



**BUDGET COMMITTEE
(STANDING COMMITTEE OF THE WHOLE ON BUDGET)
MINUTES
February 28, 2019**

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

REGRETS: Councillor Shawn Cleary

STAFF: Jane Fraser, Director of Finance & Asset Management/CFO
John Traves, Municipal Solicitor
Kevin Arjoon, Municipal Clerk
Liam MacSween, 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 9:36 a.m., and recessed at 12:00 p.m. Budget Committee reconvened in at 1:00 p.m. and recessed at 2:45 p.m. Budget Committee reconvened at 3:01 p.m. and adjourned at 4:28 p.m.

1. CALL TO ORDER

Councillor Karsten, Chair called the meeting to order at 9:36 a.m. in Council Chamber, 3rd Floor City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF THE MINUTES – NONE

Kevin Arjoon, Municipal Clerk advised that if funding for the Navigator Suburban/Rural Pilot is approved during the 2019/20 Budget Adjustment List, Item No. 3 will be presented to Regional Council at a future date.

3. 2019/20 Budget Adjustment List for Consideration

- i) Public Participation
- ii) Debate

The following was before Budget Committee of the Whole:

- A staff recommendation report dated February 15, 2019
- A handout entitled “Budget Adjustment List Summary”
- A handout entitled “Reserve History Projected to March 31, 2019”
- A handout entitled “Tax-Supported Debt”

Councillor Karsten invited members of the public to address the Budget Committee on the 2019/2020 Budget.

Robert Grant, of the Urban Developers Institute of Halifax provided commentary respecting potential increases to regional development charges for new development in HRM. Grant advised that increased development charges can cause consequences respecting the costs of development and could have an adverse effect on housing affordability.

Kevin Russell, of the Investment Property Owners Association of Nova Scotia (IPOANS) provided commentary proposing the removal of the residential rental sector from the Industrial, Commercial and Institutional (ICI) sector for solid waste removal. Russell noted that 38 percent of the population in Halifax rent and that property managers are forced to rely on third party contractors for solid waste removal which comes at a cost to tenants. Russell concluded by advising that expanding HRM’s solid waste services to the residential rental sector would assist in actioning HRM’s affordable housing initiatives.

Brenden Meagher, President of the Halifax Professional Fire Fighters, provided commentary on the proposed Budget for Fire Services in HRM. Marr advised that the Fire Service runs effectively and efficiently on a lean budget and encouraged members of Council to support the parking lot items for Fire Services to ensure quality service for HRM residents.

Councillor Karsten called three times for further speakers; there were none present.

Jane Fraser, Chief Financial Officer noted the following changes to the Budget Adjustment List (BAL):

- Item No.16 – the deferred implementation of the fee renewal for Parks and Recreation has been removed due to Council direction provided on February 26, 2019.
- Item No. 18a. – proposed funding for grass and shrub contract increases will be moved out to 2020/2021 budget year.

In response to a follow up question, Fraser provided commentary with respect to third quarter projections which places the surplus at \$3.6 million, after the proposed \$11.6 million in other project commitments.

The Budget Committee agreed by consensus to vote separately on each operating over budget item outlined in the February 15, 2019 staff report.

MOVED by Councillor Nicoll, seconded by Councillor Whitman

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.**

MOVED by Councillor Austin, seconded by Councillor Whitman

THAT the Budget Committee amend the Budget Adjustment List to deal with proposed adjustments involving external groups last.

MOTION PUT AND PASSED.

Articled Clerk Program – Legal, Municipal Clerk and External Affairs

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$113,900 for the Articled Clerk Program.

MOTION PUT AND PASSED.

New Full Time Employee – Legal Assistant – Legal, Municipal Clerk and External Affairs

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/20 budget with the addition of a new full-time employee – Legal Assistant at \$54,300.

MOTION PUT AND DEFEATED.

New Full Time Employee – Administrative Assistant (GREa) – Legal, Municipal Clerk and External Affairs

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/20 budget with the addition of a new full-time employee – Administrative Assistant (GREa) at \$76,700.

MOTION PUT AND PASSED.

Development of Social Policy Lens and Public Safety Goals – Legal, Municipal Clerk and External Affairs

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/20 budget with the addition of \$40,000 to develop a social policy lens and public safety goals with community partners.

