

2024 – 27 Budget Feedback - C Butler – Waterloo - Focus On Budget Process / Procedure

Please consider the following as a keep it simple top five priorities recommended to reset and / or improve our current budget process & procedures to minimize the negative & growing impact these are having on rate payer tax levy increases & offsets.

TOP FIVE

1. Align or consolidate the reporting and actioning of both the Accumulated Budget Surplus and the (new) Assessment Value Growth contributions concurrently with the main budget cycle and public meeting input cycle . This would also align our City of London reporting and the procedures with of most other Municipalities. The current policy and procedure for both is “off cycle “ and dropping a Consent only report on Council . This is 3.75 % to 4.0 % of our OPS Budget!!!
2. Accumulated Budget Surplus (from previous year) is consistently 2.0 % of total OPS Budget & 2.4 % of Tax Payer Supported Budget. The current by-law immediately allocates this surplus split between adding to reserve funds & pay down debt, both of which have already been well supported by budgeted Rate Payer contributions through the year. ITS REDUNDANT FROM A FINANCIAL POLICY point of view! Immediately allocate this surplus as a one time adjustment to the next years (2024) general revenue to offset the impact of tax increases.
3. Assessment Value Growth (1.8 % - 2024) . TWO OPTIONS HERE Council .
 - Immediately assign to general revenue for the current tax year (2024) as a one time adjustment (its only new once) . This is very consistent with other municipalities, offsets new tax growth impact and forces all City of London divisions to present their main budget ask as ALL IN concurrent with public meeting process.
 - Option 2 – consider assigning only to Cost Pressure allocations that result in new taxable revenue growth or significant reductions (ROI please) on major cost of service reductions. This is exactly where private sector directs new revenue. EXAMPLE: Funding the 12 FTE increase in staff in Planning Dept for 2 – 4 years to improve permitting turnround which increase new Assessment Growth . **Growth pays for growth.**

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4. Develop and stick with firm “ best of class “ business standards **and** public meeting process with respect to key criteria to add or significantly grow an item to the Operations and/or Capital Budget . I have watched in horror this dissolve to nothing more than the use of a “ consent “ report dropped at any sub- committee level to gain access to the budget. It grows from there very fast. **Examples:** Recent - Offloading Development Fees to Rate Payers – zero public meeting required to air out and get to full blown Budget Business Case. CEAP – zero public meetings with ANY OPS OR CAPITAL BUDGET Costs review and feedback to graduate from an inception \$\$ budget to full blown Budget Business Case @ \$45 million. It’s the easiest back door!

5. Acknowledge that Developing a New Strategy Plan every four (4) years, matching that with all the focused (new) budget business cases and implementing this with approved time phased plans is highly inflationary to rate payers UNLESS there is a formal process added to the procedure to clean the house / cupboards when your done to make room here. The City of London Strategy Planning documents actually discourages this. **This actually jeopardizes rate payers buy in support for the 4 year budget cycle. Please find a solution.**

THXS - Chris Butler – Waterloo St – Ward 6