



**BUDGET COMMITTEE
(STANDING COMMITTEE OF THE WHOLE ON BUDGET)
MINUTES
February 15, 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
Lisa Blackburn
Steve Craig
Tim Outhit

REGRETS: Councillors: Matt Whitman
Steve Streach

STAFF: Jane Fraser, CFO, Director of Finance, Asset Management & ICT
John Traves, Municipal Solicitor
Phoebe Rai, Legislative Assistant
David Perusse, 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 9:35 a.m., and recessed at 10:28 p.m. Budget Committee reconvened at 10:34 p.m. Budget Committee adjourned at 11:41 p.m.

1. CALL TO ORDER

Councillor Karsten, Chair, called the meeting to order at 9:35 a.m. in Council Chamber, 3rd Floor City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES – January 16, 2019

MOVED by Councillor Blackburn, seconded by Mayor Savage

THAT the minutes of January 16, 2019 be approved as presented.

MOTION PUT AND PASSED.

3. Halifax Regional Police – Deferred from January 23, 2019

The following was before Budget Committee of the Whole:

- A recommendation report from the Chair of the Board of Police Commissioners, dated February 13, 2019, with attached Halifax Regional Police 2019/20 Multi-year Budget and Business Plan Presentation
- A handout titled "Historical Statistics of Police Budget/Total Municipal Budget"
- A handout titled "The Extra Working Days in 2019/2020"
- A handout titled "Halifax Regional Police 2019/2020 Operating Budget Compensation Pressures Breakdown"

Commissioner Steve Craig, Chair, Board of Police Commissioners, provided introductory remarks on behalf of the Board of Police Commissioners, and provided the Committee with an overview of the supplementary handouts requested at the January 23, 2019 meeting of the Budget Committee.

Chief Jean-Michel Blais, Halifax Regional Police (HRP) and Inspector Don Moser, Halifax Regional Police, provided the Budget Committee with a presentation and overview of the revised HRP 2019/2020 Budget and Business Plan. The revised 2019/2020 budget scenario based on a 1.9% tax increase results in a proposed HRP net operating budget of \$89,270,000 for 2019/2020.

In outlining the specific changes from the 1.9% budget scenario from the 2.9%, Chief Blais noted the following:

- **Biological Casework Analysis Agreement** – Budget pressure reduced to \$9,400;
- **Removal of Secondment for 6 Months Related to International Missions** – The secondment would proceed, and the budget pressure would be removed;
- **Miscellaneous Cost Recovery Increases** – Increases resulting from additional amounts received for 911 services through Integrated Emergency Services, in airport policing and extra duty assignments. This amount was increased to \$283,900;
- **Vacancy Management** – This amount was increased to \$323,100 as a result of an anticipated increase of the vacancy rate;
- **Outside Policing** – Credited amount based on an examination of a downward trend in expense in past years. This amount was increased to \$83,600;
- **External DNA Analysis** – Credited amounts based on an examination of a downward trend in expense in past years. This amount was increased to \$50,000;
- **Police Specific Software Licensing and Maintenance** – Credited amounts based on an examination of a downward trend in expense in past years. This amount was increased to \$18,000;

- **Security (Access Control/CCTV/Cameras, etc.)** – Credited amounts based on an examination of a downward trend in expense in past years. This amount was increased to \$59,100;
- **Equipment Repairs & Maintenance** – Credited amounts based on an examination of a downward trend in expense in past years. This amount was increased to \$40,000.

Chief Blais further noted that the proposed 1.9% tax increase budget scenario results in no changes to the number of HRP personnel or the overall services that are provided.

Councillor Karsten called three (3) times for members of the public to address Budget Committee; there were none.

The following deferred motion was on the floor from the January 23, 2019 meeting of the Budget Committee:

MOVED by Mayor Savage, seconded by Councillor Blackburn

THAT the Budget Committee direct staff to proceed to prepare the 2019/20 multi-year Halifax Regional Police Budget and Business Plan, as proposed in the accompanying presentation, consistent with the preliminary fiscal direction but with additional funds required as specified.

MOVED by Councillor Walker, seconded by Councillor Smith

THAT the motion on the floor from January 23, 2019, be amended to refer to the presentation on the revised Halifax Regional Police 2019/2020 Operating Budget, attached to the report dated February 13, 2019 from the Chair of the Halifax Police Board of Commissioners, and consistent with the amended motion of January 23, 2019.

