



**BUDGET COMMITTEE  
(STANDING COMMITTEE OF THE WHOLE ON BUDGET)  
MINUTES  
November 25, 2022**

**PRESENT:** Councillor Paul Russell, Chair  
Mayor Mike Savage  
Deputy Mayor Sam Austin  
Councillors: Cathy Deagle Gammon  
David Hendsbee  
Trish Purdy  
Tony Mancini  
Waye Mason  
Lindell Smith  
Shawn Cleary  
Kathryn Morse  
Pam Lovelace  
Lisa Blackburn  
Tim Outhit

**REGRETS:** Councillors: Becky Kent  
Patty Cuttell  
Iona Stoddard

**STAFF:** Jacques Dubé, Chief Administrative Officer  
Jerry Blackwood, Executive Director of Finance & Asset Management/Chief  
Financial Officer  
Karen MacDonald, Acting Municipal Solicitor  
Krista Vining, Acting Municipal Clerk  
Annie Sherry, 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](http://halifax.ca).*

*The meeting was called to order at 9:34 a.m. and recessed at 11:57 a.m. Budget Committee reconvened in at 1:01 p.m. and recessed at 1:51 p.m. Budget Committee reconvened in at 1:59 p.m. and adjourned at 2:34 p.m.*

### **1. CALL TO ORDER AND LAND ACKNOWLEDGEMENT**

The Chair called the meeting to order at 9:34 a.m. and acknowledged that the meeting took place in the traditional and ancestral territory of the Mi'kmaq people, and that we are all treaty people.

### **2. APPROVAL OF THE MINUTES – NONE**

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

Additions: None

Deletions: None

MOVED by Councillor Lovelace, seconded by Councillor Mason

**THAT the agenda be approved as presented.**

**MOTION PUT AND PASSED UNANIMOUSLY.**

Not present: Councillors Kent, Cuttell, Stoddard

### **4. CALL FOR DECLARATION OF CONFLICT OF INTERESTS – NONE**

### **5. PUBLIC PARTICIPATION – NONE**

### **6. 2023/2024 BUDGET DIRECTION**

The following was before Budget Committee:

- Staff recommendation report dated November 17, 2022
- Staff presentation dated November 25, 2022

Jacques Dubé, Chief Administrative Officer, and Jerry Blackwood, Executive Director of Finance & Asset Management/Chief Financial Officer gave a presentation on the 2023/2024 Budget Direction and responded to questions of clarification from Budget Committee.

MOVED by Councillor Mancini, seconded by Councillor Deagle Gammon

**THAT the Budget Committee:**

- 1. Direct the Chief Administrative Officer to develop the 2023/24 Budget according to Council's approved priorities, and preliminary fiscal direction, including setting the average property tax bill for residential and commercial properties at an 8.0 percent increase.**
- 2. Recommend that Regional Council rescind the direction from the 2022-23 fiscal budget to include \$7 million in the 2023/24 budget to fund a sidewalk program from capital from operating; and**
- 3. Further recommend that Halifax Regional Council:**

- **Reallocate \$20 million included in the Strategic Initiative Operating Reserve (Q667) in 2019 as a potential capital contribution for the construction of a Community Stadium, to the following reserves:**
  - **Transfer \$5 million to the Options Reserve (Q421) for the Solid Waste Facility capital project (CW190003);**
  - **Transfer \$15 million to the Capital Fund Reserve (Q521) to fund over-commitments within the capital fund reserve; and**
- **Approve revised debt policy of \$1,500 per dwellings and amend capital-from-operating to be \$72.922 million for the 2023/24 budget**

MOVED by Councillor Mancini, seconded by Mayor Savage

**THAT clause 1 be amended to set the average property tax bill for residential and commercial properties at a 4.0 percent increase.**

Jerry Blackwood, Executive Director of Finance & Asset Management/Chief Financial Officer responded to questions of clarification from Budget Committee. Blackwood noted the importance of receiving direction from Budget Committee on how to achieve a 4.0 percent increase on the average property tax bill aside from the one-time funding measures proposed in the staff presentation.

