



**HALIFAX REGIONAL COUNCIL
COMMITTEE OF THE WHOLE MINUTES
March 31, 2015**

PRESENT: Deputy Mayor Lorelei Nicoll
Councillors: Barry Dalrymple
David Hendsbee
Bill Karsten
Gloria McCluskey
Darren Fisher
Waye Mason
Jennifer Watts
Linda Mosher
Russell Walker
Stephen Adams
Reg Rankin
Matt Whitman
Brad Johns
Steve Craig
Tim Outhit

REGRETS: Mayor Mike Savage

STAFF: Mr. Richard Butts, Chief Administrative Officer
Mr. John Traves, Municipal Solicitor
Ms. Cathy Mellett, Municipal Clerk
Mr. Liam MacSween, Legislative Assistant

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

*A video recording of this meeting is available:
http://archive.isiglobal.ca/vod/halifax/archive_2015-03-31_live.mp4.html*

*The agenda, supporting documents, and information items circulated to Council are available online:
<http://www.halifax.ca/council/agendasc/150331cow-Agenda.php>*

The meeting was called to order at 10:00 a.m., and recessed at 12:00 p.m. Committee of the Whole reconvened in at 1:15 p.m. and adjourned at 2:51 p.m.

1. CALL TO ORDER

Councillor Karsten, Chair called the meeting to order in Council Chambers, 3rd Floor, 1841 Argyle Street, Halifax.

2. APPROVAL OF THE MINUTES – NONE

3. Fire Services Operational Review – 2014 Update

- i) Staff Supplementary Information Report
- ii) Staff Supplementary Information Report

This matter was discussed under Item Number 4. Please see page 2.

4. Halifax Regional Fire and Emergency – Proposed 2015/16 Budget and Business Plan

The following was before the Committee of the Whole:

- An extract of draft minutes from March 10, 2015
- A recommendation report from the Executive Standing Committee dated December 15, 2014, with attached staff recommendation report dated December 15, 2014
- A staff presentation “Evolving the Fire Service: An Operational Review”
- A staff presentation “Evolving the Fire Service: An Operational Review Implications of Proposed Amendments”
- A recommendation report dated February 6, 2006
- A supplementary Information Report dated January 19, 2015
- Questions and Answers omitted in error from the Supplementary Information report dated January 19, 2015
- A supplementary Information report dated March 19, 2015
- A copy of the Fire Stations Reports prepared by Opta Information Intelligence
- A staff report dated March 9 2015 entitled “Proposed 2015/16 Fire and Emergency Business Unit Budget and Business Plan” with attached presentation

Councillor Karsten requested that the Municipal Clerk read the motion that was on the floor from March 10, 2015 and is before Committee of the Whole and noted that a vote will take place for each item after debate on the matter has ceased.

Ms. Cathy Mellett, Municipal Clerk, read the following motion which was before Committee of the Whole for consideration:

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole:

- 1. Endorse the 5-Year Technology Roadmap objectives in the Discussion section of the staff report dated December 15, 2014 and include the year one objectives (Data Management and Process Review, HRFE Dispatch Project, and HRFE FDM Review and Enhancements) in the 2015/2016 capital budget.**
- 2. Endorse the consolidation of equipment, career personnel and volunteer personnel in the core fire stations, to more effectively deliver fire services, and authorize staff to decommission Stations 4 (Lady Hammond), 11 (Patton Road) and 13 (King Street).**
- 3. Authorize staff to initiate the process to improve and increase coverage by relocating Station 8 to the area between the 102 and 101 intersections and Bedford Commons, and construct a new station on Larry Uteck Drive.**

