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Item No. 12.1.3
Audit & Finance Standing Committee
October 5th, 2016

TO: Chair and Members of Audit & Finance Standing Committee

SUBMITTED BY: Original Signed

Jacques Dubé, Chief Administrative Officer

Original Signed

Taso Koutroulakis, P.Eng., AV Director, Transportation & Public Works

DATE: September 21st, 2016

SUBJECT: Additional Funding for Snow Removal Program for Seniors and Persons with Disabilities

ORIGIN

July 26th, 2016 motion of Regional Council:

Moved by Councillor Mosher, seconded by councillor McCluskey,

That Halifax Regional Council direct staff to prepare a report to the Audit and Finance Standing Committee recommending a funding source in the 2016/17 fiscal year to increase the funding for the Seniors and Persons with Disability snow removal program up to \$200,000 and report back to Council.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Council approved, Dec 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

Halifax Charter, section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; Halifax Charter, section 79(1) - Specifies areas that the Council may expend money required by the Municipality; Halifax Charter, section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; Halifax Charter, section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval. Financial Reserves Administrative Order 2014-015-ADM (5) the Audit and Finance Standing Committee shall review and recommend to the Council for its consideration all impacts to the Reserves.

Recommendation on next page

RECOMMENDATION

It is recommended that the Audit & Finance Standing Committee recommend that Regional Council:

Approve an increase to the Snow Removal Program for Seniors and Persons with Disabilities (The Program) in an amount up to \$200,000, for a total 2016/17 operating budget of up to \$600,000, with funding to be found through operating efficiencies within Transportation and Public Works, or if operating efficiencies cannot be achieved, through the Risk Reserves: General Contingency Reserve, Q421, as per the Financial Implications section of this report.

BACKGROUND

The Snow Removal Program, for the past four (4) years, has been administered by the YMCA. Currently, the program has the ability to serve up to 485 households. For the past three (3) years, the Program has exceeded capacity. It is anticipated that given the aging population, the number of applicants will continue to increase. As a result, Council has directed staff to identify a funding source in the 2016/17 fiscal year to increase funding for the Program up to \$200,000 to address increased demand.

DISCUSSION

Staff have consulted the YMCA to discuss the potential budget increase, and their ability to serve additional households. The YMCA confirmed that, with an additional \$200,000, they would have the capacity to serve additional clients. The YMCA currently charges a 15% administration fee, and estimates that each household served will cost \$700, meaning an additional 243 households could potentially be served.

FINANCIAL IMPLICATIONS

Operating efficiencies across Transportation and Public Works will be sought in order to offset the cost, as the 2016/2017 Approved Operating Budget cannot accommodate the increase. Alternately, if operating efficiencies cannot be achieved specifically within Transportation and Public works, the increased cost will be offset using: Risk Reserves: General Contingency Reserve Q421.

The additional funding required for the 2016/17 fiscal year can be accommodated through the General Contingency Reserve, if required, as mentioned above. The funding for 2017/18 will be addressed through the Operating Budget process. Approving the increase for additional funding for snow removal program for seniors and persons with disabilities will create a new pressure on the 2017/18 Operating Budget.

Budget Summary, Risk Reserve - General Contingency Reserve, Q421

As at August 31:	
Balance in Reserve, August 31, 2016	\$1,768,151
Projected Revenue to March 31, 2017	\$ 7,389
Commitments to March 31, 2017	\$ (529,845)
September 20, 2016 HRC approvals:	
Destination Halifax	\$ (104,500)
Pending Report for Oct 4 Council:	
Volunteer Firefighters Honorariums	\$ (570,000)
Maximum withdrawal per recommendation	\$ (200,000)
Projected available balance, March 31, 2017	\$ 371,195

<p><u>Risk Reserve - General Contingency Reserve, Q421 (Sept 20, 2016)</u> Purpose of reserve is to receive any annual operating surplus of the Municipality, operating surplus of</p>

Halifax Transit, or any other amounts transferred to reserve as approved by Council. Withdrawals from reserve are to address any year-end deficit, funding of operating and/or capital costs, and transfers to/from Halifax Transit year end surplus. This recommendation for the use of funds meets the intended purpose.

RISK CONSIDERATION

No risk to TPW budget as the intention will be to draw from the General Contingency Reserve Q421.

COMMUNITY ENGAGEMENT

No community engagement has taken place.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

ALTERNATIVES

Not to proceed with the increase this budget year and to budget for the increase in 2017/18.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.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.

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