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Item No.
Audit & Finance Standing Committee
February 27, 2013

TO: Chair and Members of Audit & Finance Standing Committee
Original Signed

SUBMITTED BY: _____
Jane Fraser, Director of Planning & Infrastructure

DATE: January 31, 2013

SUBJECT: Planning & Infrastructure 2013/14 Preliminary Budget Presentation

ORIGIN

At the December 4, 2012, Committee of the Whole, Regional Council directed staff to present the 2013/14 draft Budget and Business Plans to the Audit and Finance Committee for review and discussion prior to consideration by Regional Council.

RECOMMENDATION

It is recommended that the Audit and Finance Committee direct staff to proceed to prepare the Planning & Infrastructure Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided through the committee discussion on February 27, 2013, for inclusion in the proposed HRM 2013/14 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2013/14 Proposed Budget, the Audit and Finance Committee is reviewing each Business Unit's high level budget and proposed plans in advance of detailed Budget and Business Plan preparation.

At the December 4, 2012, Committee of the Whole Regional Council considered their Strategic Priority Outcomes and directed staff to: *“present the 2013/14 draft Budget and Business Plans to the Audit and Finance Committee for review and discussion prior to consideration by Regional Council following the priority outcomes described in Attachment “A” having regard to the changes and additional priorities raised by Council during the course of discussion in Committee of the Whole.”*

DISCUSSION

Staff has prepared a draft Business Unit Budget and Business Plan presentation consistent with the fiscal direction received from the Audit and Finance Committee on December 19, 2012, and aligned with the Council Priorities discussed at the December 4th Committee of the Whole.

Following direction from the Audit and Finance Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2013/14 Budget and Business Plan documents to be presented to Audit and Finance Committee, as per the process and schedule endorsed by Regional Council on December 4, 2012.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2013/14. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

COMMUNITY ENGAGEMENT

None are associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Audit and Finance Standing committee can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

Planning & Infrastructure Budget & Business Plan Presentation

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Rosalyn Smith, Coordinator 490-4422

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Financial Approval by:

Greg Keefe, Director of Finance & Information Technology/CFO 490-6308



Audit and Finance Committee 13/14 Draft Budget and Business Plan

Planning & Infrastructure |

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Planning & Infrastructure Business Unit - Overview

PLANNING

- Regional Plan Review RP+5
- Centre Plan & Community Plan Development
- Functional Plan Development, Coordination & Tracking
- Transportation Demand Management, Transportation Planning

INFRASTRUCTURE

- Prepare Capital Budget and Capital Plan
- Development Charges Program
- Enterprise Asset Management Program



Planning & Infrastructure Service Areas

REAL ESTATE & LAND MANAGEMENT

- Industrial Park Development
- Acquisition & Disposal
- Leasing
- Property Portfolio Management
- 20 million +/- land transactions annually

FACILITY DEVELOPMENT

- Capital: Buildings, Parks, Playgrounds and Trails
- Service Improvement \$13.741 million
- State of Good Repair \$ 20.429 million



Planning & Infrastructure Service Areas

ENERGY & ENVIRONMENT

- Corporate lead Sustainability Projects
- Policy & Plan Development
- Performance Measurement



13/14 Priority Initiatives

Council Priority	P&I Priority Initiative	Proposed 13/14 Cost	Projected 14/15 Cost	Projected 15/16 Cost
Economic Development	RP+5 and Centre Plan			
Economic Development	Affordable Housing			
Transportation	Transportation Demand Management (TDM) CTR00908	\$0.2M	\$0.2M	\$0.2M
Transportation	Expand & Enhance Active Transportation			
	Regional Trails AT - CPX01196	\$1.05M	\$0.85M	\$0.85M
	AT Plan Implement. – CTU00420	\$1.0M	\$1.0M	\$1.2M
Economic Development	Implement Parking Strategy recommendations	\$0.65M		
Financial Stewardship	Enterprise Asset Management CID00631	\$1.1M	\$0.5M	\$0.3M



