



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

Item No. 3
Committee of the Whole
February 19, 2014

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY:

Richard Butts – Chief Administrative Officer

DATE: February 7, 2014

SUBJECT: Proposed 2014/2015 CAO Business Unit Budget and Business Plan

ORIGIN

At the October 22, 2013 Committee of the Whole, Council directed staff to present the 2013/14 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 2014/2015 CAO Business Unit 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 14/15 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2014-2015 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 19, 2013 Committee of the Whole Regional Council considered and confirmed their Strategic Priority Outcomes and directed staff to: "develop the 2014/15 Budget and Business Plans in support of these priorities."

DISCUSSION

Staff has prepared the proposed 14/15 Budget consistent with the preliminary fiscal direction received from Council on October 22, 2013 and aligned with Council Priorities as directed on November 19, 2013.

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 2014/15 Budget and Business Plan documents to be presented to Council, as per the process and schedule endorsed by Regional Council on October 22, 2013.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2014-15. 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

CAO Business Unit 2014 – 2015 Budget and Business Plan Presentation

**Proposed 2014/2015 CAO Business Unit Budget and Business Plan
Committee of the Whole**


A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

Steven Higgins – Executive Assistant to the Chief Administrative Officer

Original Signed

Report & Financial Approval by:


Greg Keefe, Director of Finance & Information Technology/CFO, 490-6308



CAO Business Unit 2014/15 Draft Budget and Business Plan

Committee of the Whole | February 19 , 2014



www.halifax.ca

1



CAO Business Unit

Business Unit Overview

- The CAO Business Unit provides Administrative support to Mayor and Council, corporate records management, communications services, management of intergovernmental and stakeholder relations and overall strategic and operational oversight to the organization
- These services are delivered by 79.5 permanent staff positions and 7.2 term / seasonal positions
- There are seven service areas within the business unit:

Mayor Office Administration	Corporate Communications
Councillor Support Office	DCAO Administrative Office
CAO Administrative Office	Government Relations and External Affairs
Municipal Clerk's Office	

2

www.halifax.ca



CAO Business Unit Service Areas

Mayor's Office

- Delivery of operational and administrative support to the Mayor
- Coordination of resident issues, providing responses to resident's questions and preparing correspondence and district communications on behalf of the Mayor

Councillor Support Office

- Delivery of operational and administrative support to Council
- Coordination of resident issues, providing responses to resident's questions and preparing correspondence and district communications on behalf of Councillors
- Maintenance of Councillor websites and preparation of newsletters, speeches, briefing notes, and Public Service Announcements

3

www.halifax.ca



CAO Business Unit Service Areas

CAO Administrative Office

- Leadership of the administrative branch of municipal government
- Assignment of resources to implement policies and programs as directed by Council
- Overall strategic and operational direction to all HRM's business units
- Direct oversight to Finance, Human Resources, Legal Services and Halifax Police

4

www.halifax.ca



CAO Business Unit Service Areas

Municipal Clerk's Office

- Delivery of procedural and legislative support to Regional Council, Community Councils, Boards, Committees and Commissions
- Creation, maintenance and certification of Council records
- Facilitation of public access to the legislative process
- Organization of Municipal and School Board Elections
- Oversight of the Access & Privacy Office
- Management of the Corporate Records Facility & Municipal Archives

5

www.halifax.ca



CAO Business Unit Service Areas

Corporate Communications

- Management of HRM interaction with media
- Delivery of strategies and tools to promote employee engagement, leadership visibility, and positive organizational culture
- Development and delivery of marketing strategies and services
- Development and implementation of HRM visual identity standards
- Delivery of printing, copying, bindery and distribution/mailing services

6

www.halifax.ca



CAO Business Unit Service Areas

DCAO Administrative Office

- Support for the CAO's leadership of the administrative branch of municipal government
- Direct oversight to HRM's operational business units – Transportation and Public Works, Planning and Infrastructure, Community and Recreation Services, Metro Transit and Halifax Regional Fire and Emergency Services

7

www.halifax.ca



CAO Business Unit Service Areas

Government Relations and External Affairs

- Enhancement of relationships with other levels of government and stakeholders
- Development of intergovernmental relations strategies and monitoring of priorities
- Corporate policy development and analysis
- Management of processes and initiatives that advance HRM's economic objectives
- Development and management of service level agreements with HRM's economic development partners (eg. Greater Halifax Partnership (GHP) and Business Improvement Districts (BIDs))
- Leadership of the economic prosperity community outcome area

