

HALIFAX

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

Item No. 4
Budget Committee
Jan 16, 2019

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, 2019

SUBJECT: Proposed 2019/20 Multi-year Chief Administrative Office Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on October 16, 2018, staff is required to present the draft 2019/20 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 the Budget Committee direct staff to prepare the Chief Administrative Office's 2019/20 Multi-year Budget and Business Plan, as proposed in the accompanying presentation, and to prepare Over and Under items for that Plan as directed by Regional Council.

BACKGROUND

As part of the design of the 2019/20 Budget and Business Plan development process, the Budget Committee is reviewing each Business Unit's budget and proposed plans, in advance of completing detailed HRM Budget and Business Plan preparation.

At the November 13, 2018 and December 4, 2018 Committee of the Whole meetings, Regional Council considered and confirmed their Council Priority Outcomes and on November 27, 2018 provided fiscal direction for the 2019/20 Multi-year budget, directing staff to: "direct staff to develop the 2019/20 Budget and 2020/21 Budget in Principle according to Council's approved priorities, and preliminary fiscal direction, including:

- maintaining the appropriate level of existing services with the addition of the new services previously approved by Council;
- a three-year capital budget that recapitalizes assets, funds growth related issues and is balanced to the fiscal framework
- a responsible debt position;
- appropriate reserve balances that allow for risk mitigation, future obligations, and opportunities; and,
- alignment of the current average tax bill for residential homes and commercial properties under two scenarios:
 - a) 1.9% increase for 2019/20;
 - b) 2.1% increase for 2019/20;
 - c) 2.9% increase for 2019/20.

DISCUSSION

Staff has prepared the proposed 19/20 Multi-year Budget and Business Plan consistent with the preliminary fiscal direction received from Council on November 27, 2018 and aligned with Council Priorities as approved on November 13, 2018 and December 4, 2018. The proposed Budget aligns with a 2.9% increase in the average tax bill for both residents and businesses.

Following direction from the Budget Committee, staff will proceed to complete the detailed Budget and Business Plan for inclusion in the proposed 2019/20 Multi-Year Budget and Business Plan documents to be presented to Council, as per the process and schedule approved in the October 16, 2018 staff report.

As part of the Budget process, Regional Council will be provided with a list of possible services increases and decreases that will allow them to more fully direct changes to the budget. As part of this "Over and Under" process, staff will provide budget options for Council's consideration that would achieve an alternative tax bill increase of either 2.1% or 1.9%.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed 2019/20 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

Although there is no immediate risk related to financial decisions, there may be risks associated with individual decisions during the budget debate as they could favour short-term results over longer term strategic outcomes. Individual decisions made during budget debate will however, be considered for both short- and long-term impacts to levels of service, asset condition, and cost.

HALIFAX

Chief Administrative Office

2019/20 and 2020/21

Multi-Year Budget & Business Plan

Committee of the Whole

16-Jan-2018

Chief Administrative Office

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

Provides administrative and legislative support to Mayor and Regional 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.

About Us

- CAO's Office is committed to advancing all Regional Council and administrative priority outcomes by:
 - Providing executive leadership to staff
 - Overseeing fiscal accountability – human, financial and physical
 - Promoting a positive corporate culture
 - Leadership for major projects
 - Engagement with external stakeholders
- 3 departments within the CAO's Office
 - Office of the CAO
 - Office of the Mayor
 - Councillor's Support Office



Diversity & Inclusion Framework

The Office of the CAO actively promotes and supports Diversity & Inclusion efforts throughout the organization.

