

Halifax Regional Council
March 7, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
S. Dale MacLennan, CA, Director of Finance

DATE: February 28, 2006

SUBJECT: 2006/07 Business Planning and Budgeting Timeline Update

INFORMATION REPORT

ORIGIN

This report originates with staff.

BACKGROUND

In a November 29, 2005 report to Council, staff presented a high level Business Planning and Budgeting time line that indicated that staff anticipated tabling the Proposed 2006/07 Business Plans and Budget on March 28, 2006 with approval planned for April 18, 2006.

DISCUSSION

Due to the importance of receiving Council direction on the twelve Council focus areas and on the tax rate assumptions for budget preparation, the tabling dates have been delayed. It is important that staff understand Council direction and have an opportunity to incorporate it in the budget envelopes, thus reflecting Council direction in the 2006/07 proposed Business Plans and Budget.

On January 31, 2006, staff received direction from Council to reduce the tax rate by 5.1%. The staff report that accompanied the discussion, entitled Fiscal Framework: Update #2, advised Council that, should substantial service cuts be necessary, the preparation of the budget would require more time, and may not be finalized until late May or June 2006.

The tabling of the capital budget is now scheduled for May 2, with the operating budget to follow on May 30. Debate on both capital and operating budgets is scheduled for the first two weeks of June, with approval anticipated on June 20.

The implications of maintaining operations in the absence of an approved operating budget are minimal: the MGA does not restrict Municipal operations in the absence of an approved budget. Business Units will adhere to the 2005/06 Budget until such time as the 2006/07 Business Plans and Budget are approved. Regarding the capital budget, Council approved Advanced Capital funding on November 22, 2005 and February 14, 2006. Staff intend to return to Council no later than May 2, with an additional request for Advanced Capital approval to ensure that capital spending proceeds without barrier.

An updated time line can be found in Appendix A. It is important to be aware that this is a proposed time line only. While staff will work toward the time line as presented, there are deadlines in the process which, if not met, may cause the time line to be adjusted.

BUDGET IMPLICATIONS

There are no budget implications.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

None. Information only.

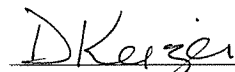
ATTACHMENTS

1. Appendix A: Time line for 2006/07 Business Planning and Budgeting Process

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Debbi McCaig, CMA, Budget Coordinator, 490-4280

Report Approved by:



Dawn Keizer, CA, Manager Budget and Financial Analysis, 490-7203

Appendix A
Time line for 2006/07 Business Planning and Budgeting Process

October 11:	Council focus areas identified
November 15 - January 10:	Series of presentations to COW on focus areas: current initiatives, issues and challenges, options to address these issues, and staff recommended options(s). Council to determine preferred options
January 4:	Final assessment roll received from Province. Staff commence working on analysis and preparation of Fiscal Framework
January 31:	Update to COW on Fiscal Framework and high level review of focus area discussions (including priority options); direction from Council regarding budget assumptions
March 7:	Update to Regional Council on the 2006/07 Business Planning and Budgeting time lines.
May 2:	Table 2006/07 Capital Budget with Regional Council *
May 30:	Table 2006/07 Business Plans and Operating Budget with Regional Council
June 5 - 16:	COW discussions related to the 2006/07 Proposed Business Plans and Capital and Operating Budgets
June 20:	Council approval of 2006/07 Business Plans and Capital and Operating Budgets

* A third Advanced Capital report will be presented to Council no later than May 2.