and EarlyON programs.

**Table 16. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	20,395	19,875	24,787	25,312
Capital Net Investment (in \$ thousands)	901	2,533	991	820
Full Time Equivalents	125.2	125.2	125.2	125.2

# Community Investment

**Mission:** Community Investment enables the Community and internal Region of Peel partners to effectively plan and implement equitable solutions that contribute to improved outcomes for Peel’s vulnerable populations.

## Services We Provide

- Leading the Peel Poverty Reduction Strategy (2018–2028) to raise awareness of anti-poverty advocacy positions through collaboration, empowering and enabling people with lived experience of poverty, mitigate the effects of poverty and reduce its prevalence among residents in Peel.
- Funding Peel not-for-profits and community agencies, that reach vulnerable residents, to deliver quality programs and services.
- Implementing the Anti-Human Sex Trafficking Program that prevents and reduces victimization through awareness campaigns and helps survivors recover their dignity and well-being by connecting them with dedicated services.
- Delivering the Affordable Transit Program to improve access to transportation for low-income individuals in Brampton and Mississauga.
- Developing community partnerships and facilitating community engagement to continually adapt service delivery to meet the evolving needs of residents in Peel.

## Interesting Facts About This Service

- 111,925 or 7.8 per cent of the population in Peel lives in poverty, including 28,680 or 9.7 per cent children between 0–17 years of age (Census 2021).
- Partnered with over 80 community and Regional partners to raise awareness of poverty in Peel.
- 1.84 million service interactions were accessed by Peel residents through agencies funded by the Community Investment Program in 2023.
- The two-year pilot (2022–2023) provided funding grants to 18 Peel food providers that enabled the distribution of 3.9 million pounds of food, aiding an additional 267,709 Peel residents.
- Implemented a Black funding framework that will guide decisions and processes when working with the Peel B3 not-for-profits and community agencies.

- In 2023, 613 victims, survivors, and those at risk of being sex trafficked accessed support services provided through the Anti-Human Sex Trafficking Program – the first municipal program of its kind.
- 20 per cent of agencies funded through the Community Investment Program are Black-led, serving, or focused or Indigenous-led, informed, benefiting, and/or partnering.

## Highlights of the Business Plan

- The Community Investment Program implemented a Black funding framework that addresses systemic discrimination by supporting policies and equitable access to funding faced by Black not-for-profit organizations in Peel.
- The implementation of a Food Security Fund that improves critical service gaps, reduces barriers for emergency food while also increasing the percentage of low-income residents' access to culturally appropriate food.
- The Region's Anti-Human Sex Trafficking program will continue to support awareness and coordination of services to victims, survivors, and those at risk of sex trafficking.
- Increase accessibility to transit subsidies for low-income individuals in Brampton and Mississauga, to reduce transportation barriers to essential services and supports.
- Channel community intelligence and community voices to play an active role in the development of regional evidence-informed decision making.

**Table 17. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	18,819	19,325	19,498	19,675
Capital Net Investment (in \$ thousands)	12,000	–	–	–
Full Time Equivalents	34.0	34.0	34.0	34.0

# Information and Technology

**Mission:** To create an enhanced digital experience by supporting the adoption of digital practices with secure, reliable, and modern technologies.

## Services We Provide

- **Resident digital services.** Deliver a portfolio of new digital services for residents and partners.
- **Workforce enabling services.** Create a connected and engaged workplace.
- **Governance and service management.** Provide strategic guidance and support for all technology related services. Support and prioritize technology implementations.
- **Content and data analytics.** Enable informed decisions through research, business analytics and open data.
- **Enterprise platforms and business solutions.** Design, develop, implement and operationalize technology solutions.
- **Infrastructure, connectivity and operations.** Provide reliable IT infrastructure and protect Regional technology assets.
- **Strategy and architecture.** Establish and execute IT policies, standards, and strategies.
- **Cybersecurity.** Operations, structure and processes essential to preventing, detecting, and responding to threatening events.

## Interesting Facts About This Service

- More than 125 terabytes of digital data are managed across our enterprise systems: roughly equal to the combined floor area of five Toronto Reference Libraries or 50 million books.
- Over the past 12 months, more than 30.3 million emails were received, of which 56.8 per cent (17.2 million messages) contained cybersecurity threats that were detected and stopped by IT's Security systems and processes.
- The Public Sector Network (PSN) is a state-of-the-art fiber network co-owned by the Peel Region, Mississauga, Brampton, and Caledon, with over 800 kilometers of fiber – the distance of almost 1,450 CN towers stacked on top of each other.



## Highlights of the Business Plan

- Today, people expect public services to be accessible digitally, requiring governments to keep pace with modern expectations. Peel Region is keenly aware of the evolving needs of its residents and service pressures are greater than they ever been.
- While remaining committed to meeting service expectations and pressures by modernizing digital infrastructure, investment in the management of cybersecurity risks, and risks related to critical systems failure is important.
- There have been competing priorities such as Bill 112 and Bill 185 that have placed several large technology projects and programs to rescope or to pause. It is time to restart and refocus on the key objectives of our Digital Strategy.

**Table 18. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	14,677	18,356	19,689	20,840
Capital Net Investment (in \$ thousands)	45,277	46,542	46,444	35,120
Full Time Equivalents	210.0	215.0	215.0	215.0

# Real Property Asset Management

**Mission:** To deliver cost-effective and sustainable real property client-focused shared services for our Program Partners and maintain our commitment to action priorities to achieve our mandate, “As trusted partners, we provide quality, value-add real property services that support effective program and service delivery.

## Services We Provide

- Strategic asset management and capital planning as well as design and construction project management services.
- Real property planning/administration, acquisition, leasing/licensing, design, construction, life-cycle renewal, and disposal for all Peel owned and leased properties.
- Facility management; including operations and maintenance, and occupant services.
- Coordination of Peel’s Emergency Response Strategy, Business Continuity Planning and management of security supports to programs and services.

## Interesting Facts About This Service

- 12.7 million square feet managed through the RPAM’s Asset Management program; valued at over \$3.9 billion in construction replacement value.
- Over \$100 million of State of Good Repair (SOGR) work budget approved annually to reset asset lifecycles and to ensure continuous operations of the programs within Peel facilities.
- Regional Emergency Management receives on average over 359 notifications annually through the Duty Officer.
- Regional Emergency Management supports planning, response and recovery effort for local emergencies and significant events. Supports to various Provincial responses such as flood and forest fire response to evacuated First Nations are also provided and, on occasion, responses to international events such as the resettlement of displaced individuals from conflict zones.

## Highlights of the Business Plan

- **Continue to support ongoing real property services and address facility needs for Peel’s portfolio.** Office buildings, Peel Regional Paramedic Services facilities, health clinics, Peel Art Gallery, Museum and Archives (PAMA), long term care homes, Learn Play Centres, Peel-owned affordable housing buildings and shelters, Peel Housing Corporation’s (PHC) housing stock and Peel Regional Police facilities.
- \$881 million in the **10-year SOGR Capital Budget** across all portfolios; with \$100 million of SOGR capital projects scheduled to be implemented over the next 2–5 years.
- **New development projects planned.** Dockstader reporting station for Peel Paramedics Services and the Mavis Yard Expansion.
- **Net Zero and low carbon retrofit projects.** Electric charging stations at 2 Copper Road and Peel Integrated Waste Management Facility; Air Source Heat Pumps upgrades at Tall Pines Long-Term Care Home, Weaver’s Hill and Hillside Place, and other redevelopment projects.

**Table 19. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	5,984	6,001	6,010	6,024
Capital Net Investment (in \$ thousands)	1,884	6,979	3,955	34,256
Full Time Equivalents	124.0	124.0	124.0	124.0

# Heritage, Arts and Culture

**Mission:** Heritage, Arts, and Culture, which operates under the name Peel Art Gallery, Museum and Archives (PAMA), exists to share the story of Peel by providing diverse opportunities for creative exploration and discussion to help build cohesive communities.

## Services We Provide

- Art Gallery and exhibitions.
- Museum exhibitions and care of permanent collections.
- Education and Programming.
- Facility Rentals.
- Visitor Services.
- Membership and donations.
- Volunteer Program.
- PAMA Retail store.

## Interesting Facts About This Service

- PAMA has approximately 20,000 art and historical artifacts in the collection, making it the largest combined collection in Peel Region.
- PAMA demonstrated commitment to youth and emerging cultural professionals in 2024 through hosting 5 students and internship positions.
- The Indigenous Sharing Circle and PAMA staff created 4 interactive panels asking visitors what they would like to learn and experience in an upcoming exhibition, from topics around cultural teachings and practices, treaties and historical agreements, and Indigenous innovations. 240+ public responses have been received to date.
- In 2024, grants and donations were received to support financial accessibility to arts programs at PAMA. PAMA created 40 back to school essential kits for teens which included 'how to' art videos; awarded 6 scholarships to our summer camp program and hosted Creative Expressions programs at no cost to 6 community groups serving people with cognitive and physical challenges.

## Highlights of the Business Plan

- Active accessioning with underrepresented groups to ensure that Art and Museum collections are reflective of the diversity and culture of Peel.
- Growing use of technology to increase accessibility for collections and programs.
- Engaging with over 40 community partners and co-creators to plan exhibitions and public programs to promote PAMA's services for the community.

**Table 20. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	5,880	6,152	6,268	6,386
Capital Net Investment (in \$ thousands)	1,467	1,337	885	2,751
Full Time Equivalents	18.5	19.5	19.5	19.5

# Development Services

**Mission:** Delivering efficient, equitable and transparent services that meet the needs of our communities, support economic development, and align with the long-term objectives of both Regional and local partners.

## Services We Provide

- Review and approve water and wastewater servicing connection proposals and system improvements for site plans and building permits as well as proposals to connect to the Region's stormwater collection system.
- Support the local municipalities in achieving their residential and employment targets by providing timely, comprehensive Regional review of municipal development applications specific to the provision of water, wastewater, waste collection and roads and other responsibilities associated with mandates prescribed by legislation.
- Review and approve water and wastewater servicing connection proposals and system improvements for site plans and building permits as well as proposals to connect to the Region's stormwater collection system.
- Interpret, advise and provide input on draft and final legislative changes to identify implications for Peel related to providing infrastructure, services and other areas of Regional responsibility as prescribed by legislation.
- Support Regional Council priorities and direction which include overseeing the Peel Agricultural Advisory Committee of Council, Peel Rural Water Quality Program (PRWQP), Greenland Securement Program, the Peel Major Office Incentive program, participation on watershed planning steering committees and coordinating regional and local municipal priorities related to the annual Conservation Authority budget.
- Support local municipalities as they prepare growth forecasts for land use planning and development phasing, by providing input related to regional infrastructure and services to support growth in a fiscally responsible, environmentally conscious and equitable manner.
- Provide professional planning expertise to internal divisions and stakeholders to achieve their objectives.

## Interesting Facts About This Service

- Peel has significantly improved the comment review time since 2022 as data demonstrates that Peel is currently meeting the MOU timelines on average by three (3) days for all application types and even providing comments an average of seven (7) days early for some application types.
- Secured contributions of 1,009 affordable housing units, \$6.6 million in cash contributions and 4.8 hectares of land for affordable housing.
- 4,098 development applications submissions were reviewed in 2023 and as of Aug 2024, 2,917 applications have been reviewed.
- Of the new development applications (including pre-consultation applications) submitted by August 2024, 42 per cent are in Caledon, 34 per cent are in Brampton and 24 per cent are in Mississauga.

## Highlights of the Business Plan

- This is the first Business Plan that reflects the changes made to the *Planning Act* from Bill 23, the *More Homes Built Faster Act, 2022* which removed planning authority from the Region's of Peel, Halton and York as of July 1, 2024.
- As a result, Peel is no longer responsible for making decisions on land use planning matters, including the following:
  - Completion of Municipal Comprehensive Reviews to update the Regional Official Plan (ROP) as the ROP will become an Official Plan of the local municipalities.
  - Management and updating of the policies of the ROP.
  - Representation of the ROP as an appellate party at the Ontario Land Tribunal.
  - Approving local Official Plans and Amendments where currently required by the *Planning Act*.
- Of the 64 FTE on this team in 2024, 43 are professional planners. Bill 23 affects about 30 per cent of the work plan for Planners on this team and as a result the 2025 budget reflects a removal of 13 Planner FTEs.

**Table 21. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	3,815	3,984	4,097	4,215
Capital Net Investment (in \$ thousands)	1,800	1,800	1,800	1,800
Full Time Equivalents	51.0	51.0	51.0	51.0

# Clerks

**Mission:** As trusted partners we are committed to quality shared services to support organizational success and serve as the gateway for members of the public, agencies, and staff to access their regional government.

## Services We Provide

The Clerks Division is responsible for the management and administration of the following services:

- Freedom of Information.
- Privacy Compliance.
- Council and Committee Support.
- Archives and Records Management.
- Accountability and Transparency Services.

## Interesting Facts About This Service

- Archives manages a growing collection of more than **1.5 linear kilometres** of government and non-government records documenting the history and development of Peel and its people. Archives serves as the official archives of the area municipalities and school boards in Peel. It also maintains a wide range of privately donated records and records on loan from the Province of Ontario.
- Archival staff responded to 1,935 research inquiries in 2023.
- In 2023, the Freedom of Information team received 397 requests and ranked within the top 4 of municipal corporations in Ontario for number of requests received.
- In 2023, the Council and Committee support team facilitated 1,032 council decisions and the enactment of 65 Regional by-laws.

## Highlights of the Business Plan

- Investing in additional resources and a location for processing and storage capacity to keep pace with the growth of the archives collection and the increasing demand of the growing Peel community.
- Implementation of an electronic payment system for freedom of information requests to make customer payments for FOI applications and other fees more convenient and secure.



**Table 22. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	3,133	3,787	4,107	4,227
Capital Net Investment (in \$ thousands)	–	–	–	–
Full Time Equivalents	31.0	35.0	37.0	37.0

## Regional Chair and Council

**Mission:** Since 1974 the Region has been delivering a wide range of programs and services to enhance our community. It is governed by the Regional Chair and 24 members of Council, who represent Mississauga, Brampton and Caledon.

The Regional Chair is the political head of the Region and is also known as the Chief Executive Officer of the Regional Corporation. The Chair is elected by the 24 members of Regional Council to preside over meetings of Council and to ensure its decisions are implemented.

### Services We Provide

- The Region of Peel's economic growth and development is largely due to its responsible management, innovative programs and its ability to respond to the needs of the community.
- Regional Council approves the Region's Strategic Plan, by-laws, policies, operating budget, capital budget and capital plan.
- Members of Regional Council also serve sit on multiple committees and boards including the Police Services Board and boards of the Credit Valley Conservation Authority and Toronto and Region Conservation Authority.

### Interesting Facts About This Service

- Region Council is made up by councillors and mayors from the City of Brampton, Town of Caledon and City of Mississauga.
- Committee and Advisory Committees are created by Council resolution to investigate and report on a particular matter or concern.
- These committees have no legal identity as part of the organizational structure, nor do they possess any statutory powers. Generally, they look to Regional Council for their authority to act, except for the Interim Period Approvals Committee.

**Table 23. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	1,794	1,856	1,906	1,958
Capital Net Investment (in \$ thousands)	–	–	–	–
Full Time Equivalents	3.0	3.0	3.0	3.0

# Water and Wastewater (Utility Rate)

**Mission:** Providing clean water for life.

## Services We Provide

- With a continued focus on quality of service, customer service, asset management, service delivery, and our people and culture, the Water and Wastewater (W&WW) Divisions are poised to continue to provide responsible water and wastewater infrastructure services.
- Planning, design, construction, operation and maintenance of water and wastewater infrastructure including water treatment plants, water transmission and distribution and pumping systems, reservoirs, elevated tanks, water resource recovery facilities, and wastewater collection systems etc.
- Management of all water and wastewater programs including strategic planning, asset management, inflow and infiltration, regulatory compliance, strategic partnerships, water and wastewater by-law enforcement, spills response, coordination with external agencies and utilities and public education.
- Water meter installations and billing services.

## Interesting Facts About This Service

- Our water and wastewater infrastructure is one of the largest assets owned and operated by the Region with a replacement value of over \$40.3 billion.
- The Region produces on average 566 million litres of safe drinking water and treats 684 million litres of wastewater every day.
- The Region maintains 4,789 km length of watermains and 3,754 km length of sanitary sewer mains.
- We inspect 25,232 hydrants and over 280 km of sewer mains every year.
- The Region provides services to 343,151 water accounts and 336,770 wastewater accounts.
- The Region provides significant water and wastewater services to the Region of York.

## Highlights of the Business Plan

- Updating the Water and Wastewater Master Plan to accommodate growth to 2051 and reviewing implications of accelerated growth related to Bill 23 municipal housing pledges.
- Implementing a long-term financial plan for Water and Wastewater which includes long term state of good repair infrastructure planning and execution.
- Aligning business ventures to our W&WW 10-year Strategic Plan.
- Reviewing and developing ESG (Environmental Social and Governance) goals and metrics.
- Progressing toward ISO 45001 Compliance for an Occupational Health and Safety Management system for Water and Wastewater.
- Progressing toward ISO 55001 Compliance for Asset Management System for Water and Wastewater.
- Embracing innovation, investing in people and delivering value.
- Developing a District Energy (DE) thermal system utilizing thermal energy in wastewater effluent to provide a low carbon energy source to service the future Lakeview Village Development.
- Assessing long-term DE potential for both the Water and Wastewater systems.
- Developing a DE thermal energy strategy from wastewater for new development and heating, venting and air conditioning (HVAC) retrofit applications.
- Assessing a triple-bottom line approach to managing biosolids from our Water Resource Recovery facilities.
- Maintaining service levels by making operating investments, improving customer service through Lean initiatives.

**Table 24. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (Peel Required Billings) (in \$ thousands)	567,209	611,342	656,355	702,301
Capital Net Investment (in \$ thousands)	1,704,243	2,925,403	3,009,167	2,199,650
Utility Rate Increase	5.9%	7.7%	6.7%	6.5%
Full Time Equivalents	691.7	752.0	789.2	821.4

# Peel Regional Police (External Agency)

**Mission:** Committed to community safety and well-being through progressive, innovative and inclusive service excellence.

## Services We Provide

- Promoting and maintaining the safety and well-being of our community through crime prevention initiatives, effective response to citizen calls for service, and proactive approaches.
- Ongoing collaboration with policing and community partners to provide support to community members and ensure community safety, under the framework of the Provincial Community Safety and Well-Being plan.

## Interesting Facts About The Service

- In 2024, Peel Regional Police (PRP) celebrated its 50th anniversary.
- PRP is the second largest municipal police service in Ontario and the third largest in Canada providing policing services to 1.6 million residents in Brampton and Mississauga.
- Comprised of four public divisions and specialized units, PRP also provides policing and security to Canada's largest and busiest international airport with over 44.8 million passengers annually.
- PRP has undertaken significant changes to modernize policing, including adopting the philosophy of community safety and well-being and utilizing alternative service delivery models to better respond to community needs in areas of mental health and addictions, violent crime, priority populations and road safety.
- The Community Safety Operations Centre went live in June and is a valuable resource in a variety of situations from assisting in the search for missing people to tracking incidents in progress.
- In February 2024, Peel Regional Police 9-1-1 communications centre became the first major Public Safety Answering Point (PSAP) in Canada to transition to Next Generation 9-1-1 technology, or NG 9-1-1, which will enhance public safety response in Peel Region and meet the growing needs of our community for service. Since launched, the percentage of calls answered within 14 seconds have increased by 108 per cent.

## Highlights of the Business Plan

- 300 officers, 10 communicators and 55 civilian professionals to support the growing demands of our community and increased legislated responsibilities.
- Capital investments to replace infrastructure, vehicles and equipment, expansion of facilities and advancing innovation.

**Table 25. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ millions)	749.5	870.3	990.8	1,126.6
Capital Net Investment (in \$ millions)	155.7	83.3	265.4	93.9
Operating Required to Fund Capital Infrastructure (in \$ millions)	12.4	12.4	12.4	7.2
Full Time Equivalent	3,894	4,212	4,500	4,814

# Ontario Provincial Police (External Agency)

**Mission:** To serve our province by protecting its citizens, upholding the law and preserving public safety.

## Services We Provide

The Ontario Provincial Police (OPP) provide a vast array of programs and services.

Community Safety Services include:

- Major Crime Unit.
- Criminal Investigation Services.
- Emergency Response Team.
- Motor Vehicle Collisions.
- Crime Stoppers.
- Police record checks.

The Organization is led by the Commissioner, the highest-ranking member of the OPP. The Organization is divided into 5 commands, Culture and Strategy, Traffic Safety and Operational Services, Corporate Services, Investigations and Organized Crime, and Field Operations.

## Interesting Facts About This Service

- 324 municipalities received municipal services on a cost recovery basis, which includes the Town of Caledon. The service provides expert front-line, investigative and administrative police service to the people of Ontario.
- Service costs for the OPP only impact the property tax for residents and businesses of the Town of Caledon. Police services for the City of Brampton and City of Mississauga are provided by the Peel Regional Police.
- As of April 1, 2024, the *Community Safety and Policing (CSP) Act* came into effect, replacing the old *Police Services Act (1990)*. The new act focuses on addressing community safety, enhancing police oversight, modernizing policing and establishing consistent mandated training requirements.

- Historically, under the previous Police Services Act, the Region of Peel was responsible for providing adequate and effective police services within the Region in accordance with its needs. The new legislation provides that Police Service Boards, and the OPP Commissioner are responsible for providing adequate and effective policing in the area for which they have policing responsibility in accordance with its needs.

## Highlights of the Business Plan

Priorities for the budget are providing front-line municipal police services including:

- Traffic Safety and Enforcement.
- Effective Community Engagement - Crime Prevention.
- Focused Patrols.
- Property and Violent Crime Reduction.
- Community initiatives, Mobile Response Team.

The current Caledon OPP agreements include additional contract enhancement positions, above the base level of service, to address:

- Traffic Unit.
- Community Response Unit.
- Mobile Crisis Response Team (MCRT).
- Community Street Crime Unit.

OPP Billing for the Town of Caledon is comprised of 2-major components:

- Base Services (50.7 per cent of allocated costs), which are allocated among municipalities on a per property basis.
- Calls for Service (49.3 per cent of allocated costs), these are activity driven costs which are allocated to municipalities based on their individual usage level.
- Additional costs are billed to municipalities based on the contract agreements and individual usage, and includes Overtime, Prisoner Transportation, Court Security and Enhancements.

For the Town of Caledon OPP, the 2025 Budget and forecast years 2026–2028 is summarized as follows:

**Table 26. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	18,050	18,504	18,969	19,446
Capital Net Investment (in \$ thousands)	–	–	–	–



## Conservation Authorities (External Agency)

**Mission:** Conservation Authorities (CAs) play a vital role in protecting the many aspects of Peel’s natural environment, focusing on protecting and managing water resources, wetlands and forests, sharing conservation information, providing local and regional recreational opportunities, preserving natural heritage features and addressing climate change risks within Peel. These outcomes are provided primarily through **3 Conservation Authorities (CAs)**, namely, Credit Valley Conservation (CVC), Toronto and Region Conservation Authority (TRCA) and Conservation Halton (CH).

### Services We Provide

- Protecting the many aspects of Peel’s natural environment by applying a watershed approach to manage the natural resources and natural hazards in various jurisdictions.
- TRCA and CVC’s jurisdictions cover the majority of Peel Region (97.7 per cent) and CH watershed covers a smaller jurisdiction (1.1 per cent). All three CAs are responsible for delivery of mandatory services that include protecting communities from natural hazards, source water protection, management of CA lands, and other required services.
- In addition, CAs deliver important Non-Mandatory Projects and Services that are municipally requested and required by the Region, these include:
  - Restoration on private and public lands, trail design and construction, environmental studies.
  - Addressing climate change risks, providing services, events, and environmental programs for various audiences including schools, businesses, and residents.
- Both conservation authorities also own significant and well-used parks and greenspaces throughout Peel Region, which are funded through admission fees, user fees, and the Region of Peel budget (through the tax levy).
- It should be noted that Provincial funding over the years to support the CAs is negligible.

### Interesting Facts About This Service to be updated

Both CVC and TRCA:

- Continue a funding partnership with Peel Region that dates back 50 years.
- Operate and maintain 6 dams, 3 dikes, 3 flood control channels in Peel.

- Own 5,710 hectares of CA land.
- Own 243 km of CA managed trails.
- Operate 28 groundwater monitoring sites (24 provincial network sites).
- Operate Real-time monitoring gauge network for:
  - 28 streamflow stations.
  - 7 climate stations.
  - 13 rainfall stations in Peel.
- On track to meet 2024 target of 148,000 trees and shrubs planted through restoration programs.
- On track to deliver 450 stewardship events engaging 10,500 people.
- Managed the development of Jim Tovey Lakeview Conservation Authority in partnership with the Region. This is a waterfront parkland between Marie Curtis Park and Lakefront Promenade in the City of Mississauga. The new Park is scheduled to be completed by the fall of 2025 and fully operational by 2026, the 26-hectare park features natural meadows, new beach, coastal forest, coastal wetlands and estuarine habitat and island habitat for shorebirds.

## Highlights of the Business Plan

- Under the new *Conservation Authorities (CA) Act*, non-mandatory programs and services (P&S) that the Region requires continue to be funded by means of memoranda of understanding (MOU). These agreements were signed with each CA in December 2023 for the initial duration of 1 year (until December 31, 2024) in keeping with the previous *Hazel McCallion Act (Peel Dissolution)*, which was subsequently repealed by the introduction of Bill 185. The existing MOUs are in the process of being revised to extend their effective period making it consistent with the term of the existing Council (i.e. December 31, 2026).
- Impact of Bill 23 and changing Regulations 687/21, 686/21, 404/22.

**Table 27. Budget Summary**

(in \$ thousands)	2025	2026	2027	2028
Credit Valley Conservation Authority	29,109	31,292	32,230	33,197
Toronto and Region Conservation Authority	21,166	21,724	22,323	22,945
Conservation Halton	559	583	604	629
<b>Total Net Expenditure</b>	<b>50,834</b>	<b>53,599</b>	<b>55,157</b>	<b>56,771</b>
<b>Total Utility Rate Funding</b>	<b>(16,028)</b>	<b>(16,028)</b>	<b>(16,028)</b>	<b>(16,028)</b>
<b>Total Net Tax Expenditure</b>	<b>\$34,805</b>	<b>\$37,570</b>	<b>\$39,129</b>	<b>\$40,743</b>

Note: May not add up due to rounding.

## Assessment Services (External Agency)

**Mission:** Assessment services are provided by the Municipal Property Assessment Corporation (MPAC). MPAC is an independent, not-for-profit corporation funded by all Ontario municipalities.

### Services We Provide

- Responsible for delivering property values.
- Provide insights and services to taxpayers, municipalities, governments and businesses.

### Interesting Facts About This Service

- MPAC is Ontario's property expert.
- Largest assessment jurisdiction in North America.
- MPAC creates and maintains a comprehensive database of information for each of the more than five million properties in Ontario.

**Table 28. Budget Summary**

	2025	2026	2027	2028
Operating Net Investment (in \$ thousands)	20,253	20,687	21,131	21,584
Capital Net Investment (in \$ thousands)	–	–	–	–

# 2025 Regional Budget Overview

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2025–2028 Business Plan  
and 2025 Budget

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# 2025 Regional Budget Overview

## 2025 Business Planning Process

Peel implemented its planning process in early 2024 which focuses on business planning, not only for the budget year, but on the next four years. Alignment to the Region's Strategic Plan and the principles for approaching the 2025 budget as approved by Council through the June 13, 2024, report titled "*Approach to the Development of the 2025 Budget*" (Council Resolution # 2024-452).

The development of the Region's Budget is guided by the 2015–2035 Strategic Plan. The annual Budget names and provides available resources to advance priorities identified by Regional Council through its vision of a Community for Life and to enable the policy decisions Council has made prior to the budget.

As in prior years, the planning process began with holistic view of major trends and risks and their respective impacts on Peel's services. These trends and risks included:

- Economic uncertainty and market volatility (inflation).
- Income uncertainty and affordability challenges for residents and businesses.
- Provincial funding changes.
- Changing legislation and regulations.
- Evolving technology.
- Aging infrastructure.

To support Council's deliberation of the 2025 Budget, service business plans have been developed for each service that provide an overview of the service, the pressures facing the service, the direction and plans over the next four years including how to improve service delivery and efficiency through technology and process improvement. The business plan and budget will also include two-page budget requests for all new proposed budget initiatives to explain what is being requested, why it is being requested and what impact the budget request will have on the service outcome.

The Region's budget, property tax and utility rate plans are developed according to principles which include fairness, sustainability and affordability, user pays where appropriate, value for money and managing assets.

By using a risk-based approach to the budget, services that can sustain service levels under these trends, appropriately saw no significant changes while services seeing increased demand required intervention and additional investment. This focused approach guided increased investments to where

they make sense and where they will advance service outcomes to Peel's community.

The budget reflects the impact of inflation, external funding shortfalls, cost containment measures, providing service to a growing population and making strategic deliberate investments in the following key areas:

- Enhancing safety and well-being through Public Health programs.
- Increasing affordable housing options.
- Advancing the Climate Change Masterplan with capital investments.
- Enabling the achievement of the accelerated housing targets as directed through the *More Homes Built Faster Act*.
- Maintaining the state of good repair of Peel's infrastructure assets.
- Addressing increased service demand driven by population growth.
- Supporting Diversity, Equity, and Inclusion.

The 2025 Budget represents a budget that places focus and emphasis on services and service outcomes as opposed to administrative structure and strives to streamline how the information is presented to both Council and the public. The 2025 Business Plan and Budget Document presents the overall budget in two general categories: Regionally Controlled Services and External Agencies (Regionally Financed).

The External Agencies (Regionally Financed) are Peel Regional Police, Ontario Provincial Police, Credit Valley Conservation, Toronto and Region Conservation Authority, Conservation Halton, and Municipal Property Assessment Corporation.



## Regional Budget Summary

The Budget has two distinct components: the Tax-Supported Budget and the Utility (Water and Wastewater) Rate Supported Budget. These 2 components are further broken down into Operating Budget and Capital Budget. The Tax-Supported Budget supports both Regionally Controlled Services and External Agencies (Regionally Financed).

The Region of Peel Operating Budget totals \$3.9 billion, and the Region of Peel Capital Budget totals \$2.3 billion, inclusive of the Tax and Utility Rate Budgets. Exhibit below displays the total Operating and Capital Budgets as well as the average annual increase to the tax and utility rates for Peel's average household and small business.

The Region's Budget includes a net tax levy increase of 12.5 per cent (or an overall property tax increase of 5.5 per cent). The budget is made up of the following:

- Peel Regional Police, net tax levy increase of 9.3 per cent (or an overall property tax increase of 4.1 per cent).
- Regionally Controlled Services, net tax levy increase of 2.9 per cent (or an overall property tax increase of 1.3 per cent).
- Other External Controlled Agencies (Ontario Provincial Police, Conservation Authorities and Municipal Property Assessment Corporation), net tax levy increase of 0.3 per cent (or an overall property tax increase of 0.1 per cent).

The Region's Budget includes a utility rate increase of 5.9 per cent. The Region's utility rates remain the lowest in the Greater Toronto Area (GTA) with the 2025 increase.

## Exhibit 1. 2025 Regional Budget Overview

2025 Regional Budget Overview: \$6.2 billion  
 Operating Budget: \$3.9 billion and Capital Budget: \$2.3 billion  
 10-Year Capital Plan: \$23.5 billion



### Property Tax Supported

Region Controlled Services		External Agencies	
Budget Item	Amount	Budget Item	Amount
<b>Operating Budget</b>	<b>\$2,273 million</b>	<b>Operating Budget</b>	<b>\$893 million</b>
<b>Budgeted Rate Stabilization Reserve Draws</b>	<b>(\$35 million)</b>	<b>Budgeted Rate Stabilization Reserve Draws</b>	<b>(\$6 million)</b>
<b>Capital Budget</b>	<b>\$435 million</b>	<b>Capital Budget</b>	<b>\$156 million</b>
<b>10-Year Capital Plan</b>	<b>\$5,158 million</b>	<b>10-Year Capital Plan</b>	<b>\$965 million</b>
<b>Property Tax Increase*</b>	<b>1.3%</b>	<b>Property Tax Increase</b>	<b>4.2%</b>

Impact:**		Impact:	
Average Home assessed at \$581,200	\$73	Average Home assessed at \$581,200	\$248
Small Business assessed at \$641,900	\$128	Small Business assessed at \$641,900	\$436
Commercial assessed at \$1,925,700	\$385	Commercial assessed at \$1,925,700	\$1,307
Industrial assessed at \$1,937,300	\$428	Industrial assessed at \$1,937,300	\$1,449
<b>Region Controlled Services' Portion of Annual Residential Municipal Tax Bill</b>	<b>\$1,455</b>	<b>External Agencies' Portion of Annual Residential Municipal Tax Bill</b>	<b>\$1,437</b>

\* Assumed weighted average municipal portion of tax bill is approximately 44 per cent.

\*\* Weighted average of three local municipalities. Actual impact will vary based on the MPAC assessment and the local municipality.



## Utility Rate Supported

Budget Item	Amount
Operating Budget	\$742 million
Budgeted Rate Stabilization Reserve Draws	(\$3 million)
Capital Budget	\$1,704 million
10-Year Capital Plan	\$17,339 million
<b>Average Utility Rate Increase</b> (includes 5.0 per cent for Infrastructure)	<b>5.9%</b>
<b>Impact:</b>	
Household water consumption of 290m <sup>3</sup>	\$62
Small Business water consumption of 695m <sup>3</sup>	\$118
<b>Annual Residential Water Bill</b>	<b>\$1,036</b>

## 2025 Service Levels

The Budget includes resources to deliver current levels of service and service level increases to support three key areas in the Strategic Plan: Improving people's lives in their time of need, building communities that are integrated, safe and complete and being a future-oriented and accountable government.

Here are some highlights of our 2025 services in each area of focus.

In 2025, **Peel will improve people's lives in their time of need** by:

- Providing 234,865 bed stays to families, adults and youth in Peel's shelter system through Housing Support.
- Providing 11,045 housing subsidies to households.
- Providing over 16,441 housing units in Peel's affordable housing system.
- Providing 736,000 TransHelp trips.
- Responding to an estimated 142,899 emergency calls by Paramedics.
- Providing 1,700 hybrid virtual and 34,038 in-person Adult Day and Community Support Services units to support clients and their caregivers. An additional 6,000 in person units estimated from Seniors Health and Wellness Village expansion pilot
- Providing 866 residents with quality care through five long term care homes.
- Providing an average of 29,000 households with Ontario Works assistance on a monthly basis.
- Providing 592,631 visits to EarlyON programs for children and their families in Peel.
- Providing approximately 9,665 fee subsidies making it possible for families to access affordable licensed childcare.
- Providing programs and services to Peel residents through agencies funded by \$14.2 million in Community Investment grants.



In 2025, **Peel will contribute to integrated, safe and complete communities** by:

- Managing over 450,000 tonnes of residential waste.
- Maintaining 1,700 lane kilometres of roads, 390 kilometres of active transportation infrastructure, and 355 kilometres of storm sewers.
- Providing 75,186 children with free dental screening and identifying 9,108 children with urgent dental conditions requiring professional treatment.
- Conducting 18,037 compliance health inspections at 6,866 food premises.
- Welcoming 19,000 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.
- Providing effective and visible policing services including responding to 247,000 citizen-initiated events in Brampton and Mississauga by Peel Regional Police.
- Providing effective and visible policing services including responding to 50,000 calls for service by Ontario Provincial Police in Caledon.
- Continuing to work with Conservation Authorities who regulate approximately 33,215 hectares of land to protect life and property of Peel residents from hazards due to flooding, erosion and slope failure as well as manage approximately 5,850 hectares of Peel public land providing opportunities for recreation for Peel citizens, while expecting to plant approximately 140,900 trees, shrubs and seedlings over the course of 2025.
- Collecting and treating 684 million litres per day of municipal wastewater collected and treated for approximately 336,770 retail and wholesale customer accounts.
- Treating, transmitting, and distributing 566 million litres per day of municipal water to over 343,150 retail and wholesale customer accounts.



In 2025, **Peel will be a future-oriented and accountable government** by:









- Maintaining Peel’s high credit rating.
- Transforming and modernizing service delivery by leveraging technology and implementing the digital strategy.
- Maintaining a skilled, healthy and engaged work force to provide critical services to residents.
- Planning for climate change adaptation and building environmental resilience.
- Continuing to seek alternative service delivery methods to improve cost effectiveness and the quality of Peel services.
- Supporting higher procurement demand, in a sustainable manner that promotes the environmental, economic and social well-being of the Peel community.
- Advancing work that contributes to a diverse and inclusive workplace and community.
- Managing and planning for the replacement of the Region’s \$51 billion in infrastructure.



# Budget Highlights

Exhibit below highlights areas where we are making investments in 2025 to ensure we are sustaining current service levels and addressing increased service demand driven by a 1.2 per cent population increase from 2024–2025, reaching 1.55 million people. This growth is projected to continue, with the population expected to reach approximately 2.28 million by 2051.

## Exhibit 2. Service Levels and Service Demands

 <p><b>Supporting</b> population-driven service demand</p>	 <p><b>Building</b> housing enabling infrastructure</p>
 <p><b>Enhancing</b> community safety and well-being through health services and police services</p>	 <p><b>Keeping</b> Peel's infrastructure assets in good repair</p>
 <p><b>Advancing</b> the Climate Change Masterplan</p>	 <p><b>Promoting</b> Diversity, Equity and Inclusion</p>
 <p><b>Investing</b> in modern and cyber-secure technology</p>	 <p><b>Managing</b> the impacts of funding shortfalls</p>

# 2025 Operating Budget – Tax-Supported Services

## Overview

The tax portion of the Operating Budget supports both Regionally Controlled services and Regionally Financed External Agencies. Table 1 below indicates the services included in each group.

**Table 1. Property Tax-Supported Services**

Improving People’s Lives in Their Time of Need	Communities are Safe, Integrated and Complete	Government is Future-Oriented and Accountable
<b>Regionally Controlled Services</b>		
<ul style="list-style-type: none"> <li>• Housing Support</li> <li>• Paramedic Services</li> <li>• Seniors Services</li> <li>• Income Support</li> <li>• Early Years and Child Care</li> <li>• Community Investment</li> </ul>	<ul style="list-style-type: none"> <li>• Waste Management</li> <li>• Transportation</li> <li>• Public Health</li> <li>• Heritage, Arts and Culture</li> <li>• Development Services</li> </ul>	<ul style="list-style-type: none"> <li>• Business Services</li> <li>• Information and Technology</li> <li>• Real Property Asset Management</li> <li>• Clerks</li> <li>• Regional Chair and Council</li> </ul>
<b>Regionally Financed External Services</b>		
	<ul style="list-style-type: none"> <li>• Police Services</li> <li>• Conservation Authorities*</li> <li>• Assessment Services (MPAC)</li> </ul>	

\*Note: Conservation Authorities are also partially funded from the Utility Rate.



# Tax Rate Impact

**Table 2. 2025 Net Tax Levy Impact (in \$ millions)**

	2024	2025	Difference 2025 vs. 2024		Assessment Growth		Net Tax Levy Impact	Average Property Tax Impact
			\$	%	\$	%		
Regional Services	\$796.5	\$846.2	\$49.7	6.2%	\$7.2	0.5%	2.9%	1.3%
Peel Regional Police	\$617.7	\$761.8	\$144.1	23.3%	\$5.5	0.4%	9.3%	4.1%
Ontario Provincial Police and Community Events Policing Grant	\$14.6	\$18.4	\$3.8	26.0%	\$0.1	<0.1%	0.2%	0.1%
Conservation Authorities	\$33.0	\$34.8	\$1.8	5.5%	\$0.3	<0.1%	0.1%	<0.1%
MPAC	\$19.8	\$20.3	\$0.4	2.1%	\$0.2	<0.1%	<0.1%	<0.1%
<b>Total</b>	<b>\$1,481.6</b>	<b>\$1,681.5</b>	<b>\$199.8</b>	<b>13.5%</b>	<b>\$13.3</b>	<b>0.9%</b>	<b>12.5%</b>	<b>5.5%</b>

## Net Tax Levy Impact

As mentioned earlier, budget preparation includes consideration of the overall tax bill facing residents of Peel including the portions for local municipalities and education. Peel’s goal is to maintain essential and expected service delivery in keeping with the Region’s financial principles while minimizing the impact through the achievement of service improvements and efficiencies. Table above provides a summary of the 2025 Tax-Supported Net Budget.

The Budget results in a tax levy increase of \$186.6 equivalent to a net tax levy increase of 12.5 per cent after assessment growth (see [Summary I \(a\)](#) and [Summary I \(b\)](#) for the net budget increase by service and a comparison between 2025 and 2024 budgets). 0.9 per cent or \$13.3 million of the total increase is funded by growth in the property assessment base of 0.9 per cent and the remaining 91 per cent or \$186.6 million is funded by a net tax levy increase of 12.5 per cent.

The 12.5 per cent net tax levy increase is composed of 2.9 per cent increase for Regionally Controlled Services, 9.3 per cent increase for Peel Regional Police and 0.2 per cent increase for Ontario Provincial Police and Community Events Policing Grant and 0.1 per cent increase for Conservation Authorities.

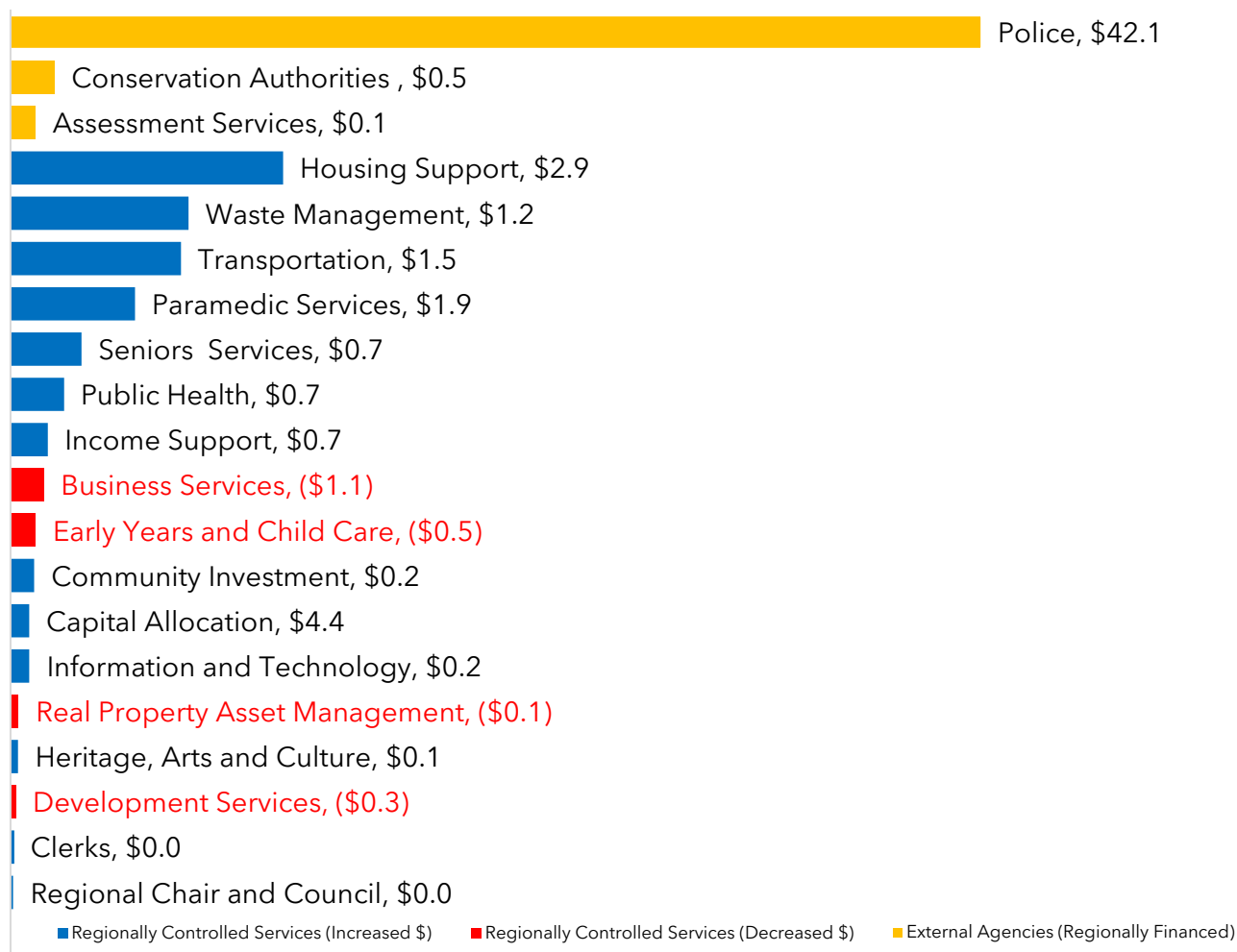
## Average Property Tax Impact

The property tax bill has three components: cost of Regional services, cost of local municipal services, and the cost of education. For the 2025 Budget, the average impacts are as follows: Regional services is 44 percent, local municipal services is 41 per cent and education is 15 per cent. The education

portion (residential only) of the combined tax bill has gradually decreased from 29 per cent in 2001 to 15 per cent in 2025 as the education component has remained flat while municipal taxes have gradually increased. The proportions vary between the local municipalities, depending on several factors including their relative share of total assessed market value by the Municipal Property Assessment Corporation (MPAC). The average property tax impact of the 2025 Budget is 5.5 per cent.

