

# PROPOSED AGENDA FOR TODAY

- 1. Clarify Direction sought from Nov. 23 COW**
- 2. Staff Presentation (by theme) of Supplementary Information requested by Council**
- 3. Additional Questions from Council**
- 4. Business Unit Overview Presentations**
- 5. Debate**
- 6. Approve/Amend/Defer Budget Framework**
- 7. Service Review/Reduction Areas for Exploration (pending approval of budget framework and time)**

# 2010/11 – FINANCIAL OUTLOOK

November 23, 2010



# Desired Outcomes

## **Council Direction on:**

- **Preparation of the 2011/12 Budget;**
- **The Budget & Business Plan Program Schedule**
- **Service Review/Reduction Exploration Areas for Fiscal Year 2012/13**

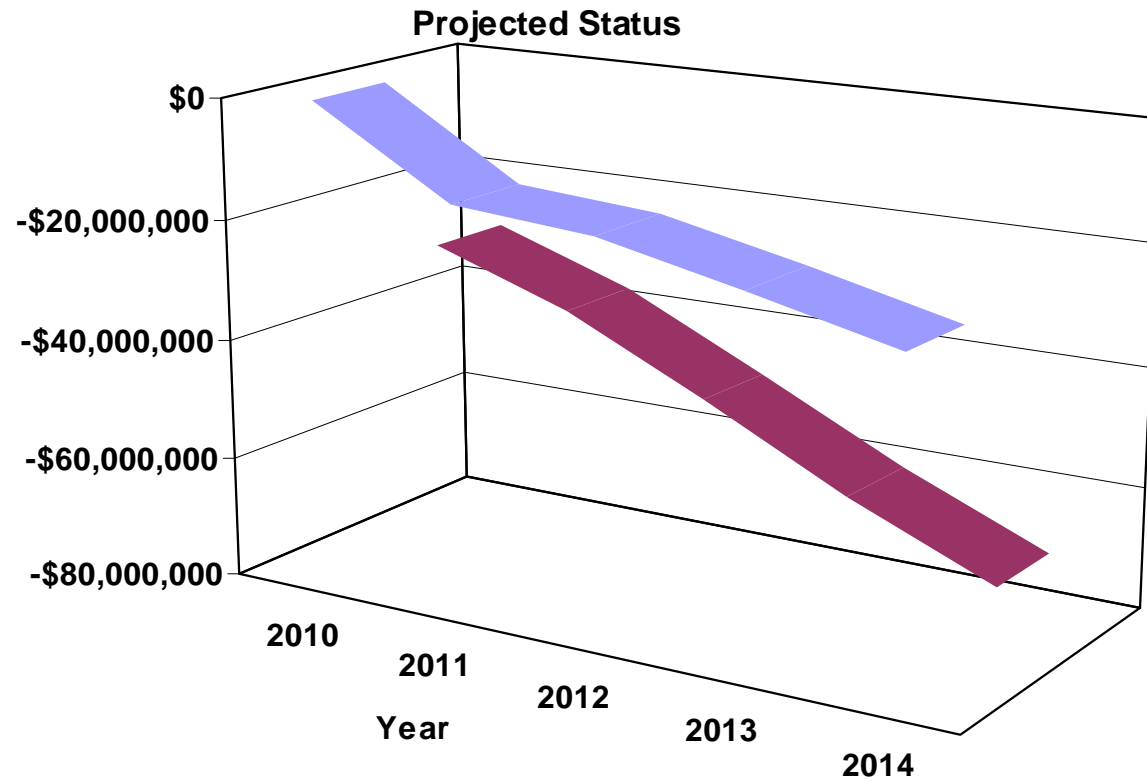
# 2011/12 CURRENT PROJECTION

- Revenues will increase by 2% or \$22 million
- Expenditures will increase by 4% or \$36 million

Current projection - imbalance of \$13.9 million (2011-12)

