

Financial Services Mission Statement

Who?

Council, the public, EMT and HRM Business Units

Why?

Council and the public have confidence that HRM's financial resources are managed with integrity and care.
Council and staff decision-making is based on appropriate, timely and complete financial information.

What?

Provides high quality advice, policy support and recommendations, financial reporting and effective financial systems and processes.

Financial Services provides high quality advice, reporting and policy support, and effective financial systems and processes which create an environment where :

Council and staff decision-making is based on appropriate, timely and complete financial information;

and,

Council and the public have confidence that HRM's financial resources are managed with integrity and care.

Description of Program/Service

Financial Services leads HRM's broad fiscal accountability within the Corporate Scorecard theme "*Excellence in Governance*". In addition, the business unit directly supports the Corporate Scorecard theme of "*Excellence in Service Delivery*" by providing direct services and advice, ensuring HRM provides value to taxpayers and to internal and external clients.

Financial Services staff provide central financial management functions including:

- Cash Management
- Accounting
- Financial Reporting
- Procurement
- Inventory and Asset Control
- Budget and Business Planning support
- By-Law registration & administration
- Tax Billing & Collection
- Financial Policy Analysis
- Financial & Operational Consulting

in support of Council, EMT and Business Unit decision making.

Financial Services interacts directly with citizens responding to inquiries and requests for services such as:

- Tax Account Status
- Local Improvement Issues
- Variety of By-Law Inquiries
- Parking Ticket Enforcement

<p>Financial Services Mission: <i>Financial Services provides high quality advice, reporting and policy support, and effective financial systems and processes which create an environment where : Council and staff decision-making is based on appropriate, timely and complete financial information; and, Council and the public have confidence that HRM’s financial resources are managed with integrity and care.</i></p>	
STRATEGIC OUTCOMES	INDICATORS
<p>Council and management decision making is supported by appropriate, complete financial information.</p>	<p>-Reports to Council: -few recommendations revised or rejected by Council -few reports deferred for lack of financial info -few reports which are identified as containing problems (inadequate information, lack of funding etc.) - Regular SAP logins for all business units - Positive feedback from internal surveys - Information input into SAP on a timely basis. - Regular reporting of corporate fiscal capacity and operating results to Senior Management, Executive Management and Council.</p>
<p>Council, Executive Management and the public appropriately have confidence that HRM’s financial resources are being managed with integrity and care.</p>	<p>-No significant year end variance from 3rd quarter projections that should have been anticipated or been managed. -Monthly projection changes do not exceed 25% (timeliness, relevance of info provided) of the previous projection. -Minimal revenue write-offs -Minimal untendered purchases -Debt-load/citizen benchmarked against other municipalities.- reduce or maintain -Reserves per capita-maintain or increase -Positive feedback from citizen survey - No qualifications in audit report.</p>

CLIENT BENEFITS		INDICATORS	
High quality advice		-Positive feedback from internal client survey -Positive feedback from targeted external client surveys -High % of recommendations accepted by Council	
Clear, relevant policy support		-Positive feedback from internal client survey -Consultation occurs with stakeholders when policies are created or revised. -Existing policies are reviewed with stakeholders. - Instances of non compliance with policies are minimal.	
High quality, timely reporting		-Positive feedback from internal client survey -Response standards met or exceeded -High % of times when month-end closing occurs within 5 working days of month end -Quarterly reports to Council within established time standards -Turnaround time on requests for Council reports will not exceed the expectations set out in the October 2002 report to Council on the Council status sheet.	
Effective financial systems & processes		-Positive feedback from internal/external client survey -Response standards met or exceeded	
2003/2004 Net Operating Budget		2003/2004 Gross Capital Budget	
	\$4,528,283		\$635,000
2004/2005 Proposed Net Operating Budget		2004/2005 Proposed Gross Capital Budget	
	\$4,366,700		\$300,000
2003/2004 Approved FTE's	145	2004/2005	152

Full Time Equivalents: Financial Services had 145 FTE's approved for the 2003/04 budget. There are 7 new positions included in the 2004/05 to a total of 152 FTE's. Two positions, one which is a term, were approved during 2003/04 and will be funded through capacity. Three others are also to be funded through capacity and budgeted savings. The remaining 2 are funded through new money.