Corporate Diversity & Inclusion Framework

- Inclusive Public Service
- Safe, Respectful and Inclusive Work Environment
- Equitable Employment
- Meaningful Partnerships
- Accessible information and communication

Operating Budget Overview

Summary of Expense & Revenue						
	2017-18	2018-19	2018-19	2019-20		2020-21
Expenditures	Actual	Budget	Projections	Budget	Δ 18-19 Bud.	Budget
Compensation and Benefits	3,959,594	3,988,100	4,034,600	4,097,200	109,100	4,097,200
Office	38,947	53,500	63,212	50,000	(3,500)	50,000
External Services	158,216	563,000	602,250	26,000	(537,000)	26,000
Supplies	729	3,500	3,800		(3,500)	-
Building Costs	7,239	13,000	2,030	4,000	(9,000)	4,000
Equipment & Communications	1,327	14,000	5,225	9,500	(4,500)	9,500
Vehicle Expense	37,027	41,900	37,200	41,900		41,900
Other Goods & Services	376,778	442,200	714,383	368,000	(74,200)	368,000
Interdepartmental	24,842		2,000	32,000	32,000	32,000
Other Fiscal	(28,554)	(430,000)	(160,500)		430,000	-
Total	4,576,144	4,689,200	5,304,200	4,628,600	(60,600)	4,628,600
	2017-18	2018-19	2018-19	2019-20		2020-21
Revenues	Actual	Budget	Projections	Budget	Δ 18-19 Bud.	Budget
Transfers from other Gov'ts		(200,000)	(768,500)		200,000	
Fee Revenues	(44,391)	(38,500)	(38,500)	(44,000)	(5,500)	(44,000)
Other Revenue	(121)	-	-	-	-	-
Total	(44,512)	(238,500)	(807,000)	(44,000)	194,500	(44,000)
Net Surplus/Deficit	4,531,632	4,450,700	4,497,200	4,584,600	133,900	4,584,600

Service Area Budget Overview

Service Area Budget Overview						
	2017-18	2018-19	2018-19	2019-20		2020-21
Service Area	Actual	Budget	Projections	Budget	Δ 18-19 Bud.	Budget
Councillor Support	2,716,471	2,756,400	2,756,400	2,830,700	74,300	2,830,700
Mayors Office	746,358	828,000	828,000	857,500	29,500	857,500
CAO Office	1,068,803	866,300	912,800	896,400	30,100	896,400
	4,531,632	4,450,700	4,497,200	4,584,600	133,900	4,584,600

Staff Counts

Funded FTEs Includes full & part-time permanent positions	2018/19 Approved	2019/20 Planned Change (+/-)	2019/20 Planned Total FTE's
Full Time	25	-1	24
Total	25	-1	24

Summary of Budget Changes

Summary of Proposed Changes				
Budget Year	Change Description	Service Impact	Planned Change (\$)	Amount
2018/2019 Approved Budget				4,450,700
Compensation	Salary adjustments	No service impact	109,100	109,100
Budget Adjustments	Increase in stipend revenue	No service impact	(5,500)	24,800
	Membership Dues	No service impact	6,800	
	Community Events	No service impact	12,800	
	Contract Services	No service impact	11,000	
	Miscellaneous adjustments	No service impact	(300)	
Total Impact of Changes				133,900
2019/2020 Proposed Budget				4,584,600

Operating Reductions to 1.9%

Option Description / Service Impact	One-time / On-going	19/20 Amount	20/21 Amount
Attendance at Conferences/Workshops, Offsite Meetings, meals	Ongoing	9,300	9,300
Vacant Position Elimination – Councillor’s Support	Ongoing	28,000	28,000
Attendance at Community Events and support for local charities	Ongoing	3,000	3,000
Supplies, technology upgrades, furnishings	Ongoing	15,700	15,700
Consultants, studies	Ongoing	12,000	12,000
Total Proposed Reductions		68,000	68,000

There are no service impacts related to these reductions.

The 2.1% scenario for the CAO’s Office would be \$100 less than amounts shown.