MOTION PUT AND PASSED.

New Full Time Employee – Conflict Resolution/Respectful Workplace Specialist – Human Resources

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/20 budget with the addition of a new full-time employee – Conflict Resolution/Respectful Workplace Specialist at \$100,000.

MOTION PUT AND PASSED.

Senior Snow Program – Continue Service and Right Size Budget – Transportation and Public Works

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$100,000 to continue and right-size the budget for the Senior Snow program.

MOTION PUT AND PASSED.

Tree Planting/Pruning – Urban Forests Master Plan – Transportation and Public Works

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$400,000 for tree planning and pruning associated with the Urban Forest Master Plan.

The following amendment was proposed:

MOVED by Councillor Mason, seconded by Mayor Savage

THAT the Tree Planting/Pruning program be reduced to \$200,000 from \$400,000 for 2019/2020.

In response to a follow up question, Brad Anguish, Director of Transportation and Public Works advised that sufficient resources will be in place to continue with the inoculation of emerald ash species in HRM.

MOTION TO AMEND PUT AND PASSED.

The motion before Council now reads:

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$200,000 for tree planning and pruning associated with the Urban Forest Master Plan.

AMENDED MOTION PUT AND PASSED.

Winter Works Road Salt/Sand (continue to under fund)/Reduce Maintenance – Transportation and Public Works

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$712,500 for Winter Works, Road Salt/Sand and Maintenance.

MOTION PUT AND PASSED.

Moving Forward Together Plan Reduced Expected Service Changes – Eliminate Group B – Halifax Transit

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$679,000 for expected service changes associated with Group B – Moving Forward Together Plan.

MOVED by Councillor Hendsbee, seconded by Councillor Outhit

THAT Budget Committee request a supplementary staff report on raising the fare of Transit from \$2.75 to \$3.00.

MOTION PUT AND DEFEATED.

The question on the main motion was called.

MOTION PUT AND PASSED.

Paving of Sucker Brook Road – Transportation and Public Works/Capital

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$37,000 to pave Sucker Brook Road, Lower Sackville.

MOTION PUT AND DEFEATED.

North American Indigenous Games Facilitate HRM's commitment to the 2020 games

Denise Schofield, Director of Parks and Recreation provided clarification on the funding partnership between the Federal, Provincial and Municipal Governments noting that HRM's commitment of \$500,000 to be funded from the Marketing Levy Special Event Reserve.

In response to a question from the Budget Committee, Jane Fraser advised that the funding is reported as an over commitment as staff requires permission to access the reserve funds, pending receipt of an application from the event hosts.

MOVED by Councillor Mason, seconded by Councillor Nicoll

THAT the Budget Committee request a supplemental staff report regarding the North American Indigenous Games funding and business plan to be presented to Regional Council.

MOTION PUT AND PASSED.

Trail Maintenance Funding – Parks and Recreation

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$20,000 for trail maintenance funding.

MOTION PUT AND PASSED.

Parks Materials – Parks and Recreation

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$10,000 for Parks Materials.

MOTION PUT AND PASSED.

Net Change MDF Subsidy - Increased requests - Reallocation to P&R Budget to enable board-operated facilities to continue providing recreation programming – Parks and Recreation

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$164,000 to enable board-operated facilities to continue providing recreation programming (MDF Subsidy).

MOTION PUT AND PASSED.

Public Safety Initiatives to Build Community Mobilization Team Capacity – Parks and Recreation

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$45,000 for public safety initiatives to build community mobilization team capacity.

MOTION PUT AND PASSED.

Position Conversion (CUPE) Union contract clause – Parks and Recreation

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$60,000 for Canada Union of Public Employees (CUPE) position conversion.

MOTION PUT AND DEFEATED.

Arts Halifax Funding Enable increased support to Arts organizations – Parks and Recreation

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$150,000 in funding for Arts Halifax to enable increased support for arts organizations.

The following amendment was proposed:

MOVED by Councillor Mason, seconded by Councillor Whitman

**THAT the proposed funding commitment for Arts Halifax be reduced to \$75,000.
AMENDED MOTION PUT AND PASSED.**

The motion before the Budget Committee now reads:

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$75,000 in funding for Arts Halifax to enable increased support for arts organizations.

