

2008
annual REPORT
HALIFAX REGIONAL MUNICIPALITY: SERVING THE NEEDS OF OUR NEIGHBOURHOODS



Halifax Regional Municipality is one of the best-managed and most liveable municipalities in Canada. We strive to provide the best quality of life in a healthy, sustainable, vibrant community at work, play and everyday. Our incomparable culture, contrasting scenery, alluring coastal villages and the world’s second largest natural ice-free harbour are just some of the many valued characteristics that make HRM such a vital and dynamic place to call home.

In 1996, Halifax, Dartmouth, Bedford and Halifax County amalgamated, forming the rich mosaic that is today’s Halifax Regional Municipality (HRM). HRM is home to approximately 380,000 people and encompasses a land mass larger than the province of Prince Edward Island.

HRM’s citizens are served by 23 Councillors, each representing one District, and by one Mayor, who is elected at large. The municipality is structured under a Council/Chief Administrative Officer governance model. The CAO is responsible for the provision of advice to Council, implementation of policies and programs and the overall administration of the organization.

With 380,000 people, HRM is 42 per cent of Nova Scotia’s population, and 17 per cent of Atlantic Canada’s. HRM serves as the capital hub of Atlantic Canada, helping over 3.5 million passengers annually through Halifax Stanfield International Airport. The airport is served by 19 airlines offering 680 weekly flights to 41 domestic and international destinations. Halifax Stanfield is the only airport in Atlantic Canada to offer Canada Customs services on a 24-hour, seven-days-a-week basis, and U.S. pre-clearance. The Halifax Port Authority is the preferred connection to Europe, the Mediterranean, the Middle East and Southeast Asia. It’s a North American gateway to the northeastern United States, Atlantic Canada and beyond. Both contribute greatly to HRM’s sustained economic growth.

HRM has six degree-granting universities and three campuses of the Nova Scotia community college, which contribute greatly to the strength of our communities by their cultures, their purposes and their very presence.

An international leader in environmental sustainability, we continue to provide and promote a healthy and vibrant community through our waste management strategies, harbour clean-up, pollution prevention initiatives, pesticide By-law and numerous environmental events, endeavours and partnerships.

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Photo: Gerry Vrbensky

MAYOR'S message



Looking back over the preceding 12 months, I'm greatly encouraged by the gathering momentum of numerous innovative initiatives undertaken by Halifax Regional Municipality. I'm also heartened by the ongoing commitment of Council, staff, citizens, and volunteers in making our neighbourhoods safe, connected, quality places in which to live and work.

In the fall of 2008, the final report from the Mayor's Roundtable on Violence and Public Safety was completed. Council directed Halifax Regional Police to develop an action plan and identify appropriate strategies to address the report's 64 recommendations. The police presented the action plan to council in February and it was approved unanimously.

The next stage of this important process is already in motion. Regional police Superintendent Don Spicer has been appointed the municipality's Public Safety Officer to implement the recommendations of the Mayor's Roundtable Report.

Halifax Regional Municipality is growing and we have to be ready to seize the opportunities this presents to us. By the year 2020, our population is expected to be more than 425,000, an increase of at least 20,000. In light of this, we need a growth plan which respects our traditions, pays homage to our heritage and heeds our natural beauty and environment. HRMbyDesign does just that. This plan represents more than two years of detailed planning work, public meetings, and consultation with thousands of citizens. It was a remarkable effort spearheaded by the Urban Design Task Force, a committee of council made up of 14 citizens and three councillors.

Council approved the HRMbyDesign downtown plan in June 2009, at which point it became the new development approval process for downtown Halifax. The plan is based on clear, predictable policies and regulations that govern maximum building heights, design, building materials and overall streetscape.

For the first time, development in downtown Halifax will be subject to review by a citizen-based Design Review Committee to ensure that every proposed new building makes a positive contribution to the overall look and feel of the urban core.

Geographically, our municipality is Canada's largest, covering more than 5,600 square kilometres. Unlike many other urbanized municipalities, we have a large rural area, something that presents unique challenges in the delivery of fair and equitable services. We view each of these challenges as an opportunity for innovation and creativity.

Those of us who live in HRM already know how blessed we are to call this home. This year, HRM ranked first in the medium-sized cities category and fifth overall in the country on the Corporate Knights Magazine Most Sustainable Cities in Canada list. In 2008, HRM placed second in the medium-sized cities category and fifth overall.

The Halifax Region is the economic capital of Atlantic Canada which is both strong and diverse. We continue to be one of the top three ports in Canada in terms of traffic as well as the regional centre for government, military, post-secondary education, research and development, medical and health services and the financial and business community.

Our economic diversity is helping us weather the tough economic conditions facing our region, the nation and the world.

I invite you take time to read our report for 2008-2009 because it highlights the hard work and dedication I so admire from all our HRM staff, citizens and volunteers. Working together, we make HRM a wonderful place to call home.

To my fellow residents, I am honoured to serve as your mayor and I value and welcome your feedback, suggestions and participation. Here's how you can reach me:

by e-mail at kellyp@halifax.ca

by phone at 490-4010

or by mail at PO Box 1749

Halifax, NS B3J 3A5

Respectfully, I remain


Peter Kelly
Mayor

message from the CAO



The year 2008 was a busy and productive one at HRM, and 2009 to date, has been just as interesting

as we continue to work hard to make HRM one of the best places to live in Canada. We have a lot to be proud of, as this report highlights, and should celebrate our many successes and look forward to achieving many more in the coming years.

Looking back over the past year, many of HRM's projects have had a significant positive impact on our community. Construction has begun on our state-of-the-art Mainland Common Centre which will serve as a primary venue for the 2011 Canada Winter Games; Metro Transit began installing security cameras in buses for the safety of drivers and passengers in early 2009; and, HRM started a Youth Advocate Program designed to prevent youth from engaging in criminal behaviour by providing support for healthy, constructive decision-making.

As Chief Administrative Officer, I have the distinct honour and pleasure to help guide a vision for our community that will serve us well into the future.

As with all successful organizations, it's the people that make it work. The commitment and dedication of Halifax Regional Council, staff, and residents, gives us the motivation and spirit that makes HRM a community where people love to live, work, learn, play and do business.

Meeting the needs, demands and expectations of residents can be a daunting task. With the state of the economic climate during the past year, focusing our objectives has never been more imperative.

Through the Council Focus Areas (CFA) we are better able to target our limited resources and better manage the needs of the residents we serve. This report to the community is based on those areas of focus that Halifax Regional Council determined to be top priority for our municipality in 2008. They included Community Development, Public Safety, Infrastructure and Tax Reform.

The Good Neighbours, Great Neighbourhoods brand continues to guide the organization's approach in rolling out the many diverse initiatives that involve getting to know our communities, engaging our citizens, and seeing the



quality of our neighbourhoods improve through

collaboration. I'm encouraged by the support and collaboration I've seen from these initiatives and am very inspired by the momentum of Good Neighbours, Great Neighbourhoods. I look forward to future partnerships as the brand grows and we move forward.

The Conference Board of Canada has designated HRM the "hub city" for Atlantic Canada - the only regional hub city in all of Canada. A hub city is the economic engine for the region, acting as a growth locomotive, and when it does well, the entire region also benefits. With a strong, stable and diversified economy, HRM provides over 46 per cent of Nova Scotia's GDP, and 20 per cent of Atlantic Canada's.

We have made tremendous headway in these past years, and we can expect to achieve even better things for HRM and its citizens in the year ahead. Everyone who works at HRM deserves our praise for their tremendous effort to help us reach our goals.

Dan English
Chief Administrative Officer





Halifax Regional Council

Front row (l to r) — Councillors: Mary Wile, Jerry Blumenthal, Linda Mosher, Sue Uteck, Mayor Peter Kelly, Councillors: Gloria McCluskey, Barry Dalrymple, Debbie Hum

Middle row (l to r) — Councillors: Russell Walker, Bill Karsten, Jim Smith, Jennifer Watts, Dawn Sloane, Tim Outhit, Peter Lund, Reg Rankin, Bob Harvey, Jackie Barkhouse, Lorelei Nicoll

Back row (l to r) — Deputy Mayor David Hendsbee, Councillors: Brad Johns, Steve Streach, Stephen Adams, Andrew Younger

COUNCIL focus areas

Regional Council is focused on the issues that reflect the values of citizens and HRM's vision to be a vibrant, caring and connected community. The focus areas articulate Council's direction to the administration on where to apply additional effort and resources in striving to achieve the vision.

Community Development

Regional Plan Implementation - Community Visioning

Community Visioning is an approach to engaging local citizens in determining a long-term vision for their communities. It is an important step towards implementing the 2006 Regional Plan at the community level.

Community Visioning began with the communities of Bedford Waterfront, Musquodoboit Harbour, and Fall River.



Based on the success of the pilot in 2006, a multi-year program commenced in 2008 which included the communities of the Penhorn area of Dartmouth, Middle Sackville and Spryfield.

Community Liaison Groups began training in September 2008, and then began the design and implementation of detailed plans for their communities.

HRMbyDesign

HRMbyDesign is a key element of the Regional Plan adopted by council in 2006. Among the many objectives of the Regional Plan was the revitalization of the downtown core. The last major public



consultation on the draft plan was completed in April 2008. Considerable public input was received during that process.

Legislation to enable implementation of the plan was before the provincial legislature and received final approval in November, 2008.

In June 2009, council approved the HRMbyDesign downtown plan. The new development approval process in downtown Halifax, which replaces the current development agreement process, is based on clear and predictable policies and regulations that govern maximum building heights, design, building materials, and overall streetscape.

