

AUDIT AND FINANCE STANDING COMMITTEE  
MINUTES

March 20, 2013

PRESENT: Councillors: Bill Karsten, Chair  
Russell Walker, Vice Chair  
Mayor Mike Savage  
Gloria McCluskey  
Barry Dalrymple  
Stephen Adams  
Lorelei Nicoll

REGRETS: Linda Mosher  
Tim Outhit

Guest Councillors: Waye Mason  
Jennifer Watts  
David Hendsbee

STAFF: Mr. Greg Keefe, Director of Finance and Information,  
Communications & Technology/CFO  
Ms. Karen Brown, Legal Services  
Mr. Matt Godwin, Legislative Assistant

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**1. CALL TO ORDER**

The Chair called the meeting to order at 9: 36 a.m. in Halifax Council Chambers, Halifax City Hall.

**2. APPROVAL OF MINUTES – February 27, 2013**

**MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the minutes of February 27, 2013 be approved as presented. MOTION PUT AND PASSED.**

**3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS**

Addition:

- 13.1 In Camera – Personnel.

**MOVED by Councillor Nicoll, seconded by Walker that the agenda, as amended, be approved. MOTION PUT AND PASSED.**

**4. BUSINESS ARISING OUT OF THE MINUTES – NONE**

**5. MOTIONS OF RECONSIDERATION – NONE**

**6. MOTIONS OF RECISION – NONE**

**7. CONSIDERATION OF DEFERRED BUSINESS – NONE**

**8. CORRESPONDENCE, PETITIONS & DELEGATIONS – NONE**

**9. REPORTS**

**9.1 STAFF**

**9.1.1 Audit of Financial Statements – Sackville Sports Stadium**

The report, dated March 8, 2013, was before the committee.

Finance and KPMG staff responded to questions noting that audits will be eliminated given that the Sackville Sports Stadium, which is no longer managed by a board, will be audited through staff operations.

KPMG staff noted that not much has changed since last year, but changes to public sector accounting standards may lead to small changes in measurement. Staff

conducted interviews to assess fraud risk and will highlight any issues, but they are not aware of any at this time.

**MOVED by Councillor Walker, seconded by Councillor Adams that the Audit and Finance Standing Committee recommend that Halifax Regional Council:**

- 1. approve the attached planning report for the Audit of HRM's financial statements as prepared by KPMG;**
- 2. approve the elimination of the Audit of the financial statements for the Sackville Sports Stadium; and,**
- 3. approve the attached planning report for the Review of the financial statements for the Sackville Sports Stadium as prepared by KPMG.**

**MOTION PUT AND PASSED.**

#### **9.1.2 Advanced Approval for 2013/2014 Project Budget**

The report, dated February 20, 2013, was before the committee.

**MOVED by Councillor Walker, seconded by Councillor Nicoll that the Audit and Finance Committee approve advanced capital funding for 2013/2014 in the amount of \$13,889,500 as per the Financial Implications section of this report.**

Councillor McCluskey asked staff what they edited in the original report and Mr. Keefe, CFO, responded that staff changed the wording to the recommendation to ensure it reflects the powers of the committee.

The Mayor asked if staff are engaged in conversations with Saint Mary's University and Dalhousie University and Mr. Brad Anguish, Director of Community & Recreation Services, indicated that they were.

**MOTION PUT AND PASSED.**

#### **9.1.3 Community and Recreation Services – Budget Presentation**

Mr. Brad Anguish, Director of Community & Recreation Services, presented the committee with his 2013/14 budget presentation. Mr. Anguish gave background on the services provided by his business unit and explained that his budget focuses on a number of Council's priorities including healthier communities and fostering economic development. His surplus, which is roughly \$2.5 million, is derived largely from increased revenue and vacancies.

Councillor Watts entered the meeting at 10:06 a.m.

In particular, Mr. Anguish highlighted: Facilities pressure on the peninsula; a need to do an extensive review of HRM's parks, and that staff are planning for significant alterations to the Dartmouth Sportsplex. He also presented options for new and expanded services. Mr. Anguish noted that the Grants framework is under review.

Councillor Mason entered the meeting at 10:07 a.m.

The Chair thanked staff for their work on the budget.

Councillor Nicoll also commended staff on their work and asked if the government relations and external affairs focus is under the purview of the CAO, with Mr. Anguish responding that it is being led by Chris Bryant and staff will also be working with the Greater Halifax Partnership in this area.

Councillor McCluskey asked if Councillors will be getting a more detailed budget and Mr. Greg Keefe, CFO, responded that the traditional budget book is scheduled for the April 24, 2013 Audit and Finance Standing Committee meeting.

