

Item No. 3

**Budget Committee
February 28, 2019**

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: February 15, 2019

SUBJECT: 2019/20 Budget Adjustment List for Consideration

ORIGIN

As per Administrative Order 1, and the Multi-year budget process and consultation plan presented to Regional Council November 14, 2017, staff is required to present the 2018/19 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

That the Budget Committee direct the CAO to finalize the 2019/20 Proposed Budget and Business Plans as previously directed, including:

- i) A \$600,000 reduction in the 2019/20 Fiscal Services budget;
- ii) The use of an additional \$600,000 from the projected 2018/19 Halifax Transit budget surplus as a one-time change to fund costs of the Moving Forward Transit Plan, and;
- iii) any additional changes adopted by the Committee from the Budget Adjustment List.

BACKGROUND

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 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 three scenarios:
 - a) 1.9% increase for 2019/20;
 - b) 2.1% increase for 2019/20;
 - c) 2.9% increase for 2019.20

Subsequently staff developed their initial business plan and budget presentations to a 2.9% tax increase with options to reduce to the 1.9% and 2.1%. scenarios. In January Regional Council directed the CAO to prepare the budget based on the 1.9% scenario.

DISCUSSION

HRM's financial position is general strong, being characterized by low debt levels and average residential taxes that generally benchmark well compared to other Canadian cities. HRM's economy is growing, with positive forecasts for Real GDP and income growth of 2.5%. Inflation is stable at 2.1%. The population and number of dwelling units are expected to grow steadily over the next four years.

Several factors are placing upward pressure on the 2019-20 operating budget. The key factors include:

- **New or adjusted services (additional RCMP, Ferry service, cost of operating new assets) add an additional \$8m to the Proposed Budget.** Many of these services are provided to deal with the growing population across the region;
- There is **considerable wage pressure, resulting in an increase of \$12.5m** attributed to collective agreements, step positions, an additional 2 work days in the year as well as reclasses and other adjustments. (There is also just under \$3m in compensation that is part of the \$8m in new services);
- **Fuel prices have increased significantly since the 2018-19 budget** was established, adding \$2m in cost to operate vehicles such as police cars, fire engines, and transit buses.
- While the economy is strong, the **commercial assessment values are still at the low point of their cycle and are growing only modestly.** Moreover, property tax revenues, along with payments in lieu of taxes, represent 80% of the funding for the budget. If the average residential and commercial tax bills stay the same as in 2018-19, there will only be an additional \$6m to fund the budget, leaving a substantial gap and a potential decline in services.

The initial recommendation of staff was, therefore, for a 2.9% increase in the average tax bill. However, at the Jan 18, 2018 meeting of the Committee of the Whole, staff was directed to prepare the Multi-year Budget and Business Plans, based on the 1.9% option, and to prepare Over and Under items for that Plan as directed by Regional Council.

The 1.9% and 2.9% scenarios reflect the changes in the average tax bill for a single-family home. Those changes reflect a combination of assessment increases and tax rate changes. For instance, the average single-family home has risen in value by 2.6%. Under the 2.9% scenario the tax rate would rise by 0.3% for an average tax bill increase of 2.9%. Conversely, under the 1.9% scenario the tax rate would fall by 0.7% for an average tax bill increase of 1.9%.

Residential	Average Taxable Value	Rate (Urban)	Bill (Rate X Value)	Change in Average Tax Bill from 2018-19 (\$)	Change in Average Tax Bill (%)
2018 (Actual)	\$235,292	\$0.817	\$1,924	-	-
2019 (2.9%)	241,390	\$0.820	\$1,979	\$55	2.9%
2019 (1.9%)	241,390	\$.812	\$1,960	\$36	1.9%

Over the course of nine Committee of the Whole Budget sessions, the capital budget and the operating budget for each of the Business Units has been presented and reviewed. Each Business Unit presented a proposed budget that provided for a 2.9% increase in the average tax bill. It then detailed the “Reductions” that would be required from that budget if the increase were reduced to 1.9%. Lastly, it provided additional items outside of the proposed budget that Council might consider as add-ons (“Overs”) or subtractions (“Unders”) from the budget.

In reviewing the Proposed Budget, Regional Council made a series of individual motions accepting the Business Unit Proposed Budget at 1.9%, that is including all reductions required to balance to a 1.9% average tax bill. It then debated which items to add to the Balance Adjustment List (also referred to as the Parking Lot) for further debate. Often this included items that were “Reductions”, “Overs” and “Unders”. In several instances Council moved other items to the Parking Lot. Items could only be placed on the BAL by motion. Motions were also made for briefing notes providing additional information on specific items.

As such, HRM now has a proposed budget tabled that represents a 1.9% increase in the average tax bill. Regional Council is now set to debate the Budget Adjustment List. That list includes \$7.1m of potential adjustments to the budget. Two of these increases (totally \$1.5m) are funded through reserves and do not represent a need for additional property tax revenues. The remaining increases, if they were accepted in total, would represent a 1% increase in the average tax bill, bringing it from 1.9% back to 2.9%. Each item on that list is subject to debate by Regional Council at COW and to a formal motion and vote. Once the final items on the BAL are selected by the Budget COW, staff can prepare the final Proposed Budget and return to the Budget Committee so it can be submitted to Regional Council for the April 2, 2019 Regional Council meeting.

In reviewing the Budget Adjustment List, staff also reviewed its existing cost pressures and risks for fiscal services. Fiscal services is not a Business Unit. Rather it includes a wide variety of corporate costs such as debt, capital from operating, provincial costs, reserves and contingencies. Many of these costs are fixed or contractual and nature and cannot be altered while others linked to funding decisions already made for

the proposed capital budget. Staff did identify \$600,000 in funds set aside as a contingency for contractual risk that it is recommending be removed.

In addition, the third quarter financial projections for Halifax Transit include a \$600,000 projected surplus,. These funds can be directed towards \$600,000 of the Moving Forward Together Plan that Halifax Transit has on the BAL. (Total amount required on the list is \$679,000).

This additional \$1.2m means that the maximum percentage increase in the average tax bill can be reduced from 2.9% to 2.6%, if approved by the Budget Committee.

FINANCIAL IMPLICATIONS

To ensure the budget remains sustainable, all ongoing costs should have long-term funding. Sustainability makes it easier for Regional Council to maintain or alter current services in the future without making additional taxation or program changes.

One-time costs and savings should be matched with one-time funding sources such as reserves or surplus. In the current BAL there are two significant one-time costs: the \$1m contribution to the YMCA and the \$500,000 contributions to the North American Indigenous Games in Years 1 and 2. Both are to be offset by reserve withdrawals.

Overall, the items on the full BAL will present additional future pressures of \$2.6m, not including the possible need to replace the \$600,000 funding in one-time Halifax Transit surplus.

RISK CONSIDERATION

The items included in the BAL represent moderate financial risk that can be accommodated within the proposed HRM budget.

COMMUNITY ENGAGEMENT

Community engagement in the 2019/20 Business Plan and Budget process was solicited in four ways:

- 1) Through the Citizen Survey presented to Regional Council on November 13, 2018;
- 2) Through invitation and provision of feedback during Business Unit presentations at the Committee of the Whole sessions;
- 3) Through the provision of comment cards available during Business Unit presentations at the Committee of the Whole sessions;
- 4) Through the provision of on-line comment on the Budget allocator.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications resulting from this report.

ALTERNATIVES

Regional Council may reject the Proposed Budget Adjustment List and direct staff to find additional financial savings in the Proposed Budget.

ATTACHMENTS

- Attachment A - Budget Adjustment List by Business Unit
- Attachment B – List of Reductions to Achieve 1.9% Average Tax Bill
- Attachment C - Budget Briefing Notes
- Attachment D - Budget Information Items

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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REVISED
Attachment A - Budget Adjustment List by Business Unit

Tracking ID	Business Unit	Over/Under	Date Added	Option Description	19/20 Amount	19/20 Rate Impact	19/20 Ave Bill Impact	20/21 Amount
1	Legal	Over	18-Jan-2019	Discontinue Articled Clerk Program	\$ 113,900	\$ 0.0002	\$ 0.41	\$ 114,500
2	Legal	Over	18-Jan-2019	New FTE – Legal Assistant	\$ 54,300	\$ 0.0001	\$ 0.19	\$ 54,800
3	Legal	Over	18-Jan-2019	New FTE – Admin Assistant (GREA)	\$ 76,700	\$ 0.0001	\$ 0.27	\$ 77,500
4	Legal	Over	18-Jan-2019	Work with community partners to develop social development measures for social policy lens and public safety goals	\$ 40,000	\$ 0.0001	\$ 0.14	\$ 40,000
5	HR	Over	18-Jan-2019	New FTE - Conflict Resolution/Respectful Workplace Specialist	\$ 100,000	\$ 0.0001	\$ 0.36	\$ 100,000
6	FIT	Over	18-Jan-2019	ICT – Partnership with VOLTA would not be achievable/ No significant effects to service	\$ 250,000	\$ 0.0004	\$ 0.89	\$ 250,000
7	FIT	Under	18-Jan-2019	Increase facility rental revenue	\$ (50,000)	\$ (0.0001)	\$ (0.18)	\$ (50,000)
8	FIT	Under	18-Jan-2019	Increase recovery from external parties	\$ (75,000)	\$ (0.0001)	\$ (0.27)	\$ (75,000)
9	TPW	Under	30-Jan-2019	Graffiti Removal Service Impact: Reduce standard and revert to internal resources	\$ -	\$ -	\$ -	\$ (100,000)
10	TPW	Over	30-Jan-2019	Senior Snow Program - Continue to provide service, right size budget	\$ 100,000	\$ 0.0001	\$ 0.36	\$ 200,000
11	TPW	Over	30-Jan-2019	Tree Planting / Pruning (UFMP)	\$ 400,000	\$ 0.0006	\$ 1.43	\$ 400,000
12	TPW	Over	30-Jan-2019	Winter Works Road Salt/Sand (continue to under fund): Reduce year round street maintenance	\$ 712,500	\$ 0.0011	\$ 2.55	\$ 252,500
13	Transit	Over	30-Jan-2019	Moving Forward Together Plan Reduced Expected Service Changes – Eliminate Group B	\$ 679,000	\$ 0.0010	\$ 2.43	\$ 2,037,000
14	Other	Over	11-Dec-2018	One-time capital contribution in the amount of \$1,000,000 to the YMCA of Greater Halifax/Dartmouth towards the purchase of a replacement YMCA facility. *Will be funded from reserve* .	\$ 1,000,000			\$ -
15	TPW - Capital	Over	16-Jan-2019	Council approved a motion to include Sucker Brook Road (District 15) on the Budget Adjustment List for consideration of gravel road paving in the 2019/20 Roads Capital Program.	\$ 37,000	\$ 0.0001	\$ 0.13	\$ -
16	P&R	Over	6-Feb-2019	Defer Implementation Fee Review Phase I*	\$ 200,000	\$ 0.0003	\$ 0.72	\$ 290,000
17	P&R	Over	6-Feb-2019	North American Indigenous Games Facilitate HRM's commitment to the 2020 games. *Will come from reserve and not impact the tax rate*	\$ 500,000			\$ 500,000
18a	P&R	Over	6-Feb-2019	Grass/Shrub Contract Increases Additional work in subdivisions without requisite funding	\$ 30,000	\$ -	\$ 0.11	\$ 30,000
18b	P&R	Over	6-Feb-2019	Trail Maintenance Funding	\$ 20,000	\$ -	\$ 0.07	\$ 20,000
18c	P&R	Over	6-Feb-2019	Parks Materials	\$ 10,000	\$ -	\$ 0.04	\$ 10,000
19	P&R	Over	6-Feb-2019	Net Change MDF Subsidy - Increased requests - Reallocation to P&R Budget - Enable board-operated facilities to continue providing recreation programming - Will also require a \$884,000 transfer from Fiscal	\$ 164,000	\$ 0.0002	\$ 0.59	\$ 164,000
20	P&R	Over	6-Feb-2019	Public Safety Initiatives Build Community Mobilization Team capacity	\$ 45,000	\$ 0.0001	\$ 0.16	\$ 60,000
21	P&R	Over	6-Feb-2019	Position Conversion (CUPE) Union contract clause	\$ 60,000	\$ 0.0001	\$ 0.21	\$ 60,000
22	P&R	Over	6-Feb-2019	Arts Halifax Funding Enable increased support to Arts organizations	\$ 150,000	\$ 0.0002	\$ 0.54	\$ 250,000

Tracking ID	Business Unit	Over/Under	Date Added	Option Description	19/20 Amount	19/20 Rate Impact	19/20 Ave Bill Impact	20/21 Amount
25	P&D	Over	6-Feb-2019	Current Planning: 2 Permanent Planner II positions * Impact – Planning applications processed within service standard, increased revenue	\$ 180,000	\$ 0.0003	\$ 0.64	\$ 180,000
26	P&D	Over	6-Feb-2019	Regional Planning: 2 Permanent Planner III positions * Impact – Completion of Centre Plan, implement Green Network Plan.	\$ 192,000	\$ 0.0003	\$ 0.69	\$ 192,000
27	P&D	Over	6-Feb-2019	Director's Office: 1 Term Report Controller position * Impact - Address backlog of outstanding reports to Council.	\$ 80,000	\$ 0.0001	\$ 0.29	\$ 80,000
28	P&D	Over	6-Feb-2019	Infrastructure Planning: 1 Permanent Transportation Demand Management Coordinator position	\$ 100,000	\$ 0.0001	\$ 0.36	\$ 100,000
29	P&D	Over	6-Feb-2019	Buildings & Compliance: 7 Term Compliance Officer I positions + 1 Term Supervisor * (Parking Enforcement) Impact – Improved service delivery, increased revenue anticipated.	\$ 596,000	\$ 0.0009	\$ 2.13	\$ -
30	P&D	Over	6-Feb-2019	Buildings & Compliance: 2 Term Compliance Officer II positions (Other Enforcement) Impact – Improved service delivery.	\$ 159,000	\$ 0.0002	\$ 0.57	\$ -
31	P&D	Over	6-Feb-2019	Water Quality Monitoring Program	\$ 150,000	\$ 0.0002	\$ 0.54	\$ 150,000
32	P&D	Over	6-Feb-2019	Rural Transit Funding	\$ 220,000	\$ 0.0003	\$ 0.79	\$ 300,000
33	P&D	Under	6-Feb-2019	Anticipated Revenue Increases (Parking Tickets and Planning Applications)	\$ (1,750,000)	\$ (0.0026)	\$ (6.26)	\$ (400,000)
34	P&D	Over	6-Feb-2019	Accessible Taxi Trip Supplement	\$ 500,000	\$ 0.0007	\$ 1.79	\$ 500,000
35	Legal	Over	13-Nov-2018	Navigator Program	\$ 90,000	\$ 0.0001	\$ 0.32	\$ 60,000
36	Libraries	Over	8-Feb-2019	Reduction of 4-8 FTE staff positions Due to the high proportion of the Library's budget spent on staffing and a limited ability to reduce fixed costs elsewhere in the budget, a reduction of 4-8 FTE staff positions would be required. The hope would be to achieve this through retirement and attrition. As staff are essential to service delivery, the Library Board and Library leadership would need to re-examine services offered, delivery models and hours. Service impact: The community would have reduced access to: information services and learning programs, free public use computers and WiFi, programs and spaces that improve literacy, digital literacy and promote social inclusion for all.	\$ 350,000	\$ 0.0005	\$ 1.25	\$ 350,000
37	Libraries	Over	8-Feb-2019	Program funding to enhance food literacy learning The Library has provided extensive food literacy education over the past few years with the assistance of temporary funding. While the \$50,000 grant has been included in the base budget, the scale of the problem is great, and an additional \$50,000 would stabilize the program across all branches	\$ 50,000	\$ 0.0001	\$ 0.18	\$ 50,000
38	Libraries	Over	8-Feb-2019	Program funding directed at reducing isolation within the community In the past, the Library has received short term funding for community gatherings including snacks at several branches which have become heavily attended. These events build community for individuals otherwise experiencing isolation.	\$ 50,000	\$ 0.0001	\$ 0.18	\$ 50,000
39	Fire	Over	8-Feb-2019	Station 45 (Fall River) additional 10 firefighters to increase service delivery to 24/7 from E Platoon (10.5h M-F).	\$ 363,000	\$ 0.0005	\$ 1.30	\$ 725,000
40	Fire	Over	8-Feb-2019	Reverse reductions to services as required to meet 1.9% target	\$ 997,000	\$ 0.0015	\$ 3.57	\$ 997,000
41	Fiscal /Police	Over	15-Feb-2019	Option "B" of volunteer record checks. This will be held in Fiscal until Staff can complete a report.	\$ 200,000	\$ 0.0003	\$ 0.72	\$ 200,000

TOTAL OF ALL OPTIONS	\$ 7,144,400	\$ 0.008	\$ 20.21	\$ 8,219,300
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Attachment B – List of Reductions to Achieve 1.9% Average Tax Bill

BU	Over/Under	Option Description	19/20 Amount	19/20 Rate Impact	19/20 Ave Bill Impact	20/21 Amount
CAO	Under	Attendance at Conferences/Workshops, Offsite Meetings, meals	(9,300)	\$ -	\$ (0.03)	(9,300)
CAO	Under	Vacant Position Elimination – Councilor's Support	(28,000)	\$ -	\$ (0.10)	(28,000)
CAO	Under	Attendance at Community Events and support for local charities	(3,000)	\$ -	\$ (0.01)	(3,000)
CAO	Under	Supplies, technology upgrades, furnishings	(15,700)	\$ -	\$ (0.06)	(15,700)
CAO	Under	Consultants, studies	(12,000)	\$ -	\$ (0.04)	(12,000)
Legal	Under	Discontinue Articled Clerk Program	(113,900)	\$ (0.0002)	\$ (0.41)	(114,500)
HR	Under	Corporate Training	(73,200)	\$ (0.0001)	\$ (0.26)	(73,200)
HR	Under	Misc. Goods & Services	(9,200)	\$ -	\$ (0.03)	(9,200)
HR	Under	Corporate Training (additional)	(8,800)	\$ -	\$ (0.03)	(8,800)
HR	Under	Vacancy Savings	(11,800)	\$ -	\$ (0.04)	(11,800)
FIT	Under	ICT - Reduce Operating Cost of Capital Compensation/Achievable without significant changes to service levels	(298,000)	\$ (0.0004)	\$ (1.07)	(298,000)
FIT	Under	Corporate Real Estate – reduce contract services used for capital requirements on corporate accommodations	(50,000)	\$ (0.0001)	\$ (0.18)	(50,000)
FIT	Under	ICT – Partnership with VOLTA would not be achievable/ No significant effects to service	(250,000)	\$ (0.0004)	\$ (0.89)	(250,000)
TPW	Under	UFMP Tree Pruning/Planting- Continue falling short of UFMP targets	(116,200)	\$ (0.0002)	\$ (0.42)	(116,200)
TPW	Under	Vacancy Management - Increase staff vacancy where practical	(112,800)	\$ (0.0002)	\$ (0.40)	(112,800)
TPW	Under	Streetlight Electricity/Maintenance - No transfer to reserve	(211,000)	\$ (0.0003)	\$ (0.76)	(217,000)
TPW	Under	Winter Works Road Salt/Sand (continue to under fund): Reduce year round street maintenance	(712,500)	\$ (0.0011)	\$ (2.55)	(252,500)
TPW	Under	Senior Snow Program - Continue to provide service, right size budget	(100,000)	\$ (0.0001)	\$ (0.36)	(200,000)
Transit	Under	Moving Forward Together Plan Reduced Expected Service Changes – Eliminate Group B	(679,000)	\$ (0.0010)	\$ (2.43)	(2,037,000)
CCS	Under	Corp Fleet – Fire Light Vehicles Fleet will put a process in place (Greenbelt project)	(100,000)	\$ (0.0001)	\$ (0.36)	(149,000)
CCS	Under	Corp Fleet – Vacancy Management Historical turnover will be monitored	(50,000)	\$ (0.0001)	\$ (0.18)	(50,000)
CCS	Under	Municipal Facilities – Heating Fuel Minimal service impact, based on stable fuel price	(60,000)	\$ (0.0001)	\$ (0.21)	0
CCS	Under	Municipal Facilities – Contract Services Reduced ability to maintain or replace Bldg. systems	(50,000)	\$ (0.0001)	\$ (0.18)	(50,000)
CCS	Under	Municipal Facilities – Equipment Replacement May impact the repair/replacement priority of Equip.	(200,000)	\$ (0.0003)	\$ (0.72)	(200,000)
CCS	Under	Corp Communications - Advertising Minimal service impact – will manage for efficiency	(10,000)	\$ -	\$ (0.04)	(10,000)
CCS	Under	Corp Contact Centers – Reduction in overtime Moderate service impact –reduced Agent availability	(2,000)	\$ -	\$ (0.01)	(5,000)
CCS	Under	Corp Contact Centers – Reduction in Staff Moderate service impact – reduced Agent availability	(18,000)	\$ -	\$ (0.06)	(26,000)
CCS	Under	Municipal Facilities – Cleaning Contracts Reduced janitorial service may be impacted.	(100,000)	\$ (0.0001)	\$ (0.36)	(100,000)
P&R	Under	Remove Oval Staffing (Shoulder Season) Will cause noticeable changes to service levels	(23,000)	\$ -	\$ (0.08)	(23,000)
P&R	Under	Additional Vacancy Managements Will cause moderate changes to service level	(160,000)	\$ (0.0002)	\$ (0.57)	(40,000)
P&R	Under	Potential Revenue Increase (Rec Programming lift, Expanded Rental Hours)	(30,000)	\$ -	\$ (0.11)	(130,000)

BU	Over/Under	Option Description	19/20 Amount	19/20 Rate Impact	19/20 Ave Bill Impact	20/21 Amount
P&R	Under	Reduce Administrative Expenditures Achievable without significant changes to service levels	(53,000)	\$ (0.0001)	\$ (0.19)	(73,000)
P&R	Under	Adjust Try-A-Ride Program Will cause moderate changes to service levels	(20,000)	\$ -	\$ (0.07)	(20,000)
P&R	Under	Reduce Summer Camp Day Trips Will cause noticeable changes to service levels	(16,000)	\$ -	\$ (0.06)	(16,000)
P&R	Under	Trail Maintenance Funding	(20,000)	\$ -	\$ (0.07)	(20,000)
P&R	Under	Parks Materials	(10,000)	\$ -	\$ (0.04)	(10,000)
P&D	Under	Consulting Fees – Director’s Office Reduction in: - Ability to action 360 leadership reviews - Ability to conduct additional one off/as needed research projects and studies	(111,000)	\$ (0.0002)	\$ (0.40)	(111,000)
Libraries	Under	Reduction of 4-8 FTE staff positions Due to the high proportion of the Library’s budget spent on staffing and a limited ability to reduce fixed costs elsewhere in the budget, a reduction of 4-8 FTE staff positions would be required. The hope would be to achieve this through retirement and attrition. As staff are essential to service delivery, the Library Board and Library leadership would need to re-examine services offered, delivery models and hours. Service impact: The community would have reduced access to: information services and learning programs, free public use computers and WiFi, programs and spaces that improve literacy, digital literacy and promote social inclusion for all.	(350,000)	\$ (0.0005)	\$ (1.25)	(350,000)
Fire	Under	Reverse reductions to services as required to meet 1.9% target	(997,000)	\$ (0.0015)	\$ (3.57)	(997,000)
Police	Under	Reduction to meet 1.9% budget target	(684,200)	\$ (0.0010)	\$ (2.45)	(684,200)
TOTAL OF ALL REDUCTIONS			(5,878,600)	\$ (0.008)	\$ (21.05)	(6,883,200)

Attachment C - Budget Briefing Notes

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Budget Adjustment List Briefing

FTE Request – Conflict Resolution / Respectful Workplace Specialist

COW Date Added: 18-Jan-2019

Business Unit: Human Resources
and Office of Diversity & Inclusion

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-5	Operating	\$100,000	\$0.36
Adjustment Description	FTE Request: Conflict Resolution /Respectful Workplace Specialist (1 position)		
Priority Alignment	Our People – Engaged Workforce		

Service Implications and/or impact on Priority

The number of formal conflict or harassment complaints filed under the Harassment Prevention Policy increased to historic levels (57) in 2013/14. Since 2014 to 2018, the average number of complaints has abated to 33 complex cases per year. An average investigation involves minimum 12 to 15 employees (who need to be interviewed at least once). Depending on the BU circumstances, and our capacity, the average time frame for completion is 3 - 4 months. An average workplace assessment involves anywhere from 20 to 40 employees who need to be surveyed and interviewed. The average timeframe for completion is 3 + months. This trend is intensified by increased complexity of multi-party complaints.

The function of conflict resolution investigations is highly complex, requiring specialized skills and significant concentration and focus on evidence analysis over extended periods of time. Conflict resolution investigations are best executed as the primary work of dedicated experienced specialists unimpeded by other competing types of projects. The Organizational Effectiveness and Learning (OEL) team only has one conflict resolution specialist.

- There is the only FTE working on conflict and human rights files, including harassment investigations, workplace assessments, and other workplace rights related tasks.
- There is an additional 0.5 FTE related to HR re-assigning some less complicated conflict work to one of the OEL specialists. That specialist is helping with the significant conflict workload (such as intake, triage and situational assessments etc.).

- 3 FTEs in OEL are specialists who work on org development tools, HR policy development and roll outs, special projects, leadership training development and training facilitation, change management and project management support; and conflict resolution.

An Employment Systems Review, conducted by Turner Consulting Group in 2016, raised a concern/finding that one full-time Conflict Resolution Consultant is not sufficient to deal with organizational conflict issues. The report lists a recommendation (#62) stating “it is recommended that appropriate resources be allotted for intake and investigation of workplace harassment and discrimination complaints ... “.

Without additional FTE for investigations and other conflict resolution processes, we remain in a reactive stance. We lose the ability to be consistent and reliable with respect to quality and timeliness, as defined by our service standards, and do not have a reliable contingency plan if that expertise is lost to HRM.

The risks associated with an insufficient organizational response are summarized as follows:

1. Failure to Demonstrate Due Diligence for Harassment Prevention

The landmark ruling in *Robichaud* set the standard for employer due diligence, which requires the employer to demonstrate it did not consent (“turn a blind eye”) to harassment; take effective measures to address the complaints; and prevent a re-occurrence.

This standard also includes an expeditious response to complaints by stating that “an employer who responds quickly and effectively to a complaint by instituting a scheme to remedy and prevent recurrence will not be liable to the same extent, if at all, as an employer who fails to adopt such steps.”

The risk of not having the capacity to respond adequately to harassment complaints, especially when linked to protected grounds under Human Rights legislation, increases the likelihood of adverse findings by regulatory bodies, i.e. Human Rights Commission.

2. Reputational Damage to HRM

Awareness of workplace harassment is high. This is largely due to media reporting on harassment-based controversies affecting institutions such as the RCMP, Canadian Forces, and the CBC. Employee expectations of employer responsibility are noteworthy – even more so when the media reports on the employer’s failure to provide a harassment and discrimination free environment. The Human Rights decision regarding Halifax Transit will inform the employer’s obligations to prevent a re-occurrence.

Reputational damage comes from two sources: the public and employees. The public’s faith in its government suffers and employees lose faith that their employer will act responsibly. The seeds of

disengagement take root, and a trust deficit between employees and their supervisors and managers increases.

Service Implications

Disengagement can lead to increased absenteeism, loss of productivity, reduced public confidence, and the potential to miss out on highly skilled expertise who may be wary of seeking employment with HRM.

HRM has a responsibility, and an opportunity, to demonstrate it is exercising due diligence for harassment prevention by showing it is living up to its potential to prevent any incidents and minimize adverse consequences to employees.

The additional Conflict Resolution /Respectful Workplace Specialist would have a significant impact on the proactive and reactive work that the HR team is undertaking to assist business units in their efforts to deal with conflict and harassment. This additional FTE also has the added benefit of enabling succession planning.

Original Signed

Briefing Approved by:

Catherine Mullally, Director Human Resources/Office of Diversity & Inclusion,
902.490.7239

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT /CFO, 902.490.4630

Budget Adjustment List Briefing

VOLTA

COW Date Added: 18-Jan-2019

Business Unit: FAM&ICT

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-6	Operating	\$250,000	\$0.89
Adjustment Description	Volta Investment		
Priority Alignment	Our People – Engaged Workforce		

Overview

Volta facility is the largest innovation hub in Canada outside of the Toronto – Kitchener/Waterloo corridor. It is a catalyst that can bring together thought leaders and practitioners under an environment that is arm's length from government to allow for corporate innovation. The Provincial government through various funding channels has invested \$5 million into Volta.

An investment in Volta would offer HRM:

- Space for collaboration
- Support to get the team up and running
- One-on-One workshops and support to provide the team with guidance, best practices, and other elements to help them be successful.
- Connections with other partners such as COVE, CDL and Propel ICT to provide clarity on what others are doing and where they are in their growth.
- Demo lunches featuring Volta residences for shared learning and mentoring

Service Implications and/or impact on Priority

Volta is an innovation lab that can support Our People - Engaged Workforce. Staff within the municipality will be able to work from Volta and engage with the team there and other Volta residents to share and create ideas and solutions to current day issues. Additionally, HRM will continue to hire students who can support the Volta team and continue to support and advance small projects and provide creative ideas and solutions to municipal issues. These students in return can see how a new start-up happens and make connections to support their own future. Volta will help continue to grow our local talent, benefitting our economy and potentially prepare them to become municipal staff with the knowledge and ambition to innovate for a better city.

Volta also presents the opportunity to support additional Council priorities, and a number of plans including the Economic Growth Plan, Regional Plan and its subsets (Centre Plan, HRMByDesign),

Climate Change Strategy, Integrated Mobility Plan, Moving Forward Together Plan, Green Network Plan, Poverty Solutions, Public Safety Strategy – all speak to our goals and vision to grow a larger, more prosperous and liveable city that cares about people, the environment, and the quality of the public realm. A lab at Volta offers an opportunity to underscore our commitment to these principles through real world interventions, rapid ideation and collaborative practice outside the typical constraints of government.

Lessons learned from Kitchener, Ontario, which established a similar lab in January 2018, indicated that the lab will take time to become established and should focus on early quick wins to provide results. Data analysis is an area that can focus on key areas such as those that support the Poverty Solutions and Public Safety Strategies, among others. It should be noted that the Public Safety Strategy is the focus area for the Bloomberg What Works Cities initiative which HRM staff are currently advancing.

Volta would assist HRM in moving from talking about innovation to leading by example. The work coming out of the lab would focus intently on social innovation to benefit people and place, with potential to enhance the municipality's reputation as a community-builder. Civic initiatives could become a compelling part of the value proposition in marketing Halifax as place ripe for talent and investment.