## Where Your 2025 Tax Dollars Will Be Spent

**Figure 1. Where Your 2025 Tax Dollars Will Be Spent (Based on \$100,000 of Residential Assessment)**



Note: Numbers may not add due to rounding; \$0.0 denotes no material change.



A house with a value of \$581,200 will see an increase of \$321; 2025 Tax \$2,892 per \$100,000 assessment Value:

- Property tax increase of \$55.18
- 2025 taxes of \$498

Figure 1 above outlines where the 2025 tax dollars will be spent per \$100,000 of residential assessment. The length of the bars represents the amount of property tax dollars funding the service and the figures at the end of each bar represent the net impact of the budget increase per \$100,000 of residential assessment.

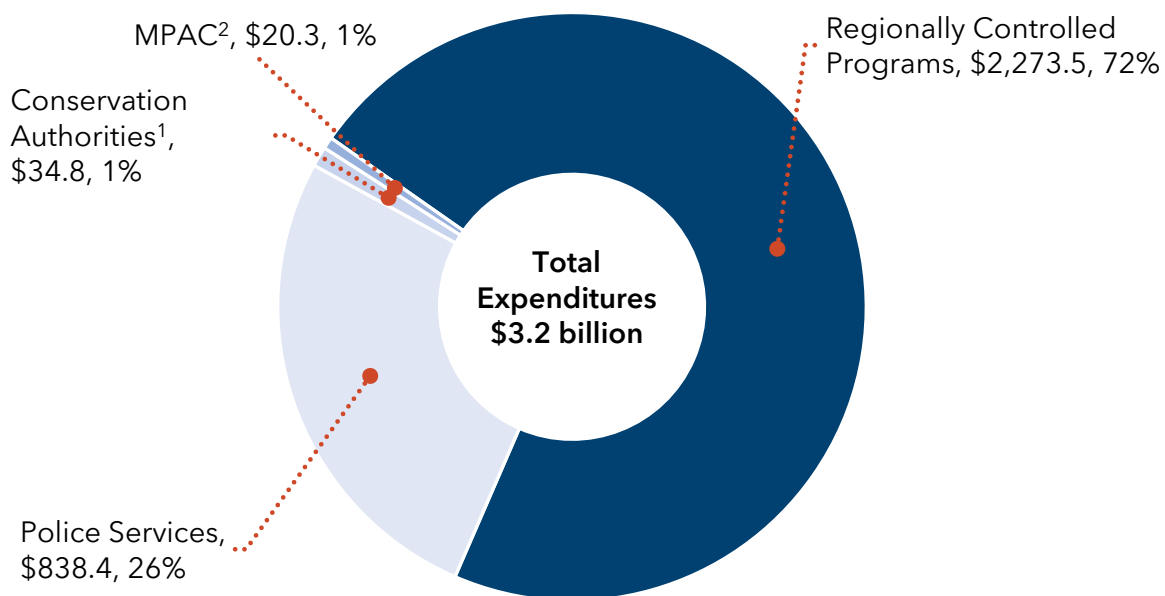
As seen above, the Peel Regional Police proposed the largest budget increase followed by Housing Support, the Capital Allocation (Infrastructure Levy) and Paramedics services.

The Property Tax-Supported Operating Budget totals \$3.2 billion for both Regionally Controlled Services and Regionally Financed Agencies.

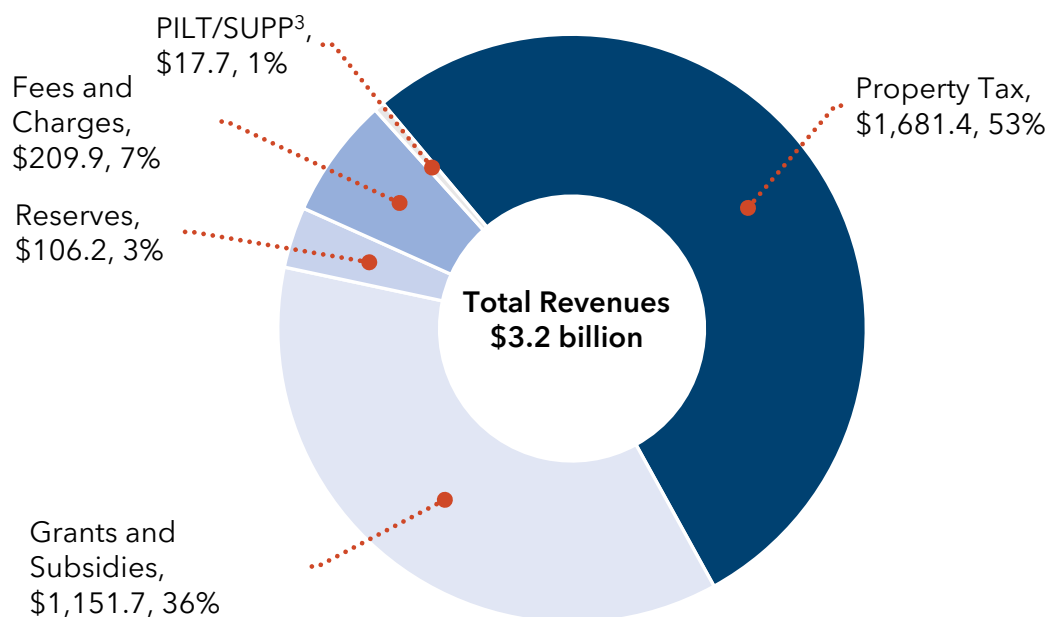
- 53 per cent or \$1,681 million is funded by property tax.
- 47 per cent or \$1,486 million of the total gross budget is funded by non-property tax revenue sources.

Figure 2 and Figure 3 Figure 3. Total Revenues (in \$ millions) display the total operating budget expenditure allocation and related funding sources for Tax-Supported Services.

**Figure 2, Total Expenditures (in \$ millions)**



**Figure 3. Total Revenues (in \$ millions)**



<sup>1</sup> Excludes \$16 million in Conservation Authorities expenditures funded by Utility rates.

<sup>2</sup> MPAC: Municipal Property Assessment Corporation.

<sup>3</sup> Payment In-Lieu of Taxes/Supplementary Taxes

# 2025 Budget on a Modified Accrual Basis

The Region presents its budget using a modified accrual method which is in accordance with *Municipal Act, 2001* requirements. To enable alignment with the Audited Financial Statements, which are done under a full accrual basis as required by the Public Sector Accounting Board (PSAB), [Summary I\(c\)](#) provides a reconciliation of the Budget from the modified accrual method to a full accrual method.

For more information on the difference between a modified accrual versus a full accrual basis, please see the Budget Accounting Policy under the Disclosure of Key Budget Assumptions and Risks section.



# Regionally Controlled Services and External Agencies (Regionally Financed)

As mentioned earlier, the Tax-Supported Budget supports both Regionally Controlled Services and External Agencies (Regionally Financed). Regional Council directs and approves the budgets for Regionally Controlled services.

The external agencies (Peel Regional Police, Ontario Provincial Police, Credit Valley Conservation, Toronto and Region Conservation Authority, Conservation Halton, and Municipal Property Assessment Corporation) are governed by their own respective boards. The financial impact of the external agency budgets is ultimately approved by Regional Council. However, the board of each external agency approves the budget submission to the Region of Peel.

The next sections in the document will provide overviews of the Tax-Supported Regionally Controlled services, the External Agencies (Regionally Financed) and the Utility Rate Supported services.

# Summary of the Major Drivers of the Tax Operating Budget

Table 3 provides a split of the net budget increase (after assessment growth) and property tax increase between Regionally Controlled Services, Peel Regional Police and other Externally Controlled Organizations.

**Table 3. Total Region**

	Tax Levy Impact (%)	Assessment Growth (%)	Net Tax Levy Impact (%)	Property Tax Increase (%)
Regionally Controlled Services	3.4	(0.5)	2.9	1.3
Peel Regional Police	9.7	(0.4)	9.3	4.1
Other Externally Controlled Organizations	0.3	< (0.1)	0.3	0.1
<b>Total Net Regionally and Externally Controlled</b>	<b>13.4%</b>	<b>(0.9)%</b>	<b>12.5%</b>	<b>5.5%</b>

Note: Numbers may not add due to rounding.

Table 4 and Table 5 provide a breakdown of the major drivers behind the proposed changes of the Regionally Controlled services and External Agencies (Regionally Financed) respectively.

**Table 4. Regionally Controlled Services**

Budget Drivers	Budget Increase (\$ millions)	Tax Levy Impact (%)	Property Tax Increase (%)
Maintain Existing Service Levels	15.4	1.1	0.4
Infrastructure Levy	14.8	1.0	0.4
Net External Funding Impacts	9.4	0.6	0.3
New Service Investments	8.7	0.6	0.3
Growth In Population	1.4	0.1	<0.1
<b>Total Regionally Controlled</b>	<b>\$49.7</b>	<b>3.4%</b>	<b>1.5%</b>
Assessment Growth <sup>1</sup>	(7.2)	(0.5)	(0.2)
<b>Total Net Regionally Controlled</b>	<b>\$42.5</b>	<b>2.9%</b>	<b>1.3%</b>

Note: Numbers may not add up due to rounding. Average property tax impact of 1.3 per cent (net tax levy increase of 2.9 per cent).

<sup>1</sup> Assessment Growth of 0.9 per cent is split between Regionally Controlled Services of 0.5 per cent and External Agencies of 0.4 per cent.

**Table 5. External Agencies (Regionally Financed)**

	Budget Increase (\$ millions)	Tax Levy Impact (%)	Property Tax Increase (%)
Peel Regional Police			
Maintain Service Levels	131.7	8.5	3.7
Community Safety Levy	12.4	0.8	0.4
Ontario Provincial Police	3.8	0.3	0.1
Conservation Authorities			
Credit Valley Conservation Authority	1.3	0.1	<0.1
Toronto and Region Conservation Authority	0.4	<0.1	<0.1
Conservation Halton	0.1	<0.1	<0.1
Assessment Services	0.4	<0.1	<0.1
<b>Total Externally Agencies</b>	<b>\$150.1</b>	<b>10.0%</b>	<b>4.4%</b>
Assessment Growth <sup>1</sup>	(6.1)	(0.4)	(0.2)
<b>Total Net Externally Controlled</b>	<b>\$144.0</b>	<b>9.6%</b>	<b>4.2%</b>

Note: Numbers made not add up due to rounding. Average property tax impact of 4.2 per cent (net tax levy increase of 9.6 per cent).

About 23 per cent (2.9 per cent) of the total proposed net tax levy increase of 12.5 per cent is for Regionally Controlled services which are overseen by Regional Council. This increase is largely driven by higher costs to maintain services, a 1 per cent infrastructure levy and new service investments that address priority community needs. These needs include additional Paramedics to support a growing demand.

Over half (9.6 per cent) of the total proposed net tax levy increase of 12.5 per cent is for Regionally Financed External Agency budgets, which are overseen and governed by their own respective boards. The increase is largely driven the Peel Regional Police net tax levy impact of 9.6%. The Police Regional Police budget includes higher costs to maintain services and increased uniformed police officers and civilian employees to address community safety.

<sup>1</sup> Assessment Growth of 0.9 per cent is split between Regionally Controlled Services of 0.5 per cent and External Agencies of 0.4 per cent.



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# Regionally Controlled Services

**Net Tax Levy Increase:** 2.9 per cent

## Operating Budget Pressures

The Regionally Controlled Tax-Supported Services net budget totals \$846.5 million (including the Community Events Policing grants), representing an increase of \$49.7 million or 6.2 per cent over the 2024 Budget. After assessment growth, this is equivalent to a net tax levy increase of 2.9 per cent. The budget increase includes \$15.4 million to maintain and enhance Regionally controlled tax-supported services, \$14.8 million to maintain Peel's infrastructure, net external funding impacts of \$9.4 million, \$8.7 million to enable community priorities, with the remaining budget increase of \$1.4 million to address the population growth in Peel Region.

The Budget increases are categorized as Base Pressures, Federal and Provincial Funding Changes, Service Demand, and Capital Infrastructure Funding.

### Base Pressures

Base pressures are the additional costs required to provide 2024 level of service in 2025. Broadly speaking, base pressures include adjustments due to inflation, economic factors, annualization of previous Council decisions, and prior year tax management decisions. The impact of the base pressures is an overall increase of \$16.7 million which is net of funding increases and efficiencies as summarized below.

### Labour Costs

Labour costs increased by \$23.6 million over the Budget. Included in the labour cost increase are settlements of expired bargaining agreements, economic adjustments for bargaining (as per bargained contracts) and non-bargaining employees.

### Other Pressures

Other pressures include annualized costs of previous Council decisions and elevated costs of goods and services, influenced by the recent rise in inflation on current price levels. Inflation has eased in 2024 and will result in slower increases in budget costs over the medium-term (3–5 years). Service contracts impacted by historical inflation include operating contracts that were renewed for Transportation and Waste Management. These pressures are partially offset by increases in assumed provincial funding such as for Paramedic Services (\$4.7 million), Seniors Services (\$3.9 million) and

additional revenue from increases in user fees to keep pace with inflation and move towards full cost recovery. As a result, other pressures total \$1.5 million.

### **Costs Mitigated through Efficiencies**

A total of \$9.8 million in cost savings and in cost avoidance have been achieved through various initiatives and are presented in [Summary II](#) of this document. As presented to Council on November 21, 2024, through the report titled "Improvements In Service Delivery 2024", staff continually seek opportunities to find efficiencies and save money. Over the past year, staff have completed 33 improvement initiatives, found better ways to do business such as renegotiations for Salesforce licences across the Region resulting in savings of \$0.4 million.

### **Growth In Population**

A total of \$1.4 million in additional costs were added to the 2025 budget in Transportation and Waste Management services related to the population growth in Peel Region.

Transportation added \$0.1 million for additional Roads' Operations and Maintenance, Traffic Signals, and Streetlights to accommodate the growing number of roads in Peel Region.

Waste Management added \$1.3 million for incremental tonnage for Waste collection to accommodate the growth of households in Peel.

### **Federal and Provincial Funding Changes**

There have been several federal and provincial funding announcements over the past few years that will impact Peel's services in 2025.

In Seniors Services, there were base pressures of \$8.4 million related to inflation on salaries and goods and services. Provincial funding and resident fees only increased by a total of \$2.3 million, leaving a gap of \$6.1 million.

In Early Years and Child Care, there were reductions in funding for administration due to a change in the administration cap resulting in a \$4.4 million funding gap.

In Public Health, the Province of Ontario made changes to how the cost of services were shared between the Province and the Region back in 2019. In 2025, there were base pressures of \$4.8 million, however Provincial funding only increased by \$0.6 million, leaving a gap of \$4.2 million. Public Health should be 70 per cent funded by the province but funding increases over previous years have failed to maintain this 70/30 ratio. Full funding of this gap is needed to prevent continued erosion of the funding base and ultimately Public Health services.

In Housing Support, the Province reduced the housing transfer payments by \$4.0 million as published in the Ontario Gazette.

Table below provides details of the services for which property tax funding has been proposed to maintain services.

**Table 6. Cost of Mitigating Provincial Funding Reductions (in \$ millions)**

Regionally Controlled Service	Cost (\$ millions)
Seniors Services	6.1
Early Years Child Care	4.4
Public Health	4.2
Housing Support	4.0
<b>Total Provincial Funding Reduction</b>	<b>\$18.7</b>

Note: The Region funded a total of \$9.3 million from the tax rate stabilization reserve to offset approximately 50 per cent of the pressure of \$18.7 million Provincial Funding Reduction. This resulted in \$9.4 million net tax levy impact. This was done to phase in the impact of the funding reduction to the taxpayers and to provide Council with more time to advocate for fair share funding for Peel.

## Service Demand

Service demand represents incremental investments that support Council's outcomes as defined under the Strategic Plan. After each service has assessed the needs, risks and trends, budget requests are made for investments that respond to needs that have been identified as priorities for the community. The 2025 Budget includes net investments of \$8.7 million for Regionally Controlled Tax-Supported services as detailed by Budget Requests for each service in Table 7 below.

**Table 7. Summary of Budget Requests (BR) by Service (in \$ thousands)**

Service	2025 Investment Outcomes	Gross Investments (\$ thousands)	Net Investments (\$ thousands)
<b>Housing Support</b>	Increased Demand for Housing Support (BR# 21)	818	818
	Housing Supply Growth and Management Pressures (BR# 75)	424	424
<b>Transportation</b>	Continuity and advancement of transportation technology platforms to meet passenger service needs. (BR# 59)	156	–

Service	2025 Investment Outcomes	Gross Investments (\$ thousands)	Net Investments (\$ thousands)
	Increase TransHelp's systems and solutions to support modernization and digitization of service delivery (BR# 60)	92	92
<b>Paramedic Services</b>	Operationalizing the New Paramedic Reporting Station in Brampton (BR# 28)	1,043	521
	Enhanced Efficiency in Paramedic Scheduling (BR# 29)	556	–
	Additional Paramedics to Support a Growing Demand (BR# 30)	2,952	1,476
	Supporting Education to Improve Patient Care (BR# 32)	370	185
	Supporting a Psychologically Healthy and Safe Workplace (BR# 34)	394	245
	Optimizing Pharmaceutical Oversight across Health Services (BR# 35)	89	–
<b>Seniors Services</b>	Resource to Support Sustainability of Health Service's Electronic Medical System (BR# 46)	97	–
	Cultivating a resilient, empowered, and thriving workforce across Seniors Services (BR# 49)	240	240
	Operationalizing the Seniors Health and Wellness Village at Peel Manor (BR# 51)	2,624	–
	Stabilizing Operations in Long-Term Care (BR# 52)	569	569
	Building Capacity to Expand Reach of Virtual Adult Day Services for the Frail Elderly Living at Home (BR# 53)	202	202
	Enabling Care Through Enhanced Information Technology Support for Seniors Services (BR# 55)	207	207
<b>Public Health</b>	Strengthening Capacity to Protect Peel Communities Against Communicable Diseases and Outbreaks (BR# 37)	1,416	950

Service	2025 Investment Outcomes	Gross Investments (\$ thousands)	Net Investments (\$ thousands)
	Strengthening Tuberculosis Program Capacity to Address Growing Population Needs (BR# 38)	998	776
	Strengthening Healthy Sexuality Clinics to Improve Community Health and Wellness (BR# 39)	992	395
	Enhanced public health inspection capacity (BR# 42)	408	408
<b>Business Services</b>	Environmental, Social and Governance Certification (BR# 6)	263	263
	Culture and Inclusion Training (BR# 10)	90	–
	Decolonization of Programs and Services through a one-year student internship (BR# 12)	125	–
	Address ongoing impacts of colonization with the Indigenous community (BR# 13)	119	119
	Dedicated Procurement resource to support increased Peel Regional Police capital projects. (BR# 77)	142	–
<b>Community Investment</b>	Increase to Community Investment Funding (BR# 23)	4,000	–
	Integrated Services Hub for Victims and Survivors of Sex Trafficking (BR# 24)	548	548
<b>Information and Technology</b>	Information Management Program advancement towards Digital Peel (BR# 7)	120	–
	Sustain increased work and initiatives related to the Public Sector Network (BR# 8)	140	–
	Cybersecurity Center of Excellence (BR# 9)	266	266
<b>Total Budget Requests</b>		<b>\$20,460</b>	<b>\$8,704</b>

## Capital Infrastructure Funding – Through the Property Tax

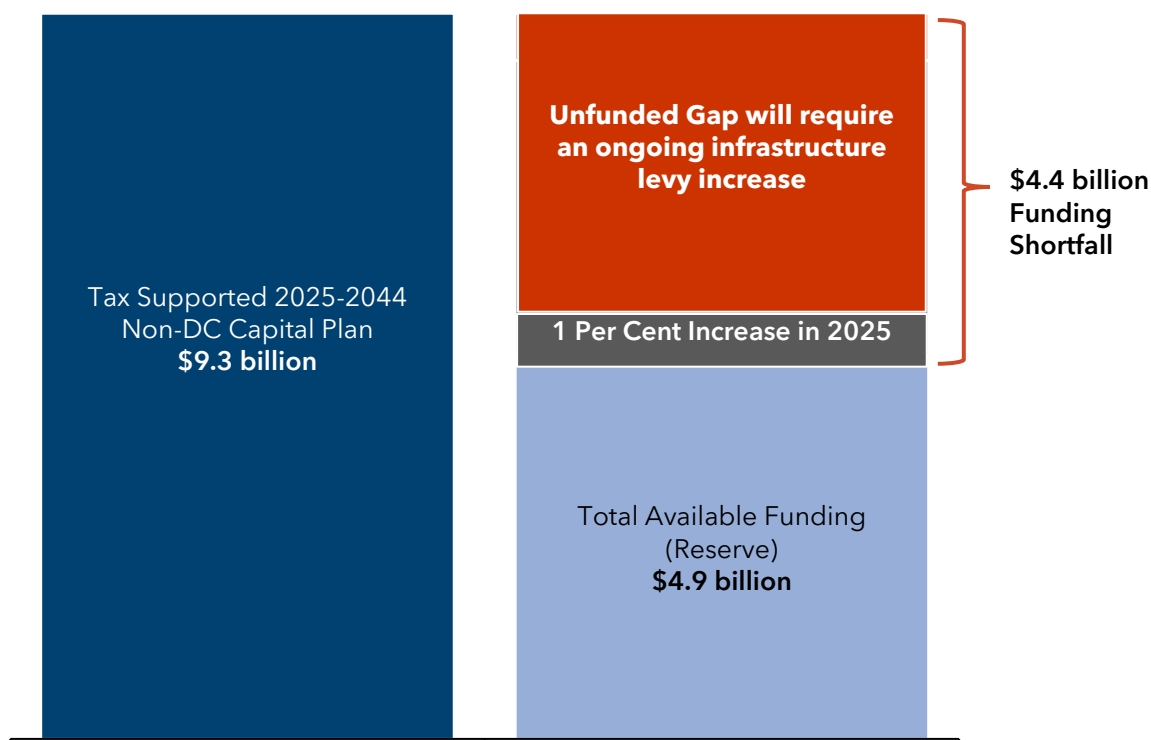
To ensure the Region's services are sustainable, the state of good repair of its capital assets are closely monitored and evaluated on a regular basis. Peel is similar to most municipalities, as having adequate funds to maintain infrastructure is a primary concern and priority.

Current Tax-Supported reserve levels and contributions will require increases for the foreseeable future as corroborated by the most recent reserve adequacy assessment. The obligation to increase reserve contributions is driven by the requirement to fund the state of good repair of Peel’s infrastructure. This includes shelters and the affordable housing stock, incorporating housing with Peel Living, roads, paramedic ambulances and long term care homes.

As in Figure 4 below, a review of the forecasted needs over the next 20-year period (2025–2044), indicates a funding gap currently estimated at \$4.4 billion for Tax-Supported capital requirements. To mitigate this gap, a one per cent infrastructure levy is proposed in the 2025 Tax-Supported budget, which represents approximately \$14.8 million of the tax levy increase. For the years beyond

2025, it is anticipated that a continued one per cent infrastructure levy is required to sustain the tax-supported capital plan and to ensure that adequate funding remains to safeguard the state of good repair of Peel’s infrastructure.

**Figure 4. 20-Year Outlook State of Good Repair (in \$ billions)<sup>1</sup>**



Total Asset Value: \$10.0 billion Regionally Controlled Services  
 Based on 2024 Update to Council on November 21, 2024  
 Note: Peel Regional Police is excluded

<sup>1</sup> Based on 2024 update to Council on October 24, 2024.

# Operating Budget Financing

The Budget is supported by a number of revenue sources including Assessment Growth, Payment In Lieu of Taxes and Supplementary Taxes, Grants and Subsidies, User Fees, and Rate Stabilization Reserve Draws.

## Assessment Growth

The growth in revenue from increased property assessment in Peel for 2025 estimated at \$13.3 million or 0.9 per cent, has been incorporated in the budget.

## Payment In Lieu of Taxes and Supplementary Taxes

The Budget includes \$17.7 million from Payment In Lieu of Taxes (PILTs) and Supplementary Taxes after tax write-offs and rebates. This reflects an increase of \$2.6 million in PILTs revenue from the Greater Toronto Airports Authority to align with the projected increase resulting from increased passenger volume in 2023 as travel continues to recover in the post COVID-19 pandemic era. In addition, this also reflects a \$1.4 million increase in supplementary tax revenues.

## Rate Stabilization Reserve Draws

The Tax-Supported Budget includes \$35.1 million in draws from the Tax Rate Stabilization Reserve to support various initiatives and risks as show in [Summary III](#).

## Grants and Subsidies

Provincial funding assumptions are reviewed annually. The Regionally Tax-Supported budget includes \$1.2 billion in grants and subsidies, a \$192.3 million or 20.1 per cent per cent increase from the 2024 Budget. The increase is largely due to a \$132.9 million increase in for Legislated Ontario Works Benefits due to changes in monthly caseload.

In addition to the federal funding, there are also increases in funding for Paramedic Services, Early Years and Child Care, Seniors Services and Public Health related to inflation or provincial cost sharing.

## User Fees, Service Charges and Recoveries

User fees and service charges are collected for Regional services to recover the costs. This is in keeping with the Region's financial principle of "*Users Pay Where Appropriate*". The 2025 Budget includes an estimated revenue of \$212.6 million. Key items include the Canada-Community Building Fund (formerly *Federal Gas Tax*), most of which is allocated to local municipalities,

the reimbursement for the costs of services provided by the Region to Peel Living and fees from senior residents at long term care homes.

## Staffing Resources to Achieve Level of Service

As in Table 8 below, the Regionally Controlled Tax-Supported Operating Budget includes 4,983 full-time equivalent staffing resources to deliver services to meet community service demands ([Summary V](#)).

**Table 8. Region Controlled Tax-Supported Staffing Resources to Achieve Levels of Service**

	2024	2025
Total Staffing for Tax-Supported Services	4,912	4,983

Note: staffing resources are regular positions (Full-Time Equivalent (FTE)).

The Budget adds a net overall increase of 71 FTE staffing resources for Regionally Controlled Tax-Supported services, comprised of 95 new FTEs partially offset with a reduction of 24 FTEs; 11 FTEs achieved through the identification of efficiencies and an additional reduction of 13 FTEs directly affected by changes made to the *Planning Act* and from Bill 23, the *More Homes Built Faster Act, 2022* which removed planning authority from the Region's of Peel, Halton and York as of July 1, 2024.

The new staffing resources are largely driven from service level demand in Health Services. Resources proposed through the 2025 Budget are largely driven by the following:

- To address an increasing and aging population, rising call demand and rising patient acuity, 20.0 new paramedic officers are requested.
- To address the spread of complex communicable diseases and Tuberculosis impacts to vulnerable populations, 11.0 and 9.0 of staffing resources are requested respectively under Public Health.
- To operationalize the new Paramedic reporting station in Brampton which will serve the current and future needs of the community, 9.0 of the staffing resources are requested under Paramedic Services.

## Salary Gapping

Regular and temporary positions are approved and managed in accordance with the Workforce Level and Control Policy. The Tax-Supported Budget includes wage gapping in the amount of \$9.9 million (equivalent to 83 positions), which recognizes the financial impact of natural staff turnover patterns.



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# Regionally Financed External Agencies

**Net Tax Levy Increase:** 9.6 per cent

## Overview of the External Agencies

In the proposed Budget, the Region's tax levy includes financing to non-Regionally controlled external agencies for a total net cost of \$835.3 million or \$150.2 million over the 2024 Budget. The proposed increase is equivalent to a net tax levy increase of 9.6 per cent after assessment growth.

The external agencies that Peel is required to fund based on provincial legislation and the corresponding method of apportionment are outlined below.

### External Agencies Funded by the Region

#### Method of Appointment for External Agencies

**Peel Regional Police (PRP).** Budgeted costs after other revenue sources such as Provincial funding are apportioned by weighted assessment to the cities of Brampton and Mississauga property taxpayers.

**Ontario Provincial Police (OPP) Caledon detachment.** Budgeted costs after other revenue sources such as Provincial funding are apportioned to the Town of Caledon property taxpayers.

**Credit Valley Conservation (CVC), Toronto and Region Conservation Authority (TRCA), and Conservation Halton (CH).** Budgeted costs after other revenue sources such as Provincial funding and user fees are apportioned to municipalities within the watersheds they manage. Peel's allocation is funded by property tax with a portion on the utility bill.

**Municipal Property Assessment Corporation (MPAC) for assessment services.** Budgeted costs are funded by municipalities according to a formula based on assessment value and the number of properties in each municipality as a per cent of the provincial totals. The budgeted cost is fully funded by property tax.

# Operating Budget Pressures

For the Regionally Financed External Agencies, the following drivers outline the proposed budget changes.

## Peel Regional Police (PRP)

The Peel Regional Police net budget of \$762 million represents an increase of \$144.1 million or 23.3 per cent over the 2024 Budget and is mainly due to Base budget increases of 11.0 per cent, service demand of 10.6 per cent, plus \$12.4 million or 2.0 per cent to fund capital infrastructure. Further details are as follows:

- Overall Base budget increases total \$66.3 million or 11.0 per cent, accounting for cost of living/inflation and include:
  - Salaries and benefits for existing staff, \$51.5 million, the increases also reflect inflationary pressures of \$15.7 million on operating requirements, capital reserve contributions to support technology advancements and increased Workplace and Safety Insurance Board (WSIB) expenditures and an increase of \$0.1 million for the Police Services Board.
  - Subsidy/Recoveries in the base provide an offset of \$1.1 million related to user fee and grant recoveries.
- Service Level demand increases are driven by significant growth in Peel Region, projected service outcomes include, achieving increased public response capacity, reduce 9-1-1 wait times and continuing to increase community safety and well being capacity. The Budget request includes \$65.4 million or 10.6 per cent for 300 Officers, 55 Civilian professionals and 10 Communicators. These positions will address increased pressures related to mental health, intimate partner incidents, theft of motor vehicles, road safety and guns and gang activity and our commitment to community safety.
- Also included in the budget, is \$12.4 million or 2.4 per cent operating funding required to finance the facilities in the 2025 Capital Budget. This amount is a proposed Community Safety Levy, it is intended for Debt to be utilized to finance these capital projects. In addition to the inclusion of the Community Safety Levy of \$12.4 million in 2025, 12.4 million is projected for the years 2026–2027 and \$7.2 million in 2028.

## Policing at Community Events

An increase of \$7,000 or 2.5 per cent over the 2024 Budget has been included in the Regionally Controlled Budget to fund community events requiring the presence of Peel Regional Police in Brampton and Mississauga.

## Ontario Provincial Police (OPP) – Town of Caledon

The net budget for Caledon OPP totals \$18.1 million, representing an increase of \$3.8 million or 26.7 per cent over the 2024 Budget and is mainly due to:

- An increase of \$3.5 million in the OPP contract reflects base increases due to households/population growth, related calls for service, and inflationary pressures.
- Other Pressures include a budgeted Reserve draw reduction of \$0.3 million from the Caledon Policing Cost Stabilization Reserve. The draw was introduced in the 2021 Budget to minimize the impact of budget increases, this draw has been phased out in 2025.

## Conservation Authorities (CAs)

The 2025 net budgets submitted by the three Conservation Authorities' totalling \$34.8 million represents an increase of \$1.8 million or 5.5 per cent over the 2024 Budget. Table 9 below provides a breakdown of the increase by conservation authority.

**Table 9. Conservation Authorities (in \$ thousands)**

Conservation Authority	Levy Increases Operating (General) (\$ thousands)	Levy Increases Capital (Special) (\$ thousands)	Total Increase (\$ thousands)	Budget Increase (%)
Credit Valley Conservation	486	846	1,332	4.8
Toronto and Region Conservation	(55)	523	468	2.3
Conservation Halton	14	-	14	2.6
<b>Total CA Levy Increase</b>	<b>\$445</b>	<b>\$1,369</b>	<b>\$1,814</b>	<b>5.5%</b>
Less Peel Funding:				
Utility Rate	-	-	-	-
<b>Net Budget</b>	<b>\$445</b>	<b>\$1,369</b>	<b>\$1,814</b>	<b>5.5%</b>

Notes: Numbers may not add up due to rounding.

Highlights of the CAs proposed budget increases, related drivers and funding sources are:

- Base Budget increase of \$1.8 million overall levy.
- (\$0.2) million offset/reduction provided by cost mitigation opportunities.
- \$0.7 million increase in other pressures, mainly due to competitive market for hourly workers and general inflationary pressures for goods and services.
- \$1.3 million driven by Special Levy projects which are capital in nature and account for pressures mainly in the climate change and infrastructure categories.
- Utility Rate funding remains unchanged, as the level of funding is appropriate. The utility rate will be revisited in the next budget cycle as project focus shifts to align with participating municipalities' priorities.

The funding from Peel will be incorporated into each Conservation Authority's budget and subsequently approved by their respective boards.

### **Municipal Property Assessment Corporation (MPAC)**

The Municipal Property Assessment Corporation's (MPAC) net budget of \$20.2 million reflects a \$0.4 million increase relative to the 2024 Budget. The Budget is based on historical trends for MPAC budget costs.

# Operating Budget Outlook 2026–2028

## Tax-Supported Services

### 2026–2028 Operating Forecast

The financial outlook is based on maintaining existing service levels to a growing and changing population in the most cost-effective manner, general assumptions for inflation, and the operational impact of capital works. Changing legislation, provincial subsidy and a fluctuating economy will continue to influence budget increases over the next three years.

**Table 10. Operating Forecast 2026–2028 Tax-Supported**

	2026	2027	2028
Regionally Controlled Tax Levy Impact (before one per cent Infrastructure Levy)	4.0%	3.4%	1.9%
Regionally Controlled One Per Cent Infrastructure Levy	1.0%	1.0%	1.0%
External Agencies <sup>1</sup> Tax Levy Impact (before Peel Regional Police Community Safety Levy)	6.5%	5.8%	5.9%
Peel Regional Police Community Safety Levy	0.8%	0.7%	0.4%
Tax Assessment Growth	(0.9%)	(0.9%)	(0.9%)
<b>Net Tax Levy Impact</b>	<b>11.4%</b>	<b>10.0%</b>	<b>8.3%</b>
<b>Property Tax Impact<sup>2</sup></b>	<b>5.0%</b>	<b>4.4%</b>	<b>3.7%</b>

As seen in Table 10 above, based on current Council directed service levels, staff have forecasted an average net tax levy impact of 9.9 per cent (property tax impact of 4.4 per cent) over 2026–2028. The forecast includes the impact of investing in sustaining Peel’s infrastructure and the capital plan on the operating budget such as the ongoing operationalization of the Seniors’ Health and Wellness Village and new paramedic stations. Also included is the movement towards the 4 Hours of Care program for Long Term Care homes.

Similar to the 2025 Budget, the forecast for 2026 includes estimated provincial funding impacts. [Summary IV](#) provides details on the forecasted net expenditure budget increases for 2026–2028.

Each of the years from 2026–2028 includes a 1.0 per cent infrastructure levy to sustain the state of good repair of Peel’s assets and an average 0.60 per cent Community Safety levy within the forecast for the Peel Regional Police

<sup>1</sup> Includes Police Services, Conservation Authorities and Assessment Services.

<sup>2</sup> Based on 44 per cent weighted average municipal portion of tax bill.

under the External Agencies to finance the police facilities proposed through the 2023 Capital Budget.

# 2025 Capital Budget and 10-Year Capital Plan: Regionally Controlled Tax-Supported Services

## **2025 Capital Budget:** \$435.4 million

The Region’s Capital Budget supports the financial principles of “Ensure the capital plan is sustainable,” “Borrow when appropriate for Capital Infrastructure” and “Manage assets”.

The Tax-Supported Capital Budget totals \$591.2 million ([Summary VI\(a\)](#)). Regionally Controlled services represent 74 per cent (\$435.4 million) of the total Tax-Supported capital budget with Police Services accounting for the balance. Similar to the Operating Budget, the Capital Budget also supports the 3 areas of focus and outcomes of the Strategic Plan.

The two largest components of the Tax-Supported Capital Budget are Transportation at \$238.8 million or 55 per cent and Housing Support at \$75.3 million or 17 per cent, which support Council’s priorities of improving goods movement and transforming housing service delivery.

A comparison of the Capital Budget with the 2024 Capital Budget is provided in [Summary VI\(b\)](#). A breakdown of the Tax-Supported Capital Budget by major area of focus are as follows.

## **People’s Lives are Improved in Their Time of Need:** \$127.0 million

Highlights include:

- \$61.3 million for Peel Living State of Good Repair.
- \$17.3 million for enhancement and state of good repair for ambulance and other fleet.
- \$12.0 million to support youth community hub capital development.
- \$8.3 million for installation and upgrades of cooling system, generator, electrical system at Sheridan Villa.
- \$7.6 million for Peel owned Housing and Shelters State of Good Repair.



## **Communities are Integrated, Safe and Complete:** \$257.1 million

Highlights include:

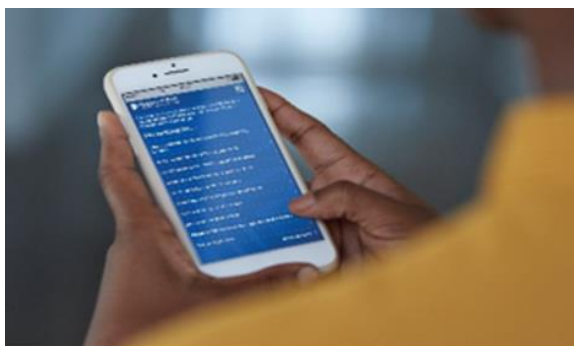
- \$168.1 million for road construction, intersection improvements, and active transportation.
- \$56.7 million for road reconstruction, structure replacement/ rehabilitations and other asset management works.
- \$5.6 million for traffic-related programs.
- \$5.4 million to purchase and replace waste collection containers.



## **Government is Future-Oriented and Accountable:** \$51.3 million

Highlights include:

- \$18.4 million for Enterprise Resource Planning/SAP implementation which will modernize and replace the Region's legacy human resources, finance and procurement technologies.
- \$9.8 million for the implementation of Integrated Asset Management/Maximo to modernize and replace legacy asset management technologies.



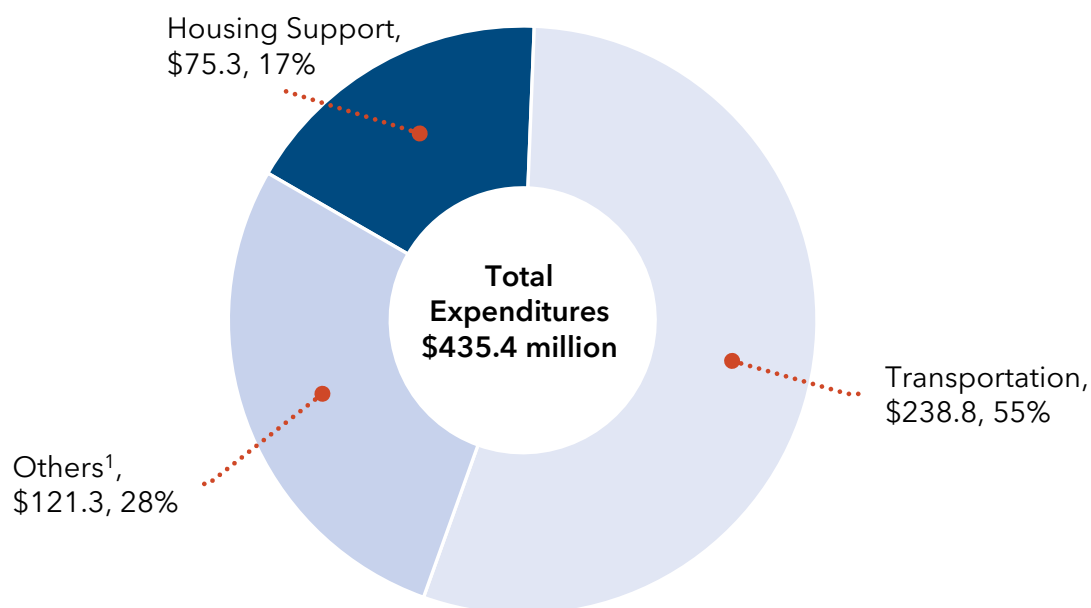


## 2025 Capital Budget Financing

The Region's capital financing follows the principles of the Long-Term Financial Planning Strategy. To implement Peel's "Pay As You Go" principle, growth is funded by Development Charges where possible and capital reserves are used to fund the state of good repair. Debt is used to cash flow Development Charges and is leveraged to finance limited-development charge eligible growth infrastructure including the development of affordable housing and waste facilities.

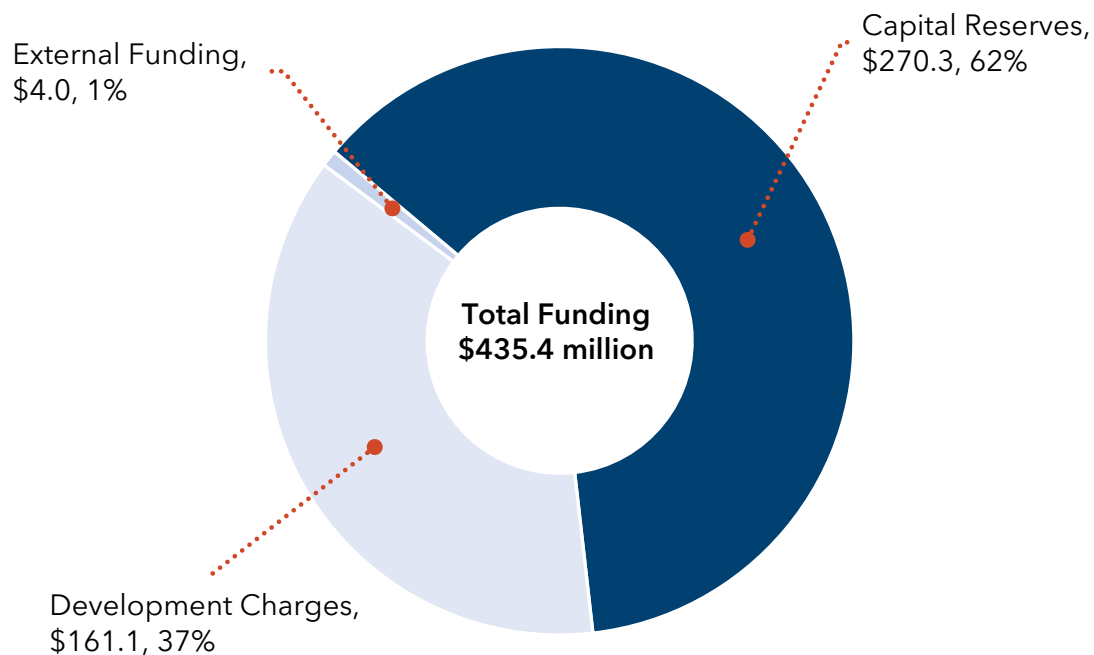
The Tax-Supported Capital Budget is financed from development charges, reserves and reserve funds, debt and external funding sources which include funding from other municipal partners and the Canada Community Building Fund (formerly Federal Gas Tax). Of the Tax-Supported Capital Budget of \$435.4 million, 62 per cent is funded by capital reserves and reserve funds, 37 per cent is funded by Development Charges (DC) reserve funds, 0.1 per cent is financed by the Canada Community Building Fund and 1 per cent from other external sources. Refer to ([Summary VI\(a\)](#)) for details. Figure 5 and Figure 6. Total Funding Sources (in \$ millions) 9 provide the components of the Capital Budget by area of focus and by funding sources.

