



**BUDGET COMMITTEE
(STANDING COMMITTEE OF THE WHOLE ON BUDGET)
MINUTES
January 16, 2019**

PRESENT: Councillor Bill Karsten, Chair
Mayor Mike Savage
Deputy Mayor Tony Mancini
Councillors: David Hendsbee
Lorelei Nicoll
Sam Austin
Waye Mason
Lindell Smith
Shawn Cleary
Russell Walker
Stephen Adams
Richard Zurawski
Matt Whitman
Lisa Blackburn
Steve Craig
Tim Outhit

REGRETS: Councillor Steve Streach

STAFF: Jane Fraser, Director of Finance & Asset Management/CFO
John Traves, Municipal Solicitor
Kevin Arjoon, Municipal Clerk
Liam MacSween, Legislative Assistant
Phoebe Rai, Legislative Assistant

The following does not represent a verbatim record of the proceedings of this meeting.

The agenda, reports, supporting documents, information items circulated, and video (if available) are online at halifax.ca.

The meeting was called to order at 9:33 a.m., and recessed at 12:15 p.m. Budget Committee reconvened in at 1:00 p.m. and recessed at 3:15 p.m. Budget Committee reconvened at 3:30 p.m. and adjourned at 4:55 p.m.

1. CALL TO ORDER

Councillor Karsten, Chair called the meeting to order at 9:33 a.m. in Council Chamber, 3rd Floor City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF THE MINUTES – NONE

3. Proposed 2019-20 Multi-Year Capital Program Budget – Deferred from December 4, 2018,

The following was before the Budget Committee:

- A revised staff recommendation report dated November 19, 2018
 - A presentation entitled “Capital Program Budget 2019/20
 - Correspondence from Ben Buckwold, Director Bikeways and Blue Route Implementation, Bicycle Nova Scotia dated January 15, 2019
 - Correspondence from Walter Reagan dated January 16, 2019
 - A handout entitled “Draft 2019/20 Capital Supplemental Sheets for Budget Discussion”
 - A handout package regarding the 2019-20 Multi-Year Capital Program Budget
 - A handout respecting 2019/20 Budget Comparison to April 24, 2018
- A handout with revised 2019/20 Capital Supplemental Sheets for the “George Dixon Community Ctr Recap” and “Macdonald Bridge Bikeway”

Jacques Dubé, Chief Administrative Officer provided introductory remarks and introduced Crystal Nowlan, Manager Asset Management who provided a presentation on the Proposed 2019-20 Multi-Year Capital Program Budget.

The Chair called three times for members of the public wishing to speak on the matter, and there were none.

MOVED by Councillor Mason, seconded by Councillor Nicoll

THAT Budget Committee recommend to Halifax Regional Council to:

1.
 - a. Approve the capital budget for 2019-20 and approve, in-principle, the 2020-21 and 2021-22 capital budgets as per Attachment 1a of the revised staff report dated November 19, 2018,
 - b. Approve the schedule of 2019-20 reserves withdrawals as per Attachment 1b of the revised staff report dated November 19, 2018, and
 - c. Direct staff to prepare the ten-year capital plan as per Attachment 1c of the revised staff report dated November 19, 2018, as presented to the Budget Committee.
2. Approve the list of 2019-20 advanced tender projects as per the revised Attachment 2 of the revised staff report dated November 19, 2018.
3. Approve the list of multi-year projects as per Attachment 3 of the revised staff report dated November 19, 2018.

MOVED by Councillor Mason, seconded by Councillor Smith

THAT Budget Committee defer consideration of recommendations #1 and #3 of the revised staff report dated November 19, 2018, pending receipt of a supplemental report that:

1. Outlines options for Council to consider funding options for the Alternative Priority Projects in Attachment 4 of the staff report dated November 19, 2018 for fiscal 2019/20, funding for these priorities from reserves, debt, and phasing of proposed IT projects to future years.

2. Proposes a process and timeline, starting end of April 2019, for Budget Committee to review the list of priority projects and funding options and make recommendations for a multiyear capital plan for consideration starting 2020/21 that includes:

- a. Options, opportunities and challenges in addressing deferred IT and physical plant investments as identified in the staff report and presentation date November 19, 2018;**
- b. Options for implementation plan for transformative mobility projects (transit, AT, pedestrian) with 10 year vision that aligns with Federal PTIF funding timeline and is guided by policies in the Integrated Mobility Plan;**
- c. Revision of the 10 year Signature Capital Projects plan, timeline and funding options, and;**
- d. A review of the Alternative Priority Projects in Attachment 4 of the staff report dated November 19, 2018 for fiscal 2020/21 and 2021/22 and of previously planned and identified capital projects for which funding has not been allocated.**

The Budget Committee agreed by consensus to vote on the proposed deferral at the close of the debate.

In response to questions from the Budget Committee, Dubé provided clarification on expenditures within the proposed Capital Budget related to the State of Good repair and the potential to access funding from the federal Public Transit Infrastructure Fund, which has not yet been announced.

John MacPherson, Manger of Corporate Facility Design and Construction, clarified time lines and cost estimates associated with the Halifax Forum, Needham Community Centre and Devonshire Arena projects.

In response to a follow up question Dubé advised that the proposed stadium project is not included in the Capital budget, however staff are currently working on a business case and financial model for the proposed project.

The Budget Committee discussed potential Capital projects for inclusion in the Parking Lot (Budget Adjustment List) and considered the following motions:

MOVED by Councillor Craig, seconded by Councillor Hendsbee

THAT funding paving of the HRM owned Sucker Brook Road in Lower Sackville be added to the Parking Lot (Budget Adjustment List) for consideration.

MOTION PUT AND PASSED.