Potential for Cost Sharing

A potential cost-sharing model can be explored with Halifax Partnership. If an agreement can be reached, the city's costs become more manageable as the Partnership's portion would come from funding allocated to the Innovation District by the Province of Nova Scotia.

Risk

The risk in advancing this initiative is that it is like any start up in that it will take time to staff and get off the ground as the team works through its relationship with the municipality on such things as procurement, legal, and identified projects on which it can be successful. This will mean funding requirements beyond the initial year which is why it was added as an operational expense.

The risk of not advancing this initiative is the loss of an easier innovative connection to the community and the potential benefits this may have on economic development, investment in local talent, and expansion of a growing innovation district. We will continue to work with universities on various initiative such as current Big Data projects. Additionally, the hiring of students will continue so they can gain experience in municipal government and advancing projects for their community. Staff will continue to involve these students in innovation and relationship building opportunities.

Original Signed

Briefing Approved by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Graffiti Removal

COW Date Added: 30-Jan-2019

Business Unit: Transportation &
Public Works

Tracking Id	Operating or Capital	2019/20 Amount (negative is savings/revenue)	19/20 Avg Bill Impact (negative is reduction)
BAL-9	Operating	-	-
Adjustment Description	Council approved a motion to consider bringing all graffiti removal services in-house, projected to save up to \$100,000 annually.		
Priority Alignment	Healthy, Liveable Communities – Public Safety		

Service Implications and/or impact on Priority

As a cost savings measure, staff proposed that all graffiti removal services be brought in-house, reducing the overall cost of the program. As graffiti tagging has been in steady decline over the last two years, the in-house crews would assume the work currently being undertaken by the contractor with minimal impact to service or standards.

Tags per year:

2014: 1,309

2015: 1,664

2016: 1,983

2017: 472

2018: 453

To avoid staffing overtime, during non-work hours, the majority of graffiti related concerns would be addressed by either the supervisor on duty or the service truck. This may, in some cases, increase the amount of time before a tag is completely removed; however, in circumstances where the tag is offensive or obscene, should the service truck or duty supervisor be unable to fully address it immediately, temporary actions would be taken to ensure the tag is covered as soon as possible.

The current contract carries a total value of \$147,857. With a projected savings of \$100,000, it is estimated that it will cost roughly \$50,000 or less to administer this program internally.

Briefing Approved by:

Original Signed

Brad Anguish, Director, Transportation and Public Works, 902.490.4855

Briefing and Financial
Approval by:

Original Signed

Jane Fraser, Director of Finance & Asset Management & ICT /CFO, 902.490.4630

Budget Adjustment List Briefing

Tree Planting

COW Date Added: 30-Jan-2019

Business Unit: Transportation &
Public Works

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-11	Operating	\$400,000 (ongoing to 2023)	\$1.43
Adjustment Description	Council approved a motion to consider an increase to the Urban Forestry operating budget to achieve 85% of the planting target as identified in the Urban Forest Master Plan.		
Priority Alignment	Healthy, Liveable Communities – Energy and Environment		

Service Implications and/or Impact on Priority

The Urban Forest Master Plan (UFMP) was approved by Council in 2014. A commitment under the plan was to achieve a ten-year planting target of 26,700 trees by 2023. Over the past 5 years, market driven increases in tree planting costs has resulted in fewer trees planted than planned. Based on current market conditions and funding available, HRM will only achieve 66% of target (18,000 trees) by 2023.

To achieve 85% of the planting target, HRM would need to plant another 13,000 trees (approximately) by 2023. An increase of \$400,000 to the annual base budget of \$650,000 will enable HRM to increase planting from 1300-1500 trees per year to 2100-2500 per year (assuming no further significant inflation on tree stock). This increase would enable achievement of approximately 80-85% of the planting target by 2023.

With the introduction of Emerald Ash Borer to HRM in 2018, the municipality is at risk of losing between 7000 and 9000 street ash trees over the next 5 to 10 years. These accelerated losses could affect planting targets if current and proposed tree planting funding is allocated to compensate for ash tree mortality.

Original Signed

Briefing Approved by:

Brad Anguish, Director, Transportation and Public Works, 902.490.4855

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Revenue Impact to the Moving Forward Together Plan – Reduced Expected Service Changes – Eliminate Group B, and associated increase to ridership

COW Date Added: 30-Jan-2019

Business Unit: Halifax Transit

Tracking Id	Operating or Capital	2019/20 Amount (negative is savings/revenue)	19/20 Avg Bill Impact (negative is reduction)
BAL-13	Operating	\$679,000	\$2.43
Adjustment Description	The Halifax Transit Annual Service Plan outlines proposed MFTP route and service changes for 2019/20. These are categorized into Group A, B, C, and D. Groups A, C, and D are included in the base budget. The adjustment relates to adding budget to allow Group B to be completed.		
Priority Alignment	Transportation – Interconnected and Strategic Growth		

Service Implications and/or impact on Priority

Implementation of the 2019/20 MFTP service changes as outlined in the Annual Service Plan, including Group B (Sackville), is critical to achieving the goals of the MFTP and building and sustaining ridership growth.

The estimated annual cost of the service changes associated with Group B is \$2,037,000. In 2019/20, this cost would be pro-rated as the service changes would only be in place for a portion of the year; as a result, the budgeted value is \$679,000. These values represent net costs, and have assumed a modest increase in revenue (and ridership) associated with the service changes.

MFTP Group B – Sackville Route Changes		
	2019/20	2020/21
Gross Cost	\$780,500	\$2,341,500
Estimated Revenue	-\$101,500	-\$304,500
Net Cost	\$679,000	\$2,037,000

This budgeted revenue from the Group B service changes equates to approximately 600 additional transit trips per day. This estimate is conservative and recognizes that when new transit services are introduced, ridership growth is typically gradual as resident's travel choices change over time.

Past significant MFTP service changes have been successful at growing ridership, with the November 2017 service changes resulting in more than 1,800 additional transit trips per day. Therefore, the potential exists, particularly over the longer term, for a higher cost recovery from the Group B service changes than is currently budgeted.

Briefing Approved by: Original Signed
Dave Reage, Director, Halifax Transit, 902.490.5138

Briefing and Financial Approval by: Original Signed
Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Paving of Sucker Brook Road

COW Date Added: 16-Jan-2019

Business Unit: TPW

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-15	Capital	\$37,333	\$0.13
Adjustment Description	Council approved a motion to include Sucker Brook Road (District 15) on the Budget Adjustment List for consideration of gravel road paving in the 2019/20 Roads Capital Program.		
Priority Alignment	Transportation – A Well Maintained Transportation Network		

Service Implications and/or impact on Priority

Sucker Brook Road (Cobequid Road to end) in Lower Sackville is an HRM owned gravel road that is 160 meters in length. The estimated total cost to pave Sucker Brook Road is \$56,000 (Class D). In accordance with the current procedure for paving of HRM Owned Gravel Roads, 66 2/3% of the total construction cost is paid by HRM, and 33 1/3% of the total construction cost is covered by the property owners through a local improvement charge (payable over a 10-year period). The estimated HRM cost (66 2/3%) is \$37,333.

Assuming appropriate funding is available, Sucker Brook Road could be paved as part of the 2019/20 capital program. It should be noted that the council approved rating system to prioritize HRM owned gravel roads for paving includes criteria such as geographical proximity with other gravel roads, maintenance levels, and road classification. Based on these criteria there are several other gravel roads that rank higher within the rating system.

OCC = \$440 for 2019/20

Original Signed

Briefing Approved by:

Brad Anguish, Director of Transportation & Public Works, 902-490-4855

Original Signed

Briefing and Financial Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing Fee Review Phase 1

COW Date Added: February 6, 2019

Business Unit: Parks and Recreation

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-16	Operating	\$200,000	\$0.72
Adjustment Description	Budget request for 2019-20 to offset revenue adjustments due to implementing Phase 1 of Recreation User Fee Policy.		
Priority Alignment	Healthy, Liveable Communities - Recreation and Leisure		

Service Implications and/or impact on Priority

The Parks and Recreation Fee Structure Review including the Recreation Rates Administrative Order (AO) will be before Regional Council for deliberation on February 26, 2019. This report will also contain recommended recreation rates for facility rentals including ice, dry-floor, all weather fields, sport fields, sport courts, ball diamonds, recreation facility rooms and gymnasium rentals, based on the principles outlined in the AO.

Specifically, the recommendations include:

- Approve new user fees for all weather fields, sport fields, sport courts, ball diamonds, recreation facility room rentals and gymnasium rentals effective April 1, 2019;
- Maintain 2017/18 ice rates for all HRM and Nustadia operated arenas for the Spring/Summer 2019 session;
- Maintain 2017/18 dry floor rates for all HRM and Nustadia operated arenas for the Spring/Summer 2019 season; and
- Approve new ice and dry-floor rates for all HRM and Nustadia operated arenas effective September 1, 2019.

Based on the proposed implementation schedule and rates as presented, it is anticipated that the overall revenue adjustment (decrease) for 2019/2020 fiscal year would amount to \$200,000. At the 1.9% tax rate, the Parks & Recreation budget will be unable to absorb this projected reduction in revenue. Therefore, additional funding would be required to offset the revenue reduction, should Regional Council approve implementation of the AO and recommended recreation rates,

An overview of the impact of the overall change to the 2019/20 revenue for each asset category based on the proposed recreation rates would be:

Facility Rental Type	Variance*
Arenas (ice)	(\$280,000)
Arenas (dry-floor)	\$0
All-weather Fields	\$15,000
Sport Courts	\$5,000
Sport Fields & Diamonds	\$70,000
Rental rooms	\$25,000
Gymnasias	(\$35,000)
Total	(\$200,000)

**estimates based on recommended rates & implementation dates*

As the 2019/20 revenue is based on a September 1, 2019 implementation for ice (7 months), it is expected that facility revenue adjustments will increase in the first full year of implementation (2020/21). Staff expect to return to Regional Council with Phase II of the Fee Review (Recreation Programming & Aquatics) in Spring 2019 for possible implementation in September. The overall impact to Parks & Recreation revenue will not be known until Regional Council provides direction on all fees.

Original Signed

Briefing Approved by:

Denise Schofield, Director Parks and Recreation, 902-476-4978

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Grass & Shrub Contract Increase, Trail Maintenance, and Parks Materials

COW Date Added: February 6, 2019

Business Unit: Parks & Recreation

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-18a / 18b / 18c	Operating	\$60,000	\$0.22
Adjustment Description	Information on the Grass and Shrubs Contract Increase (\$30K – 20/21), Proposed Trail Maintenance Reduction (\$20K – 19/20), and Proposed Parks Materials Reduction (\$10K– 19/20)		
Priority Alignment	Healthy, Liveable Communities – Recreation and Leisure		

Service Implications and/or impact on Priority

18a - Grass & Shrub Contract Increase (\$30K – 20/21) – On average, annual Grass & Shrub contract costs increase by \$20K to \$30K due to additional inventory (parkland acquisitions and developments). These amounts will be absorbed within the Parks & Recreation operating budget for 2019/20. However, six District contracts are going to tender for 2020 and staff expect typical inflationary increases which cannot be absorbed without impact to the overall budget.

18b - Proposed Trail Maintenance Reduction (\$20K – 19/20) – In recent years, discrete funding for recreational trails grants were made available to trails groups for ongoing maintenance. This funding has not been fully subscribed as several of the groups have disbanded since the program was implemented. As a result, Parks Operations have taken over gaps in trail maintenance resulting in pressures on maintenance budgets. Reallocating the earmarked trails group funding to the Parks Operations budget would allow for additional trail maintenance including tree trimming, vegetation removal and trail surface leveling.

18c - Proposed Parks Materials Reduction (\$10K– 19/20) – Parks will reduce material purchases such as infield mix, limestone screenings, pea gravel and sand for ballfields, pathways, playgrounds and beaches. Parks will look at alternative ways to rejuvenate existing materials to address maintenance on these sites.

Briefing Approved by: Original Signed

 Denise Schofield, Director of Parks & Recreation, 902.490.4933

Briefing and Financial Approval by: Original Signed

 Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Net Change MDF Subsidy

COW Date Added: February 6, 2019

Business Unit: Parks & Recreation

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-19	Operating	\$164,000	\$0.59
Adjustment Description	Net change of the MDF Subsidy. Increased requests from MDF facilities to enable board-operated facilities to continue providing recreation programming. \$164,000: over budget amount \$884,000: transfer from fiscal budget to Parks & Recreation budget		
Priority Alignment	Healthy Liveable Communities (Recreation and Leisure)		

Service Implications and/or impact on Priority

The new management agreements between HRM and the Multi-District Facilities (MDFs) have provisions in place to ensure effective stewardship of publicly owned assets in support of HRM's recreation outcomes. As part of the new management agreements, the MDFs are required to deliver a proposed annual budget and business plan to HRM for presentation to Regional Council. The agreements outline a requirement for annual approval of any funding subsidy requests by Regional Council and subsequent consideration of any funding adjustments to support volunteer community boards in addressing program delivery and inflationary pressures.

As outlined in the specific business plans provided, each facility has outlined the requested subsidy and impact of not receiving the requested subsidy. Please refer to the noted pages in the Parks & Recreation business plan for specifics on the following:

Alderney Landing (Pages H20 – H23) Requested subsidy: \$145,500. The impact of not receiving the subsidy would mean increased reliance on unsecured fund development/grants making programing and planning difficult to forecast and a risk to the organization to adequately staff for key programs.

Canada Games Centre (Pages H24 – H25) No Subsidy requested

Cole Harbour Place (Pages H28 – H30) Requested subsidy: \$61,300. Lack of funding could mean that the facility would defer annual maintenance; reduce part time staffing hours; and have potential impact to legal services for union negotiations.

Centennial Pool (Pages H26 – H27) Requested subsidy: \$60,000. The impact of not receiving the subsidy would mean lifeguard retention concerns, potential for less available pool time due to staffing levels, and delays in purchasing operational equipment.

Zatzman Sportsplex (Pages H31 – H33) Requested subsidy: \$600,000. Lack of funding could mean that the facility would be unable to meet payroll obligations, eliminate all free community access

programming including free track access, and have potential difficulties paying facility operations maintenance. Replaces payroll support in the amount of \$788,400.

Halifax Forum (Pages H34 – H35) Halifax Forum has not requested an annual subsidy, which is a reduction of \$102,800.

St. Margaret's Centre (Pages H36 – H37) Requested subsidy: \$284,000. Lack of funding could mean reductions in programming (free skates), in student employment opportunities, and in proactive facility maintenance. Replaces payroll support in the amount of \$861,700.

Comparative Financials

Regional Council also requested additional information on the previous budgets for the facilities:

Alderney Landing	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$1,287,535.00	\$1,428,594.00	\$1,427,400.00	\$1,472,500.00
Revenues	\$1,311,469.00	\$1,455,131.00	\$1,429,500.00	\$1,472,500.00
Net Surplus/Deficit	\$23,934.00	\$26,537.00	\$2,100.00	\$0.00
Canada Games Centre	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$5,281,158.00	\$5,438,209.00	\$5,719,187.00	\$5,949,246.00
Revenues	\$5,546,939.00	\$5,509,341.00	\$5,807,944.00	\$6,037,050.00
Net Surplus/Deficit	\$265,781.00	\$71,132.00	\$88,757.00	\$87,804.00
Centennial Pool	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$601,624.00	\$637,577.00	\$651,700.00	\$690,000.00
Revenues	\$642,561.00	\$683,307.00	\$651,700.00	\$690,000.00
Net Surplus/Deficit	\$40,937.00	\$45,730.00	\$0.00	\$0.00
Cole Harbour Place	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$3,483,594.00	\$3,762,095.00	\$3,938,881.00	\$3,976,800.00
Revenues	\$3,663,364.00	\$4,003,544.00	\$3,938,881.00	\$3,976,800.00
Net Surplus/Deficit	\$179,770.00	\$241,499.00	\$0.00	\$0.00
Zatzman Sportsplex	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$4,908,591.00	\$1,961,477.00	\$3,286,650.00	\$4,263,200.00
Revenues	\$4,665,834.00	\$1,176,862.00	\$2,188,450.00	\$4,263,200.00
Net Surplus/Deficit	(\$242,757)	(\$784,585)	(\$1,098,200)	\$0.00
Halifax Forum	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$4,782,576.00	\$4,788,650.00	\$5,082,020.00	\$4,865,200.00
Revenues	\$5,145,461.00	\$5,193,816.00	\$5,082,020.00	\$4,865,200.00
Net Surplus/Deficit	\$362,885.00	\$405,166.00	\$0.00	\$0.00
St. Margaret's Centre	2016/2017 Actuals*	2017/2018 Actuals*	2018/2019 Budget	2019/2020 Budget
Expenditures	\$1,815,668.00	\$2,040,518.00	\$2,070,275.00	\$1,799,500.00
Revenues	\$1,695,022.00	\$1,699,812.00	\$1,672,275.00	\$1,799,500.00
Net Surplus/Deficit	(\$120,646)	(\$340,706)	(\$398,000)	\$0.00

*from Audited Financial Statements

Original Signed

Briefing Approved by: _____
Denise Schofield, Director of Parks & Recreation, 902.490.4933

Original Signed

Briefing and Financial Approval by: _____
Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

CUPE Position Conversion

COW Date Added: February 6, 2019

Business Unit: Parks & Recreation

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
BAL-21	Operating	\$60,000	\$0.21
Adjustment Description	CUPE 60-month conversion		
Priority Alignment	Our People		

Service Implications and/or impact on Priority

Seasonal employees are unionized staff within CUPE Local 108 and are compensated 80% of the full-time employee rate but are not entitled to pension or benefits. Seasonal employees are hired each year and are typically employed from May until October. These employees are used to assist with the increased operational demands in the seasonal period. Additionally, this allows full time staff to utilize their allotted paid vacation which is difficult during the winter months due to the requirement to be available for the winter works program inclusive of weekends and holidays.

Article 17.05 (b) Section 10 (iv) and Memorandum of Understanding #2 (MOU #2) of the HRM/CUPE Local 108 Collective Agreement, states that seasonal employees who have completed a period of sixty (60) working months shall be deemed permanent employees. MOU #2 requires that the employee be placed in a full-time permanent Labourer position. In many cases, at the time of the required conversion there is not a vacancy within the business unit, which results in an overstaff requirement. That overstaffing remains in place until a vacant position becomes available.

The conversion of the employee does not impact the seasonal position which remains within the wage model. The decision to reduce the number of seasonal staff to offset the overstaffing is at the discretion of the business unit, but past practice has been to not reduce the seasonal numbers due to operational need. This results in a budget pressure as long as the permanent position is overstaffed.

It is anticipated that one seasonal employee will convert in 2019/20 resulting in a \$60,000.00 cost including compensation and benefits.

Original Signed

Briefing Approved by:

Denise Schofield, Director of Parks & Recreation, 902.490.4933

Original Signed

Briefing and Financial Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

**Budget Adjustment List Briefing
Expansion of Navigator Program**

COW Date Added: November 13, 2018

Business Unit: Legal, Municipal Clerk and External Affairs

Tracking Id	Operating or Capital	2019/20 Amount (negative is savings/revenue)	19/20 Avg Bill Impact (negative is reduction)
BAL-35	Operating	\$90,000	\$0.32
Adjustment Description	<p>Council has asked staff to explore establishing an expanded pilot program with existing providers of the Navigator program. A staff recommendation report will be delivered to Council in the coming weeks, prior to budget finalization.</p> <p>To ensure that funding is available, should Council choose to fund a new pilot program, a budget adjustment of \$90,000 in 19/20 and \$60,000 in 20/21 is recommended. Budgeting for this program does not fetter Council's discretion with respect to proceeding or not.</p>		
Priority Alignment	Social Development, Healthy, Liveable Communities		

Service Implications and/or impact on Priority

Summary of key staff findings to date:

Since 2011, the municipality has supported the outreach component of Halifax's homeless-serving system by funding the Navigator Street Outreach Program, an urban based program that supports unsheltered street involved and homeless individuals. The Navigator program is the only sustained, homeless-serving, on-street, presence of its kind in Halifax's downtown. Navigator staff bridge the gap between services and homeless and street involved individuals and the program is well suited to its urban context.

Homelessness solutions for the suburban and rural areas of HRM, however, must take account of the unique nature of homelessness outside of the urban environment.

Ongoing efforts to improve coordinated access in HRM are central to addressing homelessness. Community-wide data and information are required to identify individuals in need, understand how well (or poorly) homeless are being served, identify problems, notice fluctuations, and respond in real time. An expansion of coordinated access's geographic scope to include suburban and rural HRM would be an important step towards understanding and addressing homelessness in suburban and rural HRM.

Paired with this is the need to build suburban and rural-community-capacity to prevent and address homelessness. Municipal funding can help facilitate community-driven, locally-tailored efforts to meet the needs of suburban and rural residents who are unsheltered, emergency sheltered, transitionally sheltered or at risk of homelessness. Innovative approaches to rural and suburban homelessness are being piloted in other jurisdictions and municipal funds can facilitate the piloting of similar innovations here in HRM.

Original Signed

Briefing Approved by:

John Traves, Director, Legal, Municipal Clerk, and External Affairs, 902.490.4219

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Library Reduction through FTE or Collection

COW Date Added: February 8, 2019

Business Unit: Halifax Public
Libraries

Tracking Id	Operating or Capital	2019/20 Amount (negative is savings/revenue)	19/20 Avg Bill Impact (negative is reduction)
BAL-36	Operating	\$350,000	\$1.25
Adjustment Description	<p>Halifax Public Libraries has prepared and submitted operating budgets for 2019-20 and 2020/21 based on a funding envelope provided by HRM. HRM's draft funding envelope to the Library for 2019/20 and 2020/21 is \$20,980,000 per year. The Library has been asked to identify the impact of a reduction in the draft funding from HRM in the amount of \$350,000 per year. This reduction is premised on a 1.9% tax increase. By way of background, the proposed HRM funding envelopes for 2019/20 and 2020/21 are essentially the same as the 2018/19. The Library is facing increasing costs and has eliminated two FTE positions from the Library's staffing complement beginning in 2019/20. In addition, \$129,000 was removed from the Collections budget to cover rising lease and maintenance costs and to address a difficult vacancy management target.</p> <p>On February 8, Standing Committee of the Whole on the Budget voted to place \$350,000 per year in the "Parking Lot" for budget allocation should the Committee identify a source of funding. This would retain funding flat for the Library in 2019/20 and 2020/21. The Committee also voted to place an additional \$100,000 per budget year into the "Parking Lot" to invest in library programs aimed at addressing food literacy and social isolation.</p> <p>73% of the Library's budget is spent on compensation and benefits, 7% is spent on library materials (books, audio/visual, magazines, e-books, etc.) and most of the remaining expenditures are fixed, such as lease costs, building maintenance and software licenses.</p> <p>The two primary areas from which the Library could cut \$350,000 are either (a) compensation (which would result in a cut of 4-8 FTE) or (b) the Collection budget (which would result in the elimination of important electronic collections.)</p>		
Priority Alignment	<p>Social Development – Social Infrastructure Healthy, Liveable Communities – Recreation and Leisure Service Delivery – Service to our People</p>		

Service Implications and/or impact on Priority

(a) Impact of cutting 4-8 FTE Positions:

The library currently serves the community through 14 branches, accompanied with a wide range of outreach activities specifically focused on meeting the community that has poor access to our branches. This includes individuals who are homebound, or who live in neighbourhoods a distance from our current locations and may have limited access to transit.

Hours of service, and subsequently access to resources, technology, social opportunities and programs, all rely on staff to operate. A cut of \$350,000 would impact the library's hours of service. The final decision with respect to which location(s) would be cut rests with the Library Board, which would take into account branch activity levels and the impact of closures on the community. However, based on current operating costs, a \$350,000 reduction could be achieved by one of the following options:

- Currently, \$350,000 is more than the annual costs to operate any one of our smallest 3 branches (Sheet Harbour, Musquodoboit Harbour, JD Shatford Library in Hubbards). The closure of any one of these branches could result in the necessary savings.
- A \$350,000 cut could be achieved by providing one day less of service per week at **two** of our community branches (Captain William Spry, Tantallon, Cole Harbour, Bedford, Halifax North, Dartmouth North or Sackville.)
- A \$350,000 cut could be achieved by providing one less day of service per week at **one** of our mid-sized branches, such as Alderney Gate, Keshen Goodman or Woodlawn Library.
- A \$350,000 cut could be achieved by Central Library closing on Sundays.

The library has a small centralized team that provides services to all branches, including communication and website content development, partnership development, grant funding, and financial accountability. The team supports the Library Board, and provides HR services, including occupational health and safety, accommodations, employee relations across all branches and departments and volunteer management for 800+ volunteers. These staff are small in number; each has specialized knowledge, and operates in an efficient and effective way. Removing these positions would compromise service and function across the organization. The Library remains committed to seeking out opportunities to collaborate with administrative units at HRM, as is evident through our shared use of Brass Ring and SAP, however elimination of these positions is not advisable.

Our libraries are heavily used and have become vital to our communities across HRM as welcoming places that provide access to learning and technology, social engagement, arts and culture. Families, seniors, newcomers, and individuals who have insecure housing or minimal resources rely on our public libraries for social connection and in some cases warmth. Libraries are critical to building community, reducing isolation, improving public safety and health outcomes; the impact of cuts to service would be felt by our community.

(b) Impact of cutting the Library Collection:

The library currently spends approximately \$2,000,000 annually on library collections. This includes print materials for all ages, videos, audiobooks, video streaming services, e-books, e-magazines and newspapers, Lynda.com, Rocket languages, and membership in the Centre for Equitable Library Access (which provides access to over 450,000 titles in accessible format for individuals with print disabilities). Given the high proportion of HRM residents who have an active library card (52% compared to the MBN average of 38%), demand on our collections is very high.

Currently, the Library is not meeting the public's demand for materials. Established service standards would recommend purchasing an additional copy of a title for every 7-10 outstanding requests. That ratio has been unmet for several years due to the high level of public interest and budget constraints. Requests placed on print library materials increased by 12% last year, largely as a result of the new library website that allows for easier exploration of the collection. Demand for e-books is growing at a quick rate and the cost for e-books is often 2-3 times the cost of the corresponding print edition. In the month of January 2019 alone, 72,600 e-books were checked out. There are currently over 51,000 outstanding requests for e-books and 98,000 outstanding requests for print materials; the average wait

time for an e-book hold to be filled is 54 days. Canadian urban libraries strive to have a wait time closer to 10 days.

Concurrent with this, the library is struggling to replace classic children's books as they wear out. We are also having difficulty meeting our goal to add more diverse titles to our collection. The Library is committed to growing our African Canadian and Indigenous collection. More material is being published than before, and providing access to these emerging voices through libraries is essential to our community's truth and reconciliation efforts. Maintaining up-to date health and science resources is expensive; so too are the French language and multilingual materials that we need to provide in response to the diversity of our community.

Cutting \$350,000 from the Library's collection budget would be the equivalent of eliminating the following services:

- The library would no longer be able to provide e-books, through the Overdrive (Libby) digital library collection system.
- Lynda.com, a well-used online learning system would need to be cancelled.
- Rocket languages, a well-used online language learning program would need to be cancelled.

As illustrated, a \$350,000 reduction to the Library budget represents a substantial impact to Library services and our community served.

Briefing Approved by:

Original Signed

Åsa Kachan, Chief Librarian and CEO, Halifax Public Libraries, 902.490.5868

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

P3 Residential Snow Clearing

COW Date Added: 30-Jan-2019

Business Unit: Transportation &
Public Works

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
	Operating	-	-
Adjustment Description	Suggested elimination of providing winter sidewalk snow and ice services to residential (P3) sidewalks and have the service provided by, and the responsibility of, the adjacent property owner.		
Priority Alignment	Transportation – A Safe and Accessible Transportation Network		

Service Implications and/or impact on Priority

The proposed approach to achieve a \$1,000,000 (net) savings in 2020/21 is to eliminate the provision of winter snow and ice services for (P3) residential sidewalks that abut residential property owners. To realize these savings and mitigate the risk of multiple large contracts expiring simultaneously, changes to existing contracts and (to be released) 2019/20 tenders is required. These changes include exercising option years and adding multi-year scenarios to remove P3 sidewalk service ensuring that all residential P3 service is removed concurrently for the 2020/21 winter season.

This proposal would place the responsibility of residential sidewalk clearing on the property owner. This approach will likely impact continuity of accessibility due to uncompleted sections of residential sidewalks until resolved through enforcement, as was experience prior to HRM's current residential sidewalk clearing program.

Removal of the residential sidewalk snow and ice services is expected to yield estimated short-term annual savings of approximately \$1,500,000 from which additional costs such as By-law enforcement / remedy and a potential senior and/or disability assistance program would need to be recovered.

Original Signed

Briefing Approved by:

Brad Anguish, Director, Transportation and Public Works, 902.490.4855

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT/CFO, 902.490.4630

Budget Adjustment List Briefing

Discovery Centre Operating Funds

COW Date Added: February 6, 2019

Business Unit: Parks & Recreation

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
	Operating	\$105,000	N/A
Adjustment Description	Discovery Centre – request for increase in funding to expand programming and community outreach.		
Priority Alignment	Healthy Liveable Communities Economic Development		

Note: Regional Council did not approve adding the requested additional funding requested from Discovery Centre to the parking lot for consideration in the 2019/20 operating budget. Therefore, there would be no impact to the overall 2019/20 budget.

Service Implications and/or impact on Priority

On March 5, 2014, Regional Council approved a funding agreement to facilitate the disbursement of \$2m contribution towards capital costs for the Discovery Centre for a purpose-built facility. In addition, Discovery Centre requested an increase to the previously provided operating grant to \$220,000 which Regional Council did not support. Rather, during the March 2014 meeting, staff were directed to enter into an operating contribution of \$145,000 for fiscal 2014/15.

HRM has a longstanding history of supporting Discovery Centre for over 20 years. In 2000, HRM waived \$170,000 in rental arrears owed to HRM by Discovery Centre (accrued between 1997 and 2000 on an HRM-owned property sublet by the Discovery Centre). Discovery Centre also requested annual operational funding at the same time as the rental arrears waiver was requested. Council approved operational funding, conditional on it being subject to an annual review during the budget process. HRM's annual operating grant to the Discovery Centre is \$145,000, which has not been adjusted since original approval. Historically, HRM's operational-based funding support for Discovery Centre has been endorsed annually by Council during the budgetary approvals process.

