



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Chair and Members of the Administration, Finance and Human Resources Committee
From: Ken DeHart, County Treasurer
Date: Tuesday, October 19, 2021
Subject: **Budget Management Policy**

BACKGROUND:

The County of Wellington has a 2021 operating budget totaling over \$231 million, and a 2021-30 Capital Plan consisting of a \$441.1 million investment in infrastructure, facilities and equipment¹.

It is critical that the budget and ten-year plan are developed using best practices and the best available data to ensure that it accurately reflects revenues and expenses. This enables the County to efficiently allocate funding to provide services and programmes to residents, while maintaining reserves and reserve funds at appropriate levels, managing asset management requirements, and having the flexibility to take advantage of emerging opportunities and respond to unforeseen challenges.

Optimizing the processes related to the development and management of the County budget and ten-year plan is critical to the long-term financial sustainability of the County.

The budget development and management processes at the County of Wellington are informed by a number of policies:

1. Budget Review, Approval and Amendment Policy
2. Budget Variance Reporting Policy
3. Capital Budget, Lease Financing and Debt Management Policy
4. Year-End Accounting Policy

The purpose of the Budget Management Policy is two-fold:

1. To consolidate the above policies into a single document that clearly outlines the processes by which the County develops and manages its annual budget and ten-year plan;
2. To incorporate best practices, as identified by the Government Finance Officers Association (GFOA).

¹ 2021 Budget Summary

SIGNIFICANT CHANGES INCLUDED IN THE BUDGET MANAGEMENT POLICY:

The Budget Management policy was built using the foundation provided by the four original policies. The following components were added and/or expanded in order to reflect best practices:

1. **Principles:** We have included a list of principles that inform the development of the budget.
2. **Roles and Responsibilities:** We have expanded on the roles and responsibilities identified in the Budget Review, Approval, and Amendment Policy to highlight the role of the Treasury Department and other Departments in both the development and monitoring of the budget.
3. **Section 1: Developing the Budget**
The information in this section exists in the Budget Book, and has been codified in the policy to ensure consistency and transparency in the development of the County budget.

ATTACHMENTS:

Appendix A: Proposed Budget Management Policy

RECOMMENDATIONS:

That Council approves the attached Budget Management Policy; and

That the Budget Review, Approval and Amendment Policy; Budget Variance Reporting Policy; and Year-End Accounting Policy be repealed.

Respectfully submitted,



Ken DeHart, CPA, CGA
County Treasurer