

HALIFAX

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

Item No. 11.2.5
Halifax Regional Council
August 5, 2014

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: Councillor Bill Karsten, Chair, Audit & Finance Standing Committee

DATE: July 25, 2014

SUBJECT: Elections and Electronic Voting (E-Voting) Citizen Engagement

ORIGIN

July 23, 2014 meeting of the Audit & Finance Standing Committee, Item No. 12.1

LEGISLATIVE AUTHORITY

Audit & Finance Standing Committee Terms of Reference section 3.8, which states "to review and make recommendations on proposals coming to Halifax Regional Council outside of the annual budget or tender process including but not limited to:

- New Programs or services not yet approved
- Programs or services that are being substantially altered
- Proposed changes in operating or budget items
- Committing of funds where there is insufficient approved budget, or,
- New or increased capital projects not included in the approved budget
- Increases in project budget due to cost sharing
- Creation or modification of reserves and withdrawals not approved in the approved budget

RECOMMENDATION

It is recommended by the Audit and Finance Standing Committee that Halifax Regional Council:

1. Approve the revised Reserve Business Case for Q313 – Municipal Elections as per attachment 1 of the staff report dated July 16, 2014.
2. Approve an operating budget increase of \$55,000 to A125 with funding as a withdrawal from the Municipal Elections Reserve, Q313 to conduct a public engagement initiative with regard to using Electronic Voting (e-voting) for upcoming elections in Halifax.

BACKGROUND

A staff report dated July 16, 2014 pertaining to Elections and Electronic Voting (E-Voting) Citizen Engagement was before the Audit & Finance Standing Committee.

For further information please refer to the attached staff report dated July 16, 2014.

DISCUSSION

Staff responded to questions from the Committee pertaining to the proposed citizen engagement initiative. Following discussion as to the value expected to be achieved by the public engagement, the Committee directed staff to ensure discussions regarding strategies to increase elector participation was included in the citizen engagement initiative.

The Elections Office agreed that broadening the public engagement process to include engagement regarding strategies to increase elector participation would be added to the project and would provide an important additional benefit to the engagement process.

Initiatives would include:

- Additional survey questions related to voter participation
- Inclusion of issues and opportunities in the discussion paper
- Citizen and Stakeholder engagement on the issue at the engagement event

In addition, the engagement process in and of itself would serve to bring public attention to the voter engagement.

The Audit & Finance Standing Committee reviewed this matter and approved the recommendation as outlined in this report.

FINANCIAL IMPLICATIONS

As outlined in the attached staff report dated July 16, 2014.

COMMUNITY ENGAGEMENT

All meetings of the Audit & Finance Standing Committee are open to the public. The agenda and reports are provided online in advance of the meeting.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

ALTERNATIVES

The Audit & Finance Standing Committee did not discuss alternatives.

ATTACHMENTS

1. Staff report dated July 16, 2014.

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 490-4210, or Fax 490-4208.


Report Prepared by: Liam MacSween, Legislative Assistant, 490-6521



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Attachment 1
Audit & Finance Standing Committee
July 23rd, 2014

TO: Chair and Members of the Audit & Finance Standing Committee
Original Signed

SUBMITTED BY: 
Richard Butts, Chief Administrative Officer

DATE: July 16, 2014

SUBJECT: Elections and Electronic Voting (E-Voting) Citizen Engagement

ORIGIN

The Municipal Election Act of Nova Scotia and the Nova Scotia Education Act to conduct Municipal and School Board Elections, Special Elections and Plebiscites as required.

LEGISLATIVE AUTHORITY

On December 11, 2012 Halifax Regional Municipality Regional Council approved, 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 spend money required by the Municipality; Halifax Charter, Section 35(2)(d)(i) - The CAO can only authorize expenditures budgeted 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; and the Halifax Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval.

The Reserves Policy is part of the Multi-Year Financial Strategy whereby "each Reserve will have a specific Business Case developed by the appropriate Director in conjunction with the Director of Financial Services" and that "reserve funding is incorporated into a financial plan as an integral part of the operating and capital budgets".

The Municipal Election Act of Nova Scotia and the Nova Scotia Education Act require the Municipality to conduct Municipal and School Board Elections, Special Elections and Plebiscites.

RECOMMENDATION

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

1. Approve the revised Reserve Business Case for Q313 – Municipal Elections as per Attachment 1 of this staff report.
2. Approve an operating budget increase of \$55,000 to A125 with funding as a withdrawal from the Municipal Elections Reserve, Q313 to conduct a public engagement initiative with regard to using Electronic Voting (e-voting) for upcoming elections in Halifax.

BACKGROUND

The Halifax Regional Municipality has used e-voting in three (3) Municipal elections; advance voting in the 2008 Municipal and School Board elections, District 6 2009 special election, and advance voting in 2012. In each of these elections the public acceptance of electronic voting was very high with 28.4% of electors using e-voting in 2008; 74.2% in the special election in 2009; and 60.16% in 2012.

In 2012 thirteen (13) other Municipalities in Nova Scotia used electronic voting with similar positive uptake from electors. Ninety-eight (98) Municipalities in Ontario plan on using e-voting in the 2014 municipal elections, an increase from forty-four (44) in 2010.

To date, six (6) provinces have passed legislation as part of their respective Municipal Elections Acts affording municipalities the opportunity to either implement alternative voting methods or some form of e-voting, or to pass a bylaw that would authorize the use of alternative voting methods. These provinces include Alberta, British Columbia, New Brunswick, Nova Scotia, Ontario and Saskatchewan. Currently e-voting is not offered for Provincial or Territorial elections. Federally, Elections Canada has indefinitely postponed trialing electronic voting for a by-election in 2015, primarily due to an 8% budget cut beginning in 2013.

