

# HALIFAX REGIONAL MUNICIPALITY

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## HALIFAX REGIONAL COUNCIL COMMITTEE OF THE WHOLE MINUTES

October 23, 2007

**PRESENT:** Mayor Peter Kelly  
Deputy Mayor Sue Uteck  
Councillors: Krista Snow  
David Hendsbee  
Harry McInroy  
Gloria McCluskey  
Andrew Younger  
Bill Karsten  
Jim Smith  
Mary Wile  
Dawn Sloane  
Sheila Fougere  
Russell Walker  
Debbie Hum  
Linda Mosher  
Stephen D. Adams  
Brad Johns  
Robert P. Harvey

**REGRETS:** Councillors: Steve Streach  
Patrick Murphy  
Gary Martin  
Reg Rankin  
Gary G. Meade

**STAFF:** Mr. Dan English, Chief Administrative Officer  
Ms. Mary Ellen Donovan, Municipal Solicitor  
Ms. Jan Gibson, Municipal Clerk  
Ms. Sheilagh Edmonds, Legislative Assistant

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## 1. CALL TO ORDER

Mayor Kelly called the meeting to order at 9:49 a.m.

## 2. APPROVAL OF THE MINUTES

**MOVED by Councillor Younger, seconded by Councillor Wile that the minutes of September 25, 2007 be approved. MOTION PUT AND PASSED.**

## 3. ASSESSMENT CAP - STAFF PRESENTATION

A Presentation regarding this matter was submitted.

Mr. Bruce Fisher, Manager, Fiscal & Tax Policy, Financial Services provided the presentation on Revisions to the Assessment Cap. He noted that the presentation was in response to request from Council in July for staff to look at how the Cap will affect the 2008/09 budget. Highlights of his presentation are as follows:

- C The Assessment Cap was introduced in 2004, and in 2007 it was set at 10%
- C Since 2004, there have been two significant changes:
  - C the Cap amount is based on the Consumer Price Index (CPI), which staff estimate will be 2.5% for 2008-2009;
  - C as a result of the Cap at CPI, more homes are eligible and the amount of the Cap is greater.
- C In regard to the impact on HRM's budget, this represents a change in the definition of assessment.
- C The implication of the Assessment Cap is that it is estimated that 85% of homes are eligible for Cap, versus 20%; it provides added stability for high increase homes; and, there is a shift in the tax burden from those with high increases in assessment to those with low increases in assessment, ineligible properties (apartments and non residents); and new purchases/construction.
- C The Assessment Cap has changed in two key areas, in that there has been a reduction from 10% to CPI, and there is no application process.
- C There is no change to the budget or rate process with the revision to the assessment cap, but it has become more important to review the tax burden - - the Municipality will receive the new tax roll in January 2008 that will enable staff to provide additional information.

A discussion ensued with Mr. Fisher responding to questions. The following comments were noted:

- C The Municipality pays approximately \$5 million every year for assessment services;

therefore, if the Cap is automatically set to CPI each year, it should result in administrative efficiencies, which should see the Municipality saving on these costs.

- C The money HRM pays to the Province for education, corrections, etc. will be based on the capped assessment; the Province uses the prior year's assessment, so in the upcoming budget the education amounts will use the capped assessment from 2007, and the new system will be relative to the 2009 budget.

In response to a question by Councillor Hum, Mr. Fisher advised that he believed a condominium building with a commercial component is eligible for the Cap of CPI irrespective of any commercial use in the building. Mr. Fisher indicated that he would get clarification on this matter.

**MOVED by Councillor Younger, seconded by Councillor Karsten that the Mayor forward a letter to Service Nova Scotia asking for a response as to whether HRM will see cost savings in assessment services as a result of switching the Assessment Cap from 10% to the Consumer Price Index.**

At 10:32 a.m. Councillor Walker entered the meeting.

**MOTION PUT AND PASSED.**

#### **4. 2008/2009 BUSINESS PLAN PROCESS REVIEW**

A staff report dated October 17, 2007 was submitted.

A Presentation regarding this matter was submitted.