4. **Authorize staff to investigate partnership opportunities with Halifax Stanfield International Airport to improve service delivery.**
5. **Endorse the following:**
 - (a) **Improve the rural fire response by:**
 - i. **maintaining E Platoon complements, as per the Discussion section of the staff report dated December 15, 2014 and as set out in Attachment 1 (proposed staffing model);**
 - ii. **increasing career staff to four in major rural stations; and**
 - iii. **investigating options to transition Station 28 (Sheet Harbour) to E Platoon staffing level.**
 - (b) **Maintain 24/7 Volunteer staffing, as per the Discussion section of the December 15, 2014 staff report and as set out in Attachment 1 (proposed staffing model).**
 - (c) **Decommission volunteer sub-stations 25 (Ostrea Lake-Pleasant Point), 31 (East Ship Harbour), 36 (Meaghers Grant), and 43 (Grand Lake - Oakfield).**
 - (d) **Maintain the existing fire coverage MOU with Enfield.**
 - (e) **Investigate entering into fire coverage MOUs with communities bounding Halifax Regional Municipality, including Hubbards and Ecum Secum.**
 - (f) **Continue volunteer recruitment initiatives.**
6. **Direct staff to return to Council with a revised Fire Service Delivery Target and Administrative Order 24 no later than March 2016, following further detailed analysis of the 2006 Service Delivery Standard.**
7. **Direct staff to proceed to prepare the 2015/2016 Halifax Regional Fire & Emergency Business Unit Budget and Business Plan as proposed in the accompanying presentation, incorporating any additional direction provided by motion or motions of Committee of the Whole, including any budget implications associated with the reinstatement of services at the Black Point Fire Station, for inclusion in the proposed HRM 15/16 Budget and Business Plan documents.**
8. **That Halifax Regional Council direct that any additional costs related to the Fire Services Review – 2014 be applied to the general tax rate as an increase to the tax rate targets provided to staff by motion of Regional Council on October 21, 2014**

Deputy Mayor Nicoll proposed the following amendment to the main motion:

MOVED by Deputy Mayor Nicoll, seconded by Councillor Johns that Committee of the Whole direct that the volunteer model be revised only after input is provide from the HRFE Volunteers through the Volunteer Fire Advisory Committee, the purpose of which is to find a sustainable model and appropriate number

Deputy Mayor Nicoll noted that the proposed amendment provides further clarity in the direction to staff respecting volunteers.

MOTION TO AMEND PUT AND PASSED.

The motion that is before Committee of the Whole now reads:

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole:

1. **Endorse the 5-Year Technology Roadmap objectives in the Discussion section of the staff report dated December 15, 2014 and include the year one objectives (Data Management and Process Review, HRFE Dispatch Project, and HRFE FDM Review and Enhancements) in the 2015/2016 capital budget.**
2. **Endorse the consolidation of equipment, career personnel and volunteer personnel in the core fire stations, to more effectively deliver fire services, and authorize staff to decommission Stations 4 (Lady Hammond), 11 (Patton Road) and 13 (King Street).**
3. **Authorize staff to initiate the process to improve and increase coverage by relocating Station 8 to the area between the 102 and 101 intersections and Bedford Commons, and construct a new station on Larry Uteck Drive.**
4. **Authorize staff to investigate partnership opportunities with Halifax Stanfield International Airport to improve service delivery.**
5. **Endorse the following:**
 - (a) **Improve the rural fire response by:**
 - i. **maintaining E Platoon complements, as per the Discussion section of the staff report dated December 15, 2014 and as set out in Attachment 1 (proposed staffing model);**
 - ii. **increasing career staff to four in major rural stations; and**
 - iii. **investigating options to transition Station 28 (Sheet Harbour) to E Platoon staffing level.**
 - (b) **Maintain 24/7 Volunteer staffing, as per the Discussion section of the December 15, 2014 staff report and as set out in Attachment 1 (proposed staffing model).**
 - (c) **Decommission volunteer sub-stations 25 (Ostrea Lake-Pleasant Point), 31 (East Ship Harbour), 36 (Meaghers Grant), and 43 (Grand Lake - Oakfield).**
 - (d) **Maintain the existing fire coverage MOU with Enfield.**
 - (e) **Investigate entering into fire coverage MOUs with communities bounding Halifax Regional Municipality, including Hubbards and Ecum Secum.**
 - (f) **Continue volunteer recruitment initiatives.**
6. **Direct staff to return to Council with a revised Fire Service Delivery Target and Administrative Order 24 no later than March 2016, following further detailed analysis of the 2006 Service Delivery Standard.**
7. **Direct staff to proceed to prepare the 2015/2016 Halifax Regional Fire & Emergency Business Unit Budget and Business Plan as proposed in the accompanying presentation, incorporating any additional direction provided by motion or motions of Committee of the Whole, including any budget implications associated with the reinstatement of services at**

the Black Point Fire Station, for inclusion in the proposed HRM 15/16 Budget and Business Plan documents.

