

# Chatham-Kent Multi-Year Budgeting



**MULTI-YEAR  
BUDGET  
2024-2027**

# The Trend in Municipal Budgeting



## Multi-Year Budgeting Benefits

- Alignment of longer-term goals and objectives with longer-term funding plans
- Greater certainty is provided to taxpayers and residents about the future direction of taxes and the timing of implementation of the Council approved Strategic Plan
- Improved accountability and transparency over spending plan changes

## Multi-Year Budgeting Advantages

- Municipal budgeting best practice
- Enables Council to implement multi-year vision
- Encourages a focus on achieving longer-term plans, goals, and objectives
- Improves financial management and long-range strategic planning
- The longer-term view is said to produce better, more thoughtful budgets

## Multi-Year Budgeting Disadvantages

- Discomfort with forecasting longer-term revenues and expenditures
- Additional effort required for implementation
- Perceived loss of flexibility in making budgetary decisions

# Key inputs to Multi-Year Budgeting

Align process with Council Priorities and Business Plans

Focus on desired program and service delivery levels

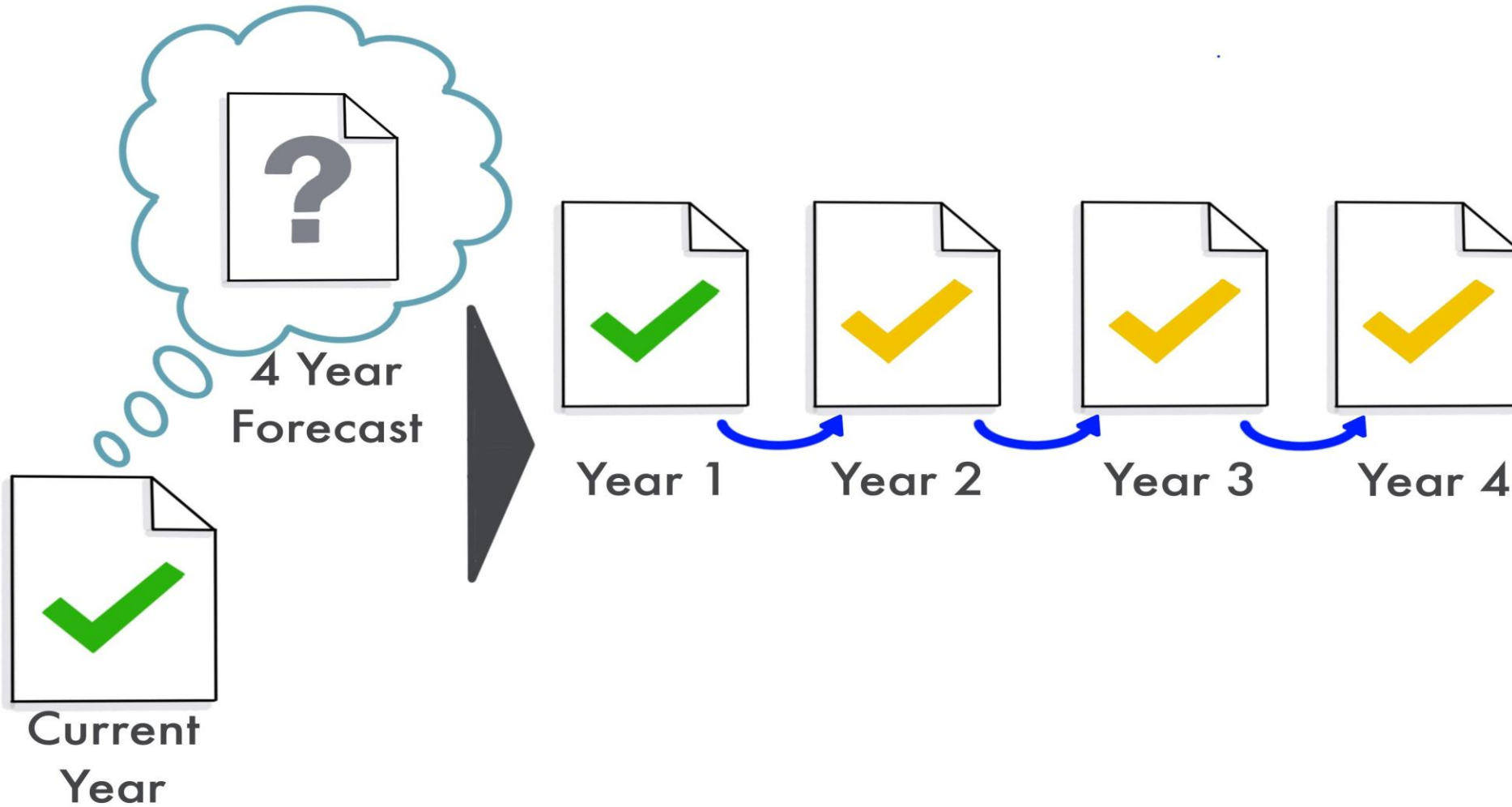
Assets' life expectancy and new assets (AMP)