Jacques Dubé, Chief Administrative Officer responded to questions of clarification from Budget Committee regarding long-term impacts of one-time cuts to services and the anticipated timeline for deliberations on the service exchange agreement with the Government of Nova Scotia

Crystal Nowlan, Director, Asset Management, Dave Reage, Executive Director, Halifax Transit, and Brad Anguish, Executive Director, Public Works, responded to questions of clarification from Budget Committee.

Tyler Higgins, Manager, Budget & Reserves, and Dave Harley, Director, Accounting & Financial Reporting responded to questions of clarification from Budget Committee regarding the impact of using one-time capital funding for operational purposes.

Councillor Mason proposed to add, “by preparing proposals for reductions to the operating budget and only use one-time expense to offset costs in the current fiscal year if matched with an operating budget reduction in subsequent years” to the end of the amendment. As provided for in section 53 (2) of Administrative Order One, *Respecting the Procedures of the Council*, the amendment was accepted as friendly.

The motion now read:

MOVED by Councillor Mancini, seconded by Mayor Savage

**THAT clause 1 be amended to set the average property tax bill for residential and commercial properties at a 4.0 percent increase by preparing proposals for reductions to the operating budget and only use one-time expense to offset costs in the current fiscal year if matched with an operating budget reduction in subsequent years.**

**MOTION TO AMEND PUT AND PASSED.** (11 in favour, 3 against)

In favour: Budget Committee Chair Russell, Mayor Savage, Councillors Deagle Gammon, Mancini, Mason, Smith, Cleary, Morse, Lovelace, Blackburn, Outhit

Against: Deputy Mayor Austin, Councillors Hendsbee, Purdy

Not present: Councillors Kent, Cuttell, Stoddard

The motion as amended now read:

MOVED by Councillor Mancini, seconded by Councillor Deagle Gammon

**THAT the Budget Committee:**

- 1. Direct the Chief Administrative Officer to develop the 2023/24 Budget according to Council's approved priorities, and preliminary fiscal direction, including setting the average property tax bill for residential and commercial properties at a 4.0 percent increase by preparing proposals for reductions to the operating budget and only use onetime expense to offset costs in the current fiscal year if matched with an operating budget reduction in subsequent years.**
- 2. Recommend that Regional Council rescind the direction from the 2022-23 fiscal budget to include \$7 million in the 2023/24 budget to fund a sidewalk program from capital from operating; and**
- 3. Further recommend that Halifax Regional Council:**
  - **Reallocate \$20 million included in the Strategic Initiative Operating Reserve (Q667) in 2019 as a potential capital contribution for the construction of a Community Stadium, to the following reserves:**
    - **Transfer \$5 million to the Options Reserve (Q421) for the Solid Waste Facility capital project (CW190003);**
    - **Transfer \$15 million to the Capital Fund Reserve (Q521) to fund over-commitments within the capital fund reserve; and**
  - **Approve revised debt policy of \$1,500 per dwellings and amend capital-from-operating to be \$72.922 million for the 2023/24 budget**

MOVED Deputy Mayor Austin, seconded by Councillor Cleary

**THAT the second bullet of clause 3 be amended to strike, "\$72.922 million" and replace it with, "\$64.922 million, by reducing \$8 million from street recapitalization,"**

Blackwood and Anguish responded to questions of clarification from Budget Committee.

**MOTION TO AMEND PUT AND PASSED.** (12 in favour, 2 against)

In favour: Budget Committee Chair Russell, Mayor Savage, Deputy Mayor Austin, Councillors Purdy, Mancini, Mason, Smith, Cleary, Morse, Lovelace, Blackburn, Outhit

Against: Councillors Deagle Gammon, Hendsbee

Not present: Councillors Kent, Cuttell, Stoddard

The motion as amended now read:

MOVED by Councillor Mancini, seconded by Councillor Deagle Gammon

THAT the Budget Committee:

