



**BUDGET COMMITTEE
(STANDING COMMITTEE OF THE WHOLE ON BUDGET)
MINUTES
April 24, 2018**

PRESENT: Mayor Mike Savage
Deputy Mayor Wayne Mason
Councillors: Steve Streach
David Hendsbee
Bill Karsten
Lorelei Nicoll
Sam Austin
Tony Mancini
Lindell Smith
Shawn Cleary
Russell Walker
Stephen Adams
Richard Zurawski
Matt Whitman
Lisa Blackburn
Steve Craig
Tim Outhit

STAFF: Jacques Dubé, Chief Administrative Officer
John Traves, Municipal Solicitor
Kevin Arjoon, Municipal Clerk
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 10:04 a.m. and recessed at 12:03 p.m. The Committee reconvened at 1:01 p.m. and adjourned at 1:49 p.m.

1. CALL TO ORDER

Mayor Savage called the meeting to order at 10:04 a.m.

SPECIAL PRESENTATION – Poet Laureate – 10:00 a.m.

Mayor Savage thanked Rebecca Thomas, outgoing Poet Laureate for Halifax, for their contributions to the Municipality.

Mayor Savage introduced Afua Cooper as the new Poet Laureate for Halifax.

Afua Cooper provided the Committee with a poetry reading entitled “Negro Cemeteries”.

Mayor Savage thanked Afua Cooper for the reading, and welcome them to their new position.

2. APPROVAL OF THE MINUTES – March 28, 2018

Kevin Arjoon, Municipal Clerk, noted a correction on page 8 of the March 28, 2018 minutes, that the amendment to the Grants to Professional Arts Organizations should not include a dollar figure.

MOVED by Deputy Mayor Mason, seconded by Councillor Mancini

THAT the minutes of March 28, 2018 be approved as amended.

MOTION PUT AND PASSED.

3. Proposed 2018/2019 Budget and Business Plans

The following was before the Committee:

- Staff recommendation report dated April 10, 2018
- Staff presentation titled “Recommended 2018-19 Budget: Regional Council, April 24, 2018”
- Handout titled “Opportunities Rising: 2018-19 Financial Overview & Investments”
- Budget book titled “Multi-Year Business & Capital Plan: Year 2”
- Correspondence submitted by Raymond Plourde, Wilderness Coordinator, Ecology Action Centre and Janet Barker

Members of the Committee agree to hear public submissions on the proposed 2018/2019 Budget and Business Plans prior to the staff presentation and debate on the item.

i) Public Submissions

Mayor Savage called three (3) times for members of the public wishing to come forward and speak to any aspect of the budget, there were none.

ii.) Presentation

Jacques Dubé, Chief Administrative Officer, provided opening remarks with respect to the proposed 2018/2019 budget and business plan.

Jerry Blackwood, Acting Chief Financial Officer, presented the final proposed 2018/2019 budget and the multi-year budget planning process.

MOVED by Councillor Karsten, seconded by Councillor Nicoll

THAT Budget Committee recommend that Halifax Regional Council:

- 1. Adopt the Resolution for Approval of Operating and Capital Budgets and Tax Rates for Fiscal 2018/19 as set out in schedule 1 of the staff report dated April 10, 2018; and**
- 2. Direct staff to develop and return with a two-year business and capital plan for 2019/20 and 2020/21 in accordance with the multi-year financial strategy for 2017-2021.**

iii) Debate

Councillor Nicoll spoke to the Ross Road Realignment project as outlined in Attachment E of the staff report, noting that it states the project is to be “deferred to future years.” Nicoll requested that this be amended so that the project is deferred to the 2019/2020 budget process.

MOVED by Councillor Nicoll, seconded by Councillor Hendsbee

THAT “Attachment E” of the staff report dated April 10, 2018 be amended so that the Ross Road Realignment project CT000012 read as “deferred to 2019/2020.”

Dubé noted that the motion may not be necessary at this time, as determining which year that the project will be deferred to will be decided by Council later in 2018 when staff come back with a re-stated capital budget for 2019/2020.

Councillor Nicoll agreed to **withdraw the motion to amend.**

Responding to questions of clarification from members of the Committee, Jerry Blackwood and Bruce Fisher, Manager, Financial Policy & Planning, explained that to bring the general tax rate from 1.975% down to 1.6% would require that approximately \$1,889,000 from the General Contingency Reserve be applied to the operating budget for 2018/2019. They noted that it would not be their recommendation to use reserve funds to finance ongoing operating expenses due to issues of ongoing financial sustainability.

Staff provided further clarification on the budget as follows:

- With regards to the Macdonald Bridge Bikeway project outlined in Attachment F of the April 10, 2018 staff report, the \$300,000 net amount represents the amount budgeted for 2018/2019.
- The additional enforcement officers are reflected within the budget for Transportation and Public Works under the existing staffing compliment.
- The budget for the Office of Diversity and Inclusion is combined with the budget for Human Resources, and can also be seen on page N-24 of the Budget Book.

Councillor Smith asked staff to provide a detailed breakdown of 2018/2019 budget for the Office of Diversity and Inclusion, as well as supplemental information outlining HRM debt benchmarking with comparable municipalities.

Councillor Hendsbee noted that the map provided on page A-3 of the Budget Book was out-dated and asked staff to provide an updated version in future Budget Books.

Noting pages W-3 and W-17 of the Budget Book, Councillor Hendsbee requested that the Committee consider a deferral or redirection of approximately \$810,000 of capital funding assigned to projects on the south side of Highway 7, suggest that these funds be re-directed to improvements on the north side of Highway 7 between Maclaughlin and Montague.

Dubé confirmed that staff would be coming to Council with a staff report outlining the work on Highway 7.

Councillor Whitman asked that staff include similar charts to the one found on page B-10 for previous years in future Budget Books. They further asked that staff include a one-page sheet outlining the

balance of the reserves from previous years; both for the purpose of allowing members of the Committee to see the budgetary trends form year to year.

The Budget Committee recessed at 12:03 p.m. and reconvened 1:01 p.m.

MOVED by Councillor Outhit, seconded by Councillor Whitman

THAT the motion be amended to apply \$1,889,000 million from the general contingency reserve to the 2018/2019 operating budget to reduce the general tax rate from 1.975% to 1.6%.

In response to questions of clarification raised, Jacques Dubé and Bruce Fisher provided the following information:

- Reducing the tax rate to 1.6% would mean that the Municipality would have to find approximately \$1.9 million for the 2019/2020 budget.
- A general tax rate of 1.6% would represent a \$30 increase in the average tax bill per home, and at 1.975%, it would represent a \$37 average increase per home.

MOTION TO AMEND PUT AND DEFEATED.

Staff responded to further questions of clarification, pointing out that information relating to supplementary education funding is set out at P-5 and P-9 of the Budget Book. They further noted that the current Memorandum of Understanding (MOU) between the Municipality and the former Halifax Regional School Board sets out the budget dollar for supplementary education for 2018/2019. Staff indicated that they would recirculate the MOU to members of the Committee for their information.

The motion before Council reads:

MOVED by Councillor Karsten, seconded by Councillor Nicoll

THAT Budget Committee recommend that Halifax Regional Council:

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MOTION PUT AND PASSED.

4. ADJOURNMENT

The meeting was adjourned at 1:49 p.m.

Kevin Arjoon
Municipal Clerk