8

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Provide strategic direction and leadership to the strategic review of solid waste service delivery	Final summary staff report and presentation to Regional Council delivered on January 14, 2014
Provide corporate strategic leadership and coordination on behalf of Council to review governance structures	The project plan was submitted to the Executive Standing Committee in July 2013. The final draft report is scheduled to go to the Committee in March 2014, with the project to be completed by June 2014
Provide leadership and strategic oversight to the successful delivery of operational business unit key deliverables	<p>The CAO meets monthly with a committee of business unit directors and conducts a critical review of delivery of all business unit deliverables (Business Plan Review Team)</p> <p>Continued support through regular DCAO meetings and update meetings with Operational Directors</p>

9

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Provide leadership and strategic support to the operational review of Halifax Regional Fire and Emergency services	The Operational Review Steering Committee have identified over 100 HRFE related initiatives and developed five Strategic Directions. Working groups have been established and are developing action plans for each of the strategic directions. The action plans will be an integral part of the Master Fire Plan to be delivered in 2014
Establish an enhanced level of customized technological capacity by providing and supporting an increased range of wireless alternatives for Councillors.	iPhone and iPad pilot project completed. Currently 11) using iPhone and 100% using iPad. All users report high degree of satisfaction. Some additional software solution currently being researched by ICT to allow direct printing and security enhancements

10

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Provide an enhanced level of Councillor to public communication and overall operational transparency through a more robust web presence and social media capacity for individual Councillors by the end of the 13/14 business cycle	<p>Councillor websites are more attractive, user friendly and more reflective of each district. Work is ongoing to make each page more relevant for the district by including demographic statistics on the district, special features, developments in progress etc.</p> <p>A new process has been created for district capital requests requiring applicants to identify other funding sources and declare that funds will be expended for the project identified on the form</p>
Enhance the professionalism of Community Council service delivery through technological improvements, improved logistical support and the implementation of a pilot project to webcast Community Council Public Hearings	Table covers & signage rolled and sound system now provided at all CC meetings. Web casting pilot completed and delivery for Standing Committees is a proposed new service in 2014/15

11

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Lead the development of a Routine Information Disclosure plan for all business units before the end of the 13/14 business cycle	Corporate training completed and document templates have been rolled out to Business Unit Directors. Access & privacy office staff are providing one on one and workshop support to business units
Implement the strategic plan for corporate records management before the end of the 13/14 business cycle	1st draft of the management plan has been completed and approved. CAO business unit staff are working on a facility lease renewal and future business requirements to support long term implementation of the management plan
Support Council's review of governance alternatives beginning with Standing and Advisory Committees before the end of the 13/14 business cycle	Motion of Council to undertake review by Nov 2014 under the direction of the Executive Standing Committee. Project management and CAO managers (including Clerk's Office) identified for staff support. Monthly updates being provided to Executive Standing committee

12

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Ensure year-3 economic strategy priorities are identified and incorporated into a Service Level Agreement with GHP. Demonstrate value for investment and include performance measures and financial outcomes in the agreement	The updated 5 year SLA between HRM and GHP as well as the updated 3 year actions for the 2011 to 2016 Economic Strategy were approved by Council on June 25, 2013
Engage African Nova Scotian communities through ongoing consultations that will inform the work of HRM and support future collaborations and initiatives	Sessions were held throughout HRM to gain input from African Nova Scotian communities and a final community engagement session was held in December 2013. An interim information report was provided to Council and a final report including recommended next steps is being developed for submission in early 2014
Coordinate a review of HRM's outstanding legislative amendment requests to determine their ongoing relevance and necessity	A comprehensive review of legislative amendments was completed and a report delivered to Council on August 6, 2013 with an updated list, of requests focused on HRM's strategic goals. The new list was sent to the Minister in August 2013

13

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Work with GHP to develop and deliver a municipal branding program to Council for review during the 13/14 business cycle	The recommended approach including proponent, budget and funding was submitted to A&F and Regional Council in November 2013. The project announcement and public / stakeholder engagement program is now well underway with final brand recommendation to Council expected in April
Deliver an enhanced on-line program of web based improvements to support more effective community engagement	Employee engagement campaign launched with internal branding project; improved intranet and document templates created for consistent and efficient employee communications; employee engagement hub launched in January with about 600 registered users to date; visibility action plan for CAO and senior management underway with video profiles on hub scheduled through Q4
Ensure coordinated management responses are prepared to individual reports from the Auditor General	As with all past reports released by the Auditor General, management responses have been coordinated and approved for the four reports released to date in 2013/14

