

Elections Nova Scotia

2022 – 2023 Budget Estimates

**For Consideration by the Special Committee to
Review the Estimates of the Chief Electoral
Officer**



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Recommendation to the Special Committee

Elections Nova Scotia (ENS) presents a budget of \$4.270m for the 2023-2023 fiscal year to the Special Committee of the House of Assembly. This amount includes ENS's administrative requirements, the estimated cost of running one potential by-election, external legal counsel, and service delivery to achieve the ENS mandate. ENS respectfully asks that the Special Committee review and recommend without alteration the ENS budget estimates to Treasury and Policy Board to be included in the 2022-2023 provincial budget.

2022–2023 Budget Estimates

The following schedule provides a summary of ENS's 2022-2023 budget estimates, as well as supplementary information that compares this to the 2021-2022 plan.

ELECTIONS NOVA SCOTIA

<u>Departmental Expenses by Object (\$ thousands)</u>	<u>2021-2022 Submitted to Special Committee</u>	<u>2021-2022 Approved Budget Estimate</u>	<u>2021-2022 Forecast</u>	<u>2022-2023 Estimate to Special Committee</u>
Salary and Employee benefits	1,953		2,045	1,953
Operating Costs	2,931		15,100	2,317
Gross Expenses	4,884	-	17,145	4,270
Less: Chargeable to Other Departments	-			
Total- Elections Nova Scotia	4,884	-	17,145	4,270
Ordinary recoveries	-			
Funded Staff (# of FTEs)	18	18	18	18
Less: staff Funded by External Agencies				
Total- Funded Staff	18	18	18	18

Supplementary Information

<u>Programs and Services (\$ thousands)</u>	2021-2022 Submitted to Special Committee	2021-2022 Approved Budget Estimate	2021-2022 Forecast	2022-2023 Estimate to Special Committee
Administration	2,788	2,788	2,788	2,788
Registered Party Funding	739	739	756	782
Service Delivery and Development	306	249	249	400
Election readiness	616	367	217	
COVID-19 related	135	135	135	
External legal counsel	50			50
By-election related	250			250
41st Provincial General Election			13,000	
Totals	4,884	4,278	17,145	4,270

Budget Overview

The call of the 41st Provincial General Election (PGE) early in the 2021-22 fiscal year, forced the delay of the completion of several projects the Chief Electoral Officer (CEO) had recommended to the committee in January 2021. Consequently, projects included in ENS's 2021-2022 budget resulting from Bill 225 proclaimed in May 2021 are now being recommended for completion in the 2022-2023 fiscal year.

As part of the PGE cycle, ENS routinely requests readiness funding in the last two of the four years before a general election. This pattern is similar to the election budgeting cycles in other provinces where funding ramps up in the 18-month period before a fixed date election occurs.

In early 2022, ENS will begin a planning exercise that will result in a new five-year Strategic Plan. In advance of this work, our Senior Leadership Team determined our priorities for fiscal 2022-2023. The strategic planning activities will further inform and define these priorities for the next three fiscal years of our readiness cycle as we prepare for the July 15th, 2025 PGE.

Budget Breakdown

For the purposes of clarity and transparency, ENS routinely presents its yearly budget request to the committee under three distinct pillars of spending. A fourth category of spending, **Other**, identifies highly probable spending which would be beyond the agency's control and should be identified:

1. **Administration** – This pillar focuses on the costs of day-to-day business: the salaries of ENS's permanent staff, the operational costs of leasing headquarters space, supplies, and the IT equipment required for permanent staff to fulfill their assigned business requirements.
2. **Service Delivery** – This pillar identifies the costs associated with the delivery of ENS's mandate. The preparation for (but not the delivery of) PGEs, by-elections and the scheduled maintenance of the provincial register of electors. This budget fluctuates greatly over the election cycle with the bulk of election readiness funding spent in the 24 months preceding July 2025.
3. **Registered Party Funding and Electoral District Associations subsidy for bookkeeping** – The third pillar identifies the CEO's mandatory political funding obligations and the estimated financial assistance earmarked for electoral district associations' (EDA) bookkeeping requirements as legislated in the *Elections Act*.
4. **Other** - PGE delivery costs, including paying election officials, leasing returning offices and voting locations, and candidate spending reimbursements are funded by warrant after each PGE and therefore, not included in ENS annual budget requests.