The agreement which was put in place in 2014, did not enable consecutive funding as originally expected and subsequently in 2016 Regional Council directed staff to enter into a three-year contribution agreement for 2016/17, 2017/18, and 2018/19. That contribution agreement has now expired. Discovery Centre's Objectives/Outcomes align with HRM's Outcome Area of Economic Development.

The Discovery Centre has requested an increase in the annual operating funding from \$145,000 to \$250,000 outlining the following rationale: That the Discovery Centre has made a substantial reinvestment in the downtown core through the redevelopment of the Centre and has contributed to the HRM building a vibrant and attractive regional centre, fostering and welcoming community, and engaging the Arts and Culture community through partnerships and funding and HRM's continued effort in making HRM a cultural capital of Canada. The proposed increase in funding would match annual provincial

funding. The increase is to ensure Discovery Centre can serve the broader community expanding programming while maintaining reasonable admission rates.

Original Signed

Briefing Approved by:

Denise Schofield, Director Parks & Recreation, 902.490.4933

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Briefing Note

Recreational Trails Pilot Program

COW Date Requested: February 6, 2019

Business Unit: Parks & Recreation

Tracking Id	Operating or Capital	2019/20 Amount (negative is savings/revenue)	19/20 Avg Bill Impact (negative is reduction)
	Capital	\$0	\$0.00
Description	Recreational Trails Pilot Program Capital Project		
Priority Alignment	Healthy, Liveable Communities – Recreation and Leisure		

Note: Regional Council did not approve adding funding for the pilot project to the parking lot for consideration in the 2019/20 capital budget. Therefore, there would be no impact to the overall 2019/20 budget.

Service Implications and/or impact on Priority

The March 28, 2018 meeting of the Budget Committee approved a resolution “That the Budget Committee refer the Recreational Trail Pilot Program funding of \$250,000 to be considered in the 2019/20 budget cycle.” This funding is for engaging with Halifax Regional Trails Association (HRTA) on the planning and delivery of recreational trails. Specifically, HRTA proposed to continue and expand recreational community-developed trails with funding from HRM. HRM and HRTA currently have a capital and maintenance agreement for various trails within the Active Transportation (AT) network. The majority of HRM trail funding has been allocated to AT trail investment resulting in only minor investments in recreational trails since 2014.

Recently, Regional Council has established a focus on Regional and wilderness parks. Development of these parks will require considerable community input and stewardship to appropriately design and maintain these trails systems. Therefore, there is merit in prioritizing recreational trail investments.

However, as part of the 3-year Capital Budget proposal (2019/20 – 2021/22), funding for the recreational trails pilot was postponed to the 2020/21 fiscal year in order to balance the 2019/20 capital budget as a result of significant pressures on the capital budget. Staff and HRTA have met and have agreed to work on processes during the 2019 year to reduce red-tape and streamline those processes in preparation for the 2020/21 year.

Original Signed

Briefing Approved by:

Denise Schofield, Director of Parks & Recreation, 902.490.4933

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing Parking Enforcement Contracts

COW Date Added: February 6, 2019

Business Unit: Planning & Development

Tracking Id	Operating or Capital	2019/20 Amount <small>(negative is savings/revenue)</small>	19/20 Avg Bill Impact <small>(negative is reduction)</small>
29	Operating	\$596,000	\$2.13
Adjustment Description	Request to add \$596,000 to the Planning and Development operating budget to hire seven (7) term Compliance Officer I positions and one (1) term Supervisor Parking Enforcement position. It is anticipated that the additional staff would result in generation of \$1.35M in revenue.		
Priority Alignment	This request aligns with Council Priority Areas of Service Delivery and Economic Development.		

Service Implications and/or impact on Priority

Prior to November 2017, parking enforcement services were provided through an external contracted service.

From March 2014 to October 2016, parking enforcement contract services were provided by Independent Security Services (ISSA). The cost versus revenue for that period was:

Period	Cost	Revenue
2014-15 (Apr-Mar)	\$1,305,039	\$4,017,937
2015-16 (Apr-Mar)	\$1,257,109	\$3,872,949
2016-17 (Apr-Oct)	\$723,300	\$2,476,253
TOTAL	\$3,285,448	\$10,367,139

The contract with ISSA concluded in October 2016 and a new RFP was issued. While the award of the contract was being determined, there was a seven-week period where parking enforcement services were provided through HRM staff.

The new contract was awarded to G4S, who held the contract from November 2016 to mid-November 2017. The cost versus revenue for that contract was:

Period	Cost	Revenue
2016-17 (Nov-Mar)	\$492,287	\$1,409,919
2017-18 (Apr-Nov)	\$559,174	\$2,209,855
TOTAL	\$1,051,461	\$3,619,774

The contract with G4S was not renewed for a second year. In November 2017 parking enforcement service was brought in house, to be provided by HRM staff, through the Licensing division of Buildings

and Compliance. Five of the 9 Compliance Officer I positions were filled by February 2018, through the transfer of existing staff who requested a move to the Parking Enforcement section. The remaining four Compliance Officer I positions were filled between February and August 2018. It takes a few months to provide the required training and secure Special Constable status from the Province, before staff can be fully deployed to issue tickets. This attributes to a decrease in revenue during the first year of the internal service. In addition, there were start-up costs for the internal service, such as uniforms and other equipment. The cost versus revenue for the HRM internal services for a twelve-month period is:

Period	Cost	Revenue
2017-18 (Dec-Mar)	\$385,081	\$586,584
2018-19 (Apr-Nov)	\$568,425	\$1,817,643
TOTAL	\$953,506	\$2,404,227

In the 2019-20 fiscal year, the proposed budget for the HRM service for parking enforcement, with no increase in the staff complement, is \$1,164,200, with anticipated revenues of \$4,400,000.

As an internal HRM service, we have been able to improve service delivery through better access to information and relationships with partner agencies. Having information regarding active construction permits allows our officers to better understand what is permitted or not permitted as it relates to parking and encroachments. As a result, we have a quicker response time and are better able to address any parking issues with contractors more efficiently and effectively. We have a strong working relationship with the tow companies, Halifax Regional Police, the Provincial Departments of Transportation and Labour, and HRM Transportation & Public Works, which further supports improved service delivery.

In comparing the external contract service versus the HRM internal service, a snapshot of the tickets issued per foot patrol hour from June to August, of 2016, 2017, and 2018 respectively, shows the number of tickets issued per foot patrol hour have increased.

Service Provider/Year	June	July	August	Average
ISSA (2016)	5.57	5.21	4.69	5.16
G4S (2017)	6.01	6.26	6.03	6.10
HRM (2018)	14.23	15.67	11.66	13.85

We have also experienced a reduction in the number of tickets that were canceled and the number of citizen complaints regarding the parking enforcement service. In a one-year period under the most recent contract service provider 5,806 tickets were canceled, as compared to 3,049 tickets canceled under the HRM internal service. Citizen complaints for a one-year period under the last two contract service providers were 205 and 239 complaints respectively, with citizen complaints under the HRM internal service at 145 in a one-year period.

Planning and Development is requesting an additional \$596,000 be added to the operating budget to hire an additional seven Compliance Officer I positions and one Supervisor Parking Enforcement position for 12 months. The additional resources will allow us to increase weekend enforcement, as approximately 25% of the calls for service are received on weekends and provide for increased enforcement in downtown Dartmouth and Halifax during weekdays. It is anticipated the additional staff would generate further revenues of \$1,350,000 in a twelve-month period.

If the budget adjustment is approved, based on the time to fill previous Compliance Officer I position, we anticipate that these additional resources would not be hired, trained, and fully deployed until early in the second quarter of the 2019-20 fiscal year. If we are unable to fill all positions by the end of the first quarter, there may be a decrease in the projected 2019-20 revenues.

Original Signed

Briefing Approved by:

Kelly Denty, Director of Planning & Development, 902.490.4800

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

Budget Adjustment List Briefing

Harbour Fire and Rescue Boat

COW Date Added: February 8, 2019

Business Unit: Halifax Regional Fire & Emergency

Tracking Id	Operating or Capital	2019/20 Amount (negative is savings/revenue)	19/20 Avg Bill Impact (negative is reduction)
N/A	Capital Reserve	\$1,300,000	N/A
Adjustment Description	New fire boat model and identify how Halifax Regional Fire and Emergency works with the Harbour Master and the Royal Canadian Navy. No additional staff required.		
Priority Alignment	Healthy, Liveable Communities, Economic Development		

Service Implications and/or impact on Priority

HRFE requires a safe and reliable watercraft to provide emergency response services within Halifax Harbour and surrounding waterways. The current 24' Rigid Hull Inflatable Boat (RHIB) has reached its end of life and is not reliable for front-line emergency response.

In addition to the RHIB, HRFE operates several small single outboard inflatable boats. These boats have safety restrictions in place, limiting them to only being approved for use on inland waterways and lakes as they are too small for tidal waters, have limited carrying capacity for crew and equipment, no firefighting capability and minimal life safety systems.

HRFE has one 18-year-old 24' RHIB which is utilized for emergency response on and around the Halifax Harbour. This boat has significant fire suppression limitations; however, it is the only boat with any capacity to flow water from an after-market installed fire pump. The boat is frequently dispatched to emergencies along the shoreline, including rescues, marina fires, yachting clubs, boat fires (>30') and assisting HRP in searches for missing persons and body recovery. This boat is also regularly deployed to various community events including fireworks, polar bear and harbour swims for public safety.

The 24' RHIB was placed into service in 2001. The boat has been in continuous service and has undergone a number of expensive repairs to keep it operating. The fireboat has been placed out of service as it requires two new pontoons at an estimated cost of \$20,000. Even with this planned repair, a local business who has been conducting ongoing detailed inspections has questioned the value in replacing the pontoons, as other parts of the RHIB are at end of life and the on-board fire pump does not meet minimal fire flow requirements for safe firefighting marine operations.

In addition to the maintenance issues with the RHIB, there are also performance shortfalls:

- It has limitations when operating in shallow water
- Rescue / recovery is a challenge due to the height of the gunwales
- The modifications to add a fire pump and nozzle provide substandard firefighting abilities
- The rubber pontoons are placed at risk during firefighting tactics because of high heat exposure
- It isn't recommended to use the boat to push other boats away from hazards
- Searching at night is minimally effective due to the limited lighting features
- The boat does not provide shelter for crews or for rescued passengers in cold weather
- There is no safe storage on board for equipment
- No position stabilization when flowing water

In 2007/08, HRFE received Regional Council approval to replace the RHIB with a 28' Harbor Guard – FireHawk Fire Boat for \$280,000; however, during acceptance trials on a low speed maneuver the Firehawk capsized. A subsequent investigation by the Transportation Safety Board resulted in design changes to all small boats in Canada (**Marine Investigation Report M08M0062**). After this accident, HRFE continued to use the RHIB while determining next steps in acquiring a safe and reliable fireboat.

RHIBs have a recommended continuous service lifespan of 8 to 10 years in a salt water environment. Historically HRFE has trailed the boat from Station #13 – King Street to the Alderney Boat Launch. In a time-sensitive rescue scenario this response model is problematic as the crew may not be at the station when the call comes in and must respond back to the station to retrieve the boat. As well, during warm weather the access to the boat launch is congested. Even when the crew is at the station, trailering the boat and launching it results in serious delays in response time. HRFE will use the same berth strategy for the new boat which is managed within our current budget (no additional costs).

After researching fireboats currently in service in various cities throughout Canada, HRFE has determined that it requires a boat that can be moored in the harbour year-round but is small enough that it does not need a dedicated marine captain and engineer. This model would allow HRFE to continue to utilize firefighters trained by the Coast Guard in Small Vessel Operator Proficiency (SVOP) to minimize costs by avoiding the need for dedicated boat crews. The proposed boat will be built to Transport Canada – Marine Standards.

The Canadian Coast Guard has jurisdiction for marine emergencies on navigable waterways. In the Halifax Harbour, the Halifax Port Authority has jurisdiction. HRFE has jurisdiction for all emergencies and fire suppression services to the shoreline, islands and buildings along Halifax Harbour and approaches. HRFE also aids other authorities having jurisdiction as requested for incidents such as large or small vessels on fire, dockyard and marina fires, medical emergencies, rescues and searches for missing persons. Due to HRFE's 24/7 staffing and response time, the boat is frequently requested for missing persons and rescue of persons in the Halifax Harbour.

Commissioned in 1978, the Canadian Navy maintained the "Firebird" as one of the only crewed high capacity firefighting platforms available in Halifax. It was removed from service in 2014. In 2015, HRFE developed an informal partnership on a fee for service basis with a private tugboat company to provide these high capacity fire streams. However, this private company is not trained in firefighting and therefore HRFE must provide firefighter resources on board to direct operations. Although this partnership is a mitigation strategy, in reality, contracted tugboat resources are too slow for emergency deployment and are not guaranteed to be available. HRFE is concerned they will be made less available due to the reductions in the oil and gas industry.

Increased building and recreational development and limited access for land-based fire units along the Halifax Harbour has increased the fire risk. HRFE with its current fleet is unable to respond adequately. Although HRFE continues to work closely with its partners and explore new opportunities, these partnerships do not negate the need for HRFE to have its own mission-specific platform to fulfil the responsibilities set out in Administrative Order 2018-OP-006.

HRFE anticipates an ongoing cost of capital asset of \$22,000, which is comparable to current expenditures for the RHIB. This is validated by interviews to other Canadian Fire Services with a similar boat. Halifax Transit are reviewing the ongoing maintenance of the proposed boat with HRFE as they have skill and capability for marine maintenance already, due to their operation of the ferry fleet.

Halifax Port Authority representatives have indicated support of the need for a local resource like this. They observe that this collaborative model is in place in other Canadian Ports and are open to a partnership that supports this.

Original Signed

Briefing Approved by:

Ken Stuebing, Fire Chief, Halifax Regional Fire & Emergency, 902.490.4239

Original Signed

Briefing and Financial
Approval by:

Jane Fraser, Director of Finance & Asset Management & ICT / CFO, 902.490.4630

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PO Box 1749
Halifax, Nova Scotia
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MEMORANDUM

TO: Chair and Members of Budget Committee
(Standing Committee of the Whole on Budget)

FROM: Jane Fraser, Director, Chief Financial Officer

DATE:

SUBJECT: **Response to Councillor Mancini's question on community use properties under AO 50.**

ORIGIN

Councillor. Mancini's question from the January 16, 2019 COW Budget Committee regarding community use properties under AO 50, Respecting the Disposal of Surplus Real Property outlining the progress and final numbers.

RESPONSE

For 2018/19 fiscal a total of 10 properties in Community Interest, 3 of 10 have sold and 4 more closings expected this quarter.

1. 80 Grono Road: sold
2. 1588 Barrington Street: sold
3. 30 Latter Pond: sold.
4. 1018 Fall River Road: anticipated closing on February 6, 2019
5. Lot 3 Shore Road Bedford: anticipated closing in February 2019
6. 4 Fernhill Drive: anticipated closing in February 2019
7. 80 Sandy Cove: anticipated closing in late January 2019
8. 10 Monique (Gray): report pending
9. 9 Spring Street: under review
10. 948 Pockwock: under review

Chief Financial Officer

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Email: fraserja@halifax.ca halifax.ca

MEMORANDUM

TO: Chair and Members of Budget Committee
(Standing Committee of the Whole on Budget)

FROM: Jane Fraser, Director, Chief Financial Officer

DATE:

SUBJECT: Response to Councillor Mason's Inquiry about Office space rationalization

ORIGIN

Councillor Mason's question from the January 16, 2019 COW Budget Committee regarding office space rationalization and where square footage is currently.

RESPONSE

The Corporate Accommodations Study/Strategy outlines these updates and changes which include improvements as well as addressing many diversity needs, Purdy's Wharf new HR space represents new standards including fewer offices, accessible improvements and gender-neutral washrooms.

CORPORATE ACCOMMODATIONS PROJECT:

In 2016 staff completed a Corporate Accommodation Road Map with the assistance of Colliers projects managers. The scope of review included the core administrative office locations as detailed below. Attached is a detailed breakdown of the current areas occupied by each business unit along side planned or end state and timing. The scheduling of the program changes is driven by constraints such as lease end dates; sequencing of construction impacts and move timing to ensure business continuity; and budget.

The current state represents an average square foot per person including common area is currently 273 sf. The new program target is 200 square feet which represents a **26%** space reduction in the real estate footprint. This target has been achieved with the recently completed HR and Solid Waste projects.

Business Unit Locations and Areas	Current Square Footage		Planned Square Footage	Variance (SF)	Plan Year
Finance & Asset Management	25912	Finance & Asset Management	27096	1184	2019
Duke - 3rd Floor	2316	Purdy's Wharf - 8th Floor (PR)	3500		
Dartmouth Ferry Terminal - 3rd Floor	4012	Dartmouth Ferry Terminal - 3rd Floor	4012		
Alderney Gate - 5th Floor	15406	Alderney Gate - 5th Floor	15406		
Alderney Gate - 6th Floor	4178	Alderney Gate - 6th Floor	4178		
Human Resources/ Office of D&I	21523	Human Resources/ Office of D&I	16200	-5323	2021
Bayers Rd. Suite 262 - Workplace Health	2575	Purdy's Wharf - 8th Floor	16200		
Alderney Gate - 6th Floor	4867				
Duke Tower 4rd Floor - Training & GREA	5600				
Duke Tower - 3rd Floor	8481				
Legal, Risk, Access & External Affairs	12946	Legal & External Affairs	9700	-3246	2021
Duke Tower - 3rd Floor	8861	New Leased Space	9700		

Chief Financial Officer

Business Unit Locations and Areas	Current Square Footage		Planned Square Footage	Variance (SF)	Plan Year
Duke Tower - 4th Floor (GREA)	1600				
Scotia Square - Main Floor (R&I)	1500				
Duke Tower - 6th Floor (Prosec)	985				
Planning & Development	47434	Planning & Development	39597	-7837	2023
Alderney Gate - 2nd Floor	21434	Alderney Gate - 2nd Floor	21434		
Bayers Rd. Suite 2005	17000	Alderney Gate - 3rd Floor	9163		
7 Mellor	9000	7 Mellor	9000		
Parks & Recreation	9228	Parks & Recreation	12050	2822	2019
Alderney Gate - 6th Floor	2178	Alderney Gate - 6th Floor	5000		
Dartmouth Ferry Terminal - 2nd Floor	1315	Dartmouth Ferry Terminal - 2nd Floor	1315		
Dartmouth Ferry Terminal - 3rd Floor	5735	Dartmouth Ferry Terminal - 3rd Floor	5735		
Transportation & Public Works	25347	Transportation & Public Works	23500	-1847	2023
Alderney Gate - 1st Floor	2886	Acadia - Lower Level	5500		
Eric Spicer - 1st Floor	22461	Eric Spicer - 1st Floor	18000		
Corporate & Customer Services	41617	Corporate & Customer Services	35133	-6484	2021
Alderney Gate - 1st Floor	2388	Alderney Gate - 1st Floor	2388		
Dartmouth Ferry Terminal - 3rd Floor	2594	Dartmouth Ferry Terminal - 3rd Floor	2594		
Duke - 3rd Floor (ICT)	23289	(ICT)	17000		
Duke - 3rd Floor (CC)	4495	(CC)	4300		
Eric Spicer - 1st Floor	8851	Eric Spicer - 1st Floor	8851		
Halifax Regional Fire & Emergency	11425	Halifax Regional Fire & Emergency	12000	575	2020
Alderney Gate - 3rd Floor	9163	Admin & FP - new leased space	12000		
7 Mellor Ave	2262				
Shared Common Area (Owned)	15172	Shared Common Area (Owned)	15172	0	
Shared Common Area (Leased)	20367	Shared Common Area (Leased)	7500	-12867	
Total Square Footage	230971		190448	-33023	

Leased	108331	79200	-29131
Owned	122640	118748	-3892

Chief Financial Officer



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

TO: Mayor Savage and Members of Regional Council

CC: Jacques Dubé, Chief Administrative Officer

FROM: Jane Fraser, Chief Financial Officer, Director, Finance, Asset Management & ICT

DATE: February 21, 2019

SUBJECT: **Funding Request – YMCA of Greater Halifax/Dartmouth**

ORIGIN

March 27, 2018 – Regional Council motion directed staff to provide a staff report to consider the YMCA of Greater Halifax/Dartmouth request for funding in the amount of \$1,500,000 towards the new John W. Lindsay YMCA as outlined in the presentation to the Audit & Finance Standing Committee meeting of February 21, 2018.

December 3, 2018 – The staff recommendation that a one-time capital contribution in the amount of \$1,000,000 to the YMCA of Greater Halifax/Dartmouth be referred to the 2019-20 budget deliberations was approved by the Audit and Finance Standing Committee.

December 11, 2018 – Regional Council approved the following amended motion [amendment shown in italic type]:

1. Refer a one-time contribution in the amount of \$1,000,000 to the YMCA of Greater Halifax/Dartmouth towards the purchase of a replacement YMCA facility located at the intersection of South Park and Sackville Street, Halifax, for consideration in the 2019-2020 budget deliberations during the Budget Adjustment List (BAL) review; and
2. Subject to Council's decision as applicable, authorize the Chief Administrative Officer to negotiate, enter into and execute a Contribution Agreement on behalf of the Municipality with the YMCA of Greater Halifax/Dartmouth based on the terms and conditions outlined in Table 1 of the staff report dated June 18, 2018, *in addition authorize staff to further negotiate on the following:*
 - a) *programming collaboration*
 - b) *meeting space access*
 - c) *negotiate a service agreement to better identify public benefit/community collaboration.*
3. *Direct staff to obtain further clarification on the stated "child care services" from the staff report dated November 10, 2011.*

Finance, Asset Management & ICT

Tel: 902.490.4630
Email: fraserja@halifax.ca halifax.ca

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter (“HRM Charter”), S.N.S. 2008, c.39

75(1) The Municipality may agree with any person for the provision of a service or a capital facility that the Municipality is authorized to provide.

(2) An agreement made pursuant to subsection (1) may allow for a lease, operation or maintenance of the facility or provision of the service by a person, including the sale or disposition to that person of the property of the Municipality that continues to be required for the purposes of the Municipality.

79(1) The Council may expend money required by the Municipality for

...

(av) a grant or contribution to

...

(v) any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the Province,

BACKGROUND

Although reciprocal consideration is not uniformly expected in relation to a discretionary municipal financial contribution, the Municipality has used this approach on a case-by-case basis to establish a tangible public benefit for the expenditure of public funds. To date, most contribution agreements have been “one-time” awards towards capital projects and as such reciprocal benefit is typically not in perpetuity.

In the development of the proposed terms and conditions of funding, consideration has been given to the fact that the YMCA is a registered Canadian charity and the viability of the new facility relies on both (i) project-specific fundraising and (ii) earned revenues resulting from the facility’s on-going operations. Hence, the type and extent of ‘public’ (non-member) access is intended to avoid reducing YMCA revenues while the facility owner will be exposed to start-up financial pressure due to servicing debt (mortgage principal and interest) necessitated by the cost of purchasing the new, custom-built facility. This accommodation is reflected in a 5-year term, not requesting concessions for reduced program registration fees, access to off-peak times, and complimentary passes. Because the proposed Contribution Agreement represents a ‘pilot’ project in terms of expanding HRM’s Membership Access Lending Program to a non-municipal facility, the term of the agreement is five (5) years.

The ‘original’ terms and conditions for a Contribution Agreement are included as **Attachment 1** of this report. To address Council’s request for additional information quantifying the benefit to citizens HRM staff met with representatives of the YMCA on January 10, 2019.

This item will be included in the Budget Adjustment List (BAL), to be debated and voted on by Committee of the Whole (COW), currently scheduled for February 28, 2019.

DISCUSSION

Although the wording of motion 2(c) references negotiating a “service agreement” this form of contractual agreement is not applicable: any capital contribution would be one-time only and excludes any operating funding. HRM is not retaining the YMCA to provide a municipal service. However, prior to or at the end of the 5-year term of the Contribution Agreement, HRM and the YMCA may agree to review the relationship and may determine that an extension to the contribution agreement or Service Agreement is appropriate. For clarification, a Service Agreement would not be an extension to or continuation of the Contribution Agreement and would constitute a separate negotiation process and contract.

The public benefit/community collaboration realized through the proposed Contribution Agreement has

been addressed in the additional benefits negotiated.

YMCA Facility

The new facility has a 6,500m gross floor area with amenities comparable to those offered by most HRM-owned multi-district facilities. The facility will operate with similar values, programming, and public access options as municipal “hub” recreation facilities that are either HRM-owned and operated or HRM-owned and operated by a third party under a management agreement. The facility is fully accessible. As part of its “Promise of Excellence”, the YMCA fosters a “diverse environment so that people of all backgrounds, ages, abilities, races, orientations, cultures and genders feel they belong as part of the YMCA.”

The new YMCA facility is ideally located to serve the Peninsula Halifax. The timing of this new development enhances HRM’s ability to direct its capital resources to other HRM-owned recreation facilities, including any current capital deficits. Further, the YMCA facility will not receive any annual operating subsidy. The latter is important to note given that other Canadian municipalities have partnered with the YMCA in the construction and operation of recreation facilities. Examples of the latter include the City of Moncton and the City of Calgary. Although each project is unique, these examples have employed a combination of capital cost-sharing and/or operating management agreements and integrate the YMCA’s membership model with municipal requirements.

YMCA Access

As a registered Canadian charity, the YMCA has an altruistic mandate wherein (1) any surplus revenue is reinvested in its operations, and (2) opportunities for broad and inclusive participation are extended to the general public with membership and fee discounts integrated into programming. Membership assistance serves those individuals and families who have the greatest financial need and does so through either self-referral or by working in a collaborative manner with institutions and non-profit organizations. Membership is not free but discounts are available for those unable to pay the full fee. This form of assistance is a well-established practice that extends to all YMCA’s. The ability to provide this assistance is enabled by donations to the YMCA’s annual campaign and includes contributions from, for example, the United Way, Halifax Youth Foundation, corporations and individuals.

Based on precedence, the YMCA predict that, on average 25% of participants will receive in-kind financial assistance (discounts)¹. There is no cap on the dollar value of this annual assistance and no quota. Consequently, there is no ‘fixed’ dollar value on the combined value of assistance issued annually.

In discussion with YMCA management it was determined that passes that are restricted to a particular amenity (eg. the *Open Swim* or the walking track) would be logistically difficult or inefficient to manage given the configuration of the building. Instead, a series of “open houses” or “drop-in” initiatives was considered preferable: these access opportunities are in addition to the YMCA’s practice of membership subsidies and in addition to membership passes under the *Membership Lending Program*. The estimated in-kind value of these concessions over the 5-year term of the agreement is listed below:

¹ The percentage should be expected to vary across YMCA facilities based, in part, on local socioeconomic demographics, demand relative to the vicinity of other public, institutional, and private facilities, and the extent of referral relationships.

Element	Calculation	In-Kind Value
100 Individual One-Week Passes for Membership Lending Program	100 persons x \$25 x 52 weeks	\$130,000
Free One-Week Open Houses (two events)	1,000 persons x \$25 x 2 weeks	\$50,000
Free Youth Night (1 day per month)	100 persons x \$10 x 12 days	\$12,000
Free Seniors Day (1 day per month)	100 persons x \$10 x 12 days	\$12,000
Annual Total		\$204,000
Membership Subsidies (Annual)	25% of projected membership X \$17 average discount x 12 months	\$331,500

Although the pro forma assumption of 6,500 members cannot be verified in advance of the facility opening, the Y's collaboration in a *Membership Lending Program* at a level of 100 passes would in and of itself represent a combined value of approximately \$650,000 over the proposed 5-year term of the agreement. Taken in combination, the in-kind value of the YMCA's established practice of membership discounts, the free membership lending program, and targeted Open House/Youth/Senior free access are expected to meet or exceed the value of an HRM fixed-amount cash contribution of \$1 million.

HRM Membership Access Lending Program: Pilot with Non-Municipal Community Partner

In 2017, Parks & Recreation initiated a collaboration with Halifax Public Libraries on a 3-month pilot project whereby citizens can use their library card to "borrow" access to a municipal recreation facility. The Sackville Library was given twenty (20) 2-week passes to the Sackville Sports Stadium for distribution and collection through their book loan program. Passes are for either a single adult or a family of up to five persons. In effect, a limited number of passes are 'recycled' over the term of the project to maximize participation.

After the pilot program 160 people were on a wait list and the number of passes was increased to 40 to reduce wait times. The program's estimated capacity is 650 participants over a 1-year period. The program offers the following benefits:

- the pass is a simple membership key fob on an HRM lanyard to avoid stigma and there is no income assessment or application process;
- individuals who might not otherwise use a public library may join to access a local recreation facility;
- the facility accommodates individuals unable to afford a membership and those wary of making such a commitment. The program provides a form of 'trial' membership which can lead to participant retention according to their level of commitment, availability, and affordability (for example, a day pass, short-term membership, or registration in a program).
- Collaboration with Halifax Public Libraries expands the scope of marketing and can realize mutual efficiencies.

The proposed Contribution Agreement would expand the Membership/Access Lending Program to a non-HRM facility located in close proximity to the Halifax Central Library and the North Branch Memorial Library. Further, “access” is not exclusive to affordability but might also encourage individuals who may feel intimidated by the location, or perceived sociocultural or socioeconomic disparity, to take advantage of this opportunity to experience amenities first-hand without financial investment or stigma.

See: **Attachment 2** for further details on YMCA projected participation rates.

Child Care

In correspondence dated January 10, 2019, the YMCA have provided a written explanation as to why licensed child care will not be provided at the new facility and is included as **Attachment 2** of this report. In addition to the case-specific circumstances of the YMCA, the introduction of a 4-year “Pre-Primary Program” by the Nova Scotia Department of Education and Early Childhood Education in 2018 could have an impact on community-based non-profit child care providers with respect to enrollment and related revenues. Although child care is not a mandate of the municipal government, the municipality has provided some programming in HRM-owned facilities, including lease agreements in municipal property-

HRM/YMCA Working Relationship

At a minimum the establishment of a working relationship between the YMCA and HRM Recreation will foster information-sharing with respect to ‘gaps’ in service and opportunities.

- HRM has expressed a desire to access a commercial kitchen for programming. The YMCA has such amenities at the Halifax North Community Y and is agreeable to collaboration. Community cooking classes could, for example, link with local community gardens in the immediate area and the HRM-owned community greenhouse located on Gottingen Street.
- HRM can provide evidence-based data with respect to a lack of programming or over-subscribed programs (eg. HRM summer camps) that could support the YMCA’s programming model.
- The YMCA has and will continue to work with local organizations in identifying individuals who face barriers to participation due to financial need. This approach could be expanded with HRM Recreation’s participation in:
 - referrals from HRM’s youth programming;
 - identification of non-profit and charitable organizations who are interested in disseminating information and making referrals (such organizations need not be exclusively youth and could include organizations serving seniors, newcomers, or lower income populations).

