

# 2021 TO 2022 REGIONAL BUDGET

Presented to  
**YORK REGIONAL COUNCIL**

MARCH 25, 2021

Presented by  
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Chief Administrative Officer



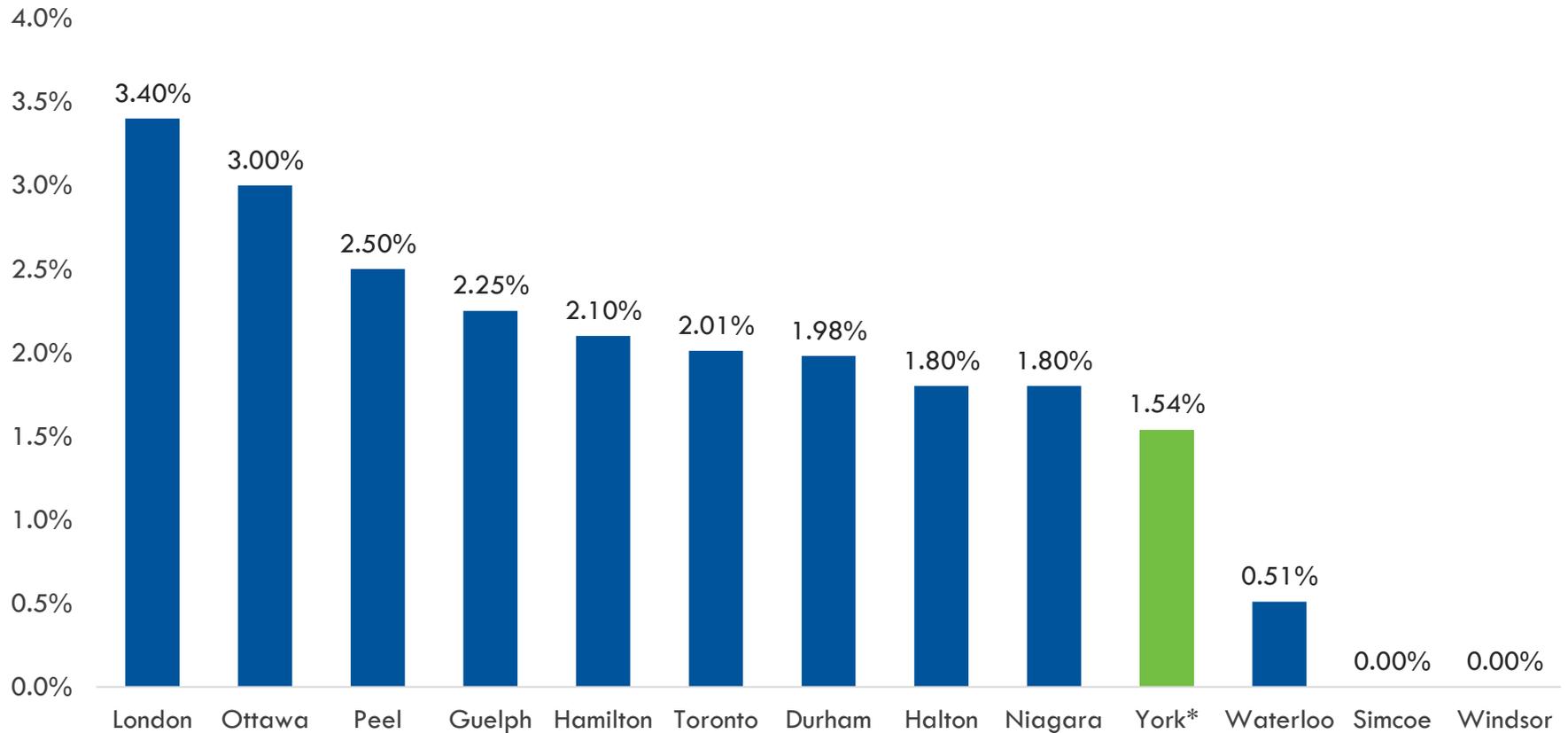
# BUDGET AS TABLED ON FEBRUARY 25, 2021

	2020 Budget	2021 Proposed (as tabled)	2022 Outlook
Tax Increase	2.96%	<b>2.96%</b>	2.96%
Gross Expenditures	\$2.47B	<b>\$2.58B</b>	\$2.60B
Net Expenditures	\$1.19B	<b>\$1.24B</b>	\$1.29B
Ten-Year Capital Plan	\$7.11B	<b>\$7.75B</b>	
Capital Budget	\$826M	<b>\$763M</b>	

# MARCH 9 MEMO PROPOSED REDUCING 2021 TAX LEVY INCREASE TO 1.54%

	Tax Levy Increase	
	2021	2022
<b>As tabled on February 25, 2021</b>	<b>2.96%</b>	<b>2.96%</b>
Adjustments		
March Funding Announcements	-\$37.8M	
Reduced Pandemic Mgt Reserve Draw	\$13.0M	
Increased Contingency	\$7.9M	
Tax Levy Base - Adjustment for 2021 reduction		\$17.4M
Increased Pandemic Mgt Reserve Draw		-\$17.4M
Sub-total tax levy impact	-\$16.9M -1.42%	-
<b>Increase – Updated</b>	<b>1.54%</b>	<b>2.96%</b>

