



Multi-year budgeting

**Presented by Michael Ruta, FCPA, FCA
Chief Financial Officer
City of Winnipeg
June 5, 2018**

Agenda

- **What is Multi-year budgeting**
- **How does it work**
- **Advantages and disadvantages**
- **Strategic planning**
- **Steps in getting there**
- **Final thoughts**

What is multi-year budgeting

- **Authorizes planned expenditures and revenues for 2 or more consecutive years**
- **Recommend rolling type budget over four years**
- **Each year approved by Council but all four years are balanced.**

How does it work

- **Assuming multi-year budgeting was already approved prior to 2018:**
 - **The 2019 budget would have been approved in principle and balanced**
 - **In 2018 after the election, the Public Service would report on any budget amendments to 2019 for Council approval**
 - **A four year balanced budget for 2020 to 2023 would be presented in 2019.**

Advantages

- **Provides the Citizens of Winnipeg with information concerning City taxes, fees and levels of service for next 4 years**
- **Reduce staff and elected official time relating to budget development**
- **Resolves the structural deficit and then presents balanced budgets**
- **Improves financial management and long-range strategic planning**

Disadvantages

- **Perceived loss of budgetary control and oversight**
- **An unstable economy or government funding sources may present difficulties in forecasting revenues and expenses**

Strategic planning

- **Key to a multi-year budget process is short and long-term strategic corporate and departmental plans**
- **These plans should align with Our Winnipeg, Councils planning document currently underway**
- **Planning documents should drive preparation of future City budgets**

Steps in getting there

- **Preparation of the 2019 budget using the City's traditional budget methodology by March, 2019**
- **During 2019, work with Council to resolve the structural deficit**
- **Set budgets in the fall of 2019 for 2020 to 2023**
- **Review set budgets with Council annually in 2020 onwards to revise as needed on a balanced basis Council directives and initiatives. Council approval is required annually**

Final Thoughts

- **Considerable effort will be required to balance operating budgets in 2019**
- **Multi-year budgets will benefit the Citizens of Winnipeg and Council in providing a longer-term balanced view of taxes, fees and services**
- **Alignment with future strategic planning initiatives will provide direction in setting multi-year budgets**