

# **REPORT**

## ***Office of the Chief Administrative Officer and Finance Department***

To: Mayor J. Cote and Members of Council      Date: May 30, 2022  
in Regular Meeting

From: Lisa Spitale      Item #: 2022-389  
Chief Administrative Officer

Harji Varn  
CFO/Director of Finance

**Subject: Budget 2023: Proposed Framework and Timelines**

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### **RECOMMENDATION**

***THAT*** Council endorse the 2023 budget framework and timelines.

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### **PURPOSE**

To seek Council's endorsement of the 2023 budget framework and timelines.

### **BACKGROUND**

The 2022 Budget and 5 Year Financial Plan was approved in February of this year. Both the Capital and Operating Budget was presented by Strategic Priority which reinforced the alignment of spending to Council's priorities. Staff presented highlights from 2021 and proposed the 2022 capital projects and operational work plan items. This demonstrated commitment to transparency of our services and delivery of the multi-year capital plan.

As stated in previous Council reports, an objective identified by the community through previous budget engagement was to de-mystify the budget process: progress is being

made to explain key components of the budget and decision-making framework. Moreover, the budget process has improved by implementing budget surveys, public engagement workshops and special council workshops over the past couple of years along with the quarterly performance updates throughout the year.

The Budget 101 Webinar, online survey, multiple advisory committee and Council Budget workshops have allowed for continued alignment between the community's input and the City's Senior Management Team's (SMT) recommendations and aimed for budget adoption by the end of the year. This follows a best practice approach where departments have budget clarity early the following year.

The unexpected closure of the Canada Games Pool did slightly delay the final adoption of the 2022 Budget however this allowed staff and Council time to carefully review the impact and to explore the ability to utilize some of the short-term savings that could be realized and support staying within the approved 5 year plan tax rate projections while staff shift and re-prioritize unexpected events throughout the past couple of years.

As part of our commitment to flexibility and transparency, staff continue to report back to Council on a quarterly basis, and seek Council approval for any adjustments where budgets would need to be reset or varied from the original budget targets throughout the year as we acknowledge things can and do change throughout the year.

## **2023 BUDGET PROPOSED FRAMEWORK**

Due to the significant engagement work and with the confirmation of the alignment between Council priorities, public input and with staff in the midst of delivering on the 5 year Capital Plan, staff are proposing that the 2023 Budget be brought to Council in the fall with the focus of continuing the delivery of the existing approved 2022-2026 5 Year Financial Plan.

To support the onboarding of the new Council, staff are proposing the current Council to approve the 2023 User Fee Rate Increases and the 2023 Capital Budget in October as this will provide the critical information required to forecast the impact on the property tax and utility rates for 2023, and it will also allow staff to focus on onboarding the new Council and host a Budget introduction and educational session on the existing 5 Year Financial Plan while staff continue the delivery of major capital projects and programs.

For the final Utility Rates and 2023-2027 5 Year Financial Plan staff are proposing the new Council to approve the Utility Rates in November and to defer the General Funded Operating budget or Property Tax Rate Outlook to January 2023 with a target to have a final approved 5 Year Financial Plan in February of 2023 which includes the 2023 proposed Property Tax Rate Increases.

## **2023 BUDGET PROPOSED TIMELINES**

The table below outlines the key dates around the 2023 Budget and follow a budget best practice approach; working collaboratively with Council and continuing to build on the ongoing feedback from the community.

<b>Date</b>	<b>Description</b>
9-May-22	2021 YEAR END FINANCIAL REPORT
9-May-22	Quarter 1 Capital & Operating Performance Report
13-Jun-22	Quarter 1 - Capital Budget Adjustments for Council Approval
12-Sep-22	Quarter 2 Capital & Operating Performance Report
12-Sep-22	2023 User Fees Report (Three Readings)
3-Oct-22	2023 User Fees Report (Adoption)
3-Oct-22	2023 Capital Budget Workshop
<b>15-Oct-22</b>	<b>Election</b>
<b>7-Nov-22</b>	<b>New Council Inaugural Meeting</b>
14-Nov-22	*Budget Introduction and Overview: 5 Year Financial Plan Education Session for New Council
14-Nov-22	*2023 Utility Budget Workshop
14-Nov-22	Quarter 3 Capital & Operating Performance Report
28-Nov-22	Utility Rates (Three Readings)
12-Dec-22	Utility Rates (Adoption)
Jan 2023	2023 General Fund Budget Workshop & Proposed Service Enhancements
Jan 2023	2023 DRAFT Budget & 5 Year Financial Plan Bylaw (Presentation)
Jan 2023	2023 DRAFT Budget & 5 Year Bylaw post on City Website/Paper
Feb 2023	2023 DRAFT Budget & 5 Year Financial Plan Bylaw (3 Readings))
TBD	2023 DRAFT Budget & 5 Year Financial Plan Bylaw (Adoption)
*November 14 - Special Council Workshop Day	

The 2023 Council Budget Workshops will be promoted widely through various channels: email notification to various City email databases, social media posts and advertising, CityPage notices in the newspaper and by email, ad in the Record, etc.

## **OPTIONS**

There are two options for Council's consideration; they are:

Option 1 - Council endorse the 2023 budget framework and timelines

Option 2 – Provide staff with further direction.

*Options 1 is recommended.*

## **INTERDEPARTMENTAL LIAISON**

The Senior Management Team has discussed this approach and supports the process as outlined in this report.

This report was approved by:

Harji Varn  
CFO/Director of Finance

Lisa Spitale  
Chief Administrative Officer