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Item No. 1
Audit and Finance Standing Committee
September 6, 2016

TO: Chair and Members of Audit and Finance Standing Committee

SUBMITTED BY: Original Signed

Amanda Whitewood, CFO/Director FICT

DATE: August 16, 2016

SUBJECT: **2016/17 Budget Parking Lot Items**

INFORMATION REPORT

ORIGIN

At the July 19, 2016 meeting, Regional Council requested a staff report on the status of the parking lot items from the 2016/17 budget discussions.

LEGISLATIVE AUTHORITY

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

BACKGROUND

During the 2016/17 business unit budget consultations, Council identified a number of items that were not funded in the draft 2016/17 budget, but warranted further consideration.

DISCUSSION

The 2016/17 Budget Parking Lot items were:

Item	16/17 Cost Estimate	Annualized Cost 17/18 and beyond
1. Increased Volunteer Firefighter Honorariums	\$550,000	\$1,100,000
2. Extension of Weekly Green Cart Collection to the end of September	\$300,000	\$300,000
3. Extension of Weekly Blue Bag Collection Service throughout HRM	\$1,250,000	\$1,500,000

4. Seniors and Persons with Disability Snow Removal Program	\$200,000	\$200,000*
Total Potential Operating Budget Pressures	\$2,300,000	\$3,100,000

* Recommendation to increase Seniors and Persons with Disability Snow Removal Program by up to \$200,000

1. Increased Volunteer Firefighter Honorariums:

At the February 16, 2016 Committee of the Whole on Budget, the following motion was approved:

- That Halifax Regional Council remove the matter of volunteer honorariums from the deferral pending a staff report being brought to Council in June 2016 and with the understanding that should Council approve an increase to honorarium the funding will be found in the 2016/17 budget.

Staff is preparing a report on volunteer firefighter honorariums which will present options for the distribution of additional funding to improve recruitment and retention of volunteer firefighters. This report is anticipated to be at Regional Council in November. Should additional funding be required for the 16/17 fiscal year, a subsequent report will come to the Audit and Finance Standing Committee for consideration of an in year funding allocation.

2 & 3. Extension of Weekly Green Cart Collection to the end of September and Extension of Weekly Blue Bag Collection Service throughout HRM:

As per the direction in the February 16, 2016 motions, staff will be presenting service delivery options for both September green cart collection and rationalization of blue bag collection within the proposed 17/18 budget.

- That Halifax Regional Council defer the decision on the Green Cart extension to September Parking Lot item to the 2016/17 business cycle for consideration of inclusion in the 2017/18 Budget.
- That Halifax Regional Council defer the decision on the Blue Bag extension Parking Lot item to the 2016/17 business cycle for consideration of inclusion in the 2017/18 Budget.

Prices for expanded organics collection are included in the existing contracts so that cost will be included in the draft 17/18 TPW Budget for Council consideration.

In order to expand blue bag collection to weekly for all areas, staff would have to renegotiate collection contracts to include the expanded service. The above amounts represent staff's estimate of the increased cost after consultations with service providers and are subject to change. Staff will explore this option for Council's consideration when entering into the next contract cycle and will also explore alternatives such as moving to bi-weekly blue bag collection for the entire region. This approach would achieve equity for all residents and may reduce collection costs over the long term. The current contracts have three years remaining on their term. If service levels were reduced for the remaining three years it is not known if any savings would be realized due to the initial investment made to meet the current standards. Contract terms would have to be renegotiated.

4. Seniors Snow Removal Program:

At the January 27, 2016 Committee of the Whole on Budget, the committee discussed the Seniors and Persons with Disability Snow Removal Program in the context of the Transportation and Public Works budget. Relevant excerpts from the minutes of that meeting are included as Attachment A.

During that meeting the committee added the Seniors and Persons with Disability Snow Removal Program to the parking lot, but determined that the item could not be addressed in time for approval of the 16/17 HRM budget. The Committee directed staff to return within 6 months with a comprehensive report on options for the future of the program.

On July 26, 2016 staff provided that report and received direction from Council to return to the Audit and Finance Standing Committee to identify a funding source to increase the funding by up to \$200,000 for the program in 16/17 and to include that funding in future operating budgets.

FINANCIAL IMPLICATIONS

There are no immediate financial implications of this report. The financial implications of proceeding with any of these items would be considered by the Audit and Finance Committee once motions were passed by Council, as is the case with the Seniors Snow Removal Program. If approved, all items represent recurring pressures on Operating Budgets and would not be candidates for one-time funding from the Reserves.

COMMUNITY ENGAGEMENT

There was no community engagement in the preparation of this report.

ATTACHMENTS

Attachment A - Excerpt from January 27, 2016 Committee of the Whole on Budget – Transportation and Public Works

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

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**Attachment A - Excerpt from January 27, 2016 Committee of the Whole on Budget –
Transportation and Public Works**

“Mr. Zvaniga noted that there had been no budget increase to the senior snow removal program. He stated that direction might be given to coordinate with the Province in regards to delivery of social programs and opportunities. Regarding education of crosswalks, he stated awareness was key, but at this time he was uncertain the focus should be solely on brochures. Regarding waste receptacles, Mr. Zvaniga noted he would return with details.

MOVED by Councillor Hendsbee, seconded by Councillor Karsten

THAT the Committee of the Whole add to the parking lot \$100,000 in additional funding for the Senior Snow Removal Program.

Councillor Watts requested a friendly amendment be made to the motion so that it would read as follows.

The Committee agreed to the amendment.

THAT the motion be amended to add the following: staff prepare a report, prior to the final budget, which considers options to support the Senior Snow Removal Program.

The motion now reads:

THAT the Committee of the Whole add to the parking lot \$100,000 in additional funding for the Senior Snow Removal Program and further that staff prepare a report, prior to the final budget, which considers options to support the Senior Snow Removal Program.

MOTION PUT AND PASSED.

Councillor Mason requested a fuller report as currently service is only provided to homeowners. Mayor Savage requested the Committee of the Whole maintain a level of budget discipline. The Chair noted opportunities for volunteers to participate in snow removal. Mr. Zvaniga stated a full program analysis would not be prepared in advance of the final budget decision and six months would be required for data collection and liaison with province.

The Chair recognized that a report relative to the \$100,000 in additional funding and including options to support the Seniors Snow Removal Program would not be considered prior to approval of the budget.

MOTION PUT AND PASSED.”