14

www.halifax.ca



13/14 Progress Update

13/14 Plan	Progress Update
Develop, monitor and support (where required) implementation plans in response to reports and recommendations from the Auditor General	Implementation plans have been developed for all AG reports, (including the five reports released to date in 2013/14)
Continue to develop administrative procedures and tools to improve corporate monitoring and reporting in relation to recommendations from the Auditor General	<p>Recommendations from all 25 reports released by the AG's Office (including the five released in 2013/14) are actively tracked and reviewed by the CAO on a monthly basis</p> <p>86 % of all recommendations released prior to the 2013/14 business cycle have been addresses. This is a total of 290 individual recommendations</p> <p>72 % of all recommendations have been addressed since the implementation of the AG office. This is a total of 303 individual recommendations</p>
Identify corporate themes (i.e. policy gaps) and/or needs identified by the Auditor General	Themes and policy requirements are identified and addressed, as required. Themes addressed in the current year include HRM Board governance, grants and contributions policy, Metro Centre agreement with Trade Centre Ltd., ABC administrative review, and Economic Development governance

15

www.halifax.ca



Operating Budget Overview

Cost Element Groups	2011-12		2012-13		2013-14		2014-15
Expenditures	Budget	Actual	Budget	Actual	Budget	Q3 Projection	Proposed
* Compensation and Benefits	8,347,007	8,376,089	8,341,100	7,835,855	8,073,400	7,996,400	8,166,700
* Office	999,180	923,720	1,455,200	1,095,491	1,060,200	1,062,145	1,031,000
* External Services	381,265	818,761	1,034,700	1,399,118	214,400	344,600	214,400
* Supplies	102,360	75,544	102,400	70,190	90,400	84,000	90,400
* Materials		511		73	500		500
* Building Costs				203			
* Equipment & Communications	44,300	30,352	43,400	69,124	53,000	57,400	53,000
* Vehicle Expense	50,301	45,505	44,000	39,162	46,700	41,800	46,700
* Other Goods & Services	1,018,405	750,899	1,058,900	825,625	929,300	1,100,110	856,000
* Interdepartmental		21,668		-36,816		-2,200	
* Debt Service							
* Other Fiscal	5,112,127	5,167,819	4,072,000	5,026,829	5,801,700	6,049,900	5,715,000
** Total	16,054,945	16,210,868	16,151,700	16,324,856	16,269,600	16,734,155	16,173,700
Revenues							
* Tax Revenue	-1,843,927	-1,824,488	-1,968,100	-1,931,108	-1,909,400	-1,909,400	-1,909,400
* Payments in Lieu of Taxes/Transfers		-252,944	-157,000	-157,000	-138,000	-138,000	-138,000
* Fee Revenues	-32,300	-53,951	-40,200	-33,042	-40,200	-35,900	-40,200
* Other Revenue	-1,650,200	-1,945,609	-1,628,400	-2,203,182	-1,609,000	-1,653,200	-1,609,000
** Total	-3,526,427	-4,076,992	-3,793,700	-4,324,332	-3,696,600	-3,736,500	-3,696,600
Net Surplus/Deficit	12,528,518	12,133,876	12,358,000	12,000,524	12,573,000	12,997,655	12,477,100

16

www.halifax.ca



Service Area Budget Overview

Net CAO Expenses by Service Area	11/12		12/13		13/14		14/15
	Budget	Actual	Budget	Actual	Budget	Q3 Projection	Proposed Budget
CAO Administration	800,300	576,615	662,600	583,153	621,900	603,100	631,300
DCAO Operations	514,840	738,368	521,000	571,021	519,800	525,800	541,400
Municipal Clerk	2,028,989	1,971,852	2,038,900	1,972,994	2,190,900	2,191,650	2,156,600
Councillor Support	2,993,424	2,741,156	2,684,500	2,574,148	2,564,100	2,493,800	2,548,600
Government Relations and External Affairs	2,488,906	2,473,576	2,581,800	2,838,262	2,651,000	3,034,300	2,695,000
Corporate Communications	2,926,612	2,957,856	3,088,600	2,778,106	3,220,300	3,404,300	3,065,700
Mayors Office	775,447	674,453	780,600	682,840	805,000	744,100	838,500

17

www.halifax.ca



Year to Year Base Comparison

13/14 Services at 14/15 Costs including Inflation, Contracts, etc.

