

Staff Report



Financial Services Department

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REPORT TO: Committee of the Whole

DATE OF MEETING: October 2, 2023

SUBMITTED BY: Ryan Hagey, Director of Financial Reporting & Asset Management,
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PREPARED BY: Ryan Hagey, Director of Financial Reporting & Asset Management,
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WARD(S) INVOLVED: All

DATE OF REPORT: September 26, 2023

REPORT NO.: FIN-2023-417

SUBJECT: 2024 Budget Process and Timelines

RECOMMENDATION:

That the 2024 budget timelines outlined in report FIN-2023-417 be approved; and

That Council shorten the 30-day period that Council may pass a resolution making an amendment to the Mayor's proposed budget to coincide with the completion of the meeting scheduled on December 14, 2023.

REPORT HIGHLIGHTS:

- The purpose of this report is to approve the process and timelines for the 2024 budget.
- This report supports the delivery of core services.

BACKGROUND:

With the passing of the *Strong Mayors, Building Homes Act* and Part V1.1. of the Municipal Act regarding Special Powers and Duties of the Head of Council earlier this year by the Provincial government, the City of Kitchener's budget process will see some changes. Overall, the City's general timelines of discussing the budget in November and having an approved budget in December is expected to remain unchanged, but some adjustments are required to comply with the new legislation.

REPORT:

The 2023 Council calendar includes scheduled dates for the 2024 budget process. The key dates include reviewing the operating budget on November 20, reviewing the capital budget on November 27, and having Final Budget Day on December 14.

The proposed budget schedule in this report sees these key budget dates remain unchanged, so the budget will be presented and considered by Council within the City's normal budget window. But to comply with the Provincial legislation, approval of a revised schedule is required, including a reduction in the amount of time Council has to propose

amendments and the Mayor has to veto any amendments. A brief summary of the four main differences to the budget process under Special Powers legislation include:

1. The budget will be proposed by the Mayor
 - Staff intend to table a 2024 budget and present it to Committee on November 20 & 27, and then the Mayor will propose the 2024 budget a week later on December 4.
2. Council has 30 days to pass amendments to the budget
 - To keep the existing timelines and have an adopted budget before the end of the year, amendments will be voted on by Council on December 14 (aka Final Budget Day). This will require Council to approve a shortening of the amendment timeline from 30 days.
3. The Mayor has 10 days to veto passed amendments
 - To keep the existing timelines and have an adopted budget before the end of the year, any veto from the Mayor would be required on December 14 (aka Final Budget Day). This will require the Mayor to issue a Direction to shorten the veto timeline from 10 days.
4. The budget is deemed approved 15 days after the veto period ends
 - The 2024 budget as amended on December 14th would be deemed adopted once the shortened veto period ends, or at the latest, December 29th.

The proposed timelines for the 2024 budget to comply with new legislation is shown in the table below. A graphic representation is at the end of this report.

Action	Date
Staff Tables Draft Budget	November 17
Committee Meeting – Operating	November 20
Committee Meeting – Capital	November 27
Mayor Proposes Budget	December 4
Council Provides Proposed Amendments in writing to Clerks*	December 11
Council Votes on Amendments*	December 14
Mayor Decides On Amendments via Veto*	December 14
Budget Adopted	Automatic (Dec 29)

*Note: this requires Council to agree to shorten the 30-day period for amendments and the Mayor to issue a Direction to shorten the 10 days for veto powers.

STRATEGIC PLAN ALIGNMENT:

This report supports the delivery of core services.

FINANCIAL IMPLICATIONS:

There are no financial implications of this report as the proposed timelines will see the budget approved in the planned timeframe, before the end of the calendar year.

COMMUNITY ENGAGEMENT:

INFORM – This report has been posted to the City's website with the agenda in advance of the council / committee meeting.

PREVIOUS REPORTS/AUTHORITIES:

- *Strong Mayors, Building Homes Act 2022 and Part V1.1. of the Municipal Act*

APPROVED BY: Jonathan Lautenbach, Chief Financial Officer

Budget Process Under Strong Mayor Legislation

