

2019 AUMA Above and Beyond Award Nomination Information

- 1. Describe how the nominee has championed and exemplified the concept and principles of municipal sustainability planning within the community or municipal organization.**

Regional Municipality of Wood Buffalo (RMWB) Chief Administrative Officer (CAO) Annette Antoniak, who joined the organization in late 2016, recognized the rapidly changing economic climate in the RMWB and the challenge to organizational economic sustainability this change represented. As a result, CAO Antoniak worked with the RMWB Financial Services department to introduce a form of zero-based budgeting to the organization for the 2017 budget. The zero-based budgeting approach is a comprehensive method to manage a budget and is an effective tool in assisting a municipality in making decisions regarding the quantity and quality of its programs and services. This approach also measures the efficiency of Municipal plans which leads to fiscal sustainability.

Zero-based budgeting allows the Municipality to review the entire organization and its operations. Every function is analyzed and justified starting from zero dollars. Departments and leaders comb through every function in the organization, analyzing needs and costs and justifying every expense. This exercise helps identify where reductions can be made, and processes streamlined. All departmental budgets are examined to see how each function contributes to the region's needs in the upcoming budget period. This approach also helps to assess the efficiency and effectiveness of services while allowing opportunities to make improvements.

There are drawbacks to the use of zero-based budgeting, as it is labour intensive and the amount of required information and documentation can be overwhelming. This budgeting method also requires a culture shift when organizations have approached their budgets in a traditional manner. Through encouragement, guidance and provision of the necessary tools and training, CAO Antoniak and the Financial Services department successfully implemented this new methodology designed to ensure fiscal responsibility and sustainability.

- 2. Provide examples of the role(s) the nominee played in implementing one or more specific initiatives that contributed to measurable progress in the economic sustainability of the municipality. What was the outcome or end-product?**

Under the leadership of CAO Antoniak, the Financial Services department undertook the mammoth task of developing the zero-based budgeting initiative, which required the tools and training necessary for organization leaders to understand and implement the new budgeting method. As with any transition, this required guidance to ensure organization leaders were supported through the changes, while ensuring their understanding of the necessity for the transition and how it would benefit both the organization and the region as an end result.

All subsequent budgets from 2017 to present are products of the zero-based budget initiative, with each year improving upon the prior year's budget realizing continued savings and efficiencies. These reductions since the introduction of zero-based budgeting showcase the commitment to a budget process not dependent on assessment growth and recognizing the changing economic climate within the Municipality. Through the lens of understanding the challenge faced by the Municipality, property tax revenue has decreased by \$148M since the 2016 budget while the need to meet the needs of the residents of the region remains.

The Municipality experienced extraordinary growth which required infrastructure – roads, wastewater plants, water treatment facilities and recreational facilities to support the growing community. Debt was used to offset the cost of supplying these amenities. With the comprehensive review of all programs and services offered by the Municipality funding a debt reduction strategy was realized that allowed the Municipality to pay off the outstanding committed drawn debt. This strategy aligns with our goal of fiscal sustainability.

3. Describe how the nominee went above and beyond what would normally be expected of them.

The development and implementation of zero-based budgeting required a consistent focus on the core principles of service delivery and fiscal responsibility while promoting the cultural shift necessary to ensure successful adoption of the innovative new budgeting methodology. This required significant work on the part of the CAO and the Financial Services team, as the zero-based budgeting method required the development of tools and training created to reflect the new budgeting strategy.

In addition to the development of tools and training, the shift in culture was perhaps the most significant element to ensure positive acceptance of zero-based budgeting. Led by the CAO and the Financial Services Department, leaders in the organization were encouraged to consider every element of their budget with an eye to fiscal responsibility and sustainability, capturing every cost efficiency while still seeking to deliver excellence in municipal services provided to residents.

The exemplary leadership, guidance, dedication and effort from the CAO and Financial Services team led to a strong commitment to the tenets of zero-based budgeting, culminating in total savings of 141.6 million since the budgeting methodology was adopted in early 2017. This commitment speaks to the vision identified in the 2018-2021 RMWB Strategic Plan of a vibrant, sustainable region we are proud to call home, while supporting the mission of delivering excellence every day.

4. Submit pictures or images that illustrate the nominee's contribution to the municipality's economic sustainability.

Attached