**Figure 5. Total Expenditures (in \$ millions)**



<sup>1</sup> Others include Information and Technology: \$45.3 million, Paramedic Services: \$22.8 million, Seniors Services: \$16.0 million, Waste Management: \$14.5 million, Community Investment: \$12.0 million, Business Services: \$4.2 million, Real Property Asset Management: \$1.9 million, Development Services: \$1.8 million, Heritage, Arts and Culture: \$1.5 million, Early Years and Child Care: \$0.9 million and Public Health: \$0.6 million.

**Figure 6. Total Funding Sources (in \$ millions)**



# Operating Impact of 2025 Capital Budget

The Capital Budget includes new infrastructure which will enhance Peel’s service levels to meet the demands of our growing community. When these capital works become operational, there will be a direct impact on the operating budget requiring additional resources to service the public. The future expected net operating impact of the Capital Budget is estimated at \$3.3 million as in Table 11, which is phased in over several years as the work is completed. These expected operating costs associated with capital projects have been included in the future years’ operating budget forecasts.

**Table 11. Operating Impact of 2025 Capital Budget (in \$ millions)**

	2025	2026	2027	2028	Total
Information and Technology	–	1.1	1.1	1.1	3.3
<b>Total Operating Impact</b>	<b>–</b>	<b>\$1.1</b>	<b>\$1.1</b>	<b>\$1.1</b>	<b>\$3.3</b>

- **Information and Technology.** The use of updated technology will allow for more efficient and effective operations. It is anticipated that new technology platforms will result in additional operating costs such as licenses. An estimate of \$1.1 million for these costs has been included in each of the forecast years.

**Additional details** of the forecasted operating impacts:

- **Housing Support.** Operating costs include staffing cost related to Housing Redevelopment Initiative charged to capital.
- **Transportation.** The capital program’s impact on the operating budget is largely driven by growth – specifically, as new infrastructure assets are incorporated into long-term asset operations and maintenance programs.
- **Business Services.** The investments made through the Climate Change and Energy Management project will reduce future energy costs as well as the impact of climate change.
- **Early Years and Child Care.** No operating impact since the Early Years and Child Care facilities expenses are covered by the property rental income.

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# 2025–2034 Ten Year Capital Plan – Tax-Supported Services

## 2025–2034 Capital Plan

In addition to the -year Capital Budget, the Region prepares a nine-year forecast which is approved by Council in principle for planning purposes. Planning beyond the horizon of the single budget year allows the Region to assess the sustainability of future plans. As the Region’s assets approach the end of their useful life, the Region must ensure that there is a plan to repair, replace or decommission these assets to support the community’s needs over the long-term and to meet Peel’s growth requirements.

### Ten-Year Infrastructure Needs

The 10-Year Capital Plan addresses the infrastructure requirements to the 2034 planning horizon. The 10-Year Capital Plan for Tax-Supported services totals \$6.1 billion ([Summary VII](#)) of which \$5.2 billion is for Regionally Controlled services and \$0.9 billion is for External Agencies (Peel Regional Police).

Highlights of the 10-Year Tax-Supported Capital Plan for Regionally Controlled services by major area of focus include the following:

#### **People’s Lives are Improved in Their Time of Need: \$1,649.2 million**

- \$672.4 million for Peel Living State of Good Repair.
- \$265.8 million for Peel Community Housing Development Program.
- \$113.2 million for loans for Community Housing Provider State of Good Repair.
- \$99.0 million for new ambulances for growth and replacement of vehicles reaching the end of their useful life.
- \$72.9 million for growth-related satellite and reporting stations.
- \$60.4 million for projects for Low Carbon emissions, such as \$5.9 million for Solar Photovoltaic System at Tall Pines and Malton Village, \$6 million air conditioning project at Malton Village, and \$5.6 million terminal equipment upgrade at Sheridan Villa.
- \$60.0 placeholder for the development of a new Long-Term Care Home in 2034.

### **Communities are Integrated, Safe and Complete:** \$3,098.0 million

- \$1,756.1 million for road construction, intersection improvements, and active transportation.
- \$844.6 million for road reconstruction/resurfacing and other asset management related works.
- \$119.4 million to purchase and replace Waste collection containers.
- \$50.0 million for construction of a new waste transfer station at 125 Orenda Road in Brampton.
- \$42.9 million for site improvement and maintenance at all Waste Management facilities, including replacement of Peel Curing Gore Covers for organic waste treatment.
- \$37.4 million for Traffic Related Programs.
- \$31.3 million for TransHelp capital programs.

### **Government is Future-Oriented and Accountable:** \$410.4 million

- \$101.6 million for identified major maintenance requirements at 10 Peel Centre Drive and 7120 Hurontario Street.
- \$72.9 million for ERP/SAP implementation which will modernize and replace the Region's legacy human resources, finance and procurement technologies.
- \$40.2 million for the implementation of Integrated Asset Management/Maximo to modernize and replace legacy asset management technologies.
- \$34.1 million for the Workforce Enablement Program to implement modern business solutions, collaboration and productivity tools to enhance service delivery and ensure a more secure and efficient technology environment.
- \$30.0 million for the Application Portfolio Modernization program to update and maintain information technology applications to remediate technical obsolescence and risk.
- \$28.0 million to digitize and automate high priority resident services to improve ease of access, user experience and gain business efficiencies through the Digital Peel Program.
- \$22 million for Climate Change and Energy Management initiatives to adapt and mitigate the impacts of climate change and find innovative approaches to improve energy efficiencies that optimize greenhouse gas reduction.

## 2025–2034 Capital Plan by Classification – Regionally Controlled Tax-Supported Services

The Regionally Tax-Supported Capital Plan can be separated into three general categories: State of Good Repair (SOGR), Development Charges (DC) Eligible Funded Growth, and Non-DC Eligible Funded Growth and Service Enhancements as displayed in the table below. Throughout the budget process, the Capital Plan is developed with a focus on ensuring value for money.

Table 12 illustrates the total Regionally Controlled Tax-Supported Capital Plan by category.

**Table 12. Tax-Supported Services (Excludes External Agencies) (in \$ millions)**

	2025–2034 Capital Plan (in \$ millions)	% of Total Capital Plan
State of Good Repair	2,390.5	46
DC Eligible Funded Growth	1,454.0	28
Non-DC Eligible Funded Growth and Service Enhancements	1,313.2	26
<b>Total</b>	<b>\$5,157.7</b>	<b>100%</b>

**State of Good Repair.** Capital work is estimated at \$2,390.5 million which represents the capital investment in existing Peel-owned capital assets to maintain asset condition and current service levels using Peel’s Asset Management Strategy. The strategy uses a risk-based approach to give a strategic perspective on the state of Peel’s infrastructure highlighting where reinvestments in capital assets are most needed to maintain state of good repair and service levels to the public. The strategy provides a framework that guides the services in planning the most appropriate capital work to address infrastructure needs.

The majority of the state of good repair capital work in the 10-Year Capital Plan relates to road resurfacing, structure rehabilitation and storm sewer remediation, office facilities maintenance and keeping the housing stock in good condition.

**Development Charges (DC) Eligible Funded Growth.** Capital work estimated at \$1,454.0 million represents the capital investment to service the growth in Peel’s population, financed from DC Reserve Funds. The majority of the Growth capital work in the Regionally Controlled Tax-Supported 10-Year

Capital Plan relates to road construction such as widening of Highway 50 from Castlemore Road to Mayfield Road and Mayfield Road from Coleraine Drive to Highway 50.

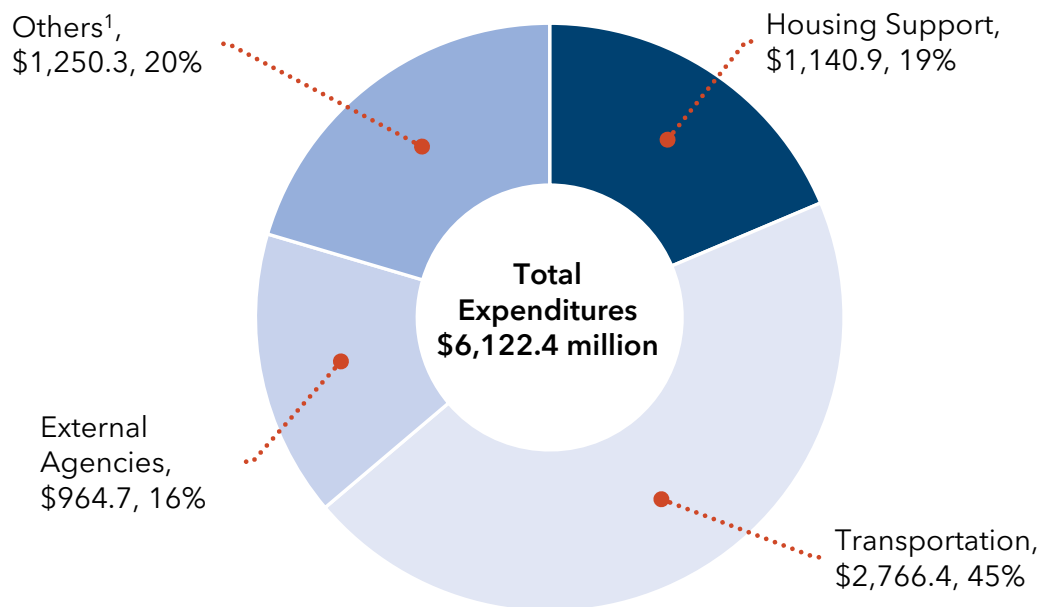
**Non-Development Charges (non-DC) Eligible Growth and Service**

**Enhancements.** Capital work of \$1,313.2 million represents other capital asset acquisitions and improvements which are largely related to service enhancements and non-DC funded growth that are funded from reserves and reserve funds and external recoveries. Major capital work in the 10-Year Capital Plan includes implementation of Council’s Housing Master Plan, maintain the state of good repair of the Peel Living affordable housing stock, climate change adaptation and modernizing technology for improved efficiencies and improved customer experience.

# 2025–2034 Capital Plan Financing - Tax-Supported Services

The Tax-Supported Capital Plan of \$6.1 billion including external agencies is funded by four sources: 68 per cent of the plan is funded by reserves and reserve funds, 25 per cent is funded by Development Charges reserve funds, 0.2 per cent is funded by the Canada Community Building Fund (formerly Federal Gas Tax), and 4 per cent from other external sources. The remaining 3 per cent is funded by debt financing. Refer to ([Summary VII](#)) for details. Figure 7 and Figure 8. 2025–2034 Total Funding Sources (in \$ millions)<sup>11</sup> below provide the components of the Capital Plan by area of focus and by funding source.

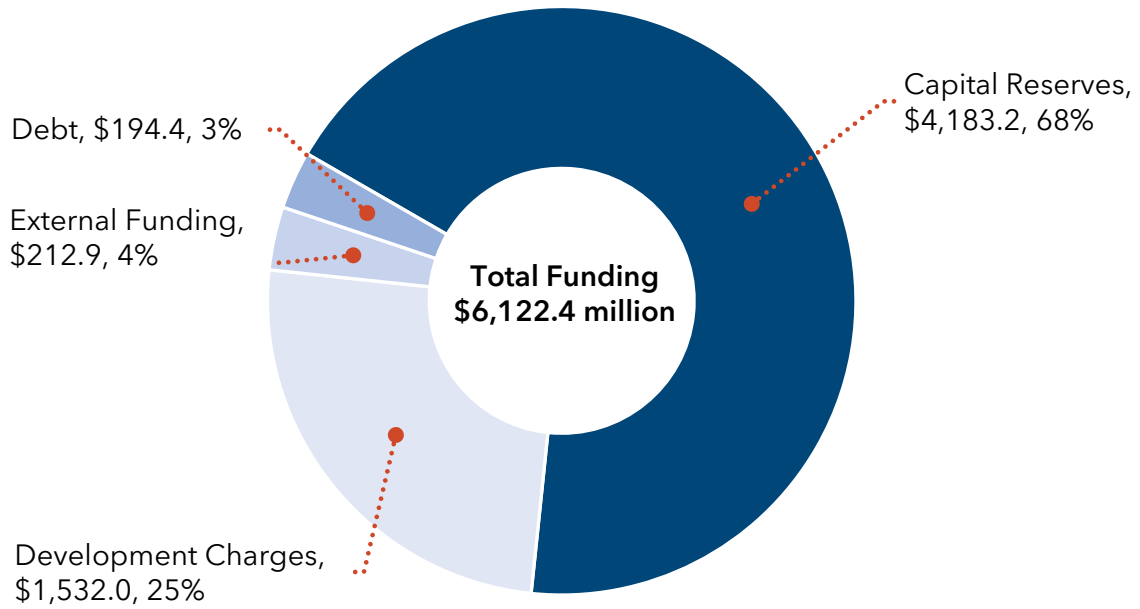
**Figure 7. 2025–2034 Total Expenditures (in \$ millions)**



<sup>1</sup> Others include Waste Management: \$282.5 million, Information and Technology: \$275.2 million, Seniors Services: \$252.3 million, Paramedic Services: \$233.6 million, Real Property Asset Management: \$101.6 million, Business Services: \$33.7 million, Heritage, Arts and Culture: \$19.2 million, Development Services: \$18.0 million, Community Investment: \$12.0 million, Public Health: \$11.9 million and Early Years and Child Care: \$10.4 million.



**Figure 8. 2025–2034 Total Funding Sources (in \$ millions)**



# Sustainable Capital Financing

Regional Council approved its Capital Financing Strategy on September 24, 2020. The strategy outlined principles to guide and achieve sustainable financing for both short term and long-term capital requirements.

Implementation of the Capital Financing Strategy will ensure that the Region of Peel maximizes available funding sources and remains financially flexible to address future capital infrastructure challenges.

## Financing Climate Change

As presented to Council on June 13, 2024, through Council resolution number 2024-465, the Region of Peel's most recent (2022) corporate green house gas (GHG) emissions inventory is 31.4 per cent below 2010 levels and still has 18,600 tonnes of carbon dioxide equivalent to address to achieve Council's target of a 45 per cent reduction of GHGs plus any new emissions by 2030. As an initial and conservative estimate, an incremental investment in the range of \$300–\$400 million is required to reduce corporate GHG emissions. Recent analysis, provided to Council in the 2023 Climate Change Master Plan Progress Report indicates this estimate may only be adequate to decarbonize Regionally owned buildings. More funding will be needed to reduce other sources of corporate emissions, and substantially more funding is expected once infrastructure adaptation costs are known. The adaptation costs for Regionally owned buildings will be provided to Council in spring 2025 as part of the annual Climate Change Master Plan Progress Report.

For the 2025 Capital Budget, key investments have been proposed for capital projects where appropriate to improve the climate change outcomes for these projects. A key program where this investment makes a lot of sense continues to be Housing Support. Previously approved housing capital projects that have not progressed significantly beyond the design phase have been reviewed using new insights from the Housing Energy and Emissions Management Plan and, where appropriate and still feasible, climate change investments have been added. Projected climate-related costs for Housing Support have also been included in the 3-year forecast. All new construction projects for housing development include a climate increment in the order of 10 per cent of the base project to achieve the Region's Net Zero Emissions New Construction Building Standard.

The bulk of these investments are financed using Peel's capital reserves. However, the climate change team has actively pursued external funding opportunities and secured some funding in the form of grants from the federal and provincial governments.

## Adequacy of Reserves/Liquidity

Capital Reserves are used to fund the state of good repair of existing assets and other capital work not eligible for development charge funding. The types of capital projects supported by these reserves include replacement of Regional vehicles and equipment, resurfacing of Regional roads, development of new affordable housing, maintaining the state of good repair of the housing stock, major building equipment repairs and building maintenance, and waste infrastructure development. Capital Reserves are key funding sources to advance the Region's Capital Plan. They provide financial flexibility to meet long-term financing requirements and help achieve the long-term financial sustainability of Peel's infrastructure.

Regional Council has adopted the strategy to increase the tax-supported reserves by one per cent of the net tax levy rate since 2007. Since its implementation, this solution was implemented each year except 2010 and 2021 (reduced to 0.6 per cent) to support the non-development charges eligible portion of the capital plan. These increases in the capital reserves also contributed to overall liquidity and financial condition which supports Peel's Triple A credit rating.

The need for more affordable housing in Peel and to maintain the state of good repair of the aging Peel Living housing portfolio and the other community housing providers has significantly increased the pressure on Peel's capital reserves. Without support from the provincial and federal governments, the capital program for housing will not be sustainable. Based on the most recent reserve adequacy assessment, increases to reserve contributions will continue to be needed for the foreseeable future to fund the Regionally Controlled Tax-Supported 20-year capital forecast. Included in the 2025 Tax-Supported Operating Budget is a one per cent net tax levy increase or \$14.8 million to support Peel's long-term infrastructure requirements. However, even with the increase, solutions will need to be developed to address capital pressures in 2026 and beyond.

## Development Charges

Council passed the 2020 Development Charge By law in December 2020, and it came into effect on January 22, 2021. Development Charges (DC) fund growth-related infrastructure projects are required to accommodate residential and non-residential development and are the primary source of funding for the growth-related portion of the Region's capital plan.

The 2020 Development Charge By law will help fund a significant portion of the Region's capital program from 2021–2041. Ongoing work in 2023 included continued management of the Region's cash flow and capital expenditures in response to the potential variability in development charge revenues after the passing of Bill 23 (*More Homes Built Faster Act, 2022*).

The changes imposed by Bill 23, which include reductions to Peel’s ability to collect Development Charges, along with continuing systemic challenges associated with Development Charge revenue collections, required capital expenditures to support growth, and cost escalation pressures will result in increased debt requirements for Peel. Increased debt requirements for growth-related infrastructure will put pressure on Peel’s capacity to utilize debt for future growth and non-growth-related capital. Furthermore, increased debt reduces Peel’s financial flexibility as a higher percentage of Development Charge revenues is directed to support debt service costs.

## **Leveraging Debt**

To support growth driven capital projects and other Regional capital priorities, debt will be leveraged where appropriate during the period of the Capital Plan. The Long-Term Financial Planning Strategy provides a long-term perspective to guide decision making in support of the Region’s overall financial condition and demonstrates the required balance between financial sustainability, financial vulnerability, and financial flexibility.

Through long-term capital planning and the annual budget process, the Region manages risks such as debt and interest burden, inflation, supply chain challenges and interest rates.

In the Capital Plan, debt may be used to bridge the timing mismatch between Development Charge expenditures and Development Charge collections, and where appropriate may also be used to finance tax and/or utility rate funded capital projects, such as affordable housing and community safety initiatives. Staff will seek Council approval prior to issuing any additional debt.

# 2025 Operating Budget – Utility Rate Supported

## Overview

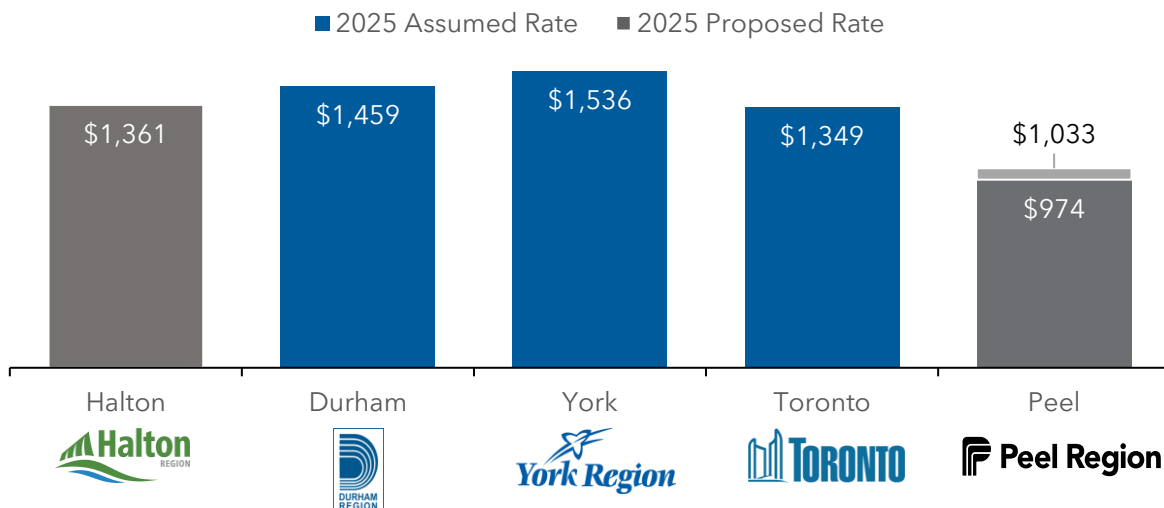
The Utility Rate Supported Operating Budget totals \$742.0 million. In addition to providing water and wastewater services to Peel Region's citizens and businesses, Peel also provides services to York Region and City of Toronto and the costs for these services are fully recovered. Utility Rate user fees also provide \$16.0 million in financial support to the three conservation authorities which serve the Region. The Water and Wastewater Services budget increases are based on identified cost pressures and forecasted billable flows.

Included in the Utility Rate expenditures are the debt costs (interest and sinking fund contributions) to finance Peel's growing population and related infrastructure requirements. These debt costs totalling \$114.9 million currently have no impact on the Utility Rate as they are completely funded from development charge revenues.

The Utility Rate Supported Operating Budget is financed mostly through revenue from consumers. Other financing sources include external sources (i.e. York Region), grants, and sewer surcharge revenue. The Water and Wastewater Budget results in a blended utility rate increase of 5.9 per cent.

This 5.9 per cent utility rate increase translates into an increase of \$62 to the residential annual water bill based on average household consumption of 290m<sup>3</sup> or \$0.17 per day and an increase of \$118 to the small business water bill based on average consumption of 695m<sup>3</sup> or \$0.32 per day.

**Figure 9. Utility Rates**



As shown in Figure 9 above, in 2025 the average residential homeowner will pay a water bill in the amount of \$1,033 based on average household consumption. When Peel’s 2025 utility rates are compared to the average utility rate of neighbouring GTA regions, Peel’s rate is 38 per cent lower.

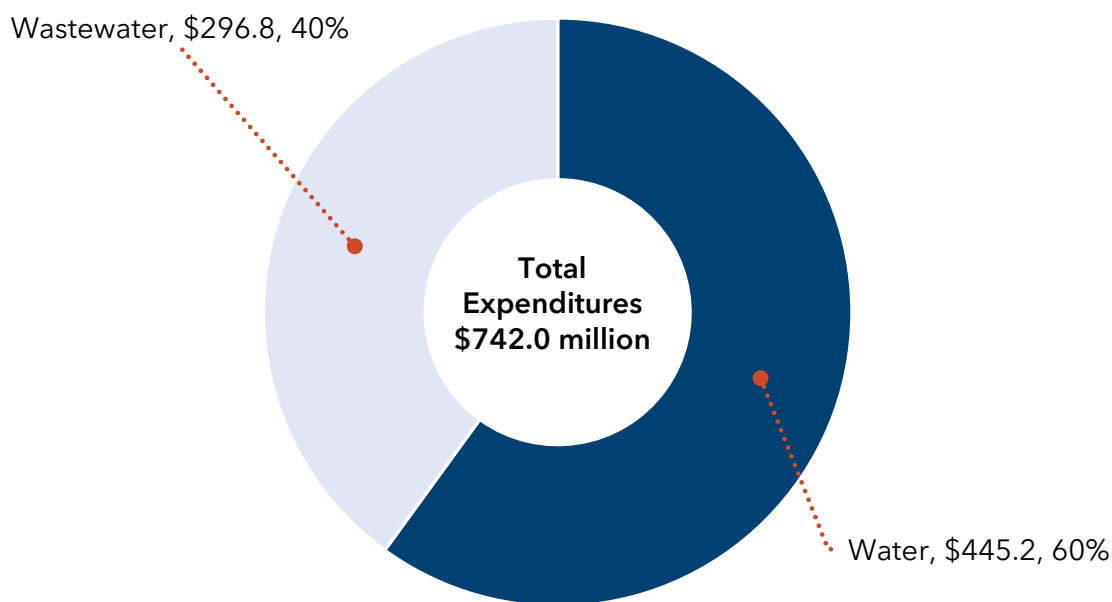
The Utility Rate Supported Operating Budget totals \$742.0 million for water and wastewater services.

- 76 per cent or \$567.2 million of the total gross budget is funded by direct billings to residents and businesses.
- 16 per cent or \$114.9 million is funded by development charges.
- 7 per cent or \$51.4 million is funded by external recoveries.
- 1 per cent or \$8.8 million is funded from other minor revenue sources.

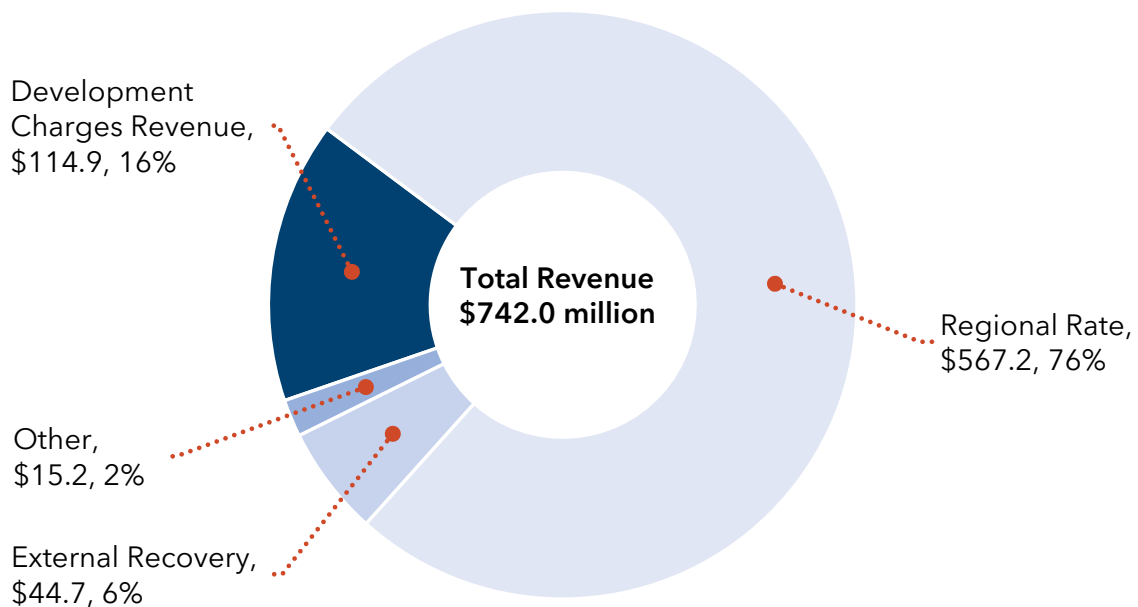
**Figure 10. 2025 Utility Rate Total Expenditures (in \$ millions) displays the total operating budget expenditure allocation. Figure 11. 2025 Utility Rate Total Revenue (in \$ millions)**

Figure 11 displays related funding sources for Utility Rate Supported Services.

**Figure 10. 2025 Utility Rate Total Expenditures (in \$ millions)**



**Figure 11. 2025 Utility Rate Total Revenue (in \$ millions)**



# Operating Budget Pressures

The Peel required billings determine the utility rate applied to Peel users. The Utility Supported Operating Budget has an increase of \$40.0 million in Peel required billings to meet the demand of several significant pressures offset by operational efficiencies. The pressures are categorized as Base Pressures, Service Demand, Managing Risk to Consumption and Capital Infrastructure Funding.

## Base Pressures

Base pressures include adjustments for inflation, economic factors and prior year management decisions. \$11.6 million related to base pressures in the Utility Rate Budget includes:

- \$6.5 million inflationary impact related to materials, supplies and services as well as labour costs.
- \$4.4 million increase in the Ontario Clean Water Agency (OCWA) contract.
- \$0.6 million due to electricity cost increase.

As presented to Council on November 21, 2024, through the report titled *"Improvements to Service Delivery 2024"*, staff continually seek opportunities to find efficiencies and save money.

In addition, the budget includes resources to provide water and wastewater services for 4,200 new customers in 2024.

## Service Demand

Table 13 below includes the Service demand in the Utility Rate Supported Budget.



**Table 13. Water and Wastewater Utility Rate Supported Budget  
(in \$ thousands)**

Service Outcomes	2024 Investment Outcomes	Gross Investments (in \$thousands)	Net Investments (in \$thousands)
Add infrastructure for our water and wastewater services	Resources to Support Asset Management and State of Good Repair Planning (BR# 64)	193	193
	Data Solution and Technology (BR# 65)	–	–
	Organizational Transformation to meet the growth and demands of the community (BR# 67)	157	157
	Business performance/Asset assumption and Maintenance (BR# 69)	2,144	2,144
	Water and Wastewater Regulatory Compliance (BR# 71)	242	242
<b>Total</b>		<b>\$2,736</b>	<b>\$2,736</b>

### Capital Infrastructure Funding – Through the Utility Rate

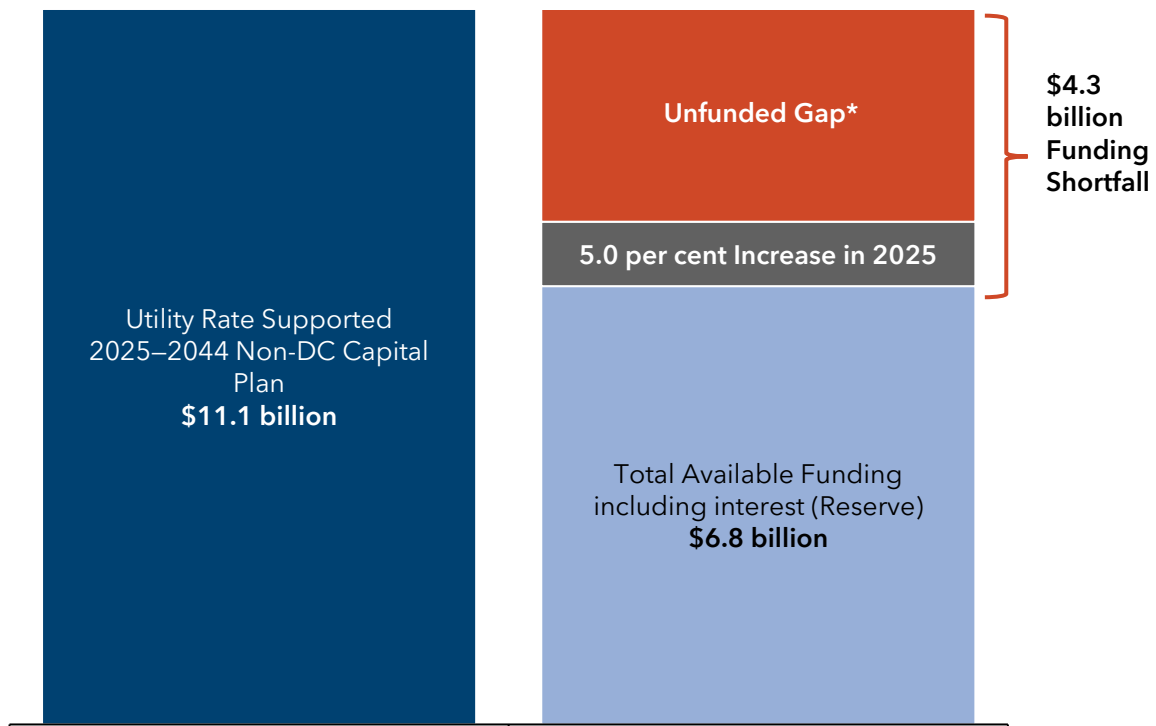
The commitment to maintain quality water and wastewater services and comply with regulations incorporates a continued focus on asset management work. Council’s direction in 2014 was to receive an annual update on the condition of Peel’s infrastructure. The information is updated and re-evaluated over a 20-year horizon, to validate the long-term adequacy requirements of the capital reserves.

The most recent assessment of Peel’s water and wastewater infrastructure, estimates that approximately \$11.1 billion will be required over the next 20 years to finance the state of good repair of these assets. This level of investment will be sufficient to maintain current service levels to the public and manage infrastructure risks.

Figure 12 illustrates a funding shortfall. A review of the forecasted needs over the next 20-year period (2025–2044), indicates a funding gap currently estimated at \$4.3 billion for Utility Rate Supported capital requirements. To mitigate this gap, a five per cent infrastructure levy is proposed in the 2025 Utility Rate Supported budget, which represents approximately \$25.9 million of the utility rate increase. It is anticipated that six per cent infrastructure levy is required for the years 2026–2028 to sustain the utility rate supported capital plan, four per cent for an additional two years, and three per cent for the remaining years up to 2032. These rates ensure that there will be adequate funding to safeguard the state of good repair of Peel’s

infrastructure.

**Figure 12. 20-Year Outlook State of Good Repair (in \$ billions)**



\*Requires Infrastructure rate increase in future years.  
Total Asset Value: \$40.3 billion, based on 2024 update to Council on November 21, 2024.

## Water Consumption

In addition to operating costs, the other factor to determine the utility rate is billable flow or average water consumption volume, which has been declining in recent years. The overall water consumption is influenced by several factors, including weather patterns, economic conditions, and consumer behavior, leading to some uncertainty in predicting its exact usage. Peel’s utility rate costs are primarily fixed (90 per cent) as the service is infrastructure intensive so there is little ability to reduce operating costs when billed volumes decline. Consumption is reviewed each year and adjustments are made when necessary to Peel’s budgeted flows.

# Operating Budget Financing – Utility Rate Supported Services

## User Fees and Service Charges

The Utility Rate Supported budget includes approximately \$12.3 million in general user fees and service charges. In addition to general user fees and service charges, the Utility Rate budget includes fees charged to York Region of \$30.4 million, which represents the full cost recovery of providing water and wastewater services to York Region. The largest component of the Utility Rate budget is the direct billing to Peel’s residential and commercial ratepayers which represents approximately 76 per cent of the total funding source.

## Rate Stabilization Reserve Draw

The Utility Rate Supported Budget includes \$2.8 million in draws from the Rate Stabilization Reserve to support various initiatives and manage risks as show in [Summary III](#).

## Staffing Resources to Achieve Level of Service

As in Table 14 below, the Utility Rate Supported Operating Budget includes 692 full-time equivalent staffing resources to deliver services to meet the demands of Peel community ([Summary V](#)).

**Table 14. Staffing Resources to Achieve Level of Service**

	2024	2025
Utility Rate Services	661	692

The Budget adds an increase of 31.0 full-time equivalent staffing resources that will help to ensure operations meets their mandate of providing clean water for life, resources to support asset management and state of good repair planning, and the support of Water and Wastewater changing regulatory compliance.

The overall Utility Rate budget includes wage gapping in the amount of \$2.5 million (21 positions), which recognizes the financial impact of the natural staff turnover patterns.

# Operating Budget Outlook 2026–2028 – Utility Rate Supported Services

The Utility Rate Budget increase provides the balance to maintain capital infrastructure in a state of good repair, address service level requirements while minimizing the impact to Peel’s ratepayer. Assumptions for demand reflect the trends over the past five years and consider new growth.

For the period 2026–2028, Peel Utility Rate Supported services are forecasting an average combined annual rate increase of 7.0 per cent, of which 86 per cent is to maintain infrastructure which currently projects a funding shortfall of \$4.3 billion by the end of 2044. Several key assumptions such as the water and wastewater capital stabilization reserve contributions, energy prices, Peel water consumption, and operating costs in water and wastewater services will continue to influence the rates in future budgets. Included in the forecast is a 6.0 per cent increase from 2026 to 2035 to support state of good repair of existing and new regional infrastructure.

Peel’s current Utility Rates are the lowest in comparison to similar municipalities in Ontario. With the forecasted increases to 2028, Peel’s Utility Rates are expected to remain the lowest in comparison to similar municipalities.

Displayed in Table 15 below are the projected utility rate increases for the next three years. Of note, all utility rate increases are effective on April 1 of the budget year.

**Table 15. Forecasted Utility Rate Impact 2026–2028**

	Budget 2025	Forecast 2026	Forecast 2027	Forecast 2028
Operations Impact (%)	0.9	1.7	0.7	0.5
Capital Infrastructure Impact (%)	5.0	6.0	6.0	6.0
<b>Total Utility Rate Impact</b>	<b>5.9%</b>	<b>7.7%</b>	<b>6.7%</b>	<b>6.5%</b>
Household Bill (\$ dollars) (annual consumption of 290m <sup>3</sup> )	\$1,033	\$1,110	\$1,185	\$1,261
Small Business (\$ dollars) (annual consumption of 695m <sup>3</sup> )	\$2,497	\$2,676	\$2,859	\$3,043

# 2025 Capital Budget – Utility Rate Supported Services

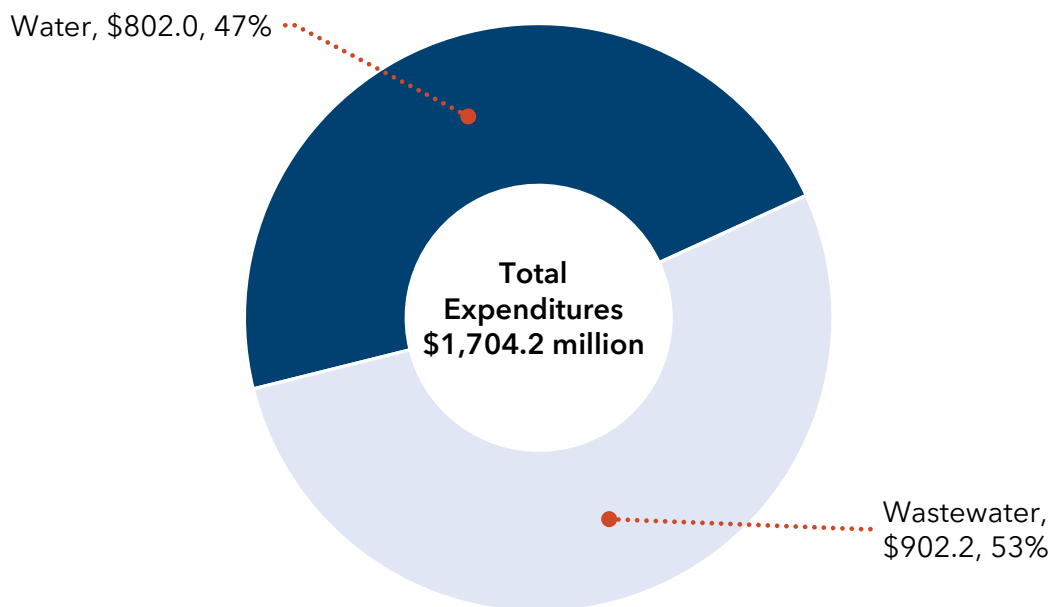
**2025 Capital Budget:** \$1,704.2 million

The Utility Rate Supported Capital Budget totals \$1,704.2 million ([Summary VI\(a\)](#)). Water Supply accounts for \$802.0 million or 47 per cent and Wastewater totals \$902.2 million or 53 per cent. A comparison of the Capital Budget with the 2024 Capital Budget is provided in [Summary VI\(b\)](#). Figure 13 below provides the breakdown of the two services that make up the total of the 2025 Utility Rate Supported Capital Budget.

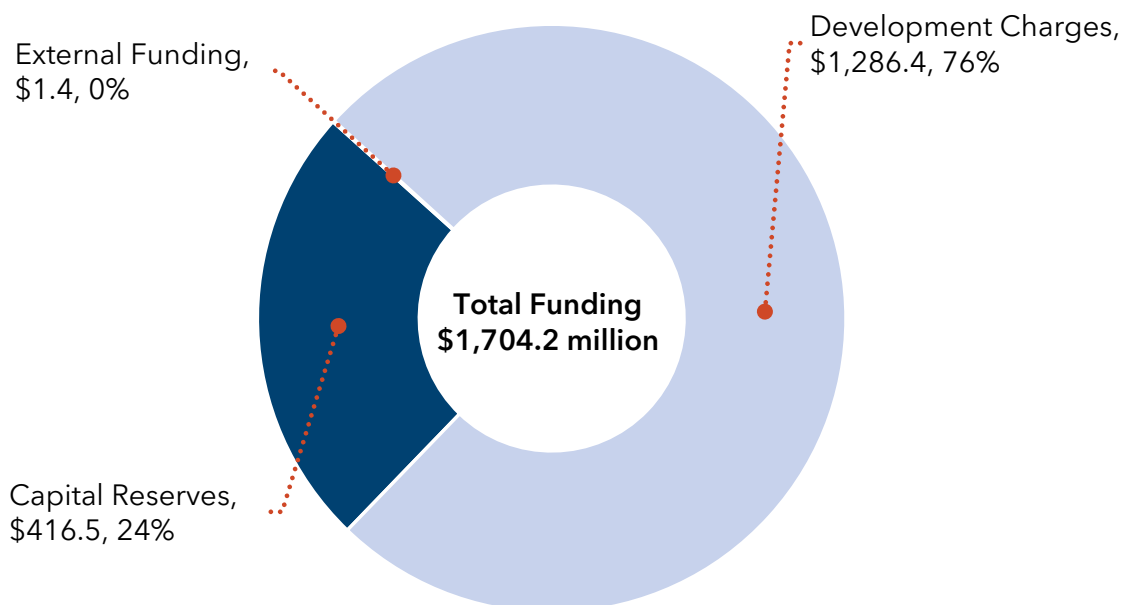
As presented in Figure 14 below, of the Utility Rate supported capital budget of \$1,704.2 million, 76 per cent or \$1,286.4 million is funded from Development Charges Reserves, 24 per cent or \$416.5 million from Capital Reserves and less than one per cent from External Funding.



**Figure 13. 2025 Total Expenditures (in \$ millions)**



**Figure 14. 2025 Total Funding Sources (in \$ millions)**



Highlights of the 2025 investments include:

- \$615.3 for wastewater collection main replacement and construction.
- \$558.1 million for water main replacement and construction.
- \$169.2 million for expansion of Water Resource Recovery Facilities.
- \$90.3 million for the condition assessment and rehabilitation program.
- \$77.6 million for sanitary sewer installation to sustain growth.

- \$43.4 million for pumping station expansion, rehabilitation and water treatment plant equipment replacement.
- \$5.5 million for consolidated information technology business requests for Water and Wastewater.

## **Operating Impact of 2025 Capital Budget**

- Ontario Clean Water Agency (OCWA) operations and maintenance fee increase as new facilities are brought online. OCWA related contract increases are included in the 2025 Operating Budget.
- Additional operations resources will be required in 2025 and beyond as capital projects are delivered and placed into service.
- Assessment of resource impacts due to high growth are not included in the operating forecast and will be subject to a detailed study on long-term operating needs.
- Full Capital impact on Operations is not included in the plan.
- The future maintenance costs of new capital proposed in the 2025 Capital Budget have not been reflected in the operating forecasts yet.
- Internal (Support Services) impact from high growth plan such as impacts in Purchasing, Finance, Property, Legal, HR and Communications may all be further impacted by high capital program and are not fully reflected in the operating forecast.
- External Agency impacts based on high growth plan have also not been included in the forecast.