CAO Business Unit

2019/20 – 2020/21 Multi-Year Budget and Business Plan

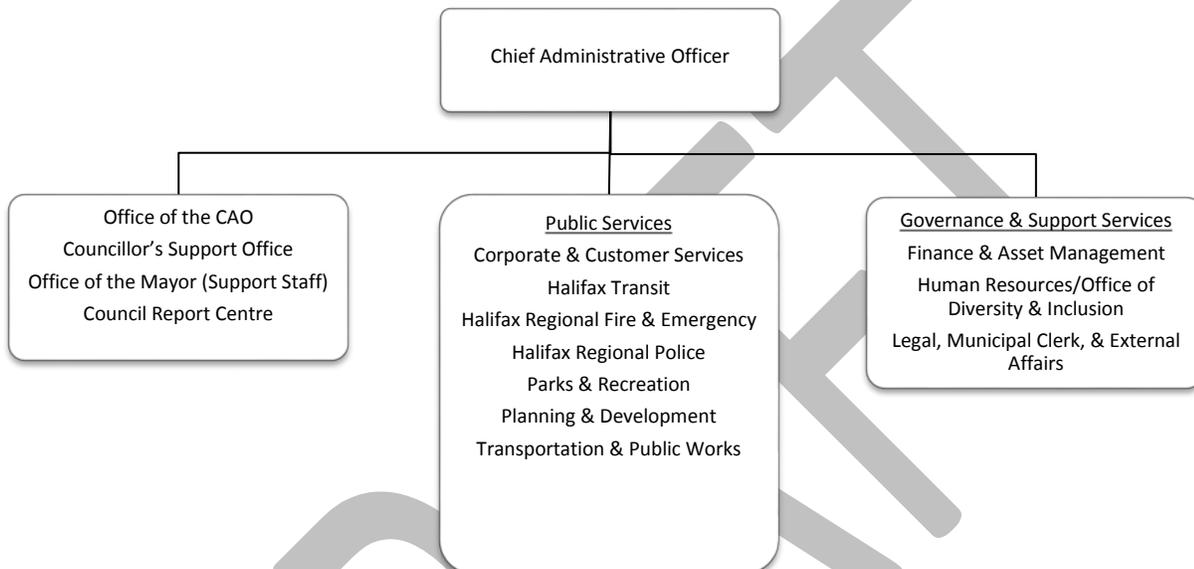
DRAFT

Mission: To create a great place to live, work and play by becoming the best managed municipality in Canada.

CAO BUSINESS UNIT OVERVIEW

The Chief Administrative Officer's (CAO) business unit is committed to advancing all Regional Council and administrative priority outcomes by providing leadership to staff.

This is achieved through strategic and operational guidance by the CAO and the senior leadership team to ensure delivery of highly professional public service in support of Regional Council. The CAO business unit oversees all HRM business units and provides administrative and legislative support to the Mayor and Regional Council.



Funded Full Time Equivalents (FTEs)

Funded FTEs Includes full & part-time permanent positions	2018/19 Approved	2019/20 Planned Change (+/-)	2019/20 Planned Total FTE's
Full Time	25	-1	24
Total	25	-1	24

Business Unit Tax Allocation

Will be updated in final draft version

Tax Allocation	2018/19 Planned	2019/20 Planned	2020/21* Planned
Percent of the average tax bill spent on CAO Business Unit	NA	NA	NA
Average tax bill amount spent on CAO Business Unit	NA	NA	NA

* Based on an average tax bill for a single-family home (assessed at NA in 2018)

CAO Business Unit Budget

Operating Budget

Budget by Service Area

Service Area Budget Overview						
Service Area	2017-18 Actual	2018-19 Budget	2018-19 Projections	2019-20 Budget	Δ 18-19 Bud.	2020-21 Budget
Councillor Support	2,716,471	2,756,400	2,756,400	2,830,700	74,300	2,830,700
Mayors Office	746,358	828,000	828,000	857,500	29,500	857,500
CAO Office	1,068,803	866,300	912,800	896,400	30,100	896,400
	4,531,632	4,450,700	4,497,200	4,584,600	133,900	4,584,600

Summary of Changes Included Proposed Budget

Summary of Proposed Changes				
Budget Year	Change Description	Service Impact	Planned Change (\$)	Amount
2018/2019 Approved Budget				4,450,700
Compensation	Salary adjustments	No service impact	109,100	109,100
Budget Adjustments	Increase in stipend revenue	No service impact	(5,500)	24,800
	Membership Dues	No service impact	6,800	
	Community Events	No service impact	12,800	
	Contract Services	No service impact	11,000	
	Miscellaneous adjustments	No service impact	(300)	
Total Impact of Changes				133,900
2019/2020 Proposed Budget				4,584,600