By-elections* on the other hand, are not funded by warrants. In recent years, at least one by-election has been called per year. Based on this history, ENS requests a budget line for the delivery of one by-election per year.

Similarly, from time-to-time, ENS is required to conduct investigations under the *Elections Act* of registered parties, EDA's or registered candidates that require independent advice and counsel. ENS has no foreknowledge of these incidents or complaints filed but must respond to the circumstances as presented. Therefore, a budget line for outside counsel is routinely identified in this submission.

**Note: Should more than one by-election be required in a fiscal year, ENS would submit the additional costs incurred to Finance and Treasury Board as pressures of extraordinary spending. Should no by-election occur or no requirement for outside independent legal counsel occur, ENS expects to realize a surplus that would be returned to the Province's general revenue fund.*

Planning Assumptions

The planning assumptions for ENS's 2022-2023 budget estimates are:

- With the introduction of a of a fixed election date, ENS will prepare for election readiness date of June 2, 2025.
- One by-election may be held in the 2022-2023 fiscal year.
- The ongoing service delivery activity remains funded at approximately \$250k for 2022-2023.
- Funding for external legal services of \$50k to ensure independence of the office of the CEO with respect to investigations and to protect the Department of Justice assigned counsel from potential conflicts of interest situations.
- No incremental costs due to the COVID-19 pandemic are anticipated in 2022-23.

Outline of Budget Schedules

- Appendix 1 is a budget schedule that provides a summary of the budget pressures submitted to Treasury and Policy Board in November 2021.
- Appendix 2 provides a summary of the ENS budget plan. This shows the cost breakdown of the additional funding of \$30k required for incremental registered party annual funding that resulted from the August 2021 PGE. The PGE forced delay in the e-voting program will require \$150k, for which an offsetting forecast reduction in 2021-22 has been submitted to Treasury Board. Costs for a by-election, outside legal service costs and the ongoing delivery of the ENS mandate have also been identified.

What Elections Nova Scotia Does

ENS is an independent non-partisan agency that reports directly to the members of the House of Assembly through the Speaker and is accountable to the general public. The agency's mandate is to prepare and deliver fair and inclusive elections impartially and professionally. The agency is also responsible to ensure compliance with provincial electoral law according to the *Elections Act*, including the investigation of complaints and adherence to the political financing regime by stakeholders and to maintain a permanent register of electors for Nova Scotia.

Historically, under a non-fixed date election regime, ENS always had prepare to deliver a by-election and the possibility of a PGE being called. The uncertainty of when a general election would be called, forced ENS to establish election readiness dates for the earliest possible date for a call regardless of whether the plurality resulted in a majority or a minority. If that benchmarked date passed without writs being issued, successive election readiness dates needed to be set. As a consequence, some major activities such as election official refresher training and returning office and voting location inspection assignments had to be repeated at significant cost. With the passing of the fixed election date legislation in 2021 contained in Bill 1, ENS can now set a fixed readiness date in June of 2025 to plan towards. This surety permits more efficient work plans moving forward and without the prospect of duplicating efforts.

Within 72 hours of the 55 writs being issued, ENS opens returning offices in each electoral district employing approximately 300 trained core staff and offering province-wide early voting options at each location.

Appendix 3 outlines ENS's vision, mission, mandate and goals.

The Elections Nova Scotia Team

The ENS team includes eighteen highly skilled and dedicated election specialists who work to maintain the reputation of Nova Scotia as being a leader in electoral administration in Canada. The scope of the work done by ENS staff covers all operational aspects of the electoral process as well as candidate and registered party related services and support.

Appendix 4 includes ENS's organization chart.