# 2025–2034 Capital Plan – Utility Rate Supported Services

## 2025–2034 Capital Plan

As in the Tax-Supported Services, the Utility Rate Supported Services also prepares a nine-year forecast, which is presented to Council to approve in principle for planning purposes. The 10-Year Capital Plan for Utility Rate Supported Services totals \$17.3 billion.

Highlights of the Capital Plan include:

- \$5,271.7 million for wastewater collection main construction and replacement.
- \$5,002.1 million for water main construction and replacement.
- \$2,562.1 million for water treatment plant and pumping station expansion and rehabilitation.
- \$1,926.7 million for expansion of Water Resource Recovery Facilities.
- \$876.0 million for condition assessment and rehabilitation program.
- \$160.2 million for Operation Support facility expansions, equipment upgrades and technology initiatives.

## 2025–2034 Capital Plan by Classification – Utility Rate Supported Services

The Utility Rate Supported Capital Plan of \$17.3 billion can be separated into three general categories as outlined in Table 16 below:

**Table 16. Utility Rate Supported Services (in \$ millions)**

	2025–2034 Capital Plan (in \$millions)	% of total Capital Plan
State of Good Repair	3,375.7	19.5
DC Eligible Funded Growth	13,193.1	76.1
Non-DC Eligible Funded Growth and Service Enhancements	770.6	4.4
<b>Total</b>	<b>\$17,339.4</b>	<b>100.0%</b>

**State of Good Repair (SOGR)** capital work estimated at \$3.4 billion represents the capital improvements on existing Peel-owned capital assets to maintain asset condition and current levels of service including meeting current regulatory requirements. The Region’s investment in the state of good repair of its assets is guided by the principles of the Asset Management Policy.

**Development Charges (DC) Eligible Funded Growth** capital work estimated at \$13.2 billion represents investment in new capital to service



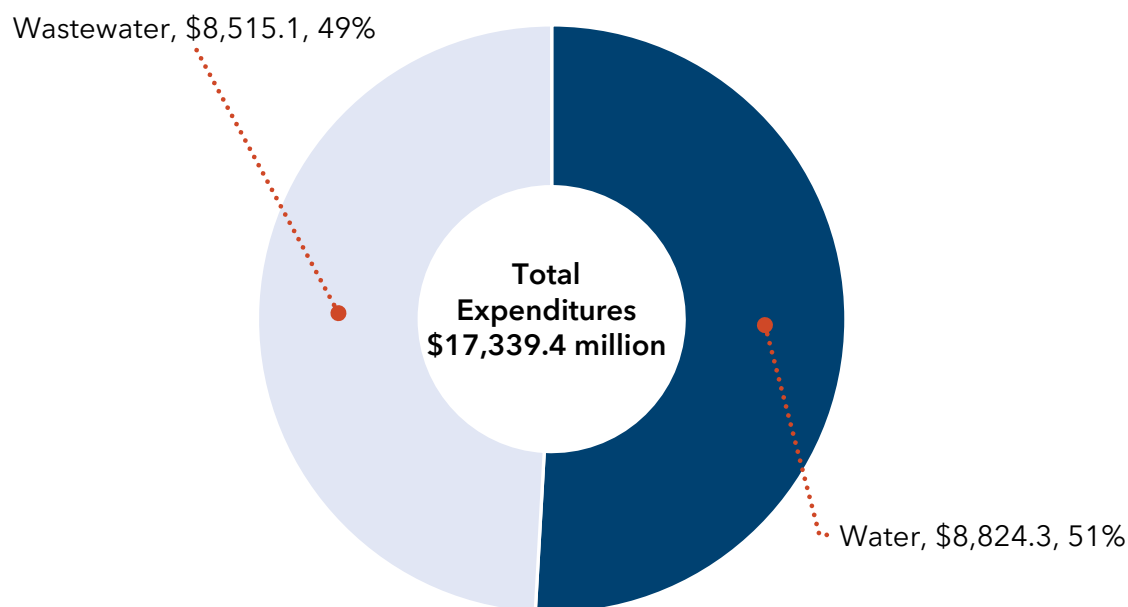
Peel’s population growth financed from DC funding sources. Approximately 76 per cent of the total Utility Rate Supported capital work is to address this pressure from growth.

**Non-DC Eligible Funded Growth and Service Enhancements** capital work of \$0.8 billion represents capital asset acquisitions and improvements which are largely required for anticipated service enhancements and are funded from internal reserves.

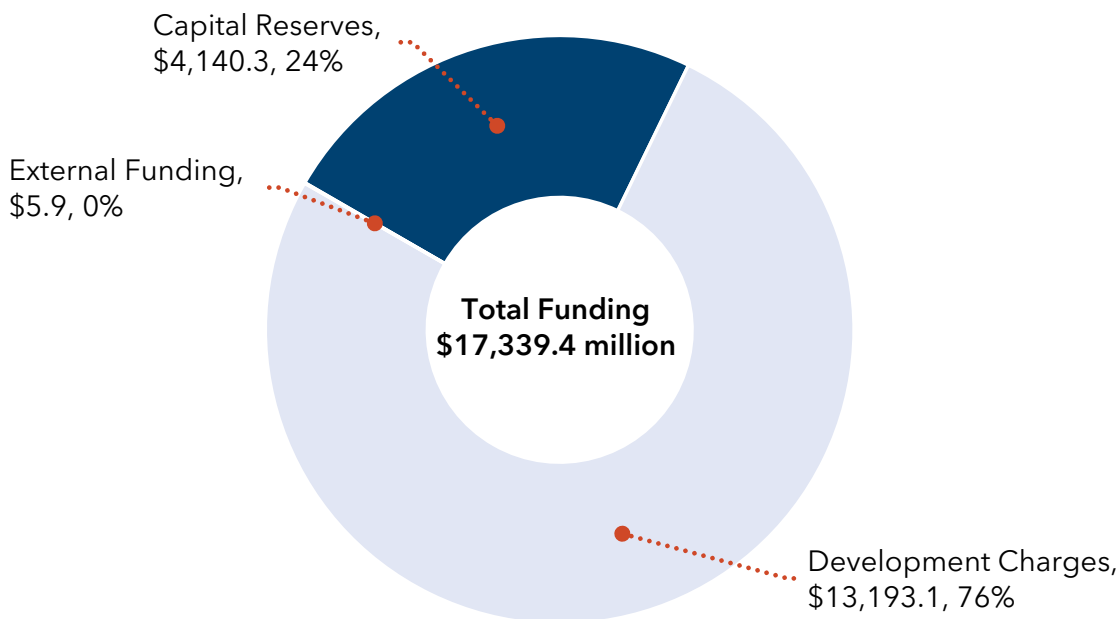
## 2025–2034 Capital Plan Financing – Utility Rate Supported Services

Figure 15 Figures 18 and 19 provide the components of the Capital Plan by major expenditures and funding sources.

**Figure 15. 2025–2034 Utility Rate Total Expenditures (in \$ millions)**



**Figure 16. 2025–2034 Utility Rate Total Funding Sources (in \$ millions)**



The Utility Rate Supported Capital Plan of \$17.3 billion ([Summary VII](#)) is funded by three sources: 76 per cent is funded by Development Charges reserve fund, 24 per cent is funded by reserves and reserve funds, and less than one per cent of the total plan is funded by external sources (e.g. York Region and Local Municipalities).

### **Development Charges Reserve Fund**

Development Charges are utilized to fund growth as outlined in the *Development Charges Act*. If there is a significant timing difference between when development charge revenues are received and when infrastructure expenditures are needed, then debt may be required. A strategy to review the timing of capital projects has been implemented. Due to the changes brought about by Bill 23, there will be a greater demand for infrastructure in a much shorter timeframe than originally planned.

Additionally, Bill 23 eliminated several costs from being eligible for Development Charges and introduced mandated full exemptions of Development Charges for non-profit housing developments and affordable and attainable residential units, along with reduced development charge rates for rental housing developments. Collectively, these changes could lead to increased financial pressure on the Region as Development Charge revenue collections are expected to decrease, potentially leading to a greater reliance on debt to finance growth.

## **Sustainability - Adequacy of Reserves**

Capital Reserves are used to fund the state of good repair of existing assets and other capital work not eligible for Development Charge funding. The types of capital projects supported by these reserves include replacement of vehicles, replacement of linear assets, pipes, feeder mains and facilities.

Capital Reserves provide the resources to advance the Region's capital plan. They provide financial flexibility to meet long-term financing requirements and help achieve the long-term financial sustainability of its infrastructure.

In 2008, Council adopted the strategy to increase the utility rate supported reserves each year to support the components of the capital plan not eligible for development charges. Since its implementation, except in year 2010, Council approved utility rate increases in range of three to seven per cent in annual budgets to strengthen Utility Rate Supported Capital Reserves.

The increases in the capital reserves are also an important factor in Peel's overall liquidity and financial condition which supports Peel's Triple "A" credit rating.

Similar to the Tax-Supported Capital Plan, staff use a 20-year capital forecast of state of good repair to assess the capital reserve adequacy for Utility Rate Supported services. Based on the most recent reserve adequacy assessment there is a projected shortfall of \$4.3 billion in available funding by the end of year 2044. Included in the 2025 Utility Rate Budget is a 5.0 per cent rate levy increase or an increase to reserve contributions of \$25.9 million to mitigate the unfunded shortfall and to support Peel's long-term infrastructure requirements. To sustain the utility rate supported capital plan and close the gap, a 6.0 per cent infrastructure levy is required for the years 2026-2028, 4.0 per cent for an additional two years, and 3.0 per cent for the remaining years, assuming no material changes to the expenditures and revenues.

The Utility Rate supported services has been actively looking for funding opportunities to deliver the services with minimal impact on the rate payers in the community. In 2017 it received Phase I funding from federal and provincial infrastructure funding programs in the amount of \$102.7 million. Recently it secured \$8.0 million from the Investing in Canadian Infrastructure Program (ICIP) COVID-19 Resilience Infrastructure stream. Staff have submitted funding applications for the Disaster Mitigation and Adaptation Fund for which approval is awaited. External funding will reduce the pressure on the internal capital reserves.

# Disclosure of 2025 Budget Key Assumptions and Risks

The budget preparation requires assumptions to be made based on the best available information at the time and are updated annually based on historical trends. The budget reflects an appropriate level of risk; however, certain areas of risk are highlighted below.

## Budget Accounting Policy

The Region's budgets are prepared based on a modified accrual basis while the Region's financial annual reports which report the actual results utilize the full accrual basis of accounting in accordance with Canadian public sector accounting standards.

Since 2009, the Canadian public sector accounting standards have incorporated the capitalization of tangible capital assets (TCA) and amortization expenses in the financials for all Ontario municipalities. For budget purposes, Ontario Regulation 284/09 of the *Municipal Act, 2001*, allows municipalities to exclude TCA amortization from the budget.

Different from the financial annual report, the Region's operating budget does not include amortization expenses. Instead, it includes annual contributions to capital reserves to address the potential tangible capital asset liability. The 2025 annual reserve contributions for Tax and Utility Rate supported services both exceed their respective estimated 2025 amortization expense for tangible capital assets. The Region's Financial Annual Report includes a reconciliation of the budget and actual results. The current approach that the Region utilizes to prepare its budgets provides Council with the information to make decisions on potential changes in tax and utility rates. The Region's Budget is prepared according to the Ontario Regulation 284/09 of the *Municipal Act, 2001*. See [Summary I\(c\)](#) for a presentation and reconciliation of the 2025 Budget under a full accrual basis.

## Labour Costs

- **Contract settlements.** The Budget includes assumptions for interest arbitration awards for bargaining unit staff. The assumptions are consistent with Council direction for negotiating purposes.
- **Pay equity.** The Region regularly assesses compliance with pay equity legislation. Dependent on the negotiated increases to union members and non-union staff pay band increases, there may be a pay equity impact.

## Economic and Market Volatility

- **Resilience in a changing and uncertain economic environment.**

Expectations for a recession in the second half of 2023 did not materialize. Instead, economic growth continued into the first half of 2024 and population growth accelerated. Peel's real Gross Domestic Product (GDP) grew by 0.1 per cent in 2023, and between July 2022 and July 2023 Peel's population registered a multi decade high, annual growth rate of 3.7 per cent (56,500 persons), to approximately 1.6 million persons. Net population growth was driven by immigration, most of whom were non-permanent residents. However, labour market conditions have deteriorated, and unaffordability challenges have worsened, due to elevated prices and high interest rates which, in 2024, have started to decline. The rate of increase in prices has slowed since peaking in 2022, but prices remain elevated. Between 2020–2023, average consumer prices in Canada increased by approximately 14.7 per cent. Non-residential construction price, which is used as a barometer for changes in capital costs, also increased sharply.

The Non-residential Construction Price Index (NRCPI) for the Toronto Census Metropolitan Area (CMA) rose by approximately 38 per cent, over the same period. These changes have several implications for the 2025 Regional budget. Meeting the needs of a larger population while prices remain elevated means higher budget costs as community needs grow and evolve. Recent legislative changes may also enhance budgetary needs. However, the requirement to satisfy a growing community need is being carefully balanced against the need to minimize budgetary impacts on the Peel community, which is also facing challenges and risks as a result of the changed macroeconomic environment.

- **Energy costs.** The Region of Peel is forecasted to consume approximately 436.6 million kilowatt-hours of electricity and 16.6 million cubic meters of natural gas in 2025. Electricity cost, which is a significant component of the operating costs of Peel's Utility Rate Supported services, is expected to continue to be kept low due to the on-going participation of Regional facilities in the Industrial Conservation Initiative program of the Province.

The budget for natural gas already includes increases due to the implementation of the Federal Carbon Tax and increases due to the impact of the war in Ukraine. Given the volatility in energy costs and the variability of energy consumption that may be brought about by changes in Regional facilities or operations, as well as potential impacts of new energy legislation or regulation on the energy rates, the actual expenditures may vary from the budget amount.

**Table 17. Key Inflation Assumptions (percentage increase)**

Inflation Indicator	2024 increase %	2025 increase %
Consumer Price Index Inflation – one year	2.5	2.5
Economic Adjustment	3.5	3.5
Non-Residential Construction Price Index	5.0	4.0
Investment Rate	2.6	3.0
Borrowing/ Financing Rate	4.8	4.9
Electricity Rate increase (decrease)	3.7	0.6
Natural Gas Rate increase	5.4	1.8
Assessment Growth	1.1	0.9

**Table 18. Key Inflation Assumption (dollar rate)**

Inflation Indicator	2024 price in dollars	2025 price in dollars
Fuel Costs per litre wholesale in the tank	\$1.29	\$1.34
Fuel Costs per litre at the pump (no HST)	\$1.37	\$1.42
Fuel Costs per litre at the pump (including HST)	\$1.55	\$1.60

- Economic resilience and growth through shifts and changes.**  
 Despite an unfavorable shift in the price environment, Peel's economy showed resilience in 2023, registering a 0.1 per cent growth in real Gross Domestic Product (GDP). The impacts of elevated prices and higher interest rates were evident through declines in sectors which are sensitive to interest rates like real estate, construction, and trade. However, Peel's many strategic advantages including its location in the most vibrant Canadian economic hub, and proximity to the large United States market, its highly developed transportation network which connects Peel to the world, and its culturally diverse community, kept Peel attractive to newcomers and new businesses, and together with increased immigration, remained the bedrock of growth in 2023.
- Peel's population grew by 1.2 per cent between 2022 and 2023 to reach 1.55 million persons, and similar growth persisted into the first half of the year. Peel's business sector expanded by 10.1 per cent year-over-year to 225,090 business establishments in December 2023. As Peel's business sector expanded, more Peel residents were successful in finding jobs. In 2023, total employment stood at approximately 832,000 persons, 0.3 per cent higher than a year earlier. However, given strong population growth, entry in Peel's labour market outpaced employment growth, resulting in an increase in Peel's annual unemployment rate from 6.4 per cent in 2022 to

6.7 per cent in 2023. Labour market trends extended into the first half of 2024.

- Growth in Peel is expected to continue over the long-term. On average, between 45–50 per cent of Canadian immigrants come to Ontario, and approximately 1 in 5 immigrants to Ontario come to Peel. Higher immigration targets during 2024–2026 will therefore influence an acceleration in population growth in Peel over the same time horizon. Over the long-term, Peel is expected to continue to grow to a total population of about 2.28 million persons by 2051.
- **Paramedic call volume.** Factors such as population growth and population aging continue to driver service demand in Peel. Paramedic Services responded to a total average of 409 calls per day in 2022 and a total of 378 calls per day in 2023. In 2024, call volume is estimated to increase by almost 7 per cent (147,014 estimated calls) above the 2023 call volume.
- **Sinking fund rate of return.** The Region contributes amounts annually to sinking funds, which are to be used to retire long-term debt at maturity. The annual amount required to be contributed is dependent upon the rate of return on the sinking fund investments. Lower than expected returns may result in the need for additional contributions.
- **Supplemental assessment, Property Tax Rebates and Write-offs.** Supplementary taxation is additional property tax revenues generated from new assessments that MPAC has added to the Region’s tax roll in the year from new development or renovations / upgrades to existing structures. The amount of additional revenue is dependent on the number and type of property changes processed by MPAC and therefore varies annually.

Property tax write-offs result from assessment appeals to the Assessment Review Board (ARB) and Requests for Reconsideration (RfRs) submitted to MPAC. Successful appeals can result in adjustments for multiple taxation years. The annual property tax write-off expense varies as it is dependent on a number of factors that are beyond the municipality’s control, such as the number of successful appeals, the change in assessed value and the number of taxation years impacted. Adding to this volatility are a number of outstanding appeals (i.e. appeals for properties such as: shopping centres, office buildings, major distribution centres, warehousing etc.) to be resolved. As a means to mitigate potential risk and support the Region’s long-term financial sustainability, an allowance for tax appeals in the amount of \$20.6 million has been established to address the potential losses associated with the outstanding assessment appeals. The adequacy of the allowance is reviewed annually.

The ARB continues to follow its process for assessment appeals which stipulates a strict timeframe for completing and scheduling appeals. It is the intention of the ARB to have all appeals heard within the current assessment cycle. The Ontario Government has undertaken a review of the property assessment and taxation system including consultations with broader engagement of stakeholders from across the province. To maintain stability for taxpayers, the provincewide property reassessment will continue to be deferred until this review is complete. In the interim, the property assessments will continue to be based on the fully phased-in January 1, 2016 current values.

Property tax adjustments also result from applications made to the municipalities for the rebate programs relating to charities and homeowners who are low-income seniors and/or low-income persons with disabilities.

## Weather

- Operations of 4 Regional services can be influenced by seasonal weather patterns: Water and Wastewater and Roads and TransHelp under Transportation. Weather impacts water consumption demand primarily during the summer and roads maintenance programs in the winter. Managing financial risks associated with weather volatility in these programs is supported by the Tax and Utility Rate Stabilization reserves.

## Regulations and Legislation

- **Changes to regulations and legislation.** The 2025 Budget was developed with an understanding of the cost to comply with relevant regulations and legislation. On April 10, 2024, Bill 185, *Cutting Red Tape to Build More Homes Act* was tabled to amend various acts including the *Hazel McCallion Act (Peel Dissolution), 2023*. Bill 185 amends the *Hazel McCallion Act (Peel Dissolution), 2023*, confirming that Peel will not be dissolved, and includes a recalibrated focus on options to support building more housing faster.
- **Bill 112 – Hazel McCallion Act, 2023.** On May 18, 2023, the Province introduced Bill 112 - *Hazel McCallion Act (Peel Dissolution)*, an act to dissolve the Regional Municipality of Peel and make Brampton, Caledon and Mississauga single tier municipalities, effective January 1, 2025. On June 8, 2023, royal assent was received making the Bill law. On July 5, 2023, Ontario Regulation 187/23: Transition Board was released which includes the appointment of a 5-member Transition Board and their prescribed duties to facilitate Peel's dissolution.



On January 25, 2024, the Minister of Municipal Affairs and Housing shared with Peel the new mandate and scope of the Transition Board. An update on the Transition Board's new mandate and Peel's commitment to supporting the new scope, our employees, local municipalities and the Peel community were provided to Council through the February 8, 2024, report titled "*Update on the Provincial Transition Board's New Mandate*". The review of water/wastewater, regional roads, and waste management continues to be underway, and staff continue to work through the Transition Board process.

- **Bill 185 – Cutting Red Tape to Build More Homes Act, 2024.** On April 10, 2024, the Ontario government introduced Bill 185, *Cutting Red Tape to Build More Homes Act 2024*. The legislation includes implications for Peel Region operations and responsibilities. As a result of Bill 185, some of Peel Region's land use planning and development responsibilities will move to the Ontario government and local municipalities effective July 1, 2024. This change will also come into effect for Halton Region and York Region on that date. The county of Simcoe, the Durham Region, the Niagara Region and Waterloo Region will become upper-tier municipalities without planning responsibilities at a future time. The change to Peel's planning function is reflected in the proposed 2025 Budget in coordination with the local municipalities. The extent of the potential impact of Bill 185 are unknown, until further details are identified and provided to staff. However, for the Public Works services currently under the provincial review, staff developed the 2025 Budget in alignment with the principle to maintain Regional services through the transition period and prepared the 2025 Budget as approved through the Council report from the Chief Administrative Officer titled, Bill 112 - *Managing Through the Transition*.
- **Bill 23 – More Homes Built Faster Act, 2022.** To enable the achievement of the housing targets through Bill 23, the 2025 Capital Budget and 2025–2034 Capital Plan has included significant additional infrastructure investments. However, the master plans for both the Water and Wastewater and Transportation services are still being developed to fully reflect the expenditures than will be needed. In addition, staff are still awaiting details needed to better assess the impacts. As additional information and details are received, staff will assess the implications and impacts to the budget and report back to Council with updates.
- **Ontario Public Health Standards.** Provincial funding received is currently insufficient to meet the Ontario Public Health Standards in full, and as a result, Public Health prioritizes its efforts and activities

towards those areas of greatest need as identified through health status data. Council is advised when there are significant risks in not meeting the standards. The Budget assumptions for provincial funding reflect the recent funding changes with a modest 1.0 per cent increase for inflation for years 2024–2026.

## Grants and Subsidies

- **Provincial Funding.** Provincial and federal funding are primary sources of revenue to offset the municipal cost to deliver Health and Human Services. The Region of Peel has budgeted receipt of \$1.2 billion in external funding from upper levels of government for 2025. This represents a \$192.3 million increase from the funding levels in the 2024 Budget, largely driven by a \$132.9 million increase in funding for Ontario’s legislative e workfare due to changes in monthly caseload. While the funding of new programs by the provincial government provides more support for Peel’s vulnerable population, funding for programs such as Public Health, Long Term Care, and Housing continue to lag behind inflation and population growth with some programs imposing caps on funding.

An investment of \$9.4 million in property tax dollars has been included in the 2025 Budget to replace part of the funding reduction to maintain core service levels in impacted services. However, this represents only half of the external funding shortfall. To provide time for advocacy and to phase in the impact to taxpayers, a draw from the Tax Rate Stabilization reserve of \$9.3 million has been included in the budget.

All of the provincial funding assumptions including inflation, population growth and funding formula changes for the 2025 Budget reflect what is understood at the time of the development of the budget.

## Reserve Draws

- **Rate Stabilization Reserves.** Rate stabilization reserve draws are used to minimize annual fluctuations in property tax and utility rates as they provide funding for one-time costs, allow significant pressures to be phased in and are also used to address program pressures where there is some degree of uncertainty. These are especially important given that historical analysis shows that there can be noticeable swings in revenues from year-to-year. The 2025 Budget includes \$44.2 million in rate stabilization reserve draws to mitigate pressures on both the tax and utility rate supported programs; \$35.1 million for Regionally Controlled Tax supported services, \$2.8 million for Regionally Controlled Utility Rate supported

services, and \$6.2 million for Peel Regional Police. Utilization of the Rate Stabilization Reserves is contingent on Peel's actual 2024 financial performance. [Summary III](#) provides details on the Proposed Rate Stabilization Reserve Draws.

## Uncertain Liabilities

- **GO Transit.** The Budget does not include Peel's potential liability to GO Transit of \$247.9 million (at August 31, 2024), which includes the August 2024 year-to-date amount for the 2007 through 2024 fiscal years. This represents an unfinanced liability due to Peel Regional Council's decision to limit funding for GO Transit to the growth capital plan funded through development charges. The potential GO Liability can be mitigated through the balance retained in Peel's reserves.
- **Employment benefits.** Regionally Controlled Services post-employment benefits costs are based on the latest third-party actuarial review including post-employment amounts for those on Long-Term Disability and have been included in the Budget.

## Debt Financing

The following section highlights key assumptions made in the 2025 Budget related to debt:

- **Tax supported debt.** As at September 30, 2024, gross tax-supported debt was approximately \$80 million (approximately \$60 million net of sinking fund assets and principal payments). It is expected that an additional \$80 million in tax-supported debt will be issued in 2024 to finance new facilities for Peel Regional Police. Debt service costs included the 2025 tax-supported operating budget are estimated at \$9.0 million.
- **Debt to support affordable housing.** Peel Housing Corporation, with the Region as guarantor, entered into a loan facility (repayable and forgivable) with Canada Mortgage Housing Corporation in 2020. As at September 30, 2024, \$16.1 million in repayable loans and \$7.1 million in forgivable loans have been drawn on the CMHC loan facility. It is anticipated that approximately \$13.9 million in repayable loan and approximately \$8.7 million in forgivable loan will be drawn on the CMHC Loan facility in 2024 and/or 2025.
- **Peel Housing Corporation mortgages.** While the Region does not directly hold the mortgages related to Peel Housing Corporation, as its sole shareholder, the Region is required to include the mortgages and any future debt requirements as part of its overall debt capacity. As of September 30,

2024, Peel Housing Corporation mortgages outstanding totaled approximately \$47 million.

- **Development Charges (DC) supported debt.** As at September 30, 2024, gross DC debt outstanding is approximately \$1.5 billion (approximately \$1.0 billion net of sinking funds assets and principal payments). It is expected that \$265.3 million in DC related debt will be issued later in 2024.
- **Development Charges (DC) reserve funds balance.** Since the passing of the 2020 DC by-law, DC revenues slightly exceeded DC expenditures and debt service costs in 2021 and 2022; however, over the past two years revenue collections slowed and were well below DC related capital expenditures. Staff continue to monitor revenue and expenditures to inform borrowing decisions in 2025.
- **2025 new debt requirements.** Based on DC collections and spending forecasts for 2025, staff have included an estimated \$400–\$500 million in potential DC debt issuance. DC related debt service costs are expected to be funded by future DC revenues. Additionally, it is estimated that Peel Regional Police will require approximately \$75–\$100 million of debt financing in 2025. Actual debt issuance will depend on the progression of projects under the respective programs.  
Figure 17 presents the forecast of the net debt outstanding from 2024–2034. As at Sept. 30, 2024, the Region has net debt outstanding of approximately \$1.1 billion. Total net debt outstanding is projected to increase to \$5.4 billion by 2034.
- **Debt and the annual repayment limit.** The Annual Repayment Limit (ARL) of 25 per cent represents the maximum amount of annual debt service costs the Region can maintain as a percentage of its own source revenues. Based on the 2023 FIR, Peel is at 6.1 per cent, well below the ARL limit of 25 per cent.

**Figure 17. Forecast of Net Debt Outstanding 2024–2034 (in \$ millions)**

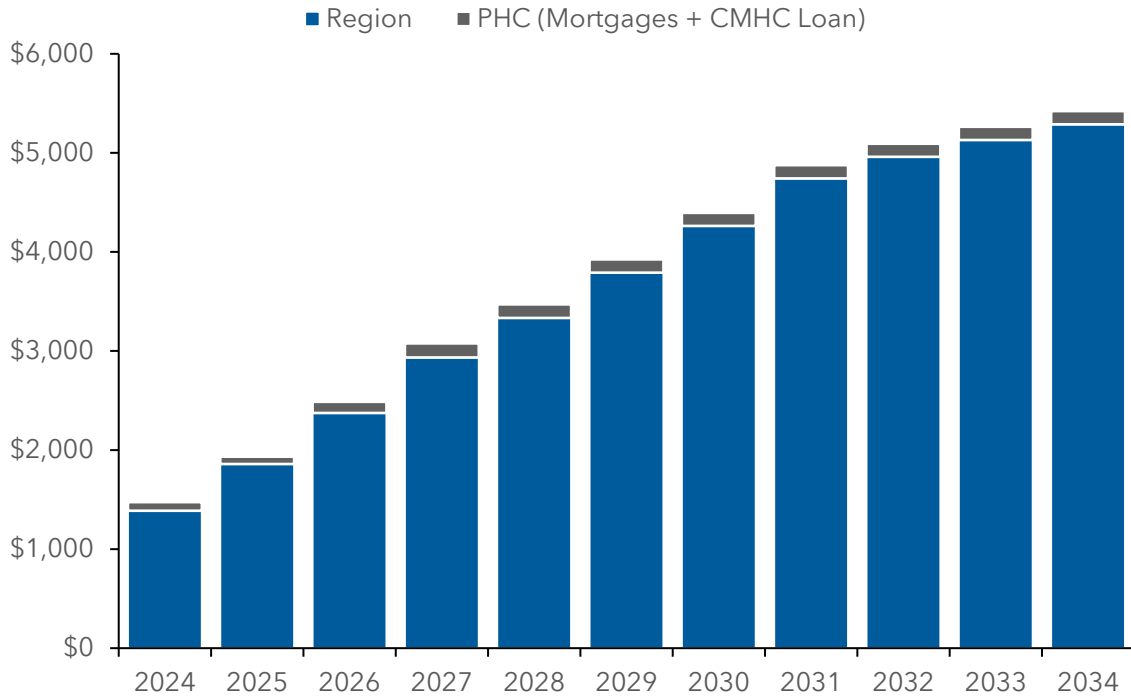


Figure 18 reflects the ARL forecast, which is expected to trend higher over the coming years. The debt maturity profile, along with principal and interest payments for existing debt are shown in Table 21 i) and Table 22 ii), respectively.

**Figure 18. Projected Percentage of Annual Debt Payments**

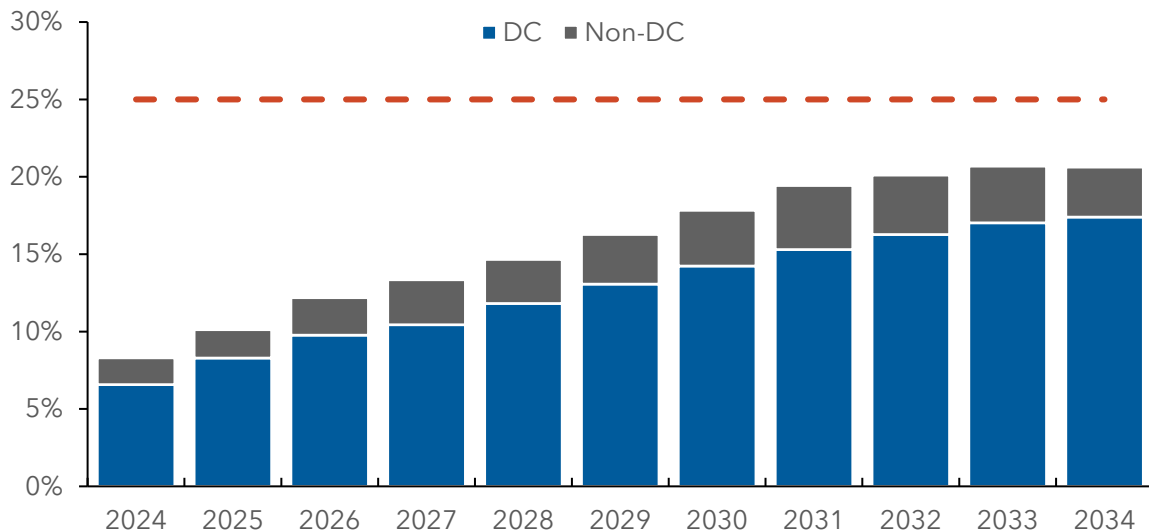
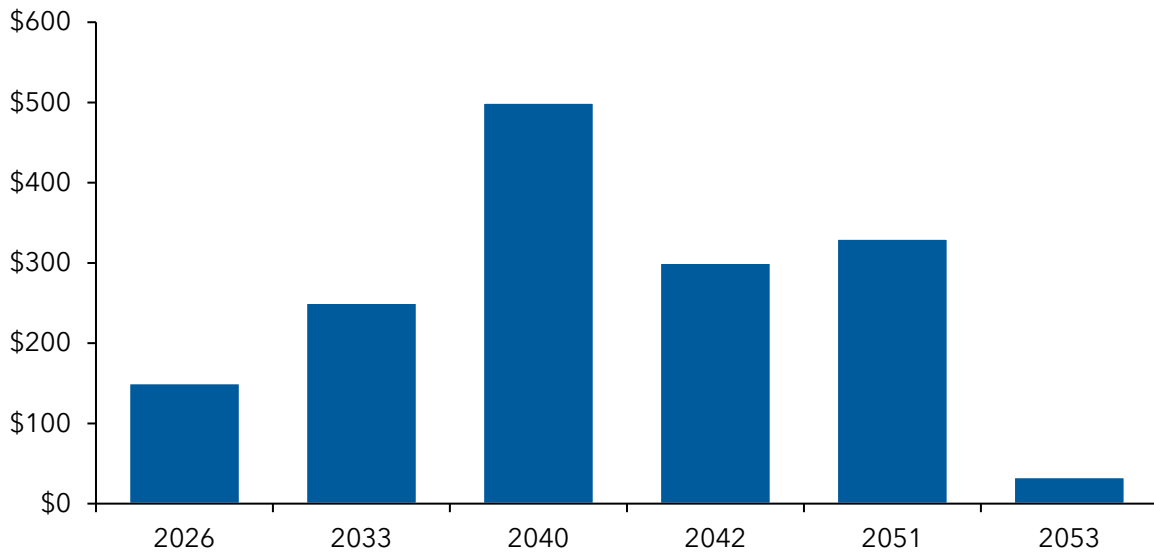
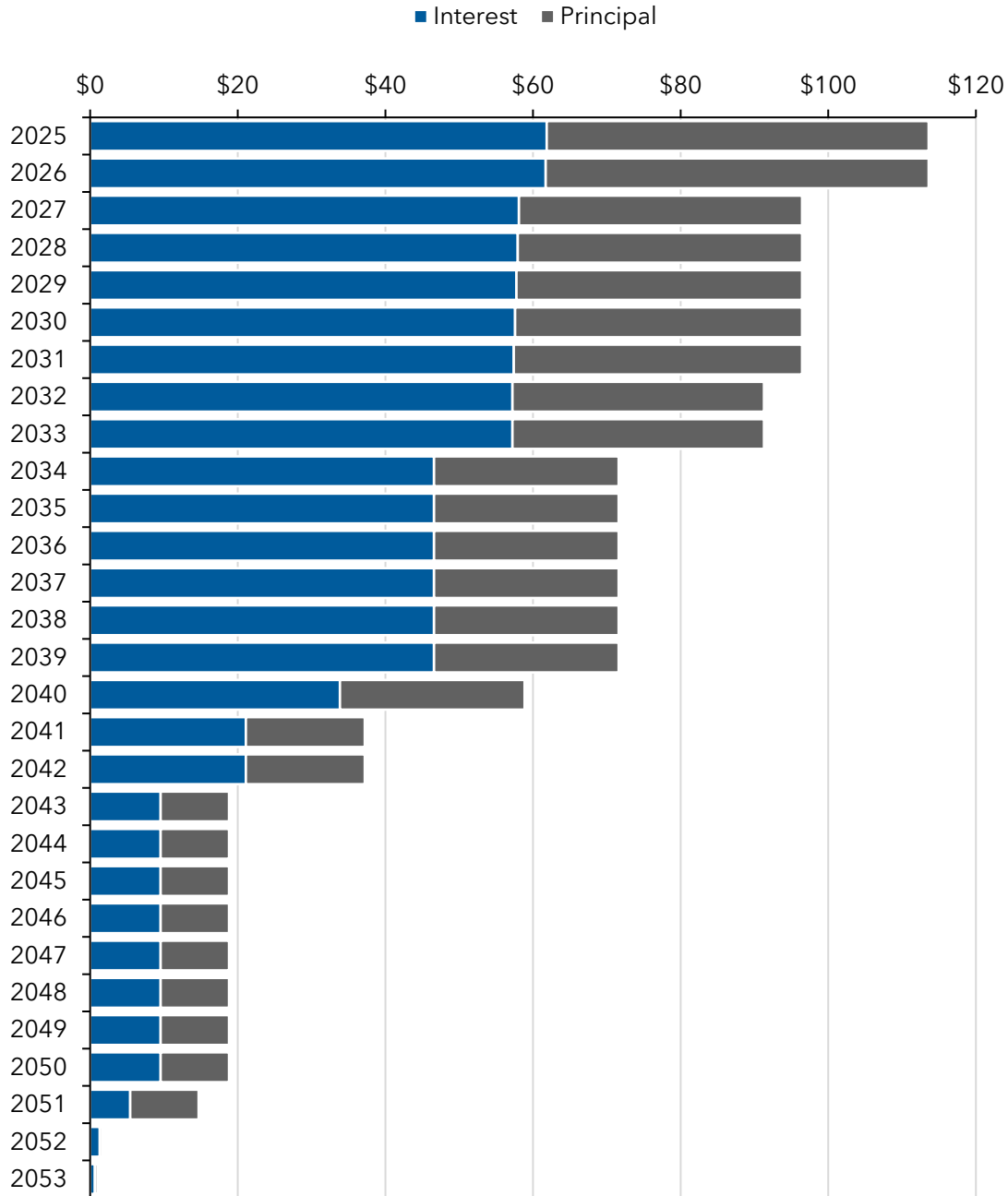


Figure 19 presents the forecast of the annual repayment limit for the Region of Peel to year 2034.

**Figure 19. Existing Debt – Maturity and Principal and Interest Schedules (in \$ millions)**



**Figure 20. Existing Debt Service Costs (in \$ millions)**



### Low Income Support

The Region of Peel offers a wide variety of programs that provide rebate or subsidy benefits to eligible low-income residents. These programs are either provincially mandated or discretionary and are administered using a variety of criteria to determine eligibility.

Mandatory programs must be provided based on the provincial legislation that prescribes the benefits as well as the eligibility criteria to be applied.

<sup>1</sup> Does not include PHC mortgages.

The Region of Peel provides those programs considered mandatory and has no discretion in the application of the eligibility criteria including income definition. Discretionary programs are not legislated and are provided by the Region to meet community needs. The programs listed below in Table 19 allow the Region of Peel to support its guiding community vision of a Community for Life.

## Summary of Low Income Assistance Programs Offered by Peel

**Table 19. Discretionary Programs**

Program Name	Brief Description
<b>Housing Stability</b>	One-time financial assistance for eligible residents to prevent eviction by paying off rental arrears or utility arrears. Also includes funding for first and last month's rent deposits and moving expenses
<b>Housing Supports</b>	Provide case management and referrals to supports needed to achieve successful tenancies
<b>Discretionary Benefits to Ontario Works (OW) and Ontario Disability Support Program (ODSP) Clients</b>	Discretionary benefits are provided to eligible OW and ODSP recipients and eligibility is determined on a case-by-case basis. Some discretionary benefits include medical equipment, dental costs, and others
<b>Ontario Seniors' Dental Care Program</b>	This program is a government-funded dental program for seniors who have no dental insurance and cannot afford the cost of dental care. This program provides basic dental care including cleanings, fillings, dentures, etc.
<b>Downspout Disconnection Financial Assistance Program</b>	The Region of Peel is offering a Financial Assistance Program to eligible Peel homeowners to assist with the disconnection of downspouts from the sanitary sewer system within the disconnection program areas
<b>Affordable Transit Program</b>	This program is a partnership between the Region of Peel, the City of Brampton, and the City of Mississauga to assist eligible residents (including seniors) in affordability of transit services. Discounts only apply for the City in which the eligible applicants live
<b>Adult Day Services</b>	Service for individuals who are at risk of social isolation or require assistance and/or supervision with day-to-day activities. A subsidized rate is provided to eligible low-income seniors
<b>Community Volunteer Income Tax Program (File Your Taxes for Free! Get Your Benefits Now! campaign)</b>	Free income tax preparation services including free tax preparation services offered by the Region of Peel and the Halton Peel Chartered Professional Accountants (CPA) Ontario Association
<b>Financial Help for Funeral Arrangements</b>	This program pays for the cost of a basic funeral, burial, or cremation for a deceased Peel resident whose family is not on OW but is unable to afford it



Program Name	Brief Description
<b>Healthy Smiles Ontario</b>	Healthy Smiles Ontario is a government-funded dental program that provides free preventive, routine, and emergency dental services for children and youth 17 years old and under from low-income households
<b>Low Cost Birth Control</b>	This program provides low-cost birth control options through Healthy Sexuality clinics (available to all clients regardless of income)
<b>Healthy Start</b>	Prenatal and early post-partum program for individuals who need extra support. Provides education, bus tickets, prenatal vitamins, and food vouchers. This program is run by Bridgeway with support from Peel Public Health
<b>Teen Prenatal Supper Club</b>	Prenatal and early post-partum program for younger parents and provides education, support, bus tickets, prenatal vitamins, and food vouchers. This is a program is run by Bridgeway with support from Peel Public Health

**Table 20. Mandatory Programs**

Program Name	Brief Description
<b>Property Tax Rebate Program</b>	The Region of Peel participates with its local municipalities in providing eligible low-income seniors and low-income persons with disabilities with an annual property tax rebate. The cost of the rebate is shared between the Region, the local municipality and the school board in the same proportion that they share in the tax revenues. The 2024 rebates are \$523 in the City of Mississauga, \$570 in the City of Brampton and \$1,050 in the Town of Caledon
<b>Subsidy Administration</b>	Administer subsidies to community housing providers, private landlords, community agencies and low-income households
<b>Maintain Community Housing Stock</b>	Support housing providers to remain financially viable with assets in a state of good repair
<b>Child Care Subsidy</b>	The Region of Peel provides financial assistance to reduce the cost of licensed child care and camp programs for eligible children 12 years and younger so that families with lower incomes have access to licensed childcare

Program Name	Brief Description
<b>Ontario Works (OW)</b>	Assists individuals who are in financial need. The program offers two types of assistance: monthly financial support for basic needs and shelter costs or one-time emergency assistance for people who are in crisis or an emergency situation. The OW social assistance program also includes ongoing case management and stability support services to help people move toward employment, greater independence, and improved quality of life
<b>Long-Term Care: Co-Payment Rate Reduction for Resident Accommodation</b>	Reduction in the co-payment amount for accommodation in Long Term Care homes up to the full amount of the basic accommodation (depending on income). This reduction is funded by the Ministry of Long-Term Care and Peel Region augments funding to support care and service delivery

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# Conclusion

The services provided by the Region of Peel touch the lives of the residents of the three local municipalities in essential ways and contribute to the ability of their residents, businesses and communities to thrive. Peel's services are focused on positive outcomes for more than approximately 1.53 million residents and approximately 200,000 businesses.

With 2023 representing a year where the Peel community began its recovery, we are now faced with multiple immediate social, economic and legislative challenges that have put additional demands on housing affordability, increased pressure to enable growth for a growing population and more focus on public safety and well-being.

This budget responds to these pressures with important strategic investments in community housing, infrastructure growth, public safety, paramedics, and seniors' services. In addition, to addressing the social impact of these challenges, Peel is continuing to invest in its commitment to fighting climate change, supporting diversity, equity and inclusion and many other socially necessary programs.

