

**HALIFAX REGIONAL COUNCIL  
COMMITTEE OF THE WHOLE  
BUDGET DELIBERATIONS  
MINUTES**

**April 29, 2008**

**PRESENT:** Mayor Peter Kelly, Chair  
Deputy Mayor Stephen D. Adams  
Councillors: Steve Streach  
Krista Snow  
David Hendsbee  
Harry McInroy  
Gloria McCluskey  
Andrew Younger  
Bill Karsten  
Jackie Barkhouse  
Jim Smith  
Mary Wile  
Patrick Murphy  
Dawn M. Sloane  
Sue Uteck  
Sheila Fougere  
Russell Walker  
Debbie Hum  
Linda Mosher  
Brad Johns  
Robert P. Harvey  
Reg Rankin  
Gary G. Meade

**STAFF:** Mr. Dan English, Chief Administrative Officer  
Mr. Martin Ward, Acting Municipal Solicitor  
Ms. Julia Horncastle, Acting Municipal Clerk  
Ms. Sheilagh Edmonds, Legislative Assistant

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**1. CALL TO ORDER**

The Mayor called the meeting to order at 2:40 p.m.

**2. APPROVAL OF THE MINUTES - None**

**3. BUDGET DELIBERATIONS**

- C A staff report dated April 21, 2008 was submitted.
- C A revised Appendix A and Appendix B (*Parking Lot Items*) to the staff report was circulated.
- C Appendix C, entitled Summary of Changes - 2008/09 Capital Budget was circulated.
- C Appendix D - Final Report on Capital Budget Increase and Related Financing was circulated.
- C A Power Point presentation was circulated.

At 2:43 p.m. Councillors Johns and Mosher entered the meeting.

Ms. Dale MacLennan, Director of Finance addressed Council and reviewed the submitted staff report which outlined the changes to the operating, reserve, and capital budgets as a result of requests for additional operating and capital expenditures during budget deliberations.

At 2:59 p.m. Councillor McCluskey entered the meeting.

Staff responded to questions from Council.

At 3:05 p.m. Councillor Hendsbee entered the meeting.

The Mayor asked the Municipal Clerk to clarify the recommendation Council would be considering today.

The Municipal Clerk advised that the motion, which had been previously put forward by Deputy Mayor Adams at the beginning of budget deliberations, was to approve the budget pending the staff report addressing the parking lot items as put forward in the Committee of the Whole.

Councillor Uteck requested clarification on the motion, suggesting that Council could not approve the previous motion, when it is about to discuss a report which would result in a tax

increase.

In response, Mayor Kelly advised that the original motion would have to be amended. He noted that staff have a revised breakdown should Council wish to proceed in this direction.

Councillor Johns noted that he had asked for \$500,000 for the paving of gravel roads to be added to the parking lot, and staff responded that this was part of the \$2.9 million in debt funding proposed for Streets and Road. He advised that his intention was to add \$500,000 on top of the \$2.9 million and he suggested that there may be opportunities through Account Q119 to do this. Councillor Johns questioned why there was no recommendation to take \$400,000 - \$500,000 from Q119 and supplement the budget.

Ms. MacLennan explained that staff looked into this suggestion, but that accounting rules require staff to budget no less than 20% of the balance, therefore, staff could not in one year drop the account from \$400,000 to \$0. She added, however, that staff could reduce it by 20% of the 2007 balance, and this would bring it to \$240,000. Ms. MacLennan noted that it is quite complicated and staff felt it was not viable.

Councillor Johns added that even if it is reduced by the maximum allowed, i.e. 20%, and it is put toward the net cost of new paving, the Municipality would still be getting double the amount of paving because it is 50 cent dollars.

Ms. MacLennan concurred that this can be an alternative to what staff is recommending.

**MOVED by Councillor Johns, seconded by Councillor Hendsbee that Account Q119 be dropped to the minimum required balance (20% of the 2007 balance) and that these funds be used to augment the proposed \$2.9 million in debt funding for Streets and Roads for the purpose of paving gravel roads.**

Ms. Cathie O'Toole, Director of Infrastructure and Asset Management requested clarification on motion as to whether it is to replace the funding source from debt or to augment.

Councillor Johns advised that it would augment.

In response to a question for clarification, Ms. MacLennan explained that the motion if passed would result in \$1.3 million paving of gravel roads which the Municipality would fund \$500,000 through debt and approximately \$150,000 from a reduction of the reserve contribution this year.

**MOTION PUT AND PASSED.**

**MOVED by Councillor Walker, seconded by Councillor Smith that the \$2,028,007 in amendments to the Operating Budget as outlined in the revised Appendix A be approved.**

Councillor Rankin proposed a friendly amendment, and **with the agreement of the mover**

**and seconder, the motion was amended to include approving the Capital Budget of \$22,840,000 and a Debt of \$27,800,000, as outlined in revised Appendix B.**

At 3:39 p.m. Councillor Hum entered the meeting.

A discussion ensued with staff responding to questions.

Staff circulated a revised resolution for approval of the operating and capital budget and tax rates for fiscal 2008/2009.

Mayor Kelly clarified that the resolution being circulated by staff is, in effect, amending the Deputy Mayor's original motion when Council began the budgetary process, in order to reflect the additions to the capital and operating budget.

**MOVED by Councillor McCluskey, seconded by Councillor Younger that the motion be amended to reduce Out of Town Travel and Conferences for staff and Council by approximately \$900,000. THE MOTION WAS PUT AND DEFEATED.**

**THE MAIN MOTION WAS PUT AND PASSED**

The motion now reads:

**MOVED by Councillor Walker, seconded by Councillor Smith that the \$2,028,007 in amendments to the Operating Budget as outlined in the revised Appendix A and the Capital Budget of \$22,840,000 and a Debt of \$27,800,000 as outlined in the revised Appendix B be approved for inclusion in the 2008/09 budget.**

#### **4. ADJOURNMENT**

The meeting adjourned at 5:09 p.m.

Julia Horncastle  
Acting Municipal Clerk