# HOW WOULD YORK REGION COMPARE TO OTHER JURISDICTIONS

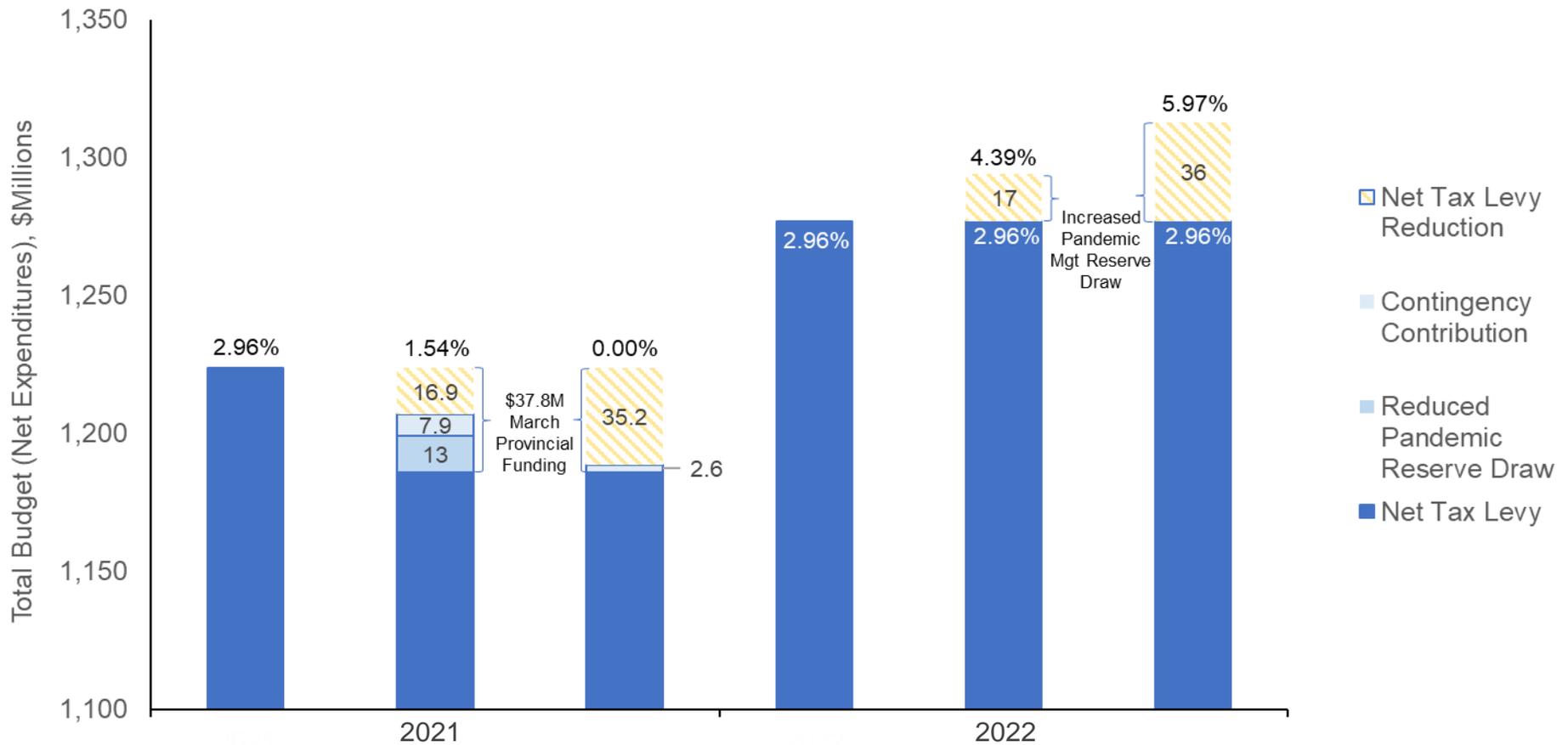


Note: Peel, Halton and Simcoe do not operate transit systems

# IMPACTS OF 0% TAX LEVY INCREASE IN 2021

	Tax Levy Increase	
	2021	2022
<b>As tabled February 25, 2021</b>	<b>2.96%</b>	<b>2.96%</b>
Adjustments		
March Funding Announcements	-\$37.8M	
Increased Contingency	\$2.6M	
Tax Levy Base - Adjustment for 2021 reduction		\$36.3M
Increased Pandemic Mgt Reserve Draw		-\$36.3M
Sub-total tax levy impact	-\$35.2M -2.96%	-
<b>Increase - Updated</b>	<b>-</b>	<b>2.96%</b>

# A 0% TAX LEVY INCREASES THE STRUCTURAL GAP



Figures include Assessment growth revenues  
 Figures may not add due to rounding

