

Haldimand-Norfolk Shared Services

H&SS Advisory Committee Meeting – December 15, 2025

Budget Committee Meeting – January 21, 2026

Subject: 2026 Budget – Discretionary Request
Report Number: CS-25-176
Division: Corporate Services
Department: Finance
Ward: All Wards
Purpose: For Decision

Recommendation(s):

That report CS-25-176 2026 Budget – Discretionary Request be received as information; and

That the Health & Social Services Advisory Committee **does not** recommend the Haldimand-Norfolk Housing Corporation's budget request for 2026; and

Further that the request is included in the list of discretionary budget items presented at Norfolk County Council's 2026 Budget Committee meeting on January 21.

Executive Summary:

Purpose of the Report:

This report seeks to provide Advisory Committee, and the Service Manager (Norfolk County) with the Haldimand-Norfolk Housing Corporation's (HNHC) request for additional staffing with a focus on the immediate position impacting 2026 operations and provide additional information for consideration.

Background and Context:

HNHC has provided a business case for Service Manager consideration. This business case has been approved by the HNHC Board of Directors. The request is for two permanent full-time positions, a Project Manager beginning in 2026 and a Tenant Support Worker for 2027.

Key Findings and Analysis:

The Service Manager respects HNHC's request. However, it should be noted that both annual operating, and 10-year capital funding, are not guaranteed. Additionally, in line with Public Sector Accounting Standards (PS 3150), tangible capital assets must be recorded at cost, where the cost includes all costs directly attributable to acquisition, construction, development or betterment of the asset. Project management should not be classified as a capital cost unless the associated costs can be directly tied to specific

capital projects. Therefore, it appears that this position should be classified and funded through operations.

Conclusions:

While HNHC maintains that the position would not require a levy ask and that capital funding would be appropriate, it is important to note that HNHC receives an operating and capital grant which should continue to be maintained and reported on separately. The funding of the requested position as noted in the business case does not follow Norfolk County best practices or Public Sector Accounting Standards and would reduce the funds provided to complete capital projects.

Recommendations:

That the request for additional FTEs be denied or deferred until additional analysis of future capital needs, operating needs, and financial impacts be identified.

Financial Implications:

If the position is approved the financial impact for Norfolk County would be an increase on the operating levy of \$75,750 (65.86% of the total cost of \$115,000). Haldimand’s share would be \$39,250 (34.14% of the total cost of \$115,000) for 2026.

Discussions:

The HNHC Board approved two new staffing positions in 2025 — a Project Manager and a Tenant Support Worker—to address organizational growth, increasingly complex tenant needs, and critical capacity gaps. This business case presents the Project Manager role for consideration through the 2026 Shared Services Budget process. The Tenant Support Worker position will be brought forward next year as part of the 2027 budget process. HNHC has provided a business case for the Project Manager position, it is attached to this report.

Prior to this request for the project manager, HNHC had not indicated at the time of the request to move forward with the Canada Mortgage and Housing Corporation’s (CMHC) Repair and Renewal (R&R) Program, and/or the addition of the two new properties, that additional staffing would be required.

Project Manager

The following discussion provides additional information in regard to the projects noted above and the request for the FTE.

Potential risks and uncertainties of the Project Manager position:

- The CMHC R&R Program ends on March 31, 2026 after a three-year term. The project is currently wrapping up, with the final projects nearing completion. Funds were provided in accordance with the guidelines, a 70% levy, 30% CMHC split. A project manager was hired for this project.
- Post R&R, a Facilities Condition Assessment (FCA) would help determine if the position is needed as there has been a lot of work pushed up and subsequently

completed with the program. A revised capital plan would need to follow and updated FCA.

