

2021 BUDGET GUIDELINES

Timeline:

- > The operating budget template is **issued** on **April 27, 2020**
- > The **completed budget** package is to be **returned** to the **Finance** department on the **due date June 29, 2020**

Finance Contacts:

- > Primary: Scott Nugent Ext. 5626
- > Secondary: Karen Lyons Ext. 4575

Explaining Significant Changes

Please update your **Google Doc** to provide **explanations regarding significant changes** in planned spending. An explanation is required where your **2021 budget has a CAGR greater than 2.5% in comparison to 2019 actuals and the change is greater than \$25k**. These explanations help explain significant changes to the **Executive Committee and Board of Directors** and also keep a log to source when developing the 2022 **Cost of Service Rate Application**.

[Google Drive: Explaining Significant Changes](#)

Wage Escalations:

- The wage escalation for **union employees** has been set at **2.1%** as per collective bargaining agreement
- The wage escalation for **management employees** has been set for **2.1%** as an estimate

Base Labour Detail tab:

2021 BASE LABOUR DETAILS

- > The base labour detail tab has been prepared based on 2020 current headcount and any additional staffing as provided by you. **Please ensure** that adjustments are made for any **scheduled additions or deletions** not provided for in this template.
- > All information in the Base Labour Detail tab is **automatically updated** to the applicable **business unit tabs** (BU & Alloc)

Projections for the remainder of 2020

- > Please **complete** the column labeled "**Est Hours 2020**"
The hours entered here are used to calculate the estimated labour (non OT) for the year
For 2020, YTD hours are not being provided as the budget is being done earlier than usual to accommodate the Cost of Service, therefore please enter the total anticipated hours for each employee for the entire year

BUDGETED AMOUNTS FOR 2021

- > Budgeted pay rates **include** adjustments for **pay rate step increases** scheduled for the forthcoming year
- > Most **budgeted hours** have been set based on the **assumption** that the employee will be **working a full year**.
Please ensure that **adjustments** are made where an employee will **not be working a full year**

INDIRECT HOURS

- > Please update this area with the **estimated hours** that employees will incur for **training, inclement weather** and **other** indirect labour

BU# tabs:

- > For each BU # tab, complete the "**2020 Projection**" area **highlighted in white**
- > For each BU # tab, complete the area provided for the "**2021 Budget**" for each **non-labour object of expenditure**
- > Areas **highlighted in blue** are formula driven and **should not be overridden**
- > Please **round** to the **nearest \$100**
- > **Notes and comments within the budget package are of great assistance to all. They assist in keeping readers informed, refreshing memories and explaining significant changes. PLEASE USE THE COMMENTARY OFTEN!**

BU# Alloc tabs:

- > These tabs facilitate the **allocation** of labour to **O&M, capital, billable and/or other business units**
- > **Any labour** amounts which have **not** been **allocated** will remain as the "Net G&A labour" **expense of the business unit**
- > To allocate labour **out to other Departments/Divisions**, select **99** from the drop down list as discussed below

Presentation 8 tab:

- > The "Presentation 8" tab represents a summary schedule of all projections and budgets of individual business units tabs. This presentation **reflects** the same information as Presentation 15, but from **more of an "internal" view**

Presentation 15 tab:

- > The "Presentation 15" tab represents a summary schedule of all projections and budgets of individual business units tabs. This presentation **is the format** used to prepare the **Summary Financial Report** each month. **Please review** this schedule **before returning** the **budget** package to the Finance Department, **to ensure** that it **reflects** the **overall plan** of the department for the forthcoming year.

Object Recap

- > This is a view only tab and provides a **consolidated** look with **object detail**

Object Data tab:

- > This tab is a recap of all information recorded in the BU# tabs
- > This recap feeds the Presentation 8 tab and Presentation 15 tab discussed above. Therefore, if you are looking for details supporting lines items in the Presentation 8 or 15 tab, you can simply reference the Object Data tab and filter out your enquiry. For example, if you want to see what is included in the line item for Professional Services on the Presentation 15 tab, simply filter on "PSV - Professional Services" on "Object Category Code 15" (P5) of the Object Data tab.

If you have any questions or require assistance, please **do not hesitate to call**

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