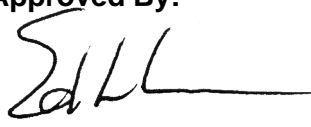


FINANCE POLICIES AND PROCEDURES	<b>Creation Date:</b> January 24, 2023
MULTI-YEAR BUDGET POLICY	<b>Revision Date:</b> Not applicable
<b>Approved By:</b>  Chief Administrative Officer <span style="float: right;"><b>Date:</b> April 12, 2024</span>	

### 1.0 PURPOSE

The Multi-Year Budget Policy defines the approach used for multi-year budget planning and Council approvals.

### 2.0 SCOPE

The scope of multi-year budgeting, including both operating and capital, extends to all City of Greater Sudbury departments and service partners and applies to both the property tax supported as well as water and wastewater rate supported budgets.

### 3.0 AUTHORITY

Municipal Act, 2001, Section 291(1) authorizes a municipality to prepare and adopt a budget covering a period of two to five years in the first year to which the budget applies or in the year immediately preceding the first year to which the budget applies. The process for preparing and adopting a multi-year budget and the requirements for a municipality’s budget are prescribed in the Municipal Act, 2001.

If a municipality chooses to adopt a multi-year budget, establishing an annual review process is mandatory as outlined in section 291(4) of the Municipal Act, 2001. The annual review process requires Council to readopt the budget for that year and subsequent years that the budget applies to ensure the municipality has sufficient funds to pay all debts, amounts required for sinking funds or retirement funds, and amounts required for boards, commissions, or other bodies. Also, pursuant to section 291(6) of the Municipal Act, 2001 the passing of a multi-year budget does not limit the power of a municipality to amend or revoke a budget adopted under section 290 nor does it remove the obligation of a municipality to levy taxes/rates in each year.

### 4.0 DEFINITIONS

**Budget:** A multi-year financial plan that details the required net expenditures for the provision of various forms of municipal programs and services, both operating and capital in nature, which then derives annual taxation and user fee requirements.

<b>Capital Budget:</b>	The Council approved plan for expenditures and revenues to acquire, construct or rehabilitate infrastructure and assets. Some of the expenses could include: A new arena, widening roads or a roof replacement on an existing community centre.
<b>City of Greater Sudbury:</b>	The Corporation of the City of Greater Sudbury.
<b>Municipal Act, 2001:</b>	Refers to legislation that governs municipalities in Ontario.
<b>Operating Budget:</b>	The Council approved plan to deliver service levels in line with longer term strategic priorities including expenditures, revenues, and staffing levels. Some of the expenditures include personnel, utilities, and reserve fund contributions.
<b>Service Partner:</b>	Includes Greater Sudbury Police Service (GSPS), Conservation Sudbury, Public Health Sudbury & Districts (PHSD), and Greater Sudbury Public Library Board (GSPL).

## 5.0 THE POLICY

Council will be presented a budget aligned with the Strategic Plan (organizational goals and strategies) that includes an operating and capital budget for each service and sub-service with a forecast spanning multiple years. In each subsequent year following approval of a multi-year budget, Council will review and approve an annual budget update to validate or amend the budget as approved in the first year.

The operating and capital budget policies provide direction for fiscal control and accountability. Each change in the level of investment meant for Council consideration will be supported with a comprehensive business case submitted annually.

## 6.0 PROCEDURE

### 6.1 ANNUAL BUDGET UPDATE PROCESS

In the first year of a budget cycle, Council will approve a multi-year budget. Commencing in the second year and in each subsequent year of the multi-year budget, Council is required by the Municipal Act, 2001 to review and readopt the budget for that year.

As part of the review process, Council is required to make changes that are required for the purpose of making the budget compliant with the provisions of the Act which include ensuring that the municipality has sufficient funds to pay all debts, amounts required for sinking funds or retirement funds and amounts required for service partners, commissions, or other bodies. As such, Council will have the opportunity to make other amendments to the budget annually. In addition to the matters required to be addressed by the Municipal Act, 2001, the scope of annual budget changes may include, but are not limited to, the following:

1. **NEW OR CHANGED REGULATION:** A new or changed legislation or regulation with a financial impact to the municipality.

2. **NEW OR CHANGED COUNCIL DIRECTION:** A new Council direction that after the approval of the multi-year budget.
3. **COST OR REVENUE DRIVER:** A corporate, service area, or project budget adjustment due to changes in economic or political conditions.

Changes to future years' budgets should only be brought forward and approved once per year, during the annual update period, to ensure that all requests are considered together. Any adjustments required throughout the year are subject to the Operating Budget Policy and/or Capital Budget Policy.

## 7.0 REFERENCED DOCUMENTATION

[Municipal Act, 2001](#)

[Capital Budget Policy](#)

[Operating Budget Policy](#)

[Budget Preparation Policy](#)