
2018 Preliminary Corporate Business Plan and Budget Deliberations – Meeting Structure and Decision-Making Process

Recommendation

That the Governance and Priorities Committee recommend to City Council that it adopt the proposed process for the 2018 Business Plan and Budget Deliberations such that:

1. It integrates City Council's existing decision-making process; and
2. That each business line provides a report outlining recommendations for the 2018 Business Plan and Budget Deliberations.

Topic and Purpose

The purpose of this report is to propose a new decision-making process for City Council's 2018 Business Plan and Budget Deliberations. The primary objective of the proposed process is to make the deliberation process more efficient, transparent, and understandable.

Report Highlights

1. The proposed process will integrate City Council's governance framework into the 2018 Business Plan and Budget Deliberations.
2. The proposed process includes business line reports to improve transparency and make the meeting more efficient.

Strategic Goal

The information contained in this report and attachments align with the long-term strategies related to the Strategic Goal of Continuous Improvement.

Background

Bylaw No. 9170, *The Procedures and Committees Bylaw, 2014* was passed by City Council on June 9, 2014, and came into force on July 1, 2014. The bylaw generally provides the legal framework for the decision-making process of City Council and its Committees.

Bylaw No. 9170 stipulates that there are two types of regularly scheduled City Council meetings – a Regular Business meeting and a Public Hearing meeting. However, the bylaw does not address City Council's business plan and budget deliberations process. As such, at the conclusion of the 2017 Business Plan and Budget Deliberations, the Leadership Team tasked the Governance Subcommittee and the Director of Finance to propose a potential decision-making process for the 2018 Business Plan and Budget Deliberations.

As a first step, at its August 21, 2017, meeting, the Governance and Priorities Committee received an information report from the Administration that outlined reforms to the Reserve for Capital Expenditures process.

Report

This report proposes a new decision-making process for City Council's 2018 Business Plan and Budget Deliberations. The primary objective of this procedure is to make the deliberation process more seamless, transparent, and efficient. The goal is to avoid the confusion that has emerged in previous years about how to handle reports, motions, and votes as it pertains to the business plan and budget.

The proposed model attempts to integrate City Council's existing governance procedure and process (i.e. decision-making process) so that these meetings have a very similar look and feel to a City Council meeting. The idea is to help the Chair to manage the Agenda and the Clerk to record decisions in a more functional way.

Integrating City Council's Decision-Making Process

Bylaw No. 9170 provides for two types of regularly scheduled City Council meetings – a Regular Business meeting and a Public Hearing meeting. However, the bylaw does not address City Council's business plan and budget deliberations process. Although the business plan and budget is a "regularly scheduled meeting" it does not deal with regular business of City Council. Specifically, the meeting is confined to deliberation on the business plan and budget and no other matters.

As a result, the Administration is recommending that the Agenda for this meeting will be condensed, and some items that are typically on the Agenda for a City Council Regular Business Meeting be removed as they are deemed to be redundant for a business plan and budget meeting. These items include Public Acknowledgements, Question Period, and the Consent Agenda. Attachment 1 provides a sample Agenda for the 2018 Preliminary Corporate Business Plan and Budget meetings. This condensed and orderly Agenda will help to improve the efficiency of the meeting by focusing on the primary issue: deliberating the 2018 Business Plan and Budget.

Bylaw No. 9170 also codifies the meeting procedures for City Council (and Committee) meetings. For example, it stipulates how votes, motions, and amendments to the motion are handled. Under the proposed process, these procedures would still apply to the business plan and budget meeting. This means that City Council, among other things, can make motions, propose amendments, debate recommendations, and vote on motions.

The main point to consider here is that the Agenda serves to guide the meeting and acknowledges where decisions are required. The decisions made on Agenda items are guided by the procedural rules codified in Bylaw No. 9170.

However, to make this process work effectively, City Council requires reports with recommendations so that they can apply procedural rules to make decisions. This is how City Council makes decisions under its governance framework. The next section of this document addresses the nature of reports for the 2018 Business Plan and Budget meeting.