In response to a question from the Budget Committee, Bruce Fisher, Manager of Fiscal Policy and Planning provided clarification on commercial and residential assessments for 2018-19 which assists staff in formulating the budget assumptions for 2019-20.

Councillor Zurawski suggested the following motion for consideration by the Budget Committee:

THAT staff integrate the Climate Change lens into the planning of short, medium, and long term financial plans, through the creation of a climate change directorate to inform Council and the public of the degree and extent of the possible/probable disruption to the fiscal plans of HRM due to Climate Change.

The Chair deemed the motion out of order as it is operational in nature and suggested that it be brought forward for consideration by Regional Council at a future date.

MOVED by Councillor Craig, seconded by Councillor Blackburn

THAT funding for Emergency Generators for Halifax Fire/HRM Facilities throughout HRM be added to the Parking Lot (Budget Adjustment List) for consideration.

MOTION PUT AND DEFEATED.

MOVED by Councillor Outhit, seconded by Councillor Craig

THAT funding for the paving of HRM owned Oakridge Drive in Bedford be added to the Parking Lot (Budget Adjustment List) for consideration.

MOTION PUT AND DEFEATED.

MOVED by Councillor Craig, seconded by Councillor Blackburn

THAT funding for an active transportation trail extension from Sucker Brook Road, Lower Sackville to First Lake Drive, Lower Sackville be added to the Parking Lot (Budget Adjustment List) for consideration.

MOTION PUT AND DEFEATED.

MOVED by Councillor Craig, seconded by Councillor Whitman

THAT funding for the a Walkway reconstruction from Boxwood Crescent to Grennan Drive to Smokey Drive Elementary School, Lower Sackville be added to the Parking Lot (Budget Adjustment List) for consideration.

MOTION PUT AND DEFEATED.

Jane Fraser, Chief Financial Officer advised that staff are currently analyzing the third quarter projections will return to the Budget Committee with recommendations on the final budget.

With respect to the proposed deferral, Fraser advised that the Committee can expect a response by staff, by way of a supplementary staff, which will in the next several weeks.

MOTION TO DEFER PUT AND PASSED.

The motion before the Budget Committee now reads:

MOVED by Councillor Mason, seconded by Councillor Nicoll

THAT Budget Committee recommend to Halifax Regional Council approve the list of 2019-20 advanced tender projects as per the revised Attachment 2 of the revised staff report dated November 19, 2018.

MOTION PUT AND PASSED.

4. Chief Administrative Office

The following was before the Budget Committee:

- A staff recommendation report dated January 2, 2019 with attached staff presentation entitled "Chief Administrative Office: 2019/20 and 2020/21 Multi-Year Budget and Business Plan

Jacques Dubé, Chief Administrative Officer provided a presentation on Chief Administrative Office's 2019/20 and 2020/21 Multi-Year Budget and Business Plan

The Chair called three times for members of the public wishing to speak on the matter, and there were none.

MOVED by Councillor Austin, seconded by Councillor Nicoll

THAT the Budget Committee direct staff to prepare the Chief Administrative Office's 2019/20 Multi-year Budget and Business Plan, as proposed in the accompanying presentation, and to prepare Over and Under items for that Plan as directed by Regional Council.

Dubé responded to questions from the committee in relation to the proposed operational reductions noting efficiencies from the elimination of a part-time position in the Councillor Support Office.

MOVED by Councillor Cleary, seconded by Councillor Whitman

THAT the Chief Administrative Offices' operational reductions at 1.9% for a total of \$68,000 be added to the Parking Lot for consideration.

MOTION PUT AND PASSED.

5. Legal, Municipal Clerk and External Affairs

The following was before the Budget Committee:

- A staff recommendation report dated January 4, 2019 with attached staff presentation entitled: Legal, Municipal Clerk, & External Affairs: 2019/20 and 20/2021 Multi-Year Budget and Business Plan
- A handout entitled "Legislative Amendment Requests – December 12, 2018"

John Traves, Director of Legal, Municipal Clerk & External Affairs provided a presentation on the Legal, Municipal Clerk, & External Affairs: 2019/20 and 20/2021 Multi-Year Budget and Business Plan.

The Chair called three times for members of the public wishing to speak on the matter, and there were none.

MOVED by Councillor Whitman, seconded by Councillor Blackburn

THAT the Budget Committee direct staff to prepare the Legal, Municipal Clerk and External Affairs 2019/20 Multi-year Budget and Business Plan, as proposed in the accompanying presentation, and to prepare Over and Under items for that Plan as directed by Regional Council.

MOVED by Councillor Whitman, seconded by Councillor Outhit

THAT the Budget Committee direct staff to prepare the Legal, Municipal Clerk and External Affairs 2019/20 Multi-year Budget and Business Plan, with the Operation Reductions (1.9%) as per Slide 20 of the accompanying presentation.

MOVED by Councillor Smith, seconded by Councillor Hendsbee

THAT "new FTE Admin Assistant (GREAs)" (\$76,700) and "work with community partners to develop social development measures" (\$40,000) operating options over budget be added to the Parking Lot for consideration.

MOTION PUT AND PASSED.

MOVED by Councillor Adams, seconded by Councillor Outhit

THAT "new FTE – Legal Assistant (Legal Services)" (\$54,300) operating option over budget be added to the Parking Lot for consideration.

MOTION PUT AND PASSED.

Council agreed to continue debate on this item at the next Budget Committee meeting to be held January 18, 2019 as well as to defer the following items: 6. Human Resources / Office of Diversity and Inclusion, 7. Finance, Asset Management and ICT, and 8. Office of the Auditor General to the January 19, 2019 meeting as well.

9. ADJOURNMENT

The meeting adjourned at 4:55 p.m.

Kevin Arjoon
Municipal Clerk