AMENDED MOTION PUT AND PASSED.

Current Planning: 2 Permanent Planner II positions – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of two permanent Planner II positions at \$180,000.

The following amendment was proposed:

MOVED by Councillor Mason, seconded by Councillor Smith

THAT the funding commitment be reduced to \$90,000 for one permanent Planner II position.

In response to follow up question, Kelly Denty, Director of Planning and Development clarified that the positions will be funded on an ongoing basis though anticipated revenue collected from development fees.

The amendment was withdrawn by the mover. The question was called on the main motion.

MOTION PUT AND PASSED.

Regional Planning: 2 Permanent Planner III positions – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of 2 permanent Planner III positions at \$192,000.

MOTION PUT AND PASSED.

Director's Office: 1 Term Report Controller position – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of One Term Report Controller position at \$80,000.

MOTION PUT AND PASSED.

Infrastructure Planning: 1 Permanent Transportation Demand Management Coordinator position – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of one permanent Transportation Demand Management Coordinator position at \$100,000.

MOTION PUT AND PASSED.

Buildings & Compliance: 7 Term Compliance Officer I positions + 1Term Supervisor (Parking Enforcement) – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of seven term Compliance Officer 1 positions (parking enforcement) at \$596,000.

MOTION PUT AND PASSED.

Buildings & Compliance: 2 Term Compliance Officer II positions (Other Enforcement)

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of two Term Compliance Officer II positions (other enforcement) at \$159,000.

MOTION PUT AND DEFEATED.

Water Quality Monitoring Program – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition \$150,000 for a Water Quality Monitoring Program.

MOTION PUT AND PASSED.

Rural Transit Funding – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$220,000 for Rural Transit programming.

MOTION PUT AND PASSED.

Accessible Taxi Trip Supplement – Planning and Development

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the proposed accessible taxi trip supplement be removed for consideration until 2020/2021 to complete ongoing work on the file.

MOTION PUT AND PASSED.

Navigator Program – Legal, Municipal Clerk and External Affairs

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$90,000 for the Navigator Program.

In response to a question from Budget Committee, Maggie MacDonald, Managing Director of Government Relations and External Affairs advised that the proposed funding for the navigator program is to study and address homelessness throughout HRM.

MOTION PUT AND PASSED.

Reduction of 4-8 Full Time Staff Positions – Halifax Public Libraries

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$350,000 for four to eight full time staff positions for Halifax Public Libraries.

MOTION PUT AND PASSED.

Program Funding to Enhance Food Literacy – Halifax Public Libraries

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$50,000 to enhance food literacy programming at Halifax Public Libraries.

MOTION PUT AND DEFEATED.

Program funding directed at reducing isolation within the community – Halifax Public Libraries

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$50,000 for programming related to reducing isolation within the communities.

MOTION PUT AND DEFEATED.

Station 45 (Fall River) additional 10 firefighters to increase service delivery to 24/7 from E Platoon – Halifax Regional Fire and Emergency Services

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$363,000 for ten additional firefighters for Station 45-Fall river to increase service delivery.

MOTION PUT AND PASSED.

Reverse reductions to services as required to meet 1.9% target – Halifax Regional Fire and Emergency Services

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$997,000 to reverse proposed reductions to services as required to meet the 1.9% target.

MOTION PUT AND PASSED.

Option "B" of volunteer record checks – Halifax Regional Police/HRM Fiscal Services

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$200,000 for option "B" for volunteer record checks.

MOTION PUT AND DEFEATED.

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

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$1,000,000 for a one-time capital contribution to the YMCA of Greater Halifax/Dartmouth for the purchase of a replacement YMCA facility.

In response to questions from Budget Committee, Schofield advised that the project is under construction, and the contribution from HRM would assist with the Capital campaign. If the request is not approved, the YMCA will have identified other revenue sources through its capital campaign.

In response to follow up questions, Schofield provided clarification on initiatives offered by the YMCA to assist those with limited or lower means with access to recreation programming.

MOTION PUT AND PASSED.

ICT – Partnership with VOLTA Labs– Finance and ICT

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$250,000 to establish a partnership with VOLTA Labs and HRM.

