



P.O. Box 1749
Halifax, Nova Scotia
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Item No. 15.2.4

Request for Halifax Regional Council's Consideration

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| <input checked="" type="checkbox"/> Included on Agenda
(Submitted to Municipal Clerk's Office by Noon Thursday) | <input type="checkbox"/> Added Item
(Submitted to Municipal Clerk's Office by Noon Monday) | <input type="checkbox"/> Request from the Floor |
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Date of Council Meeting: April 29, 2025

Subject: Sustainable Funding and HRM's Reserves

Motion for Council to Consider:

That Halifax Regional Council direct the Chief Administrative Officer (CAO) to return to Council in June 2025 with a staff report with options for managing HRM's reserves for optimal financial sustainability, taking into account the increased funding pressures being experienced by the Municipality.

Reason:

HRM is experiencing growing financial pressures related to population growth, inflation, and a significant infrastructure deficit. With a number of large, strategic capital projects pending, it is essential to examine how reserves are being used and whether this approach is sustainable.

HRM's financial strategy relies heavily on reserves to:

- Offset tax increases that would otherwise be required to fund infrastructure projects.
- Act as a financial safety net to manage project cost escalations, emergencies, or emerging opportunities.

While this approach has provided stability and flexibility, many of HRM's reserves are not being replenished. As planned capital investments increase, Regional Council should consider how to maintain reserves at levels that support both short-term needs and long-term financial resilience.

Outcome Sought:

A staff report focused on HRM's reserve management strategy, including:

- An overview of major infrastructure projects planned over the next four years, with a focus on roads and other key investments, to illustrate upcoming financial pressures.
- Options for sustainable reserve use, including potential mechanisms for replenishment, strategic prioritization, and alignment with long-term financial planning goals.
- Recommendations for managing reserves in a way that balances the need to fund infrastructure, maintain tax stability, and respond to unexpected financial events.

Councillor Kathryn Morse

District 10