

# 2023 Financial Scorecard

## Summary of Financial Health

<b>Sustainability</b> Maintained services and infrastructure recognizing growing population and aging infrastructure.	<b>Vulnerability</b> Peel Region is highly vulnerable due to its extensive reliance on external funding.	<b>Flexibility</b> Maintained and/or improved flexibility. Reserves were utilized for economic challenges; debt leveraging continued to be monitored.	<b>Focus GTA spring 2022 value for tax dollars</b> 	<b>Credit ratings</b> <b>Aaa</b> <b>AAA</b>
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## Sustainability

Financial Principles	Indicator	Target	Performance	Risk Trend	Future Actions
Respect the taxpayer	Net tax levy increase	1-3%	Not met	Negative	<b>Action:</b> 2024 budget to be developed recognizing evolving economy <b>Impact:</b> Respecting the taxpayer
Ensure the Capital Plan is sustainable	Capital Reserves as a percent of 20-Year Capital Plan	100%	Tax Not met	Tax Negative	<b>Tax Action:</b> 1.0% infrastructure levy in 2023 and will continue in future years <b>Impact:</b> Sufficient funds to meet State of Good Repair
Manage assets			Utility Not met	Utility Negative	<b>Utility Action:</b> 5% infrastructure levy from 2023 to 2027 inclusive <b>Impact:</b> Sufficient funds to meet State of Good Repair
Deliver value for money	Asset Health Score	Good	Met	Neutral	<b>Action:</b> Mature Peel's asset management practice <b>Impact:</b> Realize greater asset value to support service delivery

## Vulnerability

Financial Principles	Indicator	Target	Performance	Risk Trend	Future Actions
Users pay where appropriate	Reduction in growth related risk	Lower debt vs. forecast	Met	Positive	<b>Action:</b> 2024 budget to be developed recognizing evolving economy <b>Impact:</b> Respecting the taxpayer
Work with local municipalities to manage growth and support economic viability of the community	Reliance on external funding	Funding meets growth and inflation	Not met	Negative	<b>Action:</b> Assess impact of Provincial funding and support Council's advocacy efforts <b>Impact:</b> Meet service needs in Peel
	Proportion of non-residential tax revenue	35-45%	Met	Negative	<b>Action:</b> Continue to review portfolio structure and diversification opportunities to add value and optimize returns <b>Impact:</b> Improved investment returns support funding of Peel's capital program
Make responsible investments	Investment returns	Above inflation	Not met	Positive	<b>Action:</b> Continue to review portfolio structure and diversification opportunities to add value and optimize returns <b>Impact:</b> Improved investment returns support funding of Peel's capital program

## Flexibility

Financial Principles	Indicator	Target	Performance	Risk Trend	Future Actions
Mitigate significant fluctuations in tax and utility rates	Debt capacity	Below 25%	Met	Positive	<b>Action:</b> Continue to monitor debt requirements and structure of debt program <b>Impact:</b> Maintain financial flexibility and sustainability while minimizing cost of borrowing
	Reserve adequacy	5-10%	Tax Met Utility Met	Tax Negative Utility Positive	<b>Action:</b> Continue to maintain appropriate levels of Reserves to meet target range of 5-10% <b>Impact:</b> Support the residents and businesses
Borrow when appropriate for capital infrastructure	Liquidity	>120%	Met	Neutral	<b>Action:</b> Continue to hold appropriate levels of liquidity to meet debt servicing requirements <b>Impact:</b> Reduce financial risk of cash flow timing uncertainty