

2022/2023 Multi-Year Business Plan and Budget Process

ISSUE

The Administration is recommending that the term for the Multi-Year Business Plan and Budget (MYBB) continue in a two-year cycle instead of the four-year term as stated in Council Policy No. C03-036, Multi-Year Business Plan and Budget Policy.

RECOMMENDATION

That the Governance and Priorities Committee recommend to City Council that a two-year Business Plan and Budget process for 2022/2023, as outlined in the report of the Chief Financial Officer dated April 19, 2021, be approved.

BACKGROUND

At its meeting on March 25, 2019, when considering a report on the 2020/2021 MYBB, City Council resolved, in part:

- “1. That a two-year Business Plan and Budget process be approved; and
2. That the new Multi-Year Business Plan and Budget Policy with an effective date of April 1, 2019, be approved.”

DISCUSSION/ANALYSIS

The 2020/2021 two-year MYBB allowed for a longer-term focus and resulted in significant time savings for both the Administration and City Council. It allowed the Administration to focus on unexpected circumstances like the pandemic and the vast challenges that it presented, yet still allowed longer-term planning. In addition, City Council was able to approve adjustments in the second year as required to ensure priorities were met.

Council Policy No. C03-036, Multi-Year Business Plan and Budget Policy, states that the term of an MYBB shall be for four years unless a shorter term is approved by City Council. The Administration is recommending that a two-year Business Plan and Budget process be approved for the 2022/2023 MYBB as was done in the previous budget cycle.

While the original intent of the policy was to move to a four-year cycle, the Administration believes the initial implementation of this new process using a two-year cycle was a success even through a pandemic. However, with the uncertain financial situation facing the City and the risks associated with a longer cycle at this time, the Administration is not comfortable extending the budget cycle beyond two years.

The process for the 2022/2023 MYBB will be comprised of the same key steps that were undertaken for the previous two-year MYBB process. These key steps are as follows:

1. The Administration will develop the cost to maintain existing services such as expenditure growth, inflation, and revenue estimates. This step is also used for administrative priorities such as correction of base budgets and phase-in of funding plans.
2. The Administration will provide a summary of the information from Step 1 to the Governance and Priorities Committee so that an indicative rate (property tax target) can be set by City Council.
3. The Administration will use cross-divisional teams to discuss City Council's strategic priorities and develop options to achieve these priorities.
4. The Administration will present a list of Business Plan Options to City Council for prioritization.

The prioritized options presented in Step 4 will form part of the reporting to City Council's Business Plan and Budget Review.

The estimated timeline for these steps is included in Appendix 1.

COMMUNICATION PLAN

The MYBB will be communicated to residents and stakeholders through a variety of tools and channels, including the City's website, social and earned media, to create broad awareness and understanding of the City's budget process.

OTHER IMPLICATIONS

There are no financial, privacy, legal, social, or environmental implications identified.

NEXT STEPS

The Administration will present various reports related to the MYBB to City Council throughout the year as outlined in Appendix 1.

APPENDICES

1. 2022/2023 Business Plan and Budget Process Timeline

REPORT APPROVAL

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