

# Budget Process and Consultation Plan

Audit and Finance Committee

October 16, 2013

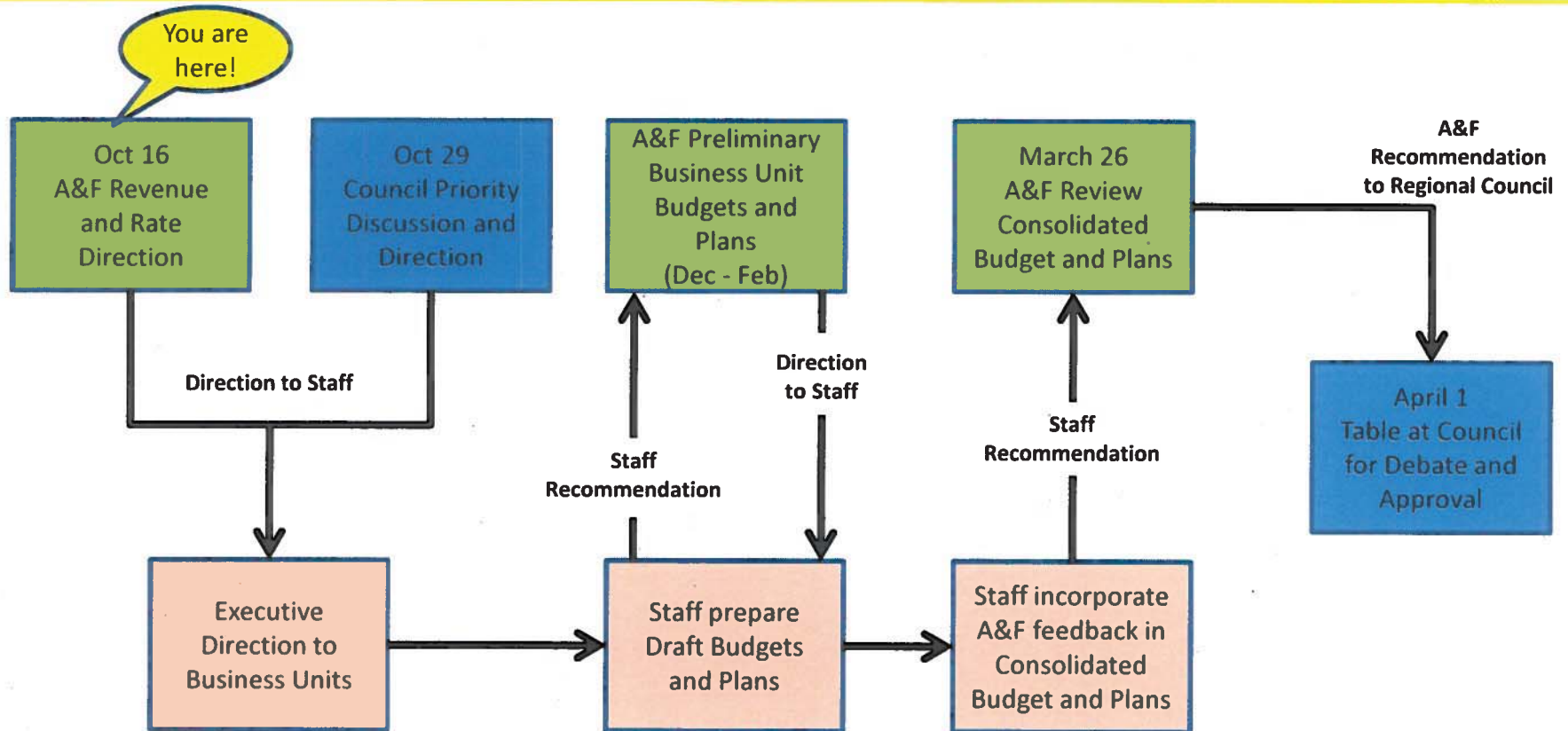


# Outline

- **Process for 2014-15**
  - Audit and Finance
- **Budget Consultations**
  - 3 Approaches
- **Financial Framework**
  - Capital, Debt
  - Long Term Outlook
- **Recommendations**



