

**HALIFAX**

# **Third Quarter Report**

Presentation to Audit and  
Finance Standing Committee

February 19, 2020

# General Rate Surplus

- Projected surplus of \$16.2m primarily due to:
  - Decrease in salaries and benefits of \$7.1m. Net surplus of \$7.1m represents 1.8% of total compensation.
  - Increase in deed transfer taxes of \$16.0m offset by built-in contingency of \$3.0m.
  - Increase in investment income mainly due to new investment policy \$1.8m.
  - Increased Halifax Transit fare revenue of \$1.3m due to increased ridership and new fare strategy
  - Increase in winter snow and ice removal costs \$1.2m as new contracts are greater than budgeted.
  - Decrease in realized parking ticket revenue of \$1.5m due to delays in recruitment, partially offset by decreased compensation and delayed training costs.
  - Increased costs associated with storm damage from Hurricane Dorian \$3.1m.
  - Increase in costs related to building maintenance \$1.2m.

# Risks and Opportunities

- We monitor other items that may affect our projections going forward:

## Risks:

- The impacts of winter-related weather conditions
- Commodity costs (fuel, diesel, salt, etc.)
- Decreasing parking revenue

## Opportunities:

- General contingency reserve available balance of \$5.2m.

# Councillors' Funds

- District Capital Funds
  - Of the total budget of \$3.0m, \$2.4m has been spent or committed leaving \$0.6m available.
- District Activity Funds
  - Of the \$72.0k budget, \$46.3k has been spent or committed leaving \$25.7k available.

# Recreation Area Rates

- There are 21 Recreation Area Rate Accounts.
- The surplus in these accounts at April 1, 2019 was \$1.5m.
- Revenue of \$0.7m has been earned and \$0.6m has been spent.
- The surplus at December 31, 2019 is \$1.5m.

# Reserves

- HRM's reserves opening balance at April 1, 2019 was \$240.2m.
- To date \$93.4m has been transferred into reserves and \$83.8m has been transferred out of reserves.
- The balance in reserves at December 31, 2019 is \$249.7m.
- Pending revenue is \$60.5m and pending expenditures are \$127.0m.
- Projected available balance in reserves at March 31, 2020 is \$183.2m.

# Aged Accounts Receivable

Property Taxes	\$	24.7m
Local Improvement Charges		9.3m
Payments-in-Lieu of Taxes		6.4m
General Revenue		3.6m
<b>Total Gross Accounts Receivable</b>	\$	<u><u>44.0m</u></u>

# Capital Projection Summary

Net Budget available before expenditures, December 31, 2019	\$ 320.3m
Spent by December 31, 2019	\$ 123.1m
Projected expenditures by March 31, 2020	\$ 175.0m
Projected Carry Forward to 2020-21	\$ 145.3m



# Hospitality Expenses

- For the three-month period ended December 31, 2019, hospitality expenditures were \$28.4k.
- Hospitality expenses are: Expenses incurred while hosting individuals from outside the municipal government for reasons of diplomacy, protocol, business development or promotional advocacy. Examples include: gifts, receptions, ceremonies, conferences, performances or other group events.

# Expenses for Reportable Individuals

Name	Local Travel	Out of Town Travel	Development/ Training	Meals & Other Miscellaneous Expenses	Total
Mayor Mike Savage	588	3,279	-	938	4,805
Councillor Steve Streach	2,045	-	-	62	2,107
Councillor David Hendsbee	1,880	-	-	-	1,880
Councillor Bill Karsten	-	-	-	-	-
Councillor Lorelei Nicoll	383	504	-	-	887
Councillor Sam Austin	-	-	-	-	-
Deputy Mayor Tony Mancini	155	1,181	461	-	1,796
Councillor Wayne Mason	-	-	-	-	-
Councillor Lindell Smith	100	-	-	-	100
Councillor Shawn Cleary	-	-	-	-	-
Councillor Russell Walker	-	1,504	-	-	1,504
Councillor Steve Adams	3,911	-	-	-	3,911
Councillor Richard Zurawski	1,708	100	-	-	1,808
Councillor Matt Witman	1,040	-	-	-	1,040
Councillor Lisa Blackburn	1,598	-	-	-	1,598
Councillor Paul Russell	740	-	-	-	740
Councillor Tim Outhit	-	-	-	-	-
Jacques Dubé, CAO	25	1,617	566	1,194	3,402
<b>Total</b>	<b>14,174</b>	<b>8,184</b>	<b>1,026</b>	<b>2,194</b>	<b>25,578</b>