



**Corporate Policy**

## **Budgeting for New Staff**

---

Approved by Council on: August 8, 2005

Report Number: F-38-05 (BP-19-05)

Effective: August 18, 2005

Reviewed on: December 15, 2017

Amended: n/a

Next Review: December 30, 2019

Note:

---

### **Purpose:**

To reduce the multi-year impact of hiring new staff.

### **Background**

Staffing costs at the City of Burlington equate to approximately 50.0% of the gross current budget expenditures. Historically, new positions were budgeted from their expected start date in any given year, thereby resulting in an annualization impact in the subsequent year. In past years, the annualization impact has been significant. The order of magnitude of the second year was entirely dependent upon the planned start date of the position in year one (i.e. the later the position started in year 1, the greater the annualization impact in year 2).

### **Policy Statement:**

#### **Budgeting for New Staff**

To mitigate the annualization impact of new staffing decisions, all new positions will be budgeted for the full year (effective Jan 1) cost of salary & benefits at 90% of the job rate they expect the position to be recruited at.

# Corporate Policy

## **Favourable Variance**

Full-year budgeting for positions that won't be filled until sometime after Council approval will generate a favourable variance. This one-time variance will be audited internally and reported on as part of the Current Budget Performance reports and the Annual Retained Savings report.

## **Scope:**

All new staff positions.

## **Roles:**

### **Accountable:**

Manager of Budgets and Policy is answerable for the timely review, updating and dissemination of the policy in the functional area.

### **Responsible:**

Financial Analysts perform the work to achieve the task.