By investing in programs and infrastructure that acknowledge these issues and our work to address them, we uphold our Regional values of Care and Support, Transparency, Leadership, Collaboration and Inclusion.

The Operating Budget advances the Strategic Plan and addresses the priority needs of the community while ensuring the long-term sustainability of the services that both residents and businesses have come to rely on.

The Capital Budget and the 10-Year Capital Plan demonstrate the long-term commitment by Peel to build homes faster by investing in enabling infrastructure, and to ensure responsible and necessary maintenance of Regional infrastructure, which assists in delivering the services our citizens need and expect.

The 2025 Budget for the Region of Peel advances Council's 20-Year Strategic Plan in a fiscally responsible manner that provides the resources to meet priority community needs, managing the risks to operations under a period of heightened inflation and in a period of rapidly changing legislation.

# Summary I(a): 2025 Operating Budget Summary

**Table 21. 2025 Operating Budget Summary (in \$ thousands)**

	2025 Proposed Budget				2024 Budget Net Expenditure	Change from 2024 \$	Change from 2024 %
	Total Expenditure	Revenue Grants	Revenue Other	Net Expenditure			
<b>Property Tax-Supported</b>							
Housing Support	347,006	(67,669)	(59,994)	219,344	207,526	11,817	5.7
Waste Management	185,460	(791)	(42,017)	142,652	137,273	5,379	3.9
Transportation	144,585	(375)	(6,757)	137,453	131,243	6,210	4.7
Paramedic Services	184,440	(78,594)	(5,588)	100,258	93,105	7,153	7.7
Seniors Services	151,802	(68,800)	(26,188)	56,814	54,130	2,683	5.0
Public Health	136,239	(72,418)	(20,759)	43,063	40,456	2,606	6.4
Income Support	357,122	(327,030)	(0)	30,092	27,511	2,581	9.4
Business Services	145,042	(20,468)	(97,382)	27,191	30,467	(3,275)	(10.8)
Early Years and Child Care	540,309	(517,210)	–	20,395	21,803	(1,408)	(6.5)
Community Investment	23,002	(183)	(4,000)	18,819	17,848	972	5.4
Information and Technology	15,320	–	(644)	14,677	13,939	737	5.3
Real Property Asset Management	9,789	–	(3,805)	5,984	6,336	(352)	(5.6)
Heritage, Arts and Culture	6,195	(33)	(282)	5,880	5,522	358	6.5
Development Services	7,390	–	(3,574)	3,815	4,612	(797)	(17.3)
Clerks	3,137	–	(4)	3,133	3,039	94	3.1
Regional Council	1,304	–	–	1,304	1,249	55	4.4
Regional Chair	490	–	–	490	470	20	4.3
Capital Allocation	14,816	–	–	14,816	–	14,816	–
<b>Regionally Controlled Services</b>	<b>2,273,450</b>	<b>(1,153,571)</b>	<b>(270,995)</b>	<b>846,180</b>	<b>796,531</b>	<b>49,650</b>	<b>6.2%</b>
<b>External Agency</b>							
Peel Regional Police	819,957	(18,550)	(39,547)	761,860	617,740	144,120	23.3
Community Events Policing Grant <sup>1</sup>	301	–	–	301	294	7	2.5
Ontario Provincial Police	18,150	–	(100)	18,050	14,248	3,802	26.7
<b>Subtotal Police</b>	<b>838,408</b>	<b>(18,550)</b>	<b>(39,647)</b>	<b>780,211</b>	<b>632,282</b>	<b>147,930</b>	<b>23.4%</b>
Conservation Authorities	34,805	–	–	34,805	32,991	1,814	5.5
Municipal Property Assessment Corporation	20,253	–	–	20,253	19,827	425	2.1
<b>Subtotal Conservation and Assessment</b>	<b>55,058</b>	<b>–</b>	<b>–</b>	<b>55,058</b>	<b>52,819</b>	<b>2,240</b>	<b>4.2%</b>
<b>Regionally Financed External Agencies</b>	<b>893,466</b>	<b>(18,550)</b>	<b>(39,647)</b>	<b>835,270</b>	<b>685,100</b>	<b>150,169</b>	<b>21.9%</b>
<b>Total Property Tax-Supported Services</b>	<b>3,166,916</b>	<b>(1,172,121)</b>	<b>(310,641)</b>	<b>1,681,450</b>	<b>1,481,631</b>	<b>199,819</b>	<b>13.5%</b>
Assessment Growth						(13,335)	(0.9)
<b>Net Tax Levy Impact</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>186,484</b>	<b>12.5%</b>
<b>Utility Rate Supported</b>							
Water and Wastewater <sup>2</sup>	741,976	–	(130,060)	611,916	572,055	39,861	7.0
<b>Utility Rate Supported Services</b>	<b>741,976</b>	<b>–</b>	<b>(130,060)</b>	<b>611,916</b>	<b>572,055</b>	<b>\$39,861</b>	<b>7.0%</b>
<b>Total Region</b>	<b>3,908,892</b>	<b>(1,172,121)</b>	<b>(440,701)</b>	<b>2,293,366</b>	<b>2,053,686</b>	<b>239,680</b>	<b>11.7%</b>

Note: numbers may not add due to rounding.

<sup>1</sup> Costs for Community Events Policing Grant are budgeted through Business Services.

<sup>2</sup> Peel Direct Billing.

# Summary I(b): 2025 vs 2024 Operating Budget

**Table 22. Property Tax-Supported (in \$ thousands)**

	2024 Expenditure		2025 Expenditure		2025 Expenditure Change			
	Total \$	Net \$	Total \$	Net \$	Total \$	Total %	Net \$	Net %
Housing Support	343,215	207,526	347,006	219,344	3,792	1.1	11,817	5.7
Waste Management	173,043	137,273	185,460	142,652	12,417	7.2	5,379	3.9
Transportation	138,145	131,243	144,585	137,453	6,440	4.7	6,210	4.7
Paramedic Services	169,849	93,105	184,440	100,258	14,591	8.6	7,153	7.7
Seniors Services	142,973	54,130	151,802	56,814	8,829	6.2	2,683	5.0
Public Health	134,978	40,456	136,239	43,063	1,261	0.9	2,606	6.4
Income Support	221,662	27,511	357,122	30,092	135,461	61.1	2,581	9.4
Business Services	140,126	30,467	145,042	27,191	4,915	3.5	(3,275)	(10.8)
Early Years and Child Care	468,222	21,803	540,309	20,395	72,087	15.4	(1,408)	(6.5)
Community Investment	20,878	17,848	23,002	18,819	2,124	10.2	972	5.4
Information and Technology	14,583	13,939	15,320	14,677	737	5.1	737	5.3
Real Property Asset Management	9,058	6,336	9,789	5,984	731	8.1	(352)	(5.6)
Heritage, Arts and Culture	5,937	5,522	6,195	5,880	259	4.4	358	6.5
Development Services	8,546	4,612	7,390	3,815	(1,156)	(13.5)	(797)	(17.3)
Clerks	3,043	3,039	3,137	3,133	94	3.1	94	3.1
Regional Council	1,249	1,249	1,304	1,304	55	4.4	55	4.4
Regional Chair	470	470	490	490	20	4.3	20	4.3
Capital Allocation	–	–	14,816	14,816	14,816	–	14,816	–
<b>Regionally Controlled Services</b>	<b>1,995,978</b>	<b>796,531</b>	<b>2,273,450</b>	<b>846,180</b>	<b>277,472</b>	<b>13.9%</b>	<b>49,650</b>	<b>6.2%</b>

Note: numbers may not add up due to rounding.

**Table 23. Regionally Financed External Agency (in \$ thousands)**

	2024 Expenditure		2025		2025 Expenditure Variance			
	Total \$	Net \$	Total \$	Net \$	Total \$	Total %	Net \$	Net %
Peel Regional Police	671,146	617,740	819,957	761,860	148,810	22.2	144,120	23.3
Community Events Policing Grant <sup>1</sup>	294	294	301	301	7	2.5	7	2.5
Ontario Provincial Police	14,998	14,248	18,150	18,050	3,152	21.0	3,802	26.7
<b>Subtotal Police</b>	<b>686,438</b>	<b>632,282</b>	<b>838,408</b>	<b>780,211</b>	<b>151,970</b>	<b>22.1%</b>	<b>147,930</b>	<b>23.4%</b>
Conservation Authorities	32,991	32,991	34,805	34,805	1,814	5.5	1,814	5.5
Municipal Property Assessment Corporation	19,827	19,827	20,253	20,253	425	2.1	425	2.1
<b>Subtotal Conservation and Assessment</b>	<b>52,819</b>	<b>52,819</b>	<b>55,058</b>	<b>55,058</b>	<b>2,240</b>	<b>4.2%</b>	<b>2,240</b>	<b>4.2%</b>
<b>Regionally Financed External Agencies</b>	<b>739,257</b>	<b>685,100</b>	<b>893,466</b>	<b>835,270</b>	<b>154,210</b>	<b>20.9%</b>	<b>150,169</b>	<b>21.9%</b>
<b>Total Property Tax-Supported Services</b>	<b>2,735,234</b>	<b>1,481,631</b>	<b>3,166,916</b>	<b>1,681,450</b>	<b>431,682</b>	<b>15.8%</b>	<b>199,819</b>	<b>13.5%</b>
Assessment Growth							(13,335)	(0.9)
<b>Net Tax Levy Impact</b>							<b>186,484</b>	<b>12.5%</b>
<b>Utility Rate Supported</b>								
Water and Wastewater <sup>2</sup>	701,305	572,055	741,976	611,916	40,671	5.8	39,861	7.0
<b>Utility Rate Supported Services</b>	<b>701,305</b>	<b>572,055</b>	<b>741,976</b>	<b>611,916</b>	<b>40,671</b>	<b>5.8%</b>	<b>39,861</b>	<b>7.0%</b>
<b>Total Region</b>	<b>3,436,539</b>	<b>2,053,686</b>	<b>3,908,892</b>	<b>2,293,366</b>	<b>472,353</b>	<b>13.7%</b>	<b>239,680</b>	<b>11.7%</b>

Note: numbers may not add up due to rounding.

<sup>1</sup> Costs for Community Events Policing Grant are budgeted through Business Services.

<sup>2</sup> Peel District billing.

# Summary I(c): 2025 Budget – Full Accrual

**Table 24. 2025 Budget – Full Accrual (in \$ thousands)**

	Revenue	Expenses
<b>Operating Budget</b>		
Council Proposed Budget	3,908,892	3,908,892
In-year Budget Adjustments	–	–
Board Proposed Peel Housing Corporation	114,607	114,607
Adjustments for intercompany transactions	(56,004)	(56,004)
PSAB Adjustments		
Contributions to reserves/reserve funds	–	(645,931)
Contributions from reserves/reserve funds	(103,445)	–
Payment to sinking fund for debt retirement	–	(54,782)
Other liabilities		3,708
Other adjustments	–	–
<b>Adjusted Operating Budget</b>	<b>\$3,864,050</b>	<b>\$3,270,490</b>
<b>Capital Budget</b>		
Council Proposed Budget <sup>1</sup>	2,295,401	2,295,401
Timing difference between budget and spending	(768,401)	(768,401)
Board Proposed Peel Housing Corporation	68,000	68,000
Timing difference between budget and spending	43,000	43,000
PSAB Adjustments		
Contributions from reserves/reserve funds	(782,556)	–
Acquisition of tangible capital assets	–	(1,106,897)
Amortization	–	340,372
<b>Adjusted Capital Budget</b>	<b>\$855,444</b>	<b>\$871,476</b>
Other		
Reserve fund interest and other revenue	57,954	–
<b>Budget to be presented in Financial Statements</b>	<b>\$4,777,448</b>	<b>\$4,141,966</b>

Note: numbers may not add up due to rounding.

Note: The Region presents its budget using a modified accrual method which is in accordance with *Municipal Act, 2001* requirements.

[Summary I\(c\)](#) above provides a reconciliation of the total proposed 2025 Budget to the full accrual (PSAB) method.

Under full accrual budgeting revenues are recognized as they are earned, even if the money has not been received, and spending on goods and services when it is incurred, even if the invoice has not yet been paid. Where capital investments are concerned, this treatment also requires that when a

<sup>1</sup> Proposed budget is net of capital provider loan.

new asset is built or acquired, its full cost is not recorded in that year. Instead, only a portion of the cost, called amortization, is recorded as an expense in the year of acquisition and every subsequent year of the asset's useful life.

To enable alignment and comparison with the Audited Financial Statements, which are done under a full accrual basis as required by the Public Sector Accounting Board (PSAB), [Summary I\(c\)](#) provides a reconciliation of the 2025 Budget from the modified accrual method to a full accrual method.



# Summary II: Summary of Budget Costs Mitigated in 2025 Operating Budget

**Table 25. Property Tax-Supported Services (in \$ thousands)**

Service	Budget Costs Mitigated	Total Expenditures	Total Revenue	Net Costs
Housing Support	Efficiencies identified from operational cost reviews	(225)	–	(225)
Waste Management	Savings from the transition of the Blue Box program.	(6,955)	306	(7,261)
Paramedic Services	Cost savings from Drug contract	(300)	–	(300)
Income Support	Savings due to departmental realignment	(164)	–	(164)
Business Services	Efficiencies from the ongoing review of services	(144)	–	(144)
Business Services	Efficiencies from the ongoing review of budgets	(328)	–	(328)
Early Years and Child Care	Savings due to departmental realignment	(184)	–	(184)
Community Investment	Efficiencies identified from operational cost reviews	(25)	–	(25)
Information Technology	Savings from Continuous Improvement Initiatives	(592)	–	(592)
Information Technology	Efficiencies from the ongoing review of budgets	(137)	–	(137)
Real Property Asset Management	Efficiencies from the ongoing review of budgets	(420)	–	(420)
Heritage, Arts and Culture	Efficiencies from the ongoing review of budgets	(11)	–	(11)
Clerks	Efficiencies from the ongoing review of budgets	(48)	–	(48)
<b>Regionally Controlled Tax-Supported Services Subtotal</b>		<b>(\$9,533)</b>	<b>\$306</b>	<b>(\$9,839)</b>
Conservation Authorities	Efficiencies identified from operational cost reviews	(233)	–	(233)
Conservation Authorities	Savings from Shift in Apportionment	(6)	–	(6)
<b>Property Tax-Supported Services Total</b>		<b>(\$9,772)</b>	<b>\$306</b>	<b>(\$10,078)</b>
<b>Total Budget Costs Mitigated</b>		<b>(\$9,772)</b>	<b>\$306</b>	<b>(\$10,078)</b>

Note: numbers may not add up due to rounding.

# Summary III: Summary of 2025 Budget Rate Stabilization Reserve Draws

**Table 26. Tax-Supported Services (in \$ thousands)**

Service	2025 Budget (in \$thousands)	Reason for the Draw
Housing Support	600	Anti Human Sex Trafficking, Council Resolution #2018-556 in report titled "A Strategy to Address Human Sex Trafficking in Peel Region". Draws on the Rate Stabilization Reserve to be phased out in the future.
	2,500	2024 BR# 111– Enhanced Investments in Housing Subsidy and wrap around supports. To be removed in 2026.
	2,025	Federal funding Social Housing decrease. Phase in approximately 50 per cent of the impact to advocate funding to the province.
Waste Management	120	Pilot Project – Zero Emission Vehicle (four-year pilot to be completed in 2027).
	214	To fund two contract By-law Officers – Enforcement. Council Resolution (RCB 2023-137).
	85	To fund two contracts – Household Hazardous Waste Operators – Chemical Cab located at Community Recycling Centras. Council Resolution (RCB 2023-137).
Paramedic Services	89	2025 BR# 35 – Optimizing Pharmaceutical Oversight across Health Services. A pharmacist to support narcotics and pharmaceutical management (one permanent staff).
	2,500	Ongoing funding from reserve to support the integration of Corporate Logistics into Paramedic Services Logistics Program. Funding to be removed in 2026.
	1,476	2025 BR# 30 - Additional Paramedics to Support a Growing Demand. Resources for two 24-Hour ambulance enhancements (22 permanent staff). Reserve draw represents the 50 per cent funding from the Ministry of Health which is provided at a one-year lag. Funding to be received in 2026.
	520	2025 BR# 28 - Operationalizing the New Paramedic Reporting Station in Brampton. Staffing required to operationalize a new Paramedics reporting station in Brampton (nine permanent staff). The reserve draw represents the 50 per cent funding from the Ministry of Health which is provided at a one-year lag. Funding to be received in 2026.

Service	2025 Budget (in \$thousands)	Reason for the Draw
	556	2025 BR #29 - Enhanced Efficiency in Paramedic Scheduling. Resources required to enhance the operational efficiency of the scheduling process (five contract staff).
	150	2025 BR# 34 – Supporting a Psychologically Healthy and Safe Workplace. Advancing Paramedic Culture and Wellbeing. Resources (three permanent staff) are required to support the advancement of culture, well-being and health equity.
	185	2025 BR# 32 – Supporting Education to Improve Patient Care. Investment in an Evolved Model for Paramedic Education and Research. Investment of Resources (four permanent staff) to support a strong education and research program. The reserve draw represents the 50 per cent funding from the Ministry of Health which is provided at a one-year lag. Funding to be received in 2026.
<b>Seniors Services</b>	3,000	To fund Provincial Funding gap for Seniors Services. Phase in approximately 50 per cent of the impact to advocate funding to the province.
	2,624	2025 BR# 51 – Operationalizing the Seniors Health and Wellness Village at Peel Manor. Adult Day Services and Respite expansion pilot of 28.4 FTE and operational supplies.
	97	2025 BR# 46 – Resource to Support Sustainability of Health Services Electronic Medical Records System.
<b>Public Health</b>	223	2025 BR# 38 – Strengthening Tuberculosis Program Capacity to address Growing Population Needs. Two contracts to enhance the Tuberculosis program capacity to reduce transmission risk, morbidity, and mortality.
	2,100	To fund the Provincial Funding gap for Public Health. Phase in approximately 50 per cent of the impact to advocate funding to the province.
	277	Ongoing reserve draw to extend two contracts to support Council approved Public Health Strategic Priority to reduce health impacts of Climate Change in coordination with the Office of Climate Change and Energy Management mitigation work.
	2,541	Year two of Supervised Consumption Services in Peel via an Urgent Public Health Need Site as supported through Council Resolution 2022-693.

Service	2025 Budget (in \$thousands)	Reason for the Draw
	597	2025 BR# 39 – Strengthening Healthy Sexuality Clinics to Improve Community Health and Wellness. Five contracts required to address significant increases in sexually transmitted and blood-borne infections (STBBIs).
<b>Business Services</b>	90	2025 BR# 10 – Culture and Inclusion Training.
	125	2025 BR# 12 – PhD/Masters Internship Supporting Decolonization of Programs and Services.
	233	2024 BR# 120 – HR Growth – Extension of funding by one additional year.
	139	2024 BR# 123 – Community Engagement and Truth and Reconciliation.
	373	2023 BR# 30 – Diversity, Equity and Inclusion Implementation Plan.
	378	2023 BR# 34 – Customer Contact Centre Reset and Recovery – Approved for two-year funding (2023 and 2024) and extended for one additional year in 2025.
	693	2023 BR#38 – Keeping the Workplace Psychologically Safe.
	3,650	Workers Safety Insurance Board Adjustment as per Actuarial Study.
	528	To maintain the current level of support to staff for one year. Staff will monitor and report back based on the results.
	100	External consulting costs for finance divisions.
<b>Early Years and Child Care</b>	2,200	Government reduction in administration funding. Phase in approximately 50 per cent of the impact to advocate funding to the province.
<b>Community Investment</b>	4,000	2025 BR# 23 - Increase in grants for non-profit community agencies. Funding is for two years, 2025 and 2026.
<b>Heritage, Arts and Culture</b>	20	2024 BR# 101-- PAMA Indigenous Sharing Circle with two-year phase-in to be completed in 2026
	96	2024 BR# 115 Support for Peel Art Gallery, Museum, and Archives (PAMA) operations – Approved one year funding in 2024 and extended for one additional year for 2025.
<b>Total Regionally Controlled Tax-Supported Services</b>	<b>\$35,102</b>	

**Table 27. Utility Rate Supported Services (in \$ thousands)**

Service	2025 Budget (in \$thousands)	Reason for the Draw
Water and Wastewater	800	Council approved initiative for high water bill adjustments for residents. This pilot program provides financial assistance to homeowners with unexpected high-water bills that are more than 2.5 times higher than their average due to leaks or water theft.
	145	2024 BR# 29 – Project Managers, Infrastructure, Planning and Studies. Funding source for one contract position included as part of 2024 budget submission.
	1,800	Managing risk to <i>Ontario Clean Water Act</i> chemical cost.
	94	2025 BR# 69 – Business Performance/Asset Assumption and Maintenance. Funding for three contract positions (portion is non-recoverable from Capital).
<b>Total Utility Supported Services</b>	<b>\$2,839</b>	
<b>Total Regionally Controlled Services</b>	<b>\$37,941</b>	
<b>Regionally Financed External Agencies</b>		
Peel Regional Police	6,215	It is anticipated that Peel Regional Police will complete a budgeted draw of \$6.215 million from the Working Fund Reserve for one-time expenditures.
<b>Total Regionally Financed External Agencies</b>	<b>\$6,215</b>	
<b>Total Region</b>	<b>\$44,156</b>	

Note: numbers may not add up due to rounding.

# Summary IV: 2025–2028 Operating Budget Forecast

**Table 28. 2025 Proposed Budget (in \$ thousands)**

	Expense	Revenue	Expenditure	\$ Change from prior year	% Change from prior year
<b>Property Tax-Supported</b>					
Housing Support	347,006	(127,663)	219,344	11,817	5.7
Waste Management	185,460	(42,808)	142,652	5,379	3.9
Transportation	144,585	(7,132)	137,453	6,210	4.7
Paramedic Services	184,440	(84,182)	100,258	7,153	7.7
Seniors Services	151,802	(94,988)	56,814	2,683	5.0
Public Health	136,239	(93,177)	43,063	2,606	6.4
Income Support	357,122	(327,030)	30,092	2,581	9.4
Business Services	145,041	(117,850)	27,191	(3,276)	(10.8)
Early Years and Child Care	540,309	(519,914)	20,395	(1,408)	(6.5)
Community Investment	23,002	(4,183)	18,819	972	5.4
Information and Technology	15,320	(644)	14,677	737	5.3
Real Property Asset Management	9,789	(3,805)	5,984	(352)	(5.6)
Heritage, Arts and Culture	6,195	(315)	5,880	358	6.5
Development Services	7,390	(3,574)	3,815	(797)	(17.3)
Clerks	3,137	(4)	3,133	94	3.1
Regional Council	1,304	–	1,304	54	4.4
Regional Chair	490	–	490	21	4.4
Capital Allocation	14,816	–	14,816	14,816	–
<b>Regionally Controlled Services</b>	<b>2,273,450</b>	<b>(1,427,269)</b>	<b>846,180</b>	<b>49,650</b>	<b>6.2%</b>
<b>Regionally Financed External Agencies</b>					
<b>Police Services</b>					
Peel Regional Police	819,957	(58,097)	761,860	144,120	23.3
Community Events Policing Grant <sup>1</sup>	301	–	301	7	2.5
Ontario Provincial Police	18,150	(100)	18,050	3,802	26.7
<b>Subtotal Police</b>	<b>838,408</b>	<b>(58,197)</b>	<b>780,211</b>	<b>147,930</b>	<b>23.4%</b>
Conservation Authorities	34,805	–	34,805	1,814	5.5
Municipal Property Assessment Corporation	20,253	–	20,253	425	2.1
<b>Subtotal Conservation and Assessment</b>	<b>55,058</b>	<b>–</b>	<b>55,058</b>	<b>2,240</b>	<b>4.2%</b>
<b>Regionally Financed External Agencies</b>	<b>893,466</b>	<b>(58,197)</b>	<b>835,270</b>	<b>150,169</b>	<b>21.9%</b>
<b>Total Property Tax-Supported Services</b>	<b>3,166,916</b>	<b>(1,485,466)</b>	<b>1,681,450</b>	<b>199,819</b>	<b>13.5%</b>
<b>Utility Rate Supported</b>					
Water and Wastewater <sup>2</sup>	741,976	(130,060)	611,916	39,861	7.0
<b>Utility Rate Supported Services</b>	<b>741,976</b>	<b>(130,060)</b>	<b>611,916</b>	<b>39,861</b>	<b>7.0%</b>
<b>Total Region</b>	<b>3,908,892</b>	<b>(1,615,526)</b>	<b>2,293,366</b>	<b>239,680</b>	<b>11.7%</b>

<sup>1</sup> Costs for Community Events Policing Grand are budgeted through Business Services.

<sup>2</sup> Peel direct billing.

**Table 29. 2026 Forecast Budget (in \$ thousands)**

	Expense	Revenue	Expenditure	\$ Change from prior year	% Change from prior year
<b>Property Tax-Supported</b>					
Housing Support	344,642	(117,362)	227,280	7,936	3.6
Waste Management	177,039	(14,321)	162,718	20,066	14.1
Transportation	150,955	(7,316)	143,639	6,186	4.5
Paramedic Services	197,176	(90,285)	106,891	6,633	6.6
Seniors Services	160,075	(97,850)	62,225	5,411	9.5
Public Health	142,825	(89,085)	53,740	10,677	24.8
Income Support	385,351	(352,821)	32,530	2,438	8.1
Business Services	146,975	(116,565)	30,410	3,219	11.8
Early Years and Child Care	647,084	(627,209)	19,875	(520)	(2.6)
Community Investment	23,325	(4,000)	19,325	506	2.7
Information and Technology	19,009	(653)	18,356	3,679	25.1
Real Property Asset Management	9,881	(3,880)	6,001	17	0.3
Heritage, Arts and Culture	6,354	(202)	6,152	272	4.6
Development Services	7,630	(3,646)	3,984	169	4.4
Clerks	3,791	(4)	3,787	654	20.9
Regional Council	1,349	–	1,349	45	3.4
Regional Chair	507	–	507	17	3.4
Capital Allocation	31,630	–	31,630	16,814	113.5
<b>Regionally Controlled Services</b>	<b>2,455,598</b>	<b>(1,525,199)</b>	<b>930,399</b>	<b>84,219</b>	<b>10.0%</b>
<b>Regionally Financed External Agencies</b>					
<b>Police Services</b>					
Peel Regional Police	940,827	(58,097)	882,730	120,870	15.9
Community Events Policing Grant <sup>1</sup>	307	–	307	6	2.0
Ontario Provincial Police	18,604	(100)	18,504	454	2.5
<b>Subtotal Police</b>	<b>959,738</b>	<b>(58,197)</b>	<b>901,541</b>	<b>121,330</b>	<b>15.6%</b>
Conservation Authorities	37,570	–	37,570	2,765	7.9
Municipal Property Assessment Corporation	20,687	–	20,687	434	2.1
<b>Subtotal Conservation and Assessment</b>	<b>58,257</b>	<b>–</b>	<b>58,257</b>	<b>3,199</b>	<b>5.8%</b>
<b>Regionally Financed External Agencies</b>	<b>1,017,995</b>	<b>(58,197)</b>	<b>959,798</b>	<b>124,528</b>	<b>14.9%</b>
<b>Total Property Tax-Supported Services</b>	<b>3,473,593</b>	<b>(1,583,396)</b>	<b>1,890,197</b>	<b>208,747</b>	<b>12.4%</b>
<b>Utility Rate Supported</b>					
Water and Wastewater <sup>2</sup>	788,731	(130,307)	658,424	46,508	7.6
<b>Utility Rate Supported Services</b>	<b>788,731</b>	<b>(130,307)</b>	<b>658,424</b>	<b>46,508</b>	<b>7.6%</b>
<b>Total Region</b>	<b>4,262,324</b>	<b>(1,713,703)</b>	<b>2,548,621</b>	<b>255,255</b>	<b>11.1 %</b>

Note: numbers may not add up due to rounding.

<sup>1</sup> Costs for Community Events Policing Grand are budgeted through Business Services.

<sup>2</sup> Peel direct billing.

**Table 30. 2027 Forecast Budget (in \$ thousands)**

	Expense	Revenue	Expenditure	\$ Change from Prior Year	% Change from Prior Year
<b>Property Tax-Supported</b>					
Housing Support	345,963	(108,491)	237,472	10,192	4.5
Waste Management	184,601	(14,783)	169,818	7,100	4.4
Transportation	157,481	(7,503)	149,978	6,339	4.4
Paramedic Services	211,113	(95,845)	115,268	8,377	7.8
Seniors Services	164,110	(91,639)	72,471	10,246	16.5
Public Health	147,886	(81,803)	66,083	12,343	23.0
Income Support	390,870	(356,903)	33,967	1,437	4.4
Business Services	154,020	(120,938)	33,082	2,672	8.8
Early Years and Child Care	641,778	(616,991)	24,787	4,911	24.7
Community Investment	19,498	-	19,498	173	0.9
Information and Technology	20,351	(662)	19,689	1,333	7.3
Real Property Asset Management	9,968	(3,958)	6,010	10	0.2
Heritage, Arts and Culture	6,473	(205)	6,268	116	1.9
Development Services	7,816	(3,719)	4,097	114	2.9
Clerks	4,111	(4)	4,107	320	8.4
Regional Council	1,385	-	1,385	36	2.7
Regional Chair	521	-	521	14	2.7
Capital Allocation	50,539	-	50,539	18,909	59.8
<b>Regionally Controlled Services</b>	<b>2,518,484</b>	<b>(1,503,444)</b>	<b>1,015,040</b>	<b>84,641</b>	<b>9.1%</b>
<b>Regionally Financed External Agencies</b>					
<b>Police Services</b>					
Peel Regional Police	1,061,307	(58,097)	1,003,210	120,480	13.6
Community Events Policing Grant <sup>1</sup>	313	-	313	6	2.0
Ontario Provincial Police	19,069	(100)	18,969	465	2.5
<b>Subtotal Police</b>	<b>1,080,689</b>	<b>(58,197)</b>	<b>1,022,492</b>	<b>120,951</b>	<b>13.4%</b>
Conservation Authorities	39,129	-	39,129	1,558	4.1
Municipal Property Assessment Corporation	21,131	-	21,131	444	2.1
<b>Subtotal Conservation and Assessment</b>	<b>60,260</b>	<b>-</b>	<b>60,260</b>	<b>2,002</b>	<b>3.4%</b>
<b>Regionally Financed External Agencies</b>	<b>1,140,949</b>	<b>(58,197)</b>	<b>1,082,752</b>	<b>122,954</b>	<b>12.8%</b>
<b>Total Property Tax-Supported Services</b>	<b>3,659,433</b>	<b>(1,561,641)</b>	<b>2,097,792</b>	<b>207,595</b>	<b>11.0%</b>
<b>Utility Rate Supported</b>					
Water and Wastewater <sup>2</sup>	835,007	(130,558)	704,449	46,025	7.0
<b>Utility Rate Supported Services</b>	<b>835,007</b>	<b>(130,558)</b>	<b>704,449</b>	<b>46,025</b>	<b>7.0%</b>
<b>Total Region</b>	<b>4,494,440</b>	<b>(1,692,199)</b>	<b>2,802,241</b>	<b>253,620</b>	<b>10.0%</b>

Note: numbers may not add up due to rounding.

<sup>1</sup> Costs for Community Events Policing Grand are budgeted through Business Services.

<sup>2</sup> Peel direct billing.



**Table 31. 2028 Forecast Budget (in \$ thousands)**

(in \$ thousands)	Expense	Revenue	Expenditure	\$ Change from Prior Year	% Change from Prior Year
<b>Property Tax-Supported</b>					
Housing Support	352,541	(105,976)	246,565	9,093	3.8
Waste Management	188,560	(15,255)	173,305	3,487	2.1
Transportation	163,511	(7,696)	155,815	5,837	3.9
Paramedic Services	222,817	(102,150)	120,667	5,399	4.7
Seniors Services	168,091	(92,795)	75,296	2,825	3.9
Public Health	153,148	(79,300)	73,848	7,765	11.8
Income Support	387,056	(351,615)	35,441	1,474	4.3
Business Services	158,142	(121,883)	36,259	2,462	7.3
Early Years and Child Care	652,991	(627,679)	25,312	525	2.1
Community Investment	19,675	-	19,675	178	0.9
Information and Technology	21,511	(671)	20,840	1,151	5.8
Real Property Asset Management	10,061	(4,037)	6,024	14	0.2
Heritage, Arts and Culture	6,594	(208)	6,386	119	1.9
Development Services	8,008	(3,793)	4,215	117	-
Clerks	4,231	(4)	4,227	120	2.9
Regional Council	1,423	-	1,423	38	2.7
Regional Chair	535	-	535	14	2.7
Capital Allocation	71,524	-	71,524	20,985	41.5
<b>Regionally Controlled Services</b>	<b>2,589,704</b>	<b>(1,513,062)</b>	<b>1,076,642</b>	<b>61,602</b>	<b>6.1%</b>
<b>Regionally Financed External Agencies</b>					
<b>Police Services</b>					
Peel Regional Police	1,191,867	(58,097)	1,133,770	130,560	13.0
Community Events Policing Grant <sup>1</sup>	320	-	320	6	1.9
Ontario Provincial Police	19,546	(100)	19,446	477	2.5
<b>Subtotal Police</b>	<b>1,211,733</b>	<b>(58,197)</b>	<b>1,153,536</b>	<b>131,043</b>	<b>12.8%</b>
Conservation Authorities	40,743	-	40,743	1,614	4.1
Municipal Property Assessment Corporation	21,584	-	21,584	453	2.1
<b>Subtotal Conservation and Assessment</b>	<b>62,327</b>	<b>-</b>	<b>62,327</b>	<b>2,067</b>	<b>3.4%</b>
<b>Regionally Financed External Agencies</b>	<b>1,274,060</b>	<b>(58,197)</b>	<b>1,215,863</b>	<b>133,111</b>	<b>12.3%</b>
<b>Total Property Tax-Supported Services</b>	<b>3,863,764</b>	<b>(1,571,259)</b>	<b>2,292,505</b>	<b>194,713</b>	<b>9.3%</b>
<b>Utility Rate Supported</b>					
Water and Wastewater <sup>2</sup>	882,092	(130,814)	751,278	46,829	6.6
<b>Utility Rate Supported Services</b>	<b>882,092</b>	<b>(130,814)</b>	<b>751,278</b>	<b>46,829</b>	<b>6.6%</b>
<b>Total Region</b>	<b>4,745,856</b>	<b>(1,702,073)</b>	<b>3,043,783</b>	<b>241,542</b>	<b>8.6%</b>

Note: numbers may not add up due to rounding.

<sup>1</sup> Costs for Community Events Policing Grand are budgeted through Business Services.

<sup>2</sup> Peel direct billing.

# Summary V: Summary of Staffing Resources<sup>1</sup>

**Table 32. Resources to Achieve Level of Service**

	2024 Revised Budget	2025 Proposed Budget	2025 Change in FTE
<b>Property Tax-Supported</b>			
Housing Support	312.7	321.7	9.0
Waste Management	236.9	236.9	-
Transportation	347.7	349.7	2.0
Paramedic Services	760.1	799.1	39.0
Seniors Services	954.2	966.2	12.0
Public Health	738.1	766.1	28.0
Income Support	372.7	372.7	-
Business Services	583.0	573.5	(9.5)
Early Years and Child Care	125.2	125.2	-
Community Investment	34.0	34.0	-
Information and Technology	207.0	210.0	3.0
Real Property Asset Management	124.0	124.0	-
Heritage, Arts and Culture	18.5	18.5	-
Development Services	64.0	51.0	(13.0)
Clerks	31.0	31.0	-
Regional Chair	3.0	3.0	-
<b>Tax-Supported Services</b>	<b>4,912.0</b>	<b>4,982.5</b>	<b>70.5</b>
<b>Utility Rate Supported</b>			
Water and Wastewater	660.7	691.7	31.0
<b>Utility Rate Supported Services</b>	<b>660.7</b>	<b>691.7</b>	<b>31.0</b>
<b>Total Regionally Controlled</b>	<b>5,572.7</b>	<b>5,674.2</b>	<b>101.5</b>
Peel Living	56.0	56.0	-
Peel Regional Police	3,529.0	3894.0	365.0
<b>Total Region</b>	<b>9,157.7</b>	<b>9624.2</b>	<b>466.5</b>

Note: numbers may not add due to rounding.

<sup>1</sup> Regular positions (full-time equivalent, FTE).

# Summary VI(a): 2025 Capital Budget – Sources of Financing

**Table 33. 2025 Capital Budget – Sources of Financing (in \$ thousands)**

	Development Charges	Reserve Funds	External Funding	Debt Funding	Total Financing	% of Total
<b>Property Tax-Supported</b>						
Housing Support	–	75,302	–	–	75,302	3.3
Waste Management	124	14,343	–	–	14,466	0.6
Transportation	158,559	76,288	3,958	–	238,805	10.4
Paramedic Services	1,336	21,468	–	–	22,804	1.0
Seniors Services	–	16,018	–	–	16,018	0.7
Public Health	–	550	–	–	550	0.0
Business Services	200	3,950	–	–	4,150	0.2
Early Years and Child Care	–	901	–	–	901	0.0
Community Investment	–	12,000	–	–	12,000	0.5
Information and Technology	–	45,277	–	–	45,277	2.0
Real Property Asset Management	–	1,884	–	–	1,884	0.1
Heritage, Arts and Culture	–	1,467	–	–	1,467	0.1
Development Services	900	900	–	–	1,800	0.1
<b>Regionally Controlled Services</b>	<b>161,118</b>	<b>270,349</b>	<b>3,958</b>	<b>–</b>	<b>435,425</b>	<b>19.0%</b>
<b>External Agency</b>						
Peel Regional Police	19,230	124,205	2,398	9,900	155,733	6.8
<b>Regionally Financed External Agencies</b>	<b>19,230</b>	<b>124,205</b>	<b>2,398</b>	<b>9,900</b>	<b>155,733</b>	<b>6.8%</b>
<b>Total Property Tax-Supported Services</b>	<b>180,348</b>	<b>395,554</b>	<b>6,356</b>	<b>9,900</b>	<b>591,158</b>	<b>25.8%</b>
<b>Utility Rate Supported</b>						
Water and Wastewater	1,286,351	416,479	1,413	–	1,704,243	74.2
<b>Utility Rate Supported Services</b>	<b>1,286,351</b>	<b>416,479</b>	<b>1,413</b>	<b>–</b>	<b>1,704,243</b>	<b>74.2%</b>
<b>Total Region</b>	<b>1,466,699</b>	<b>811,033</b>	<b>7,769</b>	<b>9,900</b>	<b>2,295,401</b>	<b>100.0%</b>

Note: numbers may not add due to rounding.

# Summary VI(b): 2025 vs. 2024

## Capital Budget Summary

**Table 34. 2025 vs. 2024 Capital Budget Summary (in \$ thousands)**

	Capital Budget 2025	Capital Budget 2024	Change from 2024 \$	Change from 2024 %
<b>Property Tax-Supported</b>				
Housing Support	75,302	190,585	(115,283)	(60.5)
Waste Management	14,466	20,100	(5,634)	(28.0)
Transportation	238,805	163,321	75,485	46.2
Paramedic Services	22,804	40,189	(17,385)	(43.3)
Seniors Services	16,018	6,784	9,234	136.1
Public Health	550	350	200	57.1
Business Services	4,150	2,400	1,750	72.9
Early Years and Child Care	901	338	563	166.6
Community Investment	12,000	–	12,000	100.0
Information and Technology	45,277	23,424	21,853	93.3
Real Property Asset Management	1,884	1,659	225	13.6
Heritage, Arts and Culture	1,467	3,355	(1,888)	(56.3)
Development Services	1,800	2,310	(510)	(22.1)
<b>Regionally Controlled Services</b>	<b>435,425</b>	<b>454,815</b>	<b>(19,390)</b>	<b>(4.3)%</b>
<b>External Agency</b>				
Peel Regional Police	155,733	666,592	(510,859)	(76.6)
<b>Regionally Financed External Agencies</b>	<b>155,733</b>	<b>666,592</b>	<b>(510,859)</b>	<b>(76.6)%</b>
<b>Total Property Tax-Supported Services</b>	<b>591,158</b>	<b>1,121,407</b>	<b>(530,249)</b>	<b>(47.2)%</b>
<b>Utility Rate Supported</b>				
Water and Wastewater	1,704,243	1,414,318	289,925	20.5
<b>Utility Rate Supported Services</b>	<b>1,704,243</b>	<b>1,414,318</b>	<b>289,925</b>	<b>20.5%</b>
<b>Total Region</b>	<b>2,295,401</b>	<b>2,535,724</b>	<b>(240,323)</b>	<b>(9.5)%</b>

Note: numbers may not add up due to rounding.

# Summary VII: 2025–2034 Capital Plan – Sources of Financing

**Table 35. 2025–2034 Capital Plan – Sources of Financing  
(in \$ thousands)**

	Development Charges	Reserves and Reserve Funds <sup>1</sup>	External Funding	Debt Funding	Total Financing	% of Total
<b>Property Tax-Supported</b>						
Housing Support	–	1,100,948	40,000	–	1,140,948	4.9
Waste Management	124	282,421	–	–	282,545	1.2
Transportation	1,417,322	1,195,712	153,367	–	2,766,401	11.8
Paramedic Services	8,627	224,924	–	–	233,551	1.0
Seniors Services	17,000	235,331	–	–	252,331	1.1
Public Health	–	11,910	–	–	11,910	0.1
Business Services	2,000	31,690	–	–	33,690	0.1
Early Years and Child Care	–	10,376	–	–	10,376	0.0
Community Investment	–	12,000	–	–	12,000	0.1
Information and Technology	–	275,199	–	–	275,199	1.2
Real Property Asset Management	–	101,558	–	–	101,558	0.4
Heritage, Arts and Culture	–	19,167	–	–	19,167	0.1
Development Services	9,000	9,000	–	–	18,000	0.1
<b>Regionally Controlled Services</b>	<b>1,454,073</b>	<b>3,510,236</b>	<b>193,367</b>	<b>–</b>	<b>5,157,676</b>	<b>22.0%</b>
<b>External Agency</b>						
Peel Regional Police	77,890	672,924	19,512	194,400	964,726	4.1
<b>Regionally Financed External Agencies</b>	<b>77,890</b>	<b>672,924</b>	<b>19,512</b>	<b>194,400</b>	<b>964,726</b>	<b>4.1%</b>
<b>Total Property Tax-Supported Services</b>	<b>1,531,963</b>	<b>4,183,160</b>	<b>212,879</b>	<b>194,400</b>	<b>6,122,402</b>	<b>26.1%</b>
<b>Utility Rate Supported</b>						
Water and Wastewater	13,193,094	4,140,316	5,944	–	17,339,354	73.9
<b>Utility Rate Supported Services</b>	<b>13,193,094</b>	<b>4,140,316</b>	<b>5,944</b>	<b>-</b>	<b>17,339,354</b>	<b>73.9%</b>
<b>Total Region</b>	<b>14,725,057</b>	<b>8,323,476</b>	<b>218,822</b>	<b>194,400</b>	<b>23,461,756</b>	<b>100.0%</b>

Note: numbers may not add due to rounding.

<sup>1</sup> Includes contribution from Canadian Community Building Fund (CCBF).