HRM's Youth Advocate Program

On June 12, 2008, Mayor Peter Kelly and Police Chief Frank Beazley officially launched the Youth Advocate Program, an initiative designed to prevent youth aged nine to 14 from engaging in gang-related activities, anti-social and criminal behaviours. The program received funding from the National Crime Prevention Centre in the amount of \$1.9 million dollars over four years, while Halifax Regional Municipality matched those funds with in kind support.

Youth Advocate Workers from each of six pilot communities were hired and trained to accept referrals into the program in May 2008. Pilot Communities included:

- Bayers Rd. / Fairview
- Spryfield
- Woodside / Gaston Rd.
- East Dartmouth
- North Dartmouth
- Uniacke Square and surrounding areas

Six communities experiencing gang issues were assigned their own Youth Advocate Worker who works with at-risk youth, their families and the community to reduce risk factors that make youth vulnerable to gangs and increase positive factors that support youth in healthy, constructive decision making.



Community Art Mural Project

One of the best ways to deter vandals from applying graffiti is to strategically place murals in areas that will beautify a community. Generally, a mural will not be touched by graffiti vandals. HRM hired local artists to beautify communities by painting murals on walls, power

boxes, and other areas which are hit by graffiti. There is a new mural gallery on HRM's website so people can see this extraordinary work popping up across HRM: <http://www.halifax.ca/corporate/Graffiti/MuralGallery.html>

In addition, youth gained a greater awareness about the harmful effects of graffiti vandalism while increasing their sense of civic pride and their understanding and contribution to community beautification. The 2008 anti-graffiti projects involved LeBrun Centre in Bedford, Woodside Community Centre, Tallahassee Community Centre, and Beazley Field Stadium seating.

Youth Art Restorative Justice Program

HRM partnered with Community Justice to provide a 20-hour program to youth who have been charged with graffiti vandalism. It's called the Youth Art Restorative Program and it encourages youth to create a piece of public art in their community and then design a promotional piece aimed to educate youth and the public about the graffiti issue. The program also enhances a sense of civic pride by having youth invest time into their community and design material with the public's enjoyment in mind. Approximately 20 youth were engaged through this program in 2008.

Traffic Control Painting Program

Twenty artists have participated in the painting of a series of HRM traffic boxes that have recently been replaced. The program focuses on enhancing community beautification through art, increased investment and support to local artists and the prevention of graffiti vandalism through art.

Good Neighbours, Great Neighbourhoods

Good Neighbours, Great Neighbourhoods (GNGN) serves as an “umbrella” brand, tying together the many HRM initiatives that share the common goal of creating great neighbourhoods under one theme.



HRM launched this civic pride campaign in May 2008 recognizing and celebrating residents who make a

difference and inspiring others to follow suit. Since the launch, the good neighbour movement has grown and the goodwill continues to spread. Residents, non-profits, businesses, Regional Council, and HRM staff have embraced the initiative, understanding that making HRM a welcoming, safe, and vibrant community involves supporting one another in our efforts. When HRM received a “5 bloom rating” from Communities in Bloom this year, GNGN received a special national mention for its commitment to fostering civic pride.



The website, www.myhrm.ca, encourages neighbours to share their good neighbour stories, highlights volunteer opportunities and gives neighbours a forum to share tips, ideas, thoughts and resources. A Neighbourhood Toolkit has been developed as a “how to” guide for popular neighbourhood activities such as organizing a neighbourhood clean-up, planning a block party and starting a neighbourhood association.

The long-term goal of HRM’s GNGN initiative is that residents and visitors alike will come to realize that being neighbourly and caring about the environment is “simply the way people do things here.”

Immigration Plan

HRM developed a newcomers web page, a welcoming communities poster and information cards that were distributed to customer service centres. The Province granted \$10,000 to create a welcoming guide which was designed in the fall of 2008 and distributed in the spring of 2009. The guide provides an introduction to life in Halifax Regional Municipality to new, permanent residents. It is also useful to those considering a move to HRM from other parts of the country or world.

Public Safety

HRM continued to enhance public safety by hiring police officers, in support of crime reduction strategies. In 2008, with assistance from the Province, HRM funded 32 new uniformed police officers — 24 for Halifax Regional Police and eight for RCMP. Together, HRP and RCMP have implemented crime reduction strategies such as a foot/bicycle patrol strategy in the downtown core of Halifax and expanded Quick Response Units in the rest of their service areas, while the RCMP has formed a 10-member Street Crime Team. Such strategies have resulted in a downward trend in violent crime rates, quicker response times and an overall satisfaction with police at 82 per cent according to a Corporate Research survey conducted in second quarter, 2008.



In partnership with the NS Department of Justice, NS Department of Community Services, HRM and HRP, the HRM Safer and Stronger Communities committee has been created. The purpose of this committee is to ensure a better-coordinated response to community safety concerns in the short and long-term, and to foster better working relationships between business units and various levels of government. This will compliment recommendations from the Mayor's Roundtable report, the NS Crime Prevention Strategy, the NS Alcohol Strategy and the NS Poverty Strategy.

The RCMP provide policing services to the provinces, territories and municipalities under contract with the federal government. The current Provincial Police Services Agreement was negotiated in 1992 and expires March 31, 2012. New contracts will be in place by April 1, 2012. A Police Resourcing Study was conducted in 2008 by Perivale and Taylor on behalf of the Halifax Board of Police Commissioners, which identifies ways to pursue alternative funding arrangements



and policing models that will maximize available resources once the contract expires in 2012. It is expected the Board of Police Commissioners will make recommendations to Regional Council in the spring of 2010 after all options have been examined.

Work continued with the Province through the Office of the Fire Marshal to address the challenges of recruiting and retaining volunteer firefighters. Meetings concluded with all stakeholders across the province and a report is being drafted along with the development of a standard recruitment package for volunteers. In addition, sixteen firefighters were hired in October 2008.

A comprehensive review of existing and new fire stations for future planning and alignment with the Regional Plan was initiated, and a review of existing responses and response protocols took place.

Infrastructure

The official ground-breaking for the Mainland Common Centre was held on December 17, 2008. Federal Minister Peter MacKay, Provincial Minister Barry Barnett and Mayor Peter Kelly were on hand to “turn the sod”. Over 150 people braved the weather to mark this milestone.



In addition to HRM's contribution, federal and provincial funding for the Mainland Common Centre was provided through the Building Canada Fund. The state-of-the-art centre will include competitive and warm-up

pools, and a field house with hard-court gymnasium space, and a 200-metre indoor track.

The Dartmouth East Community Centre (DECC) and the Gordon R. Snow Community Centre (GRSCC) hosted grand openings in the fall of 2008. The DECC is the most environmentally friendly HRM facility to open to date and includes geothermal heating and cooling, a green roof and specialized lighting controls. It will be home to the Boys and Girls Club of East Dartmouth, an HRP community office and other community organizations. The GRSCC combines a new community centre and a new fire station for the Fall River/Waverley area.

Work is underway for the development of a multi-purpose community centre in the Prospect Road area. The facility will be 22,720 square feet and include a full-sized gymnasium, multi-purpose programming space, fitness room, arts and cultural room, meeting rooms and kitchen. This project will meet or exceed “LEED” Silver Rating.

Regional Council unanimously approved the new quad-pad arena project on Hammonds Plains Road (at the intersection of the future Gary Martin Drive). Construction is currently underway and the facility is scheduled to be completed by fall 2010.

HRM will vastly improve energy efficiency in 11 of its buildings, thanks in part to \$550,000 in funding from the

provincial government’s EcoNova Scotia for Clean Air and Climate Change program. The upgrades will see greenhouse gas emissions reduced by 42 per cent and annual cost savings of \$222,000 through reductions in electricity and oil use for the buildings.

A new four-metre wide, multi-use trail is being prepared along with Heritage Gas’ installation of a new natural gas line pipeline from the Macdonald Bridge to Upper Water Street. This meets HRM’s new Active Transportation standard, contributing to recreational amenities in central Halifax, and forms part of a vision to extend a pathway around the entire peninsula. The trail will be a paved surface suitable for walkers, cyclists, skateboarders and in-line skaters and will connect the Macdonald Bridge to downtown Halifax.

Tax Reform

In 2008, the Tax Reform Project was all about public Consultation. The Tax Reform Committee completed 13 open house consultations throughout HRM in 2008 which showcased a proposal for a new tax system based on services and ability to pay, rather than property values. Approximately 600 participants attended the meetings and staff received over 300 surveys.



STRATEGIC initiatives

Atlantic Gateway

HRM continues to be a strong partner in the Atlantic Gateway initiative by providing strategic support to key Gateway partners such as the Province of Nova Scotia, Halifax Port Authority and Halifax Stanfield International Airport Authority. Specifically, HRM will study alternatives to using peninsular Halifax streets as the primary means of conveying container truck traffic to and from the port terminals while maintaining the Port's advantages regarding cost and time-competitiveness. An MOU with the Port of Halifax as a means of providing a working framework to advance respective agendas and clarify roles, mandates and service expectations.

The Ship to Shelf initiative is a branding exercise comprising two elements: positioning an area within Burnside Business Park for branding (via new signage and promotional material) and marketing as the "Atlantic Gateway - Halifax Distripark," in order to align with the broader Atlantic Gateway initiative, and installing new entrance/identity signs for Burnside that incorporate the theme "from Ship to Shelf" in order to reflect an emphasis on gateway.