HRM Recreation will work with the YMCA staff to monitor progress (annual reporting of participation rates, referrals, trial memberships that resulted in membership or program registration etc), coordinate programming to avoid duplication or overlap, identify gaps, and to foster a collaborative relationship among operations staff and community-based initiatives.

Summary of Proposed Additions: Proposed Contribution Agreement: Key Terms and Conditions (to those outlined in previous staff reports)
<p>In acknowledgement of HRM’s contribution, the YMCA will provide the following <i>annual</i> public benefits to HRM, for a term of five (5) years from the date of the Facility’s opening:</p> <ul style="list-style-type: none">a. The YMCA will partner with HRM Recreation in a <i>Membership Access Lending Program</i> through the provision of 100 1-week passes per week x 52 weeks to the program that will provide access to Facility amenities (but not to YMCA registered programming);b. The YMCA shall host two (2) non-recurring <i>Open House</i> events (each event is for one week);c. The YMCA shall host a free <i>Youth Night</i> one day per month x 12 months;

- d. The YMCA shall host a free *Seniors' Day* one day per month x 12 months;
- e. An annual account to HRM Recreation of the number of YMCA membership discounts provided by the YMCA, including the source of referrals.
- f. The YMCA shall provide an annual reporting to HRM Recreation with respect to the profile of *Membership Access Lending Program* participants including the source of referrals, participation rates for the Open House events, *Youth Night* and *Seniors' Day*, and any related collaborative initiative undertaken under the auspices of this 5-year agreement.
- g. The YMCA shall provide access to facility meeting space including a 15-person board room and a community room at a below market/not-for-profit rate.

HRM shall:

- a. Provide evidence-based data with respect to any identified programming gaps or capacity issues.
- b. Initiate referrals to YMCA youth programming opportunities.
- c. Promote referrals from non-profit community organizations¹.
- d. Work with YMCA representation to foster communication and program/service coordination.

Note: Due to the facility's design it has been determined that exclusive access to the walking track is not logistically feasible and has been removed from the proposed terms of the Contribution Agreement.

FINANCIAL IMPLICATIONS

The proposed considerations afforded HRM and/or the public under the proposed terms and conditions of a capital contribution as described in have no financial implications to the Municipality over and above those identified in the staff report to the Audit & Finance Standing Committee dated June 18, 2018 (**Attachment 3**).

HRM has a limited number of options for funding project of this size. Most of its ongoing grant programs, such as the Community Grants Program, are too small to accommodate such a request. The Community and Events Reserve Q621 might be a candidate for funding but does not have a sufficient balance.

Other options include re-directing funds away from the capital budget and using them for the YMCA (hence postponing expected capital projects); funding through the 2019-20 Operating Budget which would increase the tax rate by \$0.0015 and the average tax bill for a Single Family Home by \$3.58 or, using the General Contingency Reserve Q421. The General Contingency Reserve has a net available balance of approximately \$9 million, much of it attributed to the 2017-18 operating budget surplus. Some of these funds have been committed or expected to be required to offset a number of financial pressures. Staff believe it is realistic to release as much as \$1 million of these funds. Providing a grant of \$1 million, however, will take funds away from other opportunities that HRM may wish to pursue including capital budget initiatives.

Budget Summary - Risk Reserve-General Contingency Reserve, Q421

Budget Summary, General Contingency Reserve, Q421

Balance in reserve, October 31, 2018	\$11,677,539
Projected revenue to March 31, 2019	\$ 62,802
Commitments to March 31, 2018	<u>\$(4,267,922)*</u>
Projected net available balance to March 31, 2019, as at Oct 31	\$ 7,472,419
Pending reports to Audit & Finance/adjustments of commitments:	
Reduce commitment for YMCA, included in above commitments to \$1m per recommendation of this report	\$ 500,000
The LINK Performing Arts	\$(1,000,000)
Senior snow & ice program	\$(200,000)
Purchase of fire boat	\$ (1,300,000)
Purchase of land	<u>\$(4,275,000)</u>
Revised projected net available balance, March 31, 2019	\$ 1,197,419

*Commitments include \$500,000 for Hospice Grant request, pending approval, and \$1.5 million for this YMCA report which is being reduced to \$1million.

Risk Reserve – General Contingency Reserve, Q421 is to receive the annual operating surplus of the Municipality as prescribed by the Provincial Financial Accounting and Reporting Manual, and can be used to fund operating costs, offset deficits, or fund new operating and/or capital expenditures. This is an unbudgeted withdrawal from the reserve.

Property Tax Status

The YMCA is exempt real property tax under sub-clause 5(1)(v) of the Assessment Act. Exemption applies only to property ownership, not leasing. Hence, once condominium title is acquired by the YMCA their legislated exempt status will be maintained. There are no cost implications to HRM in terms of the municipal Tax Relief to Non-Profit Organizations Program.

RISK CONSIDERATION

Low. The terms of the Contribution Agreement are negotiated and confirmed in the form of a contractual agreement. Substantive amendments to the agreement would require Council approval.

COMMUNITY ENGAGEMENT

Not applicable.

ENVIRONMENTAL IMPLICATIONS

Not applicable.

ATTACHMENTS

1. Proposed Contribution Agreement: Key Terms and Conditions - December 3, 2018.
2. Correspondence from YMCA to HRM dated January 10, 2019.

3. Report to December 3, 2018, meeting of the Audit & Finance Standing Committee, Funding Request – YMCA of Greater Halifax/Dartmouth, dated June 18, 2018.

Table 1. Proposed Contribution Agreement: Key Terms and Conditions (Original)

Report to Audit & Finance Standing Committee of June 18, 2018

HRM's contribution to the YMCA will be one million dollars (\$1,000,000) to be used by the YMCA of Greater Halifax/Dartmouth ("YMCA") solely for the acquisition of the *John W. Lindsay YMCA* facility ("the Facility") at South Park and Sackville Street, Halifax¹.

- a. The contribution amount is a fixed contribution made directly to the YMCA, and HRM is not liable for any of the YMCA's costs for the acquisition of the Facility, nor is it a guarantor of the YMCA or the Facility;
- b. The contribution amount represents HRM's complete financial commitment to the YMCA for the acquisition of the Facility;
- c. The YMCA will indemnify HRM.

In acknowledgement of HRM's contribution, the YMCA will provide the following public benefits to HRM, for a term of 5 years from the date of the Facility's opening:

- a. The YMCA will participate in the HRM/Halifax Public Libraries "Membership/Access Lending Program", providing a minimum of 100 passes to the program that provide access to Facility amenities (such as open swims, fitness facilities and track), but not to YMCA registered programming;
- b. The YMCA will provide to HRM access to 10 hours of meeting space per month at 50% of the standard rental rate, to be scheduled on weekdays between 8:00am and 4:00pm;
- c. The YMCA will provide HRM use of the Facility's track at no cost for a free walking program to be offered by HRM.

Payment schedule to be negotiated with the YMCA, but to occur on or after closing of the acquisition of the Facility by the YMCA. Proof satisfactory to HRM shall be provided by the YMCA to HRM evidencing the close of the transaction.

HRM's contribution shall be contingent upon the execution of a signed Contribution Agreement and;

- a. the completion of the YMCA facility;
- b. YMCA's ownership of the facility, as evidenced by the registration of the YMCA's condominium interest for the property in the Nova Scotia Land Registry; and
- c. possession of the YMCA facility by the YMCA.

Funding shall be contingent on Regional Council's approval of the expenditure in the applicable fiscal year budget process.

In return for HRM's contribution, the YMCA shall provide recognition commensurate with the level of investment at the John W. Lindsey YMCA.

1. Southwest Properties is constructing the facility and upon completion the YMCA will assume ownership through a condominium interest. As such, funds cannot be awarded to the YMCA for construction. Hence, funding is directed towards the acquisition of title (a capital purchase).



Good morning PJ,

Thank you for your prompt questions for supplementary staff information to Council. In support of your presentation, we have shared this table below to clearly show how the new John W. Lindsay YMCA will be a pivotal provider of the delivery system for health, wellness and recreational programming in Halifax.

For those who may not have been as familiar with our former YMCA facility on South Park Street, the table below presents a comparison overview of both the increase in numbers of people impacted directly by the YMCA through this facility as well as the enhanced and additional amenities that will be added to the overall inventory of recreation assets in Halifax. At a total square footage of 70,000 the John W. Lindsay YMCA will be a centre that is comparable to the Canada Games Centre and Dartmouth Sportsplex and how they serve their communities.

	South Park YMCA	John W. Lindsay YMCA (Proposed)
(A) Increasing the number of people participating in health, wellness and recreation activities		
Members <i>(those who choose to participate in the YMCA regularly through bi-weekly or annual membership fees)</i>	1,500 members May 2014	6,500 members by May 2020
Participants <i>(those who choose to participate through day passes, program registration, events, rentals)</i>	1,000 participants annually	150,000 participants annually
Aquatics	65 people were using the pool daily	500 aquatic users a day

(B) Enhanced and additional amenities added to the overall recreational inventory of Halifax

	South Park YMCA Facility	John W. Lindsay YMCA Facility
Accessibility	Accessibility very limited (main floor only)	Entire facility will meet accessibility requirements
Sq./Ft	35,000 square-foot facility	70,000 square-foot facility
Lobby/Reception (Public gathering)	None	6,000 square-foot Great Hall for reception, socializing and program viewing
Aquatics	Three lane 19-metre pool	Aquatic Centre includes three pools: 6 lane 25-metre pool, warm water teaching and accessibility pool with a movable floor, and a multi-person on-deck Hydrotherapy Pool
Gymnasium	Gymnasium (regulation size)	Gymnasium (regulation size)
Track	None	Indoor Track for walking and wheeling
Strength/Cardio Conditioning	5,000-6,000 square-feet	12,000 square-feet
Wellness Studio	One wellness studio 400 square-feet	Four wellness program studios
Change Rooms	Four locker rooms: Adult Only (2) General (2)	Five locker rooms: Adult Only (2) General (2) Universal/Family (1)
Child Care Services <i>*More info below the table</i>	Licensed child care 4,000 square-feet Child minding 250 square-feet	9,000 square-foot Child and Family Development Centre (non-licensed) Child minding 1,000 square-feet
Meeting/Multi-purpose space	None	1,700 square-feet community meeting and multi-purpose space

As a charitable and not-for-profit organization, the new YMCA was developed to be a full service recreation centre for HRM with the peninsula as the primary service catchment. It will deliver recreational programs and services that would be comparable to the Canada Games Centre or newly renovated Dartmouth Sportsplex.

- Similar public access opportunities (membership, day pass, swim pass, day camp, programs, rentals, and events)
- Similar programming (health and wellness, fitness, swim lessons, youth recreation)
- Similar values (inclusive for all and no one turned away for financial reasons)

The YMCA will not be offering licensed child care within the new Centre.

History:

- The former South Park YMCA licensed early childhood care centre provided licensed care to approximately 60 children. When the South Park YMCA closed in 2014, the license was allowed to transfer to a new location at St Thomas Aquinas Church on Cornwall Street in Halifax. This license was considered a “Grandfathered” license in that it did not meet the current day licensing requirements for a child care facility, but the province agreed to make some exceptions.
- Upon relocating to Cornwall Street, enrolment decreased to the point where keeping the centre open was no longer viable. After two years of operation, the YMCA closed the centre also ended its license, in June 2016.
- At this time, the YMCA had to reassess our options for offering licensed child care in the John W. Lindsay YMCA. It was communicated to the YMCA that the design for the facility did not align with requirements for a license due to lack of ground level space and an outdoor playground on the site.
- Currently, Nova Scotia, through the department of Education and Early Childhood Development is in the second release of approximately 500 new funded licensed child care spaces and they are targeting Yarmouth, Colchester, and Hants County. Peninsular Halifax is not one of those targeted areas.

Serving Children, Youth and Families at the John W. Lindsay YMCA:

In order to continue with our commitment to build stronger children, youth and families, the YMCA will be opening the Child and Family Development Centre in the new John W Lindsay YMCA. This will be 9,000 square feet of multi-functional space dedicated to programming for children and youth. An integral part of the centre, the Child and Family Centre will offer a safe programmatic space for children and youth. It will not be a licensed space but rather, flexible to meet the needs of all whether it be used for YMCA programming, group rentals or programming space for other community groups who need a modern, welcoming place to meet their participants.

Programming that could be seen on any given day in the YMCA Child & Family Centre:

Cooking classes, Teen Night Drop In, Pre-school play time, Arts & Crafts, Literacy programs, Birthday parties, Youth Leadership, Dance, Music lessons, Mommy & Me classes, Playgroups, Game Night, Workshops, etc.

As always, the YMCA looks forward to working with the city to ensure we are a part of the delivery system to the citizens of Halifax, with affordable and market rate fees. As part of the YMCAs mandate, no one is ever denied access for financial reasons.

If you need additional supporting documents for any of these answers, please feel free to reach out to me at any time.

Thank you,

Brian Posavad

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

Item No. 12.1.3
Audit & Finance Standing Committee
December 3, 2018

TO: Mayor Savage and Members of Audit & Finance Standing Committee

Original Signed

SUBMITTED BY:

Jerry Blackwood, Acting Director of Finance & Asset Management/CFO

Original Signed

Jacques Dubé, Chief Administrative Officer

DATE: June 18, 2018

SUBJECT: Funding Request – YMCA of Greater Halifax/Dartmouth

ORIGIN

March 27, 2018 – Regional Council motion directing staff to provide a staff report to consider the YMCA of Greater Halifax/Dartmouth request for funding in the amount of \$1,500,000 towards the new John W. Lindsay YMCA as outlined in the presentation to the Audit & Finance Standing Committee meeting of February 21, 2018.

LEGISLATIVE AUTHORITY

Administrative Order 1 Respecting Procedures of the Council.

Schedule 2, Audit and Finance Standing Committee Terms of Reference. The Audit & Finance Standing Committee shall review and make recommendation on proposals coming to the Council outside of the annual budget or tender process...

Halifax Regional Municipality Charter (“HRM Charter”), S.N.S. 2008, c.39

79(1) The Council may expend money required by the Municipality for

...
(av) a grant or contribution to

...
(v) any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the Province.

120(6) The Municipality may maintain other reserve funds for such purposes as Council may determine.

Administrative Order Number 2014-015 ADM Respecting Reserve Funding Strategies

Section 5, The Audit and Finance Standing Committee shall review and recommend to the Council for its consideration all impacts to the Reserve; and

Section 6, the Chief Administrative Officer may recommend to the Council that Reserve funds be expended.

Reserve Business Case, Q421, General Contingency Reserve.

RECOMMENDATION

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

1. Refer a one-time capital contribution in the amount of \$1,000,000 to the YMCA of Greater Halifax/Dartmouth towards the purchase of a replacement YMCA facility located at the intersection of South Park and Sackville Street, Halifax, for consideration in the 2019-2020 budget deliberations during the Budget Adjustment List (BAL) review;
2. Subject to Council's decision as applicable, Authorize the Chief Administrative Officer to negotiate, enter into and execute a Contribution Agreement on behalf of the Municipality with the YMCA of Greater Halifax/Dartmouth based on the terms and conditions outlined in Table 1 of this report.

BACKGROUND

This report originates with a request for funding in the amount of \$1,500,000 from the YMCA of Greater Halifax/Dartmouth ("the YMCA"). The local Halifax chapter was founded in 1853 and provided accommodations for transient workers, recreation and support services with a focus on "the growth of all persons in spirit, mind and body". The Association has largely discontinued its hostel accommodations and programming has evolved to encompass family, immigration and employment support services in addition to health, fitness and recreational programs. The Association is a registered Canadian charity.

Precedence: The Municipality has made monetary contributions to non-profit organizations in support of major capital projects. Examples include \$2,000,000 to the Discovery Centre; \$1,500,000 to Soccer Nova Scotia for the expansion of an indoor soccer facility abutting HRM-owned soccer fields (2009) and \$2,500,000 to Tennis Canada towards expansion of an indoor tennis facility (2016). HRM also contributed \$80,000 towards renovations to Dalhousie University's swimming pool based on the limited availability of 50-metre competitive pools in the region (2015). These awards were recommended in relation to HRM's Community Facilities Master Plan, growth in demand, and HRM's inventory of public facilities/amenities.

Municipal Involvement: To date, the Municipality has facilitated the development of the new YMCA in the following ways:

- approval of planning amendments for re-development of the YMCA and former CBC properties which significantly increased their development potential; and
- the market-value sale of an abutting parcel of municipal land identified as Parcel BL-1 Briar Lane, Halifax, which allowed the YMCA and the Developer to avoid a re-design of the proposed residential/commercial development that could have adversely impacted the project's economic viability (2014)¹.

The YMCA has also made requests to HRM for additional assistance including access to federal infrastructure funding, cash contributions towards escalating construction costs (\$875,000), and "reimbursement" for costs associated with the purchase of a portion of the property identified as Briar Lane, Halifax. For context, a chronology of requests is included as **Attachment 1** of this report.

DISCUSSION

To enable an evaluation of the contribution request, the Association was asked to provide additional information with respect to an itemized capital budget for construction, a projected operating budget, an

¹ In Camera report to Regional Council meeting of April 15, 2014, Briar Lane Municipal Lands to YMCA Development. De-classified April 12, 2018.

update on the status of the capital fundraising campaign, and financial statements for the prior three (3) years. Questions of clarification were also communicated via email.

I. Project Overview

YMCA Facility Proposal

The replacement YMCA facility is integrated into the re-development and densification of the former YMCA and CBC properties located on South Park Street and Sackville Street, Halifax. The design for the new complex has two parts, each with a residential tower, that are to include:

- 6,500 square meters for a replacement YMCA facility;
- 530 square meters of retail and office space;
- 30,600 square meters of residential space;
- 300 parking spaces; and
- a pedestrian link.

The YMCA positions its funding request as a “partnership” affording benefits to the public that include new preventive health, wellness and recreation programs, affordability, and inclusivity that align with the Healthy, Livable Communities Regional Council priority. The replacement YMCA amenities include a gymnasium, aquatics centre, indoor walking track, weight training and cardiovascular equipment, multi-purpose exercise studios, changing rooms, a family room, meeting rooms and offices. On-site parking is provided below grade and the facility is on a public transit route.

Construction commenced in 2017 and the facility is expected to open in late 2019 with an official opening to the public by January 2020.

Proposed YMCA Programming

In addition to the YMCA’s conventional focus on self-directed fitness, including instructional classes and leisure activities², programming will include community-based health services modelled on the YMCA Hamilton *Live Well Program Partnership*. The latter is collaboration between the YMCA, Hamilton Health Sciences, and McMaster University Faculty of Health Sciences intended to enhance patient care in the transition from hospital to the community³. The program is referral-based or self-referral for children and adults with chronic disease or rehabilitation needs and delivered by certified YMCA staff and health practitioners. This approach is part of a larger trend for YMCA organizations across North America whereby local organizations are expanding hospital partnerships and facilities to deliver community-based health prevention and chronic disease self-management programming⁴.

The provision of specialized community-based health and out-patient programming could strengthen the YMCA’s operating revenues given the facility’s proximity to the Nova Scotia Rehabilitation Centre, Dalhousie University, and major provincial hospitals. Likewise, the facility’s location is conducive to attracting a downtown workforce, students and corporate members who appreciate the convenience and flexible hours of access that can be incorporated into a work/school schedule.

² For example, stationary bikes, cardiovascular and strength training equipment, yoga, dance, court sports, swimming, lifeguard training, and walking.

³ Briefing Note: *LiveWell Program Partnership*. September 11, 2015. YMCA of Hamilton. Supervised exercise, education and social support intended to encourage self-management and includes cancer, cardiovascular, arthritis, osteoporosis, joint replacement surgery, spinal cord injury/mobility deficit, diabetes.

⁴ For example, <https://ymcacentralflorida>

Of note, the YMCA’s Membership Business Plan aims to enlist approximately 6,000+ members within the first two years of operation of which 70% are expected to be adults. Pricing is unstated but will be “comparable to other full-service recreation centres in HRM” with subsidized rates ⁵. The YMCA nationally has a best practice of membership pre-sales approximately six months in advance of opening and the local facility’s proforma is just over 10% of the membership (650-900 members) but pre-sales are aided by an ability to tour the facility. Notwithstanding that some financial assistance may be made available to persons unable to afford a membership, the operating model and projected operating budget appears to prioritize adult memberships and community-based delivery of (non-medical) preventive health services.

Accessibility Model

In response to a request for additional information with respect to affordability, the YMCA’s annual philanthropic campaign generates funds to offset discounts or waivers for members who cannot afford the full membership fees or access to a designated program. There is no cap on the number of persons assisted or the corresponding dollar value. The YMCA anticipates that approximately one (1) in every 3 or 4 members will request financial assistance with a membership fee. There is no age restriction, but most requests are from/for youth. Membership assistance is provided primarily through community groups (schools, assisted living service providers, youth groups etc) or self-identified individuals which are processed through a private, non-invasive intake.

Proposed Financial Model

At its inception in 2011, the replacement YMCA facility was projected to cost \$31 million and would be nearly 40% funded by the YMCA through the sale of land and debt financing. Fundraising would be roughly 30% and federal/provincial government funding another 30%⁶. HRM has not made a direct financial contribution, but has helped to facilitate the development in other ways (planning amendments and the sale of Briar Lane). In a presentation to Regional Council on March 27, 2018, the cost was projected to have increased by \$5.5 million to a revised total of \$36.5 million. The increase is attributed to inflation, currency rates, and construction demand.

	Original Estimate	Additional Costs	Revised Total	%
Land Sale	8,000,000		8,000,000	22%
YMCA Debt Financing	4,000,000	3,000,000	7,000,000	19%
Capital Campaign	9,000,000	1,500,000	10,500,000	28%
Federal Funding	5,000,000		5,000,000	14%
Provincial Funding	5,000,000		5,000,000	14%
HRM Funding*	0	1,000,000	1,000,000	3%
Total	31,000,000	5,500,000	36,500,000	100%

An update provided by the YMCA as of May 1, 2018, indicates that \$6,173,294 has been received/committed in fundraising to date with total pledges of nearly \$10 million:

⁵ Email from YMCA CAO to HRM staff dated May 31, 2018.

⁶ Brochure. *Building a Healthier Halifax Together: The New John W. Lindsay YMCA.*

Total Pledges to Date	\$9,185,185
Additional Verbal Pledges	<u>\$ 487,000</u>
Total Pledges (as of May 1, 2018)	<u>\$9,672,185</u>

Albeit market factors beyond the control of the YMCA have impacted their cost projections, the prospect of phasing or amending specific elements or purchases appears unacceptable given the assertion that “The YMCA understands its role as the recreation centre for peninsula [sic] and is determined to maintain the full scale and scope of the centre. The project team felt it would be appropriate to make our ask of HRM at the same level as the other levels of government”⁷. Reference to funding from other levels of government is the \$10 million commitment in federal/provincial funding under the *New Building Canada Fund* (Infrastructure Canada) announced in 2017 and already included as funding. In January of 2018 the YMCA requested that HRM provide a \$1.5 million grant towards the completion and purchase of the new YMCA facility.

Briar Lane Reimbursement Request

In December 2013, the YMCA requested HRM sell a remnant land parcel (Briar Lane) to enable access to underground parking as envisaged by the development partner. The YMCA had leased this land since 1990. The request gave full disclosure of the Association’s intent to convey the property to the Developer as integral to the re-development of the YMCA and former CBC site. On April 15, 2014, Regional Council approved conveyance of a portion of Briar Lane to the YMCA “or assignee” for the appraised value of \$529,000. The sale closed May 26, 2014 and the property was conveyed to the Developer in June of 2014. Prior to their request for a \$1.5 million grant, the YMCA asked to be provided a grant for the purchase price of Briar Lane. Considering that the land was being re-sold to a private business, Briar Lane could not have been sold to the YMCA for less than market value. Providing a grant for its purchase price essentially circumvents the legal restrictions on selling properties at a below market value. While HRM has conveyed properties to non-profits for a nominal purchase price, these sales have been on the condition that the non-profit holds the property for its own use. As such, staff do not recommend any compensation for the purchase of Briar Lane.

Funding Rationale: Municipal Benefit

The replacement YMCA facility constitutes an important part of the recreational facility inventory for Peninsula Halifax. However, the facility is not considered a substitute for HRM-owned facilities and is not expected to significantly impact HRM’s plans in relation to the peninsula recreation facilities, such as Halifax Forum, Needham Community Centre, or Centennial Pool. Instead, the YMCA facility represents an *enhanced replacement* of their previous facility. Consistent with prior awards to sports-related facilities, an evaluation of the YMCA’s funding request has taken into consideration alignment with HRM’s Community Facilities Master Plan, specifically the Long-Term Aquatic Strategy, currently under development.

The replacement YMCA facility is considered an important venue for recreational and family programming as compared to other aquatic facilities on Peninsula Halifax. By comparison, both Centennial Pool and Dalhousie University (*Dalplex*) are 50-meter competition facilities. The Needham Community Centre swimming pool lacks accessibility and the small, single-tank design does not allow for multi-functional programming. Closure of the Stadacona swimming pool is not expected to have any critical impact on the overall delivery system given it served primarily military families with occasional aquatic club bookings. In contrast, the YMCA pool will be multi-functional and includes the following features:

- a fully-accessible 25-metre lap pool;
- a warm-water teaching and accessibility pool with movable floor; and
- a multi-person on-deck hydrotherapy whirlpool.

In summary, the replacement YMCA facility contributes in maintaining the *current* recreational swimming

⁷ Email from YMCA to HRM staff dated July 30, 2018.

pool inventory in Halifax. The aquatic centre's amenities and proposed scheduling accommodates a range of abilities and ages, including weekly/daily "open swim" for non-members. The YMCA has indicated that in addition to a Public Day Pass for access to the full facility for non-members, a Public Swim Pass will be able to be purchased according to age (eg. child/youth, adult, senior) or family/group rate. The facility pricing model is to be reviewed in 2019 prior to opening but the aim is to align swim rates to those publicly advertised by HRM facilities. The timing of the YMCA's price review aligns well in terms of HRM's Recreation Facility Fee Review currently underway.

Further, the construction of the new facility affords HRM the opportunity to initiate discussion with the YMCA with respect to establishing a working relationship regarding potential collaboration and program alignment or efficiencies.

In summary, staff reviewed the grant request and identified four key factors:

- **Public Benefit** - The expansion of the YMCA provides a strong public benefit to citizens in terms of health promotion and active recreation. Many, not all, of the services to be provided at this location might otherwise be municipal in nature and, if not provided by the YMCA, might eventually have to be provided through a comparable HRM facility. While the new facility is membership-based, its approach to fees and membership is comparable to that which might be expected of an HRM facility. Membership is not unduly restricted and individuals unable to pay are provided subsidies.
- **Leverages Private Funds** - The YMCA will invest considerable funds into the facility including significant debt financing. To date, the charity has raised \$6.1 million in fundraising and has an additional \$3.5 million in pledges.
- **Viability** – The YMCA has a strong track record of managing and sustaining its facilities. The proposed facility is supported by a strong business case and there appears to be sufficient public demand to support the facility without diverting users away from HRM's facilities.

Because the mortgage is held by a commercial bank, the YMCA was asked to confirm their options in the event of default. The response indicated an ability to leverage other assets, or restructure debt with potential recourse to the national YMCA and/or their donor base, or a combination thereof. As a registered charity, the YMCA would also be regulated with respect to the disposition of the net proceeds of any disposition of assets.

- **Incrementality** - Without HRM support there is a strong possibility that the full \$36.5 million facility would still be funded. The YMCA would have some potential to reduce costs, secure more debt funding, add fundraising or undertake some combination of these options. Each of these would, however, come with some consequences, including higher debt payments or increased pressure in relation to other non-profit fundraising in the region.

Proposed Contribution Agreement: Key Terms and Conditions

Typically, funding requests that originate outside an established municipal grant program are managed through a Contribution Agreement. This form of contract provides clear accountability on the part of the recipient for the use of public funds and ensures that HRM provides adequate and appropriate stewardship.

In accordance with precedence, a contribution in the amount of \$1,000,000 to the YMCA would be contingent on the key terms and conditions outlined in Table 1 shown below, including the successful negotiation of a Contribution Agreement.

Table 1. Proposed Contribution Agreement: Key Terms and Conditions
<p>HRM's contribution to the YMCA will be one million dollars (\$1,000,000.00), to be used by the YMCA of Greater Halifax/Dartmouth ("YMCA") solely for the acquisition of the <i>John W. Lindsay YMCA</i> facility (the "Facility") at South Park and Sackville Streets, Halifax¹.</p> <ul style="list-style-type: none"> a. the contribution amount is a fixed contribution made directly to the YMCA, and HRM is not liable for any of the YMCA's costs for the acquisition of the Facility, nor is it a guarantor of the YMCA or the Facility; b. the contribution amount represents HRM's complete financial commitment to the YMCA for the acquisition of the Facility; c. the YMCA will indemnify HRM.
<p>In acknowledgement of HRM's contribution, the YMCA will provide the following public benefits to HRM, for a term of 5 years from the date of the Facility's opening:</p> <ul style="list-style-type: none"> a. the YMCA will participate in the HRM/Halifax Public Libraries "Membership/Access Lending Program", providing a minimum of 100 passes to the program that provide access to Facility amenities (such as open swims, fitness facilities and track), but not to YMCA registered programming; b. the YMCA will provide to HRM access to 10 hours of meeting space per month at 50% of the standard rental rate, to be scheduled on weekdays between 8:00am and 4:00pm; c. the YMCA will provide HRM with use of the Facility's track at no cost for a free walking program to be offered by HRM.
<p>Payment schedule to be negotiated with YMCA, but to occur on or after closing of the acquisition of the Facility by the YMCA. Proof satisfactory to HRM shall be provided by the YMCA to HRM evidencing the close of the transaction</p>
<p>HRM's contribution shall be contingent upon the execution of a signed Contribution Agreement and:</p> <ul style="list-style-type: none"> a. the completion of construction of the YMCA facility; b. YMCA's ownership of the facility, as evidenced by the registration of the YMCA's condominium interest for the property in the Nova Scotia Land Registry; and c. possession of the YMCA facility by the YMCA.
<p>Funding shall be contingent on Regional Council's approval of the expenditure in the applicable fiscal year budget process.</p>
<p>In return for HRM's contribution, the YMCA shall provide recognition commensurate with the level of investment at the <i>John W. Lindsay YMCA</i>.</p>

1. Southwest Properties is constructing the facility and upon completion the YMCA will assume ownership through a condominium interest. As such, funds cannot be awarded to the YMCA for construction. Hence, funding is directed towards the acquisition of title (a capital purchase).