MOVED by Mayor Savage, seconded by Councillor Nicoll

THAT the funding commitment be reduced to \$125,000.

In response to a follow up question, Sarah Teal, Chief Information Officer, provided clarification on the proposed project work with VOLTA advising of opportunities to leverage and move data from a smart cities perspective and to allow students and interns to be exposed to the VOLTA environment.

MOTION TO AMEND PUT AND PASSED.

The motion before Budget Committee now reads:

MOVED by Councillor Nicoll, seconded by Councillor Whitman

THAT the Budget Committee direct staff to prepare the 2019/2020 budget with the addition of \$125,000 to establish a partnership with VOLTA Labs and HRM.

AMENDED MOTION PUT AND PASSED.

The motion before the Budget Committee now reads:

MOVED by Councillor Nicoll, seconded by Councillor Whitman

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) All proposed cost savings as outlined in the Revised Item No. 3 – Attachment A Budget Adjustment List by Unit; and**

iv) That the following program changes to the 2019/20 budget be funded through a 2.3% tax adjustment which would result in a \$42.00 (approximate) increase to the average tax bill:

- Articled Clerk Program - \$113,900
- Addition of a Full Time Employee – Administrative Assistant for Government Relations and External Affairs - \$76,700
- The development of social development measures for social policy lens and public safety goals - \$40,000
- Addition of a New Full Time Employee - Conflict Resolution/Respectful Workplace Specialist - \$100,000
- Partnership with HRM ICT Services and VOLTA Labs - \$125,000
- Continuation of the Senior Snow Removal Program - \$100,000
- Tree Planting / Pruning Program - \$200,000
- Winter Works Road Salt/Sand/Street Maintenance - \$712,500
- Moving Forward Together Plan Expected Service Changes – Group B - \$679,000
- One-time capital contribution to the YMCA of Greater Halifax/Dartmouth towards the purchase of a replacement YMCA facility - \$1,000,000
- Trail Maintenance funding - \$20,000
- Parks Materials funding - \$10,000
- Net Change to the Multi District Facility (MDF) Subsidy - \$164,000
- Public Safety Initiatives to Build Community Mobilization Team capacity - \$45,000
- Arts Halifax Funding to enable increased support to Arts organizations - \$75,000
- Current Planning: 2 Permanent Planner II position - \$180,000
- Regional Planning: 2 Permanent Planner III positions - \$192,000
- Director's Office: 1 Term Report Controller position - \$80,000
- Infrastructure Planning: 1 Permanent Transportation Demand Management Coordinator position - \$100,000
- Buildings & Compliance: 7 Term Compliance Officer I positions + 1 Term Supervisor (Parking Enforcement) - \$596,000
- Water Quality Monitoring Program - \$150,000
- Rural Transit Funding - \$220,000
- Navigator Program - \$90,000
- Reduction of 4-8 FTE staff positions Halifax Public Library - \$350,000
- Additional ten Firefighters for Station 45 (Fall River) to increase service delivery to 24/7 from E Platoon - \$363,000
- Reversal of proposed reductions to HRFE services as required to meet 1.9% target - \$997,000.

The following motion was proposed:

MOVED by Mayor Savage, seconded by Councillor Nicoll

THAT the 2019/20 Budget Adjustment List and direction to finalize the 2019/2020 Proposed Budget and Business Plans be deferred, pending a supplemental report, regarding the feasibility of re-allocating surplus funds to reduce the tax rate.

In response to questions from Budget Committee, Jane Fraser advised that the requested supplementary staff report, if approved, will push the final budget date out to the April 16, 2019 Regional Council to ensure quality assurance.

In response to a follow up question, Fraser advised that an additional \$1.9 million from the projected surplus would be required to reduce the tax rate to 1.9%.

MOTION TO DEFER PUT AND PASSED.

3.i) Navigator Suburban/Rural Pilot

The following was before Budget Committee of the Whole:

- A staff recommendation report dated February 19, 2019

Budget Committee agreed by consensus to deal with this matter at a future meeting of Halifax Regional Council. Please refer to page 2.

4. ADJOURNMENT

The meeting was adjourned at 4:28 p.m.

Kevin Arjoon
Municipal Clerk