- 8. That Halifax Regional Council direct that any additional costs related to the Fire Services Review – 2014 be applied to the general tax rate as an increase to the tax rate targets provided to staff by motion of Regional Council on October 21, 2014**
- 9. That Committee of the Whole direct that the volunteer model be revised only after input is provide from the HRFE Volunteers through the Volunteer Fire Advisory Committee, the purpose of which is to find a sustainable model and appropriate number.**

Councillor McCluskey requested further information pertaining to the twelve full time training officers within Halifax Regional Fire and Emergency Services (HRFE).

Chief Doug Trussler Halifax Regional Fire and Emergency Services noted that the twelve training officers are full time employees who conduct training year round.

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

In response to a follow up question from Councillor McCluskey, Chief Trussler provided a breakdown of HRFE senior management and administrative personnel.

Councillor McCluskey further inquired if Fire Safety inspection obligations are being met. Chief Trussler commented that staff are reviewing fire prevention protocols to advance better processes in that regard.

In response to further follow up question from Councillor McCluskey, Chief Trussler noted that a breakdown of HRFE response times can be provided to Council.

Councillor Watts commented on a discussion with Chief Trussler regarding the possibility of keeping the Lady Hammond Fire Station open. She advanced the position that it would not necessarily require hiring more firefighters. She expressed her opinion that the main budget impact in closing the station is largely influenced by operational costs to keep the station open at \$61,000.00 per year. She provided commentary on an alternate proposal, which was displayed on ELMO, which would keep the station open as opposed to hiring four additional fire fighters for the area as suggested by staff and inquired if the proposal could be accommodated.

Chief Trussler commented that the decision of staff to suggest the closure of the Lady Hammond Fire Station is not about money but rather about operational effectiveness. He noted his professional opinion that keeping the station open would impair the operation effectiveness within the area. He noted that staff's proposal would allow for the ability to cross train full crews on the heavy rescue unit in the same location which would be an operational benefit.

Councillor Watts stated that she appreciates staff's recommendation on the matter but noted her belief that there is another option to keep the Lady Hammond station without significantly impacting the tax rate, as well as another opportunity to re-evaluate the effective operation of Heavy Rescue Unit.

In response to Councillor Watts, Chief Trussler stated that if Council provides direction to keep the Lady Hammond Fire Station open he would recommend adding an additional truck or hiring more fire fighters to staff the heavy rescue unit.

Councillor Fisher inquired as to why the Fire Services Stakeholder Committee was released prior to the recommendations of the Fire Services Review being brought before Regional Council. He further inquired as to how far in to the process the committee was removed and whether or not there was a rational or reason as to why the committee was removed.

Chief Trussler noted that the staff report which was brought forward for the consideration of Regional Council from the Fire Chief. He advised that the Committee did a lot of great work but ultimately the report to Council is the responsibility of the management team at HRFE.

Mr. Richard Butts, Chief Administrative Officer noted that it is important to understand that the Stakeholder Committee was an advisory committee, and ultimately decision making cannot be a shared responsibility. He advised that ultimately it is the Chief who is accountable for the decisions made in relation to the report and review of Fire Services.

In response to a follow up question from Councillor Fisher, Chief Trussler noted that HRFE will be conducting a recruitment drive this year. He commented with filling vacancies and if Council approves the staffing of the Sheet Harbour station the current recruitment list will be depleted.

Councillor Fisher further inquired if there is a process to assess old fire houses, separate from the current report, that are too outdated to provide service to the community. Chief Trussler replied in the affirmative and noted that staff will continue the assessment of fire facilities that are no longer viable to the communities in which they operate.

Councillor Johns appealed to his colleagues to not support recommendation number two, and commented that he would be more than happy to work with staff to find an alternative solution other than closing stations 4 and 11. He advised that the area was slated for growth.

Councillor McCluskey commented that she believes that further consultation needed to take place with the communities affected by the proposed closures. She noted that in 2006, Council had the opportunity to hire 81 fire fighters and expressed her belief that if Council had acted at that time, there would likely not be a problem today. She requested further information with respect to HRFE's administrative staff.

Mr. Gerrard Cotteau, Coordinator, Financial Services provided an overview of HRFE's 36 administrative staff. Chief Trussler commented that HRFE had realigned its management staff into six divisions and substantially reduced administration and gave an overview of the new management structure.

Councillor McCluskey inquired if HRFE requires two Deputy Chief positions. Chief Trussler replied in the affirmative and noted that one Deputy Chief is responsible for managing administrative details, while the other is responsible for managing logistics and training and that previously there had been four Deputy positions.

