

**Title: BUDGET DEVELOPMENT PROCESS**

**Policy No: 1016**

**Approval: Council**

**Effective Date: September 23, 2014**

**Supersedes Policy No: N/A**



**MUNICIPAL DISTRICT OF GREENVIEW No. 16**

*"A Great Place to Live, Work and Play"*

**Policy Statement:** The adoption of business plans, budgets, and tax rate bylaw are among the most critical functions undertaken by the Council of the Municipal District of Greenview (Greenview).

Budgets shall be developed in a consistent and planned manner, and budgets shall take into consideration the impacts on future years and Greenview's ability to fund those impacts.

Greenview Council will review, analyze the draft budget and provide direction to the Chief Administrative Officer regarding required changes. Council will approve the annual capital and operating budgets after verifying that the content of the budgets meets Council's Strategic and 10 Year Capital Plans. Council will set the annual tax rate based on the approved budget.

**Purpose:** To establish principles for the preparation of the 3-year budgets.

### Regulations

#### **Budget**

1. Administration will annually draft capital and operating budgets in accordance with Sections 242 – 247 of the Municipal Government Act (MGA). Council will provide direction to the Chief Administrative Officer during budget development and approve the budget when they have verified that the content meets their Strategic and Ten-Year Capital Plans.
2. The approved consolidated capital and operating budget shall serve as the financial plan for the implementation of Council's strategic goals and objectives. The approved budget shall provide Administration with the direction and resources necessary to accomplish Council-determined service levels.
3. Municipal capital and operating budgets shall be prepared for a three (3) year period commencing with the 2015 budget process and approved for a one (1) year period. The municipality will strive to maintain an operating budget to support Council's Strategic and 10-Year Capital Plans.
4. Council will seek input from their constituents throughout the year.
5. Council will set the annual tax rates, based on the approved budget.

**Multi-Year Planning**

Multi-year budget planning will enhance and improve the budget process by reinforcing the commitment to long-term fiscal health by looking beyond a one-year horizon.

**Capital Envelope**

The capital envelope is an amount within the annual budget that supports the Strategic and Ten-Year Capital Plans. This includes any Capital Project Funding Carryover from prior years to support the project going ahead within the next budget cycle.

**New Programs and Changes in Service Levels**

The operating budget will be developed based on the principle to sustain current programs, levels of services and includes any cost associated with proposed programs and/or service level adjustments. Recommendations for new programs and/or service level adjustments (increase or decrease) will also be supported and presented to Council by way of Service Enhancement and /or Proposed New Hire Forms.

**Reserves**

The Budget will allocate an appropriate level of funds to Reserves, as per Policy 1502.

**Revenue Estimates**

Operating revenue projections will be based on actual historic trends and adjusted to ensure funding of Council's strategic goals and objectives.

**Grant Revenue**

Confirmed grant funding will be recognized during budget development.

Approved: 14.09.482