13/14 Priority Initiatives

Council Priority	P&I Priority Initiative	Proposed 13/14 Cost	Projected 14/15 Cost	Projected 15/16 Cost
Financial Stewardship	Development Charges - Transit and Transportation			
Economic Development	Cogswell St . Interchange Strategic property disposal			
Economic Development	HRM Industrial Parks Burnside CQ300743 Bayers Lake CQ300743 Land Acquisition CQ0000001	\$22.0M	\$15.0M \$8.7M	\$15.0M \$7.0M
Healthy Communities	LED Streetlights CT0000005 Conversion of HRM Streetlights	\$7.3M	\$3.3M	\$3.3M
Healthy Communities	Stormwater Management Storm Sewer Upgrades CR0000001	\$0.2M	\$1.0M	\$1.0M
Economic Development	Streetscaping Downtown CDX01182 Centre Hubs & Corridors CDV00734	\$2.28M \$1.0M	\$3.22M \$1.0M	\$2.74M \$1.0M



12/13 Operating Budget Overview

Cost Element Groups	2010-11		2011-12		2012-13		2012-13	
		Budget		Budget		Budget		Q3 Projection
Expenditures								
* Compensation and Benefits		5,962,995		7,110,870		6,708,300		6,240,698
* Office		131,095		162,264		124,700		193,358
* External Services		785,186		801,031		756,600		723,291
* Supplies		1,850		3,050		1,900		2,458
* Materials		1,500						
* Building Costs		571,400		563,700		603,100		593,180
* Equipment & Communications		10,755		158,676		155,300		87,340
* Vehicle Expense								
* Other Goods & Services		4,120,569		3,435,782		3,494,300		3,417,074
* Interdepartmental		6,100		5,453				(152,309)
* Debt Service								
* Other Fiscal		(788,393)		(832,647)		(266,100)		(332,100)
** Total		10,803,057		11,408,179		11,578,100		10,772,990
Revenues								
* Tax Revenue								
* Area Rate Revenue								
* Fee Revenues		(3,545,800)		(4,145,800)		(3,155,000)		(2,824,866)
* Other Revenue		(50,500)		(77,400)		(50,500)		(71,543)
** Total		(3,596,300)		(4,223,200)		(3,205,500)		(2,896,409)
Net Surplus/Deficit		7,206,757		7,184,979		8,372,600		7,876,581



Service Area Budget Overview

Net Planning & Infrastructure Expenses by Service Area	10/11 Budget	11/12 Budget	12/13 Budget	Q3 Projection
P&I ADMINISTRATION	406,373	410,701	388,700	399,783
PLANNING	1,607,448	2,138,521	2,203,800	1,906,567
INFRASTRUCTURE	314,872	348,078	543,300	543,300
FACILITY DEVELOPMENT	2,789,054	2,655,131	2,027,300	1,904,732
REAL ESTATE & LAND MGMT	1,474,751	774,815	2,436,100	2,412,581
ENERGY & ENVIRONMENT	614,259	857,733	773,400	709,618
Net Surplus/Deficit	7,206,757	7,184,979	8,372,600	7,876,581



Year to Year Base Comparison

12/13 Services at 13/14 Costs including Inflation, Contracts, etc.

Service Area	12/13 Budget	13/14 Cost	13/14 Proposed
P&I ADMINISTRATION	388,700	411,500	414,000
PLANNING	2,203,800	2,290,800	2,286,100
INFRASTRUCTURE	543,300	570,500	570,200
FACILITY DEVELOPMENT	2,027,300	2,152,900	2,140,400
REAL ESTATE & LAND MGMT	2,436,100	2,525,400	2,326,100
ENERGY & ENVIRONMENT	773,400	793,500	762,200
Business Unit Total	8,372,600	8,744,600	8,499,000



13/14 Cost Reduction Initiatives

Cost Reduction Initiatives	Proposed 13/14 Saving	Projected 14/15 Saving	Projected 15/16 Saving
Compensation Adjustments	-100,000		
Water Quality Monitoring Program	-35,000		
Increase Revenue	-165,000		
Total to offset Base Cost Increase	300,000		



13/14 New or Expanded Services

New or Expanded Service	Proposed 13/14 Cost	Projected 14/15 Cost	Projected 15/16 Cost	Priority Alignment
Halifax Common Master Plan	TBD			Economic Development
Solar City	Reserve Funding	Reserve Funding		Healthy Communities
District Energy (support)				Healthy Communities
Stormwater Management (support)				Healthy Communities
Community Planning Strategies Port Wallace - CD990004	\$350K			Economic Development



Questions and Discussion

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