Councillor Craig requested further information regarding fire inspections, noting the importance of fire prevention initiatives. He referenced the five percent completion rate reflected in the budget for inspections and inquired as to why the number is low.

Chief Trussler replied by stating that the five percent number is not acceptable and noted that inspections have been conducted in the same way for far too long and, utilizing outdated technology. He stated that a review is underway in this area and a process to determine pre-fire planning will increase the legislated fire inspections significantly.

In response to a follow up question from Councillor Craig, Chief Trussler commented that staff intends to have a 30 to 50% percent completion rate with respect to fire inspections for the upcoming year.

Councillor Outhit expressed his support for the staff recommendation respecting the proposal for a new fire station in the Bedford area. He noted his concern however, for other areas which could be affected by the proposed closures and requested further information with respect to adequate staffing levels and vacancy management. Chief Trussler commented that HRFE plans to fill all vacancies to ensure the appropriate level of staffing of four firefighters per truck.

In response to a follow up question from Councillor Hendsbee, Chief Trussler commented that Fire Services staff is currently working on a Sprinkler By-law which will be proposed that the installation of

sprinkler systems be mandatory for all new construction. He provided commentary with respect to further alignment with Emergency Health Services noting that Fire Services is not first responders on these emergencies but share IT infrastructure to improve response times. With respect to the proposed closure of substations in Musquodoboit, he advised that the volunteer compliment is not sufficient for operation.

Councillor Dalrymple requested support from his colleagues to defeat recommendation 5(c). He advised that the closure of rural fire stations, like that proposed for Meaghers Grant, differs from the proposed closures in urban areas as fire stations are geographically further apart in rural areas. He advised that there are costs to residents associated with the proposed closures in that many residents receive reductions in their insurance policies by being in close proximity to a fire station. He further advised that fire crews also provide important medical response in rural areas and typically arrive on the scene of an accident or medical emergency before EHS responders coming from further away.

Chief Trussler expressed his wish that HRFE had more volunteers in rural areas. He advised that insurance rates in Nova Scotia are determined on whether or not there is a viable fire fighting force in proximity and noted his opinion that most of the insurance rates within rural areas will likely stay the same as a result of staff's recommendation.

Councillor Karsten commented that recommendation 5c will be voted on separately.

Councillor Whitman expressed his support for Deputy Mayor Nicoll's amendment and requested further information with respect to the line item within the budget for fire inspections.

Deputy Chief Hollett commented that currently there is no revenue in the budget which is generated from Fire Inspections as there is no cost recovery model in place. He stated that staff is working on a Fire Inspection By-law which will outline a cost recovery model.

In response to a follow up question from Councillor Craig pertaining to Fire Inspections, Chief Trussler commented that the \$200,000 line item for Fire Inspections was predicated on the approval of a Fire Inspection By-law which did not move forward.

Councillor Hendsbee requested further information with respect to the replacement of radio equipment for firefighters with the new radio system. Chief Trussler commented that that the roll out will include a one for one swap of radio equipment and noted that the imitative should be complete by mid-July.

Councillor Whitman request further information pertaining to the Hubbards Memorandum of Understanding (MOU) and inquired if the volunteer recruitment manager positon has been filled and if there has been any progress recruiting volunteers for the Black Point area.

Chief Trussler advised that the volunteer recruitment manager has retired and that interviews for the position are ongoing. He further stated that the outgoing manager has offered to assist with the transition when a successful candidate is hired if it is required.

With respect to volunteer recruitment in the Black Point area, Chief Trussler noted that the recruitment of volunteers is always ongoing.

With respect to the Hubbards MOU, Deputy Chief Roy Hollett commented that staff has drafted three formulas as to what the compensation model will look like. He commented that a cost model will be before Regional Council in the near future.

Councillor Rankin expressed his difficulty in supporting the proposed amendments given the professional advice provided from the Fire Chief respecting redundancies and operational efficiencies. He commented that he is not supportive of increasing the tax rate without a clear understanding of the improvements that will be generated as well as a plan for financing.

Chief Trussler commented that staff will prepare a recommendation report for the consideration of Regional Council in relation to service levels objectives pending the outcome of the current review.

Deputy Mayor Nicoll inquired if the decommissioning of redundant Fire Halls is subject to Administrative Order 50, respecting the Disposal of Surplus Property. Chief Trussler replied in the affirmative and noted that once a Fire Hall is deemed surplus, the assets are removed from the building and Administrative Order 50 is applied. He advised that staff would not recommend closing a fire hall if there is a strong volunteer commitment in the area.

