

LAMONT COUNTY

POLICY

TITLE : BUDGET DEVELOPMENT

AUTHORITY : COUNTY COUNCIL

POLICY STATEMENT : COUNCIL WILL ESTABLISH GUIDELINES FOR BUDGET DEVELOPMENT.

PURPOSE : TO PROVIDE AN EFFICIENT AND EFFECTIVE PROCESS FOR THE DEVELOPMENT OF THE YEARLY OPERATING AND CAPITAL BUDGETS.

POLICY RESOLUTION : 05-432, 6-337

PROCEDURE : 1. Budget Guidelines: Council will provide Administration, in September each year, with direction as to their expectation for the municipal tax rate; percent increase (or decrease) in operating or capital expenditures that is acceptable. This expectation will be based on factors such as assessment growth, increase in consumer price index, inflation rate, provincial funding, and ratepayers' needs.

It is important to note, that the municipality has no control over the school and senior's lodge requisitions and has always "passed through" these expenditures to the ratepayers.

Approval of budget guidelines by September 15th.

2. Management Review with each functional area: Based on the guidelines established by Council, each functional group will prepare a draft budget which contains the following expenditures: operating, capital, updated capital and equipment summary.

The CAO will meet with each of the functional area to discuss their requests and needs and make appropriate changes where necessary.

Management review to be completed by October 15th.

3. Budget Compilation: Finance to compile all the individual documents into a budget package that will contain the following:
 1. Summary of budget guidelines adopted by Council for the proposed year.
 2. Summary of assumptions made by Administration in the preparation of the proposed budget. Items such as:
 - a. Wages and benefits % and \$ increase
 - b. Estimated assessment % and \$ growth
 - c. General % factor used for utilities or typical expenditures
 - d. Major dollar increases for “special” or known issues (e.g. insurance/debentures)
 - e. Proposed staff changes and the corresponding wage and benefits etc. costs/savings
 - f. New reserves or recommended changes to existing reserves
 - g. The amount of engineering costs budgeted for projects that are pre-designed and will be completed in subsequent year(s)
 - h. Summary of major increases or decreases for each function
 - i. Any other items that would provide Council with information to make their decision making more effective and efficient
 3. Budget package will contain the following:
 - a. Summary of total operating revenue and total expenditures
 - b. Revenue and expenditures by function
 - c. Grant requests
 - d. Capital project summary
 - e. Capital equipment
 - f. Proposed capital project budget for up coming year
 - g. Summary of increases and decreases to reserve balances
 - h. Any capital projects carry forwards (if known at this time)
 - i. Supporting information that will prove beneficial for budget review (e.g. assessment information)

Where appropriate, information will be provided that shows previous year information, available current year information and percentage increases or decreases from one year to next.

Budget compilation to be completed by November 7th.

4. Budget Meetings: The following timing and order will be set aside for the budget review:
 - a. Grant requests – 1 day (includes any group delegations)
 - b. Operating expenditures – 2 days
 - c. Capital projects – 1 day
 - d. Additional meetings as required

Budget meetings to be completed by December 1st.

5. Format Budget Ratification by Council at first meeting in December: Administration will incorporate all changes/modifications that came about through the budget deliberations in step 4 and request formal budget ratification.

Budget ratification by first council meeting in December.