FINANCIAL IMPLICATIONS

HRM has a limited number of options for funding project of this size. Most of its ongoing grant programs, such as the Community Grants Program, are too small to accommodate such a request. The Community and Events Reserve Q621 might be a candidate for funding but does not have a sufficient balance.

Other options include re-directing funds away from the capital budget and using them for the YMCA (hence postponing expected capital projects); funding through the 2019-20 Operating Budget (hence putting greater pressure on the upcoming tax rate); or, using the General Contingency Reserve Q421. The General Contingency Reserve has a net available balance of approximately \$9 million, much of it attributed to the 2017-18 operating budget surplus. Some of these funds have been committed or expected to be required to offset a number of financial pressures. Staff believe it is realistic to release as much as \$1 million of these funds. Providing a grant of \$1 million, however, will take funds away from other opportunities that HRM may wish to pursue including capital budget initiatives.

Budget Summary - Risk Reserve-General Contingency Reserve, Q421

Budget Summary, General Contingency Reserve, Q421

Balance in reserve, October 31, 2018	\$11,677,539
Projected revenue to March 31, 2019	\$ 62,802
Commitments to March 31, 2018	<u>\$(4,267,922)*</u>
Projected net available balance to March 31, 2019, as at Oct 31	\$ 7,472,419

Pending reports to Audit & Finance/adjustments of commitments:	
Reduce commitment for YMCA, included in above commitments to \$1m per recommendation of this report	\$ 500,000
The LINK Performing Arts	\$(1,000,000)
Senior snow & ice program	\$(200,000)
Purchase of fire boat	\$(1,300,000)
Purchase of land	<u>\$(4,275,000)</u>

Revised projected net available balance, March 31, 2019	\$ 1,197,419
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*Commitments include \$500,000 for Hospice Grant request, pending approval, and \$1.5 million for this YMCA report which is being reduced to \$1million.

Risk Reserve – General Contingency Reserve, Q421 is to receive the annual operating surplus of the Municipality as prescribed by the Provincial Financial Accounting and Reporting Manual, and can be used to fund operating costs, offset deficits, or fund new operating and/or capital expenditures. This is an unbudgeted withdrawal from the reserve.

Property Tax Status

The YMCA is exempt real property tax under sub-clause 5(1)(v) of the Assessment Act. Exemption applies only to property ownership, not leasing. Hence, once condominium title is acquired by the YMCA their legislated exempt status will be maintained. There are no cost implications to HRM in terms of the municipal Tax Relief to Non-Profit Organizations Program.

RISK CONSIDERATION

There are no significant risks associated with the recommendation other than reputational. The latter refers to non-profit organizations denied or unaware of access to funding consideration outside an established municipal grant program.

To reach this conclusion, consideration was given to operational and financial risks. These are reduced or

mitigated through a Contribution Agreement that forms a legal contract to ensure that funding is used only for the purpose outlined in this report and as stated in the Agreement, including indemnification, and HRM achieves the public benefits as described, for example, access to the YMCA for non-members as detailed in the Agreement.

COMMUNITY ENGAGEMENT

Not applicable in relation to an unsolicited funding request.

April 21, 2011 - Public Information Meeting conducted by HRM Planning & Development to explain the proposed amendments to the existing planning policies and solicit public input.

March 20, 2012 – Public Hearing to consider Case 16655 Amendments to the Regional Municipal Planning Strategy, Halifax Municipal Planning Strategy, and Downtown Halifax Municipal Planning Strategy and Land-Use By-law for the YMC-CBC Project at Sackville and South Park Street, Halifax. Staff reports, the Design Review Committee report, and individual submissions were circulated to Regional Council.

ENVIRONMENTAL IMPLICATIONS

Not applicable.

ALTERNATIVES

1. Council could decline funding based on the value of considerations already granted to the joint private/non-profit development venture and a verbal assurance there would be no cost to the Municipality made at the time of Council's decision⁸.

The extent to which approval of substantive plan amendments was influenced by any perception that Council was granting *plan amendments in lieu of a direct financial contribution* cannot be substantiated but the staff recommendation in support of approval was predicated on both the public benefit of enhanced recreation amenities and *assistance to the YMCA in offsetting some of the development costs*. However, Council's decision did not explicitly link approval with a commitment not to request financial consideration. Approval was simply contingent upon completion of the YMCA facility. The latter established that the benefits indirectly afforded the Developer were inextricably linked to the construction of the YMCA facility.

2. Council could amend the amount of HRM's contribution or the terms and conditions attached thereto.

If the changes are considered substantive a Supplementary Report may be required to detail the implications to both HRM and the YMCA, including financial and human resources capacity.

ATTACHMENTS

1. Background: Chronology of Development-Related Requests.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Peta-Jane Temple, Team Lead Grants & Contributions, Finance & Asset Management
902.490.5469

⁸ Minutes, Regional Council meeting of March 20, 2012, pp. 13 and 14.

Background: Chronology of Requests

(1) 2011-2012 - Plan Amendments Request

In November of 2011, HRM Planning & Development staff made a presentation to the Design Review Committee with respect to an application from the YMCA to amend the Regional Municipal Planning Strategy, Halifax Municipal Planning Strategy, and Downtown Halifax Municipal Planning Strategy and Land Use By-law to increase the maximum height restrictions (from 23 meters to 49 meters) and set-backs. In addition to the YMCA's own property holding on South Park Street, the request applied to the former CBC property located at the intersection of Sackville Street and South Park Street, Halifax. The staff report to the Committee¹ noted that permitting an increase in the maximum height allowance would help the YMCA offset some of the development costs.

On March 20, 2012, Regional Council convened a public hearing to consider the request for plan amendments and subsequently approved re-zoning and increased height allowances. The additional height concessions had an impact on land values, marketability, and the profitability of the re-development. In response to questions of clarification the YMCA confirmed that their intent was to acquire a development partner, secure an equity interest (condominium) and the value created would be reinvested back into the building².

Following Regional Council's approval of site-specific plan amendments, the YMCA executed an agreement to convey their property (including Briar Lane) to the Developer who owned the CBC site. The YMCA's financial statement (2015) indicates a sale price of \$7,866,000 of which \$540,000 was paid in cash upon closing and an interest-bearing Vendor Take-Back Mortgage secured by the former YMCA lands to be applied to the purchase price for the new YMCA facility³. At the time, the cost of the new YMCA facility was estimated to be approximately \$23,200,000 and the Association anticipated financing the acquisition through a combination of the Vendor Take-Back Mortgage and accrued interest, donations and debt financing.

Subsequent application by the Developer⁴ for Substantive Site Plan Approval for assorted variances was approved by the Design Advisory Committee, against staff's recommendation.

(2) 2013-2014 – Land Sale Request (Briar Lane)

In a letter dated December 2, 2013, the YMCA requested HRM sell a remnant parcel of land identified as Parcel BL-1 Briar Lane, Halifax, located to the rear and abutting the YMCA premises to enable access to underground parking as envisaged by the development partner. Use of this land for surface parking and

¹ Report from Design Review Committee to Regional Council meeting of February 28, 2012, Case 16655: Amendments to the Regional MPS, the Halifax MPS, and the Downtown Halifax MPS and LUB for the YMCA-CBC Project at Sackville and South Park Streets, Halifax, dated October 31, 2011, pp.7-8.

² Minutes, Regional Council meeting of March 20,2012, Item 14.3, p.14.

³ Financial Statements of YMCA of Greater Halifax/Dartmouth Year ended December 31, 2015, Notes to Financial Statements, Item 3, p.9.

⁴ Southwest Properties incorporated a limited company identified as 3280926 Nova Scotia Limited in May of 2014.

building access had been secured by the YMCA from the former City of Halifax under a year-to-year less than market value lease agreement executed in 1990. The request gave full disclosure of the Association's intent to convey the property to the Developer as integral to the re-development of the YMCA and former CBC site.

On April 15, 2014, Regional Council approved conveyance of a portion of Briar Lane to the YMCA "or assignee" for the appraised value of \$529,000 plus closing costs up to a maximum of 15% and the YMCA was to self-remit HST. As a registered charity, would not be subject to Deed Transfer Tax pursuant to Section 109 of the Municipal Government Act provided that the property was not used for a commercial purpose or conveyed within three (3) years. HRM's Agreement of Purchase and Sale requires that the YMCA acquire a condominium interest in the new development where their operations will be delivered⁵. The conveyance of Briar Lane from HRM to the YMCA closed May 26, 2014 and in turn conveyed to the Developer in June of 2014. Therefore, deed transfer tax was payable.

(3) 2013 – Access to Federal Infrastructure Funding Request (\$5,000,000) and Cash Contribution Request (\$536,835)

Following Council's approval of plan amendments, the YMCA requested access to \$5,000,000 in federal infrastructure funding plus a municipal cash contribution of \$536,835⁶. At the time the YMCA identified a need for \$7,000,000 in government funding. In exchange for access to the municipal infrastructure funding stream, the YMCA indicated they would contribute the municipal portion of cost-sharing. The request did not advance.

(4) 2017 – Cash Contribution Request (\$875,000)

In a press release April 24, 2017, the YMCA announced it would receive \$10,000,000 in federal/provincial funding under the *New Building Canada Fund* (Infrastructure Canada): this award was independent of the Municipality.

In letter dated October 30, 2017, to the Mayor and CAO the YMCA requested \$875,000 in capital funding, citing factors beyond their control: "...largely due to mechanical and electrical expense escalation resulting from the fallen Canadian Dollar and increases in construction costs due to a shortage of trades people in Halifax as a result of the high volume of projects occurring at this time" ⁷. Evidently, the projected cost increased by \$6,000,000 since the preliminary design in 2011, from \$31,000,000 to approximately \$37,000,000.

(5) 2018 – Cash Contribution Request (\$1,500,000)

In 2018, the YMCA increased the amount requested from the Municipality by \$625,000, from \$875,000 to \$1,500,000. This increase is understood to be "reimbursement" for costs associated with acquiring Briar Lane. A breakdown of projected construction and associated costs as of May 31, 2018, was provided by the YMCA as shown below in Table A.

⁵ In Camera report to Regional Council meeting of April 15, 2014, Briar Lane Municipal Lands to YMCA Development, dated March 21, 2014. De-classified April 12, 2018.

⁶ An amount of \$536,835 was understood to offset the unforeseen cost of acquiring Briar Lane.

⁷ Letter from YMCA President & CEO/Chair YMCA Centre of Community Campaign to Mayor Savage and CAO, dated October 30, 2017.

Table A. Projected Capital Construction Budget

YMCA May 31, 2018

Item	Cost	Description
Construction Costs	\$36,006,720	All hard construction costs including parkade
Briar Lane	\$536,935*	Purchase of laneway from HRM
Equipment and Furnishings	\$1,326,935	Equipment, furnishings and fixtures including program-specific equipment
Pre-Development Costs	\$1,325,615	Approvals, preliminary design work, brokerage and sale of property [South Park Street]
YMCA Project Management	\$1,111,981	Project management services from pre-development to substantial completion of the facility.
YMCA Campaign Costs	\$1,300,874	Cost to complete YMCA Facility Capital Campaign.
Operational Readiness	\$300,000	Hire-train staff and volunteer management team for new facility opening.
Total	\$41,908,674	

*The sale price for Briar Lane was \$529,000. A difference of \$7,935 is assumed to be Purchaser's legal fees and/or closing costs and payment of deed transfer tax.

Based on the sale of 6,240 memberships, the estimated annual operating budget is projected to realize a net deficit in the first two years of operation but realizes a modest surplus in 2022 and increases thereafter. These projections include an annual debt service cost of \$500,000. Revenues could increase with diversification (including fee-for-service contracts) and/or expenditures may decrease based on the success of the fundraising campaign. Or, if the collateral mortgage is used in full, debt servicing costs could increase.

MEMORANDUM

To: Members of Halifax Regional Council

From: Tara Gault, Chair, Halifax Regional Library Board
Åsa Kachan, Chief Librarian & CEO, Halifax Public Libraries

Date: 18 February 2019

Re: **Halifax Regional Library Board Governance Framework**

The *Nova Scotia Libraries Act, R.S., c. 254, s. 1* (hereinafter called the “Act”) regulates regional library service in Nova Scotia (the “Province”). The Act allows for the formation of regional public libraries through agreements between a municipality (or municipalities) and the Province (s. 6(1)). The Act permits the creation of library boards, bylaws to govern a library board, and sets out funding regulations.

In accordance with the Act, the Halifax Regional Library Board is governed by an agreement between Halifax Regional Municipality and the Province. An agreement (hereinafter called the “MOU”) effective April 1, 1996 was created between the Municipality and the Province, from a merging of the Halifax City, Halifax County, and Dartmouth Regional Libraries. The MOU sets out further powers and authority of the regional library board. There was a minor amendment to the Act in November 2014. This amendment provides for 8 municipal appointees, six of whom are citizen appointees and two of whom are HRM Councillors (prior to this amendment, four HRM Councillors and four citizen appointees sat on the Halifax Regional Library Board).

Role of the Library Board

In accordance with the Act, the Board shall oversee the business and affairs of the Library. The MOU provides that the Board shall have the powers and authority of a regional library board under the Act (Section 1 (2)(6) of the MOU). Section 11 of the Act states that the Board may:

- (a) acquire and hold real and personal property of every description;*
- (b) equip, establish and maintain a regional public library;*



Halifax Public Libraries
60 Alderney Drive
Dartmouth, NS B2Y 4P8

t. 902-490-5744
f. 902-490-5762
halifaxpubliclibraries.ca

(c) acquire and circulate books, periodicals, pamphlets and other articles and objects of educational or artistic value;

(d) borrow [money] from time to time for the purpose of defraying its operating expenses an amount not exceeding one half of the amount expended by it during its immediately preceding financial year;

(e) receive, hold and administer bequests, donations and gifts of real and personal property;

(f) enter into and carry out agreements with cities, towns, municipalities, persons, associations or organizations for the provision of library services to them on such terms and conditions as the board thinks advisable;

(g) make rules and regulations for the conduct and management of the business of the board and of the library;

(h) with the approval of the Minister of Communities, Culture and Heritage, engage a librarian to act as chief executive officer;

(i) engage such assistant librarians and other employees as the board considers advisable, and fix their compensation; and

(j) do and perform such other acts and things as are conducive or incidental to the carrying out of its purposes and the exercise of its powers.

The *Corporations Miscellaneous Provisions Act, R.S., c. 100, s. 1*, also applies to the Halifax Regional Library Board. The Library Board is a body corporate with full management and control of Halifax Public Libraries.

The Bylaws of the Halifax Regional Library Board specify that the Board elects its own chair, and any other officers it needs. The Board has the authority to formulate policies concerning the operations and services of the public library. The Board keeps its meeting minutes, resolutions, bylaws and policies. These records must be made available to the public.



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The *Act* empowers the Board to engage a librarian to act as CEO (Section 11 (h)). The CEO, as the chief administrator of Halifax Public Libraries, has operational responsibility for the effective management of the Library, including all human resource matters for all employees and volunteers, and including stewardship of resources and maintaining high standards for programs, collections and services. The CEO is an employee of the Halifax Regional Library Board, as are all employees of the Library; they are neither employees of the Municipality nor the Province. In accordance with Section 11(i), the Board has entered into a Collective Agreement with NSUPE 14 representing Library staff.

Role of the Province

Section 3 of the *Act* allocates general supervisory and administrative powers to the Province in respect of regional libraries and the Board. The Minister of Communities, Culture and Heritage shall have the general supervision and administration of the Provincial Library and of libraries and library services provided under the *Act*. The Province carries out its general supervisory powers through the Provincial Librarian (Section 5 of the *Act*).

Section 6 of the *Act* empowers the Province to permit or refuse the creation of an agreement to establish a regional library (e.g., the Board) as between the Municipality (or other municipalities) and the Province. The Province may terminate the MOU with one year's notice (Section 6 (2) of the *Act*).

Section 12 of the *Act* gives the Province the power to establish a Funding Review Committee which makes recommendations to the Minister of Communities Culture and Heritage respecting operating grants to regional library boards, maintenance grants to municipal councils and capital grants. The Province via the Minister of Communities, Culture and Heritage accepts or rejects the recommendations of the Funding Review Committee in respect of the provision of operating grants to regional libraries (Section 13 of the *Act*). The Province may amend the Funding Regulations, create new ones, and create any regulations as necessary for carrying out the *Act* (Section 15 and 16 of the *Act*). The *Act* and the Funding Regulations require that each of the Board, the Municipality and the Province advance specific minimum amounts of funding to Board.

Ultimately, the Province may amend or repeal the *Act*.



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Role of the Municipality

The Municipality's primary powers with respect to provision of library services to the municipality is to create an agreement (e.g., the MOU) with the Province for the creation and operation of a regional library board (e.g., the Halifax Regional Library Board), subject to the agreement of the Province; and, appoint individuals to the Board. The Municipality may borrow funds, if it deems necessary, for spending on the regional libraries within the Municipality, pursuant to Section 8 of the Act.

The Municipality, like the Province, may terminate the MOU (Section 6 (2) of the Act).

Board Appointments

The Act and the MOU between the Province and Halifax Regional Municipality set out a framework for the appointment of individuals to the Halifax Regional Library Board. Section 10 of the Libraries Act requires that each regional library board consist of:

- (a) one member appointed by each city, town and municipality that is a party to the MOU;*
- (b) two members appointed by the Governor in Council [the Province]; and*
- (c) additional members appointed in such manner and number as the parties to the agreement (e.g., the MOU) agree.*

Building on the Act, the MOU between the Province and Halifax Regional Municipality provides that the Halifax Regional Library Board shall consist of eleven members appointed in the following manner:

- (a) the Mayor of the Municipality, ex officio;*
- (b) two members appointed by the Governor in Council [the Province];*
- (c) eight persons appointed by the Council of the Municipality from the following two groups:*
 - (i) two Councillors of the Municipality, and*
 - (ii) six citizens of the Municipality.*

The Reporting structure as between the Library Board, the Municipality, and the Province

The Halifax Regional Library Board is accountable to the Municipality and Province through requirements in the MOU and the Act that the Board provide financial reports to each of the Municipality and the Province.

With respect to the Municipality, the Board is required each year to submit to the Council of



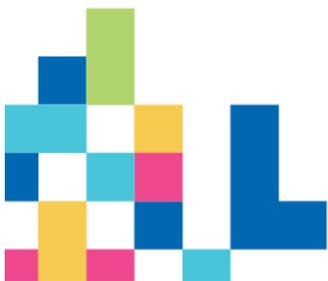
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the Municipality “a detailed estimate of the amounts required by the Board for the ensuing fiscal year to meet expenses of maintaining and managing the library service in the Municipality and showing the amounts to be paid by the Municipality”, subject to the Funding Regulations and the *Act* (Section 5 (1) of MOU). As a corporation, it is the responsibility of the Board to set its own budget and manage its own finances.

With respect to the Province, the Board is required each year to “submit to the Provincial Library reports on goals and objectives, budget for the upcoming year, audited statements of expenditures and revenues [and library statistics, results it achieves and outputs measured – all to be submitted on prescribed forms on the dates outlined on such forms]”, subject to the Funding Regulations and the *Act* (Section 5 (2) of the MOU).

Further, the Halifax Regional Library Board is required to appoint an auditor who must forward its report to the Province.



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Item No. 12.1.1
Executive Standing Committee
February 4, 2019

TO: Chair and Members of Executive Standing Committee

SUBMITTED BY: Original Signed

Catherine Mullally, Director, Human Resources/Office of Diversity & Inclusion

Original Signed

Jacques Dubé, Chief Administrative Officer

DATE: November 6, 2018

SUBJECT: 2017 2018 Annual Workforce Report

INFORMATION REPORT

ORIGIN

The Executive Standing Committee passed a motion January 22, 2018 to direct staff to provide an annual workforce report to the Executive Standing Committee following fiscal year end which would include information on workforce demographics and trends, staffing and workforce planning, absenteeism, Grievance Activity by Issue/Association as well as an update on HRM's *People Plan* goals including, Leadership, Talent, Culture & Performance, Diversity & Inclusion, Safe Workplaces & Healthy Workforce.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, SNS 2008, c. 39

34 (1) The Chief Administrative Officer is the head of the administrative branch of the government of the Municipality and is responsible to the Council for the proper administration of the affairs of the Municipality in accordance with the by-laws of the Municipality and the policies adopted by the Council.

BACKGROUND

As the largest municipal government in Atlantic Canada, Halifax Regional Municipality (HRM) requires a multitude of resources, including our dedicated workforce. With over 3,300 permanent staff, the municipality employs a wide range of people with a diverse array of skills and experience. The *Annual Workforce Report* provides an overview and analysis of activity related to employment with the Halifax Regional Municipality.

HRM budgeted approximately \$367,552,100 (2017/18) in total compensation costs and it is critical that the municipality has innovative and practical human resource strategies and solutions to meet business needs and achieve best value for tax payer dollars now and into the future.

DISCUSSION

One of HRM's goals with respect to the provision of "people" data, as we continue to move forward with workforce analytics and reporting, is to establish benchmarks to support operational managers with better decision making as well as identifying trends that require HR strategies to support risk management and continuous improvement.

Workforce Reporting

Human Resources has been providing the Executive Standing Committee with a Semi-Annual Workforce Report since 2012. Upon review of the information provided, and following staff's recommendation, we have prepared a more comprehensive annual report that not only provides workforce demographics and analysis of employment related data but also includes reporting on initiatives related to Leadership, Talent, Culture, Diversity & Inclusion, Safe Workplaces & Healthy Workforce.

Demographics

The HRM Annual Workforce Report illustrates our employee demographics, including the number of employees actively working (headcount), average age, average years of service, percentage of unionized staff, number of permanent full-time employees, and turnover rate.

In summary, the total number of employees actively working as of March 31, 2018, was 3,368 (not including Auditor General Office – 9). The average age of HRM employees is 46.67 years with a total of 107 employees retiring between April 1, 2017 and March 31, 2018. Turnover rate was an average of 5.04% for the same period. The turnover rate reflects the internal churn of the organization as the rate includes layoffs from our seasonal workforce.

Absenteeism

To provide a high level of municipal public service, HRM depends on the contribution of its employees, and their regular attendance is essential to the achievement of this goal. HRM considers it important to recognize and encourage commendable attendance. It also recognizes the cost, increased disruption and burden to co-workers caused by uncontrolled absenteeism. Employees have a responsibility to fulfill the duties for which they are employed unless prevented from doing so for legitimate reasons. As the employer, HRM also has an obligation to its employees to support or assist them in fulfilling their responsibilities, where required.

All employee groups' absences have been trending downward in the 2017/18 fiscal period:

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Average Number of Days Absent per Eligible Employee	8.22	9.70	10.70	10.07	8.40
ATU 508	11.27	18.5	19.7	19.9	14.3
CUPE 108	17.39	13.7	20.9	16.7	15.8
HRPA	3.84	6.9	5.7	5.9	5.1
IAFF 268	2.25	5.7	4.7	4.4	3.9
Non-Union	5.69	6.5	8.4	6.0	5.6
NSUPE 13	8.89	6.8	7.9	9.3	7.8

Grievances

As noted in the HRM Annual Workforce report, HRM is 82% unionized. There are six (6) collective agreements – Halifax Regional Police Association (HRPA), International Association of Fire Fighters (IAFF), Nova Scotia Union of Public Employees (NSUPE), Canadian Union of Public Employees (CUPE Local 108), the Amalgamated Transit Union (ATU Local 508), and CUPE Local 4814 (Crossing Guards).

In 2017/18, HRM negotiated two collective agreements: Police (HRPA) and Fire (IAFF). The table below provides an overview of the current HRM collective agreement start and expiry dates:

Union Group	Collective Agreement Start	Collective Agreement Expiry
CUPE Local 108	November 1, 2015	October 31, 2017*
HRPA	April 1, 2015	March 31, 2020
CUPE 4814 (Crossing Guards)	April 1, 2017	March 31, 2020**
IAFF Local 268	June 1, 2016	May 31, 2021
ATU Local 508	September 1, 2016	August 31, 2021
NSUPE Local 13	November 1, 2017	October 31, 2021

* Negotiations with CUPE 108 are underway

** 2017-2020 CUPE 4814 agreement has been ratified by the parties but is not yet signed

The attached report provides a breakdown of grievance activity based on union group from April 1, 2017 to March 31, 2018. General themes for grievance activity include discipline and termination, leave requests, policy/work rule and job competition.

Health and Safety

Human Resources continues to build/improve data quality in EHSM, our internal reporting system that provides incident data by business unit as well as accident/injury trends for the organization. For 2017/18 fiscal, the municipality had a total number of 319 accidents which is a decrease from 326 reported during the previous fiscal period. Of the total number of accidents reported (319), 221 were time lost claims. This compares to 192 during the same period in 2016/17. The top injury types include strains/sprains, abrasion/cut/wounds and contusions (bruise).

North American Occupational Safety & Health Week activities continued to help reinforce the North American theme to “Make Safety a Habit”. During the Leadership Safety Meeting in May 2018, the municipality launched the Working Mind program to help promote mental health and the S.A.F.E.R Leadership Model to build our safety-first culture.

Future Reporting

To support better operational decision making and measure HRM's effectiveness on Human Capital management costs against business goals (ROI), Human Resources continues to work in partnership with Finance and Asset Management to develop tools/people metrics that identify workplace trends and support timely, informed decision making by Business Unit Managers and Directors.

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

COMMUNITY ENGAGEMENT

N/A

ATTACHMENTS

1. 2017 2018 Annual Workforce Report Attachment
-

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Julie Gibson, Policy & Business Initiatives Coordinator, Human Resources/Office of Diversity & Inclusion 902.490.1467

Jennifer Hann, Analyst, Human Resources 902.490.3812

Halifax Regional Municipality Annual Workforce Report 2017-18



HALIFAX

We make a difference.

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Introduction & Overview

Halifax Regional Municipality (HRM or the municipality) exists to provide the best possible services to more than 425,000 residents of our city. Covering approximately 5,500 square kilometres, Halifax is a large geographic area comprised of a diverse variety of urban, suburban and rural communities.

As the largest municipal government in Atlantic Canada, Halifax Regional Municipality requires a multitude of resources, including our dedicated workforce. With over 3,300 permanent staff, HRM employs a wide range of people with a diverse array of skills and experience.

The HRM Annual Workforce Report provides an overview and analysis of activity related to employment with the Halifax Regional Municipality.



Section 2: Our People Dashboard

The Our People Dashboard provides a summary level of detail regarding Halifax's workforce over the past five years.

Workforce Indicators	2013/14	2014/15	2015/16	2016/17	2017/18
Number of Permanent Full Time Employees	3,193	3,195	3,183	3,232	3,368
Average Employee Age	45.51	45.73	46.81	45.74	46.67
Average Employee Years of Service	12.05	12.08	13.64	11.67	12.3
Percentage of Unionized Staff	82.08%	82.24%	81.47%	81.47%	81.08%
Number of Grievances Filed	80	160	71	68	74
Number of External Hires	541	571	639	779	691
Number of External Exits	510	527	579	609	556
Number of Internal Movement	897	669	738	956	732
Employee Turnover Rate	4.57	4.38	6.41	6.70	5.04
Employee Retirements	95	89	136	138	107
Average Sick Days per Employee	8.22	9.8	10.7	10.1	8.4
Total Employee Accidents	N/A	399	354	430	570
Lost Time Accidents	N/A	222	236	192	221
Training Cost per Employee	\$43.00	\$52.34	\$54.48	\$54.55	\$67.69
Employee Engagement	-	-	-	-	In progress

Section 3: 2017/18 Top Stories

These are some of the top stories, successes and accomplishments of Human Resources over the 2017/18 year. They are grouped under several key theme areas:

Leadership

Human Resources developed and launched a new leadership program *Foundations for Aspiring Leaders* to support current and future business needs. The program is designed to provide employees who are not presently in a leadership position with the fundamental skills and knowledge every effective supervisor or manager needs. This is a cohort-based certificate program that requires participants to complete 52 hours of programming within 12 months of their program start date.

The program was expanded from one pilot session of 20 participants to 4 cohorts of over 70 participants. The first cohort will complete their 12-month commitment in April of 2019. Of the 48 participants making up the first 3 cohorts of the Aspiring Leaders Program, 25 (52%) self identified under our employment equity question. Six (12.5%) identified as a racially visible. These numbers only include individuals who chose to self identify. The 4th cohort of 21 employees are all African Nova Scotian or of African decent.

HR is also revamping the Mentorship Program for employees who have completed *Foundations for Aspiring Leaders*. This program is planned for completion before March 31, 2019.

A new program for new supervisors called *Emerging Leaders* is being developed and will be piloted in the fall of 2018. Other leadership development programs will also be designed and/or enhanced to support employees from under-represented communities, for our organization to better reflect the community we serve.

Talent

Investing in employees' professional development benefits the organization by creating a more highly skilled workforce and, by extension, a stronger public service. Human Resources' corporate training program has grown over the last fiscal year to become more flexible to deliver on the diverse and challenging needs of our business unit partners.

HR has successfully met the mandatory training needs of more than 175 evening, backshift and weekend employees from various business units. This flexibility caused little to no disruption for business units with regards to scheduling or overtime costs.

By leveraging the talent and creativity of our colleagues, several video resources were produced to aid in policy, program and information roll out. This ensured a consistent message was communicated to various levels of staff on their time and in their space. The response has been

overwhelmingly positive to the adoption of online communication and we intend to grow this capability once a Learning Management System is put in place.

We continue to invest in the Harvard Manage Mentor program and it has a current utilization rate of 111% for this (the 6th) contract year. We have also expanded our online offerings with a pilot of *LinkedIn Learning* with the launch of the *Emerging Leaders Program*.

To support HRM's Talent Management requirements, a corporate talent management framework was developed in 2017/18 to guide the development and delivery of HR programs and business tools.

Succession Planning

Succession planning is an ongoing process with the goal of developing a pool of talent to address future talent needs. In 2017-18, Human Resources provided business units with a succession planning model, information and tools to complete phases one and two of the process. In phase one, business units identified their three most critical roles and then started developing action plans to address risks in those roles. In the second phase, risk identification expanded to all roles in HRM. Next steps include an assessment of roles with a futuristic lens, conducting an internal talent review, identifying alternate talent sources, and creating and executing talent plans.

Corporate Engineer-in-Training Program

In response to a business unit request, Human Resources lead a workforce planning process with 4 partner business units: Transportation & Public Works, Planning & Development, Corporate & Customer Service, and Parks & Recreation. The group identified a need for a Corporate Engineer-in-Training Program to address projected engineering workforce challenges. Data analytics from HRM's recent recruiting experiences, as well as industry best practices and data from the labour market were used to build a business case. Upon approval of the project, HRM will be better positioned to recruit engineering talent directly from universities, thus opening another pipeline for engineering talent to enter HRM. Managers will then be able to develop talent within HRM, lowering talent costs and enhancing the breadth of knowledge of HRM's Professional Engineers.