# Summary VIII: 2025 Operating Financial Summary

**Table 36. 2025 Operating Financial Summary (in \$ thousands)**

	2023 Actuals	2024 Budget	2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast
Labour Costs	1,094,515	1,197,540	1,346,091	1,385,816	1,421,644	1,453,685
Reserve Contributions	681,095	679,672	775,865	782,187	805,008	828,005
Debt Charges	117,674	120,944	121,527	121,899	121,899	121,899
Grant Payments	885,746	992,375	1,200,427	1,331,516	1,331,373	1,341,261
Facility, IT, HR and other support costs	863,699	861,793	903,386	1,072,837	1,255,751	1,451,660
Recoveries	(411,310)	(415,785)	(438,404)	(431,932)	(441,237)	(450,656)
<b>Total Expenditures</b>	<b>3,231,419</b>	<b>3,436,539</b>	<b>3,908,892</b>	<b>4,262,324</b>	<b>4,494,440</b>	<b>4,745,856</b>
Grants and Subsidies	960,248	976,456	1,172,121	1,310,132	1,317,111	1,331,543
Supplementary Taxes	823	(4,474)	(2,729)	(2,653)	(2,576)	(2,496)
Fees and Service Charges	226,481	191,483	229,449	184,905	179,558	178,708
Transfer from Development Charges	112,344	115,885	115,880	115,880	115,880	115,880
Contribution from Reserves	64,102	103,503	100,787	98,822	76,009	72,220
<b>Total Revenues</b>	<b>1,363,998</b>	<b>1,382,853</b>	<b>1,615,526</b>	<b>1,713,703</b>	<b>1,692,199</b>	<b>1,702,073</b>
<b>Total Net Expenditure</b>	<b>1,867,421</b>	<b>2,053,686</b>	<b>2,293,366</b>	<b>2,548,621</b>	<b>2,802,241</b>	<b>3,043,783</b>

Note: numbers may not add due to rounding.

# Reserves and Reserve Funds

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2025–2028 Business Plan  
and 2025 Budget

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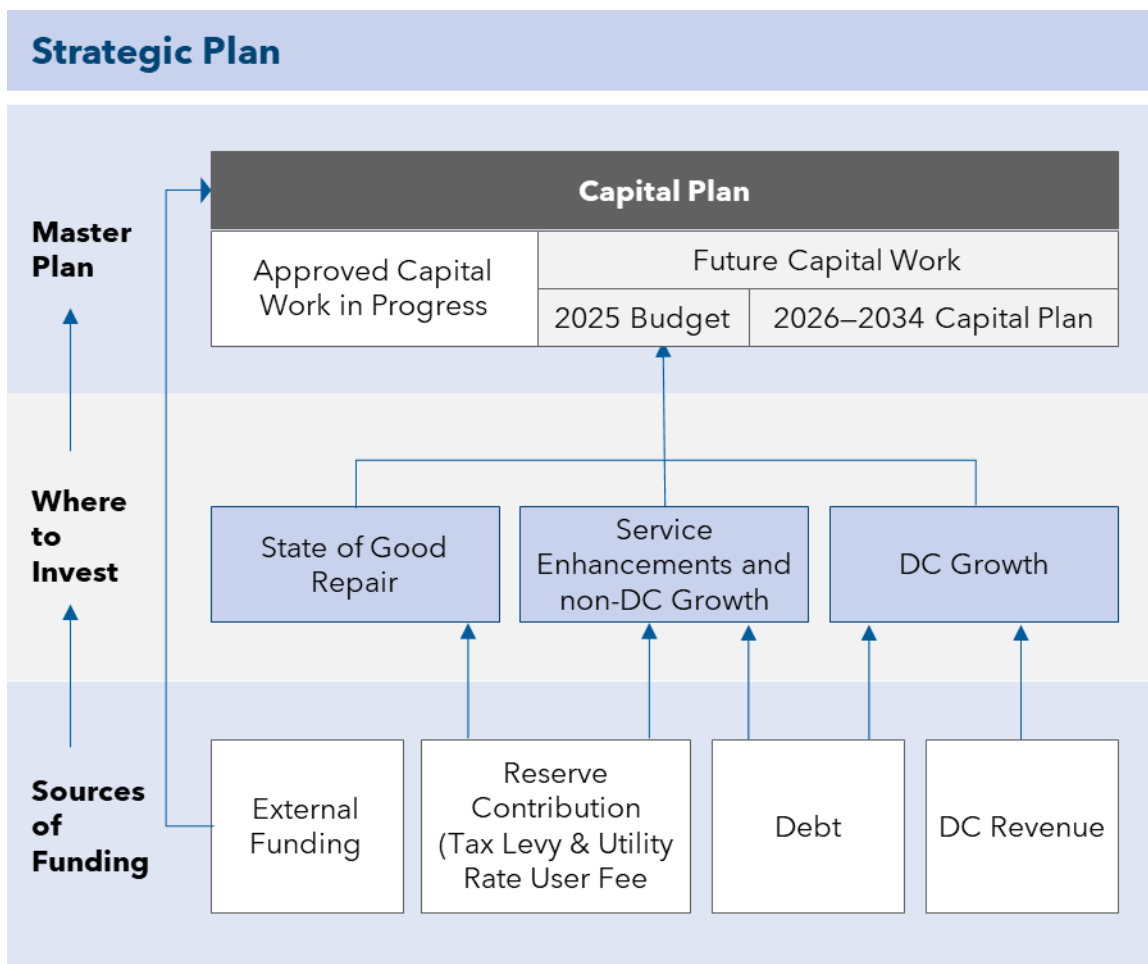
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# Executive Summary

Reserves and Reserve Funds are established by Regional Council to provide long-term financial sustainability, enable financial planning and to provide flexibility to manage financial volatility. Maintaining reserves enables the Region to accumulate funds for future capital and operating needs or contingent liabilities, a key part of a strong and prudent financial strategy. Rate stabilization reserves provide funding to help mitigate fluctuations in operating revenues and expenditures and fund one-time expenditures. This enables more stable and consistent budgets and financial results. Maintaining high levels of Reserves and Reserve Funds are good indicators of strong financial management to credit rating agencies. Capital reserves are the main funding sources for capital works. Exhibit 1 below provides a high-level view of the relationship between capital reserves and reserve contributions to the capital plan.

**Exhibit 1. Relationship Between Capital Financing and the 10-Year Capital Plan**



# Overview

In 2013, Regional Council approved a new reserve management policy that was in accordance with Peel’s long term financial strategy. The policy outlined a portfolio approach to the management of capital reserves and operating reserves to centralize the management of reserves and to create more flexibility to address priority needs in the organization. Each year, as part of the budget submissions, a report is presented to Regional Council on the status of the reserves, including their adequacy and compliance with target levels as outlined in the Reserve Management policy.

## Reserves and Reserve Funds

- **A Reserve** is an accumulation of funds, at the direction of Council, of appropriations from net revenues. Reserves can either be for operating or capital purposes. The rate stabilization reserves are used primarily to mitigate annual fluctuations in operating revenues and expenditures or one-time expenditures, and capital reserves are used to fund capital work such as the state of good repair of assets and infrastructure, not eligible for development charge funding.
- **A Reserve Fund** is an accumulation of appropriations from net revenues for purposes which are restricted by law or by the direction of Council contained in the by-law establishing the Reserve Fund.

Table 1 below presents a high-level summary of Projected Uncommitted Balances (for each reserve by reserve category).

**Table 1. Summary of Reserves by Reserve Categories (in \$ millions)**

Reserves and Reserve Funds	Projected Uncommitted Balance Dec. 31, 2024	2025 Budget Contribution	2025 Budget Requirement	2025 Projected Interest	Projected Uncommitted Balance Dec. 31, 2025
Tax-Supported Rate Stabilization Reserve	97.1	–	35.1	2.4	64.4
Utility Rate Supported Stabilization Reserve	47.1	–	2.8	1.4	45.6
<b>Total Tax &amp; Utility Rate Stabilization Reserves</b>	<b>144.2</b>	<b>–</b>	<b>37.9</b>	<b>3.8</b>	<b>110.0</b>
Tax-Supported Capital Reserve	307.1	237.2	283.7	36.1	296.7
Utility Rate Supported Capital Reserve	65.0	356.5	402.9	29.7	48.3

Reserves and Reserve Funds	Projected Uncommitted Balance Dec. 31, 2024	2025 Budget Contribution	2025 Budget Requirement	2025 Projected Interest	Projected Uncommitted Balance Dec. 31, 2025
Tax & Utility Rate Capital Reserves	372.1	593.7	686.7	65.8	344.9
<b>Specialty Reserves<sup>1</sup></b>	<b>81.6</b>	<b>8.0</b>	<b>23.4</b>	<b>2.2</b>	<b>68.4</b>
<b>Reserve Funds</b>	<b>67.1</b>	<b>47.9</b>	<b>39.9</b>	<b>2.1</b>	<b>76.4</b>
Total Regionally Controlled Reserve Funds	662.6	649.6	787.9	73.9	597.4
Total Development Charges Reserve Funds <sup>2</sup>	(3,353.3)	434.3	1,446.0	(185.2)	(4,550.3)

Note: Numbers may not add up due to rounding.

<sup>1</sup> Three Capital Specialty reserves have been excluded. Based on the capital nature of these three reserves, they are included in the Tax-Supported Capital Reserve portfolio.

<sup>2</sup> Section 43 of the Development Charges Act, 1997 requires that the Treasurer of the municipality provide to Council annually a financial statement of development charges (DC) related transactions and balances. The 2023 Treasurers Statement was presented to Council on June 13, 2024. In 2023 and 2024 to date, DC expenditures and debt payments exceeded DC revenues. Staff will continue to monitor revenue and expenditures to inform borrowing decisions.

# Reserves for Tax-Supported Services and Utility Rate Supported Services

Two types of reserves that have a significant impact on the annual budget are the rate stabilization reserves and capital reserves. The rate stabilization reserves aid in supporting operations for both the tax-supported services as well as operations that support the utility rate services. Similarly, there are capital reserves to fund capital works for Regionally Controlled tax-supported services and the Utility rate funded services or Water/Wastewater services.

The following pages will provide additional details of these reserves.

# Rate Stabilization Reserves

The Rate Stabilization Reserves are operating reserves. It is defined in the Reserve Management Policy, as a reserve arising from the operation of programs. Surpluses from tax-supported programs and utility rate supported programs are segregated into separate reserves. These reserves are utilized to minimize annual fluctuations in both property tax and utility rates by means of providing funding for one-time costs. Applying these reserves, enables significant pressures to be phased in over time. They remain a useful tool to address program pressures where there is some degree of uncertainty. The Region of Peel has generally two types of Rate Stabilization Reserves; Tax-Supported Rate Stabilization Reserves to bolster Regionally Controlled tax funded services, and Utility Supported Rate Stabilization Reserves to fund the water and wastewater services.

**Table 2. Rate Stabilization Reserves (in \$ millions)**

Rate Stabilization Reserve	Projected Uncommitted Balance Dec. 31, 2024	2025 Budget Contribution	2025 Budget Requirement <sup>1</sup>	Projected Interest	Projected Uncommitted Balance Dec. 31, 2025
Tax-Supported	97.1	–	35.1	2.4	64.4
Utility Rate Supported	47.1	–	2.8	1.4	45.6
<b>Total Tax and Utility Rate Supported</b>	<b>144.2</b>	<b>–</b>	<b>37.9</b>	<b>3.8</b>	<b>110.0</b>

Note: Numbers may not add up due to rounding.

<sup>1</sup> Summary III of the 2025 Regional Budget Overview provides details of the 2025 budget requirements.

## Tax-Supported Rate Stabilization Reserve

As illustrated in Table 2. Rate Stabilization Reserves (in \$ millions) above, the projected balance at the beginning of 2025 for the Tax Rate Stabilization Reserve is \$97.1 million. 2025 budgeted requirements total \$35.1 million and estimated interest revenue totals \$2.4 million, for an estimated year-end (December 31, 2025) balance of \$64.4 million. Overall, the Tax Rate Stabilization Reserve is projected to have sufficient funds to manage the operational needs of the Regionally Controlled tax-supported services.

## Utility Rate Stabilization Reserve

For the Utility Rate Stabilization Reserve, a balance of \$47.1 million is projected for the beginning of 2025. Budgeted requirements total \$2.8 million and projected interest totals \$1.4 million, for an estimated year-end (December 31, 2025) balance of \$45.6 million. Overall, the Utility Rate Supported Stabilization Reserve is projected to have sufficient funds to manage the operational needs of the water and wastewater services.

# Capital Reserves

The Region of Peel’s capital plans are funded through several funding sources, which include, capital reserves, development charges (DC) reserves, internal borrowing and external funding and debt. Capital Reserves provide financial flexibility to fulfill long term financing requirements and assist in achieving the long-term financial sustainability of its assets. These reserves are utilized to fund both the state of good repair of existing assets and to fund other capital work not eligible for DC funding. The Region has two capital reserves, a Tax-Supported Capital Reserve to fund capital work for tax funded Regionally controlled services and a Utility Rate Supported Capital Reserve to fund capital work for the water and wastewater services. With the exception of one year, since 2008, Council has approved annual infrastructure levies to increase capital reserves for the purpose of assisting in funding the Region’s capital plan. Each year, these reserves are assessed to determine if their uncommitted balances and proposed future contributions will remain adequate to fund the planned capital work that rely on capital reserves. This prudent approach has facilitated funding of significant infrastructure needs in the community.

**Table 3. Capital Reserves (in \$ millions)**

Capital Reserve	Projected Uncommitted Balance Dec. 31, 2024	2025 Budget Contribution	2025 Budget Requirement	Projected Interest	Projected Uncommitted Balance Dec. 31, 2025
Tax-Supported Capital Reserve	307.1	237.2	283.7	36.1	296.7
Utility Rate Supported Capital Reserve	65.0	356.5	402.9	29.7	48.3
<b>Total Tax and Utility Rate Supported Capital Reserves</b>	<b>372.1</b>	<b>593.7</b>	<b>686.7</b>	<b>65.8</b>	<b>344.9</b>

Note: Numbers may not add up due to rounding.

## Tax-Supported Capital Reserves

The Tax-Supported Capital Reserves are funds accumulated through annual budgeted contributions via the property tax. Their purpose is to fund the infrastructure needs of Regionally Controlled Tax-Supported Services. Infrastructure funded by these reserves includes new affordable housing, new paramedic reporting stations, replacing ambulances and ensuring the state of good repair of roads and Peel’s housing stock. Table 3 illustrates, the Tax-Supported Capital Reserve has a projected uncommitted balance of \$307.1 million at the beginning of 2025.

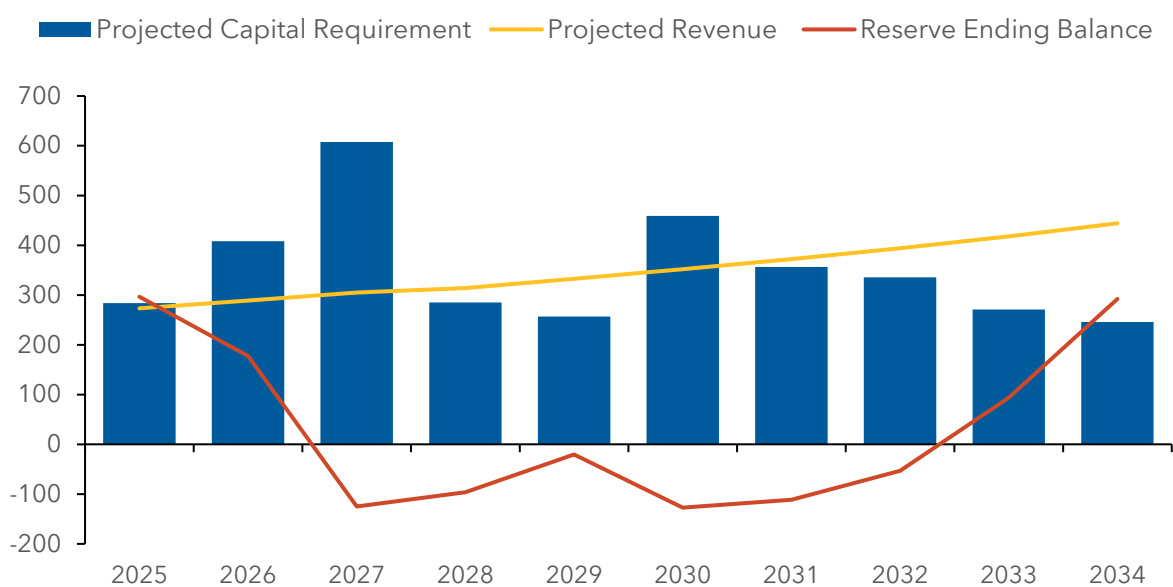


A budgeted reserve contribution of \$237.2 million, less budgeted requirements of \$283.7 million and estimated interest revenue of \$36.1 million, for an estimated year end uncommitted balance of \$296.7 million to fund future Tax-Supported Capital requirements.

Figure 1. Annual 1.0 per cent Infrastructure Levy Increase 2025–2034 (in \$ millions) below provides a longer-term projection of the Tax-Supported Capital Reserve balance over the next 10 years.

As illustrated, assuming a 1.0 per cent infrastructure levy increase each year, the uncommitted reserve ending balance (solid red line) of the Tax-Supported Capital Reserve, is insufficient to fund the forecasted capital work requiring capital reserve funding (blue bars) in the short to medium-term (2027-2032). The most significant driver of the projected expenditures is the demand for funding new affordable housing and the replacement of existing affordable housing, mostly in the Peel Living portfolio.

**Figure 1. Annual 1.0 per cent Infrastructure Levy Increase 2025–2034 (in \$ millions)**



(In \$ millions)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Projected Revenue	273	289	305	314	333	352	372	394	418	444
Projected Capital Requirement	284	408	607	285	257	459	357	336	271	246
Reserve Ending Balance	297	177	(125)	(96)	(20)	(127)	(112)	(53)	94	292

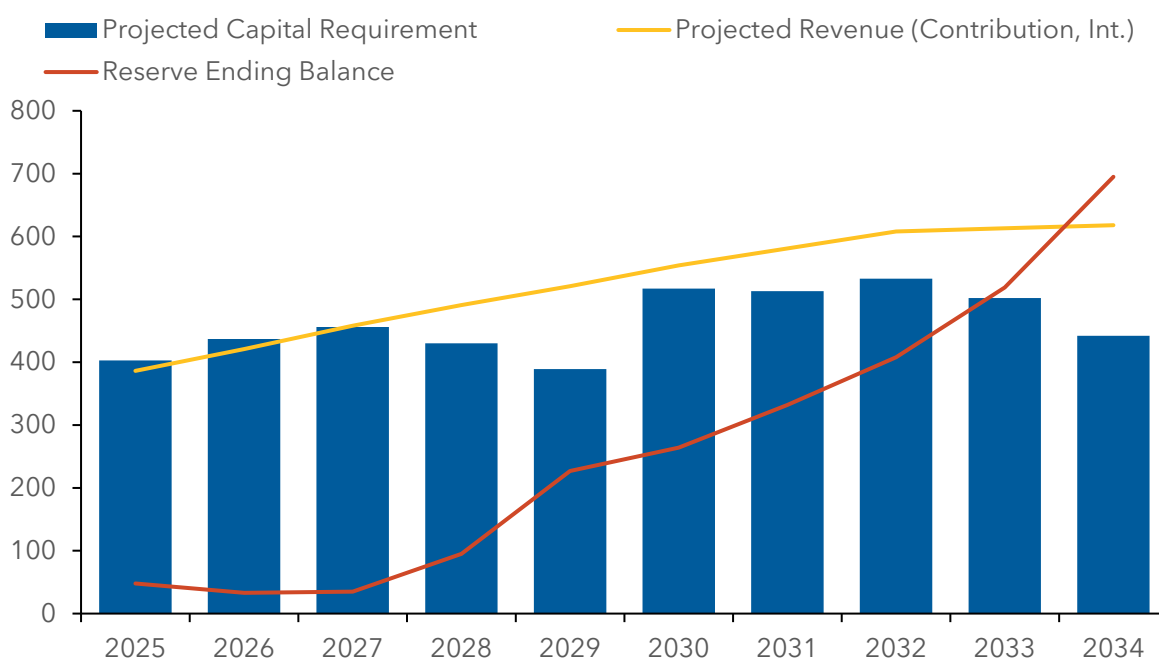
## Utility Rate Supported Capital Reserves

The Utility Rate Supported Capital Reserves are reserves accumulated through annual budgeted contributions via the utility rate (water and

wastewater fees). These reserves serve to fund the infrastructure needs of the Water and Wastewater service. Infrastructure that is funded by the Utility Rate supported Capital Reserve includes the replacement of watermains, pumping stations, maintaining the water and wastewater facilities in a state of good repair, and other capital enhancements required by the water and wastewater service.

Figure 1. Annual 1.0 per cent Infrastructure Levy Increase 2025–2034 (in \$ millions) above summarizes the Utility Rate Supported Capital Reserve which is projected to have an uncommitted balance of \$65.0 million at the beginning of 2025. The budgeted reserve contribution is \$356.5 million, offset by a budget requirement or use of \$402.9 million to fund the 2025 Tax-Supported Capital Budget. Interest revenue is estimated at \$29.7 million, for a year-end projected available balance of \$48.3 million.

**Figure 2. 5.0 per cent Infrastructure Utility Rate Increase for 2025, 6.0 per cent 2026–2028, 4.0 per cent 2029–2030 and 3.0 per cent Increase to 2034 (in \$ millions)**



\$Million	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Projected Reserve (Contribution, Int.)	386	421	458	491	521	554	581	608	613	618
Projected Capital Requirement	403	437	456	430	389	517	513	533	502	442
Reserve Ending Balance	48	33	35	95	227	264	332	408	519	695

Figure 2. 5.0 per cent Infrastructure Utility Rate Increase for 2025, 6.0 per cent 2026–2028, 4.0 per cent 2029–2030 and 3.0 per cent Increase to 2034 (in \$ millions) above provides a longer-term projection of the Utility Rate supported Capital Reserve balance over the next 10 years which is required to fund the capital work that is planned to be funded.

Assuming a range of infrastructure levy increases between 2025–2034 6.0 per cent infrastructure levy is required for the years 2026–2028, 4.0 per cent for an additional two years, and 3.0 per cent for the remaining years), there would be lower available reserves (depicted by the red line) between 2025–2027, followed by a gradually rising Reserve Ending Balance (uncommitted Utility Rate Supported Capital Reserves) thereafter until 2034.

# Specialty Reserves and Reserve Funds

Table 4. Specialty Reserves and Reserve Funds (in \$ millions) below presents a projected Uncommitted Balances for Specialty Reserves and Reserve Funds.

**Table 4. Specialty Reserves and Reserve Funds (in \$ millions)**

Reserves and Reserve Funds	Projected Uncommitted Balance Dec. 31, 2024	2025 Budget Contribution	2025 Budget Requirement	2025 Projected Interest	Projected Uncommitted Balance Dec. 31, 2025
Insurance Stabilization Revenue	10.2	–	–	0.3	10.5
Administrative Service Only (ASO) Benefit Stabilization	8.5	–	1.3	0.2	7.4
WSIB Reserve Pensions	16.0	–	–	0.5	16.5
Affordable Housing Incentives	7.9	7.5	7.5	0.2	8.1
DC Financial Incentive Reserve	5.0	0.5	–	0.2	5.7
COVID-19 Related Reserve	33.3	–	14.6	0.8	19.5
Human Services Revolving Capital Fund	0.7	–	–	–	0.7
<b>Total Specialty Reserves<sup>1</sup></b>	<b>81.6</b>	<b>8.0</b>	<b>23.4</b>	<b>2.2</b>	<b>68.4</b>
Canada Community Building Fund	63.2	47.5	39.4	2.0	73.3
Other Reserves	3.9	0.4	0.4	0.1	3.2
<b>Total Reserve Funds</b>	<b>67.1</b>	<b>47.9</b>	<b>39.9</b>	<b>2.1</b>	<b>76.4</b>

Note: May not add up due to rounding.

<sup>1</sup> Three capital specialty reserves are excluded. Based on the capital nature of these three reserves, they are included in the Tax-Supported Capital Reserve portfolio. Details of those three reserves are provided in Table 5. Speciality Reserve Adequacy Status (in \$ millions).

# Additional Details for Specialty Reserves and Reserve Funds

**Table 5. Speciality Reserve Adequacy Status (in \$ millions)**

Reserve	Name	Description	Balance Sept. 30, 2024
R0500	Insurance Stabilization Reserve	To fund any material variances that could adversely impact the Region relating to liability claims or accidental losses	10.2
R0520	Administrative Service Only (ASO) Benefit Stabilization	To fund any material unexpected variances in self-insured Extended Health Care (EHC) and Group Life benefit plans	9.7
R0880	WSIB Reserve Pensions	To fund the Region's future Workplace Safety and Insurance Board (WSIB) liability (self-insured) as determined by the actuaries	15.9
R1159	Affordable Housing Incentives	Affordable rental incentives program to provide grants to developers to create more affordable rental units within their purpose-built projects	13.4
R1169	Development Charges (DC) Financial Incentive Reserve	To provide funding for grant-in-lieu of development charges for eligible developments	2.3
R1171	COVID-19 Recovery Reserve	To address work that has been backlogged due to COVID-19	30.2
R1261A	Human Services Revolving Capital Fund	To support community partner integration and system improvements activities in Human Services Department	0.7
R0221 <sup>1</sup>	Capital Finance Stabilization - Greenlands Securement	To provide annual funding of Greenlands capital project which involve securing Greenlands by Peel's Conservation Partners	2.9
R1140 <sup>1</sup>	Capital Long-Term Waste Management Strategy – Energy from Waste Savings	To receive savings from interim landfill operation placed after expiry of third-party incineration contract	131.2
R1919 <sup>1</sup>	Housing – Contingency Liability Reserve	To fund the potential gap in the state of good repair reserves faced by affordable housing service providers	61.9
R1923 <sup>2</sup>	Housing-Advances to Providers	To track loans that the service provider obtains from Region (draw from R1919) that is under \$500,000	0.0
R1924 <sup>1</sup>	Housing-Loans to Providers (Pre)	To track loans that the service provider obtains from Region (draw from R1919) that is over \$500,000	0.0
R1925 <sup>1</sup>	Housing- Loans to Providers (Post)	This reserve is to track repayments which have begun from housing service providers	0.0

<sup>1</sup> Three capital specialty reserves are excluded. Based on the capital nature of these three reserves, they are included in the Tax-Supported Capital Reserve portfolio.

<sup>2</sup> The three Reserves are for notional use only, no incremental commitment is expected.

**Table 6. Reserve Funds Adequacy Status (in \$ millions)**

Reserve Funds	Description	Intended Use	Balance Sept. 30, 2024
R0025	Canada Community-Building Fund	A reserve fund for the receipt of federal gas tax funds under the Municipal Funding Agreement (MFA) for the transfer of Federal Gas Tax revenues under the deal for cities and communities with the Association of Municipalities (AMO). Fund would be used for eligible expenditures	76.1
R0022	Provincial Gas Tax Funds	Through an individual by-law, reserve fund established under the agreement signed by the Region with the Province used to receive provincial gas tax funds for eligible public transportation expenditures. This is required per the <i>Municipal Act</i>	0.1
R0008	Heritage - Programming	A reserve created for the deposit of funds donated for the purposes of programming the Peel Heritage Complex other than those received through the PHCRC	0.6
R0019	Heritage - PHCRC	A special campaign be implemented to defray the capital cost of fixtures, furnishings, equipment and related installations for exhibitions, events and other activities of the Peel Heritage Complex, to be called the Peel Heritage Complex Renewal Campaign (PHCRC); a reserve be created for the deposit of all receipts from the PHCRC	0.1
R0011	Transportation Demand Management	To establish a reserve fund for the maintenance of the dedicated Ontario Municipal Transportation Demand Management Grant associated with the development of the Interactive Web-based Active Transportation Map	0.0
R0018	Britannia Golf Course	To establish a reserve fund for the capital and stabilization requirements of a Britannia Golf Course Reserve use to receive deposit from the city of Mississauga and the money shall be used only for the purposes set out in Paragraph 6.4 of the agreement	0.3
R0030	Public Sector Network Reserve Fund	To receive revenues (2006) from Public Sector Network (PSN) Subscribers under agreement. Revenues should be used to offset shared network expenditures	1.0
R1168	Major Office Incentives Reserves	To seed funding for the Region's Major Office Incentives Program	0.1

# 2025 Proposed COVID-19 Reserve Requirements

Table 7. COVID-19 Reserve Requirements (in \$ thousands)

Reserve By Service	Proposed 2025 Covid Related Reserve Requirements	Reason for the Draw
Public Health	6,683	Funding to support 56.5 full-time positions was approved by Council as initiated in BR# 21 COVID-19 response (COVID Operations and Immunization Services) adopted as part of the 2023 Budget (Council Resolution RCB #2023-53). Reserve funding to be phased out in 2026
	6,740	47 contract positions and 8 student positions to address post-pandemic catch-up. Immunization Beyond COVID-19: Urgent Need to Invest in Community Protection Against Vaccine Preventable Diseases in Peel (Council Resolution #2024-417 on May 23, 2024)
	474	11 contract extensions for 3 months (January 1–March 31) needed to address the rising number of institutional outbreaks and increasingly complex communicable disease cases as Peel residents are at risk of severe illness or death. Responding to the Increasing Burden and Urgent Risk of Communicable Diseases and Outbreaks in Peel Region (Council Resolution #2024-418 on May 23, 2024)
	156	2025 BR# 37 Strengthen Communicable Disease and Outbreak Investigations to Prevent Disease Transmission – one contract position for 18 months: January 1, 2025–June 30, 2026
Seniors Services: COVID-19 Recovery Reserve	593	Continuation of funding for 5 contract staff to stabilize Long Term Care Operations. Stabilizing Operations in Long Term Care (Council Resolution #2023-500)
<b>Total</b>	<b>14,646</b>	

# Financial Policies

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2025–2028 Business Plan  
and 2025 Budget

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# The Regional Municipality of Peel

## By-Law Number 31–2019

**A by-law establishing financial management principles to provide guidance towards the goal of ensuring the long-term Financial Health of The Regional Municipality of Peel, and to repeal By-law 49-2013.**

WHEREAS the Council of the Regional Corporation has, by resolution adopted on the 25<sup>th</sup> day of April 2019, authorized a by-law establishing the financial principles to provide guidance towards the goal of ensuring the long term financial sustainability of The Regional Municipality of Peel.

NOW THEREFORE, the Council of the Regional Corporation enacts as follows:

### Definitions in this By-law:

- a) Financial Terminology
  - i) **Assets.** Capital assets that are used to produce or provide goods or services. They have a useful life extending beyond one accounting period (e.g. a year), are used on a continuing basis and are not for sale in the ordinary course of operations.
  - ii) **Borrow.** The act of issuing debt or other financial instruments for the purpose of raising funds.
  - iii) **Capital Plan.** The combined Capital Budget and Capital Forecast.
  - iv) **Financial Health.** The overall financial condition as indicated by its Financial Flexibility, Financial Sustainability and Financial Vulnerability.
  - v) **Financial Flexibility.** The ability to change either debt levels or taxes and utility rates to meet financial obligations and ensure intergenerational equity.
  - vi) **Financial Sustainability.** The ability to provide and maintain planned service and infrastructure Assets without unplanned increases in rates or disruptive cuts to services.
  - vii) **Financial Vulnerability.** The degree to which an organization is dependent on external funding sources that it cannot control; it is the level of risks that could impact the ability to meet existing financial obligations and commitments, including the delivery of services.
  - viii) **Reserve.** An unrestricted accumulation, at the direction of Council, of appropriations from net revenues.
  - ix) **Reserve Fund.** An accumulation of appropriations from net revenues for purposes which are restricted by law or by the direction of Council contained in the by-law establishing the Reserve Fund.

- x) Users, Residents and Businesses who use a service or services provided by The Regional Municipality of Peel.
- b) Organizational Structure
  - i) **Local Municipalities.** The City of Brampton, City of Mississauga and the Town of Caledon.
  - ii) **Council.** The Council of The Regional Municipality of Peel.
  - iii) **Chief Administrative Officer.** The employee designated as such by Council and any person who has been authorized to temporarily act as the Chief Administrative Officer during the incumbent's absence or a vacancy in the office.
  - iv) **Chief Financial Officer.** The employee designated as such by Council and any person who has been authorized to temporarily act as the Chief Financial Officer during the incumbent's absence or a vacancy in the office.
- 1. The Financial Principles for Financial Sustainability, to manage Financial Vulnerability and for Financial Flexibility set out in the first column of Schedule A to this by-law are adopted as principles to provide guidance towards the goal of ensuring the long-term Financial Health of The Regional Municipality of Peel.
- 2. The Meanings attributed to the principles set out in Schedule A are to be considered for purposes of interpretation but shall not be considered to be exhaustive or prescriptive.
- 3. The Policy Alignments identified in [Schedule A](#) refer to the policy or legal instruments which are the primary means of advancing the corresponding principle.
- 4. The Chief Financial Officer shall undertake a review of this by-law not less frequently than once every seven years and report to Council the results of such review.
- 5. The Chief Administrative Officer, upon the recommendation in writing of the Chief Financial Officer, is authorized to create, implement, amend and revoke policies for the financial administration of The Regional Municipality of Peel which are consistent with the Financial Health principles adopted in this by-law.
- 6. By-law 49-2013 is hereby repealed.
- 7. Where policies for the financial administration of The Regional Municipality of Peel provide for a requirement of Council approval or a Council report being made, the approval may be given or the report may be made to the Interim Period Approvals Committee established under By-law 56-2008 or any successor by-law during any "Interim Period" as defined in that by-law.
- 8. This by-law may be referred to as the Region of Peel Financial Management By-law, 2019.

READ THREE TIMES AND PASSED IN OPEN COUNCIL this 25th day of April, 2019.

K. Lockyer  
*Regional Chair*

N. Iannicca  
*Regional Chair*

# Schedule A

## 1. Financial Principles for Financial Sustainability

Financial	Meaning	Policy Adjustment
1. Respect the Taxpayer	Achieve reasonable and responsible tax rates to ensure that the Regional Council's highest priority services are maintained. The Region will strive to deliver its desired service outcomes without placing undue financial pressures on its tax payers	Budget Policy
2. Ensure the Capital Plan is Sustainable	Capital Reserves and Reserve Funds are funded to levels to enable the Capital Plan. Capital expenditures should be continually reviewed in the context of affordability, and the operating impact of capital should be sustainable and affordable	Reserve Management Policy
3. Maintain Assets	Replace or maintain Assets over their lifecycle in a timely manner to ensure service level targets are met	Asset Management Policy
4. Deliver Value for Money	Continuously find efficiency and quality improvements to manage and deliver services	Procurement By-law

## 2. Financial Principles for Financial Vulnerability

Financial	Meaning	Policy Adjustment
5. Users pay where appropriate	Ensure that the Users of services pay for the services, and balance growth-related investments with revenue to achieve intergenerational equity where possible	Development Charge By-Law User Fee By-Law
6. Work with Local Municipalities to manage growth and support economic viability of the community	Work together with Local Municipalities to ensure that the Region continues to be a desirable area in which to live, work, and play	Development Charge By-Law

Financial	Meaning	Policy Adjustment
7. Make Responsible Investments	Maintain an investment portfolio that balances the safety of principal and maintenance of liquidity while striving to obtain returns that benefit residents and businesses	Investment Policy

**3. Financial Principles for Financial Flexibility**

Financial	Meaning	Policy Adjustment
8. Mitigate significant fluctuations in tax and utility rates	Implement ways to smooth and maintain tax and utility rates to provide financially stable and predictable environments for residents and businesses	Reserve Management Policy
9. Budget Policy		



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# Budget Policy

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**CATEGORY:** FINANCIAL MANAGEMENT

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**SUBCATEGORY:** FINANCIAL PLANNING

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**POLICY:** F10-04

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**SUBJECT:** BUDGET POLICY

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The Region's Long Term Financial Planning Strategy is to ensure the long term financial sustainability of Regional services and maintain its high quality credit rating. The strategy is founded on balancing the three fiscal pillars of Financial Sustainability, Financial Vulnerability and Financial Flexibility. To implement the three pillars of sustainability, the following nine principles have been developed.

1. **Respect the taxpayer.**
2. **Ensure the Capital Plan is sustainable.**
3. Manage assets.
4. **Deliver value for money.**
5. **Users pay where appropriate.**
6. Work with local municipalities to manage growth and support economic viability of the community.
7. Make responsible investments.
8. Mitigate significant fluctuations in tax and utility rates.
9. Borrow when appropriate for capital infrastructure.

The Budget Policy supports these principles with particular focus on: "1. Respect the taxpayer", "2. Ensure the Capital Plan is sustainable", "4. Deliver value for money", and 5. "Users pay where appropriate".

## A. Purpose

A policy establishing financial controls related to Operating Budget and Capital Budget.

## B. Scope

This Policy provides the prescriptive requirements to develop, change and report on the Operating Budget and Capital Budget for the Region of Peel and applies to all Regional employees who have responsibilities in these areas.

## C. Definitions

- **Account.** Classification of expenditure or revenue within a Cost Centre to which an estimated budget value and actual expense or revenue amount is assigned.
- **Capital Budget.** The annual Council approved plan of the Regional Corporation for expenditures and financing sources to acquire, improve, maintain or construct capital assets or to conduct studies.
- **Capital Forecast.** The projection of expenditures and financing sources for years beyond the Capital Budget approval year in which the forecast is made.
- **Capital Plan.** The combined Capital Budget and Capital Forecast.
- **Capital Project.** An undertaking for which expenditures of a capital nature are made, or are to be made, including expenditures to acquire, improve or maintain land, buildings, structures, machinery and equipment, to install computer software and to conduct studies relating to Corporate assets.
- **Compliance Report.** The summary of activities related to adjustments made to Operating Budget, Capital Budget and Reserves provided to Council by the Chief Financial Officer and Commissioner of Corporate Services.
- **Deficiency.** A defective or substandard performance on a project while under warranty.
- **Emergency.** An unforeseen situation of an urgent nature, presenting an unacceptable risk to the health and safety of persons or to property requiring an immediate expenditure of funds or presenting an opportunity which if not pursued would result in an unacceptable cost (including opportunity cost) or risk to the Regional Corporation.
- **Envelope Project.** A Capital Project set up with an established budget for the purpose of performing work of like nature within the defined scope as outlined in a Program's annual work plan.
- **Financial Report.** The summary of financial performance activities related to the Operating Budget, Capital Budget and Reserve Management provided to Council by the Chief Financial Officer and Commissioner of Corporate Services.
- **Interim Period.** A time during which there is no regular meeting of Council scheduled for a period of more than 21 days after the date of the previously scheduled regular Council meeting.
- **Maintenance Project.** A Capital Project set up for the purpose of funding a deficiency within a completed project while under warranty. Maintenance Project Procedures have been developed.
- **Operating Budget.** The annual Council approved plan of the Regional Corporation for expenditures, revenues, staffing levels and service levels for operations of the Regional Corporation taking place from January 1st to December 31<sup>st</sup> each year.

- **Operating Forecast.** The projection of expenditures, revenues, staffing levels and service levels for years beyond the Operating Budget approval year in which the forecast is made.
- **Reclassification of a Sub-Reserve.** The transfer of the Unexpended Amount of a Sub-Reserve from one Sub-Reserve Cost Centre to another which does not change the purpose for which the Unexpended Amount will be spent.
- **Redeployment of the Capital Budget.** The transfer of an Unexpended Budgeted Amount from one Capital Project Cost Centre to another within the same Division which has the effect of changing the purpose for which the Unexpended Budgeted Amount will be spent.
- **Redeployment of the Operating Budget.** The transfer of an Unexpended Budgeted Amount which has the effect of changing the purpose for which the Unexpended Budgeted Amount will be spent.
- **Redistribution of the Capital Budget.** The splitting of the financing sources of one Capital Project into financing sources for new smaller Capital Projects having the same purpose.
- **Regular Position.** A position under which employees are employed for an indefinite period of time, whether full time or part time, that has been approved by Regional Council either specifically or through approval of workforce levels in an annual budget in accordance with Policy HR04-01 Workforce Level Control.
- **Reserve.** An unrestricted accumulation, at the direction of Council, of appropriations from net revenues. Reserves include Tax Rate Stabilization Reserves, Utility Rate Stabilization Reserves, Capital Financing Reserves, Capital Construction Reserves and Infrastructure Replacement Reserves.
- **Restructure of the Operating Budget.** The transfer of a Budget Amount which does not change the purpose of the approved budget.
- **Sub-Project.** A Capital Project established through the redistribution of budget from an envelope project.
- **Sub-Reserve.** The result of the splitting of a Reserve into smaller amounts.
- **Tax Rate Stabilization Reserve.** A Reserve arising from the operation of programs funded from property taxation to minimize annual fluctuations in property tax rates.
- **Temporary Position.** A position under which employees are employed for a finite period of time, whether full time or part time.
- **Unallocated Project.** A Capital Project related to events not specifically foreseen but which may reasonably be expected to occur within the given budget year.
- **Unexpended Budgeted Amount.** The amount of approved budget funds in an Account that have not been spent or committed for spending.

- **Utility Rate Stabilization Reserve.** A Reserve arising from the operation of programs funded from utility charge collections to minimize annual fluctuations in utility rates.
- **Warranty Period.** The time period where a project remains open to ensure all services and conditions of the vendor contract have been met.

## D. Policy

### 1. General

- This Policy is guided by the Financial Management By-law 49-2013 (FMBL).
- This Policy is subject to specific direction on Operating and Capital Budgets as provided by:
  - Council; or
  - The Chief Administrative Officer (CAO) upon written recommendation of the Chief Financial Officer (CFO) as provided for in the FMBL; or
  - A higher level of government.
- The Operating and Capital Budgets submitted to Council must first be reviewed by the CFO and the CAO.
- Staff under the delegated authority from the CAO are authorized to carry on day-to-day business rules related to the Operating and Capital Budgets.
- Public notice of the intention of Council to adopt or amend the Operating and Capital Budget shall be given in accordance with the provisions of Policy G00-16 Public Notice or any successor legislation.
- In the absence of Council for an interim period, the role of Council under this Policy may be discharged by the Interim Period Approvals Committee established under By-law 56-2008 pursuant to the authority to do so provided by the Financial Management By-law 49-2013.

### 2. Operating Budget

- Annual Budget Submission
  - The Operating Budget shall be submitted annually to Council for approval.
  - All Departments, and all boards and agencies for which the Regional Corporation provides funding, shall annually prepare an operating budget and a three-year forecast.
  - A summary of Regular Positions representing staffing complement shall be submitted annually to Council for approval.

b) Financial Management

- i) Goods and services shall be expensed in the fiscal year in which they are received, in accordance with Canadian Generally Accepted Accounting Principles (GAAP).
- ii) Unanticipated revenues shall not be spent or committed without approval of Council, unless:
  - 1. Approval is granted by Council via a report outside of the budget process; or
  - 2. The revenue is received in accordance with the provisions of Appendix B. Unanticipated Funding – Operating Budget to this Policy.
- iii) Regular Positions are approved in accordance with Policy HR04-01 Workforce Level Control, Section D. 1.
- iv) Temporary Positions are approved in accordance with Policy HR04-01 Workforce Level Control, Section D. 3, unless approval is granted in accordance with Appendix B. Unanticipated Funding – Operating Budget of this Policy.
- v) Unless otherwise provided in accordance with this Policy, a Restructure or a Redeployment of the Operating Budget between Cost Centres having the same revenue source, whether property taxation or utility charges, shall be approved in accordance with the provisions of Appendix A. Managing Operating Budget to this Policy.
- vi) Departmental reports with financial implications submitted to Council for approval must first be reviewed by the CFO to ensure availability of financing sources and compliance with Regional Corporation financial by-laws and policies and then shall be reviewed by the CAO.
- vii) The CFO is authorized to approve contributions to, or withdrawals from, the Tax Rate Stabilization Reserve or Utility Rate Stabilization Reserve of a Department of up to \$250,000 as transitional funding to meet an unanticipated expenditure pressure or a revenue receipt that was not budgeted. All such contributions to, or withdrawals from, the Tax Rate Stabilization Reserve or Utility Rate Stabilization Reserve shall be reported to Council in the next Compliance Report following the contribution or withdrawal.
- viii) At year-end unexpended unanticipated revenues shall be treated in the same manner as Unexpended Budgeted Amounts and shall become a part of the year-end surplus or shall be applied against the year-end deficit.
- ix) The CFO is authorized to make contributions to, or withdrawals from, Sub-Reserves established for the purposes of programs funded from property taxation including a Tax Rate Stabilization Sub-Reserve to adjust a surplus or deficit in tax

supported programs at the end of the current year. Such contributions or withdrawals shall be for the purpose of reducing or eliminating changes in future property tax rates which would otherwise result from an unadjusted surplus or deficit. All such contributions or withdrawals will be guided by the principles as outlined in Appendix F. Principles of Surplus/(Deficit) Tax Management of this Policy and shall be reported to Council in the current year-end Financial Report.