Summary of Expense & Revenue

Summary of Expense & Revenue						
Expenditures	2017-18 Actual	2018-19 Budget	2018-19 Projections	2019-20 Budget	Δ 18-19 Bud.	2020-21 Budget
Compensation and Benefits	3,959,594	3,988,100	4,034,600	4,097,200	109,100	4,097,200
Office	38,947	53,500	63,212	50,000	(3,500)	50,000
External Services	158,216	563,000	602,250	26,000	(537,000)	26,000
Supplies	729	3,500	3,800		(3,500)	-
Building Costs	7,239	13,000	2,030	4,000	(9,000)	4,000
Equipment & Communications	1,327	14,000	5,225	9,500	(4,500)	9,500
Vehicle Expense	37,027	41,900	37,200	41,900		41,900
Other Goods & Services	376,778	442,200	714,383	368,000	(74,200)	368,000
Interdepartmental	24,842		2,000	32,000	32,000	32,000
Other Fiscal	(28,554)	(430,000)	(160,500)		430,000	-
Total	4,576,144	4,689,200	5,304,200	4,628,600	(60,600)	4,628,600
Revenues	2017-18 Actual	2018-19 Budget	2018-19 Projections	2019-20 Budget	Δ 18-19 Bud.	2020-21 Budget
Transfers from other Gov'ts		(200,000)	(768,500)		200,000	
Fee Revenues	(44,391)	(38,500)	(38,500)	(44,000)	(5,500)	(44,000)
Other Revenue	(121)	-	-	-	-	-
Total	(44,512)	(238,500)	(807,000)	(44,000)	194,500	(44,000)
Net Surplus/Deficit	4,531,632	4,450,700	4,497,200	4,584,600	133,900	4,584,600

CAO BUSINESS UNIT SERVICE AREA PLANS (2019/20 - 2020/21)

Office of the Chief Administrative Officer (CAO Administrative Office)

The CAO Office is committed to supporting Regional Council priorities through strategic and operational guidance by the CAO and the team to ensure efficient delivery of highly professional public service in support of Regional Council.

Services Delivered:

Governance and Engagement – Municipal Governance

Corporate Direction - Overall strategic and operational direction to all business units.

Leadership - Leadership of the administrative branch of municipal government.

Operational Oversight - Direct oversight of all business units.

Governance and Engagement – Fiscal Responsibility

Resource Assignment - Assignment of corporate resources required to implement policies and programs as directed by Regional Council.

Office of the Mayor

The Office of the Mayor is committed to delivering the Mayor's mandate, supporting Regional Council priorities through coordination of constituent and stakeholder relations, communications, and administrative support to the Mayor. The office supports the Mayor in the role as a spokesperson for Council and the municipality, liaises with constituents and HRM staff to investigate issues or concerns, shares information to support the Mayor, and supports the Mayor in intergovernmental and interjurisdictional relations.

Services Delivered:

Governance and Engagement – Municipal Governance

Mayoral Support - Delivery of legislative and administrative support to the Mayor.

Issue Coordination - Coordination of resident issues, providing responses to residents' issues, managing media relations for the Mayor, maintaining stakeholder relations.

Mayoral Correspondence - Preparing correspondence with residents, stakeholders and elected officials from all orders of government on behalf of the Mayor.

Councillors Support Office

The Councillors Support Office is committed to supporting Regional Council priorities through the coordination of resident relations, communications, and administrative support for members of Regional Council. The office liaises with residents, HRM staff, and other levels of government to investigate issues or concerns and shares information to assist Councillors in carrying out their role as elected officials.

Services Delivered:

Governance and Engagement – Municipal Governance

Councillor-Citizen Relations Support - The Councillors' Support Office coordinates resident relations and communications for members of Regional Council. The office liaises with residents, HRM staff, and other levels of government to investigate issues or concerns and shares information to assist Councillors in carrying out their role as elected officials.

Councillor Administrative Support - The Councillors' Support Office provides administrative support for members of Regional Council.

Councillor Operational Support - The Councillors' Support Office ensures that councillors have the tools, methods, training, and advice necessary to their position.