



MUNICIPALITY OF THAMES CENTRE

REPORT NO. **CAO-005-24**

TO: Mayor and Members of Council
FROM: Chief Administrative Officer
MEETING DATE: June 24, 2024

SUBJECT: **2025 Budget Process**

RECOMMENDATION:

THAT Report No. CAO-005-24 be **RECEIVED** for information;

AND THAT the 2025 Budget be developed to provide Council with various tax levy scenarios for its consideration;

AND THAT the 2024 Budget timelines be tentatively scheduled, as outlined in this report, in order to achieve approval prior to the beginning of the 2025 fiscal period.

PURPOSE:

The 2025 Budget presents challenges for the Municipality of Thames Centre: annual budget pressures; economic uncertainty resulting in slower building permit activity and, therefore, collection of fewer Development Charges; and, the additional 2% levy incoming to support the FlightExec Expansion/Renovation debenture.

To meet these challenges, it is recommended that the 2025 Budget be developed with various tax levy scenarios for Council's consideration. The following focus areas are recommended to guide the 2025 Budget development:

- Develop baseline budget requirements, in order to maintain existing service levels in existing and new growth areas;
- Review and assess impacts of:
 - ~ Increasing user fees where appropriate
 - ~ Phasing service growth
 - ~ Realigning service levels to meet changes in public demand
 - ~ Maximizing eligible reserves to fund one-time operating expenditures
 - ~ Mitigating inflationary impacts through efficiencies and/or alternative service delivery methods through partnerships
 - ~ Review existing tax-based capital contributions to determine if opportunities exist to reduce or reprioritize tax-funded capital plans



- Advocacy efforts for funding from other levels of government
- Proposed timelines for the 2025 Budget process are included in this report
- Staff recognize the need to remain flexible and will continue to monitor developments and advocacy efforts, in order to advise Council of any recommended changes to the 2025 Budget approval timelines, as required.

BACKGROUND:

Municipalities are required to prepare and adopt a budget on an annual basis, as per the *Municipal Act, 2001*, section 290. The 2025 Budget process report provides Council and the public with the processes and timelines necessary to meet legislative requirements and achieve the strategic objectives of the organization.

Staff continue to monitor revenues and expenses against the 2024 Budget and will report to Council if there are any material changes to expectations.

COMMENTS:

The proposed 2025 Budget timetable, as per below, acts as a guide for staff and provides clarity on certain check-points of accountability throughout the process:

Check-Point	Date
Council Direction and Guidance	June 24, 2024
Budget Preparation by Division Managers	July 2-22, 2024
Deadline for Submission to Directors	July 23, 2024
Deadline for Electronic Submission to Finance	August 6, 2024
Consolidation and Preparation of 1st Draft	August 7-23, 2024
Distribution of 2025 Budget Binder to senior staff	August 26, 2024
Review by Senior Management Team (SMT), Budget Revisions & Prep. of Draft Budget Package	August 27- Sept. 17, 2024
Public Engagement	Sept. 23- Nov. 1, 2024
Staff Preparation of Budget Workshop material	November 2-30, 2024
2025 Budget Council Workshop	December 2, 2024
2025 Budget Council Workshop	December 3, 2024
Special Budget Meeting of Council	December 9, 2024
Special Budget Meeting of Council for Final Approval	December 11, 2024

*Additional Special Budget Meetings of Council may also occur at the call of the Mayor.

Council could also consider an alternative process of working through a Budget Committee of Council, in which case, it could direct staff to prepare a draft terms of reference for consideration and may change the timetable guide above.

FINANCIAL IMPLICATIONS:

There may be some costs associated with Public Engagement activities, such as advertising, referenced in the 2025 Budget process timetable that will be funded from the approved 2024 Operating Budget.

STRATEGIC PLAN LINK

Pillar: *Sustainability*

Goal: *Ensure that the Municipality maintains fiscal prudence, along with affordable and sustainable taxation levels*

CONSULTATION:

Senior Management Team

REFERENCES:

- 2024-2027 Strategic Plan
- 2024 Approved Budget

ATTACHMENTS:

- None

Prepared by: David Barrick, Chief Administrative Officer