Employee Recognition

The need for an enhanced Employee Recognition Program was identified to compliment existing recognition components; a program which has the capability of reaching all employees and measuring results. The request for proposal process identified our new Recognition Partner, Rideau Recognition. The initial phase of program implementation sets out to replace an expired contract for the provision of long service and retirement awards. Upon approval, the second phase will involve the launch of a comprehensive employee recognition program complete with a web-based platform for social recognition (peer-to-peer and manager-to-employee). The platform has demonstrated proven success in other public sector employers in communicating and reinforcing corporate values, increasing employee engagement, training managers on the value and effective techniques of recognition, creating a culture of recognition which supports enhanced performance

levels, data analytics to support evidence-based decision making on future program iterations, and providing another management tool for feedback to employees.

Strategic Workforce Planning

Human Resources is in the process of testing a Strategic Workplace Planning Model at Halifax Transit. The first 4 steps in the pilot project are complete, including an analysis of the current state of Halifax Transit's workforce. Next steps include exploration of future talent needs, gap analysis and action planning. This model can then be implemented in other business units. It can support better planning for future talent needs, thus making HRM more agile and better prepared for changes in the labour market.

Workplace Culture

One of the most important ways in which HRM can build capacity to achieve its strategic goals is through the intentional development of our work environment. Workplace culture impacts the way our employees interact with Regional Council, citizens, stakeholders and each other.

HRM conducted an Employee Engagement Survey in the spring of 2018 to gather feedback from employees across the organization. Overall, 82 % of staff members have some level of engagement. While there are many positive attributes to celebrate, there is still opportunity to strengthen engagement within HRM. The results of the survey will be a key driver in business unit operational plans to support improved engagement of employees.

The *Workplace Rights Harassment Prevention Policy* was revised and rolled out to the organization in 2017.

A new training program, *Addressing Inappropriate Behaviours*, was delivered to majority of leaders across the organization. The program continues to be offered to new leaders.

A revised *Code of Conduct for Municipal Employees Policy* was developed at the end of 2017-18 and approved at the start of 2018/19. The policy's purpose is to promote high standards of professional conduct for employees and provide guidelines for identifying unethical or illegal behaviour including conflict of interest.

Safe Workplaces and Healthy Workforce

In 2017, a new initiative was introduced to leaders during HRM's National Occupational Safety and Health Week called the S.A.F.E.R. Leadership Model. The model engages all leaders and employees to Speak, Act, Focus, Engage and Recognize behaviours and initiatives towards building a safety culture. Approximately 200 leaders, safety champions and joint occupational health and safety committee members were introduced to this model to help begin putting the model into practice.

OHS Incident Reporting – Environment, Health & Safety Management (EHSM) technology was launched and over 380 supervisors were trained on accident investigation training and use of the system. Next steps include more trending and prevention of accidents.

Mental Health supports include the launch of *The Working Mind* training in May 2017 for supervisors and employees. Approximately 278 colleagues have attended training to date.

Diversity and Inclusion

Diversity and Inclusion are two strategic pillars upon which HRM builds and develops a strong workforce. To support this, 2018 saw the launch of the corporate Diversity and Inclusion Framework and the revision of the Employment Equity Policy.

The Framework has identified equitable employment as a priority with a focus on equitable and inclusive hiring practices, the collection of workforce data, recruitment policies and practices that are reflective of the diverse communities within HRM.

The Employment Equity policy will allow us to develop an employment equity program, including conducting an employment equity survey and identifying opportunities to increase representation in the workplace from identified under-represented groups.

Collective Bargaining

Halifax entered into two new collective agreements during the fiscal year 2017/18:

Halifax Regional Police Association (HRPA) - a new collective agreement was signed in November 2017 for the period of April 1, 2015 to March 31, 2020.

International Association of Firefighters (IAFF), Local 268 - a new collective agreement was signed in December 2017 for the period of October 1, 2016 to September 30, 2021.

Section 4: Delivering Human Resources to HRM

This section will detail the context and cost associated with delivering human resources activities to the organization.

Salary Expense and Total Compensation

The following table shows salary expense as a percentage of Halifax's operating expense.

Year	Base Salary - HRM	Total Salary w benefits - HRM	HRM Operating Expense	Base Salary	Total Salary
2013/14	225,539,265	278,965,996	648,647,926	34.8%	43%
2014/15	227,945,613	284,919,035	532,788,653	42.8%	53%
2015/16	232,442,671	290,169,510	555,530,979	41.8%	52%
2016/17	249,105,726	309,838,941	573,530,662	43.4%	54%
2017/18	255,322,477	320,384,072	589,018,064	43.3%	54%

Workforce Distribution

	Permanent Full Time and Permanent Part Time	Other
2013/14	3193	1274
2014/15	3195	1164
2015/16	3183	1064
2016/17	3232	1400
2017/18	3334	1621

- The total full-time staff is defined as the total gross headcount of active employees as of March 31, 2018
- Total other staff includes temporary part-time, recreation programmers, student and seasonal. It does not include volunteer firefighters, Halifax Regional Library staff, Halifax Regional Council, inactive employees (those on a leave of absence), and other temporary part-time employees within the Halifax Forum and Sackville Sports Stadium or any staff with Agencies, Boards or Commissions

Workforce Distribution by Group

	13/14	14/15	15/16	16/17	17/18
Permanent /Permanent Part-Time					
ATU Local 508	735	754	751	752	785
CUPE Local 108	285	276	259	269	275
HRPA Civilian	116	123	122	126	126
HRPA Sworn	488	491	492	511	512
IAFF Local 268	426	420	421	420	447
Non Union	578	576	592	607	635
NSUPE Local 13	565	556	546	547	554
Total	3193	3195	3183	3232	3334

- The total full-time staff is defined as the total gross headcount of active employees as of March 31, 2018
- As shown below, year over year changes in total non-union full-time staff up is the result of filling vacant budgeted positions, and/or new positions funded through OCC as approved by Council or new positions funded through budget reductions in other areas
- In addition, in 2017/18, there were 6 new non-union staff positions which required additional budget funding

	2015/16	2016/17	2017/18
Non-union FTE Increase Over Previous Year	16	15	28
FTE's hired into existing positions previously vacant	14	10	9
FTEs hired into new positions funded through budget reductions	2	3	7
FTEs hired into new positions funded through OCC	0	2	6
FTEs hired into new positions funded through budget increase	0	0	6

New Positions Funded Through OCC	New Positions Funded Through Increased Budget
Transit: 4 Technical Service Advisors created to support the new Transit technologies 1 Transit Trainer created to support the increased training requirement of Transit Fleet	CCS: 1 Administrative Assistant created to support management in Corporate Contact/Call Centres 1 Continuous Improvement Business Analyst to support Performance Excellence initiative 1 Change Management Consultant to support Performance Excellence initiative
CCS: 1 Project Lead Regulatory Modernization created to support the “red tape” reduction project 1 Public Safety Telecommunications Lead created to support the new TMR2 police/fire radio technology	HR / D&I: 1 Advisor Diversity & Inclusion Indigenous Community created to support engagement with the Indigenous community
P&R: 1 Business Applications Specialist created to support the implementation of the new Recreation technology	Legal Services: 1 Administrative Assistant to Director Legal and Risk Insurance Services created to support expanded responsibilities related to inclusion of Clerks Office and GREA portfolio 1 Administrative Support / Intake Analyst created to support Report Centre initiative

Employee Demographics

The table below illustrates our employee demographics which have remained consistent over the past five years.

5-Year Employee Demographics					
	2013/14	2014/15	2015/16	2016/17	2017/18
Male	70.63%	70.99%	70.21%	70.99%	70.90%
Female	29.37%	29.01%	29.79%	29.01%	29.10%
Average Age	45.51	45.73	46.81	45.74	46.67
Average Year of Service	12.05	12.08	13.64	11.67	12.30

- Years of service is service with Halifax Regional Municipality

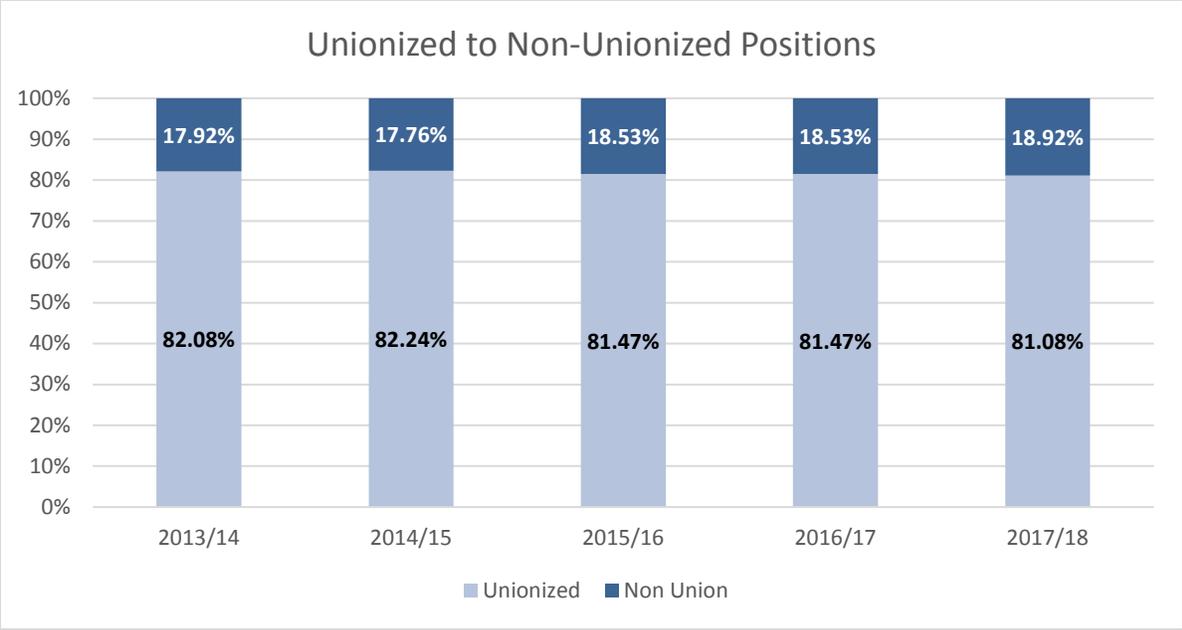
- Average age and years of service is calculated on active employees and does not include those on leave of absence

Demographics by Employee Groups

Union Groups	Total Full Time Employees	Male	Female	Average Age	Average Years of Service
ATU 508	798	85.96%	14.04%	48.79	8.72
NSUPE 13	557	43.09%	56.91%	46.56	11.01
CUPE 108	271	92.62%	7.38%	49.45	15.38
Non- Union	640	51.56%	48.44%	49.14	12.90
IAFF 268	466	92.92%	7.08%	44.42	14.72
HRPA	636	70.44%	29.56%	42.47	13.68
HRM	3368	70.90%	29.10%	46.67	12.30

Unionized to Non-Unionized Positions Trend					
	2013/14	2014/15	2015/16	2016/17	2017/18
Unionized	82.08%	82.24%	81.47%	81.47%	81.08%
Non-Union	17.92%	17.76%	18.53%	18.53%	18.92%

- For purposes of this report, CUPE 108 Seasonal/Student employees, temporary part-time CUPE 4814 and Non-Union Crossing Guards were not included in this chart

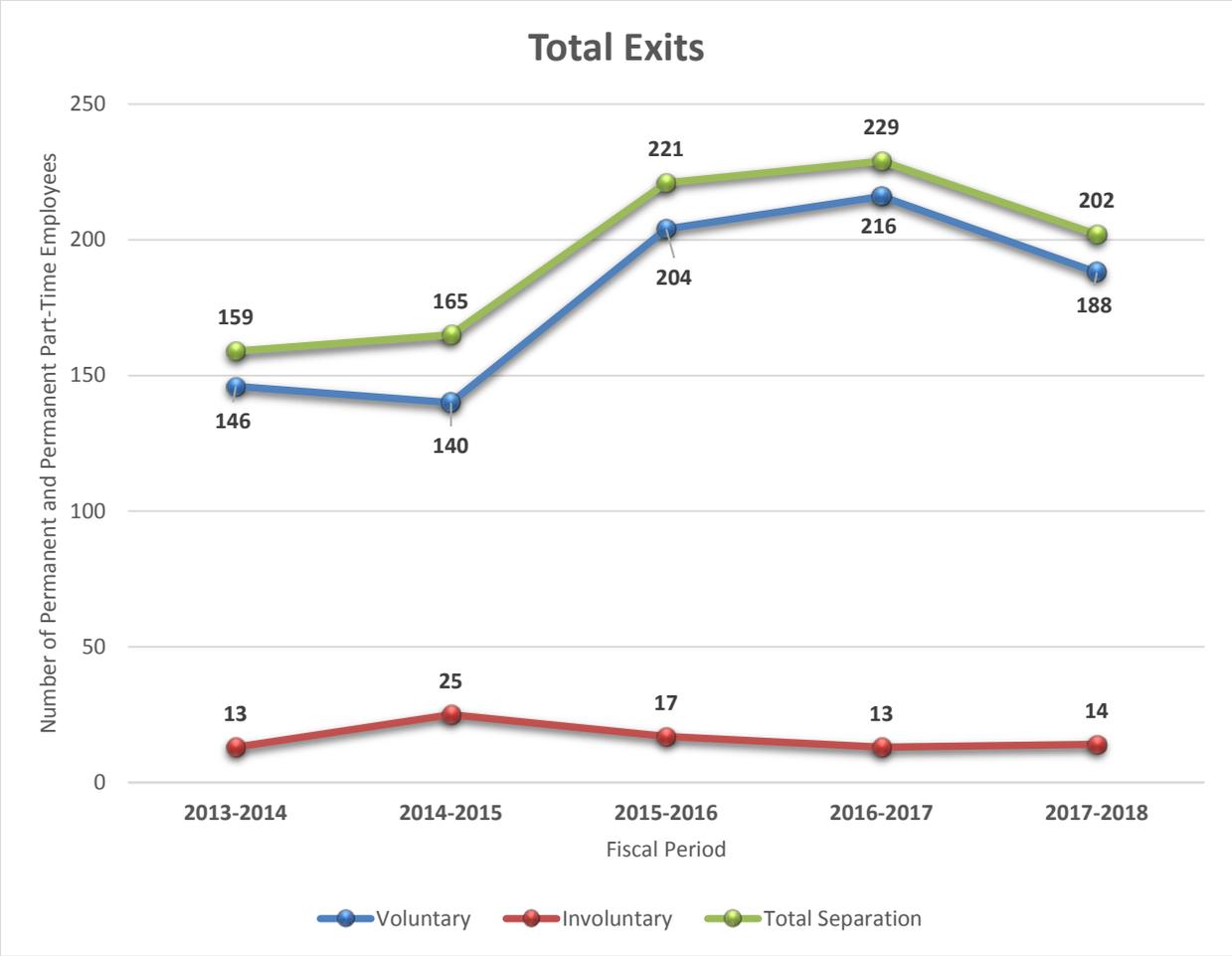


Turnover Trends

Halifax experienced a reduction in the overall exits during this past fiscal period.

Number of Exits	2013/14	2014/15	2015/16	2016/17	2017/18	Diff Value vs. Previous Period
Voluntary	146	140	204	216	188	▼ -13.0%
Involuntary	13	25	17	13	14	▲ 7.69%
Total Separation	159	165	221	229	202	▼ -11.8%
Voluntary Turnover Rate	4.57%	4.38%	6.41%	6.70%	5.04%	▼ -16.5%

For purposes of this report, turnover rate equals: # of external exits/average active and inactive employee count. **Note:** CUPE 108 Seasonal/Student employees, temporary part-time CUPE 4814 and Non-Union Crossing Guards in Police were not included in the external exits and total employee count.



Turnover Benchmark Comparison

The following table shows how the Municipality’s voluntary turnover compares to the municipal benchmark.

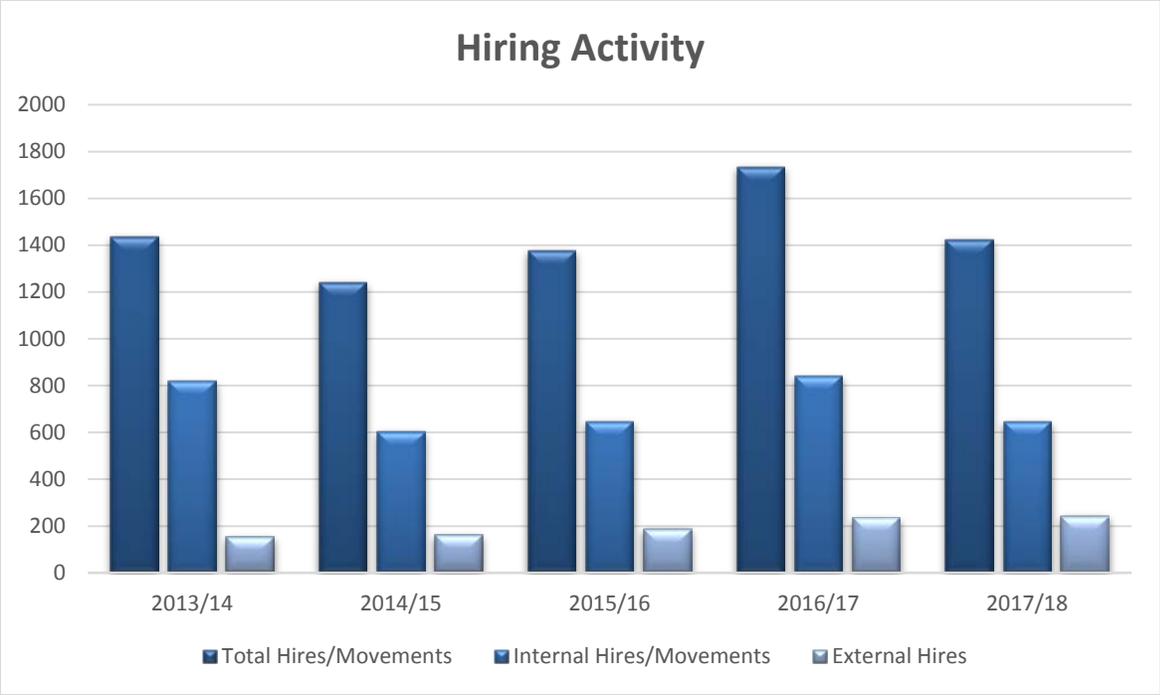
Permanent Employee Turnover Rate	
Halifax Regional Municipality	5.04%
Municipal Benchmark Network Canada (MBNC)	5.45%

Staffing & Workforce Planning

Hiring Activity	2013/14	2014/15	2015/16	2016/17	2017/18	Diff Value vs. Previous Period
Total Hires/Movements	1437	1241	1377	1735	1423	▼ -17.98%
Internal Hiring Activity	2013/14	2014/15	2015/16	2016/17	2017/18	
Internal Hires/Movements	818	602	647	839	644	▼ -23.24%
Internal Hires - Other	79	67	91	117	88	▼ -24.79%
% of Positions filled Internally	62%	54%	54%	55%	51%	▼ -6.64%
External Hiring Activity	2013/14	2014/15	2015/16	2016/17	2017/18	
External Hires	154	160	188	235	243	▲ 3.40%

For purposes of this report, Internal and External hires are those which are permanent full-time and permanent part-time. Other internal and external hires include those which are Seasonal/ Student/temporary or temporary part-time.

The increase in total hires/movements in the 2016/17 fiscal period was attributed to temporary elections staff required for the 2016 municipal election, an internal reorganization as well as recruitment with Transit Operators, Firefighters and CUPE 4814 Crossing Guards.



Staffing Benchmark Comparison

The following table shows how the Municipality’s recruitment and hiring activity compares to municipal benchmarks.

% of Positions Filled Internally	
Halifax Regional Municipality	51.44%
Human Resources Benchmarking Network (HRBN)	46.70%

Workforce Retirement Eligibility Over the Next 5 Years

At HRM, approximately one-third of employees are eligible to retire within the next 5 years with unreduced pensions and more than half are eligible within 10 years. Overall retirement trends are increasing across the organization. This impending challenge is compounded by the fact that Nova Scotia is a province with an aging population and decreasing labour participation rates. Ultimately, the pursuit of talent will become increasingly competitive.

Number of Employees Eligible to Retire in Next 5 Years by Union Group							
	Eligible now	2018	2019	2020	2021	2022	Total % to Retire
ATU 506	106	24	25	27	38	38	29.66%
CUPE 108	58	11	15	15	13	10	44.36%
HRPA	59	20	23	25	12	26	25.74%
IAFF 268	66	19	17	16	14	21	31.29%
NSUPE 13	61	24	16	18	15	17	25.46%
Non- Union	84	21	26	33	26	36	33.63%
Total	434	119	122	134	118	148	30.37%



The number of HRM leaders⁽ⁱ⁾ who are eligible to retire continues to grow with over 44.44% eligible to retire within 5 years. These statistics emphasize the need for the organization to continue efforts in both workforce and succession planning to ensure HRM has sufficient resources for a sustainable municipal government administration.



(i) The Management level consists of those employees within the M, EM, PSM and EX Non-Union Salary pay bands.

Employee Learning and Development

	2013/14	2014/15	2015/16	2016/17	2017/18
Corporate Training Course Completions Per Year	1991	1153	1173	2598	2413
Total Cost of Training	\$137,305	\$167,216	\$173,407	\$176,296	\$227,985
Permanent Part Time	3193	3195	3183	3232	3368
Cost of Training per Permanent Part-Time and Full-Time Employee	\$43.00	\$52.34	\$54.48	\$54.55	\$67.69

Total cost of training includes Corporate Training, Education Reimbursement, Executive and Management Development and eLearning Licensing.

Accidents & Incidents

Accidents and incidents are tracked through HRM's' Employee Health Safety Management (EHSM) system. The following summarizes accidents and incidents in the following categories:

Incident Type – Leading Indicator	2013/14	2014/15	2015/16	2016/17*	2017/18
Near Miss An event which had the potential for injury or illness but did not result in injury or illness	NA	NA	NA	73	197
First Aid An Injury/illness that is treated at the workplace where no further medical attention is required	NA	NA	NA	31	56
Total				104	253
Incidents as a % of Headcount				3.22	7.51

- Data reflects 6 months as EHSM Near Miss and First Aid reporting commenced September 2016

Incident Type – Lagging Indicator	2013/14	2014/15	2015/16	2016/17	2017/18
Medical Aid An injury/illness where the employee seeks medical attention away from the workplace from a healthcare professional	NA	177	118	134	98
Lost Time An absence from the workplace following a work related injury or illness beyond the date of occurrence	NA	222	236	192	221
Total		399	354	326	319
Incidents as a % of Headcount		12.49	11.12	10.09	9.47
Lost Time Frequency Rate		7	7	5	6

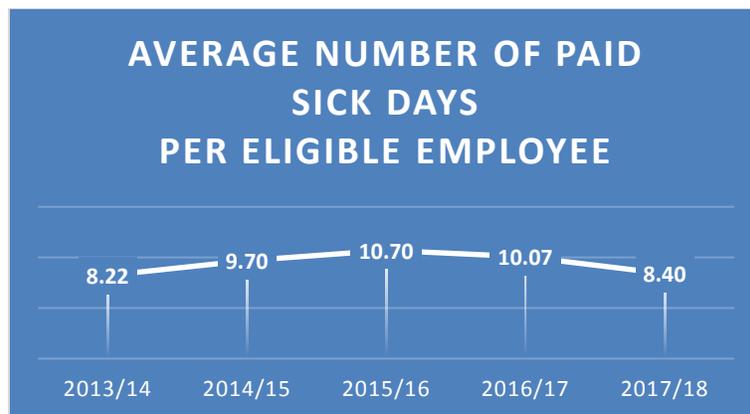
EFAP Activity	2013/14	2014/15	2015/16	2016/17	2017/18
Utilization Rate	22.60%	20.57%	24.23%	20.06%	20.22%
EFAP Expense*	\$124,988	\$129,398	\$129,398	\$129,398	\$129,398
Number of New Cases	516	483.33	569.5	471.5	475.17

*Employee Family Assistance Program expense is based on the monthly expense (per employee per month rate) x 12 months plus net HST. This is a fixed cost for each year of the service agreement.

Attendance and Absenteeism

This section refers to the data relating to employee health which impacts HRM employees' absenteeism rates. HRM has seen an improvement in the overall absenteeism with a reduction in the average number of sick days a year per employee.

	2013/14	2014/15	2015/16	2016/17	2017/18
Average Number of Paid Sick Days per Eligible Employee	8.2	9.7	10.7	10.1	8.4
ATU 508	11.3	18.5	19.7	19.9	14.3
CUPE 108	17.4	13.7	20.9	16.7	15.8
HRPA	3.8	6.9	5.7	5.9	5.1
IAFF 268	2.3	5.7	4.7	4.4	3.9
NSUPE 13	8.9	6.8	7.9	9.3	7.8
Non-Union	5.7	6.5	8.4	6.0	5.6



Benefit Costs

HRM's overall benefit costs will decrease during the next fiscal period of 2018/19 with the change of benefits provider. This will result in an overall decrease to all HRM managed plans.

Benefit	2013/14	2014/15	2015/16	2016/17	2017/18
Total	\$8,070,660.98	\$7,952,009.02	\$8,383,801.78	\$9,053,912.04	\$9,908,639.71
Average Cost Per Employee	\$2,549.97	\$2,518.85	\$2,643.90	\$2,818.78	\$2,984.53

Grievance Detail

An average of 54 grievance are filed during each fiscal year. Most of grievances are resolved internally, with 3.75% requiring third party involvement.

Grievances Filed	2013/14	2014/15	2015/16	2016/17	2017/18
ATU Local 508	31	39	14	12	17
CUPE Local 108	29	12	25	40	33
CUPE Local 4814	1	0	0	0	2
NSUPE Local 13	5	8	2	2	9
IAFF Local 268	11	95	21	6	2
HRPA	3	6	9	8	11
Grievances Resolved					
Resolved in grievance process	74	144	59	51	40
Resolved with third party (mediation, arbitration)	2	5	5	3	0

Grievances by Issue Filed in Fiscal 2017/18

Grievance Issue	ATU	CUPE 108	CUPE 4814	NSUPE	IAFF	HRPA
Discipline/Termination	11	10	2	2	0	0
Other	0	8	0	1	1	7
Leave Request	2	6	0	0	1	1
Policy/Work Rule	2	0	0	2	0	1
Job Competition	2	2	0	1	0	0
Training	0	3	0	0	0	1
Harassment	0	2	0	2	0	0
Clothing & Equipment	0	2	0	0	0	1
Work Assignment	0	0	0	1	0	0
Overtime/Compensation	0	0	0	0	0	0

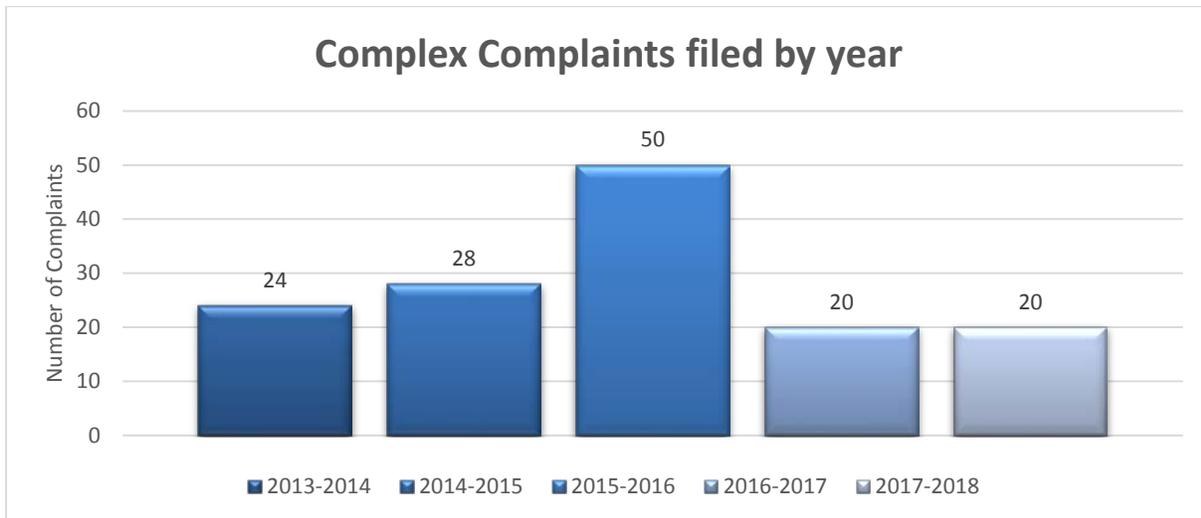
Employee Complaints Submitted under Policy

The table below contains the complaints that have been formally reported by HRM employees to Human Resources under the *Workplace Rights Harassment Prevention Policy* and the *Workplace Violence Prevention Policy*. It is important to note that the data does not represent the entirety of

conflict within the organization during the period in question. There are other workplace conflicts dealt with outside the formal process via the Supervisor, Manager or Director as well as conflicts that would not be reported at all.

The following lists complex complaints reported/filed

Type	2013/14	2014/15	2015/16	2016/17	2017/18
Interpersonal Conflict	0	0	14	6	5
Personal Harassment	15	11	12	6	7
Poisoned Workplace	7	10	13	4	1
Racial Harassment	2	3	1	1	2
Sexual Harassment	0	0	2	2	3
Harassment - other grounds	0	0	2	0	0
Workplace Violence	0	4	3	1	1
Employment discrimination	0	0	2	0	1
Duty to Accommodate (DTA) related	0	0	1	0	0
Total	24	28	50	20	20



Complex complaints are defined as those where the alleged behaviour is too severe to be considered basic, or the resolution requested is greater than stoppage of the behaviour and an apology, or the Respondent disputes the allegations or a basic resolution process employed within the business unit was unsuccessful.

Section 5: Conclusion

HRM's workforce is changing. With an average age of 46 years and 12 years of service, the organization will continue to experience turnover through retirement. Approximately 15% of HRM employees are eligible to retire now. This emphasizes the need for the organization to continue efforts in both workforce planning and succession planning to ensure HRM has sufficient resources for a sustainable municipal government administration. Employee attendance, health and safety require continuous improvement, and should also continue to be priorities for the organization.

The world is also changing and HRM must continue its efforts to build a safe, healthy and inclusive work environment that supports the recruitment and retention of a workforce that is representative of the diverse community we serve.

