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Item No. 3 (i)
Committee of the Whole
January 13, 2016

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY:

John Traves Acting CAO, Chief Administrative Office

DATE: January 13, 2016

SUBJECT: Proposed 2016/17 Chief Administrative Office Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented in the Information Report of September 22, 2015, staff is required to present the 2016/17 draft Business Unit Budget and Business Plans to the Committee of the Whole 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 the Committee of the Whole direct staff to proceed to prepare the 2016/2017 Chief Administrative Office Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided by motion of Committee of the Whole for inclusion in the proposed HRM 16/17 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2016/2017 Budget and Business Plan development process, the Committee of the Whole is reviewing each Business Unit's high level budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the November 24, 2015 Committee of the Whole Regional Council considered and confirmed their Council Priority Outcomes and directed staff to: "develop the 2016/17 Budget and Business Plans in support of these priorities."

DISCUSSION

Staff has prepared the proposed 16/17 Budget consistent with the preliminary fiscal direction received from Council on October 20, 2015 and aligned with Council Priorities as directed on November 24, 2015.

Following direction from the Committee of the Whole, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2016/17 Budget and Business Plan documents to be presented to Council, as per the process and schedule in the September 22, 2015 Information Report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2016-17. 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.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Committee of the Whole 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

Chief Administrative Office 2016 – 2017 Budget and Business Plan Presentation

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Steven Higgins – Executive Assistant, Chief Administrative Office, 902.490.2292

Original Signed

Report and Financial
Approval by:

Amanda Whitewood, Director of Finance & ICT/CFO, 902.490.6308

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HALIFAX

2016/17
Chief Administrative
Office

Draft Budget &
Business Plan

Committee of the Whole

January 13, 2016

Business Unit Overview

Chief Administrative Office

- Provides corporate leadership, strategic direction and operational guidance to deliver professional public service in support of Council.
 - Manages HRM's public relations, communications, external and intergovernmental partnerships
 - Provides administrative and legislative support to the Mayor and Council.
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Service Areas

REVISED

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- ❑ **CAO Office** – Provides corporate leadership, strategic direction and operational guidance
 - ❑ **DCAO Office** – Provides leadership, oversight and strategic direction to the six operational business units.
 - ❑ **Office of the Mayor** - Coordinates constituent relations, communications and admin support to the Mayor.
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Service Areas

- ❑ **Councillor's Support Office** – Coordinates constituent relations, communications and administrative support for members of Regional Council.
 - ❑ **Office of the Municipal Clerk** – Provides administrative support and meeting coordination to Regional Council, Community Council and Council's standing committees. Ensures transparent access to local government and maintain the integrity of the Municipality's public records.
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Service Areas

- ❑ **Government Relations & External Affairs** – Provides strategic advice to the corporation on a range of initiatives focussed on creating opportunities for effective integration with external partners.
 - ❑ **Corporate Communications** – Provides internal and external communications services, corporate marketing and brand management, media relations and corporate printing services.
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15/16 Update

15/16 Plan	Status Update
Economic Development	<ul style="list-style-type: none"> • Renewed Economic Strategy on track • On-going relationships with partners: • Halifax Partnership • Destination Halifax • Business Improvement Districts
Diversity and Inclusion	<ul style="list-style-type: none"> • Diversity and Inclusion manager hired • Established offices include African Nova Scotian Affairs Integration, accessibility focus and local immigration partnership • Framework under development
Youth Attraction and Retention	<ul style="list-style-type: none"> • Support to Connector Program (Halifax Partnership) • Facilitated sessions for African Nova Scotian youth (employment, leadership) • MOU with universities and community college

15/16 Update

15/16 Plan	Status Update
Accessibility Coordination	<ul style="list-style-type: none"> • Draft accessibility framework developed and will be finalized in coordination with broader Diversity and Inclusion framework.
Engagement of the African Nova Scotian Community	<ul style="list-style-type: none"> • Leadership on NS & Visible Minority Women’s Network workshops • Support of Racially Visible Employees Caucus and Employment Systems Review • Leading Community Circles for ANS community members and leaders
Safety in Public Spaces - Public Safety Office Transition	<ul style="list-style-type: none"> • Office established and Public Safety Advisor hired • Response to Clairmont report and framework development underway

