

COMMITTEE OF THE WHOLE SEPTEMBER 3, 2002

2003 OPERATING BUDGET TIMETABLE (ITEM 2, BUDGET SUB-COMMITTEE MEETING OF AUGUST 22, 2002)

Recommendation

The Budget Sub-Committee recommends:

That the recommendation contained in the following report of the Commissioner of Finance and Corporate Services, dated August 22, 2002, be approved.

Report of the Commissioner of Finance and Corporate Services

The Commissioner of Finance and Corporate Services in consultation with the Director of Budgeting and Financial Planning (Acting) recommends:

That the attached 2003 Operating Budget Timetable be received for information purposes.

Purpose

To inform the Budget Sub-Committee of the 2003 Operating Budget Timetable.

Background - Analysis and Options

The new budget process, entitled "Envelope Funding", introduces the concept of pre-assigned departmental funding envelopes prior to the preparation of departmental budgets. This provides departments with a target when preparing their budgets. The departmental funding envelope is assigned by Senior Management to departments in the following priority order:

1. Prior year department base budget;
2. Non-controllable increases;
3. Controllable costs deemed essential.

The allocation of the pre-assigned departmental funding envelopes by Senior Management is scheduled for the end of August 2002, followed by the issuance of the Budget Guidelines and Instructions package to departments. While being cognizant of their pre-assigned funding envelopes, departments have until the end of September to submit their operating budgets. Finance and Senior Management have until the end of October to input the budget, hold departmental review meetings, address non-compliance to the funding envelopes, and have a final Senior Management Corporate review. In early November, the Liaison Committee's are scheduled to meet individually to review their budget submissions followed by the Draft Operating Budget being presented to the Budget Sub-Committee in mid November. The subsequent Budget Sub-Committee review and recommendations to the Committee of the Whole are scheduled for completion by Christmas 2002.

The envelope funding process is intended to address the issues of multiple budget draft iterations submitted to the Budget Sub-Committee through the introduction of pre-assigned funding envelopes. The process also introduces additional steps to ensure compliance to the funding envelopes through a greater scrutiny of submissions by staff and Senior Management. Due to the December holiday season, staff recommends the Public Meeting be held in January 2003, with final Council Budget approval by the end of January 2003.

Staff look forward to discussing the 2003 Operating Budget Timetable with the Budget Sub-Committee.

Conclusion

The 2003 Operating Budget Timetable reflects that the Budget Sub-Committee provides recommendations to the Committee of the Whole by the end of December 2002 and a public meeting will be held in January 2003, followed by Council approval.

Attachments

2003 Operating Budget Timetable

Report prepared by:

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Director of Budgeting and Financial Planning (Acting)

Respectfully submitted,

Councillor Bernie Di Vona, Chair

**City of Vaughan
2003 Operating Budget Timetable**

| Date | Activity |
|-------------------------|--|
| Mid August 2002 | Finance provides estimated Corporate Funding Envelope to Sr. Mgmt. Team |
| End of August 2002 | Senior Management allocates Corporate Funding Envelope across departments |
| End of August 2002 | Finance issues budget instructions, guidelines and schedules to departments. |
| September 30, 2002 | Departments submit budgets based on estimated Funding Envelopes |
| Third week of Oct. 2002 | Finance reviews and meets with departments. |
| Third week of Oct. 2002 | Commissioner sign off of departmental budgets |
| End of October 2002 | Senior Management corporate review |
| Early November 2002 | Review with Individual Liaison Committees |
| Mid November 2002 | Draft Operating Budget presentation to Budget Sub-Committee |
| December 2002 | Budget Sub-Committee recommendations to Committee of the Whole. |
| Mid January 2003 | Public Budget Session. |
| End of January 2003 | Council Approval |

* Departmental presentations as required