Mr. Richard Butts, Chief Administrative Officer commented that it is important to note the emphasis on volunteer resources to ensure that a strong and comprehensive effort is undertaken with respect to volunteer recruitment.

Councillor Dalrymple clarified that there are five volunteers in the associated with the Meaghers Grant substation, with one with an application pending. He expressed his concern that if the substation within his district is closed, than the volunteer commitment will be lost to the main volunteer stations and will have a greater negative effect on the overall volunteer commitment for the area.

Councillor Hendsbee expressed his opinion that more resources are required for fire services. He commented that he has full confidence in HRFE staff but noted that financial resources are lacking.

Councillor McCluskey inquired if residential fire inspections will be undertaken by Planning and Development. Chief Trussler noted that Planning and Development staff will be looking after the inspections listed under By-law M-100. Councillor McCluskey further inquired if moving the By-Law M-100 fire inspections to Planning and Development breaches the current Halifax Professional Fire Fighters Association contract. Chief Trussler clarified that any Fire inspections are conducted by Fire Services not Planning & Development.

Mr. Butts commented that if there is an issue to resolve with the Halifax Professional Fire Fighters Association there is a process to be followed under the Collective Agreement.

In response to a follow up question from Councillor McCluskey, Chief Trussler commented that staff reviews the Regional Plan to help determine future growth areas to assess the required service levels for the area.

Councillor Craig requested further information with respect to the loss of the \$200,000.00 within the budget for Fire Inspections.

Chief Trussler commented that the \$200,000 was a line item for Fire Inspections and was predicated on the approval of a cost recovery Fire Inspection By-law which did not move forward.

Councillor Outhit requested further information respecting recommendation eight and the cost implications associated with potential changes to the plan.

Mr. John Traves, Municipal Solicitor commented that Council has received the advice put forward by staff with respect to cost implications of the proposed recommendations and can ask the Chief to provide further cost estimates if required. He advised that recommendation number eight, assuming that it is passed, will increase the tax rate to cover the cost implications of not accepting the recommendations which were put forward by staff.

Mr. Butts directed Council's attention to the table within the staff report (dated March 19, 2015) which includes the per - station cost estimates associated with not closing the stations. He noted that the costing data is available to Council but noted that the Chief can answer more specific questions if required.

Chief Trussler commented that if Council decides to maintain the three urban fire stations that were proposed for closure on a 24/7 basis, as well as staffing the two aerials for Dartmouth and the Peninsula, a staffing commitment of 52 hires plus an additional two for the Black Point Station would be required

which has a cost impact of approximately \$5,747,741 by year four. He further advised that a one-time equipment cost of \$285,000 would also be required.

Mr. Traves commented that recommendation number eight, if approved would cause the municipality to come forward with the funding for the costs outlined by Chief Trussler in the budget.

The Chair noted that recommendations within the amended motion will be voted on separately.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council endorse the 5-Year Technology Roadmap objectives in the Discussion section of the staff report dated December 15, 2014 and include the year one objectives (Data Management and Process Review, HRFE Dispatch Project, and HRFE FDM Review and Enhancements) in the 2015/2016 capital budget. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council endorse the consolidation of equipment, career personnel and volunteer personnel in the core fire stations, to more effectively deliver fire services, and authorize staff to decommission station 4 (Lady Hammond). MOTION PUT AND DEFEATED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council authorize staff to decommission Station 11 (Patton Road). MOTION PUT AND DEFEATED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council and authorize staff to decommission Station 13 (King Street). MOTION PUT AND DEFEATED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council authorize staff to initiate the process to improve and increase coverage by relocating Station 8 to the area between the 102 and 101 intersections and Bedford Commons, and construct a new station on Larry Uteck Drive. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council authorize staff to investigate partnership opportunities with Halifax Stanfield International Airport to improve service delivery. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council endorse the following:

- (a) Improve the rural fire response by:**
 - i. maintaining E Platoon complements, as per the Discussion section of the staff report dated December 15, 2014 and as set out in Attachment 1 (proposed staffing model);**
 - ii. increasing career staff to four in major rural stations; and**
 - iii. investigating options to transition Station 28 (Sheet Harbour) to E Platoon staffing level. MOTION PUT AND PASSED.**