- In anticipation of being replaced by new builds in Dunnville and Delhi, starting in the spring of 2022, 23 older units have been sold or are in the process of being sold and an additional 2 units were demolished. Additionally, 2 more units were authorized to be sold, in preparation for a future construction project. HNHC has been operating and maintaining less than a full complement of units since 2022.
- With anticipated operational dates for Dunnville and Delhi into 2027, HNHC will continue to operate in 2026 with less units than previously owned, until the construction is completed.
- As the units that were sold were semi-detached and single units, and the replacement units are located in apartment buildings, the requirements for maintenance will be different.
- It is anticipated these newer units will reduce the 10-year capital plan requirements, as they will require less immediate needs.
- HNHC has procured the services of a project management company for both the Dunnville and Delhi construction projects. While it does not alleviate all of the project management burden from HNHC staff, it does remove a portion.
- Salaries and benefits are considered an operational cost, and the Service Manager provides funding to HNHC separately for both operating and capital expenditures, with the expectation that funds will be used as provided within each envelope.
- The business case indicates that the funding for the position would come from the capital dollars, having no net levy impact. If that is the case, the capital plan presented would either require projects moved to the future, delaying much needed work, or is not accurate to the needs of HNHC and the capital plan is more than needed. Additionally, the municipal funds provided to HNHC for capital repairs are levy dollars, so whether the FTE is funded from HNHC's operating or capital funds, the source of these funds is the municipal levy.

Potential benefits of the Project Manager position:

- Continue the work of repair and renewal on a capital budget that has doubled since 2013, while also reducing the strain on existing staff who have been pulled from regular duties to work on coordination of capital projects.
- Oversight of capital work improving efficiency and communication, and in turn, tenant relations and satisfaction.
- Potential reduction in the use of consultants, leading to improved in-house knowledge of project management and existing asset infrastructure, enhancing project efficiency.
- Supporting long-term organizational capacity and succession planning.

Tenant Support Worker

In regard to the Tenant Support Worker, the business case for this position for 2027 should include data on tenant demographics and any assessment of the services that they are receiving through other service providers. Haldimand-Norfolk Social Services and Housing, among other provincial program providers, may already be providing

services to the tenants within the HNHC properties. Further analysis and review is recommended prior to bringing forth this ask in 2027.

Shareholders Agreement

In addition, section 2.12 of the Shareholders Agreement identifies ‘matters requiring unanimous Shareholder approval’:

(l) the annual operating budget and any increase in the permanent staffing complement when such increase requires an increase in the operating budget allocated to permanent staffing...

Whereas typically Norfolk County can make decisions as the sole Service Manager for both counties, in the case of FTE changes, both Counties would need to approve the proposed business case.

Finance Comments:

Norfolk

Norfolk County’s best practice, in alignment with accounting standards, is not to fund permanent ongoing staffing positions with capital dollars.

If the position is approved, the financial impact for Norfolk County would be an increase on the operating levy of \$75,750 (65.86% of the total cost of \$115,000) for 2026.

However, it should be noted as the Service Manager, funds are specifically sent to HNHC for operating and capital needs separately. Staff do not support movement of funds from capital projects to support ongoing operating needs.

Haldimand

Although Haldimand County’s accounting principles differ slightly from Norfolk’s in that we will fund direct staffing costs from our capital levy, however, the project administration has to be tied directly to a specific capital project(s). As the position proposed does not appear to allow for that type of direct accountability/tracking, the staffing costs would also be funded from Haldimand’s operating levy allocation. It should be noted, even if the position was funded from the capital levy allocation, it would reduce the impact on actual repairs/renewals currently being completed with the funds allocated to date. If the position is approved, the financial impact for Haldimand County would be an increase on the operating levy of \$39,250 (34.14% of the total cost of \$115,000) for 2026.

Interdepartmental Implications:

Housing Services

The Housing and Homelessness Department would support further analysis as to where the gaps are and/or barriers residents are facing to ensure successful tenancies. The issue of public housing residents requiring increasingly more supports to meet their tenant obligations is a pervasive issue across the province. Resident issues are

becoming more complex, and in turn, interventions are more costly and time consuming.