- x) The CFO is authorized to make contributions to, or withdrawals from, Sub-Reserves established for the purposes of programs funded from utility charge collections including a Utility Rate Stabilization Sub-Reserve to adjust a surplus or deficit in utility rate supported programs at the end of the current year. Such contributions or withdrawals shall be for the purpose of reducing or eliminating changes in future utility rates which would otherwise result from an unadjusted surplus or deficit. All such contributions or withdrawals will be guided by the principles as outlined in Appendix F. Principles of Surplus/(Deficit) Tax Management of this Policy and shall be reported to Council in the current year-end Financial Report.

c) Reporting

Council shall be informed of any variance between the approved Operating Budget and actual expenditures, actual revenues, or actual service levels where such variance is deemed to be material by the CFO not less frequently than semi- annually in a Financial Report including a written status report on each such variance.

3. Capital Budget

a) Annual Budget Submission

- i) The Capital Budget shall be submitted annually to Council for approval.
- ii) All Departments, and all boards and agencies for which the Regional Corporation provides funding, shall annually prepare a capital budget and a nine year capital forecast.
- iii) The annual Capital Budget shall not exceed the aggregated uncommitted balance, including planned reserve contributions, of the non-development charge Corporate reserve portfolio.
- iv) Upon approval of the Capital Budget, Capital Projects designated with the status "P" for "pending" shall require separate approval from Council before funds may be released or project tenders may be issued. Upon approval of the Capital Budget, all Capital Projects not designated in the approved Capital Budget with the status of "P" for "pending" shall be

designated with the status "A" for "approved" for purposes of the release of funds and issuance of project tenders.

- v) Capital Project financing sources shall be authorized by resolution or by by-law. Where external long-term debt financing is prescribed, it shall be obtained in accordance with current provincial legislation and the Region's Policy F20-06 Debt Management.
- vi) Growth related expenditures may be eligible for financing from development charges subject to the provisions of the *Development Charges Act, 1997* and the related Development Charges By-law.

b) Financial Management

- i) A Capital Project shall not commence without prior Council approval, unless:
  - 1. Approval is granted by Council via a report outside of the budget process; or
  - 2. The Capital Project is financed, in accordance with a Redistribution or a Redeployment of the Capital Budget as per the provisions of Appendix C. Managing Capital Budgets to this Policy; or
  - 3. The Capital Project is financed, in accordance with a Redeployment of the Envelope Project Budget as outlined in a Program's work plan as per the provisions of Appendix C. Managing Capital Budgets to this Policy; or
  - 4. The Capital Project qualifies to be financed from the Venture Capital Fund in accordance with Policy F10-03 Venture Capital Program.
- ii) No commitment shall be made to make expenditures upon Capital Projects which exceed the Council approved net budget unless such expenditures are pre-approved in accordance with the provisions of Appendix D. Capital Expenditure Commitment Change to this Policy.
- iii) Unanticipated revenues shall not be spent or committed without approval of Council, unless:
  - 1. Approval is granted by Council via a report outside of the budget process; or
  - 2. The revenue is received in accordance with the provisions of Appendix E. External Funding – Capital Budget to this Policy.
- iv) In the event of an Emergency requiring capital expenditures, the CFO is authorized to create a new Capital Project or add to an existing Capital Project and to authorize its financing from sources recommended. The CFO shall cause any such Emergency Capital Project funding to be reported to Council

- as soon as may be reasonably practical following the identification of the Emergency need for the Capital Project.
- v) In the event of a deficiency occurring during the maintenance period of a completed Capital Project, the funds to cover the deficiency will be redeployed from the program Maintenance Project to the original project.
  - vi) Previously Council approved Capital Projects must be resubmitted by the Department Head to Council in the event that the expenditure requirements for the Capital Project will increase substantially. An increase in the expenditure requirements for a Capital Project shall be deemed to be "substantial" where, by reason of a scope change to the service rendered by the Capital Project or for any other reason, an increase in the net Capital Project budget is greater than the lesser of 20 per cent of the previously approved net budget or \$250,000.
  - vii) Departmental reports submitted to Council for approval for the release of funds for the purposes of a Capital Project or for the commencement of a Capital Project must first be reviewed by the CFO to ensure availability of financing sources and then shall be reviewed by the CAO.
- c) Reporting
- i) Council shall be informed of any variance between the approved Capital Budget and actual expenditures or actual revenues where such variance is deemed to be material by the CFO not less frequently than semi-annually in a Financial Report including a written status report on:
    - 3. Each such variance.
    - 4. Capital Projects in progress.
    - 5. All Unallocated Project activity.
    - 6. A summary of capital spending.
  - ii) Council shall be provided with written status on the execution of an Envelope Project annually after the establishment of the envelope.
  - iii) Council shall be provided with a written report annually detailing the activity related to Capital Project increases resulting from external funding in accordance with the provisions of Appendix E. External Funding – Capital Budget to this Policy.

## E. Guidelines

Contact your Finance Support Unit (FSU) representation for assistance in interpretations and questions.



## Appendices A to F

- [4. Appendix A. Managing Operating Budget](#)
- [5. Appendix B. Unanticipated Funding – Operating Budget](#)
- [6. Appendix C. Managing Capital Budgets](#)
- [7. Appendix D. Capital Expenditure Commitment Change](#)
- [8. Appendix E. External Funding – Capital Budget](#)
- [9. Appendix F. Principles of Surplus/\(Deficit\) Tax Management](#)

## Related Forms

1. Change to Capital Budget V-06-192
2. Change to Operating Budget V-06-193

<b>Approval Source</b>	Council Resolutions 2013-398 and 2013-929; ACP13-07 and 14-01
<b>Original Date</b>	May 9, 2013
<b>Last Review Date</b>	April 25, 2019
<b>Last Update</b>	April 25, 2019
<b>Effective Date</b>	Nov 14, 2013
<b>Responsibility</b>	Corporate Services Department/Business Planning and Finance Support Services Division/Business and Capital Planning Section

# Appendix A. Managing Operating Budget

## 1. Restructure

Description	Dollar Range	Financial Approval	Reporting to Council Required
Transfer of a Budget Amount which does not change the purpose of the approved budget	To the value of the approved budget	Delegated Staff	Not Required

## 2. Redeployment

Description	Dollar Range		Financial Approval	Reporting to Council Required
Transfer of an Unexpended Budgeted Amount which has the effect of changing the purpose for which the Unexpended Budgeted Amount will be spent.	No Impact on Number of Regular Positions	Less than or equal to \$250,000	Delegated Staff	Compliance Report
		Greater than \$250,000	Council	Report to Council
	Impact on Number of Regular Positions	Any Value	Council	Report to Council

Note: Redeployments between Tax and Rate Supported Programs are not permitted.

# Appendix B. Unanticipated Funding – Operating Budget

## 1. Net Zero Cost

External Funding <sup>1</sup>	Financial Approval	
	One-Time and Short-Term Funding (2 Years)	Long-Term Funding (>2 Years)
Less than or equal to \$250,000	Delegated Staff	Council
Greater than \$250,000	Council	

<sup>1</sup> If external funding in a cost-shared agreement exceeds \$500,000 a Council Report is required.

## 2. Cost Sharing (Region's Share)

External Funding <sup>1</sup>	Financial Approval	
	One-Time and Short-Term Funding (2 Years)	Long-Term Funding (>2 Years)
Less than or equal to \$250,000	Delegated Staff	Council
Greater than \$250,000	Council	

Notes:

3. All funding that relates to new services requires Council approval.
4. All categories may include the hiring of Temporary Positions.
5. All changes made under delegated authority will be reported in the Compliance Report.
6. Region's share to be funded from within existing resources or from a draw from reserve as directed through year-end surplus management.
7. Expenditures related to funding occurring over a period of 24 months requires Council Approval.

# Appendix C. Managing Capital Budgets

## 1. Redistribution

Description	Dollar Range	Financial Approval	Report to Council
Large project to new smaller project (s) within the same purpose within the same division	To the value of the project	Delegated Staff	Not Required

## 2. Merging Projects

Description	Dollar Range	Financial Approval	Report to Council
Merging projects within the same division prior to tender or upon award of a contract, due to proximity, or for similar work	To the value of the project	Delegated Staff	Not Required

## 3. Envelope Projects

Description	Dollar Range	Financial Approval	Report to Council
Envelope project to new smaller sub-project for the same purpose within the same division	To the value of the envelope	Delegated Staff	Compliance Report

#### 4. Maintenance Projects

Description	Dollar Range	Financial Approval	Report to Council
Redeploy from program Maintenance Project to deficient project	To the value of the program Maintenance Project	Delegated Staff	Compliance Report

#### 5. Redeployment

Description	Dollar Range	Financial Approval	Report to Council
Unallocated project to new project	Less than or equal to \$250,000	Delegated Staff	Compliance Report
	Greater than \$250,000	Council	Report to Council
Between similar or dissimilar Capital Projects within the same division	To a maximum of \$250,000 but not greater than 20 per cent of Council's approved net budget	Delegated Staff	Compliance Report
	Greater than \$250,000 or greater than 20 per cent of Council's approved net budget	Council	Report to Council

#### 6. Reduce Budget

Description	Dollar Range	Financial Approval	Report to Council
Reduce project budget requirements	Up to the value of the project	Delegated Staff	Compliance Report

#### 7. Financing Source<sup>1</sup> Change

Description	Dollar Range	Financial Approval	Report to Council
Changes within a financing source e.g. between sub-reserves within a reserve	No change to the Net Budget	Delegated Staff	Compliance Report
Changes between financing sources or changes to the approved combination of funds within a financing source	N/A	Council	Report to Council

<sup>1</sup> Financing Source are approved funds or an approved combination of funds for capital activities that includes but are not limited to internal reserves and reserve funds including Development Charges, external funding and debt.

Note: Redeployments between Tax and Rate Supported Programs are not permitted.

## Appendix D. Capital Expenditure Commitment Change

### 1. Authorization to Commit a Project to Over Budget Expenditure (ACPOBE)

Description	Dollar Range	Financial Approval	Report to Council
Increase the Council approved net budget to accommodate an over budget expenditure	To a maximum of \$250,000 but not greater than 20 per cent of Council's approved net budget	Delegated Staff	Compliance Report
	Greater than \$250,000 or greater than 20 per cent of Council's approved net budget	Council	Report to Council

## Appendix E. External Funding – Capital Budget

One-Time Funding	Financial Approval	Reporting to Council Required
Net Zero Cost to the Region <sup>1</sup>	Delegated Staff	Compliance Report

## Appendix F. Principles of Surplus/(Deficit) Tax Management

- Council direction.** Implement previous approved Council direction prior to surplus/deficit allocations.
- Tax management.** Reverse any contingent reserve draws approved through the annual budget that are no longer required.
- Reserve policy.** Ensure rate stabilization portfolio balances for both Tax and Utility Supported Programs are between 5 and 10 per cent of total expenditures. If working fund balances exceed 10 per cent, surplus to be redirected to address capital liability, if under 5 per cent, top up working fund.
- 10-year capital liability.**
  - Fund liability for state of good repair on existing infrastructure as a first priority.

<sup>1</sup> If funding has capital induced operating impact, refer to Appendix B.

- Mitigate risks within existing assets.
  - Provide financing for non-DC growth capital works as a second priority.
5. **Loans.** Review existing loans for prepayment to optimize future financial flexibility.

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# Reserve Management and Reporting Requirements

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**CATEGORY:** FINANCIAL MANAGEMENT

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**SUBCATEGORY:** FINANCIAL PLANNING

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**POLICY:** F10-05

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**SUBJECT:** RESERVE MANAGEMENT AND REPORTING REQUIREMENTS

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The goal of the Region of Peel's Long Term Financial Planning Strategy is to ensure the long term financial sustainability of Regional services and maintain its high quality credit rating. The strategy is founded on balancing the three fiscal pillars of Financial Sustainability, Financial Vulnerability and Financial Flexibility. To implement the three pillars of sustainability, the following nine principles have been adopted.

1. Respect the taxpayer.
2. Ensure the Capital Plan is sustainable.
3. Manage assets.
4. Deliver value for money.
5. Users pay where appropriate.
6. Work with local municipalities to manage growth and support economic viability of the community.
7. Make responsible investments.
8. Mitigate significant fluctuations in tax and utility rates.
9. Borrow when appropriate for capital infrastructure.

The Reserve Management Policy supports these principles with particular focus on principles; 2. Ensure the Capital Plan is sustainable, and 8. Mitigate significant fluctuations in tax and utility rates.

The goal of the Region of Peel's Long Term Financial Planning Strategy is to ensure the long-term financial sustainability of Regional services and maintain its high-quality credit rating. The strategy is founded on balancing the 3 fiscal pillars of Financial Sustainability, Financial Vulnerability and Financial Flexibility. To implement the 3 pillars of sustainability, the following nine principles have been adopted.

1. Respect the taxpayer.
2. Ensure the Capital Plan is sustainable.
3. Manage assets.
4. Deliver value for money.
5. Users pay where appropriate.
6. Work with local municipalities to manage growth and support economic viability of the community.
7. Make responsible investments.

8. Mitigate significant fluctuations in tax and utility rates.
9. Borrow when appropriate for capital infrastructure.

The Reserve Management Policy supports these principles with particular focus on principles; "2. Ensure the Capital Plan is sustainable" and "8. Mitigate significant fluctuations in tax and utility rates".

## A. Purpose

- A policy establishing financial controls related to the management of the Region's reserves and reserve funds. The policy is intended to establish guidelines and standards, which will assist in the management of reserves and reserve funds in a responsible manner and be consistent with the principles of the Long-Term Financial Planning Strategy.

## B. Scope

- To provide the prescriptive requirements and guidance to develop, use, maintain, change and report on Reserve Management for the Region of Peel. This policy applies to all reserves and reserve funds of Regionally controlled programs.

## C. Definitions

### 1. Financial Terminology

- **Capital budget.** The annual Council approved plan of the Regional Corporation for expenditures and financing sources to acquire, improve, maintain or construct capital assets or to conduct studies.
- **Capital forecast.** The projection of expenditures and financing sources of capital projects for years beyond the Capital Budget approval year in which the forecast is made.
- **Capital plan.** The combined Capital Budget and Capital Forecast.
- **Capital project.** An undertaking for which expenditures of a capital nature are made or are to be made including expenditures to acquire, improve or maintain land, buildings, structures, machinery and equipment, to install computer software and to conduct studies relating to Corporate assets.
- **Compliance report.** The summary of activities related to adjustments made to Operating Budget, Capital Budget and Reserves provided to Council by the Chief Financial Officer and Commissioner of Corporate Services in compliance with this policy.
- **Debt.** Any obligation for the payment of money. For Ontario municipalities, debt would normally consist of debentures as well as



either notes or cash loans from financial institutions, and loans from reserves.

- **Development charges.** The charge imposed by the Region pursuant to *the Development Charges Act, 1997* as amended or successor legislation.
- **Emergency.** An unforeseen situation of an urgent nature, presenting an unacceptable risk to the health and safety of persons or to property requiring an immediate expenditure of funds or presenting an opportunity which if not pursued would result in an unacceptable cost (including opportunity cost) or risk to the Regional Corporation.
- **Financial report.** The summary of financial performance activities related to the Operating Budget, Capital Budget and Reserve Management provided to Council by the Chief Financial Officer and Commissioner of Corporate Services.
- **Adequacy of forecasted reserves.** The difference between the internal reserve financed capital expenditures included in the ten year forecasted Capital Plan and the forecasted capital reserve balance plus budgeted contributions to the capital reserve.
- **Interim period.** A time during which there is no regular meeting of Council scheduled for a period of more than 21 days after the date of the previously scheduled regular Council meeting.
- **Operating budget.** The annual Council approved plan of the Regional Corporation for expenditures, revenues, staffing levels and service levels for operations of the Regional Corporation taking place from January 1st to December 31<sup>st</sup> each year.
- **Reclassification of a sub-reserve.** The transfer of the unexpended amount of a Sub Reserve from one Sub Reserve Cost Centre to another which does not change the purpose for which the unexpended amount will be spent.
- **Reserve.** An accumulation, at the direction of Council, of appropriations from net revenues.
- **Reserve fund.** An accumulation of appropriations from net revenues for purposes which are restricted by law or by the direction of Council contained in the by-law establishing the Reserve Fund.
- **Sub-reserve.** The result of the splitting of a Reserve into smaller amounts.
- **Status report.** A report summarizing the situation of the reserve(s) as of a stated time or financial period.
- **Total budget.** The Total Expenditures (gross expenditures less internal recoveries) as approved by Council through the annual budget process.

## 2. Organizational Structure

- **Chief Administrative Officer.** The employee designated as such by Council and any person who has been authorized to temporarily act as the Chief Administrative Officer during the incumbent's absence or a vacancy in the office.
- **Chief Financial Officer.** The Chief Financial Officer and Commissioner of Corporate Services of the Regional Municipality of Peel and any person who has been authorized to temporarily act as the Chief Financial Officer during the incumbent's absence or a vacancy in the office.
- **Council.** The Council of the Regional Municipality of Peel.
- **External agencies.** Organizations that require annual approval from Council of certain regionally funded budgeted expenditures, revenues, and staffing and service levels for operations taking place from January 1st to December 31st each year. These organizations include but are not limited to the Peel Regional Police, Ontario Provincial Police (Town of Caledon detachment), Credit Valley Conservation, Toronto and Regional Conservation Authority, Conservation Halton and the Municipal Property Assessment Corporation.
- **Region.** The Regional Municipality of Peel.
- **Regionally-controlled programs.** All services and programs provided by the Region of Peel excluding those provided by External Agencies.

## D. Policy

### 1. General

- a) This policy is guided by the Financial Management By-law (FMBL), (By-law 49-2013).
- b) This policy is subject to specific direction on reserve management as provided by Council, by the Chief Administrative Officer (CAO), acting upon written recommendation of the Chief Financial Officer and Commissioner of Corporate Services (CFO) or as legally prescribed by a higher level of government.
- c) Staff under delegated authority from the CAO are authorized to carry out tasks and duties that would be perceived as normal day-to-day activities related to Reserve Management including, without limiting the generality, contributions, transfers or withdrawals from reserves for expenditures approved to be funded from reserves, reserve funds and specialty funds through the annual budget or Council Report.
- d) Public notice of the intention of Council to create a Reserve or Reserve Fund outside of the budget process, thereby creating an amendment to the Operating Budget and Capital Budget, shall be given as

prescribed in accordance with the provisions of Public Notice Policy G00-16, or any successor provision.

- e) In the absence of Council for an interim period, the role of Council under this policy may be discharged by the Interim Period Approvals Committee established under By-law 56-2008 or a successor by-law pursuant to the authority to do so provided by the **FMBL 49-2013**.

## 2. Framework of Reserves, Reserve Funds and Specialty Funds

The Region's portfolio of reserves consists of four major categories:

Operating Reserves, Capital Reserves, Reserve Funds and Specialty Funds.

- a) **Operating reserve.** Used to provide financial stability to the Region's operations. It is used to minimize annual fluctuations in property tax and utility rates caused by uncertainties in revenue and expenditure. It is also used to mitigate operating deficits that may arise because of unexpected events, economic uncertainties or unanticipated funding changes.
  - i) **Rate stabilization reserve.** An Operating Reserve arising from the operation of programs. It is used to minimize annual fluctuations in rates by providing funding for one-time costs, phasing in significant financial pressures and addressing program pressures where there is some degree of uncertainty.
    - A property tax supported *Rate Stabilization Reserve – Tax* is funded by and utilized for property tax supported programs.
    - A utility rate supported *Rate Stabilization Reserve – Utility* is funded by and utilized for utility rate supported programs.
- b) **Capital reserve.** A Reserve providing financing sources for the Region's Capital Plan. It is used to fund Capital Projects for state of good repair, growth, service enhancement and other capital needs to support the delivery of Peel's services and programs. The state of good repair is informed by the Asset Management Policy to ensure an appropriate amount has been included in the capital plan.
  - i) **Property tax-supported capital reserve.** A Reserve arising primarily from property tax supported operating budget contributions determined through the budget process. It is used to support capital requirements of tax rate supported Regionally-Controlled Programs.
  - ii) **Utility rate-supported capital reserve.** A Capital Reserve arising primarily from utility rate supported operating budget contributions determined through the budget process. They are used to support capital requirements of utility rate supported Regionally Controlled Programs.

- c) **Reserve fund.** The accumulation of appropriations from net revenues for purposes which are restricted by law or by the direction of Council contained in the by-law establishing the Reserve Fund. It is funded from one of a number of different financing sources; Development Charges, property tax, utility rate charges or other financing sources as directed by Council.
  - i) **Development charges reserve funds.** Includes reserve funds that are designated to finance growth-related capital projects as governed by the Development Charges By-law in accordance with the *Development Charges Act, 1997*.
  - ii) **Other reserve funds.** Includes reserve funds that have been set up for a specified or restricted purpose other than for growth related capital works and are established by the passing of a by-law (Refer to Schedule A. Reserve Funds for a list of Non- Development Charges related Reserve Funds).
- d) **Specialty fund.** The accumulation of appropriations from net revenues for purposes which are restricted by the direction of the Chief Financial Officer or Council. It is funded from one of a number of different financing sources; development charges, property tax, utility rate charges or other financing sources as directed by Council. (Refer to Schedule B. Specialty Funds for a list of Non-Development Charges related Specialty Funds).

### 3. Establishment of a Reserve or Reserve Fund

- a) Prior to the establishment of a reserve or reserve fund, a financial plan will be prepared which identifies need, target funding level (if applicable), contribution sources and projected disbursements (when practicable).
- b) Council may authorize the creation of a Reserve by means of a resolution, which shall identify the purpose of the Reserve.
- c) Council may authorize the creation of a Reserve Fund by means of a by-law which shall identify the purpose of the Reserve Fund.

### 4. Management of Reserves, Reserve Funds or Specialty Funds

This section provides guidelines to manage (fund, use and invest) and administer the Region's Operating Reserves, Capital Reserves. Reserve Funds and Specialty Funds.

- a) **Portfolio approach to reserve management.** A portfolio approach is used to manage Regional Reserves. Under this approach, individual reserves are pooled together and managed as larger groups of reserves as outlined within this policy. Pooling reserves helps to mitigate financial volatility and risk that a specific program reserve

might otherwise experience. Financial volatility and risk can be driven by unanticipated expenditures or revenues, changing legislation, an evolving economy and other significant factors. A portfolio approach to reserve management provides the Region with additional financial flexibility to address priority needs.

The following groups of reserves would be managed on a portfolio basis:

- Operating reserves – tax-supported.
- Operating reserves – utility rate supported.
- Capital reserves – tax-supported.
- Capital reserves – utility rate supported.

b) **Funding.** Funding for each of the above Reserve groups is provided through the following sources:

- Reserve contributions to each group of reserves as approved by Council through the annual budget process
- Annual year-end operating surplus allocation as outlined in the Budget Policy (2013)
- Transfers from other Regional reserves as approved by Council
- External funding from higher level government bodies as approved by Council
- Any other funding sources approved by Council permitted under the *Municipal Act, 2001* and other relevant legislation, Regional by-laws and Regional policies

c) **Use.** Use of the reserves, both Capital and Operating, are restricted to the services and programs funded from the same source revenue. Therefore, property tax funded Reserves can only be used for any property tax supported Regional service and utility rate funded Reserves can only be used for any utility rate supported service. Use of the Reserve Funds is restricted to the specific purpose for which they were created and cannot be used for any other purpose unless otherwise approved by Council subject to any other relevant legislation.

Use of the Specialty Funds is restricted to the specific purpose for which they were created and cannot be used for any other purpose unless otherwise approved by CFO (in the case of Specialty Funds originally designated by the CFO) or Council subject to any other relevant legislation.

d) **Investment.** Unless specified otherwise, all reserves and reserves fund will be interest bearing. Applicable funds must be invested in accordance with the approved Investment Policy (Policy F20-05, 2009).

## 5. Level of Reserves, Reserve Funds and Specialty Funds

The adequacy of each of the reserve groups and reserve funds is determined using a risk-based approach. The level of the reserve group or reserve fund is considered against what the reserve group or reserve fund is intended to fund.

Unless otherwise specified within this policy or any other relevant policy, by-law or legislation, the level of the reserve or reserve fund will set at an amount, percentage or range to achieve the long-term sustainability of Peel's services and be consistent with the Long Term Financial Planning Strategy.

- a) Reserves
  - i) The balance of the *Rate Stabilization Reserve Tax* shall be maintained within a range of a minimum of 5 per cent and a maximum of 10 per cent of the Total Budget for programs funded from property taxation.
  - ii) The balance of the *Rate Stabilization Reserve Utility* shall be maintained within a range of a minimum of 5 per cent and a maximum of 10 per cent of the Total Budget for programs funded from utility charge collections.
    - iii) The balance of the *Tax-Supported Capital Reserve* portfolio will be managed with a target to fully fund the forecasted reserve shortfall for tax supported programs.
    - iv) The balance of the *Utility Rate Supported Capital Reserve* portfolio will be managed with a target to fully fund the forecasted reserve shortfall for utility rate supported programs.
- b) Reserve Fund will be limited to amounts which have been:
  - i) Established in a separate account by Council for a specific purpose and designated by a by-law; or
  - ii) Required to be set aside for a specific purpose as set out in a federal or provincial statute, provincial regulation, or by agreement or contract

## 6. Reserve and Reserve Fund Administration

During the course of business, situations arise whereby reserves and reserve funds require changes. These changes include:

- Establishing a Sub-Reserve or Specialty Fund.
  - Withdrawals from/contributions to Reserves and Reserve Funds.
  - Transfers and Intra-reserve borrowing.
  - Allocation of interest revenue.
- a) Establishing a Sub-Reserve or Specialty Fund.
    - i) The CFO may create a new Sub Reserve, within an authorized Reserve category.

- ii) The CFO may authorize the creation of a Specialty Fund by means of appropriations from net revenues for purposes which are restricted by the direction of the Chief Financial Officer or Council.
- b) Withdrawals from Contributions to Reserves and Reserve Funds.
- i) Departmental reports submitted to Council for approval which seek authority for the contribution or withdrawal of funds to or from Reserves or Reserve Funds must first be reviewed by the CFO to ensure availability of financing sources and compliance with Regional Corporation financial by-laws and then shall be reviewed by the CAO.
  - ii) All contributions to and all withdrawals from Reserves or Reserve Funds shall require advance Council approval either as part of the Operating or Capital Budget approval process or by means of a resolution, save and except that:
    - 1) The CFO may authorize the contribution to Reserves of revenues, including the contribution of settlements paid to the Regional Corporation up to a value of not more than \$250,000. All contributions shall be disclosed to Council in the next Financial Report following the contribution.
    - 2) Collected development charges shall be contributed to the development charges Reserve Funds in accordance with the Development Charges Act, 1997 or any successor legislation.
    - 3) The transfer of funds between Sub Reserve Cost Centres for the purposes of a Reclassification of a Sub Reserve may be authorized by the CFO. Such Reclassifications shall be reported to Council in the next Compliance Report.
  - iii) Departmental reports submitted to Council for approval which seek authority for the contribution or withdrawal of funds to or from Reserves or Reserve Funds must first be reviewed by the CFO to ensure availability of financing sources and compliance with Regional Corporation financial by-laws and then shall be reviewed by the CAO.
  - iv) All contributions to and all withdrawals from Reserves or Reserve Funds shall require advance Council approval either as part of the Operating or Capital Budget approval process or by means of a resolution, save and except that:
    - 1) The CFO may authorize the contribution to Reserves of revenues, including the contribution of settlements paid to the Regional Corporation up to a value of not more than \$250 thousand. All contributions shall be disclosed to Council in the next Financial Report following the contribution.
    - 2) Collected development charges shall be contributed to the development charges Reserve Funds in accordance with the *Development Charges Act, 1997* or any successor legislation.

- 3) The transfer of funds between Sub Reserve Cost Centres for the purposes of a Reclassification of a Sub Reserve may be authorized by the CFO. Such Reclassifications shall be reported to Council in the next Compliance Report.
- c) Transfers and Intra-Reserve/Reserve Fund Borrowing.
    - i) Intra-Reserve Fund borrowing within the Development Charges Reserve Funds that may be required to avoid external temporary borrowing costs are permissible, provided that any investment income be retroactively reimbursed to the source Reserve Fund.
    - ii) The transfer of funds between Sub Reserve Cost Centres for the purposes of a Reclassification of a Sub Reserve may be authorized by the CFO. Such Reclassifications shall be reported to Council in the next semi-annual Compliance Report.
    - iii) Council authority is required to transfer balances between reserves/ reserve funds.
  - d) Allocation of Interest Revenue.  
 At monthly intervals, associated interest will be allocated by applying the quarterly investment rate (as provided by the Treasurer) to individual reserve I reserve fund actual balances.

## 7. Reporting Requirements

- a) Not less frequently than semi-annually, the CFO shall provide Council with a Financial Report including a Compliance Report on the Reserves, Reserve Funds and Specialty Funds.
- b) Annually, the CFO shall present to Council a report on the Adequacy of Forecasted Reserves.
- c) Annually, the CFO shall present to Council a Status Report for all Specialty Reserves to assess the balances for appropriateness.

<b>Approval Source</b>	Council Resolution 2013-929; ACP14
<b>Original Date</b>	November 14, 2013
<b>Last Review Date</b>	April 25, 2019
<b>Last Update</b>	April 25, 2019
<b>Effective Date</b>	November 14, 2013
<b>Responsibility</b>	Corporate Services Department/Business Planning and



## E. Schedules

### Schedule A. Reserve Funds

Reserve Number	Short Description
R0008	Heritage – Programming
R0019	Heritage – Peel Heritage Complex Renewal Campaign
RO011	Transport Demand Management
R0018	Britannia Golf Course
R0020	Housing – Provincial Rent Bank
R0022	Provincial Gas Tax Funds
R0025	Federal Gas Tax Funds
R0030	Public Sector Network Reserve Fund
R2225	Reserve Fund for Partnership with Peel Regional Police for Vehicle Communications System Management

### Schedule B. Specialty Funds

Reserve Number	Short Description
R0221	Capital Finance Stabilization – Greenlands Securement
RI261A	Human Services Revolving Capital Fund
RI919	Housing – Contingency Liability Reserve
RI 923	Housing – Advances to Providers
RI924	Housing – Loans to Providers for Capital Replacement
R0500	Insurance Stabilization –Region R0500
R0520	Administrative Services Only Benefit Stabilization
R0880	Workplace Safety and Insurance Board Reserve Pensions
RI 140	Capital Long Term Waste Management Strategy– Energy From Waste Savings

### Schedule C. Extract from the Budget Policy F10-04 related to Reserve Activity

#### Operating Budget

1. Financial Management
  - a) The CFO is authorized to approve contributions to or withdrawals from the Working Funds Reserve or Utility Rate Stabilization Reserve of a Department of up to \$250,000 as transitional funding to meet an unanticipated expenditure pressure or a revenue receipt that was not budgeted. All such contributions to or withdrawals from the Working Funds Reserve or Utility Rate Stabilization

Reserve shall be reported to Council in the next Compliance Report following the contribution or withdrawal.

- b) At year-end unexpended unanticipated revenues shall be treated in the same manner as Unexpended Budgeted Amounts and shall become a part of the year-end surplus or shall be applied against the year-end deficit.
- c) The CFO is authorized to make contributions to or withdrawals from Sub Reserves established for the purposes of programs funded from property taxation including a Working Funds Sub Reserve to adjust a surplus or deficit in tax supported programs at the end of the current year. Such contributions shall be for the purpose of reducing or eliminating changes in future property tax rates which would otherwise result from an unadjusted surplus or deficit. All such contributions or withdrawals will be guided by the principles as outlined in Appendix F. Principles of Surplus/(Deficit) Tax Management of this policy and shall be reported to Council in the current year-end Financial Report.
- d) The CFO is authorized to make contributions to or withdrawals from Sub Reserves established for the purposes of programs funded from utility charge collections including a Utility Rate Stabilization Sub Reserve to adjust a surplus or deficit in utility rate supported programs, at the end of the current year. Such contributions or withdrawals shall be for the purpose of reducing or eliminating changes in future utility rates which would otherwise result from an unadjusted surplus or deficit. All such contributions or withdrawals will be guided by the principles as outlined in Appendix F. Principles of Surplus/(Deficit) Tax Management of this policy and shall be reported to Council in the current year-end Financial Report.

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# Investment Goals and Policies

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<b>CATEGORY:</b>	<b>FINANCIAL MANAGEMENT</b>
<b>SUBCATEGORY:</b>	<b>DEBT/INVESTMENT MANAGEMENT</b>
<b>POLICY:</b>	<b>F20-05</b>
<b>SUBJECT:</b>	<b>INVESTMENT GOALS AND POLICIES</b>

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## A. Purpose

The purpose of the Investment Goals and Policies (The Policy) is to guide management of investments by:

- Establishing a clear understanding of the investment goals and objectives for the Region of Peel (Region).
- Setting forth detailed roles and responsibilities for those parties involved in the investment process.
- Providing guidance and limitations regarding the investment of funds.
- Establishing a basis of evaluating investment results.
- Managing the funds according to applicable Legislation.

## B. Scope

This Policy applies to the investment activities of the operating, capital, trust, reserves, Reserve funds, sinking funds and trust funds and any new fund(s) created by the Region unless specifically exempted.

- General Fund Portfolio: includes the assets of current, capital, trust, reserves, and Reserve Funds.
- Sinking Fund Portfolio(s): used to retire the Region's sinking fund debentures as they become due. A municipality may not combine sinking funds with any other fund for investment purposes and all investments as well as bank accounts will be kept separate and distinct from the General Fund Portfolio.
- Other fund(s) as required.

## C. Policy

It is the policy of the Region to ensure that surplus funds and sinking funds are invested, in accordance with the existing Legislation.

## Objectives

The primary objectives of this Policy shall be:

2. Adherence to Legislative Requirements
  - *Municipal Act 2001*, as amended from time to time,
    - Section 418 permits a municipality to invest in prescribed securities, in accordance with the prescribed rules, money that it does not require immediately.
    - Section 420 permits a municipality to enter into an agreement for the investment of money with any other municipality or prescribed bodies.
    - Section 421 permits a municipality to lend any securities held by it if the loan is fully secured by cash or by securities prescribed in section 418 (Securities Lending).
  - Ontario Regulation 438/97, or as authorized by subsequent provincial regulations.
    - Applies to securities held by a municipality under section 418 of the Act.
3. Ensure Safety of Principal
  - Shall seek to ensure the preservation of capital in the overall portfolio, with due consideration given to credit risk, interest rate risk and other relevant risks.
4. Maintain Adequate Liquidity
  - Sufficient liquidity shall be kept in order to meet operating and capital cash flow requirements and to limit temporary borrowing.
5. Investment objectives within the Region's risk tolerance limits:

Portfolio	Investment Objectives	Performance/Return Objectives
<b>General Fund</b>	To maximize return, within the specified risk tolerance, in order to help the Region fund future spending needs	1. Inflation + risk factor 2. Composite Market Benchmark <sup>1</sup>
<b>Sinking Fund</b>	Ensure necessary funds available to meet debenture repayment at maturity	Target Rate of Return <sup>2</sup>
<b>Other Funds</b>	Determined if/when required	Determined if/when required

<sup>1</sup> Blend of FTSE TMX Bond Indices.

<sup>2</sup> Rate of return set at inception of the fund that, along with annual provision payments ensures adequate funds to pay off debenture at maturity.

# D. Guidelines

## 1. Standards of Care

a) Prudence

Investment Officer(s) shall use the Prudent Person Rule in managing the investment portfolios in accordance with applicable Legislation, policies and procedures.

b) Ethics and Conflict of Interest

Investment Officer(s) shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

c) Delegation of Authority

The Treasurer is responsible for the investment of the Region’s portfolio(s). Authority to manage and implement the investment program is granted to the Investment Officer(s), who shall act in accordance with established procedures and internal controls consistent with this Policy.

## 2. Legal Advice

As per applicable Legislation, the Region shall consider obtaining legal advice with respect to proposed investments, where necessary.

## 3. Roles and Responsibilities

Party	Key Responsibilities
<b>Regional Council</b>	<ul style="list-style-type: none"><li>• Approve the “Investment Goals and Policies” (and amendments)</li><li>• Receive for information the annual Treasury Report</li></ul>
<b>Chief Financial Officer and Commissioner of Corporate Services</b>	<ul style="list-style-type: none"><li>• Provide oversight of Treasury function</li><li>• Recommend changes to the Investment Policy to Council</li></ul>

Party	Key Responsibilities
<b>Treasury Oversight Committee</b>	<ul style="list-style-type: none"> <li>• Provide advice and/or make recommendations to the CFO and Regional Treasurer on: <ul style="list-style-type: none"> <li>• Governance policies and guidelines related to the investment programs;</li> <li>• Implementation of approved policies and strategies;</li> <li>• Review of the financial performance of the portfolios (outlined in section B) to better understand and manage the risks;</li> <li>• Review of the funded status of the sinking funds;</li> <li>• The effectiveness of the policies and the achievement of the objectives; and</li> <li>• Such other matters as may be determined by the CFO and Regional Treasurer.</li> </ul> </li> </ul>
<b>Director, Corporate Finance and Treasurer</b>	<ul style="list-style-type: none"> <li>• Responsible for ensuring legislative requirements are met</li> <li>• Report to Council at least annually</li> <li>• Responsible for developing internal controls that ensure the investments are properly managed and adequately protected</li> </ul>
<b>Director, Treasury Services</b>	<ul style="list-style-type: none"> <li>• Recommend changes to Investment Goals and Policies to Commissioner, Finance and CFO</li> <li>• Responsible for the oversight and execution of the Investment Goals and Policies</li> <li>• Responsible for ensuring adherence to appropriate processes and procedures</li> <li>• Report on the performance and compliance of the Portfolios at least annually</li> </ul>
<b>Investment Officers</b>	<ul style="list-style-type: none"> <li>• Implement the investment mandate in accordance with the Investment Goal and Policies and the <i>Municipal Ac, 2001t</i></li> <li>• Ensures the creation of a plan, including expected timelines, for addressing any investment that becomes inconsistent with this Policy</li> <li>• Ensures that credit rating of securities held in the investment portfolio are being monitored regularly and any material negative changes are communicated in a timely manner to the Director, Treasury Services and Director, Corporate Finance and Treasurer or their designates</li> <li>• Maintain appropriate documentation to support investment decisions</li> </ul>

## 4. Competitive Selection

Transactions will be executed in accordance with the portfolio objectives and using a competitive process of multiple quotes where practical and appropriate. The Investment Officer(s) will maintain appropriate documentation.

## 5. Safekeeping and Custody

All securities shall be held for safekeeping by a financial institution approved by the Region. All security transactions shall be conducted on a delivery against payment basis. All securities shall be held in the name of the Region.

The custodian is required to maintain an official record of all holdings in the Region's portfolios. The custodian will also provide monthly reports listing of all securities held by the Region.

## 6. Internal Controls

The Treasurer or delegate shall develop and maintain all necessary procedures for effective control and management of the investment program and reasonable assurance that the Region's securities are properly managed and adequately protected. Periodic audits will be conducted as required.

The Investment Goals and Policies will be reviewed and approved if necessary at least annually.

## 7. Authorized Investments

All securities in the portfolio(s) will comply with the limitations below, consider diversification by sector and individual issuer, term, credit rating and be permitted by applicable Legislation. Limitations in sub-sections (a) and (b) apply at the time of purchase.

### a) General Fund

#### 1. Term Limitations

Portfolio	Min	Max
< 1 year <sup>1</sup>	15%	100%
1–5 years	0%	85%
5–10 years	0%	40%
10+ years	0%	20%

#### 2. Credit Limitations<sup>2</sup>

Portfolio	Min	Max
AAA to AA+	0%	100%
AA to AA-	0%	100%
A+ to A-	0%	75%
BBB	0%	20%

<sup>1</sup> Includes cash and cash equivalents.

<sup>2</sup> Equivalent as rated by recognized Bond Rating Agencies are acceptable. Where possible, securities should be rated by 2 or more agencies.

### 3. Sector and Individual Limitations

	Min	Max	Individual + Issuer Max
Government of Canada	0%	100%	100%
Federal Agencies	0%	95%	50%
Provincial <sup>1</sup>	0%	75%	25%
Municipal <sup>1</sup>	0%	60%	20%
Supranationals and Other Countries	0%	20%	5%
<b>Total Government Fixed Income</b>	<b>0%</b>	<b>100%</b>	<b>n/a</b>
Banks (Schedule I, II, and III)	0%	35%	20%
Credit Unions	0%	5%	5%
Corporates	0%	20%	10%
Asset Backed Securities (ABS)	0%	20%	5%
<b>Total Non-Government Fixed Income</b>	<b>0%</b>	<b>50%</b>	<b>n/a</b>
Bank Deposits <sup>2</sup>	0%	80%	80%
Equity <sup>3</sup>	0%	10%	n/a

#### b) Sinking Fund(s)

##### 1. Term Limitations

Portfolio	Min	Max
< 1 year <sup>4</sup>	0%	100%
1–5 years	0%	100%
5–10 years	0%	100%
10+ years	0%	100%

##### 2. Credit Limitations<sup>5</sup>

Portfolio	Min	Max
AAA to AA+	0%	100%
AA to AA-	0%	100%
A+ to A-	0%	75%
BBB	0%	20%

<sup>1</sup> Includes agencies, boards, and related corporations, where applicable.

<sup>2</sup> Defined as CDIC eligible instruments.

<sup>3</sup> Limited to ONE Investment or other available options as approved by applicable legislation.

<sup>4</sup> Includes cash and cash equivalents.

<sup>5</sup> Where possible, securities should be rated by 2 or more agencies.



### 3. Sector and Individual Limitations

	Min	Max	Individual + Issuer Max
Government of Canada	0%	100%	100%
Federal Agencies	0%	100%	100%
Provincial <sup>1</sup>	0%	100%	100%
Municipal <sup>1</sup>	0%	100%	100%
Supranationals and Other Countries	0%	20%	10%
<b>Total Government Fixed Income</b>	<b>0%</b>	<b>100%</b>	<b>n/a</b>
Banks (Schedule I, II, and III)	0%	50%	50%
Credit Unions	0%	5%	5%
Corporates	0%	20%	10%
Asset Backed Securities (ABS)	0%	20%	5%
<b>Total Non-Government Fixed Income</b>	<b>0%</b>	<b>50%</b>	<b>n/a</b>
Bank Deposits <sup>2</sup>	0%	100%	100%
Equity <sup>3</sup>	0%	10%	n/a

Should a limitation be exceeded, the Investment Officer(s) will develop a plan to bring the portfolio back within required limits in accordance with any applicable Legislation. In addition, limitations may be exceeded at the discretion of the Treasurer when deemed appropriate.

Foreign Currency: Security holdings in currencies other than Canadian Dollars, as permitted by legislation, will be limited to a maximum of 5 per cent of the General Fund, and 0 per cent for Sinking Fund(s).

Forward Rate Agreements (FRAs): May be used to as it relates to minimizing the cost or risk associated with a known future investment. Limited to a maximum of the principal amount of the investment to which the agreement relates and a maximum term of 12 months from the date the agreement is executed.

### 8. Securities Lending

Securities held by the Region may be loaned by the custodian or any other agent appointed under an approved contract with the Region, with whom revenues from the program will be shared. The Region may enter into securities lending agreements for the purpose of generating revenue provided the loaned investments are secured by cash or readily marketable investments having a market value that is consistent with industry best

<sup>1</sup> Includes agencies, boards, and related corporations, where applicable.

