



**BUDGET COMMITTEE
(STANDING COMMITTEE OF THE WHOLE ON BUDGET)
MINUTES
January 24, 2024**

PRESENT: Councillor Paul Russell, Chair
 Mayor Mike Savage
 Deputy Mayor Cathy Deagle Gammon
 Councillors: David Hendsbee
 Becky Kent
 Trish Purdy
 Sam Austin
 Tony Mancini
 Waye Mason
 Lindell Smith
 Shawn Cleary
 Kathryn Morse
 Patty Cuttell
 Iona Stoddard
 Lisa Blackburn
 Tim Outhit

REGRETS: Councillors: Pam Lovelace

STAFF: Jerry Blackwood, Executive Director of Finance & Asset Management/Chief
 Financial Officer
 John Traves, K.C., CD, Executive Director of Legal & Legislative
 Services/Municipal Solicitor/Chief Governance Officer
 Iain MacLean, Municipal Clerk
 Dorothy Maponga, Legislative Assistant

The following does not represent a verbatim record of the proceedings of this meeting.

The agenda, reports, supporting documents, information items circulated, and video (if available) are online at halifax.ca.

The meeting was called to order at 9:33 a.m. and recessed at 10:44 a.m. Budget Committee reconvened at 10:51 a.m. and recessed at 12:00 p.m. Budget Committee reconvened 1:00 p.m. and adjourned at 2:21 p.m.

1. CALL TO ORDER AND LAND ACKNOWLEDGEMENT

The Chair called the meeting to order at 9:33 a.m. and acknowledged that the meeting took place in the traditional and ancestral territory of the Mi'kmaq people, and that we are all treaty people.

2. APPROVAL OF THE MINUTES – December 12, 2023

MOVED by Councillor Hendsbee, seconded by Councillor Stoddard

THAT the minutes of December 12, 2023 be approved as circulated.

MOTION PUT AND PASSED.

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

Additions: None

Deletions: None

MOVED by Councillor Russell, seconded by Councillor Blackburn

THAT the agenda be approved as presented.

MOTION PUT AND PASSED.

4. CALL FOR DECLARATION OF CONFLICT OF INTERESTS – NONE

5. PUBLIC PARTICIPATION

Alex Oulton, Halifax spoke to the importance of considering small businesses during the budget process. Oulton highlighted that the cost of doing business has resulted in an increase to CPP, EI premiums, power rates, taxes, fuel, insurance and wages. Oulton added that small businesses are seeking to not have an increase in the cost of doing business and for Council to provide solutions to ensure small businesses are not disproportionately impacted by a tax increase in 2024. They emphasized that to help small businesses the Municipality should close the tax gap between non-residential and residential rates, consider red tape reduction and enhance the construction mitigation policy.

Kevin Russell, Halifax spoke to the rise of building costs, materials, mortgage rates and taxes including federal and municipal carbon tax and how this has affected rental housing providers. Russell noted that these increases have affected the access to affordable housing in the Municipality. They highlighted that an increase in taxes would force rental housing providers to sell their properties and will cause an increase to homelessness. Russell advised Council to engage citizens to identify savings that would keep taxes at an affordable rate.

Deny Sullivan, spoke to the increase of property tax bill and the rate cutting for homeowners. Sullivan noted that 73% of homeowners currently have a lower tax burden than they had in 2019, although the value of their properties has increased. Sullivan added that not cutting rates would assist with lowering the City's proposed budget.

6.1 2024 Budget Direction, Assessment, and Revenue Update

The following was before Budget Committee:

- Staff report dated January 19, 2024
- Correspondence from Deny Sullivan, Bill Campbell and Norm Collins and Alex Oulton
- Staff presentation dated January 24, 2024

Cathie O' Toole, Chief Administrative Officer spoke to the upcoming budget presentations and noted that the presentations highlight the challenges and emerging opportunities in the 2024/25 fiscal year. O'Toole added that the proposed budget is based on the direction from the strategic priorities plan for 2021-2025 and the 2024 property assessment roll from Property Valuation Service Corporation. O'Toole highlighted that changes have been made to the proposed budget to lower the projected tax burden from 9.7% to 8.9%. They stated that the municipality is currently facing ongoing inflationary pressures and population growth which have caused cost increases for the budget cycle. O'Toole added that the proposed tax bill increase will allow all municipal services, project and initiatives to continue.

Jerry Blackwood, Executive Director of Finance & Asset Management/Chief Financial Officer gave a presentation and responded to questions of clarification from Budget Committee.

MOVED by Councillor Hendsbee, seconded by Deputy Mayor Deagle Gammon

THAT Budget Committee recommend that the Chief Administrative Officer continue to develop the 2024/25 Budget in accordance with the Budget Committee's direction of November 28, 2023.

Blackwood and Daniel Freeman, Senior Financial Consultant responded to questions of clarification from Budget Committee.