Dealing with residents whose tenancy is at risk for behavioural issues often requires quick and escalating actions taken by the landlord, as well as increased monitoring and documentation. Landlord and Tenant Board Adjudicators expect social housing providers to show they have exhausted all avenues to avoid an eviction putting significant pressure on property management staff and potentially tenants impacted by the behavioural concerns. However, all tenants are expected to be able to live independently, and it is up to them to ask or accept the support provided. Therefore, it is a best practice for landlords to refer residents to supports offered by a third party to reduce the refusal of support, especially when the landlord has initiated an eviction process. A previous similar position within HNHC was defunded in 2016, based on a review from OrgCode, that the position was identified as supporting the landlord not the tenants, versus being an independent resource for the tenants.

Currently, there is a Housing Support worker on the Homelessness Prevention Services team dedicated to eviction prevention for RGI and affordable housing tenants, for local housing providers. This position has supported 81 HNHC residents between September 2024 and September 2025. This position does not have a significant wait list of HNHC residents. That leads us to consider what the root of issue is. It could be a number of things including a staff support gap, a gap in a specific type of support, an issue of tenants refusing support, or an alternative. Staff recognize that there are gaps in community supports, some of which are not under the Service Manager's purview.

Consultation(s):

None

Strategic Plan Linkage:

Building Norfolk - Develop the infrastructure and supports needed to ensure complete communities

Attachment(s):

- Attachment 1 - 2025-10 Business Case – Project Manager (2026)

Approval:

Approved By:
Heidy VanDyk, General Manager, Corporate Services Norfolk County

Reviewed By:
Amy Fanning, CPA, Treasurer / Director of Finance
Mark Merritt, CPA, General Manager, Financial Services, Haldimand County

Prepared By:
Amy Vesprini, Supervisor, Financial Planning and Reporting
Michael VanSickle, Senior Financial Analyst



Date: November 12, 2025
Report: 2025-10 Business Case – Project Manager (2026)
Presented by: Matt Bowen, Chief Executive Officer
Prepared by: Louise Jones, Manager of Business Services & Continuous Improvement, Matt Bowen, Chief Executive Officer

Prepared for: Council Review – Shared Services Budget Process

PURPOSE

This business case outlines the operational and financial rationale for establishing one full-time Project Manager position within HNHC effective January 1, 2026.

The position has been approved in principle by the Board of Directors and is presented here to support Council’s review through the Shared Services Budget process. This report demonstrates how the position will address existing capacity gaps, strengthen capital project delivery while managing organizational growth within HNHC’s Capital Budget framework.

Context Note: The HNHC Board approved two new staffing positions in 2025 — a Project Manager and a Tenant Support Worker—a Project Manager and a Tenant Support Worker—to address organizational growth, increasingly complex tenant needs, and critical capacity gaps. This business case presents the Project Manager role for consideration through the 2026 Shared Services Budget process. The Tenant Support Worker position will be brought forward next year as part of the 2027 budget process.

BACKGROUND

HNHC has not received a staffing increase since 2013; however, both operating and capital budgets have more than doubled since that time (*see figure 1 on the next page*). The Corporation’s asset base is expanding significantly, with three new projects in various phases of development—Dunnville (Ramsey Drive), Delhi (Gibraltar Street), and Port Dover (Regent Avenue)—while the existing portfolio continues to age and require substantial repair and renewal investment.

The Director of Development and Technical Services (DDTS) is accountable for leading new construction projects, ongoing capital renewal, and technology oversight across HNHC and its managed non-profits. The volume and timing of capital activity often result in multiple projects being active simultaneously across several sites. In addition to

development oversight, the DDTS manages HNHC’s Building Automation Systems (BAS), K3D heating optimization, and door access technologies, coordinating upgrades, diagnosing issues, and resolving connectivity or hardware failures as they occur.