Councillor McCluskey asked if Park Patrol patrol on foot and Mr. Anguish indicated they do.

Councillor McCluskey asked for details on the \$2.7 million in external services and staff indicated they will provide that information to the Councillor.

Councillor McCluskey indicated she was glad to see money for youth and asked if the cultural inventory will include Burnside artifacts. Mr. Anguish responded that initiative will include those items.

Councillor McCluskey further asked about the Sullivan's Pond totem pole, which is falling down and Ms. Denise Schofield, Manager, responded that a number of monuments will be under review and can report back on that specific one.

Councillor Walker expressed his support for Destination Halifax and asked staff if new staff additions can shorten approval timeframes to six months.

Mr. Anguish responded that staff are off their service levels. On development agreements, his unit has a standard of eight months, would like to get to six months, but are currently performing at 11 months. The delays are due to staffing shortages, but also to changes in policy which can lead to barriers his staff have to work around.

Councillor Walker asked if six new staff positions are enough, given that there may be a delay getting new interns up to speed. The extensive waiting time is unacceptable. Mr. Anguish noted that bringing in nine new staff is as many as his unit can manage. Part of the strategy is to ensure the Regional Plan moves many agreements into as-of-right processes.

Councillor Walker noted there should be money for the bylaw expansion to allow for 24/7 service and also for the spay and neuter program. Mr. Anguish advised he expects these to be addressed at Regional Council on April 16, 2013.

The Mayor echoed Councillor Walker's comments on development approvals and congratulated the work done by staff on putting together this budget. The Mayor asked staff for more information on the Jumpstart program. Mr. Anguish responded that they are expanding the program. When the Oval received confirmed funding from Canadian Tire and this allowed HRM to contribute its own funding.

The Mayor also asked about Soul-Strong and the youth advocate program. Mr. Anguish responded that a report will be coming forward addressing this and he committed to continuing program funding and expanding its reach to North Preston. Staff sought funding from other levels of government and found none.

The Mayor indicated he was pleased to see funding for the arts and pointed to the \$200,000.00 for accessibility upgrades and asked if staff have found benchmarks for HRM's progress.

Mr. Ken Reashor, Director, Transportation and Public Works, responded that there is nothing on benchmarking, but staff use applicable standards and communicate with a number of organizations with respect to accessibility.

Speaking on behalf of Councillor Hendsbee, the Mayor asked what staff are doing to enhance the contribution plan for facility lease agreements. Ms. Schofield responded that staff are in the process of reviewing this item. Staff are working to ensure what staff provide is balanced before they return to Council on it again.

Councillor Dalrymple said he was pleased to hear staff recognize that development in rural areas is dragging and points to the lengthy delays being faced by the Beaverbank Lions Club. He also noted that Council will be paying attention to possible delays over the reduction in service in HRM's Sackville office.

Mr. Anguish iterated that the Acadia office has not closed, but have consolidated services. A new focus on multi-residential and commercial applications has posed skillset challenges that staff are working to address. Staff will be connecting with Councillors to make sure the Acadia office serves residents' needs.

Councillor Dalrymple indicated he was pleased to see a focus on unstructured play and asked staff to expand on this term. Mr. Anguish pointed to consultations in Cole Harbour where residents expressed a desire to have facilities which they don't have to book or pay for and noted the success of the Oval as an example of this. Councillor Dalrymple noted many school gyms sit empty while organizations are seeking access, with Mr. Anguish responding that many of these decisions are in the hands of the school boards. Staff are working with partners to find solutions.

Councillor Watts asked if the freezing of rates will lead to a reduction in programming and spoke to the closure of schools in the North End, which will reduce gym space. She also questioned staff on the usage of parks and if green space is keeping up with development. Staff should consider waiving recreation fees for affordable housing units and she indicated that the inclusion program needs to be protected.

Mr. Anguish will bring the housing point to staff's attention. He further responded that staff are focusing on green space programming and are analyzing the usage of parks to ensure spending is directed effectively. He also responded that funding for the inclusion program will remain at the same level.

Councillor Mason echoed Councillor Walker's comments with respect to staff resources managing development applications, noting that the compliment is the same as two years ago, and yet the volume of work and revenue is much higher. He also noted there aren't enough staff working on heritage districts.

Mr. Anguish responded that the planning policy will speed this up by allowing more as-of-right applications. Staff are also stream-lining the process by consolidating boards and councils, noting that skillsets are changing and staff are recruiting.

Councillor Mason asked if staff are considering using outside resources during the approval process and Mr. Anguish responded that staff will explore this.