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council direct staff to maintain 24/7 Volunteer staffing, as per the Discussion section of the December 15, 2014 staff report and as set out in Attachment 1 (proposed staffing model) as amended to delete Black point. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council decommission volunteer sub-stations 25 (Ostrea Lake-Pleasant Point), 31 (East Ship Harbour), 36 (Meaghers Grant), and 43 (Grand Lake - Oakfield). MOTION PUT AND DEFEATED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council maintain the existing fire coverage MOU with Enfield. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council Investigate entering into fire coverage MOUs with communities bounding Halifax Regional Municipality, including Hubbards and Ecum Secum and continue volunteer recruitment initiatives. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend that Regional Council direct staff to return to Council with a revised Fire Service Delivery Target and Administrative Order 24 no later than March 2016, following further detailed analysis of the 2006 Service Delivery Standard. MOTION PUT AND PASSED.

As direction to staff in regard to preparation of the 2015/16 Budget and Business Plan:

MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole direct staff to proceed to prepare the 2015/2016 Halifax Regional Fire & Emergency Business Unit Budget and Business Plan as proposed in the accompanying presentation, incorporating any additional direction provided by motion or motions of Committee of the Whole, including any budget implications associated with the reinstatement of services at the Black Point Fire Station, for inclusion in the proposed HRM 15/16 Budget and Business Plan documents. MOTION PUT AND PASSED.

MOVED by Councillor Whitman, seconded by Councillor that Committee of the Whole direct that any additional costs related to the Fire Services Review – 2014 be applied to the general tax rate as an increase to the tax rate targets provided to staff by motion of Regional Council on October 21, 2014. MOTION PUT AND PASSED.

Further it was MOVED by Councillor Whitman, seconded by Councillor Walker that Committee of the Whole recommend to Regional Council to direct that the volunteer model to be revised only after input is provide from the HRFE Volunteers through the Volunteer Fire Advisory Committee, the purpose of which is to find a sustainable model and appropriate number. MOTION PUT AND PASSED.

Committee of the Whole took a break at 12:00 p.m.

5. Corporate Accounts – Proposed 2015/16 Budget and Business Plan

The following was before the Committee of the Whole:

- Proposed 2015/16 Corporate Accounts Budget and Business Plan
- Submission from the Canadian Federation of Independent Business dated March 13, 2015

Mr. Greg Keefe, Chief Financial Officer, introduced Mr. Bruce Fisher, Manager of Financial Policy and Planning provided a presentation pertaining to the Corporate Accounts – Proposed 2015/16 Budget and Business Plan.

Councillor Mosher joined the meeting at 12:15 p.m.

The Chair thanked Mr. Keefe for his presentation and noted that the public participation component of the budget discussion will take place at this time.

Public Participation

The Chair invited members of the public to come forward and address Committee of the Whole on the budget.

Mr. Chris Cann, of Waverly commented that he is a 25 year career Firefighter with HRM, noting that he would not be affected by many of the decisions made by Council as he is in the twilight of his career. He remarked that he wanted to commend Chief Trussler on the process regarding the Fire Services Review and noted that it was long overdue, with many difficult decisions to be made. He advised, through his experience, that he would like to see the staffing of aerials in the South End and Burnside areas due to population increases and advised of the need for new and younger people to volunteer as Firefighters. He concluded by thanking Council for their time.

Mr. Colin May, provided commentary with respect to the Board of Police Commissioners.

The Chair called three times for speakers to come forward, there were no further speakers present.

MOVED by Councillor McCluskey, seconded by Councillor Hendsbee that Committee of the Whole:

- 1. Direct staff to proceed to prepare the 2015/2016 Corporate Accounts Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided by motion of Committee of the Whole for inclusion in the proposed HRM 15/16 Budget and Business Plan documents.**
- 2. Decrease the Residential tax rate by approximately 0.5%, and Commercial tax rate by approximately 1.9%, and the Transit Area Rates by approximately 3.2%, to be adjusted by the Fire Services direction of Committee of the Whole of March 31, 2015.**
- 3. Discontinue the Recreation Area Rates and increase the General Rate to raise the equivalent revenue.**
- 4. Add 1 cent to the Residential and Commercial Tax Rates to fund a reserve for Strategic Capital Projects.**
- 5. Discontinue the publication of the “detailed change report” (Business Unit, Division, cost centre by cost element) that accompanies the Budget Book.**

Councillor McCluskey requested an update respecting the Payment in Lieu of Taxes for Citadel Hill.