Summary of Achievements of Last Year's Business Plan

Key Initiative	Status
<p>High quality, consistent, measurable service to our clients including business units, Executive Management, Council and the public</p>	<ul style="list-style-type: none"> • Regular monthly reports of aged receivables • Template developed for monthly analysis of outstanding receivables Agencies, Boards & Commissions • Template for Real Property Inventory and catalogue of management agreements with Agencies, Boards and Commissions • Participated in the achievement of objectives from the operational review of Sackville Sports Stadium • Regular contact with Halifax Regional Water Commission regarding annual report, fire protection services and local improvement charges • Attendance at Community Council Meetings • Surveys conducted • Developed two Service Level Agreements
<p>Ensure Financial Services staff have the right skills, tools, culture and work environment needed to deliver excellent service.</p>	<ul style="list-style-type: none"> • Project overview for developing an initial succession plan. Several supervisory positions have been established • Cross-training of staff is ongoing • Documentation of procedures has begun • Risk Management Program has been integrated with the Business Planning Process • Performance Development Plans conducted for staff and will continue on yearly basis, which also incorporated a 360 development tool • Improved communications through regular staff meetings, newsletters and annual employee sessions • Improvements to floor plan are underway • Business Case presented for new revenue system • Pilot for electronic billing is scheduled for summer 04 • Improvements on reporting have been incorporated and continue monthly • SAP HR integrated with financial services

Key Initiative	Status
<p>A documented and enhanced fiscal accountability framework to support HRM goals.</p>	<ul style="list-style-type: none"> • Best practices guide for Grants In Lieu developed • Review of all financial policies has begun • Monthly financial statements prepared • Cash flow processes maximizing investment capabilities • Internal benchmarks created and monitored • Participation in By-law Harmonization • Operational reviews conducted with recommendations being implemented • Supporting corporate projects such as Regional Planning • Implemented a Capital Cost Contribution Policy • Ongoing involvement with Harbour solutions, Provincial Assessments, Natural Gas, Supplementary Education, Tax Burden, Grants, Tax Structure, Non-Profit Housing, Rebate and Deferral programs, Strategic Capital Project Support
<p>With the Chief Administrator office and other business units, establish effective working relationships with the Province of Nova Scotia to resolve outstanding fiscal matters, including but not limited to assessment, joint SAP and other opportunities.</p>	<ul style="list-style-type: none"> • Ongoing working relationships for E-Business, Data Sharing Agreements, Service Level Agreements, Public Sector Accounting Board compliance, Federation Canadian Municipality's Green Municipal Investment Fund • Successfully hosted the 2003 Association Municipal Administrators Annual Conference

Issue # 1

A key aspect of Financial Services' mission is to provide financial management advice and support in response to business unit and corporate needs. The 2003/04 survey results have been analysed and ongoing discussions with business units will help determine how to balance business unit service levels with overall corporate and legislative responsibilities, to ensure our service delivery is balanced to the citizens, business units and corporate needs.

Link to Corporate Scorecard Outcome

Excellence in Service Delivery

Citizen Outcome: Customers satisfied with level of services received from HRM

Financial Outcome: Citizens feel the municipal services they receive are worth the taxes they pay

Excellence in Governance:

Citizen Outcome: Processes to encourage citizen involvement are balanced with the cost of obtaining input and the quality of the information received

Goal 2004/2007

High quality, consistent, measurable service to our clients including business units, Executive Management Team, Council and the public.

Objectives 2004/05

- Improve consistency and quality of management agreements for HRM facilities;
- Develop and implement a customer service plan for Financial Services;
- Develop additional Service Level Agreements with other internal business units;
- Refine management structure in the Procurement Division to ensure service delivery standards are met;
- Develop Service Standards beginning with Revenue Collection;
- Integrate corporate scorecard goals into annual business plan;
- Review the budget and business planning process to improve communication and information flow;
- Track levels of citizen participation in budget and business planning, working to identify gaps, best practices and develop plans to improve public consultation and satisfaction.

Analysis of Proposed Changes

Service Levels

- Management agreements must reflect roles, accountabilities and respective responsibilities in order to minimize financial exposure to HRM.
- Clarity of need and respective roles and expectations of management will allow more effective deployment of Financial Services resources.
- Definition and validation of service standards will improve service consistency and provide specific documented standards against which service delivery will be measured.

Financial/Budget

The impact on budget and resources will be dependent on recommended changes to service levels which

may result from surveys and service agreements. These impacts will be phased as necessary and managed within the envelope in 2004/05.

Processes

Development of service standards may identify areas in which change in an existing process is necessary to achieve the appropriate service levels

Internal Service Providers

Financial Services will work with internal service providers including Human Resources, Shared Services and Real Property and Asset Management in order to address objectives on agencies, boards and commissions and service agreements within HRM.

FTE: 1.0 within existing budget envelope

Performance Measures

Improved policies and procedures for agencies, boards and commissions.

Customer service plan completed

Improved Client survey results

Focus group feedback

Number of Community Council meetings attended by Financial Services staff.

Service standards are set and agreements in place as planned.