# Budget and Business Plan Development Process <assuming the process is endorsed by A&F>

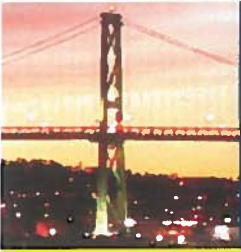




# Budget Discussions Timetable

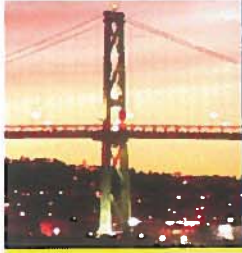
## Audit and Finance Standing Committee

<b>Subject</b>	<b>Target Date</b>
<b>Fiscal Direction and Consultation Plan</b>	<b>Oct 16</b>
<b>Capital Budget</b>	<b>Nov 20</b>
<b>Metro Transit</b>	<b>Dec 18</b>
<b>TPW</b>	<b>Jan 8</b>
<b>CRS and Library</b>	<b>Jan 15</b>
<b>Police and Fire</b>	<b>Jan 22</b>
<b>P&amp;I</b>	<b>Jan 29</b>
<b>CAO &amp; Governance, and Legal</b>	<b>Feb 5</b>
<b>HR and FICT</b>	<b>Feb 12</b>
<b>Return as Required</b>	<b>Feb 19</b>
<b>Fiscal and Consolidated Accounts</b>	<b>Feb 26</b>
<b>Draft Budget Tabled at Audit and Finance</b>	<b>March 26</b>
<b>Audit and Finance Recommendation to Regional Council</b>	<b>April 1</b>



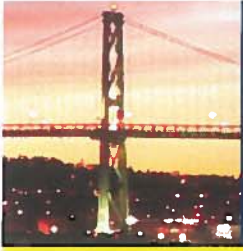
# Public Consultations

- **Three key ways to improve citizenship engagement:**
  - Community Council Presentations
  - On-line Budget Tool
  - “Open Mike” at Audit and Finance



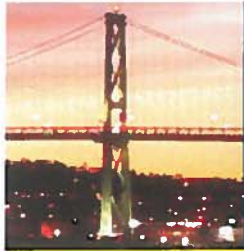
# Community Council

- **Presentations to the Public starting in November**
  - Halifax and West
  - Harbour East
  - North West
- **Event will be advertised in media.**



# On-line Budget Tool

- **Public will be able to provide input using on-line tool.**
- **Allows the public to increase/decrease certain services and see the impact on the budget and taxes.**



# Example of Web Tool

## Transport, Roads and Drainage

### ROADS & BRIDGES

- INCREASE budget and service level by 10% (**\$23.3m**)
- INCREASE budget and service level by 5% (**\$22.2m**)
- MAINTAIN current budget and service level (**\$21.2m**)
- DECREASE budget and service level by 5% (**\$20.1m**)
- DECREASE budget and service level by 10% (**\$19m**)



#### INCREASE budget and service level by 10% ✕

Increase reseal program to return to average condition of 7 within 7 Years. Road reconstructions increased to approx 0.8% of network per year. Increase program to 1.5 km of kerb and gutter per year. Increase gravel road sealing program to 2.5 km/year. Bridges maintained at current levels. Future bridge component replacement program as necessary.



## THE ALLOCATOR

Budget

**\$70.56m**

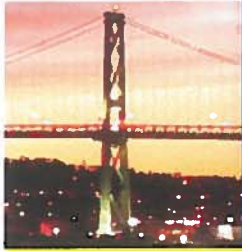
Your Spend

**\$37.98m**

Amount left to allocate

**\$32.58m**





# Services for On-Line Discussion

## **Protective Services**

- Police
- RCMP
- Fire
- Emergency Measures (EMO)

## **Community Services**

- Recreation Facilities and Programs
- Sportfields and Playgrounds
- Parks, Trails & Open Green Space
- Municipal By- Law and Compliance
- Libraries
- Culture / Heritage / Events
- Customer Service Centres & 311

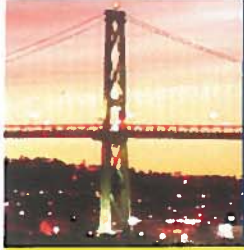
## **Infrastructure**

- Roadway Maintenance
- Streetlights
- Snow Removal and Ice Control
- Traffic Management & Right of Way
- City Beautification
- Solid Waste