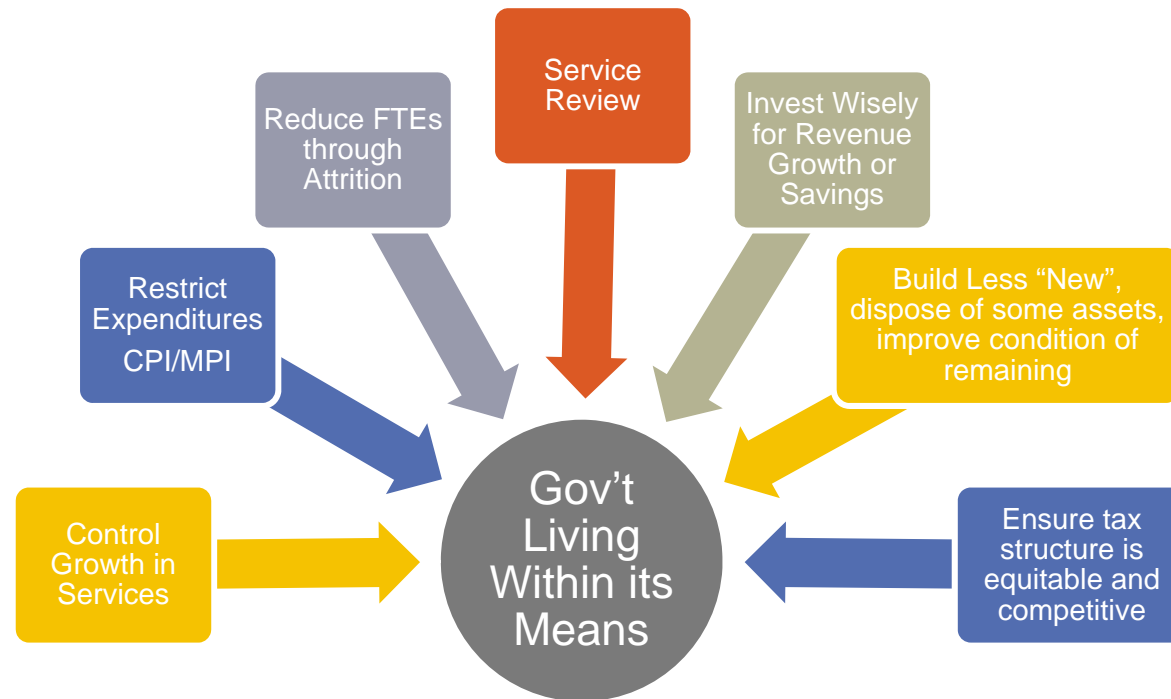
Projection for next year – imbalance of \$15.6 million

# 4 YEAR OUTLOOK



	2010	2011	2012	2013	2014
■ Current Projection	\$0.00	-\$13,921,750.66	-\$15,621,349.44	-\$20,768,631.17	-\$26,380,762.45
■ Initial Gap	-\$29,754,800.00	-\$37,989,654.59	-\$49,233,954.98	-\$61,159,961.36	-\$71,473,700.68

# SOLUTIONS



# Solutions

- Don't enhance services without increasing rates to pay for them or eliminating other services
- We can balance 2011-12. Consider two year mandate... need to approve service changes to reap savings in 2012-13. Strong mandate and resolve from Council will help administration achieve reductions
- Projects and initiatives like the Strategic Urban Partnership, and Economic Strategy renewal are key to improving our position in future.



# Recommendations 2011-12

- Tell staff to balance 2011/12 budget based on assumptions presented. Debate when tabled.
- Next year's expenditure growth must fall between CPI and MPI
- Balance the 2011/12 Budget with a minimum of \$3 M in service reductions/efficiencies, and adjust capital from operating to budget ONLY what we can spend next year
- Try to hold the general rate flat. Worst case scenario would be allowance for CPI growth.
- Engage Finance & Audit Standing Committee to enhance Council's involvement. Check in with them twice before tabling



# Recommendations 2012-13

- Complete remaining service reviews by Spring 2011
- Select next service review areas... make service review a priority and reallocate resources to support if necessary
- Service Reviews to be vetted through Finance and Audit Standing Committee of Council; but Service Review decisions must be approved by HRM Council

# 2010/11 BUDGET & BUSINESS PLAN PROGRAM

<b>Date</b>	<b>Milestone</b>
November 23 <sup>rd</sup> (today)	Budget Direction & Endorsement of the Program
December 13 <sup>th</sup> & 14 <sup>th</sup>	Budget Direction & Endorsement of the Progr
January	Commercial Tax
January	Supplementary Education Funding
Jan/Feb	Strategic Planning, Corporate Plan
February (1 <sup>st</sup> week)	Check in with Finance & Audit Standing Committee
March (mid)	Check in with Finance & Audit Standing Committee
April 5 <sup>th</sup>	Table Corporate Plan and Budget
April 12 <sup>th</sup>	Open House Sessions
April 19 <sup>th</sup>	Budget Debate

# DIRECTION SOUGHT

- 1. Endorse staff's recommendations for the 2011/12 and 2012/13 Budget Framework**
- 2. Endorse the Budget & Business Plan Program Schedule as presented**