

HALIFAX REGIONAL COUNCIL  
MINUTES

April 28, 2011

PRESENT:

Mayor Peter Kelly  
Councillors: Steve Streach  
Barry Dalrymple  
David Hendsbee  
Lorelei Nicoll  
Darren Fisher  
Bill Karsten  
Jackie Barkhouse  
Mary Wile  
Jerry Blumenthal  
Dawn Sloane  
Sue Uteck  
Jennifer Watts  
Russell Walker  
Debbie Hum  
Linda Mosher  
Robert Harvey  
Tim Outhit  
Reg Rankin  
Peter Lund

REGRETS:

Deputy Mayor Jim Smith  
Councillors: Gloria McCluskey  
Stephen Adams  
Brad Johns

STAFF:

Mr. Richard Butts, Chief Administrative Officer  
Ms. Mary Ellen Donovan, Municipal Solicitor  
Ms. Cathy Mellett, Municipal Clerk  
Ms. Shawnee Gregory, Legislative Assistant

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**1. INVOCATION**

The Mayor called the meeting to order at 4:32 p.m. with the Invocation being led by Councillor Walker.

**2. APPROVAL OF MINUTES - None**

**3. 2011 / 2012 OPERATING & CAPITAL BUDGET RESOLUTION**

The 2011 / 2012 Operating & Capital Budget Resolution was before Council.

**MOVED by Councillor Rankin, seconded by Councillor Sloane that it is hereby resolved that:**

- a) the 2011/2012 Corporate Plan be approved;
- b) the Operating Budget in the amount of \$757,947,751 gross expenditures (which includes \$644,673,551 in municipal expenditures), \$623,369,082 non-departmental revenues, and \$134,578,669 departmental revenues be approved;
- c) the Project Budget in the amount of \$144,773,500, be approved;
- d) the general rates of taxation on commercial and business occupancy be set at

- (i) \$3.274 for the urban area;

- (ii) \$3.274 for the suburban area; and

- (iii) \$2.928 for the rural area

**applied to the full assessed value of the property;**

- e) the general rates of taxation on residential and resource property be set at

- (i) \$0.7088 for the urban area;

- (ii) \$0.6918 for the suburban area; and

- (iii) \$0.6850 for the rural area

**applied to the full assessed value of the property;**

- f) the tax rates associated with Transit Tax be set at

- (i) \$0.051 for the Regional Transportation tax rate;**
- (ii) \$0.105 for the Local Transit tax rate**

**applied to the full assessed value of the property;**

- g) (i) the boundary of the urban, suburban and rural areas is as delineated in the attached “Tax Structure Map”;**
- (ii) the boundary of the Regional Transportation area includes all properties within communities included within the attached “Regional Transportation map”;**
- (iii) the boundary for the Local Transit area includes all properties within 1km walking distance of any HRM transit stop.**
- h) the Provincial Area Rate for Mandatory Education on residential and resource property be set at the rate of \$0.295; and at a rate of \$0.296 for all commercial and business occupancy assessment;**
- i) the Provincial Area Rate for Property Valuation Services on residential and resource property be set at the rate of \$0.022; and at a rate of \$0.012 for all commercial and business occupancy assessment;**
- j) the Provincial Area Rate for Corrections Services on residential and resource property be set at the rate of \$0.016; and at a rate of \$0.007 for all commercial and business occupancy assessment;**
- k) the Provincial Area Rate for Metro Regional Housing Authority and Other on residential and resource property be set at the rate of \$0.007; and at a rate of \$0.007 for all commercial and business occupancy assessment;**
- l) Supplementary Education, under Section 530 of the Municipal Government Act, shall be set at the rate of \$0.041 to the residential and resource assessment and \$0.122 to the commercial assessment including business occupancy;**
- m) Fire Protection rates shall be set at \$0.069 for all commercial assessable property, including business occupancy; and at a rate of \$0.023 for all residential and resource property which is within 1,200 feet of a hydrant that is designed and operated for public fire protection purposes.**
- n) Area rates shall be set on taxable residential, resource, commercial and business occupancy assessment, as per the attached Schedule of Area Tax Rates;**