MOTION PUT AND PASSED UNANIMOUSLY.

Not present: Councillor Lovelace

6.2 2024/25 Multi-Year Capital Plan

The following was before Budget Committee:

- Staff report dated December 19, 2024
- Handout dated January 24, 2024
- Staff presentation dated January 24, 2024

Crystal Nowlan, Director, Asset Management gave a presentation and responded to questions of clarification from Budget Committee.

MOVED by Councillor Cuttell, seconded by Councillor Blackburn

THAT Budget Committee recommend that Halifax Regional Council:

- 1. Approve the Capital Budget for 2024/25 as set out in Attachment 1 of the staff report dated December 19, 2023;**
- 2. Approve in-principle the schedule of 2025/26, 2026/27, 2027/28 Multi-Year Capital Plan as set out in Attachment 2 of the staff report dated December 19, 2023;**
- 3. Approve the schedule of 2024/25 Capital Plan Reserves Withdrawals as set out in Attachment 3 of the staff report dated December 19, 2023;**
- 4. Approve the schedule of 2024/25 Capital Multi-year Projects as set out in Attachment 4 of the staff Report dated December 19, 2023; and**

- 5. Direct the Chief Administrative Officer to update a Long-term Capital Funding Strategy as part of the 2025/26 budget process to reflect the changing Municipal and economic long-term goals.**

Nowlan, Jerry Blackwood, Executive Director of Finance & Asset Management/Chief Financial Officer, Brad Anguish, Executive Director, Public Works & Chief Engineer and Maggie MacDonald, Executive Director, Parks & Recreation responded to questions of clarification from Budget Committee.

John MacPherson, Executive Director, Property, Fleet & Environment and Cathie O'Toole, Chief Administrative Officer responded to questions of clarification from the Budget Committee on the status of the Halifax Regional Police headquarters. O'Toole added that a report on the status of the headquarters would be presented to the Board of Police Commissioners which will include a decision on the site location.

Anne Sherwood, Director Transportation, Design & Construction, Anguish, Dave Reage, Executive Director, Halifax Transit, Megan Gainer, Director Facilities, Halifax Public Libraries, David MacIssac, Manager, Active Transportation, Patricia Hughes, Director, Planning & Customer Engagement, Shannon Miedema, Director, Environment & Climate Change and Jacqueline Hamilton, Executive Director, Planning & Development responded to questions of clarification from Budget Committee.

O'Toole responded to questions of clarification from the Budget Committee on the funding agreement for the Windsor Street project. Anguish, MacIssac, Nowlan, Hamilton, Anguish, Peter Duncan, Director, Infrastructure Planning, MacPherson and Peter Stickings, Director, Corporate Real Estate responded to questions of clarification from Budget Committee.

As provided for in section 90 of Administrative Order One, Respecting the Procedures of the Council, the motion was separated for voting purposes.

MOVED by Councillor Cuttell, seconded by Councillor Blackburn

THAT Budget Committee recommend that Halifax Regional Council:

- 1. Approve the Capital Budget for 2024/25 as set out in Attachment 1 of the staff report dated December 19, 2023;**
- 3. Approve the schedule of 2024/25 Capital Plan Reserves Withdrawals as set out in Attachment 3 of the staff report dated December 19, 2023;**
- 4. Approve the schedule of 2024/25 Capital Multi-year Projects as set out in Attachment 4 of the staff Report dated December 19, 2023; and**

MOTION PUT AND PASSED. (15 in favour, 1 against)

In favour: Budget Committee Chair Russell, Mayor Savage, Deputy Mayor Deagle Gammon, Councillors Hendsbee, Kent, Austin, Mancini, Mason, Smith, Cleary, Morse, Cuttell, Stoddard, Blackburn, Outhit

Against: Councillor Purdy

Not present: Councillor Lovelace

MOVED by Councillor Cuttell, seconded by Councillor Blackburn

THAT Budget Committee recommend that Halifax Regional Council:

- 2. Approve in-principle the schedule of 2025/26, 2026/27, 2027/28 Multi-Year Capital Plan as set out in Attachment 2 of the staff report dated December 19, 2023;**
- 5. Direct the Chief Administrative Officer to update a Long-term Capital Funding Strategy as part of the 2025/26 budget process to reflect the changing Municipal and economic long-term goals.**

MOTION PUT AND PASSED. (15 in favour, 1 against)

In favour: Budget Committee Chair Russell, Mayor Savage, Deputy Mayor Deagle Gammon, Councillors Kent, Purdy, Austin, Mancini, Mason, Smith, Cleary, Morse, Cuttell, Stoddard, Blackburn, Outhit

Against: Councillor Hendsbee

Not present: Councillor Lovelace

7. ADJOURNMENT

The meeting was adjourned at 2:21 p.m.

Iain MacLean
Municipal Clerk