Cultural Plan

Since the adoption of the Cultural Plan in 2006, many priority projects have been initiated and/or completed. The 2008 fiscal year could officially be named the Year of Public Art! The Public Art Policy approved in 2008 guides HRM in planning, creating, siting and maintaining a dynamic, permanent and temporary public art collection for the future.

A region-wide outdoor public art inventory of more than 250 pieces including sculpture, murals, artifacts and monuments took place in 2008. Priority restoration projects and maintenance work will continue to be identified annually in the budget planning process.

The Mayor's Award for Contemporary Visual Art was held for the first time in early 2009. Both a competition and purchase program, the award is an initiative outlined in HRM's Cultural Plan. This program supports local artists and the promotion of their artwork by providing opportunities for public presentation.

Temporary public artworks have been developed through partnership opportunities with arts organizations and community groups. The first



such partnership is an ongoing affiliation with Nocturne: Art at Night, a volunteer-driven and inclusive HRM arts event. The inaugural event took place in October 2008. This event both

advances the Public Art Policy and serves to embrace the Cultural Plan by enlivening public spaces at night and providing new opportunities for local artists.

New works of permanent public art will be commissioned and permanently sited every two or three years. Ongoing planning with the Nova Scotia Fallen Peace Officers Organization continued in 2008. HRM will see foundation laid for a major work of public art in Halifax's Grand Parade in January 2010.

Community Art continues to beautify outdoor spaces in the region and in



2008 HRM continued to work with 35 local artists to paint murals on the newly created or replaced traffic control boxes found at intersections. The boxes provide a highly visible and desirable canvas for public art. The artwork has also been successful at reducing graffiti on the traffic boxes.

Ongoing youth programs have been completed this year in North Preston, Dartmouth East and Spryfield. This initiative provided opportunities for young people to be creative, connect with their community and heighten community identity through beautification.

HRM has adopted a five-year operating strategy to implement the strategic directions identified in the Cultural Plan. Adopted in October 2008, this five-year strategy will help deliver the first phase of the Cultural Plan and establish the programs, services and partnerships that will be established until 2013.

The HRM Cultural Operating Strategy contains four priorities:

- Priority 1: Arts and Community Cultural Development
- Priority 2: Cultural and Heritage Spaces and Places
- Priority 3: Cultural Industry Capacity Building
- Priority 4: Cultural Planning



Economic Strategy

On February 2009, the Halifax Chamber of Commerce released its annual Scorecard in HRM's Economic Strategy. In 2008, 11 of the 28 targets measured were under the responsibility of HRM and the Greater Halifax Partnership – the agency HRM employs to direct economic development in the city.

Of the 11 targets under HRM's purview, nine of them were tracking either close to, or on target. These nine targets include:

- Growing the Commercial Tax Base
- Setting Competitive Commercial Taxes
- Improving Decision Times for Construction Projects
- Reduction of Crime Rates
- Community Satisfaction
- Fostering Awareness of HRM as a place to do business
- Implementing joint economic development initiatives
- Implementing the Atlantic Gateway Strategy
- Benchmarking the Business Climate

The two targets requiring increased focus are: “increasing funding for economic development” and “enhancing HRM's brand recognition.”

In 2008/09, Council approved a number of significant commercial and residential developments including Tex Park, Brewery Market, the Trillium, and many other small projects. The Kings Wharf project proposal was given a stage one approval by the Harbour East Community Council.

Environmental Sustainability Initiatives

HRM continues to see many milestones in environmental achievement. Halifax Regional Municipality was awarded \$105,000 through the EcoMOBILITY funding competition sponsored by Transport Canada. The EcoMOBILITY program works with provinces, municipalities and regional transportation authorities to help develop initiatives that encourage commuters to choose public transit or other alternatives to personal vehicles.

HRM's efforts to become a more sustainable municipality received national recognition in late 2008 with the release of Corporate Knights magazine's Second Annual Rating of Canada's Most Sustainable Cities. HRM placed 2nd in the medium-sized cities category and also finished 5th overall.

The comprehensive ranking identifies Canadian cities whose practices leave the smallest environmental foot print possible and create a healthy, thriving population. Initiatives such as the Harbour Solutions Project, pesticide-use reduction program, composting and recycling systems and the Alderney 5 advanced geothermal energy project were some of the significant factors in the HRM's excellent ranking. The Alderney 5 Project, a \$3.0 million energy-efficiency retrofit of five buildings on the Dartmouth waterfront owned by HRM was launched in November 2007. The project will save an estimated \$250,000 per year in energy costs. This project is the first large-scale application of geothermal cold energy storage anywhere in the world.

With the opening of the Halifax Wastewater Treatment Facility as part of the Harbour Solutions Project in February 2008, improvements to the water quality of Halifax Harbour were drastic and almost immediate. The Dartmouth Wastewater Treatment Facility was brought online in July 2008, bringing even further improvements. Last August, for the first time in decades, Black Rock and Dingle Park beaches were opened to swimmers marking a major achievement for our community. On January 14, 2009, the Halifax facility suffered extensive flooding damage when one of two back-up generators failed and, as a result, the wet well and basement areas of the plant filled with wastewater. Every effort is being made to restore the Halifax plant to full operation. Considerable work is being done to ensure that the treatment plant is repaired properly and the same problems don't occur in other facilities. Halifax Water and the Municipality are committed to ensure the Halifax plant will be fully operational by spring 2010.



The advertisement is a rectangular graphic with a white background. At the top, a black banner contains the text "catch a ride" in white lowercase letters, followed by "try ridesharing" in a larger, bold, black lowercase font. Below the text is a photograph of a brown tabby kitten lying down on the left, and a silver and black computer mouse on the right. At the bottom of the graphic is a green horizontal bar with the website address "www.HRMSmartTrip.ca" in white text. Below the green bar is a black banner with the text "Register online today to find your commuting partner" in white.

HRM received a 5-Star Rating in the "Over 50,000" population category of the 2007/08 Winter Lights Celebrations program which is the winter edition of the popular Communities in Bloom program. In addition, HRM won in the Stinson Family Goodwill Programs Criteria Award.

HRMSmartTrip.ca is a state-of-the-art ride-matching system that allows commuters to quickly and securely find carpool partners. By registering on www.HRMSmartTrip.ca, you can find people who are interested in carpooling to work, taking transit, biking or walking together. Within a week of the website's official launch, more than 300 people signed up in search of carpooling opportunities and ride-matching requests.



corporate PRIORITIES

Making HRM an “employer of choice”

HRM is committed to leading the development of a corporate culture that values individual contributions and demonstrates commitment to employees. Opportunities for growth and advancement are available, and meaningful, challenging work is provided. HRM sees the value in engaging employees and coordinating activities and events based on their feedback.

Planning for HRM workforce and our ability to meet the needs of our citizens go hand-in-hand. A recruitment strategy and promotional campaign were implemented. A partnership was established with Fusion Halifax, a networking group for young Halifax residents who are inspired to make their city a better place to live, work and play. HRM participated in a survey of young professionals seeking employment in Nova Scotia and Workopolis was successful in the tender for an online recruitment tool.

Providing Excellence in Service Delivery

Service for both internal and external clients continue to be monitored, reported and improved. Establishment and maintenance of minimum service standards and the tools required to achieve them, are key. Standards are communicated to all staff, council members and customers, and provide an accountability framework in an effort to maintain and/or improve outcomes on an ongoing basis.

E-voting was implemented for the first time. In the 2008 Municipal and School Board elections, the 28,709 voters who cast their ballots in the advanced e-voting polls represented 10.28 per cent of eligible voters. 86 per cent of these voted on the internet, 14 per cent voted by phone. 15,708 voters voted in the advance polls, just over six per cent of eligible voters. E-voters cast their ballots from over 30 countries, from over 50 Canadian towns and cities, from 28 states and from every university in Atlantic Canada.

HRM strives to be responsive to client needs and use resources effectively to realize long-term success. To that end, service integration and internal/external partnership opportunities will be an ongoing commitment. Examples of how partnerships positively impact on collaboration and streamlined delivery of government services include initiatives like the Upass program, now in effect at all major Metro universities. Another example is the partnership between HRM and the Province to cost share funding for road construction and repair projects in HRM.

Metro Transit is in the process of developing a new five-year strategic operations plan for transit services in the region. As a component of this ongoing process, an online trip diary survey and campaign entitled “Which Way HRM?” was launched. Transit passengers and HRM citizens alike were asked to provide their feedback on what their daily trip patterns are in and around HRM, to help shape the future of public transit. More than 8,000 responses were received.

Fiscal Responsibility

Fiscal responsibility is defined in HRM’s corporate direction as a balance of public expectations and needs with the efficient and effective management of municipal resources.

Standard & Poor’s Rating Services raised the long-term issuer credit rating for Halifax Regional Municipality to “A+/positive” from “A” based on a decline in the city’s direct debt, strong economic results, and solid operating performances. The positive outlook reflects the Standard & Poor’s expectation that HRM’s debt and debt burden will decline steadily over the next three years reaching a level that is consistent with “AA”-rated peers. This is something we can all take great pride in.

fast FACTS

Demographics

- Geographically the largest municipality in Canada at 5600 square km (2153 square miles)
- Total population approximately 380,000. 10% of HRM's population is rural
- 46% of Nova Scotia's total employment
- 42% of Nova Scotia's total population
- HRM's population is expected to continue its steady growth, adding an additional 100,000 residents over the next 25 years
- Half of HRM's population is under the age of 40, the youngest in Atlantic Canada
- 2nd largest natural ice-free harbour in the world

Livability

- Conference Board of Canada ranked Halifax 7th in its first "Benchmarking the Attractiveness of Canada's Cities" report (2007), calling it a leader in education and the environment
- 9th best place to live in Canada in Canadian Business Magazine 2007 ranking
- 2nd most sustainable city in Canada (medium-size) in Corporate Knight's 2007 ranking
- HRM is the Atlantic regional cultural cluster, and 57% of Nova Scotian artists reside in HRM
- 6 universities, 3 community college campuses. University and Community College enrollment totals 40,000 students
- HRM offers over 500 programs to youth which attract over 8,000 participants. 1,100 youth received financial assistance to participants in recreation activities.
- Existing conventional transit was extended by 23,822 service hours and 452,634 kilometres in 07/08. University U-Pass and the Dartmouth Crossing phase one service is now complete.