- o) the final tax bills will become due on Monday, October 31, 2011;**
- p) the interest rate on the Special Reserve Funds, designated as requiring interest under Section 121(2) of the Halifax Charter, be set at the rate of return on funds invested by HRM for the period April 1, 2011 to March 31, 2012;**
- q) the interest rate on the Pollution Control Reserves be set at the rate of return on funds invested by HRM for the period April 1, 2011 to March 31, 2012;**
- r) the interest rate on all reserves except for those identified in p) and q) will be set at the rate of return on funds invested by HRM for the period April 1, 2011 to March 31, 2012.**

Discussion on the motion ensued.

Several Councillors advised that while they would approve the budget, they were disappointed that they were unable to offer a slight tax decrease.

Concern was also expressed that several Councillors were not in attendance for approval and may have made themselves available had they known the resolution would be passed that day.

Mr. Bruce Fisher, Acting Chief Financial Officer, advised that the residential, general and transit rates were identical to last year. He stated that, as per Council's policy, commercial rates are driven off of the commercial multiplier where staff compares the market value assessment of the residential and the commercial together, therefore, there was a slight change in the commercial rate of 1.7 cents. Mr. Fisher also noted that provincial area rates were a bit different; on the residential side they are 1.4 cents less, supplementary education funding is 0.4 cents less and fire protection 0.3 cents less, therefore, overall residential taxes are 2.1 cents less and commercial rates are declining as well.

**MOVED by Councillor Hum, seconded by Councillor Blumenthal that Halifax Regional Council defer approval of the 2011 / 2012 Operating & Capital Budget Resolution until May 3, 2011.**

Discussion on the deferral ensued.

Several members of Council questioned what would be gained by deferring approval.

Councillor Uteck stated that she would like one more evening to think about the budget and would be welcome to approving it the following day.

**MOTION DEFEATED.**

Discussion on the main motion continued.

Councillor Outhit expressed concern that Council should have asked staff what a tax increase of zero would look like in the budget when they originally asked for a 2.9% increase. He stated that, as a result, he could not support the budget.

Councillor Blumenthal agreed stating that he thought HRM would lower taxes this year as they would be going up next year regardless due to Memorandum of Understanding issues with the Province.

Several members of Council requested that future budget processes have continuity via a consistently formatted budget book.

Several members of Council also noted that the budget needed to be passed so that staff could go back and do their job.

Councillor Harvey stated that this was Council's budget and he was going to vote in favour of it as it was the budget the majority of Council wanted. He advised that he was prepared to defend slight tax increases and that Council could always change what they had done in their 2011/12 financial plan next year if they so wished.

Councillor Lund stated that Council was only raising taxes by 2.9% to offset operating increases and maintain the service standard; noting their only choice otherwise would be to cut services and efficiencies.

Councillor Outhit suggested a motion to send the budget back to staff until May 9, 2011 to get information on how Council could move forward with no tax increase, if possible. As there was no seconder for the motion, the motion was lost.

Councillor Mosher stated that she supported the original motion; noting that Councillors had submitted questions in December 2010 and had a pre budget debate as well.

Councillor Uteck stated, for the record, that she had sent an email to Mr. Brad Anguish, Director of Business Planning and Information Management, on April 26, 2011 asking what a zero based tax budget would look like and that HRM would not take advantage of the lift.

A recorded vote was requested.

**MOTION PUT AND PASSED (15 in favour, 5 against)**

Those voting in favour were Mayor Kelly and Councillors Barkhouse, Dalrymple, Harvey, Hendsbee, Karsten, Lund, Mosher, Nicoll, Rankin, Sloane, Streach, Uteck, Walker and Watts.

Those voting against were Councillors Blumenthal, Fisher, Hum, Outhit and Wile.

Deputy Mayor Smith and Councillors Adams, Johns and McCluskey were absent for the vote.

**4. ADJOURNMENT**

The meeting was adjourned at 5:26 p.m.

Cathy J. Mellett  
Municipal Clerk