Councillor Nicoll highlighted her experience as a volunteer with respect to unstructured play and noted this is why the Cole Harbour Festival is such a success. She noted the importance of the Soul Strong Program, but asked staff to consider the Cherry Brook community when implementing it. Staff should also consider partnering with the volunteer trail groups for the Adventure Earth program. Staff should ensure there is no service reduction due to the transfer of staff and Mr. Anguish assured there will be no service reduction in the Lower Sackville office.

Councillor Dalrymple indicated his concern that staff have not put forward any projects or initiatives for his district, nor for any other rural areas in HRM. He noted his appreciation that staff are working on rural economic development, but would like details.

Councillor Hendsbee entered the meeting at 11:07 a.m.

Councillor McCluskey asked about young people in housing developments who are not being given access to recreation and asked staff to provide information on how HRM can engage these young people. Mr. Anguish indicated that the youth-at-risk program combines with the recreation program to form a hybrid-focus.

Councillor Hendsbee cited the importance of ensuring new developments in his area also include the building and management of rural sidewalks as well as active transportation paths. In the same vein, he also indicated the need to connect with the

province on road paving as there is a need to approach this issue proactively. He noted that the tax structure needs to change to support recreational facilities.

Mr. Anguish responded that the Mayor asked his question on tax structure and indicated staff will get back to him on it. There is an outstanding report to the CFO as well.

Mr. Reashor noted shoulder paving is taking place.

**MOVED by Councillor Nicoll, seconded by Councillor McCluskey that the Audit and Finance Committee direct staff to proceed to prepare the Community & Recreation Services Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided through the committee discussion on March 20, 2013, for inclusion in the proposed HRM 13/14 Budget and Business Plan documents. MOTION PUT AND PASSED.**

The Audit and Finance Standing Committee recessed at 11:22 a.m.

#### **9.1.4 Fire Services – Budget Presentation**

The standing committee returned at 11:28 p.m.

Chief Doug Trussler, Fire Services, presented the 2013/14 draft budget for his business unit.

The Chief gave an overview of his services, their standards, the business unit's new revenue opportunities, vacancies, rural operations and his priorities.

The Chief also indicated issues with recruiting volunteers and highlighted the need for a proper Fire Services training centre.

Councillor Karsten asked if the professional development certification is expected to be done in one year and the Chief responded that it's a continuation, beginning with decision commanders, and then being phased in to the captains and other officers.

Councillor McCluskey asked if the Chief plans to do any hiring this year and the Chief responded that there are currently four outstanding vacancies and may have as many as fifteen this year. He indicated hiring depends on the outcome of this budget.

Councillor McCluskey asked about the response time and the Chief noted their rural response time is ten minutes, which they reach about 90% of the time.

Councillor McCluskey asked who Fire Services provides cost inspections for and the Chief responded that it is mostly daycare sites and liquor licenses.



Councillor Dalrymple asked about the length of time for an inspection and the Chief responded that it depends on the occupancy, noting that staff will be starting with liquor licenses and daycares.

Councillor Dalrymple asked about the future of the fire station in Elderbank and asked if the community will be given the opportunity to use it. Mr. Mike Labrecque, Deputy CAO, indicated the disposal of this property will be guided by the upcoming property disposal policy.

With respect to the training centre, Councillor Dalrymple asked if staff are considering partnering with the fire school in Waverley. The Chief indicated they have not yet, but would be willing to as the process goes forward.

**MOVED by Councillor Walker, seconded by Councillor McCluskey that the Audit and Finance Standing Committee amend the motion on the floor to include professional development, emergency communications and the training centre. MOTION PUT AND PASSED.**

Councillor Hendsbee asked if there are contractual requirements to have Fire Services staff living within their jurisdiction and what the status of the fire boat is at present.

The Chief responded that division managers will be required to live in their jurisdiction and that the deployment of such resources is under review and staff are looking at possibilities.

Councillor Hendsbee asked for clarification on which fire stations are being closed with the Chief responding and noting that all closures will be covered by nearby stations.

**MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the Audit and Finance Standing Committee direct staff to proceed to prepare the Fire and Emergency Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction, provided through the committee discussion on March 20, 2013 for inclusion in the proposed HRM 13/14 Budget and Business Plan documents. The Committee recommended that the costs for professional development, emergency communications and a training centre, be added to the budgets as indicated. MOTION PUT AND PASSED.**

#### **9.1.5 Halifax Regional Police / RCMP – Budget Presentation**

Mr. Greg Keefe, CFO, reported that the HRP budget has been before the Board of Police Commissioners, which gave its advice on the details of the budget.

Halifax Regional Police Chief Jean-Michel Blais presented his draft budget presentation to the committee.