Budget drivers & external factors

Pre-budget engagement



# Comparing Single Year to Multi-Year Budgeting



# Annual Budget Updates

**An important element of multi-year budgeting is the annual update process**

- Opportunity to adjust the budget to provide flexibility for special events or circumstances that require funding and resource adjustments
- Require by Municipal Act, 2001 to review and readopt the budget for that year
- Annual update process focuses on 3 types of budget amendments



# Types of Budget Amendments

## 1. New Council Direction

New Council priorities impacting municipal services that require amendments to business plans and budgets after the approval of the multi-year budget

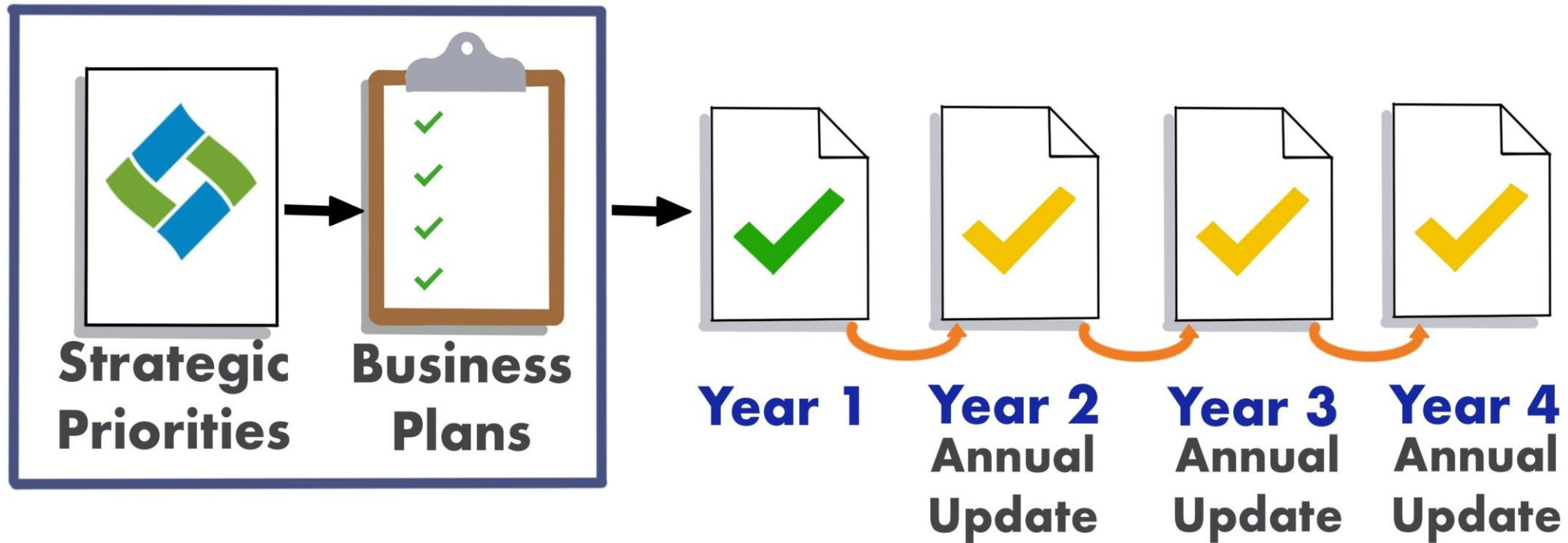
## 2. Cost Driver

A corporate budget shortfall or surplus as a result of unanticipated changes in economic conditions

## 3. New or Changed Regulation

A new or changed legislation or regulation with a financial impact to the municipality

# An Integrated, Long-Term Approach



# Questions