# OPTIONS FOR ADDRESSING THE 2022 STRUCTURAL GAP

## Increased tax Levy

- 4.39% tax levy increase in 2022 would be needed to offset 1.54% increase in 2021
- 5.97% tax levy increase in 2022 would be needed to offset 0.00% increase in 2021

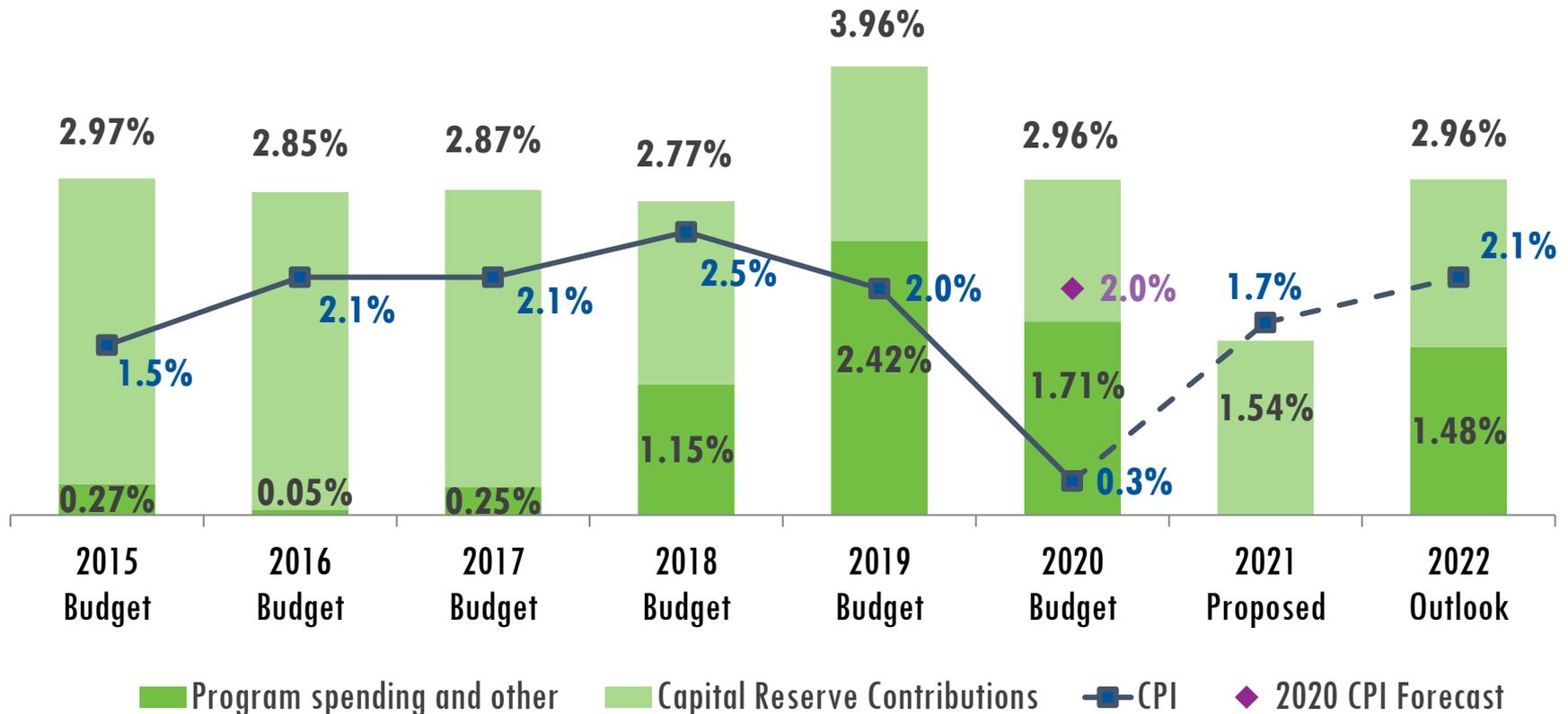
## Service Level Adjustments

- Difficult to further reduce expenditures without affecting services.
- Budget includes \$131.2M in efficiencies and service level adjustments in 2021-2022 from recent savings exercises

## Risk Tolerance and Other

- May include:
  - deferring planned expenditures
  - revising revenue assumptions
  - adjusting reserve contributions
- The budget includes \$173.7M in risk-related savings in 2021-2022

# COUNCIL'S COMMITMENT TO BUILD ADEQUATE RESERVES



Note: the solid CPI line reflects Toronto CMA actuals, the dotted line is a forecast from the Conference Board of Canada, and the diamond reflects the forecast used for the 2020 Budget

# SUMMARY

- Based on Council decision, the budget will reflect the approved tax levy increase
- If a 0% tax levy increase in 2021 is approved, options would need to be developed as part of the 2022 budget process to address the increased structural gap
- The potential options may impact the achievement of the Strategic Plan

# EXAMPLES OF KEY RISKS

Pandemic related risks

Increased costs related to 'new normal'

Provincial reviews and actions that may lead to additional costs

Change in factors affecting credit rating

# Questions

For more information, please contact

Office of the Budget at

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