



P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 10.1.3**  
**Halifax Regional Council**  
**January 25, 2011**

**TO:** Mayor Kelly and Members of Halifax Regional Council

Original Signed by

A handwritten signature in black ink, appearing to be "W. Antsey", written over a horizontal line.

**SUBMITTED BY:**

Wayne Antsey, Acting Chief Administrative Officer

Original Signed by

A handwritten signature in black ink, appearing to be "M. Labrecque", written over a horizontal line.

Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** December 8, 2010

**SUBJECT:** Reserve Business Case - Q205 Police Vehicles

**ORIGIN**

Staff

**RECOMMENDATION**

It is recommended that Halifax Regional Council approve the revised Reserve Business Case Q205 Police Vehicles as per the Budget Implications and attachment to this report.

## **BACKGROUND**

The purpose of the Police Vehicle Reserve was originally to provide for the replacement of Police Service vehicles as they reached the end of their useful life. The funding was budgeted in Fiscal Services and then appropriated to the Police Vehicle Reserve - Q205. In 2008, the budget process was streamlined. Police vehicles were budgeted in capital projects for marked and unmarked cars. This provided a more straightforward process.

## **DISCUSSION**

In 2000, a contract was entered into whereby Halifax Regional Police (HRP) assumed policing responsibilities for the Port of Halifax. Transition funding was provided for the changeover from Ports Canada policing to policing by Halifax Regional Police. Currently, there is \$64,847.47 in the balance sheet account, HROP- 2124. HRP would like to transfer these funds to the Police Vehicles and Equipment Reserve and revise the intent of the reserve to include specialized equipment for the Port and any related training requirements. This revision will ensure the funding is available for future purchases when needed.

## **BUDGET IMPLICATIONS**

Budget Summary Q205, Police Vehicle & Equipment Reserve	
Per Nov balance	\$ 283,160
Pending Council report for lease buyout	( 65,089)
Account 2124 - Ports Canada Transfer Fund	<u>64,847.47</u>
Total	<u>\$282,918.47</u>

## **FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation. If approved, this report will increase the Reserves balance in 2010/11.

## **ALTERNATIVES**

Council could choose not to revise the business case. This is not recommended.

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**COMMUNITY ENGAGEMENT**

N/A

**ATTACHMENTS**

Revised Reserve Business Case - Q205 Police Vehicle & Equipment Reserve

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Tony Burbridge, Deputy Chief of Police

Report Approved by: Frank Beazley, Chief of Police, 490-6500

Report Approved by: Cathie O'Toole, CGA, MBA, Director of Finance, 490-6308

# Reserves Business Case

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Halifax Regional Municipality • Corporate Services • Finance Division • 490-4446 • Fax: 490-4175

**Date:** March 20, 2000

**Revised:** January 18, 2011

**Contact:** Chief of Police

## **Police Vehicles & Equipment Reserve - Q205**

### **Purpose**

To provide for the purchase of specialized equipment, i.e. for Ports Policing and related training, to provide funding for the purchase of police vehicles and equipment with a useful life of less than 10 years which are not budgeted for in the Police Fleet project budget, and the replacement of police vehicles in the event of a catastrophic loss. As at date of publication there are approximately 144 Marked Vehicles and 130 Unmarked Vehicles with a total replacement cost of approximately \$9.5 million. In the event of a catastrophic loss of vehicles it is anticipated this reserve could be used for the immediate replacement of vehicles. This would not subject the capital project for Police vehicles to undue hardship. As part of the transition in the purpose for this reserve, there are a number of vehicles which are currently leased, for which a buyout analysis is being considered. If this proves to be the best option, funding from this reserve would be utilized.

### **Source of Funds**

Continued funding of the Reserve would be through the sale of surplus vehicles, equipment and from interest paid to the reserve. In any given year a transfer from Fiscal Services could be utilized as a funding source.

### **Application of Funds**

The Reserve is primarily intended to provide funding for the purchase of vehicles,

equipment and Ports Policing equipment and related training with a useful life of less than 10 years which are not budgeted for in the Police Fleet project budget.

### **Time Line**

Ongoing with annual review.

### **Approval Process**

All requests for funding from this Reserve must be initiated by the Chief of Police. Finance is responsible for ensuring availability of funds and appropriateness of expenditures in accordance to the Reserve Policy and Business Case. These approvals are primarily done through the annual budget process or on an individual basis prior to being approved by Council.

### **Recommendation**

It is recommended that this reserve be used to fund the purchase of Police vehicles and equipment, Ports Policing equipment and related training with a useful life of less than 10 years.

### **Attachments**

Projected balances and transactions for the years 2009/10 through 2012/13.

### **Approval**

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CAO

**Police Vehicles Reserve - Q205**  
**Source and Application of Funds**  
**Beginning in Fiscal Year 2010/11**

	<b>Actuals</b> <b>2009/10</b>	<b>Projections&gt;&gt;&gt;&gt;&gt;</b>		
		<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
Opening Balance	194,169	254,896	279,757	296,150
Transfer from Account 2124	-	64,847		
Proceeds from Disposals (estimated from 10/11 forward)	59,166	17,456	48,000	48,000
Withdrawals	-	65,089	- 40,000	- 40,000
Interest Earned*	1,561	7,647	8,393	8,885
Closing Balance	254,896	279,757	296,150	313,035

\* Projected interest rate 3%