1. Direct the Chief Administrative Officer to develop the 2023/24 Budget according to Council's approved priorities, and preliminary fiscal direction, including setting the average property tax bill for residential and commercial properties at a 4.0 percent increase by preparing proposals for reductions to the operating budget and only use onetime expense to offset costs in the current fiscal year if matched with an operating budget reduction in subsequent years.
2. Recommend that Regional Council rescind the direction from the 2022-23 fiscal budget to include \$7 million in the 2023/24 budget to fund a sidewalk program from capital from operating; and
3. Further recommend that Halifax Regional Council:
  - Reallocate \$20 million included in the Strategic Initiative Operating Reserve (Q667) in 2019 as a potential capital contribution for the construction of a Community Stadium, to the following reserves:
    - Transfer \$5 million to the Options Reserve (Q421) for the Solid Waste Facility capital project (CW190003);
    - Transfer \$15 million to the Capital Fund Reserve (Q521) to fund over-commitments within the capital fund reserve; and
  - Approve revised debt policy of \$1,500 per dwellings and amend capital-from-operating to be \$64.922 million, by reducing \$8 million from street recapitalization, for the 2023/24 budget.

MOVED by Councillor Morse, seconded by Deputy Mayor Austin

**THAT clause 2 be amended to “\$3 million in the 2023/24 budget to fund a sidewalk program from capital from debt.”**

Dubé, Blackwood, and Nowlan responded to questions of clarification from Budget Committee regarding the process for adjusting funding sources from capital from debt.

Mayor Savage indicated their interest in receiving a staff recommendation report on the amendment.

Karen MacDonald, Acting Municipal Solicitor noted that the motion of rescission and the amendment from Councillor Morse were independent actions, and that Budget Committee would need to provide direction on the motion of rescission prior to voting on the action requested in the amendment from Councillor Morse.

As provided for in section 66 of Administrative Order One, *Respecting the Procedures of the Council*, the motion was withdrawn with consent of Budget Committee.

The question was called on the main motion:

MOVED by Councillor Mancini, seconded by Councillor Deagle Gammon

**THAT the Budget Committee:**

- 1. Direct the Chief Administrative Officer to develop the 2023/24 Budget according to Council's approved priorities, and preliminary fiscal direction, including setting the average property tax bill for residential and commercial properties at a 4.0 percent increase by preparing proposals for reductions to the operating budget and only use onetime expense to offset costs in the current fiscal year if matched with an operating budget reduction in subsequent years.**
- 2. Recommend that Regional Council rescind the direction from the 2022-23 fiscal budget to include \$7 million in the 2023/24 budget to fund a sidewalk program from capital from operating; and**
- 3. Further recommend that Halifax Regional Council:**
  - Reallocate \$20 million included in the Strategic Initiative Operating Reserve (Q667) in 2019 as a potential capital contribution for the construction of a Community Stadium, to the following reserves:**
    - Transfer \$5 million to the Options Reserve (Q421) for the Solid Waste Facility capital project (CW190003);**
    - Transfer \$15 million to the Capital Fund Reserve (Q521) to fund over-commitments within the capital fund reserve; and**
  - Approve revised debt policy of \$1,500 per dwellings and amend capital-from-operating to be \$64.922 million, by reducing \$8 million from street recapitalization, for the 2023/24 budget.**

**MOTION AS AMENDED PUT AND PASSED.** (12 in favour, 2 against)

In favour: Budget Committee Chair Russell, Mayor Savage, Councillors Deagle Gammon, Purdy, Mancini, Mason, Smith, Cleary, Morse, Lovelace, Blackburn, Outhit

Against: Deputy Mayor Austin, Councillor Hendsbee

Not present: Councillors Kent, Cuttell, Stoddard

MOVED by Councillor Morse, seconded by Councillor Mason

**THAT the Budget Committee direct the Chief Administrative Officer to request a staff report to include \$3 million in the 2023/24 budget to fund a sidewalk program from debt.**

Blackwood responded to questions of clarification from Budget Committee.

**MOTION PUT AND PASSED.** (12 in favour, 2 against)

In favour: Budget Committee Chair Russell, Deputy Mayor Austin, Councillors Deagle Gammon, Hendsbee, Mancini, Mason, Smith, Cleary, Morse, Lovelace, Blackburn, Outhit

Against: Mayor Savage, Councillor Purdy

Not present: Councillors Kent, Cuttell, Stoddard

**7. ADJOURNMENT**

The meeting was adjourned at 2:34 p.m.

Iain MacLean  
Municipal Clerk