




PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 5**

**Halifax Regional Council  
June 16, 2009**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**   
Cathie O'Toole, CGA, Director of Finance & CFO

**DATE:** June 10, 2009

**SUBJECT:** 2009 Operating and Capital Report

### **INFORMATION REPORT**

#### **ORIGIN**

On May 26, 2007 HRM Council approved the 2009/10 Operating and Capital Budget

**BACKGROUND**

On May 12, the proposed Operating and Capital Budget was tabled. The proposed Operating budget expenditure was \$711,318,000. Prior to debate, some small errata were identified and corrections were circulated on May 26, 2009

<b>Page</b>	<b>Type of Correction</b>	<b>Detail</b>
Operating - E4	Change of Assumption/New Information	FTE total was corrected
Operating - B3	Presentation Error	Correction in the number of focus areas
Capital - H5	Change in Assumption/New Information	Corrected amount to \$5,200,000 instead of \$4,000,000
Capital - A32	Spelling Error	Changed “Middle” Musquodoboit Harbour to Musquodoboit Harbour
Capital - H7/H8/I2	Change in Assumption/New Information	Updated versions of capital supplementary sheets
Capital - A8	Change in Assumption/ New Information	Added capital supplementary sheet

On the evening of May 26, 2009, Council approved the Operating Budget gross expenditure in the amount of \$703,115,900. This amount reflected the decision by HRM Council to revise the Fire Protection Rate, to enable the surplus to be eliminated. As a result, operating budget expenditures were reduced by \$8,202,094, which is a combination of the \$4,833,517 in Fire Protection surplus and a reduction of \$3,368,577 in the budget for Fire Protection.

One other small issue has been identified pertaining to the incorrect inclusion of an expenditure amount in the Transportation and Public Works operating budget. This will be corrected when the area rate budget comes to Council on June 30th, as the budget resolution will be amended at that time.

**DISCUSSION**

As part of normal quality control used in the Budget process, reviews of information are carried out at several stages of the production process. In this case, after the “Proposed” budget information is distributed, additional information is sometimes received and corrections to the content of the material is carried out prior to production of the “Final” version of the Operating and Capital Budget. Changes are made to ensure full transparency in the process.

**BUDGET IMPLICATIONS**

While the change in the Fire Protection amounts does change the operating budget, the general tax rates approved by Council on May 26, 2009 are not affected. There are no other implications to the Approved Operating, Capital or Reserve Budgets as a result of the corrections outlined in this report.

**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.

**ATTACHMENTS**

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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 : Paul Fleming, Manager, Budget and Financial Analysis, 490-7203