

## HALIFAX REGIONAL MUNICIPALITY

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### TAX REFORM COMMITTEE MINUTES September 20, 2007

- PRESENT: Mr. David Grace, Chair  
Dr. Mark Gilbert, Vice-Chair  
Councillor David Hendsbee  
Councillor Linda Mosher  
Councillor Reg Rankin  
Mr. Patrick Flinn  
Mr. Robert Grace  
Ms. Giselle Kakamousias  
Mr. Andrew Murphy
- ABSENT: Deputy Mayor Sue Uteck, with regrets  
Councillor Brad Johns, with regrets  
Councillor Andrew Younger, with regrets  
Ms. Janice Malay, with regrets
- STAFF: 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 10:45 a.m. in Media Room, City Hall.**

Chair David Grace introduced Patrick Flinn as the newly appointed member of the Tax Reform Committee. The Committee introduced themselves.

**2. APPROVAL OF THE MINUTES - September 6, 2007**

**MOVED by Mark Gilbert, seconded by Giselle Kakamousias, that the Minutes of September 6, 2007 be approved. MOTION PUT AND PASSED UNANIMOUSLY**

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

**Added Item:**

**8.1 Workshop with Assessment**

The Order of Business was approved without a formal motion.

**4. BUSINESS ARISING OUT OF THE MINUTES**

**4.1 Service NS - Workshop**

The Committee briefly discussed the Service Nova Scotia Workshop scheduled for September 27<sup>th</sup>.

**5. CONSIDERATION OF DEFERRED BUSINESS**

**5.1 Transportation Utility Fees: Policy Considerations - Presentation**

Bruce Fisher, Manager of Fiscal & Tax Policy gave a presentation on Transportation Utility Fees and Policy Considerations currently being used in Oregon. He explained that the fee is for consumption of the transportation system and is based on the demand for service. It was started in 1997 because the gas tax was insufficient. It generates \$600,000 per year which covers the accelerated wear on the roads and the added burden of heavy trucks. It is part of a monthly utility bill which all utility customers would pay with the exception of bus systems, schools, Churches with little Monday to Friday activity, and vacant land. He commented that this could have some adaptability.

The Committee discussed how a system like this could work in HRM and how a fee could be charged. They agreed that it could be complicated to calculate usage.

Andre MacNeil, Financial Consultant was asked to provide data from Statistics Canada to help determine residential usage. He will also see if Statistics Canada has data on commercial and/or truck usage.

**6. CORRESPONDENCE, PETITIONS AND DELEGATIONS**

**6.1 Written Submissions on Tax Reform**

Written submissions on Tax Reform were received by the Committee.

**7. REPORTS**

**7.1 Evaluation Criteria for Tax Reform - Draft**

Shannon Bennett, Tax Reform Analyst gave a presentation on the Evaluation Criteria for Tax Reform.

The Committee reviewed 29 newly drafted evaluation criteria objectives and it was moved that:

**Moved by Andrew Murphy, Seconded by Mark Gilbert, that the Tax Reform Committee approve the evaluation criteria for the tax reform option, as amended to include five modifications:**

1. change number two to read “not regressive”;
2. change number four to include the word “unattended”;
3. change number 15 to read “mutual respect”;
4. change number 5 to read unintended advantage instead of advantage; and
5. change number 6 to read “business activity” instead of “consumption”.

**MOTION PUT AND PASSED UNANIMOUSLY.**

**7.2 Tax Structure Report - Addition of Commercial Taxes - distributed at meeting**

Andre MacNeil, Financial Consultant made a presentation to the Committee on the Tax Structure Model, 2<sup>nd</sup> Draft. He explained the changes in the 2<sup>nd</sup> Draft which include Business and Commercial Rates and changes requested at the last meeting. He noted that the residential rates for urban, suburban and rural are shown separately. These three rates had to be combined in the 1<sup>st</sup> draft.

**7.3 Presentation on Non-Residents - distributed at meeting**

Andre MacNeil, Financial Consultant made a presentation to the Committee on Non-Resident Property Owners - an estimate of CAP excluded properties in HRM.

The Committee asked Staff to provide the percentage of non-residents who own waterfront property.

**7.4 San Luis Obispo, Budgeting and Fiscal Policies, 2005-2007 - User Fee Cost Recovery Levels**

Shannon Bennett, Tax Reform Analyst made a presentation to the Committee on San Luis Obispo's Budgeting and Fiscal Policies.

**8. ADDED ITEMS**

**8.1 Workshop with Assessment**

Chair David Grace reminded the Committee that they were invited to meet with Assessment Services on September 27<sup>th</sup> at their Dartmouth location from 11:00 a.m. - 1:00 p.m.

**9. NEXT MEETING DATE**

The next regular meeting date has not been set.

Staff worked with the Committee on setting a date for the next workshop. This workshop will be used to go over tax options. It was decided to hold the workshop on October 10<sup>th</sup> from 11:00 a.m. - 2:00 p.m. at St. Mary's Boat Club. Staff encouraged all Committee Members to attend this workshop and will email members, not in attendance at this meeting, to remind them of the importance of the workshop.

**10. ADJOURNMENT**

**MOVED by Mark Gilbert, that the meeting adjourn at 1:20 p.m.**

Carolyn Wiper  
Administrative Support Assistant