DISCUSSION

The Municipality is a recognized leader in internet and telephone voting worldwide. Since its first use in 2008, voters have utilized this option in increasing volume with each election. Discussions with the public around e-voting will help determine the willingness of the electorate to continue along the alternative voting path in conjunction with traditional voting methods.

In preparation for the 2016 Municipal and School Board elections the Election Office has proposed to undertake a citizen engagement process to engage key stakeholders and the public in a discussion regarding the on-going use of electronic voting. The goal of the engagement process is to determine voters continued interest in using alternative voting methods and to discuss current trends and issues well in advance of election planning.

The Election office has entered into discussions with the Dr. Jeffrey Roy, Dalhousie School of Public Administration, to assist in structuring an engagement process which would involve interested voters and subject matter experts and would continue that partnership throughout the engagement process.

Members of the public will have an opportunity to provide feedback to the Election Office and pose questions to the subject matter experts on alternative voting technologies¹, and provide a forum for electors to help shape the recommendations to Halifax Regional Council in regard to the 2016 Municipal and School Board Elections.

The following high-level plan outlines the discussions to date in regard to the consultation process

- o Conduct a baseline survey around e-voting - *Late Summer/Early Fall 2014*
- o Prepare a discussion paper (in partnership with the Dalhousie School of Public Administration) - *Late Fall 2014*
- o Invite key stakeholders and the public to a day-long web cast engagement event focused around the discussion paper - *Winter 2015*
- o Prepare a final report on the results of the engagement process. - *Spring 2015*

¹ Alternative voting technologies includes e-voting (internet/telephone), tabulators, and electronic voting machines (EVM's)

The Election Office is proposing a withdrawal from the Election Reserve (Q313) be used to fund the engagement process. The Election Reserve was established to provide funding for the regular Municipal and School Board elections which occur once every 4 years. Annual transfers to reserves ensure that sufficient funds are available and extraordinary effort is not required to allocate that money in an election year. Use of the Reserve for the purpose outlined in this report requires an amendment to the Reserve Business Case, which staff feel is in keeping with the intended purpose of the Election Reserve.

FINANCIAL IMPLICATIONS

Municipal Election Reserve, Q313

Current Balance as at June 30/14	\$1,231,142	
Pending Revenue	<u>240,178</u>	(transfer from operating and interest)
Subtotal	1,471,320	
Withdrawal	<u>(55,000)</u>	
Projected 3 31 2015 balance	\$1,416,320	
Projected 3 31 2016 balance	\$1,688,092	

COMMUNITY ENGAGEMENT

Engaging electors in a forum to help shape administering elections would be a worthwhile process for all and continue the Municipality's commitment to community engagement.

ENVIRONMENTAL IMPLICATIONS

Not applicable

ALTERNATIVES

The Halifax Regional Municipality can elect to not conduct a Citizen Engagement initiative.

ATTACHMENTS

1. Reserve Business Case Q313 – Municipal Elections

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 490-4210, or Fax 490-4208.

Report Prepared by: Lori McKinnon, Election Coordinator, 490-6810
Original Signed

Report Approved by: _____
Cathy Mellett, Municipal Clerk, 490-6456

Financial Approval by: Original Signed

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

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Halifax, Nova Scotia
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Reserve Business Case

Halifax Regional Municipality - Finance & ICT, Accounting - 490-3696 - Fax: 490-4175

Date: October 23, 2001
Contact: Municipal Clerk
Revised Date: July, 2014

Municipal Elections Reserve - Q313

Purpose

To establish funds from which to draw in order to provide an infrastructure to conduct the next regular Municipal and School Board elections. Additionally, in the event of special elections during this period, it will be necessary to withdraw funds from the reserve to carry out those activities.

Source of Funds

The Reserve is funded by a minimum annual allocation of \$303,200 from Administrative Services operating budget (A125) in order to meet the objective of \$1,600,000 estimated to be required for the regular Municipal and School Board elections.

Application of Funds

Funds are allocated for the purpose of conducting special and regular elections pursuant to legislation. In addition, the election reserve will provide funding (\$55,000 for 2014/2015, subsequent years of \$50,000) for routine maintenance of election data, systems and election initiatives deemed necessary by the Election office, ensuring critical information is current and in place for special, and in particular, regular elections.

Time Line

The reserve is intended to be permanent to address election expenses, subject to annual review and in accordance with the Reserve Policy.

Approval Process

All requests for withdrawals must be initiated by the Municipal Clerk as part of the proposed annual budget process. If funding from the reserve is required after approval of annual budget, Council must approve withdrawal of funds through a resolution of council by way of a Council Report.

Finance (Accounting) is responsible for ensuring availability of funds and appropriateness of expenditures in accordance with the Reserve Business Case prior to submission to Council for their approval.

Attachments

- A. Q313 - Municipal Election Reserve Budget (Projections to 2021 - Two election cycles)

Approved

Original Signed

CAO

Q313 - Municipal Election Reserve Budget (Projections to 2021 - Two election cycles)

	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Opening Balance	1,151,042	1,415,357	1,688,372	415,209	674,222	936,861	1,203,177
Contribution	303,200	303,200	303,200	303,200	303,200	303,200	303,200
Withdrawals	-55,000	-50,000	-1,600,000	-50,000	-50,000	-50,000	-1,600,000
Interest Earned	16,115	19,815	23,637	5,813	9,439	13,116	16,844
Closing Balance	1,415,357	1,688,372	415,209	674,222	936,861	1,203,177	-76,779
Interest Rate	1.4%						

* Not Included - Any payments from NS Department of Education to conduct School Board Elections on their behalf.