

RICHMOND COUNTY MUNICIPAL COUNCIL

SPECIAL MEETING

MARCH 19, 2001

Location: Richmond Villa, St. Peter's

Warden Cotton called the meeting to order at 6:00 p.m. and requested that the meeting proceed to "In-Camera" session, to discuss negotiations with a perspective business.

Moved by Councillor McNamara, seconded by Councillor MacNeil that the Special Council Session move to "In-Camera". Motion carried.

Warden Cotton reconvened the Special Council Session at 6:20 p.m., and requested unanimous consent to provide information on meetings held last week regarding the Provincial/U.N.S.M. equalization proposal.

Warden Cotton received unanimous consent.

Warden Cotton informed Council that there had been several developments on equalization in the past week:

- (1) the six municipal units with Sable-related assessments had a meeting, which the Richmond and Guysborough Wardens did not attend, however, they requested that a press release be issued to support the equalization proposal (this was partly based on correspondence from the Hon. Angus MacIsaac, indicating that the Sable revenues would not be shared if this equalization proposal was adopted).

Warden Cotton indicated that he had agreed to participate in the press release with the others, but on the basis that the Warden supported the equalization proposal.

- (2) Warden Cotton summarized a meeting held with staff of the Department of Municipal Affairs, that included Deputy Warden Goyetche and the Clerk. The Department of Municipal Affairs staff provided information on the real cost to Richmond, including various scenarios involving the Sable assessment appeal. The scenario show that Richmond is in a negative position under the equalization proposal, however, probably not as severe as indicated in the initial provincial data.
- (3) Warden Cotton indicated that he received a request from all the other Cape Breton Island Mayors and Wardens, to participate in a press conference in support of the

equalization proposal. Warden Cotton indicated that he participated on a personal basis, and he requested that a cap be placed on the equalization fund, in order to protect Richmond's growing commercial assessment base.

Warden Cotton then requested feedback from Councillors on the status of this important and high profile proposal.

In response to an inquiry from Councillor McNamara, Warden Cotton indicated he felt this proposal was the end of the revenue-sharing initiatives proposed by the U.N.S.M. and by the Province. Warden Cotton noted that the letter received from the Hon. Angus MacIsaac indicated that the acceptance of this proposal would result in the termination of the effort to share utility revenues (i.e. Sable-related, N.S.P.C., etc.), and he also indicated that he has verbal assurance from the U.N.S.M.

Warden Cotton, Councillor McNamara and Deputy Warden Goyetche all indicated they felt the proposals and Resolution #19(A) had to be withdrawn by the U.N.S.M. and the Province, because in effect this equalization proposal will be revenue sharing.

Councillor MacNeil indicated he felt it was wrong to consider Richmond as a rich Municipality, because all the socio-economic data provided evidence that this was not the case.

In response to a request, the Clerk summarized the meeting hosted by HRM. There were approximately 46 Municipalities represented, with only 5 rural municipalities, 3 towns, and HRM indicating they were against the proposal (several units indicated they were unsure). The Clerk noted there were no alternative proposal from HRM, as had been indicated on the circulated agenda; and also there was a great deal of criticism of U.N.S.M. for not calling the meeting.

The Clerk indicated he would circulate a report to Councillors on the meeting.

Deputy Warden Goyetche indicated that he did not like the idea of funding the equalization proposal from property taxes, and also Richmond having to fund services in other municipal units, however he felt this proposal was probably better than the alternatives proposed, and it also included Richmond keeping our new industrial assessments which would provide for a net gain.

Councillor MacPhee indicated that this proposal was not perfect, but it may be the least oppressive of the other proposals that have been discussed in the last couple of years.

Councillor Boudreau indicated that he felt the people of Richmond opposed the sharing of our taxes, and therefore he felt that our Council should do the same.

Councillor Sampson indicated that he felt Council has to communicate to the residents of Richmond, because the current media reports indicate that Richmond is a substantial loser in this equalization proposal.

Councillor Bourque noted that some of the options being discussed are the takeover of most roads by rurals, and a threat of loss of commercial assessment, and these type of options could cripple the financial viability of our county; therefore this proposal may be the best alternative of the negative options that have been discussed in the past few years.

Warden Cotton indicated that he felt Council had three options, which were to seriously oppose the equalization proposal, or place it on the agenda for the next meeting of Committee of the Whole, or provide a general response to the proposal, which would be vague and incorporate all the points raised at the Council Meeting on March 12th.

The consensus of the meeting was that the latter option was preferable.

There being no further business, Warden Cotton adjourned the Council Meeting at 7:00 p.m.