Economy

- HRM is the regional center of business and finance, hospital/medical services, research facilities, public administration and transportation
- HRM is a \$10 billion economy, dominated by service sector activities
- HRM has strong per capita income and Gross Domestic Product (GDP), and generates 47% of provincial GDP
- Home to more than half the province's businesses: information & culture; technical, management and educational services; waste management; finance and insurance
- 6 main economic drivers: universities; defense; hospitals; public administration; banking and insurance
- 8 significant industries: port/shipping; air transportation; rail/truck transportation; professional services; tourism; information and culture; admin and support services
- Average household income is \$55,885 – above the national average

Governance and Finance

- 1996 amalgamation of Halifax, Dartmouth, Bedford and Halifax County to form Halifax Regional Municipality
- 23 Councillors, each representing one district, and 1 Mayor, elected at large
- HRM adheres to an effective multi-year financial strategy that includes a debt management plan – outstanding debt has decreased by 25% since 1998, exceeding the plan's goals.
- Total debt, excluding Harbour Solutions and refinancing of long-term leases, is down by 21% – from a high of \$347.5 million in 1999 to \$273.2 million in 2007
- HRM received an "A+/positive" bond rating from Standard & Poor's

Fiscal Issues

- HRM is dependent on property tax for 76% of its revenue — among the highest in Canada
- HRM receives 1.7% of total revenue from the provincial government, less than most other major Canadian city
- HRM is required to collect provincially-mandated expenditures that account for 19% of its total revenue
- Compared to other Canadian cities HRM has: low total property tax per dwelling unit, low operating expenditures per dwelling unit, low operating revenue per dwelling unit and a high dependence on property tax
- HRM has an annual infrastructure funding gap of nearly \$50m

Environment

- International leader in environmental sustainability i.e. Solid Waste Management strategy
- Harbour Solutions project- largest clean-up of a saltwater body in Canada
- 15 billion litres of wastewater treated per year
- 242 tonnes of paper products and 2,730,000 beverage containers diverted from waste stream, and 100,000 tonnes of organic material composted since 1999
- First major urban area in Canada to reach the 50% waste diversion target
- 100,000+ green (organic) collection carts

Labour

- Total labour force of 219,500, equalling a 70% participation rate
- 4.8% unemployment rate, lower than national average
- Heavily reliant on in-migration to support population growth, reliance will increase significantly in near future
- Within 20 years, 40% of NS population will be 55 years or older. To meet projected employment requirements over next 25 years, immigration has to rise to 3,500 per year
- Employment growth out paces population growth
- 67.5% of labour force has completed university, college or trade school.
- Working-age population of HRM has the highest proportion of graduates from a trade school, college, or university in Canada.

Film Statistics from January to September 2008:

- Commercials: 12
- Documentaries: 6
- Movies: 5
- Music Video: 1
- Photo Shoot: 1
- Shorts: 10
- Television shows: 10
- Total: 45 films for year
- Movies: 5
- Music Video: 1
- Photo Shoot: 1
- Shorts: 10
- Television shows: 10
- Total: 45 films for year

Stars who have been in Halifax to film in 2008:

Hilary Swank • Richard Gere • Tim Roth • Neve Campbell • Trailer Park Boys

The HRM call centre accepted 634,934 calls in 2008.

Staff strive to maintain a Grade of Service of 80 per cent of calls answered in 25 seconds or less with a less than 10 per cent abandonment rate. The call centre's Annual Customer Satisfaction Survey had an average 74 per cent rating (very good or excellent) in the following categories: wait time, professionalism, helpfulness, knowledge, overall service, hours of operation.

Consolidated Financial Statements of

HALIFAX REGIONAL MUNICIPALITY

Year ended March 31, 2009

AUDITORS' REPORT

TO THE MAYOR AND THE COUNCILLORS OF THE HALIFAX REGIONAL MUNICIPALITY

We have audited the consolidated statement of financial position of the Halifax Regional Municipality as at March 31, 2009 and the consolidated statements of financial activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at March 31, 2009 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The current year's supplementary information included in the schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in blue ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line.

Chartered Accountants

Halifax, Canada

October 23, 2009

HALIFAX REGIONAL MUNICIPALITY

Consolidated Statement of Financial Position

Year ended March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2008
Financial Assets		
Cash and short-term deposits (note 3)	\$ 98,696	\$ 116,163
Taxes receivable (note 4)	29,691	24,233
Accounts receivable (note 5)	60,855	59,828
Loans, deposits, and advances	3,772	2,021
Investments (note 6)	67,455	41,490
Investment in the Halifax Regional Water Commission (note 7)	494,017	468,877
	<u>754,486</u>	<u>712,612</u>
Liabilities		
Accounts payable and accrued liabilities (note 8)	118,877	101,384
Accrued interest on long-term debt	3,998	3,955
Deferred revenue	47,168	61,497
Employee future benefits (notes 9 and 10)	29,231	28,411
Solid waste management facilities liabilities (note 11)	12,110	12,667
Long-term debt (note 12)	344,230	347,334
	<u>555,614</u>	<u>555,248</u>
Net Financial Assets	198,872	157,364
Non-Financial Assets:		
Inventory and prepaid expenses	8,684	10,325
Net Assets	<u>\$ 207,556</u>	<u>\$ 167,689</u>
Municipal Position		
Amounts to be recovered (note 13)	\$ (17,798)	\$ (18,875)
Fund balances: (note 14)		
Operating funds	(1,849)	297
Capital funds	(418,912)	(309,120)
Reserve funds	152,098	26,510
Equity in the Halifax Regional Water Commission (note 7)	494,017	468,877
	<u>225,354</u>	<u>186,564</u>
Commitments (note 15)		
Contingencies (note 16)		
Total Municipal Position	<u>\$ 207,556</u>	<u>\$ 167,689</u>

See accompanying notes to consolidated financial statements.

Approved by:

Mayor



Municipal Clerk

HALIFAX REGIONAL MUNICIPALITY

Consolidated Statement of Financial Activities

March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2008
Revenues:		
Taxation	\$ 540,057	\$ 509,313
Less amounts received for provincially mandated services (note 19)	(129,287)	(127,037)
	410,770	382,276
Taxation from other governments	28,419	27,504
User fees and charges	123,756	123,792
Government grants	67,543	50,895
Development levies	19,032	14,752
Investment income	8,121	12,755
Penalties, fines and interest	3,519	3,959
Sale of properties	4,258	8,372
Grant in lieu of tax from the Halifax Regional Water Commission (note 7)	3,622	3,569
	669,040	627,874
Expenditures:		
Operating:		
General government services	86,780	75,991
Protective services	152,264	146,642
Transportation services	122,027	113,438
Environmental services	40,375	55,455
Recreation and cultural services	59,032	56,305
Planning and development services	31,808	31,158
	492,286	478,989
Capital:		
General government services	9,892	10,268
Protective services	7,720	8,630
Transportation services	63,126	62,020
Environmental services	49,273	87,575
Recreation and cultural services	22,957	20,438
Planning and development services	9,059	10,780
	162,027	199,711
	654,313	678,700
Net revenue (expenditures) before the following:	14,727	(50,826)
Increase in equity in the Halifax Regional Water Commission (note 7)	25,140	209,302
Net revenue and change in net financial assets	39,867	158,476
Increase (decrease) in amounts to be recovered	(1,077)	3,061
Increase in non-financial assets	-	(50)
Change in fund balances	38,790	161,487
Fund balances, beginning of year	186,564	25,077
Fund balances, end of year	\$ 225,354	\$ 186,564

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL MUNICIPALITY

Consolidated Statement of Cash Flows

Year ended March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2008
Cash provided by (used in):		
Operating activities:		
Net expenditures and change in net financial assets	\$ 39,867	\$ 158,476
Less increase in equity in the Halifax Regional Water Commission	(25,140)	(209,302)
	14,727	(50,826)
Change in non-cash items:		
Increase in taxes receivable	(5,458)	(376)
Decrease (increase) in accounts receivable	(1,027)	29,116
Decrease (increase) in loans, deposits and advances	(1,751)	159
Decrease (increase) in inventory and prepaid expenses	1,641	(1,670)
Increase (decrease) in accounts payable and accrued liabilities	17,493	(533)
Increase (decrease) in accrued interest on long-term debt	43	(515)
Increase (decrease) in deferred revenue	(14,329)	15,487
Increase in employee future benefits	820	595
Increase (decrease) in solid waste management facilities liabilities	(557)	4,139
Net change in cash from operating activities	11,602	(4,424)
Investing activities:		
Decrease (increase) in investments	(25,965)	71,123
Financing activities:		
Issuance of long-term debt	51,238	28,367
Principal payments on long-term debt	(54,342)	(50,624)
Principal payments on obligations under capital lease	-	(13)
	(3,104)	(22,270)
Net change in cash and short-term deposits	(17,467)	44,429
Cash and short-term deposits, beginning of year	116,163	71,734
Cash and short-term deposits, end of year	\$ 98,696	\$ 116,163

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

1. Significant accounting policies:

(a) Basis of presentation:

The consolidated financial statements of the Halifax Regional Municipality (the “Municipality” or the “HRM”) have been prepared, in all material respects, in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (“PSAB”) of the Canadian Institute of Chartered Accountants.

