

HALIFAX REGIONAL MUNICIPALITY

TAX REFORM COMMITTEE MINUTES June 18, 2007

- PRESENT: Deputy Mayor Sue Uteck
Councillor David Hendsbee
Councillor Linda Mosher
Councillor Reg Rankin
Councillor Andrew Younger
Mr. Mark Gilbert
Mr. David John Grace
Ms. Giselle Kakamousias
Mr. Andrew Murphy
- ABSENT: Councillor Brad Johns
Mr. Randy Anstey
Mr. Robert Grace, with regrets
Ms. Janice Malay, with regrets
- STAFF: Ms. Cathie O'Toole, Acting Director of Finance
Mr. Bruce Fisher, Manager, Fiscal & Tax Policy, Finance Services
Mr. Andre MacNeil, Financial Consultant, Finance Services
Ms. Shannon Bennett, Tax Reform Analyst, Finance Services
Mr. Daniel St. Onge, Research Student, Finance Services
Ms. Carolyn Wiper, Administrative Assistant, Finance Services

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1. **CALL TO ORDER**

The meeting was called to order at 11:10 a.m. at West End Mall Boardroom 1.

2. **APPROVAL OF THE MINUTES - May 17, 2007**

MOVED by Councillor Younger, seconded by Councillor Mosher, that the Minutes of May 17, 2007 be approved. **MOTION PUT AND PASSED UNANIMOUSLY**

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

MOVED by Councillor Rankin, seconded by Councillor Younger, that the Order of Business be approved. **MOTION PUT AND PASSED UNANIMOUSLY**

4. **BUSINESS ARISING OUT OF THE MINUTES** - None

5. **CONSIDERATION OF DEFERRED BUSINESS**

5.1 **Presentation on the Edmonton Benchmarking Report**

Andre MacNeil, Financial Consultant, Finance Services made a slide presentation to the Committee on Residential Tax Benchmarking.

The Edmonton Benchmarking Report compared various municipalities across Canada in 2006 with respect to total property tax for a single detached house, municipal property tax for a single detached house, average property tax for all single detached houses, and combined average property tax and utility charges for single detached houses. It was determined that HRM benchmarked well in the report compared to other towns and cities across Canada. The Committee concluded from the report that the main issue with taxation in HRM is how the tax burden is allocated.

The Committee briefly discussed the Spring Consultations and the feedback from the community.

The Committee requested Andre MacNeil, Financial Consultant, Finance Services to provide a report on HRM municipal taxation concerning the median, clusters, quartiles and distribution, with mapped values (if possible).

6. **CORRESPONDENCE, PETITIONS AND DELEGATIONS**

6.1 **Correspondence from Beverley Miller re: Peninsula South Community Association Public Meeting**

The Committee received a letter from Beverley Miller re: Peninsula South Community Association Public Meeting and requested Staff to send an acknowledgement letter.

6.2 Written Submissions for Spring Consultations Package

The Committee received the written submissions for Spring Consultations Package.

7. REPORTS

7.1 Report on Spring Workshop

A draft report to Council on the Spring Workshop, prepared by Shannon Bennett, Tax Reform Analyst Financial Services, was before the Committee.

The Committee determined that the Report to Council should go as an information item only and that the Chair would not give a presentation to Council.

Committee Member Giselle Kakamousias noted that there was no relationship between commercial and residential tax in the background portion of the report. The Committee felt that the relationship between commercial and residential should be mentioned early in the report.

The Committee agreed that the report will go to Regional Council. It should be made clear that the report is providing results from the spring workshops and that the Committee and Staff will be working on options over the summer to take back to the public in the fall. The Committee also agreed that there are a number of misconceptions by the public and that staff should acknowledge these misconceptions in the report.

Committee Member Mark Gilbert suggested three changes to the report: 1. tie in results with previous survey 2. conclusion section be more specific - recurring themes should be repeated and 3. emphasis on the need for more education.

The Committee agreed that youth are not getting involved with this process and that it is up to the Committee to get them involved. It was suggested that a focus group workshop be organized with CMHC or the real estate association.

The Committee discussed the possibility of including a two-sided insert with the tax bills in the fall. Cathie O'Toole, Acting Director of Finance informed them that it is possible but the deadline for submissions is getting close. Staff felt they still had enough time to prepare an insert update on tax reform. Committee suggested the operating expenditure chart may also be included in insert.

MOVED by Councillor Younger, seconded by Councillor Mosher, that an amended Information Report go to Council including the Committee's comments. MOTION PUT AND PASSED UNANIMOUSLY

7.2 Consultation Report - Feedback Form Results

A Consultation Report re: Feedback Form Results prepared by Bruce Fisher, Manager of Fiscal and Tax Policy was before the Committee. Bruce Fisher went over the report with the Committee. The Committee agreed strongly that some demographic groups are not being targeted, ie youth.

7.3 Verbal Report re: Summer Work Plan / Next Steps

Bruce Fisher, Manager of Fiscal and Tax Policy gave the Committee a verbal report on the Summer Work Plan / Next Steps which included:

1. Update to Council
2. Maintain/expand contacts on tax reform to:
 - 2.1 youth, first time home buyers - possible focus groups
 - 2.2 evaluation criteria
 - 2.3 email report, updates
 - 2.4 CRA Survey
3. Research on possible tax packages
 - 3.1 goals
 - 3.2 core services, ability to pay
 - 3.3 principles
 - 3.3.1 equity - better definition
 - 3.3.2 transparency, stability, economic competitiveness, etc
4. Come back to Council in Fall with possible tax package options
5. Future public consultations on possible packages

The Committee requested that Halifax by Design and the Provincial Assessment Department be invited to attend one of the summer meetings.

8. ADDED ITEMS

9. NEXT MEETING DATE

The next meeting has been set for Thursday, July 5, 2007 and every two weeks after that from 11:00 a.m. to 1:00 p.m. either at Halifax Hall, City Hall or St. Mary's Boat Club. Staff will check for available rooms, and will email confirmed dates and locations to ensure quorum will be met.

10. ADJOURNMENT

MOVED by Councillor Younger, that the meeting adjourn at 11:10 p.m.

Carolyn Wiper
Administrative Support Assistant