Mr. Keefe commented that the matter is before the Federal Minister and stated that staff expects a response on the matter in due course. In response to a follow up question from Councillor McCluskey, Mr. Keefe commented that the Halifax Regional Libraries budget is higher due to the cost of capital for the new Library as outlined in the budget and business plan presentation by the library at Committee of the Whole.

Councillor Rankin requested further information with respect to the increases to the Fire Services budget as a result of the motion that was passed earlier in the meeting.

Mr. Keefe commented that there will be approximately \$300,000.00 that will be allocated in the first year of the four year cycle to assist with funding in relation to maintenance of the fire stations and staffing levels. He advised that staff will be back before Council in late April with the total budget and will have more information at that time.

With respect to a follow up question from Councillor Rankin in relation to Solid Waste, Mr. Keefe advised that the capital reserve account for solid waste has a balance of \$19 million.

Councillor Mason commented that the Library had presented the projected cost of operating in 2010 and 2012 for the new library. He noted concern with respect key financial indicators particularly that HRM is falling below the 60 percent line respecting the depreciation of assets. He requested further information respecting the World Trade and Convention Centre project.

Mr. Keefe commented that he would provide Council with the information on the outstanding debt. He commented that HRM's financial statements are in compliance with Generally Accepted Accounting Practices (GAAP) which is legislated from the province. He advised that staff is currently working on an update for Council respecting the new convention centre project and advised of Steering Committee which is co-chaired by the Chief Administrative Officer which provides oversight on the budget for the project.

With respect to the sixty percent depreciation indicator, Mr. Keefe noted that it will likely be reduced over the next few years subject to increased investment in roads. He advised that roads comprise 50% of HRM's assets which total \$1.7 billion which tends to affect the asset depreciation indicator.

Mr. Richard Butts, Chief Administrative Officer commented that the efficacy and cost of reaching the 60% number is dramatic and may not be the most appropriate measure for Halifax's assets.

Councillor Outhit inquired as to how long it will take to reach the staffing target of four people, per truck, for urban fire stations.

Chief Trussler, HRFE commented that reaching the four per truck target is a matter of filling vacancies. He noted that within the next fiscal year, the target should be met.

Councillor Outhit inquired if the two new fire stations are included in the budget as they are not referenced on slide 23 of the presentation which outlines other capital projects. He further inquired if the information on the slide is still accurate given the direction that was previously approved by Council regarding the Fire Services review. Mr. Keefe replied in the affirmative and commented that slide 23 references larger strategic capital projects as approved by Council. He advised that there is funding in the out years of the Capital Budget for the new fire stations as approved by Council.

Councillor Outhit expressed his concern that the residential tax burden for residents is higher than that of commercial tax payers. He commented that he does not want to see an increase in taxation for small businesses but stated his position that the commercial tax base needs to grow. He requested further commentary regarding the differences between residential and commercial taxation.

Mr. Keefe agreed with Councillor Outhit's assessment and commented that currently 18 percent of HRM's tax assessment roll is comprised of commercial assessments and noted that he would like to see an increase to 25 percent in this regard. He advised that staff had conducted an analysis on how the municipality is able to allocate its costs based on what is driven by residential taxation as well as commercial taxation. He advised that the result of the cost analysis was 71 percent residential and 29 percent commercial, of which HRM is trending in the right direction. He advised that this is achieved not by raising assessments, but rather by growing the residential tax base.

Councillor Mosher inquired if the survey referenced on slide 32 regarding average property taxes includes the mandatory provincial contributions.

Mr. Keefe replied in the affirmative and noted that the survey is now conducted by the City of Edmonton.

Councillor Mosher commented that she would like to see a review of the winter works standards with respect to contracted snow removal. She commented that given the effects of climate change, the impact on the future budgets could be significant and requested further commentary in this regard.

Mr. Keefe advised that a winter works report is forthcoming and may have an impact on the budget. He noted that in the past, the overruns in the winter works budget were able to be absorbed without a significant impact on the Municipality's bottom line. He concurred with Councillor Mosher's assessment regarding winter works standards should be conducted to determine the impacts of climate change and for future planning.

In response to a follow up comment from Councillor Mosher, Mr. Keefe noted that a section pertaining to risk regarding the winter works standards can be incorporated in the upcoming report.

Councillor Hendsbee inquired if the increase to the Destination Halifax budget is for an allocation to Destination Eastern & Northumberland Shores.