Chief Blais provided background on the business unit, an overview of the operating budget, changes to staffing levels and his priority initiatives.

The Chief further spoke to the need for the creation of a new police headquarters, his participation in the Mayor's Roundtable on Violence and indicated his goal to reduce crime by 3%. There has been only one homicide in Halifax this year. He noted the HRP needs greater investigative capacity and the budget document speaks to this. It also speaks to the desire to reinvigorate a weapons exchange program and reducing court time for officers.

**MOVED by Councillor Dalrymple, seconded by Councillor Nicoll that the Audit and Finance Committee direct staff to proceed to prepare the Halifax Regional Police Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided through the committee discussion on March 20, 2013 for inclusion in the proposed HRM 13/14 Budget and Business Plan documents. MOTION PUT AND PASSED.**

Councillor Dalrymple thanked the Chief and encouraged all members to visit the HRP/RCMP offices. He also congratulated both bodies on the release of the crime mapping website and the blotter initiative.

Councillor McCluskey asked how many community response officers are currently working and the Chief responded that he doesn't have the number exactly, but certainly no less than last year.

Councillor McCluskey asked about vacancies and the Chief responded that one person has been promoted and four others retired. The Chief further indicated he is seeking to hire between three and six officers.

Regarding the potential move to another headquarters, Councillor Walker asked if the Chief is considering any locations at present and the Chief responded that the process is still in the early stages as a part of the ten year plan. It will likely be part of the 2014/2015 budget submission. The HRP cannot be in the same location.

Councillor Walker asked if the Chief has what he needs with respect to funding and the Chief responded he did.

Councillor Nicoll asked the Chief what he intends to do with respect to community engagement and if he expects to have roundtables. She also asked how much use the police non-emergency number gets and if there is room to improve.

The Chief responded that he is encouraging two-way communication via social media and to allow the public to use online reporting. He also noted he would like 311 to be able to take these reports. With respect to public consultation, there will be a focus on this in the ten year strategic plan, but couldn't commit to the form it would take.

Councillor Karsten referenced the presence of guns on the street and the different models in Canada and the United States. He asked if guns still come from the United States into Canada.

The Chief indicated staff do background checks on weapons and notes that most weapons used in crime are stolen from lawful owners in Canada, not trafficking from the United States.

Councillor Dalrymple indicated Councillors will be actively seeking sponsors to encourage turning in firearms.

Councillor Adams asked how HRP quantifies local guns being used illicitly and the Chief responded that when they seize any weapon they do a background check.

## **9.2 MEMBERS OF THE STANDING COMMITTEE**

### **9.3 OFFICE OF THE AUDITOR GENERAL – NONE**

## **9.4 SUB-COMMITTEES**

### **9.4.1 Grants Committee**

#### **9.4.1.1 Request for Funding Increase to T-229 Budget**

**MOVED by Councillor Walker, seconded by Councillor McCluskey that the Audit and Finance Committee recommend that Halifax Regional Council approve an increase to the T-229 budget, in the amount of \$250,000 to help cover some of the costs of the deferred programs in the January 22, 2013 staff report. MOTION PUT AND PASSED.**

Councillor Hendsbee asked about tax exemptions and the Chair indicated that this was addressed at Regional Council.

#### **9.4.2 Investment Policy Advisory Committee**

##### **9.4.2.1 Investment Policy Advisory Committee Report – Quarters ending September 30, 2012 & December 31, 2013.**

**MOVED by Councillor Walker, seconded by Councillor Nicoll that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item. MOTION PUT AND PASSED.**

##### **9.4.2.2 Investment Activities – Quarter Ending September 30, 2012**

**MOVED by Councillor Walker, seconded by Councillor Nicoll that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item. MOTION PUT AND PASSED.**

**9.4.2.3 Investment Activities – Quarter Ending December 31, 2012**

**MOVED by Councillor Walker, seconded by Councillor Nicoll that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item. MOTION PUT AND PASSED.**

**9.4.3 Special Events Advisory Committee – NONE**

**10. MOTIONS – NONE**

**11. NOTICES OF MOTION – NONE**

**12. ADDED ITEMS – NONE**

**MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the Audit and Finance Standing Committee move In Camera to discuss a Personnel matter. MOTION PUT AND PASSED.**

The public portion of the meeting was closed at 12:50 p.m.

**13. IN CAMERA**

**13.1 Personnel**

This matter was dealt with In Camera.

**14. NEXT MEETING DATE – April 3, 2013**

**13. ADJOURNMENT**

The meeting was adjourned at 1:25 p.m.

Matt Godwin  
Legislative Assistant

**INFORMATION ITEMS**

1. Plan Alignment with Priorities Update