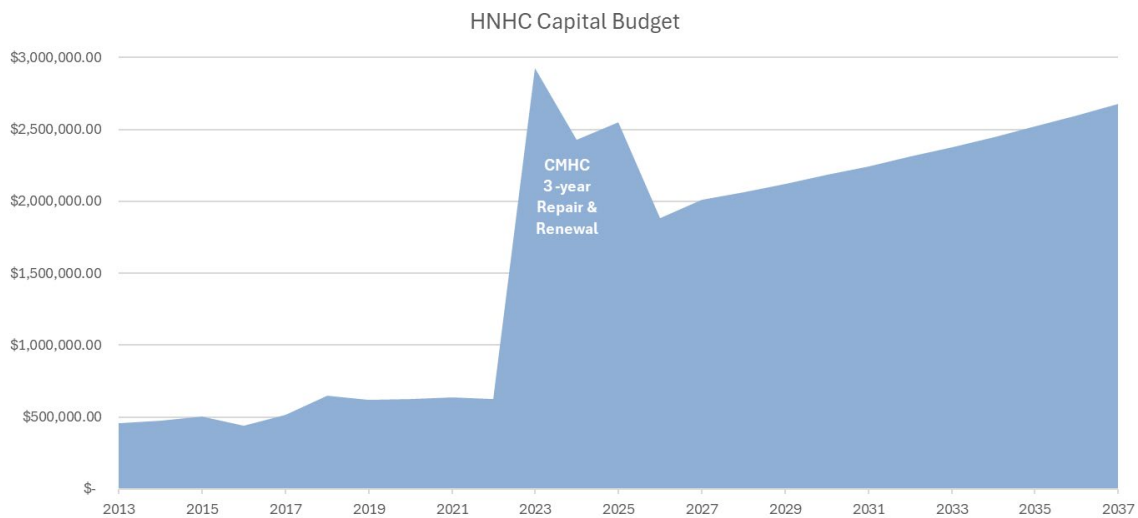


Figure 1 – Growth in HNHC Capital Budget 2013–2027 (excludes new development projects). The chart illustrates the steady increase in capital investment requirements over time, underscoring the growing demand for dedicated internal project-management capacity.

To ensure work proceeds efficiently and tenants are properly educated and supported during projects, Property Managers and Property Management Assistants are often required to assist with coordination and site-related follow-up for capital projects. While this collaboration is effective in the short term, it diverts attention from their core operational duties and tenant support activities. Establishing a dedicated Project Manager will provide focused oversight for capital work, allowing staff to remain centered on their primary responsibilities while improving overall project efficiency and communication.

At the same time, HNHC continues to rely on external consultants for project-management support. A portion of the 10-year Capital Budget—currently estimated at 5%—is allocated annually for consultant-based project management. Redirecting a portion of that allocation to an internal Project Manager will:

- Reduce consultant dependence
- Improve project continuity and oversight
- Strengthen tenant engagement
- Support long-term organizational capacity and succession planning



As these systems evolve and expand across multiple sites, the addition of a Project Manager will create much-needed operational redundancy and knowledge continuity, ensuring uninterrupted service delivery and consistent system performance across the portfolio. This will be particularly important in supporting long-term succession planning for technical roles within the organization.

Collectively, these operational and technical efficiencies will strengthen HNHC's overall capacity, improve project delivery, and ensure long-term sustainability across the portfolio. The following section outlines how this position will advance these objectives in practice.

DISCUSSION

1. Operational Efficiency and Capacity

The addition of a full-time Project Manager will directly enhance HNHC's ability to manage a growing and increasingly complex capital program. The position will assume direct responsibility for:

- Managing planned capital projects and major emergency repairs (e.g., fires, floods, and system failures)
- Maintaining and implementing the 10-Year Capital Plan
- Overseeing tendering, procurement, and contractor performance tracking
- Coordinating Asset Planner data integration and capital project reporting
- Developing a comprehensive Preventative Maintenance Program

This structure allows the Director of Development and Technical Services to maintain oversight of overall strategy and new development, while ensuring that day-to-day project execution and coordination are managed at the appropriate level.

It also enables Property Management staff to remain focused on tenant relations, lease administration, and operational needs without being regularly diverted into capital coordination duties.

2. Technical Redundancy and Knowledge Transfer

HNHC's Building Automation Systems (BAS), K3D heating optimization, and other building technologies — including door access controls and card-entry systems — are increasingly complex and currently managed by a single individual. The Director is responsible for coordinating upgrades, diagnosing system issues, and resolving connectivity or hardware failures as they occur.