Prior to dealing with the amendment, the Budget Committee discussed the information report dated February 6, 2019, concerning options for the elimination of fees for criminal record checks.

MOVED by Councillor Walker, seconded by Councillor Hendsbee

THAT the Budget Committee direct that Option B in the information report dated February 6, 2019, to eliminate fees for criminal record checks for volunteers and students (\$200,000) be added to the Parking Lot (Budget Adjustment List) for consideration.

John Traves, Municipal Solicitor advised that Council only has the authority to approve a global budget envelope for the Halifax Regional Police, and cannot direct how those funds are to be used.

The Committee suggested that as an alternative to simply adding a lift to the Halifax Regional Police budget, Council might consider setting up a refund program for criminal record checks for volunteers and students operated through HRM, rather than through the Halifax Regional Police.

The Budget Committee requested that if the matter comes back to the Committee when considering the Parking Lot, that staff provide information regarding options to develop a program to eliminate fees related to criminal record checks for volunteers and students. Jane Fraser, Chief Financial Officer, advised that such a request would require a full report outlining a proposed policy, which would likely not be completed in time for the Parking Lot discussions. Fraser suggested that if the Committee chooses to pursue Option B for criminal record checks, that \$200,000 be set aside from the budget and a report provided to Regional Council for consideration at a later date.

MOTION PUT AND PASSED.

The Budget Committee returned to consideration of the proposed amendment relating to the Halifax Regional Police 2019/2020 operating budget.

MOTION TO AMEND PUT AND PASSED.

The Budget Committee recessed at 10:28 a.m. and reconvened at 10:34 a.m.

The motion before the Budget Committee was as follows:

MOVED by Mayor Savage, seconded by Councillor Blackburn

THAT the Budget Committee direct staff to proceed to prepare the 2019/20 multi-year Halifax Regional Police Budget and Business Plan, as proposed in the presentation on the revised Halifax Regional Police 2019/2020 Operating Budget, attached to the report dated February 13, 2019 from the Chair of the Halifax Police Board of Commissioners, and consistent with the preliminary fiscal direction as well as the amended motion of January 23, 2019.

MOTION PUT AND PASSED AS AMENDED.

4. Fiscal and Consolidated Accounts

The following was before Budget Committee of the Whole:

- A staff recommendation report dated January 28, 2019 with attached Fiscal and Consolidated Accounts 2019-20 Budget Presentation and Corporate Accounts 2019-20 Business Plan and revised slide 23 of Attachment A

Jane Fraser, Chief Financial Officer, and Bruce Fisher, Manager, Financial Policy and Planning, provided a presentation and overview of HRM Fiscal and Consolidated Accounts, as well as the proposed 2019/20 and 2020/21 Multi-Year Fiscal and Consolidated Accounts Budget and Business Plan. The presenters outlined a proposed 2019/2020 net operating budget of \$445,512,900 for Fiscal and Consolidated Accounts.

Fisher additionally provided the Budget Committee with an update relating to staff's work on options for the commercial tax structure, noting that a final recommendation report is expected to come before the Committee of the Whole in the Spring of 2019.

Councillor Karsten called three (3) times for members of the public to address Budget Committee; there were none.

MOVED by Mayor Savage, seconded by Councillor Nicoll

THAT the Budget Committee direct staff to:

- 1. Proceed to prepare the 2019-20 Fiscal and Consolidated Accounts, as proposed in the accompanying revised presentation and consistent with the preliminary fiscal direction,**
- 2. Adjust Capital from Operating to \$32.8 million (excluding Transit contribution), as the operating contribution to the Capital Budget.**
- 3. Maintain Tax-Supported Debt declining at 3 per cent per household per year, as per the Multi-Year Financial Strategy.**

Responding to questions from members of the Budget Committee, Fraser and Fisher noted that an unanticipated additional \$3.4 million was received as a result of the assessment increase; further noting that they expect to apply this amount when examining the Parking Lot (Budget Adjustment List).

Speaking to the Commercial Tax Structure report, Councillor Mason requested that when the report comes forward, that it provides alternatives that allow for a combination of options for commercial tax structures, rather than only choosing one of the options over the others.

Mayor Savage requested that when the Budget Committee comes back to discuss the Parking Lot (Budget Adjustment List), that staff provide the Committee with an update on reserves.

MOTION PUT AND PASSED.

5. ADJOURNMENT

The meeting adjourned at 11:41 p.m.

Kevin Arjoon
Municipal Clerk