

Corporate Policy and Procedure



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| Policy | Long term Financial Framework |
| Category | Corporate |
| Authority | Finance |
| Related Policies | Debt Management Policy General Reserve and Reserve Fund Policy General Operating and Capital Budget Policy Investment Policy |
| Approved By | Council February 24, 2020 |
| Effective Date | Monday, February-24-2020 |
| Revision Date | Sunday, January 01, 2023 |

Policy Statement

That all policy documents developed by the City of Guelph adhere to the measures outlined in the Long-term Financial Framework (LTFF) of; Sustainability, Vulnerability and Flexibility.

Purpose

The LTFF will guide decision-making as it relates to policy development. The policies together will provide the basis for metric and key performance indicator (KPI) development within the City strategies, master plans and operational business plans (plans).

Definitions

Flexibility

The ability of the organization to adapt to changing environment to both capitalize on opportunities and avoid threats.

Sustainability

The ability to maintain services over an extended period of time, providing continuous service at the expected level to all intended customers.

Vulnerability

The level of resiliency within the organization to mitigate unexpected negative factors while maintaining financial and service commitments.

Application

The LTFF will be used to assemble all relevant policies applicable to strategy and plan development in a concise and consistent manner.

Review and development of policies will require the evaluation of each using the three measurers identified above.

Use of the various policies during development of city plans is required. Service areas are required to demonstrate within their plan how they have aligned with the applicable policies. Specific metrics and KPIs are required that will demonstrate achievement of the stated goals relative to the applicable policies.

Any subsequent updates regarding the plan require the established metrics or KPIs to be updated and reported.

Reporting

The City Treasurer will be responsible for providing an annual update of appendix A to Council at each fiscal year end.

Reporting will include a revised appendix A, including current updates to the policies and metrics included.

As new policies are added to the LTFF reporting to Council of their inclusion will occur at the next annual update.

Authority

The Treasurer has authority to adjust metrics and format of the LTFF, as required, due to changes in City policies.

Policy Review

This policy will be revised at the beginning of each term of Council.

Appendix A Long-term Financial Framework

| Policy | Last or Planned update | Sustainability | Vulnerability | Flexibility |
|---|-------------------------------|---------------------------------------|---|---|
| General Reserve and Reserve Fund | 2017 | Achieving target balances | Dependable inflows | Appropriate and allowable uses, support the Strategic Plan priorities |
| Procurement | 2018 | Focus on full cost of purchasing | Proper internal controls and guidelines | Innovative options for new ideas |
| Debt Management | 2020 | Target % of revenue | Maximum % leveraged | Prescribed purposes and types |
| Revenue | 2020 (planned) | Cost recovery targets and reliability | Expanded sources | Relative to peers |
| Multi-year Budget | 2020 (planned) | Robust guidelines | Identification of risk factors | Options for adjustment |
| Capital Plan | 2021 (planned) | Funded, structured and current | Linkage to Asset Management principles | Opportunities to adjust |
| Asset Management and Service Level | 2020/21 (planned) | Corporate mandate and implementation | Data driven and supported | Innovative and responsive |
| Growth | 2021 (planned) | to be determined | to be determined | to be determined |
| 100RE | 2020 (planned) | to be determined | to be determined | to be determined |
| Internal Controls | 2022 (planned) | to be determined | to be determined | to be determined |