As these systems evolve and expand across multiple sites, the addition of a Project Manager will create much-needed operational redundancy and knowledge continuity,



ensuring uninterrupted service delivery and consistent system performance across the portfolio. This will be particularly important in supporting long-term succession planning for technical roles within the organization.

3. Tenant and Community Impact

External consultants primarily manage technical scopes of work and do not support tenant communication or social impact mitigation.

An internal Project Manager will coordinate the tenant-facing aspects of capital work, including:

- Advance communication and scheduling
- Access coordination for contractors
- Support planning for vulnerable tenants

This ensures projects are delivered efficiently, respectfully, and with minimal disruption to tenants' living environments — reinforcing HNHC's commitment to tenant well-being and community stability.

4. Governance and Best Practice

The position will formalize HNHC's internal tendering, documentation, and contractor performance processes. It aligns with best practices in municipal procurement governance and enhances consistency and accountability across the organization.

FINANCIAL IMPACT

Based on **Appendix 1**, the total estimated 2026 cost of the Project Manager position is as follows:

Component	Estimated Cost (2026)
Salary & Benefits	\$109,514
Operating Costs (Phone, Mileage)	\$ 5,500
Total 2026 Projected Cost	\$115,014



Funding Approach

Option 1 – Capital Funded (Preferred):

The position funded through HNHC’s existing, Council-approved Capital Budget Project Management allowance within the approved 10-Year Capital Plan. This approach maintains a no-levy impact, enhances internal project-delivery capacity, and reduces consultant dependency.

HNHC currently allocates approximately 5% of its Capital Budget to external project-management consulting. The cost of an internal Project Manager averages 6% of the Capital Budget. Although slightly above the current consultant allowance, this reflects the broader scope and added tenant-coordination value of an in-house position.

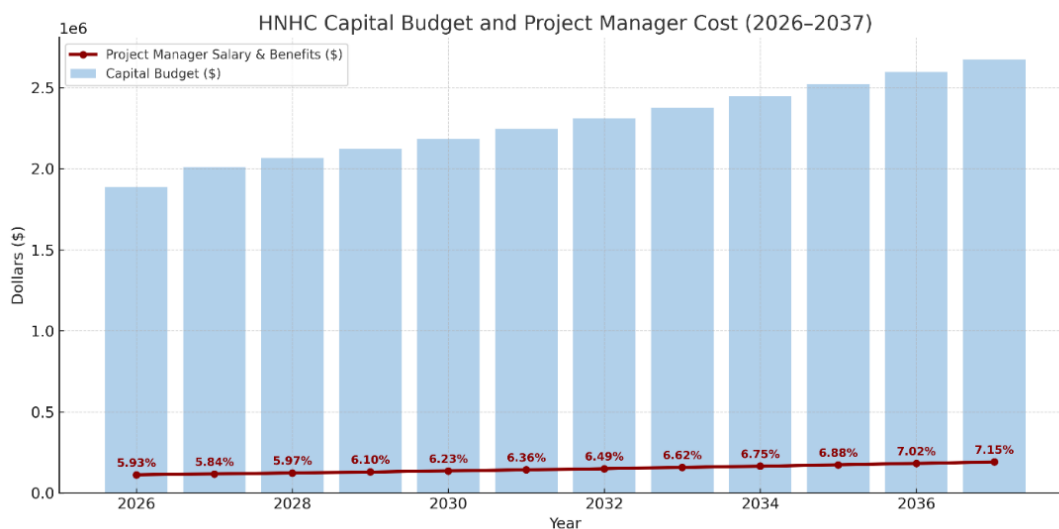


Figure 2. Capital-Funded Project Manager Cost Relative to Capital Budget (2026 – 2037)

The proposed Project Manager represents approximately 6–7 percent of HNHC’s annual Capital Budget, remaining well within industry benchmarks and demonstrating a modest, sustainable investment relative to the Corporation’s total capital program.

