

HALIFAX REGIONAL MUNICIPALITY

HALIFAX REGIONAL COUNCIL
COMMITTEE OF THE WHOLE MINUTES

March 22, 2011

PRESENT: Mayor Peter Kelly
Deputy Mayor Jim Smith
Councillors: Steve Streach
Barry Dalrymple
David Hendsbee
Lorelei Nicoll
Gloria McCluskey
Darren Fisher
Bill Karsten
Jackie Barkhouse
Mary Wile
Jerry Blumenthal
Dawn Sloane
Sue Uteck
Jennifer Watts
Russell Walker
Debbie Hum
Stephen Adams
Brad Johns
Robert Harvey
Tim Outhit
Reg Rankin
Peter Lund

REGRETS: Councillor Linda Mosher

STAFF: Mr. Mike Labrecque, Deputy Chief Administrative Officer
Ms. Mary Ellen Donovan, Municipal Solicitor
Ms. Sherryll Murphy, Acting Municipal Clerk
Ms. Shawnee Gregory, Legislative Assistant

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1. CALL TO ORDER

Mayor Kelly called the meeting to order at 1:07 p.m.

2. APPROVAL OF THE MINUTES – January 25 & February 1, 2011

Amendment:

January 25, 2011: Item 4, Page 5 – Councillor Lund indicated that his comment should state *geotechnical* rather than *geographical*

MOVED by Councillor Sloane, seconded by Councillor Blumenthal that the minutes of January 25 & February 1, 2011 be approved as amended. MOTION PUT AND PASSED.

APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

MOVED by Councillor Sloane, seconded by Councillor Watts that the agenda be accepted as presented. MOTION PUT AND PASSED.

3. RENEWAL OF SUPPLEMENTARY EDUCATION FUNDING AGREEMENT

A report dated March 9, 2011 was before Council.

A presentation was before Council.

Correspondence dated March 14, 2011 from Ms. Mary Peters was before Council.

Mr. Bruce Fisher, Manager of Fiscal & Tax Policy, provided the presentation on the Renewal of the Supplementary Education Funding Agreement. He advised that HRM was only legally required to provide the Halifax Regional School Board (HRSB) with their 'mandatory funding' of \$15,300,000 for 2011/2012. He indicated that if Council did choose to provide Supplementary Education Funding, they could choose to do so for a four year period or to review the amount on a year to year basis.

MOVED by Councillor Nicoll, seconded by Councillor McCluskey that Supplementary Education Funding be reduced by \$450,000 for 2011/2012 and, further, that HRM and Halifax Regional School Board staff report to Council in March 2012 on a plan to enhance the music and fine arts programs across HRM.

Discussion on the motion ensued with staff responding to questions.

Councillor Nicoll stated that, with this motion, she wanted to investigate if the HRSB had a plan to enhance arts and music programs or if they did not have the funding ability to do so.

Mr. Fisher stated that while the \$450,000 reduction was a reflection of a decline in enrollment, the slight decline in the amount of funding per student would be greater than the decline in enrollment.

Councillor Nicoll stated that supplementary funding should be used for enhancements.

Councillor Walker advised that he would not support the motion and had hoped to move the staff recommendation. He stated that he did not want to negotiate with the HRSB every year which is why he preferred the four year model.

Councillor Nicoll advised that her intention with this motion was to ask for a more improved four year plan.

Councillor Barkhouse entered the meeting at 1:33 p.m.

Mr. Fisher indicated that, in either case, Council would have to change the funding guarantee once per year which could be done during budget debates.

Several Councillors expressed concern that education was a Provincial mandate and HRM was being put in the position of subsidizing cuts they were making to their education budget via this supplementary funding which was, in fact, meant to be used for enhancements.

Regarding Councillor Adams' inquiry as to whether this was a conditional motion, Ms. Mary Ellen Donovan, Municipal Solicitor, advised that it was not a conditional motion as the concept was to put in place proposed funding for a period of one year at which time analysis would be given to Council regarding the ensuing four years.

Councillor Outhit entered the meeting at 1:37 p.m.

Mayor Kelly clarified that Council could not direct HRSB where to spend the supplementary funding.

Mr. Fisher also confirmed that the HRSB does supply staff and Council with annual budget information. He clarified that the actual responsibility of spending money belongs to the school board as per provincial regulations; noting that HRM could make funding contingent; however, the school board was not required to accept that direction and that HRM was not required to provide funding above the provincial guaranteed amount.

Mr. Fisher also noted that most arts and music programs have been largely regionalized based on need.

Councillor Fisher advised that the supplementary funding was provided via an area rate; therefore, if reduced, the money would not go back in HRM coffers as it would just come off the existing area rate.

Mr. Fisher stated that roughly 20% of the supplementary funding goes toward art and music programs. He advised that the province had announced earlier that day that in 2012/13 they would be changing their funding formula as they had been capping funding to municipalities for mandatory education at a CPI rate and they would now cease that practice under 12 month notice and would be using the education rate instead. Mr. Fisher indicated that HRM would see some greater pressure as a result of this change; however, it was too early to know how much.

Councillor Sloane expressed concern that schools were closing on the Peninsula which she believed was due to sprawl. She stated that since Council was not allowed to tell the school board where the funding should go, they should at least send a message that they do not want administration paid for via supplementary funding.

Councillor Wile noted that funding for special needs programs was also important.

Deputy Mayor Smith stated that Council could request information regarding arts and music funding even if the current motion fails. Regarding the area rate component, he noted that funding would not go to HRM coffers but back to tax payers to save them money.

Councillor McCluskey noted that funding for physical education was also important as childhood obesity was a concern.

Councillor Harvey indicated that the intent of Councillor Nicoll's motion could be achieved via the staff recommendation as HRM staff does currently receive an annual report from the HRSB and that Council could also invite the school board to a meeting to answer any questions they may have.

Councillor Watts advised that she was in support of the second alternative outlined in the staff report dated March 9, 2011.

Ms. Cathie O'Toole, Director of Finance, clarified that, according to the press release put out by the Province earlier that day, HRM's amount for mandatory education funding would increase as it's proportionate share for the assessment increases since the Province intends to hold contributions at a 2010/11 rate times the assessment base. She advised that HRM would be responsible for approximately \$2,000,000 to \$3,000,000 in additional funding per year starting in 2012/2013 forward.

A vote was taken on the motion.

MOTION DEFEATED.

MOVED by Councillor Walker, seconded by Councillor Karsten that Halifax Regional Council authorize the Mayor and Municipal Clerk to extend the agreement with the Halifax Regional School Board concerning Supplementary Education for a further four year period, as outlined in Attachment 1 of the report dated March 9, 2011.

Councillor Walker stated that as per the meeting that morning, it was clear that the Province would not pick up that tab if HRM stopped providing supplementary education funding. He stated that the motion on the floor would provide stability for four years.

MOTION PUT AND PASSED.

4. ADJOURNMENT

The meeting was adjourned at 2:42 p.m.

Cathy J. Mellett
Municipal Clerk