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Item No. 11.2.2
Halifax Regional Council
March 1, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original Signed
Councillor Gloria McCluskey, Chair, Audit and Finance Standing
Committee

DATE: February 17, 2011

SUBJECT: 2011/12 Budget and Business Planning Process

ORIGIN

The February 9, 2011 Audit and Finance Standing Committee meeting.

RECOMMENDATION

It is recommended that Halifax Regional Council direct staff to work toward a hybrid model for the 2011/12 Budget and Business Planning process that would include informal Business Unit presentations for the Operating Budget and an Open House format for the Project (capital) Budget.

BACKGROUND

At the February 8, 2011 Regional Council session, staff proposed that the Audit and Finance Standing Committee review the method for the 2011/12 Budget and Business Planning process. The Audit and Finance Standing Committee considered the budget and business planning process at their February 9, 2011 meeting.

DISCUSSION

Following discussion of past budget and business planning presentations, the Audit and Finance Standing Committee agreed that the process should include sufficient time for Councillors to review the proposed budget following tabling as well as an opportunity to engage staff to gather additional information. It was determined that, following the initial review period, informal Business Unit presentations for the Operating Budget be held in Halifax Hall with all of Council invited to attend, and; an Open House format for the Project Budget discussions would be the most beneficial formats.

It is envisioned the Business Unit presentations would include high level information on the services provided by the business unit, number of staff, risks and opportunities for the business unit, and gross and net budget information on revenues and expenses.

The open house format for the Project Budget works well for logistical purposes and is more time efficient as Councillors are able to approach staff without waiting perhaps an hour at Council for their turn to speak. Staff addressed the concern that all of Council may not be aware of what questions / concerns each Councillor may raise by advising that staff capture the questions asked during the sessions and provide that information to all of Council. The open house format also works well from staff's perspective as four or five staff persons could be brought in per Business Unit which would enable the Business Unit to assist four or five Councillors with twenty-five to thirty questions being responded to at the same time. Any questions not able to be answered at that time would be recorded and a response provided to all Councillors.

The target date for tabling of the proposed budget and business plans is April 5, 2011. The open house, and business unit presentations for the operating budget would occur after the Councillors have had a chance to review the budget and business planning materials, and serve as an important step in the process to inform and prepare Councillors for the actual budget debate, which is scheduled to begin on April 19, 2011 following the 2 week review period; and be conducted as per the same process as previous years commencing with a motion, any amendments occurring by motion, and in accordance with the Multi-Year Financial Strategy following the double-entry principle. Any items added to the budget must be funded through a corresponding reduction elsewhere, or through an increase in revenues. Also, consistent with prior years, Council can add items to a "parking lot" for additional consideration.

It is important to note that the schedule to debate and approve the budget is owned by HRM Council. One item of discussion by the Audit and Finance Committee was the need to ensure Council has sufficient time and is not rushed. The process and schedule being proposed recognizes that Council will control the timeline; and staff will schedule additional days for budget debate as required.

BUDGET IMPLICATIONS

None.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

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

COMMUNITY ENGAGEMENT

None.

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.

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