

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 3

**Budget Committee
January 10, 2018**

TO: Chair and Members of Budget Committee
(Standing Committee of the Whole on Budget)

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: January 2, 2018

SUBJECT: Proposed 2018/19 Multi-year CAO Business Unit
Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on November 14, 2017, staff is required to present the 2018/19 draft Business Unit Budget and Business Plans to the Budget Committee for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that Budget Committee direct staff to proceed to prepare the 2018/19 Multi-year CAO Business Unit Budget and Business Plan, as proposed in the accompanying presentation and consistent with the preliminary fiscal direction.

BACKGROUND

As part of the design of the 2018/19 Budget and Business Plan development process, the Budget Committee is reviewing each Business Unit's budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the December 5, 2017 Committee of the Whole meetings, Regional Council considered and confirmed their Council Priority Outcomes and on December 13, 2017 provided fiscal direction for the 2018/19 multi-year budget, directing staff to: "develop the 2018/19 Multi-year Budget and Business Plans in support of the fiscal direction and approved priorities."

DISCUSSION

Staff has prepared the proposed 2018/19 Budget consistent with the preliminary fiscal direction received from Council on December 13, 2017 and aligned with Council Priorities as approved on December 5, 2017.

Following direction from the Budget Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2018/19 Multi-year Budget and Business Plan documents to be presented to Council, as per the process and schedule in the November 14, 2017 staff report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed 2018/19 Multi-year budget. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

RISK CONSIDERATION

None are specifically associated with this report.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Budget Committee can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

CAO Business Unit 2018/19 Multi-year Budget and Business Plan Presentation

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Steven Higgins – Senior Advisor CAO Office, 902-490-2292

Financial Approval by: Original Signed

Jerry Blackwood, Acting Director of Finance and Asset Management/CFO, 902.490.6308

Report Approved by: Original Signed

Jacques Dubé, Chief Administrative Officer

HALIFAX

Chief Administrative Office Business Unit

**2018/19 Multi-Year
Budget & Business Plan**

Committee of the Whole on Budget

10-JAN-2018

Chief Administrative Office Business Unit

Provides corporate leadership, strategic direction and operational guidance to deliver professional public service in support of Council.

Provides administrative and legislative support to the Mayor and Council.

Service Areas

CAO Administrative Office

Provides corporate-wide leadership, strategic direction and operational guidance.

Office of the Mayor

Coordinates constituent relations, communications and administrative support to the Mayor.

Councillor's Support Office

Coordinates constituent relations, communications and administrative support for members of Council

Operating Budget Overview*

Expenditures	2016 Budget	2017 Budget	2017 Projected	2018 Budget
* Compensation and Benefits	4,287,600	3,946,000	3,946,000	3,946,000
• Office	58,500	53,500	53,500	53,500
* External Services	169,200	154,200	154,200	154,200
* Supplies	3,500	3,500	3,500	3,500
* Materials	13,000	13,000	13,000	13,000
* Building Costs	14,000	14,000	14,000	14,000
* Equipment & Communications	41,900	41,900	41,900	41,900
* Other Goods & Services	372,600	361,700	361,700	362,200
** Total	4,960,300	4,587,800	4,587,800	4,588,300
Revenues				
* Fee Revenues	(38,500)	(38,500)	(38,500)	(38,500)
** Total	(38,500)	(38,500)	(38,500)	(38,500)
Net Surplus/Deficit	4,921,800	4,549,300	4,549,300	4,549,800

* Restated for April 2017 reorganization

Service Area Budget Overview*

Business Unit Net Expenses	16/17 Budget	17/18 Budget	17/18 Projected	18/19 Approved in Principle	18/19 Proposed Budget
Office of the CAO	1,488,200	1,083,200	1,083,200	1,083,200	1,099,300
Office of the Mayor	812,100	809,400	809,400	809,900	828,000
Councillors Support Office	2,621,500	2,656,700	2,656,700	2,656,700	2,756,400
Business Unit Total	4,921,800	4,549,300	4,549,300	4,549,800	4,683,700

* Restated for April 2017 reorganization

Staff Counts *

Service Area	16/17 Approved	17/18 Approved	18/19 Approved in Principle	18/19 Proposed
Office of the CAO	5.0	7.0	7.0	7.0
Office of the Mayor	6.0	6.0	6.0	6.0
Councillors Support Office	12.0	12.0	12.0	12.0
Corporate Communications	22.0	0.0	0.0	0.0
DCAO Operations	4.0	0.0	0.0	0.0
Gov't Relations & External Affairs	11.00	0.0	0.0	0.0
Municipal Clerks	21.0	0.0	0.0	0.0
Business Unit Total	81.0	25.0	25.0	25.0

* Restated for April 2017 reorganization

Summary of Proposed Budget Adjustments

Proposed Adjustments	Impact on Service Delivery	Projected 18/19 \$ Impact	Amount
18/19 Approved in Principle*			\$4,549,800
Compensation increase	None – ISA adjustments to maintain existing service levels	\$133,900	
Total Proposed Changes			\$133,900
Proposed 18/19 Budget			\$4,683,700

* Restated for April 2017 reorganization. Includes approved in principle 2-year changes from 17/18 budget discussions

Pressures and Risks

Pressures

- Out of town travel expenses in the Councillor support office are under pressure due to increasing demands for engagement at events such as FCM Board Meetings, UNSM related activity, speaking engagements representing the municipality and various conferences. Based on current trends, this pressure equates to approximately \$30,000

Risks

- Budget risks in the CAO Business Unit are minimal as the vast majority of the expenses and revenues are fixed and can be accurately predicted

Business Unit Wrap Up Slide

- Questions ?