Comparative Analysis

HNHC’s current 10-Year Capital Plan already includes a 5% allocation for project-management consulting, consistent with sector norms. By internalizing this role, HNHC remains aligned with the industry-standard range (5 – 10%) for project / construction management costs while delivering additional benefits:

- Improved coordination between departments
- Enhanced tenant communication and impact mitigation
- Greater control over timelines and contractor accountability
- Long-term reduction in external consultant costs
- Improved Resident Satisfaction



HNHC will also continue to seek out additional grant and funding opportunities to offset or supplement any capital dollars redirected to this position. This strategy ensures HNHC continues to leverage external funding sources wherever possible to offset capital allocations and maintain Facility Condition Indices (FCI) and fiscal flexibility.

Option 2 – Operating Funded:

Maintain the current Capital Plan allocation and fund the position as a new budget initiative through the Shared Services Budget Process for 2026. This approach would result in a levy impact of approximately \$115,014.

Benchmark Context:

Public-sector capital programs in Canada typically allocate approximately 5–10% of construction value to professional “soft costs” (design and project/construction management), with PM/CM alone averaging ~4–8%, and up to ~9–15% where formal project-management controls are implemented (ACEC-BC, 2024; NRC, 2018; PMI, 2021).

These allocations are consistent with Canadian federal guidance emphasizing inclusion of all planning, feasibility, and management costs within major capital project budgets (Treasury Board of Canada Secretariat, 2017; NRC, 2018). HNHC’s proposal to fund an internal Project Manager aligns with these norms while adding tenant-engagement value unique to social housing. **This is illustrated in Appendix 2.**

References

Association of Consulting Engineering Companies – British Columbia (ACEC-BC). 2024 Fee Guideline. Vancouver: ACEC-BC, 2023. https://acec-bc.ca/wp-content/uploads/2023/12/2024_Fee-Guideline_FINAL.pdf

National Research Council Canada (NRC). Audit of Major Capital Project Management. Office of Audit and Evaluation, August 2018. https://publications.gc.ca/collections/collection_2024/cnrc-nrc/NR16-446-2018-eng.pdf

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Treasury Board of Canada Secretariat (TBS).

Guide to Cost Estimating. Government of Canada, 2023.

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ORGANIZATIONAL IMPACT

- Improves efficiency by centralizing project oversight and reducing overlap in project coordination between Development, Technical Services, and Property Management.
- Builds in-house capacity and reduces consultant dependency.
- Strengthens compliance, quality control, and contractor accountability.
- Enhances tenant experience through coordinated communication and impact mitigation during capital projects.
- Supports long-term succession planning and organizational resilience by broadening technical expertise across the team.

CONCLUSION

The addition of a full-time Project Manager is a strategic, cost-neutral investment that will strengthen HNHC's capacity to deliver its expanding capital and development programs effectively.

This position directly supports the Corporation's long-term sustainability by ensuring capital projects are managed efficiently, tenants are supported through every stage of work, and organizational knowledge is maintained and shared.

Establishing this role allows HNHC to manage increasing project complexity, maintain control over timelines and budgets, and enhance coordination between departments and external partners.



The business case demonstrates that the position is not only operationally necessary but also fiscally responsible — aligning with industry benchmarks and reinforcing HNHC's commitment to effective, transparent, and tenant-centered project delivery.

APPENDICES

Appendix 1: Projected Cost of Project Manager – 2026 Budget

Appendix 2: Capital Project Management Benchmarks and Trends



Table 1 - Projected Cost of Project Manager for 2026

Salary & Benefit Expenses	
Salary/Wage (36.25 hours per week)	\$81,907.00
CPP (5.95% up to \$71,300)	4,034.10
CPP (4.00% over \$71,300 up to \$81,200)	396.00
EI (1.64% employee) x 1.263 employer	1,077.48
EHT (1.95%)	1,597.19
WSIB (0.83%)	679.83
Canada Life (Benefits)	11,700.00
OMERS (9.00% of Salary/Wage up to \$68,500)	6,165.00
OMERS (14.60% of Salary/Wage about \$68,500)	<u>1,957.42</u>
Salary, Basic Deductions, Benefits & Pension	\$109,514.02
Operational Expenses	
Phone	\$500.00
Mileage	<u>5,000.00</u>
Operational Expenses	\$5,500.00
Total Projected cost of Project Manager - 2026 Budget	\$115,014.02

The total projected cost for 2026 is \$115,014.02. This amount can be accommodated within HNHC’s existing capital allocation for project-management consulting (approximately 6 percent of the Capital Budget). Redirecting part of that funding to an internal position provides long-term value, improves project continuity, and reduces reliance on external consultants.

