
Overview of Multi-Year Business Planning and Budgeting

Recommendation

That the Administration report back by January 31, 2017, with further detail, and a possible implementation strategy and plan for multi-year budgeting.

Topic and Purpose

The purpose of this report is to provide a general overview of multi-year business planning and budgeting.

Strategic Goal

In general, the report supports all the strategic goals as business planning and budgeting does have implications for all goals. More specifically, the report aligns more closely with a culture of Continuous Improvement and Asset and Financial Sustainability.

Report

Attachment 1 provides a brief discussion paper about multi-year budgeting. It addresses three general points about multi-year budgeting: (1) what it is; (2) what its advantages and disadvantages are; and (3) where it is used.

The paper illustrates that fully integrated multi-year business plans and budgets can be very useful in terms of helping cities achieve long-term, strategic objectives, and more short-term operational improvements. If implemented correctly, the advantages of a multi-year budget are significant, while the disadvantages are minimal.

The paper describes the multi-year budget frameworks and processes used in three Canadian jurisdictions: Calgary, Edmonton, and London. Calgary has one of the most mature processes in Canada, while Edmonton and London have just recently adopted a fully integrated approach to multi-year budgeting.

The City of Saskatoon (the City) currently budgets on an annual basis. However, in recent years, the City has adopted several long-term strategic plans. The annual business planning and budgeting process may no longer be sufficient for the City to achieve its long-term strategic priorities. Thus, a fully integrated multi-year business plan and budget may be an optimal way to better link longer-term plans and resources. Appendix 1 to the attachment illustrates this linkage.

If the City decided to move to a multi-year business plan and budget then a process would need to be adopted. Based on the research from other cities, Appendix 2 outlines a potential process that the City could implement.

Options to the Recommendation

The Administration could discontinue with any further exploration of multi-year budgeting, but for the reasons and benefits cited in this report, this would not be recommended.

Other Considerations/Implications

There is no policy, financial, environmental, privacy or CPTED implications or considerations at this time.

A public and/or stakeholder involvement or communication plan is not required at this time.

Due Date for Follow-up and/or Project Completion

The Administration will report back to Committee no later than January 31, 2017.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

Budgeting to Make Plans Work or Working to Make a Budget? An Overview of Multi-Year Budgeting (May 16, 2016)

Report Approval

Written by: Mike Jordan, Director of Government Relations
Reviewed by: Kerry Tarasoff, CFO/General Manager, Asset and Financial Management Department
Approved by: Murray Totland, City Manager