(b) Basis of consolidation:

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances of all funds of the Municipality. The Municipality is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and that are owned or controlled by the Municipality. Inter-fund and inter-corporate balances and transactions have been eliminated.

The entities included are as follows:

- Operating, capital and reserve funds of the Halifax Regional Municipality
- Recreation facilities:
 - Halifax Metro Centre
 - Dartmouth Sportsplex Community Association
 - Community Builders Inc. (Cole Harbour Place)
 - Halifax Forum Community Association
 - Eastern Shore Recreation Commission
 - St. Margaret’s Community Centre Association
 - Sackville Sports Stadium
 - Halifax Regional Municipality Centennial Arena Commission
- Commissions, cultural and other facilities:
 - Alderney Landing Association
 - MetroPark Parkade Facility
 - Downtown Halifax Business Commission
 - Spring Garden Area Business Association
 - Downtown Dartmouth Business Commission
 - Quinpool Road Mainstreet District Association Limited
 - Sackville Drive Business Association
 - Spryfield & District Business Commission
 - Main Street Dartmouth and Area Business Improvement Association

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

1. Significant accounting policies (continued):

(c) School board:

The assets, liabilities, taxation and other revenues and expenditures with respect to the operations of the Halifax Regional School Board are not reflected in these consolidated financial statements as it is a provincial government entity.

School boards in Nova Scotia were created by the Province under provisions in the Education Act, and, under provincial statute, every municipality is required to make a mandatory contribution to its school board. The mandatory contribution is set at the value of the Education Rate, set by the Province each year, multiplied by the previous year's Uniform Assessment. In addition, under the Halifax Regional Municipality Charter, supplementary education funding is specifically required for the former municipal units of Halifax and Dartmouth. As well, supplementary education funding is provided to the former municipal units of Bedford and the County. The funding for all these contributions to the Halifax Regional School Board are recovered by the Municipality by an area rate levied on the assessed value of taxable property and business occupancy assessments and is shown on the consolidated statement of financial activities as a reduction of taxation revenues.

(d) Basis of accounting:

Revenues and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable and expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

(e) Fund accounting:

The resources and operations of the Municipality are comprised of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

(f) Investment in the Halifax Regional Water Commission:

The Halifax Regional Water Commission ("HRWC") is a subsidiary corporation of the Municipality and is accounted for using the modified equity basis of accounting as it is considered a government business enterprise. Under the modified equity basis of accounting, the accounting principles of government business enterprises are not adjusted to conform to those of the Municipality and inter-organizational transactions and balances are not eliminated.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

1. Significant accounting policies (continued):

(g) Miscellaneous Trust funds:

Miscellaneous Trust funds and their related operations administered by the Municipality are not included in the consolidated financial statements, but are reported separately in the Miscellaneous Trust funds financial statements (note 18).

(h) Investments:

Short-term deposits and investments are recorded at cost, adjusted for amortization of premiums or discounts in accordance with the investment policies established for the Municipality. A permanent decline in value would result in a write down.

(i) Capital assets:

The historical cost and accumulated depreciation of capital assets are not reported. Capital assets are reported as an expenditure in the Consolidated Statement of Financial Activities in the year of acquisition.

(j) Reserve funds:

Certain amounts, as approved by Council of the Municipality, are set aside in reserve funds for future operating and capital purposes. Transfers to and or from reserve funds are an adjustment to the respective fund when approved.

(k) Government transfers:

Government transfers are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(l) Deferred revenue:

Deferred revenue represents user charges and other fees that have been collected, for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(m) Solid waste management facilities liabilities:

The Municipality accrues landfill closure and post-closure care requirements that include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions using the best information available to management.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

1. Significant accounting policies (continued):

Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

(n) Taxation and related revenues:

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Property Valuation Services Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services and the requisition made by the Province in respect of education taxes. Taxation revenues are recorded at the time tax billings are due. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known. An allowance for unresolved assessment appeals is also provided.

(o) Budget figures:

Council completes separate budgets for its operating and capital budgets each year. The approved operating budget for 2008/2009 is reflected on the Schedule of Operating Fund Operations.

For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from reserve funds, transfers from the operating fund, by the application of applicable grants or other funds available and by debt financing. As many capital projects are carried out over one or more years, it is not practical to present annualized budget information on the Schedule of Capital Fund Operations.

(p) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingencies and the reported amounts of revenues and expenditures in the consolidated financial statements and accompanying notes. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009
(In thousands of dollars)

2. Future changes in accounting policies:

The following summarizes future accounting changes that will be relevant to the HRM's consolidated financial statements and the individual financial statements of the Commissions, cultural and recreational facilities subsequent to March 31, 2009.

The CICA has issued Section 4470, Disclosure of Allocated Expenses by Not-For-Profit Organizations that will revise and enhance the current disclosure requirements for various elements of financial reporting. The standard will be effective for the fiscal year commencing April 1, 2009. The standard requires the reporting of certain gross revenues in the statement of operations and additional disclosures when a not-for-profit organization classifies its expenses by function and allocates a portion of their fundraising and general support costs to another function. Management is of the opinion these changes will not have a material impact on the statements, but they may require further disclosure.

The HRM is currently reviewing the result of implementing this new standard. The impact of the above change is not yet known or reasonably determinable.

3. Cash and short-term deposits:

	2009	2008
Halifax Regional Municipality – Operating Fund	\$ 85,719	\$ 103,945
Commissions, cultural and recreation facilities:		
Operating	12,960	12,210
Capital	–	6
Reserves	17	2
Total	\$ 98,696	\$ 116,163

Cash includes interest bearing accounts and money market instruments with a term to maturity of 90 days or less.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

4. Taxes receivable:

	2009	2008
Balance, beginning of year	\$ 28,612	\$ 27,600
Current year's levy of property taxes	508,313	477,754
Deed transfer tax	35,166	34,700
Subtotal	572,091	540,654
Less:		
Current year's collections	534,345	508,901
Reduced taxes	3,422	3,141
	537,767	512,042
Balance, end of year	34,324	28,612
Allowance	(4,633)	(4,379)
Balance, end of year (net of allowance)	\$ 29,691	\$ 24,233

5. Accounts receivable:

	2009	2008
Federal Government	\$ 7,324	\$ 6,532
Provincial Government	9,323	18,067
Other receivables	44,208	35,229
	\$ 60,855	\$ 59,828

6. Investments:

Money market instruments include Federal and Provincial treasury bills, discounted notes of Federal Crown Corporations and instruments of Canadian Financial Institutions. These investments have a term to maturity of one year or less. Investments shown here have a remaining term to maturity of 90 days or more at March 31, 2009.

Government of Canada and Canada Mortgage and Housing Corporation Bonds (CMHC) have a maturity range from Sept 1, 2009 to December 15, 2011. The weighted average yield on market value of these bonds is 0.79% (2008 – 2.67%) at March 31, 2009.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009
(In thousands of dollars)

6. Investments (continued):

	2009		2008	
	Cost	Market value	Cost	Market value
Money market instruments	\$ 60,471	\$ 60,992	\$ 30,487	\$ 31,105
Government of Canada and CMHC Bonds	6,984	7,223	11,003	11,170
	\$ 67,455	\$ 68,215	\$ 41,490	\$ 42,275

7. Investment in the Halifax Regional Water Commission:

The Halifax Regional Water Commission ("HRWC") is a wholly-owned and controlled government business enterprise of the Municipality and is responsible for the supply of municipal water, wastewater and stormwater services to residents of the Municipality.

As of August 1, 2007, municipal wastewater and stormwater facilities and their facilities were transferred from the HRM to the HRWC. This transfer was approved by the Nova Scotia Utility and Review Board (NSUARB). The HRWC assumed the responsibility for debt servicing associated with the wastewater and stormwater facilities and operations that were transferred. This transaction was deemed to have no commercial substance and was therefore recorded at the carrying value in accordance with the CICA Handbook Section 3840, Related Party Transactions.

The utility plant transferred has been recorded at the HRM's recorded cost of \$183.2 million and net book value of \$109.5 million. The transfer also included work in progress in the amount of \$64.7 million, and vehicles and equipment with a cost of \$5.4 million and a net book value of \$0.6 million.

Responsibility for the associated debt of \$6.2 million was assumed by the HRWC from the HRM and the contributed surplus which arose on the transaction was \$169.0 million. The HRWC also received reserve funds of \$12.4 million for the purpose of capital expenditures only with the approval of the NSUARB.