Reporting by Business Line to Improve Transparency

The City of Saskatoon presents its business plan and budget by lines of business. In other words, similar services or programs are grouped together to form a “Business Line”. For example, all environmental-related programs and services are contained in the Environmental Health Business Line. During the budget deliberations, City Council votes on the business line to approve, amend, or reject the budget of that business line.

In previous business plan and budget deliberation meetings, the process lacked clarity as to what City Council was actually voting on. This lack of clarity resulted from the fact that there were no overall business line reports outlining the year-over-year changes to a business line’s business plan and budget. In other words, the process was not very transparent as the proposed budget changes were not placed on the meeting Agenda through a report that included recommendations.

As a result, and to make the process more transparent, the Administration is proposing to provide one overall report for each business line, that would outline the Administration’s recommendations for the 2018 Business Plan and Budget. These reports will be placed under the “Reports” section of the Agenda. Attachment 2 provides a sample report that is intended to be included on the Agenda for City Council’s 2018 Preliminary Corporate Business Plan and Budget.

The reader will note that the reports provide Administration’s recommendations on items that have been included in the 2018 Business Plan and Budget. The recommendations reveal the proposed expenditure increases, capital budget, rate increases, etc. for that particular business line. The body of the report elaborates on Administration’s recommendations by providing rationale for expenditure changes. Any supporting information is provided as an attachment to the report. The accompanying “Budget Book” will be used as a reference guide so that City Council can refer to the project, program, or service details.

However, the reader will also note that items which have been referred to budget deliberations by a Committee of Council or City Council are not included in the 2018 Business Plan and Budget. Thus, they do not form part of the Administration’s recommendations as no Council direction has been given to include them. These items generally pertain to the service level changes that were considered by the various Standing Policy Committee (SPC) meetings throughout 2017. In such instances, the report will list these items as separate recommendations from the applicable SPC and Council will vote on them separately.

Administration believes that this proposed process will make the budget deliberations more efficient as the amount of Agenda items would be reduced and only relevant sections of the Agenda would apply to the meeting. Moreover, the accompanying business line reports will improve transparency as City Council will clearly understand the proposed budget changes for each business line. City Council will still have the opportunity to ask questions, debate, and make amendments to any recommendations. The integration of City Council’s existing governance framework will provide necessary clarity to the process.

Options to the Recommendation

1. Maintain the Status Quo

This option would use the previous practice of no business line reports and no administrative recommendations. There would be no formal structure and, like in previous years, the business plan and budget decision-making process would be made up “on the fly”. This approach contradicts City Council’s existing decision-making framework that relies on reports, motions, and votes to make decisions. Thus, agenda management and the proper recording of City Council meetings has been problematic under this approach.

2. Implement Votes and Sub-Votes

This option would use a traditional “estimates” process whereby each business line would have an accompanying vote and each service line would have a sub-vote. The City of Saskatoon used a similar process up until Budget 2011. The process was abandoned because: (a) it was difficult to follow; and (b) the City transitioned from department-and program-based budgeting to business-line and service-line based budgeting.

Nonetheless, under this approach, City Council would move into “Committee of the Whole” and City Council’s procedural rules could be suspended to deliberate on the business plan and budget. In this case, City Council, as Committee of the Whole would deliberate on each sub-vote and vote. At the conclusion of deliberations, the Committee would make a motion to rise and report to City Council and City Council would then vote on the recommendations arising from Committee of the Whole. This option adds substantial complexity to the business plan and budget deliberations process.

Policy Implications

There are no policy implications as a result of this report.

Due Date for Follow-up and/or Project Completion

The 2018 Business Plan and Budget Deliberations will commence on November 27, 2017.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. Sample City Council Agenda, 2018 Preliminary Corporate Business Plan and Budget.
2. Sample Business Line Report, 2018 Preliminary Corporate Business Plan and Budget.

Report Approval

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