Operating Budget Overview

Cost Element Groups	2014-15		2015-16		2016-17
	Budget	Actual	Budget	3 rd Quarter Projection	Proposed
* Compensation and Benefits	8,346,700	8,162,701	8,893,600	8,587,350	8,752,000
* Office	969,600	852,794	957,300	922,000	1,026,800
* External Services	213,900	220,141	278,400	266,000	328,400
* Supplies	93,400	68,489	83,400	81,000	83,400
* Materials	500				
* Building Costs	15,000	4,968	13,000	13,600	13,000
* Equipment & Communications	64,000	23,895	53,500	48,750	53,000
* Vehicle Expense	46,700	39,551	41,900	40,700	41,900
* Other Goods & Services	966,400	875,641	786,100	810,100	773,500
* Interdepartmental				(15,000)	
* Debt Service					
* Other Fiscal	5,884,800	6,215,615	6,010,600	6,626,600	6,121,100
** Total	16,601,000	16,440,084	17,117,800	17,381,100	17,193,100
Revenues					
* Tax Revenue		9,316			
* Area Rate Revenue	(1,950,000)	(1,955,411)	(2,049,800)	(2,049,800)	(2,049,800)
* Payments in Lieu of taxes	(147,700)	(147,407)	(143,100)	(143,100)	(143,100)
* Fee Revenues	(40,200)	(39,059)	(40,200)	(38,500)	(40,200)
* Other Revenue	(1,609,000)	(2,006,251)	(1,609,000)	(2,214,300)	(1,609,000)
** Total	(3,746,900)	(4,138,812)	(3,842,100)	(4,445,700)	(3,842,100)
Net Surplus/Deficit	12,854,100	12,301,272	13,275,700	12,935,400	13,351,000

Service Area Budget Overview

Net Chief Administrative Office Expenses by Service Area	14/15		15/16		16/17
	Budget	Actual	Budget	3 rd Quarter Projection	Proposed Budget
CAO Office	876,300	695,774	706,700	705,300	826,500
DCAO Operations	539,300	631,898	623,600	621,700	660,900
Mayors Office	809,600	731,953	812,500	787,000	818,000
Councillor Support	2,541,700	2,443,553	2,587,300	2,591,300	2,596,200
Municipal Clerk's Office	2,153,500	2,054,098	2,126,000	2,109,650	2,246,600

Service Area Budget Overview

Net Chief Administrative Office Expenses by Service Area	14/15		15/16		16/17
	Budget	Actual	Budget	3 rd Quarter Projection	Proposed Budget
Government Relations & External Affairs	2,712,600	2,603,838	3,168,700	2,989,900	3,103,800
Corporate Communications	3,221,100	3,140,158	3,250,900	3,130,550	3,099,000
Business Unit Total	12,854,100	12,301,272	13,275,700	12,935,400	13,351,000

Staff Counts (FTEs) *option showing full time only*

Service Area	2015/2016 FTEs	2016/2017 FTEs
Chief Administrative Office Total	84.5	81
CAO Office	4	5
DCAO Operations	4	4
Mayors Office	6	6.5
Councillor Support	12.5	12.5
Municipal Clerk's Office	20	20
Government Relations & External Affairs	12	11
Corporate Communications	26	22

16/17 Cost Reductions

Cost Reduction Initiative	Proposed 16/17 Saving	Projected 17/18 Saving	Projected 18/19 Saving	Impact on Service Delivery
Corporate Communications service review. Net reduction of four positions.	\$285,000	0	0	Better alignment of resources relative to service demand
Position conversion to create Council Report Controller Position in CAO Office	\$36,000	0	0	Enhancement in Council report production and tracking
Compensation savings in GREA	\$33,000	0	0	None
Miscellaneous Efficiencies	\$18,600	0	0	None
Total Reductions:	\$372,600			
* Reductions are offset by increases in other areas such as <i>salaries, building maintenance and consulting services</i>				

16/17 Initiatives

Initiative and associated Priority Outcome	Proposed 16/17 Cost	Projected 17/18 Cost	Projected 18/19 Cost
Economic Development <i>Economic Development -Business Climate</i>	Delivered from existing budget allocation		
Diversity and Inclusion <i>Economic Development -Welcoming Community & Youth Retention</i>	Delivered from existing budget allocation		
Youth Attraction and Retention <i>Economic Development -Welcoming Community & Youth Retention</i>	Delivered from existing budget allocation		

16/17 Initiatives

Initiative and associated Priority Outcome	Proposed 16/17 Cost	Projected 17/18 Cost	Projected 18/19 Cost
Improve Internal and External Communications <i>Governance and Communication - Communications</i>	Delivered from existing budget allocation		
Accessibility Coordination <i>Healthy Communities -Inclusive and Accessible Community</i>	Delivered from existing budget allocation		

16/17 Initiatives

Initiative and associated Priority Outcome	Proposed 16/17 Cost	Projected 17/18 Cost	Projected 18/19 Cost
Engagement of the African Nova Scotian Community <i>Healthy Communities -Inclusive and Accessible Community</i>	Delivered from existing budget allocation		
Public Safety Strategic Plan <i>Healthy Communities - Public Safety</i>	Delivered from existing budget allocation		
2016 Municipal Election <i>Governance and Communication - Council and Committee Governance</i>	\$ 2.2 million - Delivered from existing 16/17 budget allocation. Additional expenses offset by withdrawal from election reserve and recover from external parties (PNS)		

Questions and Discussion