(a) The following table provides condensed supplementary financial information for the HRWC:

	2009	2008
Financial Position:		
Current assets	\$ 47,503	\$ 48,631
Capital assets	528,801	504,106
Total assets	576,304	552,737
Current liabilities	17,988	16,125
Long term liabilities	64,299	67,735
Total liabilities	82,287	83,860
Net assets	\$ 494,017	\$ 468,877

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

7. Investment in the Halifax Regional Water Commission (continued):

	2009	2008
Results of Operations:		
Revenues	\$ 86,916	\$ 75,698
Operating expenditures	(57,466)	(42,729)
Financing expenditures	(9,910)	(10,134)
Other income	4,130	3,182
Net income before grant in lieu of tax	23,670	26,017
Grant in lieu of tax	(3,622)	(3,569)
Net income	20,048	22,448
Increase (decrease) in contributed capital surplus	(4,932)	174,428
Increase in reserves	10,024	12,426
Increase in investment and equity	25,140	209,302
Investment and equity, beginning	468,877	259,575
Investment and equity, ending	\$ 494,017	\$ 468,877

(b) The following summarizes the Municipality's related party transactions with the HRWC for the year:

	2009	2008
Revenues:		
Grant in lieu of tax	\$ 3,622	\$ 3,569
Expenditures:		
Fire protection charge	9,217	8,885

All transactions are in the normal course of operations, and are recorded at the exchange value based on normal commercial rates, or as agreed to by the parties.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

8. Accounts payable and accrued liabilities:

	2009	2008
Trade accounts payable	\$ 65,474	\$ 18,191
Payable to other governments	2,648	4,097
Accrued liabilities	50,755	79,096
	<u>\$ 118,877</u>	<u>\$ 101,384</u>

9. Employee future benefits - employees' retirement pension plan:

Employees of the Halifax Regional Municipality participate in the Halifax Regional Municipality Pension Plan (the "HRM Plan"). The HRM Plan is a multi-employer plan administered by the Halifax Regional Municipality Pension Committee (the "Committee"). Other major employers participating in the HRM Plan include the Halifax Regional School Board and Quest. The Committee is comprised of representatives from both management and unions, and is responsible for setting contribution rates for all participating employers. The HRM Plan is funded equally by participating employers and members. Accounting for the HRM Plan under the Municipality's financial statements follows rules for defined contribution pension plans.

The HRM Plan provides a lifetime benefit representing 2% of the member's average earnings over a period of three years times the number of years of membership in the pension plan. Only regular earnings are recognized under the defined benefit provisions of the Plan. The HRM Plan also provides defined contribution benefits, at the option of the member, on the portion of earnings that is overtime and other non-regular earnings.

The Municipality contributed to the HRM Plan an amount of \$20,544 for the fiscal year ending March 31, 2009 (2008 - \$19,421). Since April 1, 2004, the Municipality and the members are each contributing 10.36% of regular earnings for members participating in the main division of the pension plan. Other contribution rates are in effect for the other divisions of the plan, and for members in public safety occupations.

The last actuarial valuation filed with regulators was at December 31, 2007. The next actuarial valuation is to be filed by December 31, 2010. The interest rate used in the last filed valuation was 6.75% per year. The following estimates as at December 31, 2008 are based on the actuarial valuation as at December 31, 2007 extrapolated to December 31, 2008:

Actuarial value of plan assets	\$ 1,087,402
Extrapolated value of accrued pension benefits	(1,094,507)
<u>Estimated funding deficit</u>	<u>\$ (7,105)</u>

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

9. Employee future benefits - employees' retirement pension plan (continued):

The main assumptions used in the actuarial valuation of the Plan are as follows:

Interest rate	6.75% per year
Salary increase	3.0% per year plus merit and promotional increases
Retirement age:	60% at the earliest age at which an unreduced pension is payable, the remainder at age 65 (or age 60 for members in Public Safety Occupations)
Mortality:	UP 94 with projections based on scale AA

The actuarial value of net assets and the actuarial present value of accrued pension benefits are presented on the going concern basis. In accordance with the Nova Scotia Pension Benefits Act ("PBA"), a solvency valuation is performed on the Plan, even though the risk of it being wound up is remote. The values of the Plan's assets and liabilities on a solvency basis are related to the corresponding values calculated as though the Plan were wound up and settled on the valuation date, excluding any provision for future indexing of benefits as provided under PBA regulation 16(1)(a). Further to an amendment to the same Regulation to the PBA effective at the end of 2004, plan sponsors can also exclude from the solvency valuation the value of benefits provided under Section 79 (commonly referred to as the "grow in" provisions) of the PBA. The contribution requirements consider the exclusion of such benefits in the determination of the solvency special payments schedule for 2006 and beyond.

On November 27, 2006, changes to the PBA Regulations were adopted to provide solvency relief to municipal pension plans. Under the new regulations, municipal pension plans are only required to fund up to an 85% solvency ratio (over a period of 5 years). While a municipal pension plan is funded under the relief provisions, any deficiency upon full or partial wind-up has to be funded by the employer, and no amendment may be made to the pension plan unless the full cost of the amendment is paid to the fund before the effective date.

Since the most recent actuarial valuation, there has been a significant decline in the market value of the assets of the fund due to poor market performance. The total investment gain or loss will be recognized in a subsequent actuarial valuation.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

10. Employee future benefits - retiring allowances and other future benefits:

The Municipality provides for the payment of retiring allowances to retiring employees in accordance with the terms of the various collective agreements and Municipal policy. The retiring allowance is based on the member's final annual salary and years of service at retirement. On the retirement of a police officer, the Municipality also provides for a lump sum payment to a health trust for the benefit of the retiring member. The amount depends on the level of the officer's sick bank at the time of retirement.

The Municipality continues to pay for its share of the contributions to the Halifax Regional Municipality Pension Plan for members in receipt of benefits from a long-term disability plan sponsored and recognized by the Municipality.

The Municipality also pays lifetime and temporary benefits to former employees who retired from the Municipality under various early retirement programs and arrangements that were in place prior to April 1, 2004.

Actuarial valuations of the above benefits are done for accounting purposes using the projected benefit method prorated on services. The last actuarial valuation of the retiring allowance benefits was conducted as at March 31, 2007, and the last actuarial valuation of the police health trust lump sum payments was conducted as at March 31, 2008. The results of both actuarial valuations were extrapolated to March 31, 2009. For all other benefits, actuarial valuations were conducted as at March 31, 2009. Key actuarial assumptions used in the valuations were based on the Municipality's best estimates.

A reconciliation of the accrued benefit obligation for these plans follows, along with the main assumptions used for disclosure and expense calculations are as follows:

	2009	2008
Accrued benefit obligation at beginning of fiscal year	\$ 29,603	\$ 31,359
Current period benefit cost	1,945	2,127
Loss due to settlement	-	68
Benefit payments	(2,677)	(3,339)
Interest cost	1,459	1,352
Actuarial loss (gain)	764	(1,964)
Accrued benefit obligation at end of fiscal year	\$ 31,094	\$ 29,603
Main assumptions used for fiscal year-end disclosure:		
- discount rate	4.52%	4.99%
- salary increase	3% plus merit	3% plus merit
Main assumptions used for expense calculation:		
- discount rate	4.99%	4.41%
- salary increase	3% plus merit	3% plus merit

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

10. Employee future benefits - retiring allowances and other future benefits (continued):

These other employee benefit plans require no contributions from employees. The benefit liability as at March 31, 2009 includes the following components:

	2009	2008
Accrued benefit obligation	\$ 31,094	\$ 29,603
Unamortized actuarial loss	(1,863)	(1,192)
Benefit liability recorded in the statement of financial position	\$ 29,231	\$ 28,411

The unamortized actuarial gains (losses) will be amortized over the expected average remaining service life (EARSL) of the related employee groups starting in the next fiscal year. EARSL is determined separately for each benefit program.

The total expense related to other employee benefits described above includes the following components:

	2009	2008
Current period benefit cost	\$ 1,945	\$ 2,127
Loss due to settlement	—	68
Amortization of actuarial gains	93	387
Other employee benefit expense	2,038	2,582
Other employee benefit interest expense	1,459	1,352
Total expense related to other employee benefit plans	\$ 3,497	\$ 3,934

11. Solid waste management facilities liabilities:

The Nova Scotia Environmental Protection Act sets out the regulatory requirements for the closure and maintenance of landfill sites. Under this Act, the Municipality is required to provide for closure and post-closure care of solid waste landfill sites.

Sackville Landfill:

The Sackville Landfill site closed during the year ended March 31, 1997. A closure plan and an environmental audit were completed in 1996. Post closure care activities for this site include perpetual care that is expected to occur until 2017 and will involve the management and monitoring of groundwater, gas and leachate levels, operating and monitoring the leachate treatment plan when necessary, removal of buildings, site cleanup and general site maintenance.

The estimated liability for the care of the landfill site is the present value of future cash flows associated with closure and post-closure costs discounted using a long-term borrowing rate of 4.52% (2008 - 4.99%) and a forecasted inflation rate of 2% (2008 - 3%).

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009
(In thousands of dollars)

11. Solid waste management facilities liabilities (continued):

Sackville Landfill (continued):

The estimated present value of future expenditures for closure and post-closure care as at March 31, 2009 is \$16,324 (2008 - \$17,709), of which total expenditures of \$12,190 (2008 - \$11,959), have been made to date, resulting in \$4,134 (2008 - \$5,750), of the liability to still be funded.

In order to help reduce the future impact of these obligations, the Municipality has established a reserve fund for the responsible care of this site. At March 31, 2009 the balance in the reserve is \$6,417 (2008 - \$6,847), which means that the reserve has \$2,283 (2008 - \$1,097) more than needed to fund the projected liability.

Otter Lake Landfill:

The Otter Lake Landfill site opened during the year ended March 31, 1999 and is expected to accept waste for another 17 years, until the fiscal year ended March 31, 2026.

The site's design consists of nine cell phases with an expected total capacity of 3,771,000 tonnes (2008 - 3,771,000 tonnes). During the year cost estimates were revised due to the earlier than anticipated production of landfill gases requiring an extensive gas collection system, design optimization and enlargement of cells four through nine to increase capacity, and the progressive closure of cells four through nine.

Post closure care activities for this site include perpetual care that is expected to occur until 2045 and will involve the management and monitoring of: groundwater, gas and leachate levels, operating and monitoring the leachate treatment plan when necessary, removal of buildings, site cleanup and general site maintenance.