Capital Project Management Benchmarks and Trends

Purpose

To demonstrate that the proposed internal Project Manager position is both financially sustainable and consistent with recognized public-sector benchmarks for project management and capital-program oversight.

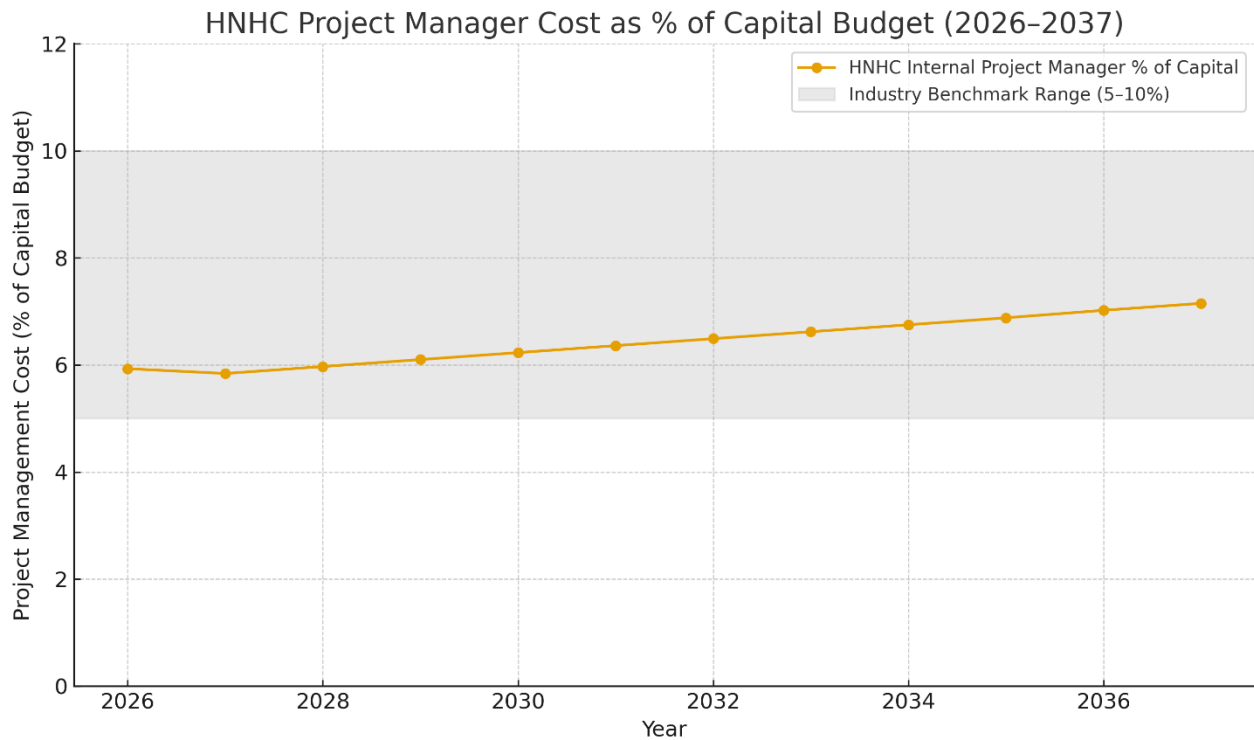


Figure 3– Capital Project Management Benchmarks and Trends

This chart demonstrates that HNHC’s projected internal Project Manager cost (5.8–7.2 %) remains comfortably within this benchmark range, confirming fiscal prudence while strengthening internal capacity and tenant-focused project delivery.