Issue #2

Workplace which supports excellent service delivery

Employee satisfaction levels and work place environment directly affect the ability of the business unit to provide excellent service delivery. Communication, training and succession planning are key issues. Financial Services has made progress, but efforts must continue in 2004-05. A new division within Financial Services will be created through restructuring which will lead the Service Delivery of Financial Services throughout the organization.

Link to Corporate Scorecard Outcome:

Excellence in Service Delivery:

Citizen outcomes: Customers satisfied with level of services received from HRM

Financial outcomes:

Citizens feel the municipal services they receive are worth the taxes they pay
Adequate financial resources to encourage staff development and retention.
Adequate resources provided to staff to allow them to provide excellent service delivery

Goal 2004/2007

Ensure Financial Services staff have the right skills, tools, culture and work environment needed to deliver excellent service.

Objectives 2004/05

- Continue developing a succession plan for Financial Services including risk assessment and career path mapping;
- Meet Employee session action plan objectives (regular staff meetings, 360 feedback tool);
- Make improvements to the workplace a priority;
- Create a new division to address service delivery standards, improvements and technology requirements identified to deliver those services;
- Develop procedures and standards for monthly and recurring work processes to enable consistent and timely information and add service delivery and value to clients;
- Review, analyze and develop corporate policy direction on Inter-departmental charges to enable consistent application and to reduce work effort;
- Develop a Customer Contact Strategy that provides timely, accurate, reliable response to citizens request for information or services;
- The Integrated City Projects we will support are:
 - Physical Asset - Asset Management Accounting Requirements
 - Revenue system
 - Corporate Dashboard
 - By-law Integration
 - Land Information System
- Other projects that we will support are
 - Reporting (all SAP modules)
 - Rebate agreements
 - Internal Inventory
 - Service Purchase Orders
 - Vendor Evaluation Criteria
- Participate on Corporate Diversity Project

Analysis of Proposed Changes

Service Levels

- The accomplishment of these objectives will improve the workplace, thus providing a better environment for Financial Services staff to meet client needs. A number of powerful tools currently exist to support staff in their jobs and enhancements. Ensuring staff can make the most of the tools at hand protects the investment in the tools and maximizes the potential outcomes.
- Additional resources required will be evaluated on a case by case basis for feasibility. Addition of SAP modules and a new revenue solution will enhance service levels and minimize risk.

Financial/Budget

All but two objectives will be managed within the Financial Services envelope. Resources for workplace improvements are within the Real Property and Asset Management envelope. Resources for the technology / process improvements will be allocated as part of the capital budget.

Processes

There will be process changes where appropriate related to technology/process projects undertaken. These will be developed and communicated on a case by case basis to other business units and users and will be supported by a training plan.

Internal Service Providers:

Human Resources will be required to assist with the preparation of a succession plan. Financial Services will continue to work closely with Shared Services and other business process owners (Real Property and Human Resources) to jointly agree on priorities and ensure appropriate resources are in place. Financial Services will work closely with Shared Services and client business units to implement technology/process solutions.

FTE: 3 FTE 1 within budget envelope; 2 new money

Performance Measures

Initial succession plan completed

Employee session objectives met

Workplace improvements completed.

Project plan tracking for technology/process projects undertaken.

New Division to address Service Delivery completed

Issue #3

Fiscal accountability/stewardship

Financial Services will continue to lead the organization on fiscal accountability and taxation. The Corporate Scorecard Theme - "Excellence in Governance", will be supported through education, reporting, advice and recommendations to business units and Council on related matters.

Building on the collection and mapping of current policies and legislation, Financial Services will work with business units and Council to define roles and responsibilities of various stakeholders and develop a work plan to address issues. We will continue to make improvements, including updating the multi year financial strategy, by reviewing, improving and adding to policies and to continue the forward movement by incorporating any new, updated policies into the business planning, corporate scorecard and performance measurement guidelines.

Once Financial Services, business units and Council have a common understanding for our respective roles in stewardship, clear policies will be developed.

Link to Corporate Scorecard Outcome :

Excellence in Governance

Citizen Outcome: Citizens feel they are making a difference/participating in the future direction of HRM
Financial Outcomes:

Citizens feel the municipal services they receive are worth the taxes they pay

Processes to encourage citizen involvement are balanced with the cost of obtaining input and the quality of the information received

HRM has sound financial management practices.

Accountability for dollars spent.

Goal 2004/2007

A fiscal accountability framework which reflects HRM's needs and citizen expectations.