Mr. Butts noted that he did not have the information on hand but commented that the information will be provided.

In response to a follow up question from Councillor Hendsbee, Mr. Fisher, noted that staff provided a list and category of recreation facilities which are area rated or general rated. He advised if there are facilities which are not funded by an area rate or general rate, then Council would need to provide the direction.

Councillor Johns inquired if council will receive budget books if it approves recommendation five.

Mr. Fisher commented that Council will receive the normal operating and project budget books. He noted that the detailed change book was a data dump that was not overly used. He commented that if Council would like that data it can be provided and noted that upgrades have been made to the operational book.

Councillor Johns referenced a motion he provided in 2011 in relation to the detailed change report and clarified that he was not in favour of not publishing the book but rather, that he wanted the book distributed earlier to Regional Council.

Deputy Mayor Nicoll requested further information with respect to the line item on page 17 of the staff report regarding the Library.

Mr. Keefe commented there were two increases related to the Library cost of capital. He noted that the management of the new Library building, such as window cleaning, security, and the parking garage were higher than expected.

Councillor McCluskey inquired as to why the Library Services is not a line department of HRM.

Mr. Keefe commented that staff conducted a study in the current fiscal year regarding shared services for the Library. He noted that the question is a matter of governance, particularly as the Library receives provincial funding which requires a Board.

Councillor Hendsbee commented that he would like to see further information with respect debt positions on recreation facilities as per the direction provided by Council on November 18, 2014.

Mr. Fisher commented that slide 42 of the presentation gives an overview of all rates associated for recreation facilities. He commented that in the case of the Gordon R. Snow facility, money from a surplus account was used to pay down debt against facilities rather than using an area rate. He commented that the Councillor was correct noting that the motion directed staff to back with a report on the matter. He commented that it will be before Council for the final budget on April 28, 2015.

MOTION PUT AND PASSED.

6. Staff Report on the Public Safety Office

The following was before the Committee of the Whole:

- A staff recommendation report dated March 10, 2015

Mr. John Traves, Municipal Solicitor noted a revised motion for the consideration of Regional Council which aligns with the direction that was previously provided by Regional Council on the matter.

Councillor Mosher expressed her opinion that the staff report did not appear to address the implications of the loss of funding on the Boots on the Streets program. She noted that the second part of the motion which read "to enhance the Boots on the Street program" and inquired if all 39 sworn officer positions are deployed in the manner that agreed to in 2009. She provided further commentary respecting the loss of \$100,000.00 in funding from the province.

Chief Jean Michel Blais, Halifax Regional Police commented that the loss of funding is related to the movement of the Public Safety Officer as a sworn police officer position to a civilian member under HRM administration as directed by Regional Council. He advised that the sworn officer compliment for the Boots on the Streets program will reduce from 38 to 39. He noted that HRP will continue to have an officer act as HRP's liaison with the new Public Safety Coordinator once established.

Councillor Mosher inquired if it is possible to maintain the current number of sworn officer with respect to the Boots on the Street Program within the mandate of HRP.

Chief Blais commented that at the present time, it is not possible to maintain the current number of sworn officers with the loss of funding from the province.

MOVED by Councillor Mason, seconded by Councillor Watts that Committee of the Whole ratify and confirm the direction previously provided in relation to the public safety office.

Mr. John Traves, Municipal Solicitor commented that it may be more appropriate to defer this matter to the Board of Police Commissioners for further discussion. He advised the Board of Police Commissioners has its own mandate in this regard and can forward a recommendation to Regional Council if required.

Councillor Adams commented that HRP is in affect throwing away funding for one officer under the Boots on the Streets program. He commented that there is a way to save a position within HRP.

Mr. Richard Butts, Chief Administrative Officer commented that to proceed with this matter would require a change in the direction provided by Council with regard to the Public Safety Office.

Councillor Adams requested further information with respect to budgetary transfers between Parks & Recreation and HRP for the funding of the Youth Advocate Program.

Mr. Brad Anguish, Director of Parks and Recreation, noted that based on legal advice the funding for the Youth Advocate Program had to remain with HRP as it involves crime prevention.

Further discussion ensued.

MOVED by Councillor Adams, seconded by Councillor Whitman that Committee of the Whole defer this matter to the Board of Police Commissioners for further discussion.

MOTION PUT AND PASSED.

7. ADJOURNMENT

The meeting was adjourned at 2:51 p.m.

Cathy J. Mellett
Municipal Clerk