## **Transit Service**

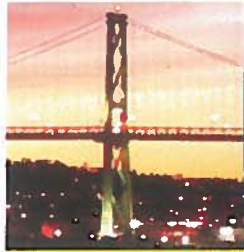
## **Property Development**

- Planning
- Development Approvals, Permits and Inspections
- Economic Development & Business Parks








# “Open Mike”

- **Dedicate time at the end of each Audit and Finance for the public.**
- **Encourage them to comment on that session’s topic.**



# Balancing Taxes and Services

## Key Economic Assumptions

	Base Year 2013-14	Year 1 2014-15	Year 2 2015-16	Year 3 2016-17	
<b>Inflation (CPI)</b>	<b>1.4%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>2.0%</b>	
<b>Income (per person)</b>	<b>\$40,034</b>	<b>\$41,181</b>	<b>\$42,585</b>	<b>\$43,851</b>	
- percentage change	2.7%	2.9%	3.4%	3.0%	
<b>Employment (000s)</b>	<b>226,000</b>	<b>230,000</b>	<b>235,000</b>	<b>238,000</b>	
<b>New Homes</b>	<b>2,900</b>	<b>2,289</b>	<b>2,431</b>	<b>2,191</b>	
- percentage change	1.6%	1.6%	1.2%	1.1%	
<b>Gross Domestic Product (GDP)</b>	<b>3.1%</b>	<b>3.8%</b>	<b>4.6%</b>	<b>5.4%</b>	

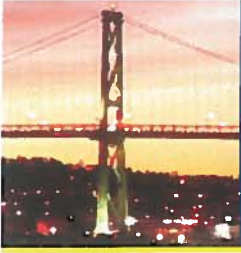
Source: Conference Board of Canada



# Balancing Taxes and Services

## Draft Working Assumptions

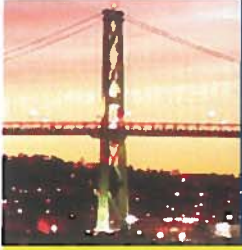
	Base Year	Year 1	Year 2	Year 3
	2013-14	2014-15	2015-16	2016-17
<b>Debt Targets (\$ millions)</b>	<b>265,200</b>	<b>261,100</b>	<b>256,300</b>	<b>251,500</b>
- per dwelling	1,422	1,379	1,338	1,298
<b>Capital from Operating</b>	<b>47,155,900</b>	<b>49,977,000</b>	<b>52,688,000</b>	<b>55,810,000</b>
- per dwelling	253	264	275	288
<b>Assessment Cap</b>	<b>1.0%</b>	<b>1.3%</b>	<b>1.2%</b>	<b>1.2%</b>
<b>Residential Tax Bill</b>	<b>1,851</b>	<b>1,874</b>	<b>1,895</b>	<b>1,916</b>
- percentage change	1.7%	1.3%	1.1%	1.1%
- as a percentage of income	1.48%	1.46%	1.43%	1.40%
<b>Commercial Tax Bill</b>	<b>42,327</b>	<b>42,860</b>	<b>43,376</b>	<b>43,909</b>
- percentage change	2.0%	1.3%	1.2%	1.2%
- as a percentage of GDP	1.08%	1.07%	1.07%	1.07%



# Balancing Taxes and Services


## Preliminary Estimate

	Base Year 2013-14	Year 1 2014-15	Year 2 2015-16	Year 3 2016-17
<b>Gross Expenditures (\$m)</b>	<b>\$694.6</b>	<b>\$729.3</b>	<b>\$753.3</b>	<b>\$761.0</b>
Revenues	-\$212.7	-\$217.6	-\$227.7	-\$216.6
Property Taxes	<u>-481.9</u>	<u>-494.4</u>	<u>-502.8</u>	<u>-513.5</u>
<b>Targeted Revenues</b>	<b>-\$694.6</b>	<b>-\$712.0</b>	<b>-\$730.5</b>	<b>-\$730.1</b>
<b>(Surplus)/Deficit</b>	<b>\$0.0</b>	<b>\$17.3</b>	<b>\$22.8</b>	<b>\$30.9</b>



# Recommendations

- **Approve**
  - Budget Schedule
  - Budget Consultations Plan
  - Preliminary fiscal direction.



# Questions and Feedback

Audit and Finance Committee

October 16, 2013