The estimated liability for the care of the landfill site is the present value of future cash flows associated with closure and post-closure costs discounted using a long-term borrowing rate of 4.52% (2008 - 4.99%) and a forecasted inflation rate of 2% (2008 - 3%). The liability was adjusted for capacity used of 100% for the closed cells and 0% for the remaining cells.

The estimated present value of future expenditures for closure and post-closure care as at March 31, 2009 is \$19,877 (2008 - \$19,255), of which total expenditures of \$11,901 (2008 - \$12,338), have been made to date resulting in \$7,976 (2008 - \$6,917), of the liability still to be funded.

In order to help reduce the future impact of these obligations, the Municipality has established a reserve fund for the responsible care of this site. At March 31, 2009 the balance in the reserve is \$2,409 (2008 - \$688), and the remaining \$5,567 (2008 - \$6,229), of the liability will be funded from future revenues.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

11. Solid waste management facilities liabilities (continued):

			2009	2008
	Sackville	Otter Lake	Total	Total
Estimated present value of closure and post closure costs	\$ 16,324	\$ 19,877	\$ 36,201	\$ 36,964
Less: Expenditures incurred	12,190	11,901	24,091	24,297
	4,134	7,976	12,110	12,667
Reserve fund	6,417	2,409	8,826	7,535
Amount to be funded from future revenue	\$ (2,283)	\$ 5,567	\$ 3,284	\$ 5,132

12. Long-term debt:

The schedule of long-term debt attached to the consolidated financial statements details the various terms and conditions related to the long-term debt (see page 40).

Principal payments required in each of the next five years on debt held as at March 31, 2009 are as follows:

2010	\$ 52,802
2011	\$ 42,512
2012	\$ 37,513
2013	\$ 34,895
2014	\$ 30,859

13. Amounts to be recovered:

The amounts to be recovered in future years reported on the Consolidated Statement of Financial Position are comprised of:

	2009	2008
Amounts to be recovered from future revenues:		
Landfill closure and post closure	\$ 3,284	\$ 5,132
Employee benefits	1,690	2,253
Accrued interest on debt	3,998	3,955
	8,972	11,340
Amounts to be recovered from reserve funds on hand:		
Landfill closure and post closure	8,826	7,535
Total	\$ 17,798	\$ 18,875

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

14. Fund balances:

Fund balances at the end of the year reported on the Consolidated Statement of Financial Position are comprised of:

	2009	2008
Halifax Regional Municipality:		
Operating Fund	\$ 884	\$ (109)
Capital Fund	(410,546)	(302,036)
Equipment Reserve Fund	65,371	(45,608)
Capital Reserve Fund	77,766	64,047
<u>Commissions, cultural and recreation facilities</u>	<u>(2,138)</u>	<u>1,393</u>
	(268,663)	(282,313)
Equity in the Halifax Regional Water Commission	494,017	468,877
	<u>\$ 225,354</u>	<u>\$ 186,564</u>

15. Commitments:

- The Municipality and its consolidated entities rent facilities under several long-term operating leases with aggregate annual payments for the next five years approximating \$5.1 million (2008 - \$4.8 million).
- The Municipality has entered into several long-term contracts for waste resources operations, with aggregate annual payments for the next five years approximating \$36 million (2008 - \$36 million).
- The Municipality has entered into three long-term contracts for construction of Sewage Treatment Plants, Sewage Collection Systems, and a Biosolids Processing Facility within the Harbour Solutions Capital Projects. Based on the financing model for these projects, anticipated future annual payments under these contracts are: 2010 - \$3,800. Debt of \$130,000 was approved in previous years, which will be repaid over the next 16 years through the Environmental Protection Levy.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

15. Commitments (continued):

- (d) In accordance with the transfer agreement between the Halifax Regional Municipality and the Halifax Regional Water Commission, certain components of the Halifax Harbour Solutions Project were transferred effective June 1, 2009. The assets transferred included the Halifax Sewage Treatment Plant and portions of the related collection system, as well as a Biosolids Processing Facility. The carrying value of the assets transferred was \$157.7 million. The remaining components of the projects will be transferred in accordance with the transfer agreement.

16. Contingencies:

- (a) As of March 31, 2009 there are a number of claims against the Municipality and its consolidated entities in varying amounts and for which provisions have been made in these financial statements, as appropriate. It is not possible to determine the amounts that may ultimately be assessed against the Municipality with respect to these claims, but management believes that any such amounts would not have a material impact on the financial position of the Municipality.
- (b) The Municipality is the plaintiff in various proceedings, which have arisen, in the normal course of carrying on its operations. It is not possible at this time to determine the amounts the Municipality may receive with respect to these claims.
- (c) The Municipality guarantees the debt issues of the Halifax Regional Water Commission for the Lake Major Facility, to a maximum of \$57 million. As at March 31, 2009 this outstanding debt was \$36.8 million (2008 - \$39.5 million), with maturity dates ranging from 2009 to 2019.
- (d) In January 2009, the sewage treatment plant in Halifax suffered a systems failure. To date, the plant's operations have not been fully restored. The costs to reinstate the plant have been borne by the HRM but, as the plant was still under warranty, the costs are anticipated to be recovered through insurance proceeds, legal means and directly from third parties. Any residual liability cannot be reasonably determined at this time.

17. Financial instruments:

- (a) Fair values:

The fair value of the Municipality's financial instruments that are comprised of cash and short-term deposits, taxes receivable, accounts receivable, loans, deposits and advances, accounts payable and accrued liabilities, accrued interest on long-term debt and deferred revenue approximate their carrying value due to their short-term nature.

The market value of investments is disclosed in note 6.

It is not practical to determine the fair value of the investment in the Halifax Regional Water Commission due to the lack of comparable market information.

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009
(In thousands of dollars)

17. Financial instruments (continued):

The fair value of long-term debt is based on rates currently available to the Municipality with similar terms and maturities and approximates its carrying value.

Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, or currency risks arising from these financial instruments.

(b) Credit risk:

The Municipality is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments. Wherever possible the Municipality attempts to minimize credit exposure by dealing only with credit worthy counterparties and / or obtaining sufficient security for the applicable financial instrument.

18. Miscellaneous Trust Funds:

Miscellaneous Trust Funds administered by the Municipality are reported on separately. The total trust assets under administration at March 31, 2009 are \$6.0 million (2008 - \$5.5 million).

19. Amounts received for provincially mandated services:

	2009	2008
School board	\$ 112,617	\$ 110,842
Assessment services	6,133	5,926
Social housing	2,630	2,450
Corrections services	7,907	7,819
Total	\$ 129,287	\$ 127,037

(a) The Halifax Regional School Board:

The Municipality provided a mandatory contribution in the amount of \$92.7 million (2008 - \$90.4 million) and supplementary contributions of \$19.9 million (2008 - \$20.4 million) to the Halifax Regional School Board.

(b) Assessment services:

The Municipality is required to pay a share of the cost of operating the municipal assessment system based on the total municipal assessment cost times the average of the Municipality's share of the Uniform Assessment and the Municipality's share of assessment accounts. For the year ended March 31, 2009, the Municipality's share of these costs was \$6.1 million (2008 - \$5.9 million).

HALIFAX REGIONAL MUNICIPALITY

Notes to Consolidated Financial Statements

Year ended March 31, 2009

(In thousands of dollars)

19. Amounts received for provincially mandated services (continued):

(c) The Metropolitan Regional Housing Authority:

The Municipality shared in the operations of the Authority in the amount of \$2.6 million (2008 - \$2.5 million).

(d) Correctional Services:

Municipalities in Nova Scotia are required to make a mandatory contribution to fund the cost of correctional services. The contribution is set by provincial formula. For the year ended March 31, 2009, the Municipality's contribution for these costs was \$7.9 million (2008 - \$7.8 million).

20. Tangible capital assets:

Effective April 1, 2007, the Municipality adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible capital assets of local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 - Tangible Capital Assets of the Public Sector Accounting Handbook (PS3150) comes into effect for fiscal years beginning on or after January 1, 2009. These provisions require local governments to record tangible capital assets at cost and amortize these assets over their estimated useful life.

Tangible capital assets are significant economic resources managed by local government and a key component of cost in the delivery of many local government programs and services. Tangible capital assets include such diverse items as roads, buildings, vehicles, equipment, land, and computer hardware and software.

Tangible capital assets are reported as an expenditure in the Consolidated Statement of Financial Activities in the year of acquisition. This will change when the new recommendations for accounting for tangible capital assets is implemented for the 2010 reporting year.

21. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

HALIFAX REGIONAL MUNICIPALITY

Schedule of Remuneration of Members of Council and Chief Administrative Officer

Year ended March 31, 2009

(In thousands of dollars)

Council members:		
P. Kelly, Mayor	\$	130
S. Adams		67
J. Barkhouse		63
J. Blumenthal		24
B. Dalrymple		24
S. Fougere		39
R. Harvey		63
D. Hendsbee		65
D. Hum		63
B. Johns		63
B. Karsten		63
P. Lund		20
G. McCluskey		64
H. McInroy		52
G. Meade		39
L. Mosher		63
P. Murphy		39
L. Nicoll		24
T. Outhit		53
R. Rankin		63
D. Sloane		63
J. Smith		63
K. Snow		39
S. Streach		63
S. Uteck		63
R. Walker		63
J. Watts		24
M. Wile		63
A. Younger		63
Chief Administrative Officer:		
Dan English, Chief Administrative Officer		193

HALIFAX REGIONAL MUNICIPALITY

Schedule of Long-term Debt

Year ended March 31, 2009

(In thousands of dollars)

	Term (years)	Interest rate - %	Matures	Balance March 31 2008	Issued	Redeemed	Balance March 31 2009
C.M.H.C.:							
79B	30	6.25	2009	\$ 4	\$ -	\$ 2	\$ 2
M.F.C.:							
98-A-1	10	5.0/5.5	2008	3,500	-	3,500	-
98-B-1	10	4.625/5.625	2008	11,496	-	11,496	-
99-A-1	10	4.75/5.375	2009	11,201	-	1,725	9,476
99-B-1	10	5.75/6.75	2009	6,000	-	3,000	3,000
00-A-1	10	6.25/6.875	2010	4,350	-	1,450	2,900
00-B-1	10	5.875/6.375	2010	5,758	-	1,178	4,580
01-A-1	10	4.375/6.250	2011	6,520	-	1,630	4,890
01-B-1	10	3.125/6.0	2011	3,967	-	992	2,975
02-A-1	10	3.375/6.125	2012	12,219	-	2,444	9,775
02-B-1	10	3.25/5.625	2012	6,189	-	1,238	4,951
03-A-1	10	3.50/5.375	2013	23,295	-	3,883	19,412
03-B-1	10	2.75/5.00	2013	2,538	-	423	2,115
04-A-1	10	2.55/5.45	2014	14,273	-	1,841	12,432
04-B-1	10	3.195/5.05	2014	16,220	-	2,317	13,903
24-HBR-1	20	2.84/5.94	2024	93,500	-	5,500	88,000
05-A-1	10	2.97/4.56	2015	18,400	-	2,300	16,100
05-B-1	15	3.63/4.83	2020	31,950	-	2,215	29,735
06-A-1	10	4.29/4.88	2016	20,774	-	2,308	18,466
06-B-1	10	4.10/4.41	2016	9,135	-	1,015	8,120
07-A-1	10	4.45/4.63	2017	19,567	-	1,957	17,610
07-B-1	10	4.65/5.01	2017	8,800	-	880	7,920
08-A-1	10	3.75/4.884	2018	-	26,500	-	26,500
08-B-1	10	3.1/5.095	2018	-	24,738	-	24,738
				329,652	51,238	53,292	327,598
Federation of Canadian Municipalities:							
GMIF-1599	10	1.33/3.127	2014	17,000	-	1,000	16,000
Misc.:							
5% stock Permanent		5.0	-	2	-	-	2
Sackville Landfill Trust:							
Acadia School	20	7	2018	676	-	48	628
				\$347,334	\$51,238	\$54,342	\$344,230

HALIFAX REGIONAL MUNICIPALITY

Schedule of Operating Fund Operations by Function and Change in Fund Balances (excluding Recreation, Commissions, Cultural and Other Funds)

March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2009	2008
	Budget	Actual	Actual
Revenues:			
Taxation	\$ 540,373	\$ 540,057	\$ 509,313
Less: amounts received for provincially mandated services	(129,880)	(129,287)	(127,037)
	410,493	410,770	382,276
Taxation from other governments	27,788	28,419	27,504
User fees and charges	85,809	91,697	96,076
Government grants	12,116	12,400	12,511
Investment income	9,910	7,963	12,398
Penalties, fines and interest	3,285	3,519	3,959
Grant in lieu of tax from the Halifax Regional Water Commission	3,721	3,622	3,569
	553,122	558,390	538,293
Expenditures:			
Operating:			
General government services	104,950	86,416	75,642
Protective services	153,410	152,264	146,642
Transportation services	102,514	122,027	113,438
Environmental services	39,241	39,164	47,327
Recreation and cultural services	32,435	33,420	30,800
Planning and development services	30,932	31,808	31,158
	463,482	465,099	445,007
Net revenues	89,640	93,291	93,286
Financing and transfers:			
Transfers to capital fund	(31,913)	(29,024)	(31,273)
Transfers to reserve funds	(19,618)	(21,323)	(14,505)
Transfers to recreation, commissions, cultural and other funds		3,844	(375)
Debt principal repayment	(38,109)	(45,275)	(43,739)
Net financing and transfers	(89,640)	(91,778)	(89,892)
Decrease in amounts to be recovered	–	(520)	(1,079)
Change in fund balance	–	993	2,315
Fund balance, beginning of year	(109)	(109)	(2,424)
Fund balance, end of year	\$ (109)	\$ 884	\$ (109)

HALIFAX REGIONAL MUNICIPALITY

Schedule of Operating Fund Operations by Object and Change in Fund Balance (excluding Recreation, Commissions, Cultural and Other Funds)

March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2009	2008
	Budget	Actual	Actual
Revenues:			
Taxation	\$ 540,373	\$ 540,057	\$ 509,313
Less: amounts received for provincially mandated services	(129,880)	(129,287)	(127,037)
	410,493	410,770	382,276
Taxation from other governments	27,788	28,419	27,504
User fees and charges	85,809	91,697	96,076
Government grants	12,116	12,400	12,511
Investment income	9,910	7,963	12,398
Penalties, fines and interest	3,285	3,519	3,959
Grant in lieu of tax from the Halifax Regional Water Commission	3,721	3,622	3,569
	553,122	558,390	538,293
Expenditures:			
Operating:			
Salaries, wages and benefits	260,727	258,159	245,150
Interest on long-term debt	11,539	11,213	11,929
Materials, goods, supplies and utilities	28,456	33,662	37,166
Contracted services	74,564	77,973	74,389
Other	79,761	78,213	57,830
External transfers	8,435	5,879	18,544
	463,482	465,099	445,008
Net revenues	89,640	93,291	93,285
Financing and transfers:			
Transfers to capital fund	(31,913)	(29,024)	(31,273)
Transfers to reserve funds	(19,618)	(21,323)	(14,505)
Transfers to recreation, commissions, cultural and other funds	–	3,844	(375)
Debt principal repayment	(38,109)	(45,275)	(43,739)
Net financing and transfers	(89,640)	(91,778)	(89,892)
Decrease in amounts to be recovered	–	(520)	(1,079)
Change in fund balance	–	993	2,315
Fund balance, beginning of year	(109)	(109)	(2,424)
Fund balance, end of year	\$ (109)	\$ 884	\$ (109)

HALIFAX REGIONAL MUNICIPALITY

Schedule of Capital Fund Operations and Change in Fund Balance (excluding Recreation, Commissions, Cultural and Other Funds)

Year ended March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2008
	Actual	Actual
Revenues:		
Government grants	\$ 24,551	\$ 20,169
Development levies	16,478	3,327
	41,029	23,496
Expenditures:		
Capital:		
General government services	9,687	10,033
Protective services	7,720	8,630
Transportation services	63,126	62,020
Environmental services	49,273	87,575
Recreation and cultural services	22,019	20,242
Planning and development services	9,059	10,780
	160,884	199,280
Net expenditures	(119,855)	(175,784)
Financing and transfers:		
Transfers from operating fund	29,024	31,273
Transfers from (to) reserve funds	(63,712)	109,828
Debt principal borrowings	46,590	44,124
Net financing and transfers	11,902	185,225
Increase (decrease) in amounts to be recovered	(557)	4,140
Decrease in non-financial assets	–	(50)
Change in fund balance	(108,510)	13,531
Fund balance, beginning of year	(302,036)	(315,567)
Fund balance, end of year	\$ (410,546)	\$ (302,036)

HALIFAX REGIONAL MUNICIPALITY

Schedule of Reserve Funds and Change in Fund Balances (excluding Recreation, Commissions, Cultural and Other Funds)

March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2008
	Actual	Actual
Revenues:		
User fees and charges	\$ 4,703	\$ 2,150
Government grants	30,538	18,215
Development levies	2,554	11,425
Investment income	152	347
Sale of properties	4,258	8,372
	<u>42,205</u>	<u>40,509</u>
Expenditures:		
Operating:		
General government services	124	108
Environmental services	1,211	8,128
Recreation and cultural services	1,022	923
	<u>2,357</u>	<u>9,159</u>
Capital:		
General government services	185	231
Total expenditures	<u>2,542</u>	<u>9,390</u>
Net revenues	39,663	31,119
Financing and transfers:		
Transfers from operating fund	21,323	14,505
Transfers from (to) capital fund	63,712	(109,828)
Net financing and transfers	<u>85,035</u>	<u>(95,323)</u>
Change in fund balances	124,698	(64,204)
Fund balances, beginning of year	18,439	82,643
Fund balances, end of year	<u>\$ 143,137</u>	<u>\$ 18,439</u>

HALIFAX REGIONAL MUNICIPALITY

Consolidated Schedule of Recreation, Commissions, Cultural and Other Funds and Changes in Fund Balances

March 31, 2009, with comparative figures for 2008
(In thousands of dollars)

	2009	2008
	Actual	Actual
Revenues:		
User fees and charges	\$ 27,356	\$ 25,566
Government grants	54	–
Investment income	6	10
	27,416	25,576
Expenditures:		
Operating:		
General government services	240	241
Recreation and cultural services	24,590	24,582
	24,830	24,823
Capital:		
General government services	20	4
Recreation and cultural services	938	196
	958	200
Total expenditures	25,788	25,023
Net revenues	1,628	553
Financing and transfers:		
Transfers from operating fund	(3,844)	375
Debt principal repayment	(1,315)	(385)
Net financing and transfers	(5,159)	(10)
Change in fund balances	(3,531)	543
Fund balances, beginning of year	1,393	850
Fund balances, end of year	\$ (2,138)	\$ 1,393



For further information, contact:

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