Current Challenges

Legislative and operational changes for the next election

Given that the 41st PGE was held on August 17, 2021 and a fixed date has been legislated for July 15, 2025, the activities at ENS will be more predictable than in prior years.

In January 2021, this Special Committee reviewed and recommended without alteration the CEO's budget estimate for the 2021-2022 fiscal year. The budget estimates included \$616k for election readiness funding. Treasury and Policy Board included \$317k of election readiness funding in ENS's final budget allocation approved for the 2021-2022 provincial budget estimates. ENS adjusted its deliverables to work within this budget allocation.

Changes to the *Elections Act* which were approved in March 2020, were proclaimed in May 2021. This delay in proclamation coupled with the election call in July 2021 forced ENS to drop some initiatives related to changes ensconced in Bill 225. As examples, the e-voting program for military personnel posted outside Nova Scotia and enhancements to our election technology in the early voting polls were both shelved. These projects are both planned to be re-started in the 2022-2023 fiscal year.

In addition, following each PGE, feedback is solicited from our stakeholders, including Returning Office (RO) staff, ENS head office staff, candidates, registered parties and other stakeholder groups. Based on the feedback gathered, ENS considers possible operational changes for the next election. When ever a by-election is called between general elections, ENS uses that opportunity to pilot and test proposed changes.

Conclusion and Required Actions

To conclude, ENS respectfully requests that the Special Committee review these budget estimates, including costs:

- associated with additional registered party funding due to higher voter count as required by statute;
- to maintain the mandate of ENS including:
 - stakeholder outreach, ongoing IT system maintenance, security testing, routine register of electors' maintenance, RO advisory panel meetings, report production, review of financial reports and systematic regulation of political entities;
- for external legal counsel; and,
- for one by-election

We also request that members of the Special Committee recommend the budget, without alteration, to Finance and Treasury Board be included in the 2022-2023 provincial budget estimates.

ENS also proposes that the Special Committee reconvene, upon request of the CEO, if the amounts approved by Finance and Treasury Board differ from what the Special Committee has recommended.

Appendix 1

2022-2023 Treasury Board Target (November 16 ,2021) Reconciliation

2022-2023 Target reconciliation		(\$'000)
Target from Treasury Board (dated Nov 16, 2021)		3,790
Party funding increase due to increase in votes	Legislated Obligation	30
E-voting program (delayed from 2021-22)	Approved Commitment	150
Legal counsel - independence	Mandate- independence	50
One by-election	Mandate	250
		<hr/>
		<u>4,270</u>

Appendix 2

Overview (\$'000)	2021- 2022 Forecast	2022-2023 Budget	2023-2024 Budget
Administration	2,788	2,788	2,872
Registered Party Funding	756	782	805
Service Delivery and Development	249	400	258
Election readiness	217		
COVID-19 related	135		
External legal council		50	52
By-election related		250	257
41st PGE	13,000		
Total	17,145	4,270	4,244

Appendix 3

VISION:

Trusted by all Nova Scotians to excel in the delivery of fair and inclusive elections.

MISSION:

To serve democracy by delivering provincial elections impartially and professionally.

MANDATE:

Elections Nova Scotia is mandated to:

- conduct provincial general elections and by-elections,
- ensure compliance with provincial electoral law including the political financing regime,
- establish and maintain election-related information, including the Nova Scotia Register of Electors,
- seek advice and conduct studies related to electoral processes, and,
- conduct electoral education programs.

VALUES:

- Accountability
- Collaboration
- Inclusivity
- Integrity (includes trustworthy, respect, professional, consistency, fair, and objective)
- Transparency

GOALS:

1. To conduct quality, cost effective, accessible elections.
2. To create and provide quality election information.
3. To engage and educate stakeholders in all aspects of the electoral process.
4. To assist, seek and enforce compliance with the *Elections Act*.
5. To continuously develop individual and organizational effectiveness.

Appendix 4

Elections Nova Scotia Organizational Chart