Mr. Marc Scarfone, Business Plan Coordinator, Business Planning and Information Management, addressed Council and provided a presentation regarding the feasibility of changing the Business Plan and Budget process and format. He noted that this was a result of a request by Regional Council last April at the conclusion of the business plan and budget process.

At 10:37 a.m. Councillor Adams entered the meeting.

In his presentation, Mr. Scarfone noted the following:

- C In consultations with Councillors, some of the key issues identified were:
  - C allow time for information program review
  - C more programming performance detail
  - C assurance that staff have been listening to the requests of Councillors
  - C focus on priorities and 'get the job done'
  - C highlight the good news stories
  
- C The short term challenges are:
  - C public sector accounting changes

- C the merger of HRM Stormwater and Wastewater with the Halifax Regional Water Commission
- C tax reform items that will impact staff work for 2008 and 2009.
  
- C Focus will be on the following three areas:
  - C priority setting process
  - C business plan and budget book format
  - C business plan and budget debate process
  
- C For 2008/09, staff are recommending the current Council focus area approach and priorities be maintained, which are: Infrastructure, Public Safety, Community Development, and Tax Reform.

At 10:53 a.m. Council recessed.

At 11:12 a.m. Council reconvened with the same members present.

**MOVED by Councillor Karsten, seconded by Councillor Adams that Regional Council:**

- 1. Adopt the proposed revised Business Plan and Budget Debate process outlined in the Discussion section of the October 17, 2007 staff report.**
- 2. Maintain the 2007/08 Council Focus Area approach and priorities: Infrastructure, Public Safety, Community Development, and Tax Reform for 2008/09.**
- 3. Maintain the current Budget & Business Plan book format with the addition of an Infrastructure List supplement.**

Councillor Adams referred to the suggestion in the report of holding a number of 'open houses' of the business units, in which the Councillors could discuss their concerns. He advised that he would prefer if staff arranged to have one open house, either in the morning or afternoon or an all day session at which all the directors or their designates could attend.

**MOVED by Councillor Adams, seconded by Deputy Mayor Uteck that, rather than holding a number of 'open houses' at City Hall, staff arrange to have one open house, either in the morning or afternoon or an all day session at which all the directors or their designates would be in attendance.**

At 11:19 a.m. Councillor Mosher entered the meeting.

At 11:38 a.m. Councillor Sloane entered the meeting.

A brief discussion ensued, with staff responding to questions. With the agreement of the

mover and seconder, the amendment was revised to read as follows:

**MOVED by Councillor Adams, seconded by Deputy Mayor Uteck that staff arrange to hold informal discussion sessions between Council and Directors (and/or their appointed designates) over a two or three day timeframe**

**THE AMENDMENT WAS PUT AND PASSED.**

Council continued its discussion with the following points being noted:

- C Concern was expressed that staff were retaining the existing budget book format.
- C At the beginning of the budget book, detail a list of the services HRM provides, along with the cost; list all the facilities, along with their current condition, the performance of the facility, and the programs.
- C In the budget book, note the projects that are long term and have status updates provided, so the Councillor will be able to track the project from beginning to end.
- C List Council's focus areas at the beginning of the budget.
- C Set the dates for budget debate as far in advance as possible.

The amended motion now reads:

**MOVED by Councillor Karsten, seconded by Councillor Adams that Regional Council:**

- 1. Adopt the proposed revised Business Plan and Budget Debate process outlined in the Discussion section of the October 17, 2007 staff report with the provision that staff arrange to hold informal discussion sessions between Council and Directors (and/or their appointed designates) over a two or three day timeframe.**
- 2. Maintain the 2007/08 Council Focus Area approach and priorities: Infrastructure, Public Safety, Community Development, and Tax Reform for 2008/09.**
- 3. Maintain the current Budget & Business Plan book format with the addition of an Infrastructure List supplement.**

**THE MOTION WAS PUT AND PASSED.**

## **5. ADJOURNMENT**

The meeting adjourned at 12:11p.m.

Jan Gibson  
Municipal Clerk