HRM conducted an Employee Engagement Survey in 2018 to determine their level of engagement. The results of the survey identify opportunities for the employer to strengthen the conditions for employees to give their best each day and contribute to the organization's success. This initiative will need to be a priority for the organization to improve productivity and the provision of great customer service.

Section 6: Definition of Terms

Please Note: The data in this report was taken from SAP and reflects records as they existed in July 2018. While every effort was made to ensure accuracy, discrepancies or errors are always possible due to retroactive record adjustments. Understanding the terms below will help understand how the data may be impacted as well.

- **FTE (Full Time Equivalent)**
Used for budget purposes to quantify the number of positions approved by the Executive Management Team and Council. The FTE count records only permanent positions (both full-time and part-time). One FTE is equal to one annual work year as defined by the applicable Collective Agreement and/or Non-Union Terms of Employment.
- **Employee Headcount**
The actual number of employees (people not positions) employed at HRM at any point in time.
- **Permanent Employee**
An employee who has been hired in a position on a permanent basis without a predetermined time limit.
- **Temporary Employee**
A temporary employee means an employee who is hired (a) for up to eighteen (18) continuous months in any one temporary position, or (b) for the period for which an employee is absent from her/his permanent position where the Employer has chosen to cover off that permanent position for a period.

- **Seasonal Employee**
An employee who is hired in a position designated to perform duties on a seasonal basis. The employee is hired with a predetermined termination date.
- **Student Employee**
“Student” is a person who is engaged in a recognized work/study program at a school or university whose course of study requires or permits the student to participate in study related work programs as an integral part of the certificate, degree or diploma, co-op students, students working in seasonal jobs, and students working in jobs where at least some of the funding is obtained from outside agencies.
- **Leave of Absence (LOA)**
An LOA occurs when an employee is physically away from the organization for reasons such as sickness or injury. Types of LOAs include, but are not limited to LTD, Maternity Leave, Approved Leave No Pay, and Sick Leave No Pay.
- **Inactive Employee**
An inactive employee is considered an employee of HRM but is not actively at work. For example, employee is on a LOA.
- **Active Employee**
An active employee is considered an employee of HRM who is actively working.
- **Retroactivity**
SAP is a date-driven system and retroactivity is calculated automatically based on dates entered. Any changes made in the past to an employee’s absences/attendances, for example, create retroactivity.
- **Organizational Change**
An organizational change is SAP terminology used to define employee movement in and out of their home positions within HRM. This can happen in number of ways. For example, an employee can move to a position within their own business unit, outside their business unit, or as the result of a re-organization of positions.
- **Voluntary Exit**
When an employee leaves the organization due to resignation or retirement.
- **Involuntary Exit**
When an employee leaves the organization due to termination / dismissal.

Definition of Terms: Workplace Rights Harassment Prevention Policy

- Harassment is conduct, considered by the employer to be unacceptable in the workplace, in which an employee exhibits offensive behaviour to another employee, or group of employees, and where that individual knew, or ought reasonably to have known, the

behaviour would cause offence or harm. The harassment definition incorporates the following:

- Harassment may consist of verbal, written or physical behaviours employed directly (e.g. in person) or indirectly (e.g. via social media).
- A reasonable person would know that the harassing behaviour is unwelcome.
- Harassment generally stems from a pattern of offensive behaviour; however, it can result from a one-time incident if that incident is reasonably severe.
- Lack of intent to harass does not alter a finding of harassment.
- The person being harassed does not have to voice objections for a harassment complaint to be established.
- The prohibited behaviour does not have to be directed at a specific employee; it can include the workplace in general, creating a poisoned workplace environment.

- **Exclusion**

involves shunning or ostracism of an individual, or group of individuals. It can include, but is not limited to, isolating others by

- No longer communicating with them
- Denying or ignoring their presence
- Distancing them from others
- Purposefully omitting them from decisions, conversations, and work-related events without valid reason.

- **Physical Harassment**

Involves any unwelcome physical behaviour including threatening or offensive gestures, physical intimidation, coercion, assault, practical jokes or “horseplay” that would reasonably result in embarrassment or humiliation

- **Poisoned Workplace Environment**

A Poisoned Workplace Environment occurs when inappropriate conduct is so frequent that it results in a hostile or offensive workplace. The conduct may not be directed at anyone in particular but it has the overall effect of creating an uncomfortable environment that negatively affects well-being and productivity. A poisoned workplace environment can exist even if employees participate in, or do not object to, demeaning behaviour.

Behaviours contributing to poisoned workplace environments include, but are not limited to, the following:

- Offensive graffiti or posting of inappropriate materials.
- Sexual, racial, and religious insults or jokes, including those regarding sexual orientation.
- Abusive treatment of other Employees, such as frequent name calling, insults or exclusion

- Intimidating actions such as yelling, slamming doors, kicking desks or throwing objects.
 - Regular use of profanities and/or abusive language, even if it not directed at a specific person.
 - Undermining other Employees' reputations through malicious gossip, negative electronic postings or cyber-bullying.
- **Racial Harassment**
Racial harassment is offensive behaviour based on the grounds of race, colour, citizenship, place of origin, ancestry, ethnic background or creed that includes, but is not limited to:
 - Derogatory communications, images or offensive stereotypical conduct (e.g. racial slurs, ethnic jokes, insulting depictions, adverse differential treatment.)
 - Criticizing or being intolerant to racial differences in appearance or customs.

- **Sexual Harassment**

Sexual Harassment means any offensive or bothersome conduct or course of comment, gesture, or contact of a sexual nature that would reasonably cause offense or humiliation

Sexual harassment also includes placing conditions of a sexual nature on employment, training or promotional opportunities, as well as receipt of services or contracts.

Examples of unwanted behaviours that can constitute sexual harassment include, but are not limited to, the following:

- Unwanted physical contact including hugging or touching.
 - Inquiries or comments about a person's sex life.
 - Telephone calls, e-mails, notes, social media messages or other forms of communication with sexual overtones.
 - Gender or sexual orientation-based insults or jokes causing embarrassment or humiliation.
 - Unwanted or repeated social or sexual invitations that a reasonable person would know to be unwelcome.
 - Inappropriate or unwelcome attention, leering, or comments about a person's physical attributes or appearance.
 - Reprisal or threat of harm, against an Employee for rejecting a sexual advance.
- **Verbal Harassment** is an offensive course of demeaning comments directed at an Employee, or used in reference about an Employee, that would reasonably undermine the reputation of that Employee in the workplace.
Verbal harassment includes insults, name-calling, threats, slurs, crude or degrading comments, innuendoes, profanities and negative stereotyping that would reasonably cause offence.
 - **Written or Graphic Materials** include offensive graffiti, printed materials, notes, letters, e-mails and social media messages; displaying or distributing personal or stereotypical

derogatory or inappropriate materials, pictures, jokes or cartoons that portray a person's personal or physical attributes in a negative or humiliating manner.



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MEMORANDUM

TO: Chair and Members of Budget Committee
(Standing Committee of the Whole on Budget)

FROM: Catherine Mullally, Director, Human Resources / Office of Diversity & Inclusion

DATE: February 28, 2019

SUBJECT: Response to Budget Committee Request for Document Outlining Staffing Levels

Org Position Breakdown Analysis

In response to the request by Council for a document outlining staffing levels, by business unit, by job category for the past 2 years and projections for the next 2 years, please find below a chart of full and part-time permanent positions for each Business Unit by Union Group for 2017/18, 2018/19 and 2019/2020. This data is taken from the wage model used to develop Business Unit budgets and contains both occupied positions and vacant positions.

Chief Administrative Officer (CAO)							
2017/18		2018/19		Growth	2019/20		Growth
Non Union Count	25	Non Union Count	25	0.0%	Non Union Count	24	-4.0%
Grand Count	25	Grand Count	25	0.0%	Grand Count	24	-4.0%

Corporate & Customer Services (CCS)							
2017/18		2018/19		Growth	2019/20		Growth
CUPE 108 Count	88	CUPE 108 Count	83	-5.7%	CUPE 108 Count	86	3.6%
IAFF 268 Count	11	IAFF 268 Count	11	0.0%	IAFF 268 Count	11	0.0%
Non Union Count	67	Non Union Count	79	17.9%	Non Union Count	74	-6.3%
NSUPE 13 Count	59	NSUPE 13 Count	59	0.0%	NSUPE 13 Count	63	6.8%
Grand Count	225	Grand Count	232	3.1%	Grand Count	234	0.9%

Finance & Asset Management (FAM&ICT)							
2017/18		2018/19		Growth	2019/20		Growth
ATU Count	14	ATU Count	14	0.0%	ATU Count	14	0.0%
CUPE 108 Count	3	CUPE 108 Count	3	0.0%	CUPE 108 Count	3	0.0%
Non Union Count	67	Non Union Count	69	3.0%	Non Union Count	68	-1.4%
NSUPE 13 Count	107	NSUPE 13 Count	104	-2.8%	NSUPE 13 Count	107	2.9%
Grand Count	191	Grand Count	190	-0.5%	Grand Count	192	1.1%

Director, Human Resources / Office of Diversity & Inclusion

ICT							
2017/18		2018/19		Growth	2019/20		Growth
Non Union Count	39	Non Union Count	53	35.9%	Non Union Count	58	9.4%
NSUPE 13 Count	66	NSUPE 13 Count	66	0.0%	NSUPE 13 Count	65	-1.5%
Grand Count	105	Grand Count	119	13.3%	Grand Count	123	3.4%
TOTAL FAM & ICT	296		309			315	

NOTE: in the fall of 2018 the ICT Division was transferred from CCS to FAM. For 2017/18 the ICT positions were removed from CCS and reflected under FAM.

Halifax Regional Fire & Emergency (HRFE)							
2017/18		2018/19		Growth	2019/20		Growth
IAFF 268 Count	468	IAFF 268 Count	483	3.2%	IAFF 268 Count	483	0.0%
Non Union Count	29	Non Union Count	32	10.3%	Non Union Count	32	0.0%
NSUPE 13 Count	10	NSUPE 13 Count	10	0.0%	NSUPE 13 Count	10	0.0%
Grand Count	507	Grand Count	525	3.6%	Grand Count	525	0.0%

Human Resources / Office of Diversity & Inclusion (HRD&I)							
2017/18		2018/19		Growth	2019/20		Growth
Non Union Count	58	Non Union Count	63	8.6%	Non Union Count	63	0.0%
NSUPE 13 Count	1	NSUPE 13 Count	0	-100.0%	NSUPE 13 Count	0	0.0%
Grand Count	59	Grand Count	63	6.8%	Grand Count	63	0.0%

Halifax Regional Police (HRP)							
2017/18		2018/19		Growth	2019/20		Growth
CUPE 4814 CG Count	64	CUPE 4814 CG Count	64	0.0%	CUPE 4814 CG Count	64	0.0%
HRPA (Civilian) Count	134	HRPA (Civilian) Count	139	3.7%	HRPA (Civilian) Count	144	3.6%
HRPA (Sworn) Count	518	HRPA (Sworn) Count	521	0.6%	HRPA (Sworn) Count	518	-0.6%
Non Union Count	41	Non Union Count	44	7.3%	Non Union Count	42	-4.5%
NSUPE 13 Count	39	NSUPE 13 Count	39	0.0%	NSUPE 13 Count	39	0.0%
Grand Count	796	Grand Count	807	1.4%	Grand Count	807	0.0%

Halifax Transit (HTS)							
2017/18		2018/19		Growth	2019/20		Growth
ATU Count	832	ATU Count	856	2.9%	ATU Count	896	4.7%
Non Union Count	111	Non Union Count	114	2.7%	Non Union Count	114	0.0%
NSUPE 13 Count	20	NSUPE 13 Count	20	0.0%	NSUPE 13 Count	20	0.0%
Grand Count	963	Grand Count	990	2.8%	Grand Count	1030	4.0%

Legal, Municipal Clerk, and External Affairs							
2017/18		2018/19		Growth	2019/20		Growth
Non Union Count	57	Non Union Count	56	-1.8%	Non Union Count	57	1.8%
NSUPE 13 Count	8	NSUPE 13 Count	9	12.5%	NSUPE 13 Count	10	11.1%
Grand Count	65	Grand Count	65	0.0%	Grand Count	67	3.1%

Planning & Development (P&D)							
2017/18		2018/19		Growth	2019/20		Growth
Non Union Count	55	Non Union Count	55	0.0%	Non Union Count	55	0.0%
NSUPE 13 Count	147	NSUPE 13 Count	154	4.8%	NSUPE 13 Count	155	0.6%
Grand Count	202	Grand Count	209	3.5%	Grand Count	210	0.5%

Parks & Recreation (P&R)							
2017/18		2018/19		Growth	2019/20		Growth
CUPE 108 Count	84	CUPE 108 Count	79	-6.0%	CUPE 108 Count	79	0.0%
Non Union Count	74	Non Union Count	76	2.7%	Non Union Count	74	-2.6%
NSUPE 13 Count	69	NSUPE 13 Count	79	14.5%	NSUPE 13 Count	81	2.5%
Grand Count	227	Grand Count	234	3.1%	Grand Count	234	0.0%

Transportation & Public Works (TPW)							
2017/18		2018/19		Growth	2019/20		Growth
CUPE 108 Count	125	CUPE 108 Count	125	0.0%	CUPE 108 Count	120	-4.0%
Non Union Count	68	Non Union Count	73	7.4%	Non Union Count	75	2.7%
NSUPE 13 Count	87	NSUPE 13 Count	87	0.0%	NSUPE 13 Count	91	4.6%
Grand Count	280	Grand Count	285	1.8%	Grand Count	286	0.4%

Below is a summary analysis of the growth for each Business Unit and mathematical projections for the future growth based upon the three years of data. This projection is not based upon Business Unit workload / service forecasts, and projects growth based upon the average position growth for in the previous three year period. Some Business Units have already projected lower growth than indicated below in their budget presentations.

Department	2017/18	2018/19	2019/2020	Projection Year 1	Projection Year 2
CAO	25	25	24	0	0
CCS	225	232	234	5	5
FAM&ICT	296	309	315	11	12
HRFE	507	525	525	9	9
HRD&I	59	63	63	2	2
HRP	796	807	807	6	6
HTS	963	990	1030	35	36
LEGAL	65	65	67	1	1
P&D	202	209	210	4	4
P&R	227	234	234	4	4
TPW	280	285	286	3	3
HRM TOTAL	3645	3744	3795	80	82
Percentage Growth		2.7%	1.4%	2.1%	2.1%

MEMORANDUM

TO: Mayor and Council Members
CC: Jacques Dubé
FROM: Ken Stuebing, Fire Chief, Halifax Regional Fire & Emergency
DATE: February 12, 2019
SUBJECT: **NFPA Standard Comparison to HRM**

During the February 8, 2019 Budget Committee meeting council requested a *briefing note comparing National Fire Protection Association (NFPA) standard for turnout times and response times in comparison to HRM's career and volunteer times.*

On December 11, 2018, following a consultants report, Halifax Regional Fire & Emergency brought forward an Operational Review report and presentation to Regional Council.

The motion put and passed was that Halifax Regional Council:

1. Adopt proposed Administrative Order 2018-OP-006 Respecting Fire & Emergency Service in the Halifax Regional Municipality, including repealing Administrative Order 24 as set out in Attachment 2.
2. Accept the proposed "Emergency Response Time Targets" as described in Attachment 3 as the desired response time targets to be implemented by Halifax Regional Fire & Emergency (HRFE) over a multi-year period subject to funding.
3. Direct HRFE to develop a multi-year strategy for implementation of the Emergency Response Time Targets in accordance with the Business Planning and Budget cycles as outlined in the discussion section of this report.
4. Authorize and direct staff to prepare a business case including financial implications for consideration in the 2019/20 & 2020/21 business plan and budget proposal to increase career staffing at fire station 45 (Fall River) from 0700-1730 Monday through Friday to 24 hours per day, 7 days per week coverage utilizing a Quint apparatus to address increasing community risk and provide response resources appropriate to the area of the Halifax International Airport.

A comparator table on page 4 of the HRFE Operational Review report outlines the NFPA 1710 (Urban/Career) and 1720 (Rural Combination/Volunteer) and the HRFE Emergency Response Time.

Targets (time in seconds)

		HRM 2006	NFPA 1710	NFPA 1720	Pomax	HRM 2018
Dispatch Time Time from receipt of alarm to notification of Firefighters.	Structure Fires and Medical Emergencies	60	64	64	90	90
Turnout Time						
Time from notification to the start of travel to the emergency scene with fire apparatus.	Structure Fire Emergencies					
	Urban Career	60	80	90	90 ¹	90
	Urban Volunteer	--	--	--	--	360
	Rural Career	60	80	90	90 ¹	90
	Rural Volunteer	360	--	--	360	360
	Medical Emergencies					
	Urban Career	60	60	60	90 ¹	60
	Urban Volunteer	--	--	--	--	360
	Rural Career	60	60	60	60	60
	Rural Volunteer	360	--	--	360	360
Travel Time						
Time from start of travel of fire apparatus to arrival at the emergency scene.	Urban Career	300	240	--	300	300
	Urban Volunteer	300	--	--	300	300
	Rural Career	600	240	--	600	600
	Rural Volunteer	600	--	--	600	600
1st Alarm						
	Urban Career	480 ²	480 ³	N/A	480 ²	480 ⁴

¹ To be phased in over 3 years (Pomax report), ² Total of 12 Firefighters, ³ Total of 15 Firefighters (single family home including aerial operations), ⁴ Total of 14 Firefighters, -- denotes item not specified.

Following the consultants report an in-depth response time analysis was conducted in preparation for the HRFE Operations Review report to council in December of 2018. At this time HRFE became aware of an error in reporting the MBNCanada data as it pertains to turnout and response time. The submission for this metric was reported for the first time to MBNCanada by HRFE in 2018 and did not include the turnout time in error. HRFE notified HRM's MBNCanada Municipal Lead in January, and was advised that the

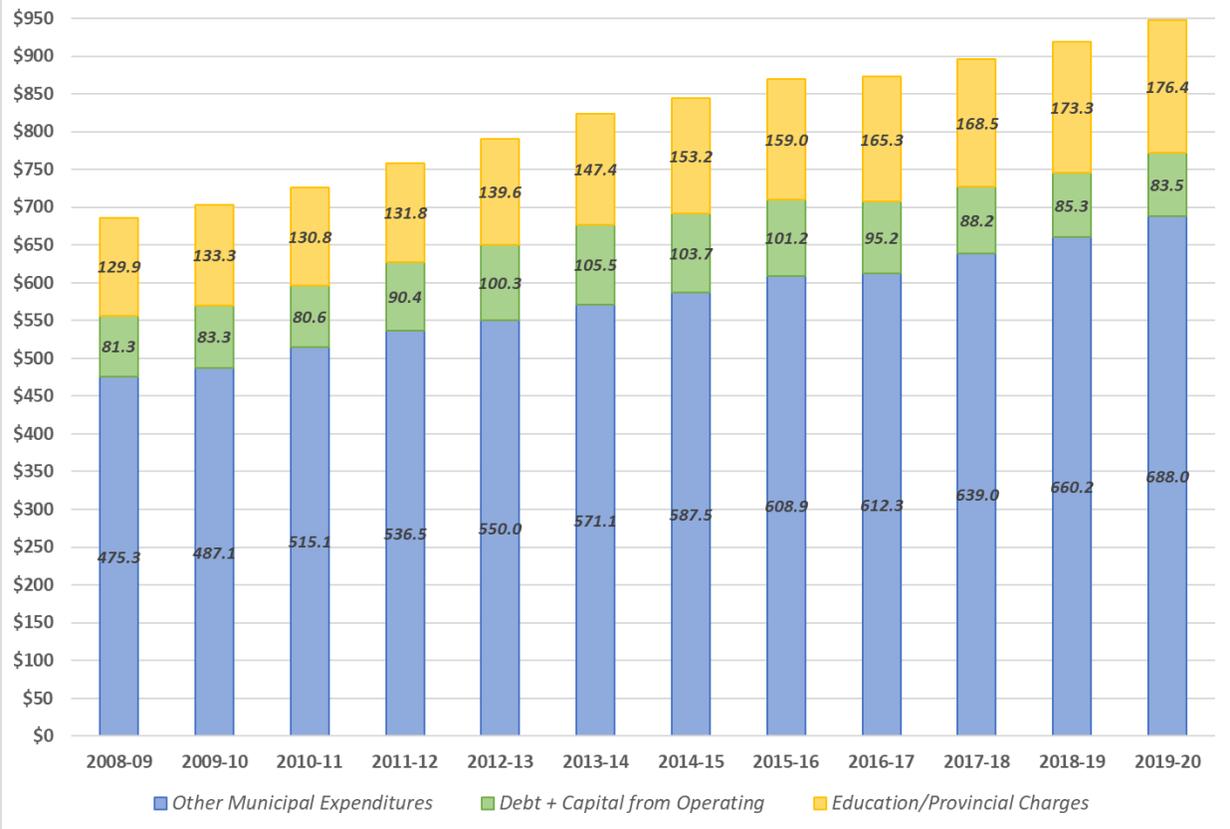
data could be restated in the 2018 MBNCanada Performance Measurement Report, but since the 2017 Report had already been published, they could not adjust the results. The corrected metrics have been included in the draft HRFE 2019/20 – 2020/21 Multi-Year Budget and Business Plan.

On page 69 of the MBNCanada report, fig. 10.5 Actual 90th Percentile Fire Station Notification Response Time in Minutes/Seconds (Urban) (FIRE 405) and Fig. 10.6 Actual 90th Percentile Fire Station Notification Response Time in Minutes/Seconds (Rural) (FIRE 406) displays incorrect data for Halifax. The revisions will include a change in Total Response Time for Urban from 06:29 to 8:10 and a change in Total Response Time for Rural from 11:53 to 16:35. This change negatively impacts the municipal comparator ranking and will place Halifax in 2nd last for Urban and last place for Rural. Moving forward, HRFE is committed to performance excellence and anticipates improvements to data confidence and reporting based on improved data collection through technology enhancements and hiring a full-time permanent Business Data Analyst.

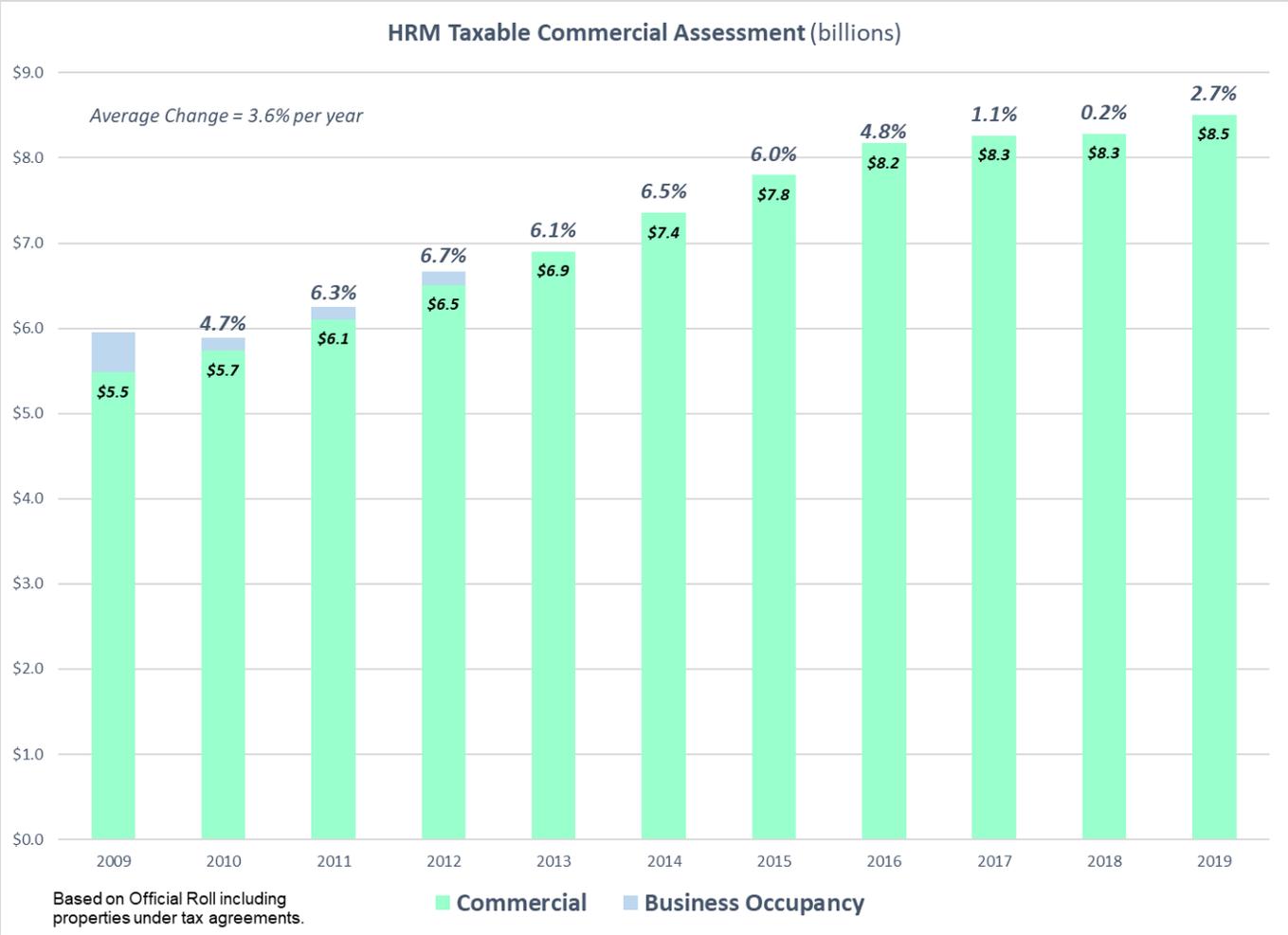
Links to referenced documents:

- [HRFE 2018 Operational Review Report](#)
- [MBNCanada 2017 Performance Measurement Report](#)

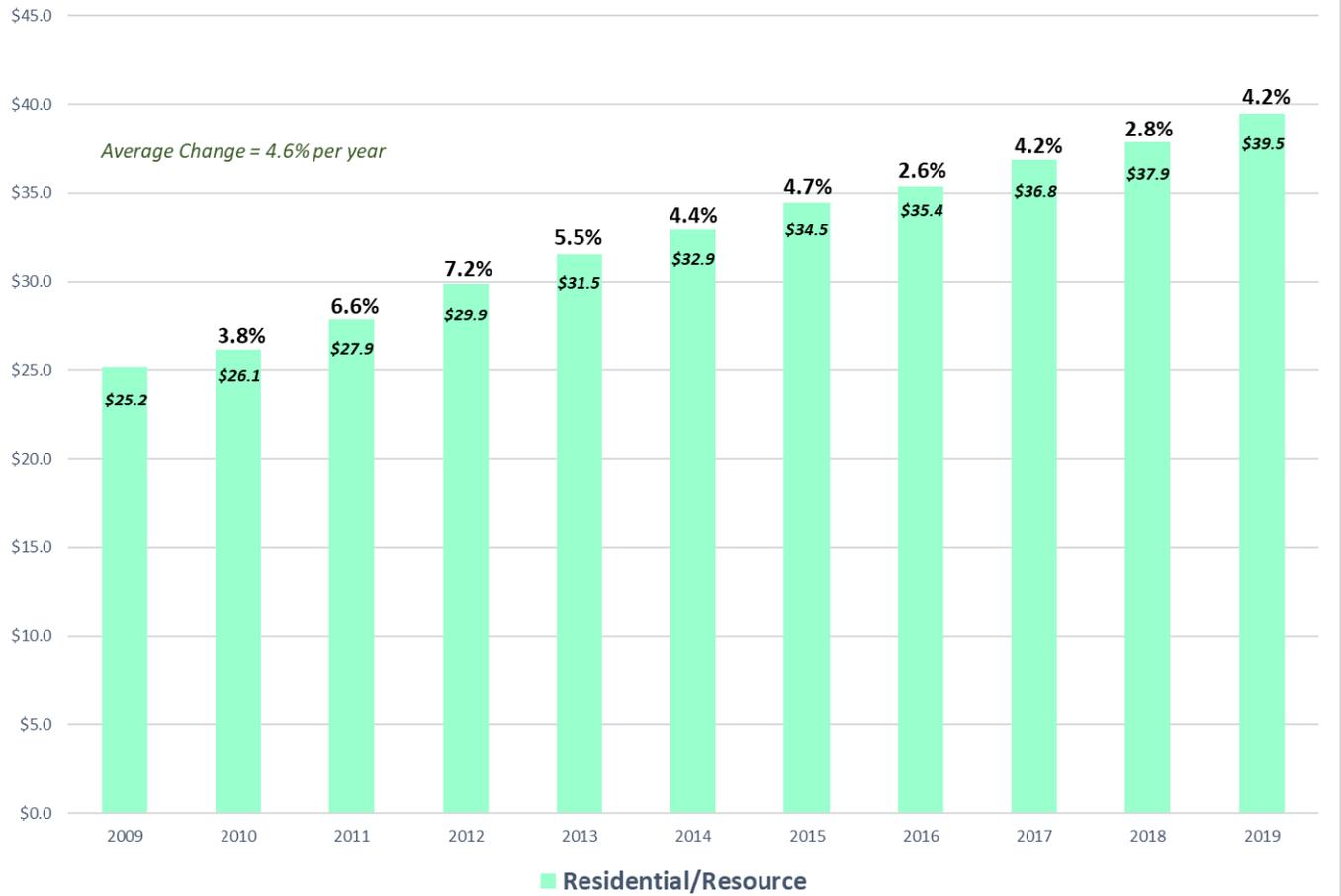
Municipal Expenditures, 2008 to 2019



Municipal Expenditures (\$millions)	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Debt + Capital from Operating	81.3	83.3	80.6	90.4	100.3	105.5	103.7	101.2	95.2	88.2	85.3	83.5
Education/Provincial Charges	129.9	133.3	130.8	131.8	139.6	147.4	153.2	159.0	165.3	168.5	173.3	176.4
Other Municipal Expenditures	475.3	487.1	515.1	536.5	550.0	571.1	587.5	608.9	612.3	639.0	660.2	688.0
	686.4	703.6	726.6	758.7	790.0	824.0	844.3	869.1	872.8	895.7	918.8	947.9



HRM Taxable Residential Assessment (billions)



HRM Budgeted Full Time Equivalents

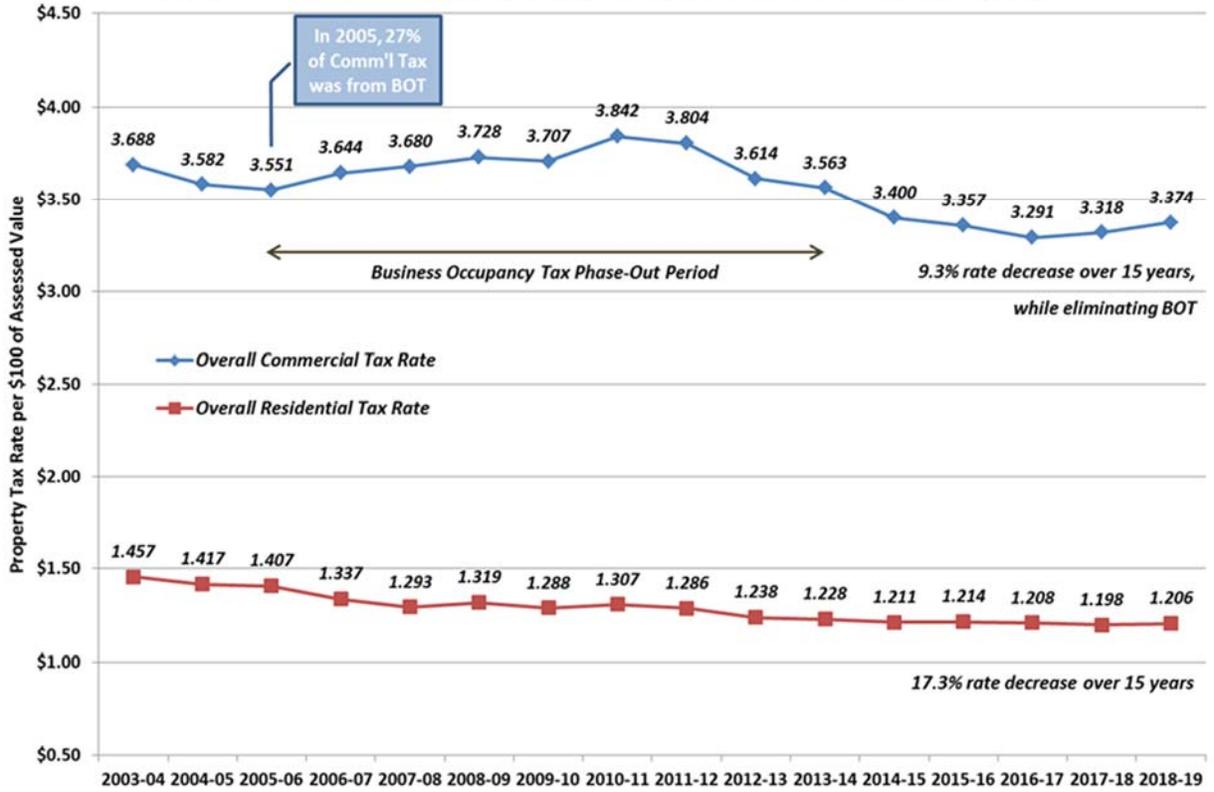
	<u>FTEs</u>	<u>Change</u>	<u>%</u>
2008-2009	3,740.9		
2009-2010	3,839.9	99.0	2.6%
2010-2011	3,905.3	65.3	1.7%
2011-2012	3,920.8	15.5	0.4%
2012-2013	3,911.8	-8.9	-0.2%
2013-2014	3,977.2	65.4	1.7%
2014-2015*	4,176.3	199.1	5.0%
2015-2016	4,228.9	52.6	1.3%
2016-2017	4,238.7	9.8	0.2%
2017-2018	4,285.6	46.9	1.1%
2018-2019	4,369.3	83.7	2.0%
2019-2020	4,433.2	63.9	1.5%

Note: Prior to 2014-15, Term and Seasonal employees were excluded. In that year there were 365.7 seasonal and term FTEs.