Service Area	13/14 Budget	14/15 Base Cost	14/15 Proposed
CAO Administration	621,900	632,185	631,300
DCAO Operations	519,800	543,186	541,400
Municipal Clerk	2,190,900	2,272,110	2,156,600
Councillor Support	2,564,100	2,586,602	2,548,600
Government Relations and External Affairs	2,651,000	2,846,632	2,695,000
Corporate Communications	3,220,300	3,280,743	3,065,700
Mayors Office	805,000	841,137	838,500
Business Unit Total	12,573,000	13,002,594	12,477,100

18

www.halifax.ca



14/15 Cost Reduction Initiatives

Cost Reduction Initiatives	Proposed 14/15 Saving	Projected 15/16 Saving	Projected 16/17 Saving
Various Operational expense reductions	127,500		
Reduce the annual contribution to the Election reserve from \$400K to \$300K	100,000	100,000	
Eliminate 2 vacant positions	89,000		
Total to offset Base Cost Increase	316,500	100,000	

19

www.halifax.ca



14/15 Priority Alignment

Priority Outcome	Priority Deliverable	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Service Excellence	Provide corporate leadership and support for service delivery priorities such as the Master Fire Plan and the HRP Master Plan	Effort		
Service Excellence	Provide corporate leadership and support for transformative projects such as the new Convention Centre and Cogswell interchange renewal	Effort		
Service Excellence	Complete an update of Administrative Order 31 regarding the classification and retention of public records	Effort		
Service Excellence / Governance and Communications	Implement webcasting of Standing Committee meetings as a permanent communications service	Effort		

20

www.halifax.ca



14/15 Priority Alignment

Priority Outcome	Priority Deliverable	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Service Excellence / Governance and Communications	Establish a new communication mandate for HRM/Corp Comms, refresh the communication master plan and realign communication functions to provide more integrated and strategic communication service to all HRM interests	Effort		
Service Excellence / Governance and Communications	Promote the Employee Hub's engagement tools, determine viability of Microsoft solution (Sharepoint) for intranet redevelopment, install large screens in key non-office locations (e.g. Transit, TPW)	Effort		
Healthy Communities – Communities of Interest	Recommend and implement a permanent organizational structure for the African NS Affairs Office	Effort		

21

www.halifax.ca



14/15 Priority Alignment

Priority Outcome	Priority Deliverable	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Healthy Communities – Communities of Interest	Develop a process to respond to key deliverables for the African NS Affairs program based on the 2013 public consultations	Effort		
Healthy Communities – Communities of Interest	Participate on the Local Immigration Partnership Advisory Committee to ensure a coordinated approach to making HRM a welcoming community	Effort		
Governance and Communications	Develop recommendations on e-voting for the 2016 election including engaging Dalhousie's computer sciences program	Effort		

22

www.halifax.ca



14/15 Priority Alignment

Priority Outcome (Why we are doing it)	Priority Deliverable (What we propose to do)	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Governance and Communications	Enhance the appointment process for community members to Council advisory boards and committees	Effort		
Governance and Communications – Policy Engagement	Use the policy development program review results from 2013 to establish a systematic framework for centralized corporate support for policy development in HRM	Effort		
Economic Development – Regulatory and Service Culture	Lead HRM's efforts to review and update the HRM Charter	Effort		
Economic Development – Regulatory and Service Culture	Coordinate a review of HRM's outstanding legislative amendment requests	Effort		

23

www.halifax.ca



14/15 Priority Alignment

Priority Outcome (Why we are doing it)	Priority Deliverable (What we propose to do)	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Economic Development / Governance and Communications	Educate all HRM employees and external stakeholders on the master brand value proposition	Effort		
Economic Development / Governance and Communications	Develop and implement a prioritized system for master brand deployment that considers life cycle replacement of assets where appropriate (e.g. fleet) as well as integration/transition with existing external brands (Transit, REC, HRP, HRFE)	Effort		
Economic Development / Governance and Communications	Implement approved recommendations on economic governance review	Effort		

24

www.halifax.ca



HALIFAX
REGIONAL MUNICIPALITY

Questions and Discussion

CAO Business Unit

| February 19 , 2014

www.halifax.ca

25