<sup>2</sup> Defined as CDIC eligible instruments.

<sup>3</sup> Limited to ONE Investment or other available options as approved by applicable legislation.

practices, and that the level of security is maintained at least daily (marked to market daily).

## 9. Reporting

The Treasurer, in accordance with Legislative requirements, will submit to Council an annual report on investment activity and returns.

## E. Glossary

- **Asset-Backed Securities (ABS).** A financial security collateralized by a pool of assets such as loans, leases, credit card debt, royalties or receivables.
- **Benchmark.** A standard against which the performance of an investment portfolio can be measured.
- **Credit Risk.** The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.
- **Credit Union.** A financial institution that is organized and carries on business on a cooperative basis and is a corporation incorporated or continued as a credit union or *caisse populaire* under the Credit Unions and *Caisses Populaires Act, 1994*.
- **Diversification.** Process of allocating capital in a way that reduces the exposure to any one particular asset or risk.
- **Interest Rate Risk.** A change in the value of an asset resulting from fluctuations in interest rates.
- **Investment-Grade Securities.** Issuer credit ratings that are rated BBB or above.
- **Investment Officer.** Treasury Portfolio Manager(s) or other staff as delegated by the Treasurer to implement the investment mandate.
- **Investment Program.** Investment management of Regional funds, including decision making and implementation.
- **Liquidity.** A measure of an asset's convertibility to cash without causing a drastic change in the asset's price.
- **ONE Investment.** A professionally managed group of investment funds composed of pooled investments that meet eligibility criteria as defined by regulations under the *Municipal Act*.
- **Market Risk.** The risk that the value of a security will rise or decline as a result of changes in market conditions.
- **Market Value.** Current market price of a security.
- **Maturity.** The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder.
- **Prudent Person Rule.** A standard that requires that a fiduciary entrusted with funds shall invest such funds in securities that any

reasonable individual would purchase to receive a reasonable return of income while preserving his or her capital.

- **Safekeeping.** Holding of securities by a qualified financial institution on behalf of the investor.
- **Schedule I Banks.** Domestic banks authorized under the *Bank Act* to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation.
- **Schedule II Banks.** Foreign bank subsidiaries authorized under the *Bank Act* to accept deposits, which may be eligible for deposit insurance provided by the Canada Deposit and Insurance Corporation. Foreign bank subsidiaries are controlled by eligible foreign institutions.
- **Schedule III Banks.** Foreign bank branches of foreign institutions that have been authorized under the *Bank Act* to do banking business in Canada. These branches have certain restrictions.
- **Security.** A financial asset (i.e. investment).
- **Sinking Fund.** Securities and/or deposits accumulated on a regular basis in a separate safekeeping and/or bank account that will be used to retire associated debentures at maturity.
- **Supranational.** An agency sponsored by either a single or group of highly rated foreign banks or governments that will issue debt to fund loans in developing countries or large infrastructure projects. Supranational institutions may be owned or guaranteed by a consortium of national governments.
- **Treasurer.** Refers to the position of Treasurer and Director of Corporate Finance at the Region as defined in the *Municipal Act, 2001*.

<b>Approval Source</b>	CAO Directive C05-13; ACP07-05; Council Resolutions 2007-614, 2008-275, 2009-284, 2010-629, 2011-700, 2012-901, 2013-636, 2015-635 and 2017-562; Council Resolution 2019-920
<b>Original Date</b>	September 20, 2005
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<b>Last Update</b>	June 28, 2024
<b>Effective Date</b>	June 28, 2024
<b>Responsibility</b>	Finance Department/Treasury Services

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# Debt Management

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CATEGORY: FINANCIAL MANAGEMENT

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SUBCATEGORY: FINANCIAL PLANNING

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POLICY: F20-06

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SUBJECT: DEBT/INVESTMENT MANAGEMENT POLICY

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## A. Purpose

This Policy establishes objectives, standards of care, authorized financing instruments, reporting requirements and responsibilities for the prudent financing of the Region's operating and infrastructure needs.

## B. Scope

This Policy addresses all financial obligations including related agreements and capital lease financing agreements that are entered into by the Region, its boards and subsidiaries, as well as those employees responsible for the control, administration or management of capital financing and debt issuance activities.

## C. Policy

### 1. Capital Financing and Debt Issuance Goals

Council may, where it is deemed to be in the best interests of its taxpayers and/or rate payers, approve the issuance of debt for the Region's purposes, or those of its boards and subsidiaries including its municipal services corporations, Local Municipalities and/or school boards. The issuance of debt shall be undertaken in support of the following goals:

- a) Ensure adequate infrastructure, services and resources to support existing and growing communities.
- b) Ensure financial sustainability of Regional services.
- c) Ensure debt is structured in a way that provides the Region with flexibility to meet financial obligations and ensure intergenerational equity.

These goals will be met through the objectives outlined below.

## 2. Primary Requirements and Objectives of the Capital Financing and Debt Program

The requirements and objectives of the Region's capital financing and debt program, in priority order, will be to:

6. Adhere to statutory requirements including monitoring and reporting.
7. Ensure long-term financial flexibility.
8. Limit financial risk exposure.
9. Minimize long-term cost of financing.
10. Match the term of the capital financing to the useful life of the related capital asset, when possible and financially beneficial.
11. Maintain a strong credit rating.

Further elaboration of the requirements and objectives are provided below.

### 1. Adhere to Statutory Requirements

Financing may only be undertaken if it is in compliance with the relevant sections of the enabling legislation and related regulations. Requirements include but are not limited to the following:

- a) The term of temporary or short-term debt for operating purposes will not exceed 364 days.
- b) The term of the capital financing will not exceed the lesser of 40 years or the useful life of the underlying capital work.
- c) Long-term debt will only be issued for capital projects and capital assets, both of which constitute capital works.
- d) The total annual financing charges after a proposed debt issue will not exceed the updated Debt and Financial Obligation Limit (Annual Repayment Limit or ARL) for the municipality responsible for repaying the debt, unless otherwise approved by the Local Planning Appeal Tribunal.
- e) Prior to entering into a lease financing agreement, an analysis will be prepared that assesses the costs as well as the financial and other risks associated with the proposed agreement with other methods of financing in accordance with Policy F50-05.
- f) A minimum credit rating, pursuant to the regulations, will be needed by the Region to meet the statutory requirements for entering into certain types of capital financing contemplated by this Policy.
- g) Prior to passing a debenture by-law which provides that installments of principal or interest, or both, are not payable during the period of construction of a capital work, as estimated by Council, provided that such non-payment does not exceed five years, Council will have considered all prescribed information in addition to financial and other risks related to the proposed construction financing.
- h) Long-term debt will be the joint and several obligations of the Region and its Local Municipalities.

Furthermore, the awarding of any contract under this Policy, unless otherwise authorized by Council, will follow the procedures and authorities set out in the Region's By-laws.

## **2. Ensure Long-Term Financial Flexibility**

The capital financing and debt program will be managed in a manner consistent with other long-term planning, financial and management objectives.

- a) **Growth-Related/Development Charge Funded Infrastructure**  
Issuance of growth-related infrastructure capital financing may be undertaken in order to ensure adequate infrastructure, services and resources to support the Region's growth plans. Repayment of this type of capital financing (principal and interest) shall be recoverable through the Region's development charges as planned/included in the Development Charges (DC) Background Study and subsequent DC by-laws updated from time to time. Long-term debt issued for growth-related infrastructure shall normally be in the form of debentures, but other forms of financing (e.g. senior government sources) may be used where warranted.
- b) **Growth/Non-Development Charges Funded Infrastructure**  
Other capital works considered to be growth-related, but not deemed to be funded through development charges can be funded through debt with repayment to match the life of the related capital work. This debt would be funded primarily from taxes, utility rates and/or reserves.
- c) **Non-Growth Replacement Infrastructure**  
To the extent practicable, replacement assets as well as regular and/or. This is to be addressed as part of the Region's asset management strategy, the Region's key indicators of financial condition (i.e. the degree to which the Region can maintain its sustainability and flexibility and minimize its vulnerability), and the annual, multi-year budget process. However, where long-term financing is required, due consideration will be given to all forms of financing including debentures, construction financing, long-term bank loan agreements and lease financing agreements.
- d) **Non-Growth New Infrastructure**  
The provision of new social housing properties through Peel Living could require long-term financing in the form of mortgages or through the Region which could involve long-term bank loan agreements, debentures and/or other forms of debt. The Region may also incur debt for other new infrastructure related to the delivery of services that is not considered to be 'growth' in nature.

### **3. Limit Financial Risk Exposure**

The Region's debt will be managed in a manner to limit, where practicable, financial risk exposure. It will be the Region's normal practice to issue debt instruments that are denominated in Canadian dollars and where the interest rates will be fixed over their term.

There may be a material financial advantage for the Region to issue debt in a foreign currency and/or with a variable interest rate structure, whereby a hedging strategy will be considered to either reduce or eliminate the risk. Variable interest rate bank loan agreements or debentures cannot exceed 15 per cent of the total outstanding principal of all undertaking or work indebtedness of the Region as authorized by O. Reg. 276/02 s8(2) in the case of bank loan agreements and by O. Reg. 247/01 s3(1) in the case of debentures.

### **4. Minimize Long-Term Cost of Financing**

The timing, type and term of financing for each capital asset will be determined with due consideration to minimize the Region's overall long-term cost of financing given the constraints of current debt maturities and capital market conditions. Factors to be considered will include: current versus future interest rates; the availability of related reserve monies; the pattern of anticipated revenues or cost savings attributable to the capital asset; and all costs related to the financing of the capital asset whether by debenture, construction financing, lease financing agreements or other prescribed instruments or agreements.

### **5. Match the Term of the Capital Financing to the Useful Life of the Related Asset**

The maximum term over which a capital asset may be financed is 40 years. Under no circumstance may the term of financing exceed the anticipated useful life of the related asset. The Region will endeavour to maintain intergenerational equity where applicable. The matching of term and useful asset life may be achieved through refinancing.

### **6. Maintain a Strong Credit Rating**

The Region's capital financing and debt program will be managed in a manner to maintain and seek the highest possible credit rating for the Region without compromising the delivery of services and programs through prudent capital financing and debt management. A key element in maintaining the highest possible credit rating will be to ensure that the timing, amount and type of capital financing will be assessed as being appropriate to the long-term needs of the Region as well as being seen as balanced against other forms of financing.

Particular attention shall be paid to the key indicators used by credit rating agencies as part of the debt management processes in order to maintain the Region's credit worthiness.

## **D. Standard of Care**

All officers and employees responsible for capital financing and debt activities will follow the standard of care identified in this Policy.

### **1. Ethics and Conflicts of Interest**

Officers and employees involved in the capital financing and debt management processes are expected to abide by the Region's Code of Conduct.

In particular, they shall:

- a) Refrain from personal business activity that could conflict with the proper execution and management of the capital financing and debt program, or that could impair their ability to make impartial decisions.
- b) Disclose any material interests in financial institutions with which they conduct business.
- c) Disclose any personal financial/investment positions that could be related to the performance of their capital financing duties.
- d) Not undertake personal financial transactions with the same individual with whom business is conducted on behalf of the Region.

### **2. Delegation of Authority**

The Chief Financial Officer and Commissioner of Corporate Services will have the overall responsibility for the capital financing and debt program of the Region. Authority to manage and implement the debt management program is granted to the Director, Corporate Finance and Treasurer (Regional Treasurer) and/or the Director, Treasury Services who shall act in accordance with this Policy.

### **3. Requirements for Outside Advice**

The Region's staff will be expected to have sufficient knowledge to prudently evaluate standard financing transactions. However, should in their opinion the appropriate level of knowledge not exist for instances such as capital financing transactions that are unusually complicated or non-standard, or as otherwise directed, outside financial and/or legal advice will be obtained.



## 4. Legal Support

A specific borrowing by-law must be adopted to authorize the issuance of debentures or the entering into of a bank loan agreement for the purpose of capital financing that is covered by this Policy. The Regional Solicitor provides legal advice with respect to the Regional debt financing transactions and may require that legal advice be obtained from an independent source

## E. Suitable and Authorized Financing Instruments

The form of financing that meets the objectives listed above will be dependent in part upon its term and the type of capital asset to be financed. For the purpose of this Policy, financial instruments are secured either for a temporary or long-term basis.

### 1. Temporary Financing

Temporary financing instruments are issued either for operating or capital purposes. Financing may be from one or more of the following sources:

- a) Reserves and reserve funds loans.
- b) Bank line of credit.
- c) Short-term promissory notes.
- d) Term Canadian Overnight Repo Rate Average (CORRA) Loans.
- e) Government of Canada/Ontario agencies (e.g. Infrastructure Ontario).

### 2. Long-Term Financing

The financing of capital assets which is deemed neither as temporary operating or temporary capital financing may be provided from any of the following sources, subject to the Region's policies:

- a) Debenture issuance.
- b) Reserves and reserve funds loans.
- c) Borrowing from the Local Municipalities.
- d) Bank loan agreements.
- e) Lease financing agreements.
- f) Tile Drainage Debentures issued on behalf of the Local Municipalities to finance the construction of tile drainage systems for agriculture and for those individual farmers who apply and are accepted for financing.

### 3. Debt Structures

Debt issued is structured to achieve the lowest possible all-in net cost of funds, subject to the constraints of current debt maturities and the prevailing capital market conditions, while meeting the goals and objectives of the approved borrowing plan. New debt will aim to support current and future

liquidity and will be undertaken primarily by issuing benchmark size Sinking Fund (Bullet) Debentures or Serial Debentures, through the Region of Peel's Syndicate. The membership of the Region's Syndicate is reviewed periodically.

## **F. Financing Risk Identification and Mitigation Strategies**

It is explicitly recognized that there may be additional risks associated with certain types of financing. It is expected that these risks will be identified and considered prior to their use in relation to other forms of financing that would be available. A Bond Forward Agreement can be used to reduce the additional risk when deemed practicable.

### **Bond Forward Agreements – Hedging Instruments Related to Debt Issuance**

O. Reg. 653/05 introduced the use of instruments to manage the cost or risk associated with the fluctuations in interest rates. By entering into a Bond Forward Agreement, the risk of higher interest rates between "today" and the "future" date when the actual debt will be issued, is reduced. Bond Forward Agreements allow the Region to "lock in" future interest rates.

In order to balance the benefits and risks of Bond Forward Agreements, the following requirements under O. Reg. 653/05 would be adhered to:

12. The term of the Bond Forward Agreements must comply with the prescribed requirements.
13. The total value of the principal of the government debt instruments that are the subject of the Bond Forward Agreement may not exceed the expected principal amount of the debentures to be issued.

In the event that debentures are being issued on behalf of a Local Municipality and that municipality wishes some or all of the principal of such debentures to be included in a Bond Forward Agreement, the Region will need to ensure that the relevant sections of the applicable legislation and/or regulations are adhered to and that such municipality agrees to reimburse the Region for any costs related to the Bond Forward Agreement, including administration costs.

## G. Methods of Marketing/Selling Debenture Issues

Debenture securities may be sold by the following means:

- a) Debt Issuance Syndicate.
- b) Tender.
- c) Bought Deal/Private Placement.

## H. Debt Issued on Behalf of Other Entities

### 1. Purpose

Council may approve the issuance of debentures for the purposes of its Local Municipalities provided:

- a) They are used for capital projects approved by the Local Municipality.
- b) The term of the financing is in excess of one (1) year.
- c) It has received satisfactory evidence of approval authority and statutory compliance. Accordingly, the Treasurers of the Local Municipalities must provide to the Region at the time of their financing request, an updated ARL for their respective municipality and attest to the validity of the calculation in order to ensure compliance under the regulations of the *Municipal Act, 2001*. As well, mandated approvals from provincial ministries, if necessary, and the council of the Local Municipality will be required prior to Regional Council granting financing approval.
- d) The Local Municipalities assume their responsibility for the Debt Issuance Syndicate costs related to the issuing of debentures on their behalf and that all other miscellaneous connected costs such as legal fees, banking and trustee fees be borne by the Region and be levied through the General Levy imposed on the Local Municipalities.

As the Local Municipalities are required by section 401(3) of the *Municipal Act, 2001* to issue debentures through the Region, all debentures issued under a debenture by-law passed by the Region are direct, joint and several obligations of the Region and the Local Municipalities (s.403(7)). Pursuant to sections 403(6) and 403(8) of the Act interest charges and other amounts to be paid by the Local Municipality to the Region that are in default may be recovered by the Region as part of the General Levy imposed on the Local Municipalities.

## **2. Advising the Region of Borrowing Needs**

To ensure effective long-term financial planning, including prudent debt issuance and well-coordinated and managed investor communications through the Debt Issuance Syndicate, the Local Municipalities' Treasurers are required to provide to the Regional Treasurer an external debt forecast identifying anticipated borrowing (within a range of plus or minus \$25 million per each municipality) 18 months in advance of the date the funds are required. The anticipated borrowed amounts are to be further confirmed (within a range of plus or minus \$5 million per each municipality) within six months of when the funds are required.

## **I. Financial Guarantees and Letters of Credit**

Financial guarantees and/or letters of credit provided by the Region, its boards and subsidiaries will be considered debt and will be governed by this Policy.

## **J. Debt Issuance Committee**

Regional Council has delegated (By-law 26-2011, as amended) to the Debt Issuance Committee the authority to enact by-laws to authorize debentures, financial instruments and financial agreements including, for temporary borrowing in the form of promissory notes, bankers' acceptances and loan agreements, and for long-term borrowing in the form of debentures and bank loan agreements, and to execute all documents necessary to give effect to the foregoing. By-law 26-2011, as amended, establishes the membership, responsibilities and reporting requirements of the Committee.

## **K. Sinking/Retirement Fund Debentures**

The Sinking Fund Committee establishes the investment guidelines and ensures that adequate funds are available to retire the debt at its maturity. The Committee will consist of the Regional Treasurer and the Treasurers of the Local Municipalities or their appointees and will meet at least annually. The Committee will be chaired by the Regional Treasurer and the role of the other members will be to provide advice.

## **L. Debt Retirement Reserve and Reserve Fund**

Council may authorize contributions to a debt retirement reserve or reserve fund to fully or partially fund the repayment of outstanding debt prior to or on maturity or otherwise offset the repayment requirements related to debt.

## M. Reporting Requirements

In addition to any information requested by Council or that the Chief Financial Officer and Commissioner of Corporate Services considers appropriate, the Regional Treasurer, in accordance with legislative requirements, will submit to Council all applicable reports.

## N. Responsibilities

Officers and staff of the Region in complying with this Policy shall have the necessary authority to carry out the responsibilities and duties identified within the Policy.

The Chief Financial Officer and Commissioner of Corporate Services and the Regional Treasurer have overall responsibility for the advice and reporting relating to financial management that is provided to Regional Council and for overseeing the implementation of this Policy.

The selection of the Syndicate members is the responsibility of the Chief Financial Officer and Commissioner of Corporate Services and/or the Regional Treasurer.

This Policy is implemented through the execution of the following specific responsibilities as identified:

### 1. The Director, Corporate Finance and Treasurer (the Regional Treasurer)

- a) Calculates the updated ARL for the Region as prescribed by the *Municipal Act, 2001*.
- b) May execute and sign documents on behalf of the Region and perform all other related acts with respect to the issuance of debt securities.
- c) Reviews and recommends to Council the financial and business aspects of any material lease agreements including capital financing leases and transactions.
- d) Signs debentures.

### 2. Director, Treasury Services

- a) Reviews and recommends the type and term of financing for capital projects and operating requirements.
- b) In consultation with the lead(s) of the Debt Issuance Syndicate, approves the timing and structure of debt issues.
- c) Coordinates the preparation of debt issue by-laws for the Debt Issuance Committee.
- d) Liaises and assists credit rating agencies in the evaluation of the credit worthiness of the Region's debt securities.

- e) Periodically review and recommend changes to the Syndicate membership.
- f) Ensures all reporting requirements identified within this Policy are met.

### 3. Regional Chair

The Regional Chair may execute and sign documents on behalf of the Region with respect to the issuance of debt securities and shall sign debentures.

### 4. Regional Clerk

The Regional Clerk may certify and sign documents on behalf of the Region with respect to the issuance of debentures.

## O. Policy Review

The Policy will be reviewed at a minimum every year by the Director, Treasury Services and be updated as deemed appropriate.

### Contact

Treasury Portfolio Manager(s).

## P. References

- *Municipal Act, 2001*, S.O. 2001, c. 25 Part XIII (Debt and Investment).
- *Tile Drainage Act*, R.S.O. 1990, c.T.8, Section 2(1).
- *Ontario Regulation 247/01* – Variable Interest Rate Debentures and Foreign Currency Borrowing.
- *Ontario Regulation 276/02* – Bank Loans.
- *Ontario Regulation 278/02* – Construction Financing.
- *Ontario Regulation 403/02* – Debt and Financial Obligation Limits.
- *Ontario Regulation 586/06* – Local Improvement Charges – Priority Lien Status.
- *Ontario Regulation 603/06* – Municipal and School Capital Facilities – Agreements and Tax Exemptions.
- *Ontario Regulation 653/05* – Debt-Related Financial Instruments and Financial Agreements.
- *Corporate Policy F20-02* – “Borrowing Between the Region and the Area Municipalities”
- *Corporate Policy F20-03* – “Debenture Issuance” *Corporate Policy F50-05* – “Lease Financing Policy”.
- *Corporate Policy F50-06* – “Internal Loans from Reserves and Reserve Funds”.

- *Corporate Policy B20-01* – “Real Property Acquisition and Inventory Management”.
- *Regional By-law 26-2011* – “A By-law to Establish a Debt Issuance Committee”.

## Q. Glossary

- **Amortizing Loan.** A loan that has a blended payment of principal and interest that is the same for each repayment period.
- **Benchmark Bond.** A bond that provides a standard against which the performance of other bonds/debentures can be measured.
- **Bond Forward Agreement.** Contracts where two parties (e.g. Bank and the Region) agree today on the interest rate level that will apply to a certain amount of debt in the future.
- **Bought Deal.** A financing transaction, such as a debenture issue, in which an individual underwriter or underwriting group purchases the entire amount in order to resell to investors.
- **Bullet Debentures.** A debt instrument whose entire principal value is paid all at once on the maturity date, as opposed to amortizing the principal payments over the debt instrument’s lifetime.
- **Capital Financing.** A generic term for the financing of capital assets. Although this can be achieved through the use of a variety of funding sources, for the purposes of this Policy it is assumed to mean the use of debt.
- **Credit Rating.** A rating assigned by a credit rating agency (e.g. Standard and Poor’s or Moody’s) to the creditworthiness of a municipality’s debt. The rating assesses the financial strength of a municipality and assists investors in making a determination of the likelihood that the municipality will pay the debt service payments in a timely fashion and more importantly repay all outstanding obligations including principal at maturity.
- **Debenture.** A formal written obligation to repay specific sums on certain dates. In the case of a municipality debentures are typically unsecured.
- **Debt and Financial Obligation Limit.** A calculation provided annually to a municipality by the Ministry of Municipal Affairs and Housing (MMAH) that determines the maximum amount of new annual long-term debt servicing costs that a municipality can undertake or guarantee without seeking the approval of the Local Planning Appeal Tribunal (LPAT). The Treasurer is to calculate and report annually to MMAH in respect of financial information based on which the MMAH will determine the ARL as required by the legislation and related regulations. Additionally, the Treasurer shall calculate an updated ARL using the most recent ARL determined by the MMAH and provide this

to council before council authorizes any capital asset or any increase in expenditures for a capital asset requiring long-term debt.

- **Debt.** Any obligation for the payment of money. For Ontario municipalities, debt would normally involve the issuance of debentures as well as either notes or bankers' acceptances from financial institutions but could also include loans from reserves in addition to other prescribed instruments and agreements.
- **Debt Issuance Committee.** A committee formed by Regional Council in accordance with By-law 26-2011 (as amended) delegating authority to the Debt Issuance Committee to make final decisions with respect to the issuance of debentures and the entering into of bank loan agreements where the project debt authority has been approved by Council with one or more debt issues and to finalize the terms and conditions of such debt issues.
- **Financial Guarantee.** An agreement whereby the Region will take responsibility for the payment of debt if the primary debtor fails to perform.
- **Joint and Several.** An obligation that may be enforced against all obligors jointly or against any one of them separately.
- **Lease Financing Agreements.** A lease allowing for the provision of municipal capital facilities if the lease may or will require payment by the Region beyond the current term of Council.
- **Letter of Credit.** A binding document from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. If the buyer is unable to make payment on the purchase, the bank will be required to cover the full or remaining amount of the purchase (debt).
- **Long-Term Bank Loan.** Long-term debt provided by a bank or a syndicate (group) of banks.
- **Long-Term Debt or Financing.** Any debt which is deemed not be either temporary operating or temporary capital and extends beyond the term of Council.
- **Local Municipality.** The Corporation of the City of Mississauga, The Corporation of the City of Brampton and The Corporation of the Town of Caledon, each of which is a lower-tier municipality of the Region (area municipality has the same meaning as lower-tier municipality).
- **Municipal Capital Facilities.** Includes land, as defined in the *Assessment Act*, works, equipment, machinery and related systems and infrastructures.
- **Region.** Refers to The Regional Municipality of Peel.
- **Retirement Fund Debentures.** Debentures that contain a retirement fund provision pursuant to which the issuer has undertaken to annually pay on a fixed date, funds into a retirement fund for the repayment of the principal at maturity on the basis that the annual payments into the retirement fund will commence after the principal of the other



debentures issued under the same debenture by-law becomes payable.

- **Temporary Debt or Financing.** Any debt which is consistent with the definition of temporary operating or temporary capital financing (see [Section E, subsection 1](#)).
- **Sinking Fund Debentures.** A long-term debt instrument that contains a sinking fund provision pursuant to which the issuer has undertaken to annually pay on a fixed date, funds into a sinking fund for the repayment of the principal at maturity.
- **Sinking Fund Committee.** A committee that a municipality may establish consisting of the municipality’s Treasurer as the chair and any number of other persons appointed by Council who are responsible for the management of Sinking Fund Debentures.
- **Syndicate or Debt Issuance Syndicate.** The debt issuance syndicate is a group of financial institutions that undertakes the promotion and marketing, and the possible purchase of debt issued by the Region to investors for an agreed upon percentage as a fee.
- **Tender.** A process whereby formal bids are submitted to purchase debt securities or to provide a lease.
- **Tile Drainage Debentures.** Debentures issued to finance the construction of a tile drainage system for agricultural land.

<b>Approval Source</b>	Resolution 2011-894, Resolution 2020-790; Resolution 2021-1178
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<b>Responsibility</b>	Corporate Services/Corporate Finance/Treasury Services



# Glossary

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2025-2028 Business Plan  
and 2025 Budget

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# Glossary

Term	Definition
<b>Adequacy of Forecasted Reserves</b>	The difference between the internal reserve financed capital expenditures included in the ten-year forecasted Capital Plan and the forecasted capital reserve balance plus budgeted contributions to the capital reserve.
<b>Asset-Backed Securities (ABS)</b>	A financial security collateralized by a pool of assets such as loans, leases, credit card debt, royalties or receivables.
<b>Assets</b>	Capital assets that are used to produce or provide goods or services. They have a useful life extending beyond one accounting period (e.g., a year), are used on a continuing basis and are not for sale in the ordinary course of operations.
<b>Amortizing Loan</b>	A loan that has a blended payment of principal and interest that is the same for each repayment period.
<b>Benchmark</b>	A standard against which the performance of an investment portfolio can be measured.
<b>Benchmark Bond</b>	A bond that provides a standard against which the performance of other bonds/debentures can be measured.
<b>Bond Forward Agreement</b>	Contracts where two parties (e.g. Bank and the Region) agree today on the interest rate level that will apply to a certain amount of debt in the future.
<b>Borrow</b>	The act of issuing debt or other financial instruments for the purpose of raising funds.
<b>Bought Deal</b>	A financing transaction, such as a debenture issue, in which an individual underwriter or underwriting group purchases the entire amount in order to resell to investors.
<b>Bullet Debentures</b>	A debt instrument whose entire principal value is paid all at once on the maturity date, as opposed to amortizing the principal payments over the debt instrument's lifetime.
<b>By-law</b>	A private law or regulation made by a corporation for its own government.
<b>Capital Budget</b>	The annual Council approved plan of the Regional Corporation for expenditures and financing sources to acquire, improve, maintain or construct capital assets or to conduct studies.
<b>Capital Forecast</b>	The projection of expenditures and financing sources for years beyond the Capital Budget approval year in which the forecast is made.
<b>Capital Financing</b>	A generic term for the financing of capital assets. Although this can be achieved through the use of a variety of funding sources, for the purposes of this Policy it is assumed to mean the use of debt.
<b>Capital Plan</b>	The combined Capital Budget and Capital Forecast.

Term	Definition
<b>Capital Project</b>	An undertaking for which expenditures of a capital nature are made, or are to be made, including expenditures to acquire, improve or maintain land, buildings, structures, machinery and equipment, to install computer software and to conduct studies relating to Corporate assets.
<b>Chief Administrative Officer</b>	The employee designated as such by Council and any person who has been authorized to temporarily act as the Chief Administrative Officer during the incumbent's absence or a vacancy in the office;
<b>Chief Financial Officer</b>	The employee designated as such by Council and any person who has been authorized to temporarily act as the Chief Financial Officer during the incumbent's absence or a vacancy in the office.
<b>Compliance Report</b>	The summary of activities related to adjustments made to Operating Budget, Capital Budget and Reserves provided to Council by the Chief Financial Officer.
<b>Council</b>	The Council of The Regional Municipality of Peel.
<b>Credit Risk</b>	The risk to an investor that an issuer will default in the payment of interest and/or principal on a security
<b>Credit Rating</b>	A rating assigned by a credit rating agency (e.g. Standard and Poor's or Moody's) to the creditworthiness of a municipality's debt. The rating assesses the financial strength of a municipality and assists investors in making a determination of the likelihood that the municipality will pay the debt service payments in a timely fashion and more importantly repay all outstanding obligations including principal at maturity.
<b>Credit Union</b>	A financial institution that is organized and carries on business on a cooperative basis and is a corporation incorporated or continued as a credit union or caisse populaire under the <i>Credit Unions and Caisses Populaires Act, 1994</i> .
<b>Debenture</b>	A formal written obligation to repay specific sums on certain dates. In the case of a municipality debentures are typically unsecured.
<b>Debt</b>	Any obligation for the payment of money. For Ontario municipalities, debt would normally consist of debentures as well as either notes or cash loans from financial institutions, and loans from reserves.

Term	Definition
<b>Debt and Financial Obligation Limit</b>	A calculation provided annually to a municipality by the Ministry of Municipal Affairs and Housing (MMAH) that determines the maximum amount of new annual long-term debt servicing costs that a municipality can undertake or guarantee without seeking the approval of the Local Planning Appeal Tribunal (LPAT). The Treasurer is to calculate and report annually to MMAH in respect of financial information based on which the MMAH will determine the ARL as required by the legislation and related regulations. Additionally, the Treasurer shall calculate an updated ARL using the most recent ARL determined by the MMAH and provide this to council before council authorizes any capital asset or any increase in expenditures for a capital asset requiring long-term debt.
<b>Debt Issuance Committee</b>	A committee formed by Regional Council in accordance with By-law 26-2011 (as amended) delegating authority to the Debt Issuance Committee to make final decisions with respect to the issuance of debentures and the entering into of bank loan agreements where the project debt authority has been approved by Council with one or more debt issues and to finalize the terms and conditions of such debt issues.
<b>Deficiency</b>	The summary of activities related to adjustments made to Operating Budget, Capital Budget and Reserves provided to Council by the Chief Financial Officer and Commissioner of Corporate Services.
<b>Development Charges</b>	The charge imposed by the Region pursuant to the Development Charges Act, 1997 as amended or successor legislation.
<b>Diversification</b>	Process of allocating capital in a way that reduces the exposure to any one particular asset or risk.
<b>Emergency</b>	An unforeseen situation of an urgent nature, presenting an unacceptable risk to the health and safety of persons or to property requiring an immediate expenditure of funds or presenting an opportunity which if not pursued would result in an unacceptable cost (including opportunity cost) or risk to the Regional Corporation.
<b>Enabling Strategy</b>	A long-term plan intended to chart the course for the service that supports external-client-facing programs.
<b>Envelope Project</b>	A Capital Project set up with an established budget for the purpose of performing work of like nature within the defined scope as outlined in a Program's annual work plan.

Term	Definition
<b>External Agencies</b>	Organizations that require annual approval from Council of certain regionally funded budgeted expenditures, revenues, and staffing and service levels for operations taking place from January 1st to December 31st each year. These organizations include but are not limited to the Peel Regional Police, Ontario Provincial Police (Town of Caledon detachment), Credit Valley Conservation, Toronto and Regional Conservation Authority, Conservation Halton and the Municipal Property Assessment Corporation.
<b>Financial Condition</b>	The status of the Region of Peel's assets, liabilities and overall financial position at a specific point in time.
<b>Peel's Financial Condition Scorecard</b>	An analysis of the trends – using key performance indicators – that have an impact on the Region of Peel's financial condition.
<b>Financial Guarantee</b>	An agreement whereby the Region will take responsibility for the payment of debt in the event that the primary debtor fails to perform.
<b>Financial Health</b>	The overall financial condition as indicated by its Financial Flexibility, Financial Sustainability and Financial Vulnerability.
<b>Financial Principles</b>	Will guide and help with decision making for staff and Council on decisions related to service and program planning. These principles will inform Regional Policies and Actions and be used in an integrated fashion to achieve an appropriate balance between overall financial health and service sustainability.
<b>Financial Report</b>	The summary of financial performance activities related to the Operating Budget, Capital Budget and Reserve Management provided to Council by the Chief Financial Officer and Commissioner of Corporate Services.
<b>Financial Sustainability</b>	Degree to which planned service and infrastructure levels can be met without resorting to un-planned increases in rates or disruptive cuts to services.
<b>Financial Vulnerability</b>	Degree to which we are dependent on sources of funding outside of our control or influence or are exposed to risks that could impair our ability to meet existing financial obligations and commitments.
<b>Input</b>	A unit of resource used to generate outputs; e.g., full-time equivalent (FTE) staff, equipment, space, technology, funds, etc.
<b>Integrated Planning</b>	A coordinated and client-centered approach to planning at the Region of Peel; it creates a stronger link between the Region's Strategic Plan, program planning, operations, measurement and annual budget to ensure strong fiscal and administrative responsibility.
<b>Interim Period</b>	A time during which there is no regular meeting of Council scheduled for a period of more than 21 days after the date of the previously scheduled regular Council meeting.

Term	Definition
<b>Interest Rate Risk</b>	A change in the value of an asset resulting from fluctuations in interest rates.
<b>Investment-grade Securities</b>	Issuer credit ratings that are rated BBB or above.
<b>Investment Officer</b>	Treasury Portfolio Manager(s) or other staff as delegated by the Treasurer to implement the investment mandate
<b>Investment Program</b>	Investment management of Regional funds, including decision making and implementation.
<b>Joint and Several</b>	An obligation that may be enforced against all obligors jointly or against any one of them separately.
<b>Lease Financing Agreements</b>	A lease allowing for the provision of municipal capital facilities if the lease may or will require payment by the Region beyond the current term of Council.
<b>Letter of Credit</b>	A binding document from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. In the event that the buyer is unable to make payment on the purchase, the bank will be required to cover the full or remaining amount of the purchase (debt).
<b>Liquidity</b>	A measure of an asset's convertibility to cash without causing a drastic change in the asset's price.
<b>Local Municipalities</b>	The City of Brampton, City of Mississauga and the Town of Caledon.
<b>Long-Term Bank Loan</b>	Long-term debt provided by a bank or a syndicate (group) of banks.
<b>Long-Term Debt or Financing</b>	Any debt which is deemed not be either temporary operating or temporary capital and extends beyond the term of Council.
<b>Maintenance Project</b>	A Capital Project was set up for the purpose of funding a deficiency within a completed project while under warranty. Maintenance Project Procedures have been developed.
<b>Market Risk</b>	The risk that the value of a security will rise or decline as a result of changes in market conditions.
<b>Market Value</b>	Current market price of a security.
<b>Maturity</b>	The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder.
<b>Municipal Capital Facilities</b>	Includes land, as defined in the <i>Assessment Act</i> , works, equipment, machinery and related systems and infrastructures.
<b>ONE Investment</b>	A professionally managed group of investment funds composed of pooled investments that meet eligibility criteria as defined by regulations under the Municipal Act.
<b>Operating Budget</b>	The annual Council approved plan of the Regional Corporation for expenditures, revenues, staffing levels and service levels for operations of the Regional Corporation taking place from January 1 <sup>st</sup> to December 31 <sup>st</sup> each year.

<b>Term</b>	<b>Definition</b>
<b>Operating Forecast</b>	The projection of expenditures, revenues, staffing levels and service levels for years beyond the Operating Budget approval year in which the forecast is made.
<b>Outcome</b>	A desired change in the level of need (e.g., intended result, effect, or consequences) attributable in part or fully to the execution of a program or project.
<b>Output</b>	A unit of product or service delivered directly to an individual or a client group. Outputs are the immediate products of a service.
<b>Performance Management</b>	A process of gathering information to make evidence-informed decisions and to monitor progress toward a desired result or goal.
<b>Performance Management Framework</b>	A Region of Peel resource guide intended to provide guidance for performance management at the enterprise, program, projects, services and processes level; users of this guide will learn techniques for developing suitable performance measures, establishing performance targets, understanding performance reporting and using these measures for decision-making.
<b>Policies</b>	A plan of action adopted or pursued by an individual, government, party, business etc.
<b>Program</b>	A set of related services that all contribute to a common outcome.
<b>Program Plan</b>	A long-term plan intended to chart the course for a program that impacts external clients and the community.
<b>Prudent Person Rule</b>	A standard that requires that a fiduciary entrusted with funds shall invest such funds in securities that any reasonable individual would purchase to receive a reasonable return of income while preserving his or her capital.
<b>Reclassification of a Sub-Reserve</b>	The transfer of the Unexpended Amount of a Sub-Reserve from one Sub-Reserve Cost Centre to another which does not change the purpose for which the Unexpended Amount will be spent.
<b>Redeployment of the Capital Budget</b>	The transfer of an Unexpended Budgeted Amount from one Capital Project Cost Centre to another within the same Division which has the effect of changing the purpose for which the Unexpended Budgeted Amount will be spent.
<b>Redeployment of the Operating Budget</b>	The transfer of an Unexpended Budgeted Amount which has the effect of changing the purpose for which the Unexpended Budgeted Amount will be spent.
<b>Redistribution of the Capital Budget</b>	The splitting of the financing sources of one Capital Project into financing sources for new smaller Capital Projects having the same purpose.
<b>Region</b>	The Regional Municipality of Peel.
<b>Region-Controlled Programs</b>	All services and programs provided by the Region of Peel excluding those provided by External Agencies.



Term	Definition
<b>Regular Position</b>	A position under which employees are employed for an indefinite period of time, whether full time or part time, that has been approved by Regional Council either specifically or through approval of workforce levels in an annual budget in accordance with Policy HR04-01 Workforce Level Control.
<b>Reserve</b>	An accumulation of funds, at the direction of Council, of appropriations from net revenues. Revenues can either be for operating purposes such as the rate stabilization reserves which are used primarily to mitigate annual fluctuations in operating revenues and expenditures or one-time expenditures. Capital Reserves are used to fund capital work such as the state of good repair of assets and infrastructure, not eligible for development charge funding.
<b>Reserve Fund</b>	An accumulation of appropriations from net revenues for purposes which are restricted by law or by the direction of Council contained in the by-law establishing the Reserve Fund.
<b>Restructure of the Operating Budget</b>	The transfer of a Budget Amount which does not change the purpose of the approved budget.
<b>Retirement Fund Debentures</b>	Debentures that contain a retirement fund provision pursuant to which the issuer has undertaken to annually pay on a fixed date, funds into a retirement fund for the repayment of the principal at maturity on the basis that the annual payments into the retirement fund will commence after the principal of the other debentures issued under the same debenture by-law becomes payable.
<b>Safekeeping</b>	Holding of securities by a qualified financial institution on behalf of the investor.
<b>Service</b>	Provision of outputs that both satisfy a client need and contribute to achieving program outcomes.
<b>Status Report</b>	A report summarizing the situation of the reserve(s) as of a stated time or financial period.
<b>Schedule I banks</b>	Domestic banks authorized under the <i>Bank Act</i> to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation.
<b>Schedule II banks</b>	Foreign bank subsidiaries authorized under the <i>Bank Act</i> to accept deposits, which may be eligible for deposit insurance provided by the Canada Deposit and Insurance Corporation. Foreign bank subsidiaries are controlled by eligible foreign institutions.
<b>Schedule III banks</b>	Foreign bank branches of foreign institutions that have been authorized under the <i>Bank Act</i> to do banking business in Canada. These branches have certain restrictions.
<b>Security</b>	A financial asset (i.e. investment).
<b>Sinking Fund</b>	Securities and/or deposits accumulated on a regular basis in a separate safekeeping and/or bank account that will be used to retire associated debentures at maturity.

<b>Term</b>	<b>Definition</b>
<b>Sinking Fund Debentures</b>	A long-term debt instrument that contains a sinking fund provision pursuant to which the issuer has undertaken to annually pay on a fixed date, funds into a sinking fund for the repayment of the principal at maturity.
<b>Sinking Fund Committee</b>	A committee that a municipality may establish consisting of the municipality's Treasurer as the chair and any number of other persons appointed by Council who are responsible for the management of Sinking Fund Debentures.
<b>Sub- Project</b>	A Capital Project established through the redistribution of budget from an envelope project.
<b>Sub-Reserve</b>	The result of the splitting of a Reserve into smaller amounts.
<b>Supranational</b>	An agency sponsored by either a single or group of highly rated foreign banks or governments that will issue debt to fund loans in developing countries or large infrastructure projects. Supranational institutions may be owned or guaranteed by a consortium of national governments.
<b>Syndicate or Debt Issuance Syndicate</b>	The debt issuance syndicate is a group of financial institutions that undertakes the promotion and marketing and the possible purchase of debt issued by the Region to investors for an agreed upon percentage as a fee.
<b>Target</b>	The numerical value of a performance metric that is to be achieved by a given date; both the metric and the schedule need to be specified for targets; e.g., increase satisfaction rate from 75% to 85% by 2013.
<b>Tax Rate Stabilization Reserve</b>	A Reserve arising from the operation of programs funded from property taxation to minimize annual fluctuations in property tax rates.
<b>Temporary Position</b>	A position under which employees are employed for a finite period of time, whether full time or part time.
<b>Total Budget</b>	The Total Expenditures (gross expenditures less internal recoveries) as approved by Council through the annual budget process.
<b>Temporary Debt or Financing</b>	Any debt which is consistent with the definition of temporary operating or temporary capital financing (see Section E, subsection 1).
<b>Tender</b>	A process whereby formal bids are submitted to purchase debt securities or to provide a lease.
<b>Tile Drainage Debentures</b>	Debentures issued to finance the construction of a tile drainage system for agricultural land.
<b>Treasurer</b>	Refers to the position of Treasurer and Director of Corporate Finance at the Region as defined in the Municipal Act.
<b>Unallocated Project</b>	A Capital Project related to events not specifically foreseen, but which may reasonably be expected to occur within the given budget year.
<b>Unexpended Budgeted Amount</b>	The amount of approved budget funds in an Account that have not been spent or committed for spending.

Term	Definition
<b>Users</b>	Residents and businesses who use a service or services provided by The Regional Municipality of Peel.
<b>Utility Rate Stabilization Reserve</b>	A Reserve arising from the operation of programs funded from utility charge collections to minimize annual fluctuations in utility rates.
<b>Warranty Period</b>	The period where a project remains open to ensure all services and conditions of the vendor contract have been met.