

CITY OF HAMILTON

MOTION

GOVERNANCE REVIEW SUB-COMMITTEE: March 27, 2023

MOVED BY COUNCILLOR M. WILSON

SECONDED BY COUNCILLOR

Budget Process Review

WHEREAS, Ontario municipalities must prepare and adopt an annual budget that includes estimates of all of your municipality’s financial needs during the year (Sections 289 and 290 of the *Municipal Act, 2001*);

WHEREAS, budgets are powerful management tools. They help define levels of municipal services and identify how revenues will fund expenses. Budgeting involves prioritizing projects, programs and service levels in light of the available and potential financial resources;

WHEREAS, municipalities have flexibility regarding the format and level of detail of its budgets;

WHEREAS, while the operating and capital components of budgets are inter-related, some municipalities prepare them separately;

WHEREAS, Hamilton City Council approves 3 budgets annually (Water, Wastewater and Stormwater Rate Supported Budget, Tax Supported Capital Budget, and the Tax Supported Operating Budget);

WHEREAS, the City of Hamilton first embarked on multi-year budgeting in 2018 to help plan further out on day-to-day services and to provide justification for revenue and expenditure predications;

WHEREAS, City of Hamilton is dedicated to advancing and articulating City decision-making efforts by ensuring the process by which participants are provided information and are engaged is meaningful, clear, convenient, and accessible to all residents;

WHEREAS, City of Hamilton had two public delegation opportunities for residents to delegate either in-person or virtually during the 2023 budget process;

WHEREAS, City of Hamilton is currently creating a robust public engagement policy and administrative framework; and

WHEREAS, enhancing engagement throughout the budget process can inherently support high-level Term of Council Priorities including (1) Equity, Diversity and Inclusion; and (2) Trust and Confidence in City Government;

THEREFORE, BE IT RESOLVED:

- (a) That staff be requested to report back on best practices as it relates to the timing of approval of the municipal budget(s);
- (b) That staff be requested to report back on best practices that prioritize resident engagement including access to, understanding of and participation in budget setting;
- (c) That staff be requested to report back on what an equity-responsive climate budget might look like in terms of principles and framework;
- (d) That staff be requested to report back on the inter-relatedness of the operating and capital budget and the potential to transition to 2 annual budgets (Water, Wastewater and Stormwater Rate Supported Budget, and a Tax Supported Budget);
- (e) That Staff within Financial Planning, Administration and Policy Division and Government Relations & Community Engagement Division work together to provide clear descriptions for the roles and responsibilities of Council, City staff, and the public in the City's public budget engagement processes through their report back;
- (f) That staff report back on ways to make the annual budget accessible, using clearing writing principles, and relevant throughout the year to provide updates on current budget status and updated council decisions to highlight budget impacts and decisions made by Council;
- (g) That staff be requested to report back on a process that will accelerate and consolidate the time allocated for budget presentations and Council's budget deliberations, with an emphasis on achieving long-term financial planning, transparency, strategic planning and continuous budget improvement; and
- (h) That staff report back on the above direction with a goal to transition to a new budget process for the 2025 budget year.