

## **Municipal Act, 2001, S.O. 2001, c. 25**

### **Yearly budget, local municipalities**

**290** (1) For each year, a local municipality shall, in the year or the immediately preceding year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality, including,

- (a) amounts sufficient to pay all debts of the municipality falling due within the year;
- (b) amounts required to be raised for sinking funds or retirement funds; and
- (c) amounts required for any board, commission or other body. 2001, c. 25, s. 290 (1); 2006, c. 32, Sched. A, s. 120 (1).

### **Exception**

(1.1) Despite subsection (1), a budget for a year immediately following a year in which a regular election is held, may only be adopted in the year to which the budget applies. 2006, c. 32, Sched. A, s. 120 (2).

### **Detail and form**

(2) The budget shall, in such detail and form as the Minister may require, set out the following amounts:

1. The estimated revenues, including the amount the municipality intends to raise on all the rateable property in the municipality by its general local municipality levy and the amount it intends to raise on less than all the rateable property in the municipality by a special local municipality levy under section 312.
2. The estimated portion of the estimated revenues described in paragraph 1, if any, to be paid into the municipality's reserve, sinking and retirement funds.
3. The estimated expenses, subject to any regulation made under clause 292 (2) (a).
4. The estimated portion of the estimated expenses described in paragraph 3, if any, to be paid out of the municipality's reserve, sinking and retirement funds. 2009, c. 18, Sched. 18, s. 2.

### **Reserve fund adjustment**

(3) The total calculated under paragraph 1 shall be at least equal to the total calculated under paragraph 2:

1. The amount described in paragraph 1 of subsection (2), added to the amount described in paragraph 4 of subsection (2).
2. The amount described in paragraph 2 of subsection (2), added to the amount described in paragraph 3 of subsection (2). 2009, c. 18, Sched. 18, s. 2.

### **Allowance**

(4) In preparing the budget for a year, the local municipality,

(a) shall not include in the estimated revenues described in paragraph 1 of subsection (2) the estimated proceeds of any borrowing during the year;

(b) shall treat as estimated revenues any surplus of any previous year that resulted because,

(i) revenues for that year were greater than the amount described in paragraph 1 of subsection (2) for that year, or

(ii) expenses for that year were less than the amount described in paragraph 3 of subsection (2) for that year;

(c) shall provide for any deficit of any previous year that resulted because,

(i) revenues for that year were less than the amount calculated by deducting for that year the amount described in paragraph 2 of subsection (2) from the amount described in paragraph 1 of subsection (2), or

(ii) expenses were incurred by the municipality that were not in the budget for that year and were not paid for that year from a reserve, sinking or retirement fund;

(d) shall provide for the cost of the collection of taxes and any abatement or discount of taxes;

(e) shall provide for taxes and other revenues that in the opinion of the treasurer are uncollectible and for which provision has not been previously made;

(f) may provide for taxes and other revenues that it is estimated will not be collected during the year; and

(g) may provide for such reserve funds as the municipality considers necessary. 2009, c. 18, Sched. 18, s. 2.

(5) Repealed: 2017, c. 10, Sched. 1, s. 37.

#### **Yearly budget from boards, etc.**

(6) Despite any other Act, for the purpose of preparing and adopting its budget for a year, the local municipality may by by-law require that the year's budget of every board, commission or other body, other than an upper-tier municipality or school board, for which the municipality is required by law to levy a tax or provide money, be submitted to the municipality on or before a date specified by the local municipality, and that the budget shall be in such detail and form as the by-law provides. 2009, c. 18, Sched. 18, s. 2.

#### **Legislation Act, 2006**

(7) Part III (Regulations) of the *Legislation Act, 2006* does not apply to a requirement of the Minister under subsection (2). 2009, c. 18, Sched. 18, s. 2.

#### **Definition**

(8) In this section,

“reserve fund” includes a reserve. 2009, c. 18, Sched. 18, s. 2.

### **Section Amendments with date in force (d/m/y)**

#### **Multi-year budget**

**291** (1) Despite sections 289 and 290, a municipality may 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. 2006, c. 32, Sched. A, s. 121.

#### **Restriction**

(2) Despite subsection (1), if the first year of a multi-year budget immediately follows a year in which a regular election is held, the budget may only be adopted in the first year to which the budget applies. 2006, c. 32, Sched. A, s. 121.

#### **First year**

(3) Except as provided in subsection (1), the provisions of the budget for the first year to which the multi-year budget applies shall comply with the requirements of section 289 or 290, as the case may be. 2006, c. 32, Sched. A, s. 121.

#### **Other years, mandatory review of annual budget**

(4) For the second and each subsequent year to which a multi-year budget applies, the municipality shall, in the year or the immediately preceding year,

(a) review the budget for that year;

(b) make such changes as are required for the purpose of making the provisions of the budget for that year comply with the requirements of section 289, except clause 289 (4) (b), or section 290, except clause 290 (4) (b), as the case may be; and

(c) readopt the budget for that year and for subsequent years to which the budget applies. 2006, c. 32, Sched. A, s. 121; 2009, c. 18, Sched. 18, s. 3.

#### **Exception**

(5) Despite subsection (4), if a year for which a budget is being reviewed and changed is a year immediately following a year in which a regular election is held, the budget may only be readopted in the year for which the budget is being reviewed and changed. 2006, c. 32, Sched. A, s. 121.

#### **Power and duty not affected**

(6) Nothing in this section,

(a) limits the power of a municipality to amend or revoke a budget adopted or readopted under this section; or

(b) removes the obligation of a municipality to levy taxes in each year. 2006, c. 32, Sched. A, s. 121.

#### **Deemed adoption**

(7) The budget for the first year of a multi-year budget adopted under subsection (1) and the budget for the first year of the remaining years in a multi-year budget readopted under subsection (4) is deemed, for the purposes of this and every other Act, to be the budget or estimates adopted for the year under section 289 or 290, as the case may be, and, before a budget is adopted or readopted for the year under this section, the municipality is deemed, for the purposes of this and every other Act, not to have adopted a budget or estimates for that year under this Part. 2006, c. 32, Sched. A, s. 121.

**Submission of budgets of boards, etc.**

(8) Despite any other Act, for the purpose of adopting a multi-year budget for two or more years or readopting a multi-year budget for one or more remaining years, a municipality may by by-law require that a budget for the year or years of every board, commission or other body, other than a school board, for which the municipality is required by law to levy a tax or provide money, be submitted to the municipality on or before a date specified by the municipality and that the budget shall be in such detail and form as the by-law provides. 2006, c. 32, Sched. A, s. 121.