Objectives 2004/05

- Complete policy and legislation map related to fiscal accountability and identify gaps, duplication and issues;
- Continuously seek improvements and efficiencies that will save the tax payers money by developing internal revenue collection procedures
- Develop a work plan to monitor and report on compliance with financial policies and legislation and to address the issues identified in the policy mapping. This includes the work of the Long-term capital committee;

- Evaluate 04/05 business planning and budget process and make necessary changes;
- Support the mandate of the Business Systems and Control Group and ensure business plan goals are achieved;
- Support corporate initiatives, including but not limited to, Regional Planning, Business Improvement Districts, Business Park Rationalization and an improved Transportation System;
- Provide advice and recommendations to Council on significant issues and/or participate actively on projects which could pose significant risk or opportunity for HRM, including:
 - Harbour Solutions
 - Provincial Assessment
 - Natural Gas/District Energy Initiative
 - Capital Cost Contribution Policy
 - Supplementary Education Funding
 - Funding levels from other levels of government
 - Solid Waste Strategy
 - Animal Control Business Case
 - Green Strategies
 - Heritage Investment Plan & Cultural Policy
 - Pro-active approach in applying for federal/provincial money
 - Capital Transportation Authority
- Identify and scope pilot business areas for improved costing;
- Develop and implement action plan to address changes to Canadian Institute Chartered Accountants, section: 5600 which will require HRM to adopt Public Sector Accounting Board standards in 2003/04;
- Develop and implement plan to address existing area of concern from Standard & Poor's bond rating report including debt levels, liquidity, expenditure control;
- Working with Environmental Management Services, develop a financial model for environmental systems and infrastructure;
- Enhance the information and data management systems (Land Information System-Crystal reporting);
- Active participation in the municipal assessment service delivery transition;
- Complete terms of reference and data collection for analysis of commercial and residential tax burden;
- Support the elimination of the Business Occupancy Tax by the Provincial Government and develop HRM options to recover Business Occupancy Tax;
- Improve accessibility and understandability of financial and budget information;
- Working with Environmental Management Services & Public Works & Transportation to develop 5 year plan for sewer rates.

Analysis of Proposed Changes

Service Levels

Fiscal accountability is enhanced when policies are clear, complete, understood and roles defined. It is

expected that support of the significant issues identified under this goal can be managed without affecting service levels provided by Financial Services. Revenue collection activity will increase. We will also provide service to Recreation Tourism & Culture for their proposed Cultural Policy Initiative. However, given the magnitude of these issues, it will be a challenge to maintain existing service levels should other significant issues arise beyond those identified.

Financial/Budget:

Costs in Financial Services and losses from write offs budgeted in fiscal services will be reduced through the implementation of improved revenue collection procedures.

Processes:

There will be process changes where appropriate related to technology/process projects undertaken. These will be developed and communicated on a case by case basis to other business units and users and will be supported by a training plan.

Internal Service Providers:

All business units, Executive Management Team and Council

FTE: 1.0 within existing envelope

Performance Measures

Policy mapping document complete and issues identified for action.
Corporate Scorecard and Performance Measurement progress.
04/05 Business planning process evaluation process complete.
Recommendations made to improve public input in business planning and budget process.
Business Systems and Control group business plan objectives met.
Financial Statements incorporate Public Sector Accounting Board requirements
Scoping for improved costing (pilot completed)
Areas of concern from Standard and Poor's are reduced/eliminated
Financial Model for Environmental Management Services developed
Corporate initiatives receive necessary support from Financial Services.
Clear support and recommendations to Council on significant issues and projects listed above

Issue #4

Intergovernmental Relations:

Federal and Provincial initiatives and changes to legislation can have a significant financial impact on HRM.

Effective relationships are necessary to address issues as they arise.

Link to Corporate Scorecard Outcome:

Excellence in Governance

Citizen Outcome: Citizens believe HRM works with other levels of government to improve government responsiveness

Financial Outcomes:

HRM is positioned to act on leverage opportunities

Efficiency in integrated service delivery

Goal 2004/2007

With the CAO's office and other business units, establish effective working relationships with the Federal and Provincial Governments to resolve outstanding fiscal matters.

Objective 2004/05

- Continue to participate in or initiate discussions with Federal and Provincial staff in areas of joint concern.
- Continue meetings with staff of Service Nova Scotia & Municipal Relations
- Support HRM's participation in the Association of Municipal Administrators of NS.
- Develop and distribute a factual background on HRM (mandate, finances, priorities) to all levels of government
- Coordinated proposals of priorities developed for HRM, with Federal and Provincial consultation

Analysis of Proposed Changes

Service Levels

Not applicable

Financial/Budget:

Within existing.

Processes

Not applicable

Internal Service Providers

Not applicable

FTE: No change

2004/05 Budget

Not applicable

Performance Measures

Participation with provincial staff in areas of joint concern.

Monthly meetings with Service Nova Scotia Municipal Relations.

Active participation in Association Municipal Administrator Nova Scotia supported.