



2008/09

HRM Budget & Business Planning

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Presentation to
Halifax Regional Council
2008/2009 Budget & Business Planning
February 19, 2008**

INTRODUCTION

Good morning Your Worship and Councillors, and welcome to our initial presentation regarding the 2008/09 Budget and Business Planning process.

I want to emphasize that our presentation today is not a proposed Budget for the coming fiscal year. We simply want to know whether we are heading in the right direction so far, and to seek Council's direction on a number of options that will be presented this morning as we move along the Budget path.

Before we talk about where we must be heading in preparing the new budget, and how Council wants us to get there, I would like to take a minute or two to remind you of just how far we have come during this Council's mandate in the past three-and-a-half years.

ACCOMPLISHMENTS TO DATE

HRM as a relatively young municipality has reached a number of significant milestones during the past few years that have taken strong focus, courage and vision on the part of Council. The decisions were not easy, and not every one in the community agreed, but Council can proudly

say there were ample opportunities for our citizens to come forward and express their views.

Decisions that affect others are always difficult, but Council charted the course on which it believed our community should be moving, and held fast to its principles, and its aims during many a public debate.

In the end, you accomplished your goals and I believe our community is better for it. We have H-R-M's first Regional Plan and staff is now working on the many functional plans that will flow from it. Council has over the past few years adopted an Economic Strategy, an Immigration Action Plan, a Cultural Strategy and a Gateway Action Plan.

As well, during the past few years, we have seen the tangible signs of implementing our \$333 million Harbour Solutions Project, which will be the largest clean-up of a saltwater body in Canada when it is completed next year.

We've already officially opened the Halifax wastewater treatment plant and in the coming months, we'll see the commissioning of the Dartmouth and Herring Cove plants.

During the past year, we have seen the successful merger of the Halifax Water Commission and HRM's Underground Services. We've carried out a timely review of the role and responsibilities of the Greater Halifax Partnership, as well as overseen its merger with the former Halifax Regional Development Agency.

CURRENT FOCUS

In addition to what Council has already accomplished, we have a significant number of other major projects underway now that will further enhance our community as a great place to live, learn, work and play. Just to name a few:

- The Tax Reform project
- HRM By Design
- Improvements in Planning and Development approval process
- The Community Facilities Master Plan
- The Major Events Hosting Strategy
- Community Visioning
- HRM Youth Strategy
- The development of HRM's own Municipal Charter

These are things Council told us are important and that they would like done. In the coming months, we'll be seeking Council's approval and support on the plans to implement these strategies – implementation is key.

In addition, we are working with the other levels of government on our plans to host the 2011 Canada Winter Games. I believe that HRM's relationships with the federal and provincial governments have improved greatly during Council's term, thanks to the Governmental Relations Plan that you approved. I am confident we'll see even stronger ties in the coming years.

At this time, I would like to take this opportunity to extend our sincere thanks to the Mayor and Council on behalf of HRM staff. As a result of our Council Focus Area process, you've provided us with clear direction on what you—as the elected representatives of the people—believe are the priorities in our community. This helps us to align the appropriate policies and programs, as well as dedicate the financial and other resources required, to see that those needs of the community are met each year.

2008/09 CONSIDERATIONS

As you know, many pieces go into building a good Business Plan and Budget. By Council setting the priorities, we are better able to separate the “needs” from the “wants” in the coming fiscal year.

For the first time this year, we'll be including a detailed presentation on our aging infrastructure and asset needs in the overall Business Plan and Budget process.

Like all other municipalities in Canada, we have infrastructure that needs to be replaced and modernized. In addition, we have a growing population that is demanding greater access to our services.

Unfortunately, there is only a finite amount of money to go around, that's why it is so important that Council sets the priorities and continues to make the difficult decisions.

Over the next hour or so, staff will provide a summary of the information that has been gathered so far in the planning cycle. We will then look for direction from Council on some of the assumptions we need to build the proposed annual Budget and Business plan to be tabled in early April.

As I said at the beginning, there is no proposed budget at this point. Council asked for changes in the process this year and late last year, staff presented and sought Council's approval of the changes which you will see today.

Four hours has been allowed for the presentations and questions. It seems like a lot of time but there is much to cover and we need your direction in order to complete the proposed budget in the way you want, and in time to meet the April 1 time line.

SAFER, STRONGER, BETTER. PLANNING FOR NOW AND FOR THE FUTURE

Our theme this year, is “Safer, stronger, better. Planning for now and for the future”.

To achieve this, we must follow our approved long term plans and focus our attention on strengthening our base, our foundation – our people and our assets.

You will see from the presentation on our assets, their condition is of great concern and investment is needed now. This is not new information for you, but this year you asked us to be clear and provide you with the best balance between investing in our existing infrastructure & new assets. This is a difficult choice, and I urge you to continue with the courage you have demonstrated on other difficult matters, to achieve the appropriate balance.

Our staff are our most important resource and we face the same challenges as other employers as we struggle to attract and retain talent in a competitive job market. Not unlike our infrastructure, we have not made the kind of investments we should have in our people. Progress has been made, including: some changes through collective bargaining, a request to the Province for changes to the Pension plan and a modest increase in compensation. This unfortunately is just a first step, on our journey to becoming an employer of choice.

Our people are our greatest asset and it will take a long term commitment to making the kind of investment that is required to ensure we are more competitive. But, make no mistake - it is not just about money. It is about opportunities for training and advancement, it is about feeling your contribution is valued, and it is about being part of a team working towards clear and achievable goals.

IN CONCLUSION

Where we invest in our existing assets and people, we continue to better serve our communities. We must be wise about how we deliver services and ensure their success. Making the service commitment is the easy part. The challenge is providing the resources to meet our service commitment or making the tough decisions to reduce service standards, if adequate resources are not available. As an organization we have reached the point where the service commitment can not be maintained without further investment. We will be looking for your direction in this area.

We must be strategic as we invest in new assets and programs – they must be consistent with the strategies laid out by Council if they are to take us into the future.

Safer, stronger, better -
Planning for now and for the future.

Halifax Regional Municipality's budget and business plan is scheduled to be tabled with Regional Council on April 1, 2008.

For further up to date information on HRM's Budget and Business Planning Process, please go to

<http://www.halifax.ca/budget/index.html>

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