

## POLICY STATEMENT AND REGULATIONS

Number: 200.304

### BUDGETS - RANKING BUDGET PRIORITIES

A process of ranking budget requests has been established to assist with setting priorities on a District-wide basis.

### REGULATIONS AND PROCEDURES

The attached procedures are to be used when ranking additional requests during the Budget process:

#### Establishing Budget Priorities

1. Additional requests will be processed as follows:
    - Level 1: Automatic Inclusions  
Known changes (those over which we have no control)  
Decisions which have already been made by Council
    - Level 2: Decisions made at the management level  
Operating expenditures  
Capital expenditures less than \$2,000.00
    - Level 3: Decisions made by Council  
Ratification of Level 1 and Level 2 expenditures  
Increases in level of service  
Capital expenditures exceeding \$2,000.00
  2. There are 14 classes which have been developed in order to categorize additional requests. In addition, each additional request is given a priority of 1 to 5, ranging from least important to most important.
  3. The inclusion of an additional request in a particular ranking class if of greater importance that the priority weighting of the additional request, therefore, the ranking value of each additional request is calculated as follows:
    - Ranking class value times 2 plus priority weighting factor.
  - e.g. If an additional request is categorized in ranking class 14 and given a priority weighting value of 5, the ranking value would be 33 calculated as follows:  $(14 \times 2) + 5 = 33$
- Items ranking 11 or higher have been segregated as they require no further discussion. They are ranked strictly as a means of identifying the underlying reason for their positioning. Items ranking 10 or lower are all discretionary expenditures.
4. After review by Management, the summary of requests are presented to Council for explanation and discussion. Council has the ultimate authority to alter decisions made by management.
  5. Once priorities have been established, and Council is confident that the ranking process is complete, a final review of all items within 2 points of the cut-off level is

one. The intent of this final step is to ensure that all items near the cut-off point are given due consideration.

Operating Budget B Ranking Classes

<b><u>Ranking</u></b>	<b>Description</b>	<b>Keyword</b>
14	Previous Year Carryforward	Cfwd
13	Included in Base Budget	Base
12	Required by Legislation, Legal or Contract	Legal
11	Council Directive	Council
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10	Program/Expenditure B Net cost zero or net Net Rev revenue contribution	
9	Safety or liability problem	Safety
8	Essential service	Ess Serv
7	Maintain facility/current level of service	Curr Serv
6	Good management practice	Good Mgmt
5	Extend or enhance asset life	Ext Asset
4	Improve level of service	Imp Serv
3	Program benefits limited portion of population	Lmtd Popn
2	Primarily promotional in nature	Promotion
1	Non-essential	Non-Essntl

Priority Weighting of Individual Additional Requests

Most important	5
Important	4
Required	3
Desired	2
Least important	1

Adopted: March 23, 1992