HRM Budgeted Full Time Equivalents							
BU	Approved 2015-16	Approved 2016-17	Approved 2017-18	Approved 2018-19	Proposed 2019-20	Change	%
CAO	28.4	27.0	25.0	25.0	24.0	-4.4	-2.2%
CCS	237.0	230.2	230.9	231.4	233.7	-3.3	-1.6%
FAM	310.0	311.0	306.2	314.1	319.7	9.7	4.7%
HR	59.4	61.3	60.5	64.7	65.3	5.9	2.9%
Legal	69.8	73.4	66.5	68.4	73.3	3.5	1.7%
P&R	482.5	470.8	470.9	466.9	471.9	-10.6	-5.2%
P&D	193.2	207.7	208.8	216.5	217.4	24.2	11.8%
TPW	303.3	301.5	302.2	306.7	311.0	7.7	3.8%
Transit	926.7	934.2	963.5	994.8	1,036.1	109.4	53.5%
Fire	489.8	489.7	507.7	525.4	525.4	35.6	17.4%
HRP	781.0	788.4	795.4	807.4	807.4	26.4	12.9%
AG	10.0	10.0	10.0	10.0	10.0	0.0	0.0%
Sub-total	3,891.1	3,905.2	3,947.6	4,031.3	4,095.2	204.1	99.9%
Library	337.8	333.5	338.0	338.0	338.0	0.2	0.1%
Total	4,228.9	4,238.7	4,285.6	4,369.3	4,433.2	204.3	100.0%

Residential and Commercial Tax Rates, 2003 to 2018

(urban with transit, hydrants & sidewalks + education and other mandatory charges)



Halifax Regional Police (HRP) 19/20 Operating Budget – Compensation Pressures Breakdown

Wage Model development process is coordinated by the Position Management Section of HRM's Finance & Asset Management business unit, with assistance from business units and final approval by the Director/Chief of Police.

2018/19 Wage Model	82,334,200
HRPA Salary & Benefits: 2.75% annual rate increase as of April 1, 2019.	2,069,700
HRPA Step Increases: 137 HRPA employees will receive Step Increases in 19/20. Date individual step increase takes effect is based on the employees last start date with Halifax Regional Police:	1,023,700
- 2 at Staff Sergeant Levels, 16 at Sergeant levels, 84 at Constable levels	
- 35 HRPA civilians at different levels based on their specific positions	
Non Union Salary & Benefits: 2018 ISA increases.	279,100
CUPE 4814 Salary & Benefits: Retro-active annual increases of 2.04% in 2017, 3.85% in 2018%, in addition to 1.85% from April 1, 2019 to August 31, 2019 and 1.82% from September 1, 2019 to March 31, 2020.	148,100
NSUPE Salary & Benefits: Retro-active annual increase of 2% as of November 1, 2018 in addition to 2% as of November 1, 2019.	93,900
Working Days in 2019/20: There are 2 additional working day in the 2019/20 fiscal year. Working days are considered Monday through Friday. The number of working days each fiscal year varies based on where the weekdays fall each month. 2020 being a leap year does play a factor into there being 2 additional working days in the fiscal year.	661,100
Total Change	4,275,600
2019/20 Wage Model	85,706,700



P.O. Box 1749
Halifax, Nova Scotia
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Item No.
Budget Committee
February 13, 2019

TO: Chair and Members of the Budget Committee

SUBMITTED BY: _____
Commissioner Steve Craig, Chair of the HRM Board of Police Commissioners

DATE: February 1, 2019

SUBJECT: Fees for Criminal Record Checks

INFORMATION REPORT

ORIGIN

As per the January 23, 2019 amended motion of the Budget Committee:

THAT the Budget Committee:

- 1. Defer consideration of the Halifax Regional Police budget to a future meeting of the Budget Committee; and**
- 2. Request that the Board of Police Commissioners prepare a supplementary report containing a revised alternative 2019/20 Halifax Regional Police Budget and Business Plan based on a budget scenario reflecting a 1.9% increase, with the supplementary report including clarification on the impact that the elimination of fees for criminal records checks for volunteers would have on the proposed 2019/20 Halifax Regional Police budget.**

LEGISLATIVE AUTHORITY

- **Nova Scotia *Police Act* Section 55 (3) (c)** which states; “The Board shall ensure that community needs and values are reflected in policing priorities, objectives, goals, programs and strategies”;
- Board of Police Commissioners Terms of Reference, **By-Law P-100** Respecting the Board of Police Commissioners for the Halifax Regional Municipality, section 8 (2) (c) which states: The Board in accordance with the Police Act and HRM Bylaws may, in consultation with the Chief of Police, review priorities, goals and objectives of the municipal police service...”;
- Section 8 (3) (e) which states: “The Board in accordance with the *Police Act* and HRM Bylaws may carry out any of the following roles and responsibilities as they relate to the Provincial Police Service by requesting as required information relating to any policies, directives or practices of the RCMP on matters such as information on organizational initiatives within the RCMP...”

BACKGROUND

During a March 21, 2016 meeting of the HRM Board of Police Commissioners, then-Commissioner Steve Craig presented the following motion, which was subsequently passed:

1. Explain what police services do when a Criminal Record Check is requested and performed.
2. Quantify how many criminal record checks are requested and performed each year.
3. Provide the actual costs (internal and external) to perform and document the checks, and the fees charged to offset those costs.
4. Identify the fees charged for each individual type of criminal record check.
5. Identify any provincial or federal programs or initiatives that are in place that provide free Criminal Record Checks.

In light of the Budget Committee's motion, the initial report to the Board of Police Commissioners has been reproduced and updated below.

Criminal Record Checks (CRC) are required for a variety of reasons, primarily: Employment, Volunteering, School, Travel, Immigration, and Pardon Applications (Records Suspensions), Foster Parenting.

Criminal Record Checks are not to be confused for Fingerprint Based Checks required for international work visas or adoption purposes.

There are two main reasons for a CRC: employment and to be a volunteer. If the Applicant is applying for employment or will receive any form of remuneration, the fee is \$50 and \$30 for a volunteer.

The application must be made by the Applicant who must be informed of what the check entails and must give their informed, signed consent. In the case of a minor, or a person in care the legal guardian or parent must provide their signed consent and identification.

The Applicant must provide two pieces of identification, one of which must be government-issued photo identification and one which must show proof of local residency.

The check can be completed in 10 days or if the Applicant chooses the on-line option, it can be completed in three business days and returned electronically to the noted agency.

There is a \$25 fee sent to the Receiver General if the CRC is for employment, but the fee is waived for volunteers with a letter.

This will go to the CCRTIS in Ottawa and they will review the application to ensure that it meets the Vulnerable Sector Search (VSS) criteria. Once accepted, they will receive permission from the Minister of Public Safety to review the applicant against those pardoned for sex offences.

A vulnerable sector check is an enhanced Criminal Record Check. This type of record check was created in 2000 to protect children and vulnerable persons and is governed by section 6.3(3) of the *Criminal Records Act*. Policies and procedures related to vulnerable sector checks can be found in the *Dissemination of Criminal Record Information policy* and the *Ministerial Directive Concerning the Release of Criminal Record Information by the Royal Canadian Mounted Police*.

Clearing Fingerprints are taken at HRP Headquarters on Gottingen Street and sent electronically to Ottawa. Once electronic submission to Ottawa has been made, the file is deleted from the LiveScan machine at HRP Headquarters.

A Certified Identification Technician at the RCMP Headquarters in Ottawa makes the comparison and records their findings on their printout of the Applicant's Fingerprints. These findings are returned to Northbrook and Records Clerks contact the Applicant. No fingerprints taken for Vulnerable Sector (VS)

purposes are kept on file. They are used to make the comparison only. The Offender Fingerprints remain on file for life.

Vulnerable sector checks are used to verify if an individual has a record suspension (formerly pardon) for sex offences. They also include checks of national data bases maintained by the RCMP and local police records where the applicant lives.

Fingerprints are also submitted for the following:

- Adoption
- myBackCheck (online method to obtain a Criminal Record Check, managed by a local company)
- Citizenship
- Employment
- Identification
- Immigration
- Name Change
- Pardon
- Student
- Travel Visa
- Travel Waiver
- Volunteer
- Work Visa

The RCMP advises that the clearing process could take 120 days or more to complete. The RCMP has similar processes for completing these requests, with a few differences:

CRC Applicant attends one the RCMP detachments in person, completes a "Consent for the Release of Police Information" form, pays the fee and their identity is verified. Halifax District RCMP will process criminal record checks for persons living anywhere in Canada. Halifax District RCMP will process Vulnerable Sectors Checks for only those who live in HRM (address is verified through official ID or documentation). RCMP Municipal Detachments charge for criminal records checks similar to the HRM.

The RCMP does not contract the checks out to an outside agency, such as myBackCheck.

The following checks are conducted by the Detachment Services Assistants:

- Local Criminal Record Check conducted in local (active and non-active) police databases
- Police Information Portal "PIP" Check -The PIP is a database of participating policing agencies across the country (not all agencies report to it). If adverse information is found on the applicant, the originating police agency will be contacted to verify and seek approval to use the information.
- Canadian Police Information Centre "CPIC" check.

If the Applicant has a criminal record, they must verify this on a "Declaration of Criminal Record"* form which is certified and given back to the Applicant at the end of the process. If they do not wish to declare their record, the Results form will state "Possible Match". The Applicant also has a choice to verify their criminal record through fingerprinting and obtain a "Certified Criminal Record Check" which is generated and sent back from Ottawa.

NOTE: Certified Criminal Record Checks do not show local criminal records/convictions that have not been added to CPIC (this can be a result of the conviction not yet being updated on CPIC or the individual was convicted locally but never fingerprinted).

If the Applicant has a matter currently before the courts, a red stamp which states "criminal matter(s) currently before the courts" is affixed to the results form. The Applicant is encouraged to return when the matter is concluded.

Depending on the type of Criminal Record Check requested, results are provided on either a "Release of Results of Criminal Record Check" or "Release of Results of Vulnerable Sector Check". As noted above, a Certified VS Check result and/or certified Declaration of Criminal Record form may also be part of the results package, if applicable.

The Applicant picks up results or, if previously authorized, results are mailed to a designated 3rd party within seven to ten business days. If there is a delay in the processing of the CRC, the Applicant will be notified.

Cost to conduct the check:

For the RCMP this has not been calculated. Depending on the complexity of CRC and findings it may take anywhere from 15 minutes to a few hours to complete a CRC from beginning to end. One or several individuals may also be involved in the process.

CRC Fees (HRP and RCMP):

Employment/Other - \$50 tax included

Volunteer/Student - \$30 - tax included (If volunteering, the applicant must provide a letter from the organization for whom they are volunteering. Students must show student ID or provide information on school and program)

Certified Criminal Record Check (fingerprinting) - \$25 tax included (Ottawa fee made payable to Receiver General of Canada) - this fee is waived if the Applicant is volunteering and requires it to complete their Vulnerable Sector Check.

NOTE -With exception to the fingerprinting fee, the above-noted fees are set, charged and accepted by Halifax Regional Municipality. The RCMP does not charge for Criminal Record Checks outside of Halifax District (i.e. Halifax Regional Municipality).

DISCUSSION

One of the most difficult parts of costing this service is the unpredictable and growing ask for Criminal record checks to be completed. It would appear that a number of organizations have increased their reliance on this process as a form of background investigation. It is important to highlight that CRCs are simply a snapshot in time of a criminal conviction and may do very little to help organizations understand the quality of the candidate before them, including their ethics and reliability. The CRC should form but one component to a meaningful selection process. As well, an individual who is unable to receive a CRC due to a criminal record may well be able to contribute in a meaningful and legal manner to any organization in spite of a criminal conviction.

What is the number of requests and cost to perform the CRCs?

Halifax Regional Police (HRP) Criminal Record Checks - 2017/18 (unaudited)				
TYPE	REQUESTS	\$ COST		\$ TOTAL
Employment	16194	\$50.00	\$43.48	\$704,086.96
Student/Volunteer	7496	\$30.00	\$26.09	\$195,547.83
Total Revenue	23690			\$899,634.78
Total Expenses				\$554,462.57
Profit/Loss of Program				\$345,172.21
IMPACT ON BUDGET				\$345,172.21
OPTION A: Everyone pays \$30				
Employment	16194	\$30.00	\$26.09	\$422,452.17
Student/Volunteer	7496	\$30.00	\$26.09	\$195,547.83
Total Revenue	23690			\$618,000.00
Total Expenses				\$554,462.57
Profit/Loss of Program				\$63,537.43
IMPACT ON BUDGET				-\$281,634.78
OPTION B: Employment remains at \$50, Volunteers free				
Employment	16194	\$50.00	\$43.48	\$704,086.96
Student/Volunteer	7496	\$0.00	\$0.00	\$0.00
Total Revenue	23690			\$704,086.96
Total Expenses				\$554,462.57
Profit/Loss of Program				\$149,624.38
IMPACT ON BUDGET				-\$195,547.83
OPTION C: Employment at \$30, Volunteers free				
Employment	16194	\$30.00	\$26.09	\$422,452.17
Student/Volunteer	7496	\$0.00	\$0.00	\$0.00
Total Revenue	23690			\$422,452.17
Total Expenses				\$554,462.57
Profit/Loss of Program				-\$132,010.40
IMPACT ON BUDGET				-\$477,182.61
OPTION D: Employment free, Volunteers free				
Employment	16194	\$0.00	\$0.00	\$0.00
Student/Volunteer	7496	\$0.00	\$0.00	\$0.00
Total Revenue	23690			\$0.00
Total Expenses				\$554,462.57
Profit/Loss of Program				-\$554,462.57
IMPACT ON BUDGET				-\$899,634.78

When reviewing the past three complete years of HRP unaudited data, had Option B been chosen and Council opted to do Volunteer checks for free but kept everyone else at the current cost, the impact on HRP revenues would have been in a range from \$195,000 to \$263,000, depending on the number of CRCs completed.

Had Council chosen to do all checks for free, the impact would have been far greater between \$683,000 and \$900,000. The operational costs remain, no matter which option is chosen.

The RCMP revenue does not come to HRP, but does go to HRM General Revenue.

Halifax District RCMP Criminal Record Checks – 2017 (unaudited)				
TYPE	REQUESTS	\$ COST		\$ TOTAL
Employment	3603	50	\$43.48	\$156,652.17
Student/Volunteer	2614	30	\$26.09	\$68,191.30
TOTAL	6217			\$224,843.48

Any changes to Criminal Record Check fees will have an impact to General Revenue. Based on our review for the last three years, if Council chooses to remove the fees for volunteers, that would have had an impact on revenue varying from \$68,000 to \$78,000 depending on the number of CRCs performed.

Had Council chosen to do all checks for free, the impact would have been far greater between \$218,000 and \$239,000. The operational costs remain, no matter which option is chosen.

FINANCIAL IMPLICATIONS

It is important to note that these numbers represent one year's worth of data. The numbers vary, year over year, and the operating costs associated to the program will change slightly. Ultimately, any changes to the fee structure will have a direct impact on both HRP's budget and HRM's general revenue.

As has been identified in previous reports, any reduction in fees associated to volunteers could have a direct impact on the number of agencies and individuals that would ask for Record Checks as part of their employment/volunteer screening. Those increased costs have not been considered here.

Further, it is known that fingerprint-based Criminal Record Checks will be made mandatory by the Federal Government in the future. When this occurs, it is assumed the \$25 fee payable to the Receiver General of Canada will also be mandatory. This report does not include future costing of the costs now absorbed by HRP to remit the \$25 fee for those persons requiring fingerprint-based checks, which we know will be further exacerbated once the National Policing Services moves all CRCs to a fingerprint-based system.

COMMUNITY ENGAGEMENT

None identified.

ATTACHMENTS

None.

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 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Robin McNeil, Deputy Chief 902.490.7138

Report Approved by: Jean-Michel (JM) Blais, Chief 902.490.6500



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

TO: Chair and Members of the HRM Board of Police Commissioners
Chair and Members of Budget Committee

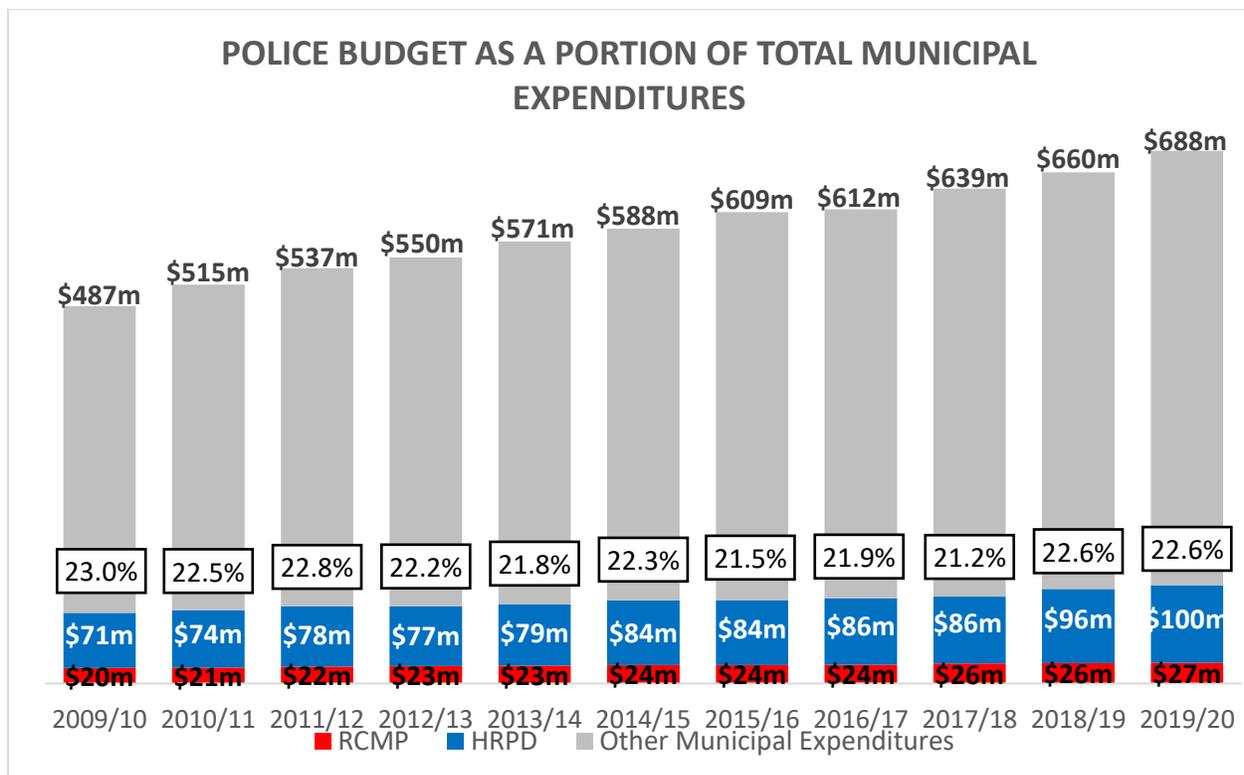
FROM: Jane Fraser, Director, Chief Financial Officer

DATE: February 1, 2019

SUBJECT: Historical Statistics of Police Budget/Total Municipal Budget

ORIGIN

Councillor Austin requested that staff provide the Committee with historical statistics showing the change over time in the portion of the overall Municipal budget that is taken up specifically by police services.



Chief Financial Officer

Tel: 902.490.4630
Email: fraserja@halifax.ca halifax.ca



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

TO: Chair and Members of the HRM Board of Police Commissioners
Chair and Members of Budget Committee

FROM: Jane Fraser, Director, Chief Financial Officer

DATE: February 1, 2019

SUBJECT: **The Extra Working Days in the 2019/2020**

ORIGIN

Councillor Cleary requested that staff provide a briefing note outlining the extra working days in the 2019/2020 budget cycle, as well as the impacts that they have on the budget.

DISCUSSION

A calendar year consists of 52 weeks plus one extra day for a total 365 days. When April first is on a Saturday or Sunday, there are 260 paid work days in the fiscal year (ie 52 weeks * five workdays). When April first falls on a weekday there are 261 paid work days in the year.

The 2018-19 fiscal year started on Sunday, April 1st, so there were 260 paid work days in the year. The 2019-20 fiscal year starts on a Monday so it has 261 paid work days. Since 2020 is also a leap year, there is an additional day, making for 262 paid work days. Hence, the upcoming 2019-20 fiscal year has an additional two paid work days. This represents a 0.75% increase in compensation ($2/260=0.75\%$).



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

TO: Mayor and Council Members
CC: Jacques Dubé
FROM: Dave Reage, Director, Halifax Transit
DATE: January 30, 2019
SUBJECT: **Trips Per Capita (Bus Only)**

During the January 30, 2019 Budget Committee meeting council requested *a document outlining the trips per capita for bus only (with ferry data excluded)*.

One of the key performance indicators reported by Halifax Transit is passenger trips per capita. Passenger trips per capita in 2017/18 was 60.5. This value includes both conventional bus and ferry service. It was requested that passenger trips per capita for conventional bus service only (no ferry) be calculated. This analysis has been completed, and the Halifax Transit passenger trips per capita (bus only) value is 55.0. This value is significantly higher than the MBNCanada median for bus only transit network, which was of 30.9 in 2017.



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

TO: Mayor Savage and Members of Regional Council

CC: Jacques Dube, Chief Administrative Officer

FROM: Kelly Denty, Director Planning and Development

DATE: February 12, 2019

SUBJECT: Follow up to Planning and Development Budget & Business Plan presentation

On February 6, 2019, Planning and Development presented the 2019/20 multi-year budget and business plan. In addition to the request for a Briefing Note on the cost of Parking Enforcement services, staff was asked to provide additional information on the following items:

1) What is the staff complement in the Energy and Environment section?

Currently, there are six full time permanent positions within the section as follows:

Energy & Environment Program Manager (1)

Environmental Performance Officer (3)

Planner II (1)

Energy Specialist (1) – This position is currently vacant. We are determining how best to utilize the position before moving forward with filling this vacancy.

There is also a Solar City Program Officer 3-year term position, funded from the capital budget, which ends in May 2019.

Additionally, we have hired a consultant from Efficiency One for a one-year contract from April 2018 to March 2019, to act as the On-Site Energy Manager relative to HRM facilities. This position is funded from the capital budget. With approval of the capital budget, it is our intention to pursue another one year contract for this position.

Planning and Development

Tel: 902.490.4800
Email: dentyk@halifax.ca halifax.ca

2) Provide further details on the changes in compensation and benefit budget amount for 2017-18, 2018-19, and 2019-20.

The Summary of Expense & Revenue table in the Planning and Development presentation showed Compensation & Benefit actual expense for 2017-18, compared to the budgeted amount for 2018-19, and the proposed budget amount for 2019-20. To clearly articulate the changes year over year, we must compare budget to budget, not budget to actual expenses.

In the 2017-18 fiscal year, the compensation and benefits budget were \$15,949,100. In the 2018-19 fiscal year, the compensation and benefits budget were \$17,014,100. The difference is \$1,065,000 as detailed in the table below:

Change between 17/18 and 18/19 Compensation and Benefits Budgets	Amount
8 Net New positions	561,411
ISA and Contract Increases (Partial Year as NSUPE Contract expired in October)	225,589
Subtotal	787,000
Reduction in Vacancy Management target	228,000
Additional OCC	50,000
Total	1,065,000

In the 2017-18 fiscal year, the actual compensation and benefits expenditure was \$15,501,862. This represents a savings as compared to budget of \$447,238. This savings is primarily the result of additional vacancy savings and the recovery of salaries from capital projects.

The proposed compensation and benefits budget for 2019-20 is \$17,559,800. The difference of \$545,700 is detailed in the table below:

Change Between 18/19 and 19/20 Compensation and Benefits Budgets	Amount
1 Net New positions	89,585
ISA and Contract Increases	448,815
Subtotal	538,400
Increase in OT	7,300
Total	545,700

Should you require any further information on these items, I would be pleased to respond.



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

M E M O R A N D U M

TO: Mayor and Council Members
 CC: Jacques Dubé
 FROM: Brad Anguish – Transportation & Public Works
 DATE: February 12, 2019
 SUBJECT: **Budget lines related to Active Transportation (Capital & Operating)**

During the January 30, 2019 Budget Committee meeting council requested a document outlining budget lines related to Active Transportation from all business units (including capital and operating, not specific to Transportation and Public Works). As requested, staff compiled a list of 2019/20 budget lines. The Active Transportation capital budget is \$29,637,500 and the operating budget is \$7,664,150 resulting in a total Active Transportation budget of **\$37,301,650**

Capital:

Business Unit	Account	Project Name	Budget
Transportation & Public Works	CR180001	Active Transportation	\$ 10,348,000
	CT000010	MacDonald Bridge Bikeway Connection	\$ 1,000,000
	CR180002	Sidewalk Renewals	\$ 4,735,000
	CR180003	Bridges (AT component)	\$ 1,047,500
	CR180004	Other Road Related Works	\$ 809,000
	CR000009	Street Recapitalization (AT component)	\$ 868,000
	CT180007	Traffic Signal Installation	\$ 345,000
	CT180005	Road Safety Improvement Program	\$ 655,000
	CT180004	Controller Cabinet and Detection Program	\$ 50,000
	CT180002	Traffic Signal Rehabilitation	\$ 520,000
	CR180005	Road Operations - State of Good Repair	\$ 3,325,000
		TOTAL	\$ 23,702,500
Planning & Development	Traffic 1	Bedford Highway Detailed Design	\$ 250,000
	CTX01116	Herring Cove Detailed Design	\$ 250,000
	CT180008	Complete Streets	\$ 200,000
	CT190003	Downtown Dartmouth Infrastructure Renewal	\$ 200,000
	CD000001	Downtown Streetscapes Spring Garden Road	\$ 500,000
	Traffic 3	Portland Street	\$ 150,000
	CM000014	Transit Priority Measure Corridor (Bayers Road)	\$ 3,500,000
		TOTAL	\$ 5,050,000
Parks & Recreation	CP180001	Park Recapitalization	\$ 735,000
		TOTAL	\$ 735,000
Halifax Transit	CM000012	Bus Stop Improvements & Accessibility	\$ 150,000
		TOTAL	\$ 150,000
		TOTAL CAPITAL	\$ 29,637,500

Operating:

Business Unit	Account	Detail	Budget
Transportation & Public Works	R881	Performance Based Contracts Sidewalks (Winter Works)	\$ 4,093,300
	R884	In-House Sidewalk Maintenance (Winter Works)	\$ 487,400
	R885	Performance Based Contracts Combined Street & Sidewalk (Winter Works)	\$ 413,200
	R740	In-House Sidewalk Maintenance (West)	\$ 1,328,000
	R742	In-House Sidewalk Maintenance (East)	\$ 763,400
	R180	Active Transportation	\$ 403,850
Parks & Recreation	W181	HRTA Maintenance	\$ 150,000
	W183	Sackville Greenway (new) Maintenance	\$ 25,000
TOTAL OPERATING			\$ 7,664,150
TOTAL COSTS			\$ 37,301,650