



**AUDIT & FINANCE STANDING COMMITTEE
MINUTES
September 7, 2016**

PRESENT: Councillor Linda Mosher, Chair
Councillor Bill Karsten, Vice-Chair
Councillor Gloria McCluskey
Councillor Reg Rankin
Councillor Steve Craig
Mayor Mike Savage

REGRETS: Councillor Barry Dalrymple

STAFF: Ms. Amanda Whitewood, Chief Financial Officer
Ms. Karen Brown, Acting Municipal Solicitor
Mr. Liam MacSween, Legislative Assistant

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

The agenda, supporting documents, and information items circulated to the Standing Committee are available online: <http://www.halifax.ca/boardscom/SCfinance/160907afsc-agenda.php>

The meeting was called to order at 10:00 p.m. and adjourned at 11:02 p.m.

1. CALL TO ORDER

Councillor Mosher, Chair called the meeting to order in Council Chambers, 3rd Floor City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES – NONE

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

Additions: None

Deletions:

Information Item No. 1 - Memorandum from the Chief Financial Officer dated August 16, 2016 re: 2016/17 Budget Parking Lot.

MOVED by Councillor McCluskey, seconded by Councillor Karsten,

THAT the agenda be approved as amended.

Two-third majority vote required.

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES

5. CALL FOR DECLARATION OF CONFLICT OF INTERESTS – NONE

6. MOTIONS OF RECONSIDERATION – NONE

7. MOTIONS OF RESCISSION – NONE

8. CONSIDERATION OF DEFERRED BUSINESS – NONE

9. NOTICES OF TABLED MATTERS – NONE

10. CORRESPONDENCE, PETITIONS & DELEGATIONS – NONE

11. INFORMATION ITEMS BROUGHT FORWARD – NONE

12. REPORTS

12.1 STAFF

12.1.1 First Quarter Financial Report

The following was before the Standing Committee:

- *A staff recommendation report dated August 18, 2016*

Mr. Louis De Montbrun, Manager of Financial Reporting provided a presentation on the First Quarter Financial Report. Councillor Mosher thanked Mr. De Montbrun for his presentation and requested question of clarification from members of the Standing Committee.

In response to questions of clarification, Mr. Jerry Blackwood, Manager of Revenue commented that staff has budgeted \$3.6 million to offset discrepancies or changes in assessment appeals. He further commented that currently sixty percent of commercial assessments are under appeal.

MOVED by Councillor McCluskey, seconded by Councillor McCluskey

THAT the Audit & Finance Standing Committee forward the First Quarter 2016/2017 Financial Report dated August 18, 2016 to Regional Council for their information

MOTION PUT AND PASSED.

12.1.2 Long-term Fiscal Strategy – Reserve Review – New Reserve Business Cases

The following was before the Standing Committee:

- *A staff recommendation report dated August 30, 2016*

MOVED by Councillor Karsten, seconded by Councillor McCluskey

THAT the Audit & Finance Standing Committee recommend that Halifax Regional Council approve the attached new Reserve Business Cases and revised merging into the three new themes as outlined in the staff report dated August 30, 2016.

In response to commentary from Councillor Craig, Ms. Amanda Whitewood, Chief Financial Officer advised that the current balances for the new reserves can be provided as the report advances to Council. She further advised that the balances are also outlined in Attachment 7 of the First Quarter 2016/17 Financial report dated August 18, 2016.

MOTION PUT AND PASSED.

12.1.3 Grant Request - Atlantic Agricultural Fall Fair Association

The following was before the Standing Committee

- *A staff recommendation report dated August 25, 2016*

MOVED by Councillor Rankin, seconded by Mayor Savage

THAT the Audit and Finance Standing Committee recommend to Regional Council I to approve a one-time developmental contribution of up to \$20,000 to the Atlantic Agricultural Fall Fair Association from Account M311-8004 Grants, subject to the conditions outlined in the staff report dated August 25, 2016.

MOTION PUT AND PASSED.

12.1.4 Destination Halifax Update and Amended Services Agreement

The following was before the Standing Committee:

- *A report from the Community Planning & Development Standing Committee dated August 29, 2016*

MOVED by Councillor Karsten, seconded by Councillor Craig

That the Audit & Finance Standing Committee recommend that Halifax Regional Council:

- 1. Increase operational support to Destination Halifax to \$386,600 to correct a \$104,500 discrepancy in HRM's approved 2016-17 Operating and Capital Budget with funding from Q328 – Operating Surplus Reserve**

MOTION PUT AND PASSED.

12.1.5 Support for Engage Nova Scotia

The following was before the Standing Committee:

- *A report from the Community Planning and Economic Development Standing Committee dated August 31, 2016*

MOVED by Mayor Savage, seconded by Councillor Karsten

That the Audit & Finance Standing Committee review the proposal as outlined in the Community Planning Economic Development Standing Committee report dated August 29, 2016 and forward it to Halifax Regional Council.

MOTION PUT AND PASSED.

12.1.6 Federal Infrastructure Funding: Halifax Transit Project Budget Amendments

The following was before the Standing Committee:

- *A staff recommendation report dated August 24, 2016*

MOVED by Councillor McCluskey, seconded by Councillor Craig

THAT that the Audit & Finance Standing Committee recommend that Regional Council:

- 1. Approve an increase to 2016-17 Transit projects with funding from the Public Transit Infrastructure Fund (PTIF) combined with funding from the Building Canada Fund (BCF) in 2016-17, in the amount of \$18,288,667; with no net change to Transit's 2016-17 project budget as outlined in Table 2 of the staff report dated August 24, 2016.**
- 2. Approve a transfer of funds from Project Account No. CVD00436-Biennial Ferry Refit to Project Account No. CM000001 - Ferry Replacement in the amount of \$735,000 to allow for work to begin in 2016-17 on Ferry Replacement.**
- 3. Approve the list of 2017/18 projects for advanced funding for the purposes of advanced tendering as outlined in Table 3 of the staff report dated August 24, 2016..**

MOTION PUT AND PASSED.

12.1.7 Investment Activities– Quarter ending March 31, 2016

The following was before the Standing Committee:

- *A staff recommendation report dated August 18, 2016*

MOVED by Councillor Craig, seconded by Councillor McCluskey

THAT That the Audit & Finance Standing Committee forward the Investment Policy Advisory Committee report dated July 28, 2016 to Halifax Regional Council as an information item.

MOTION PUT AND PASSED.

12.2 INVESTMENT POLICY ADVISORY COMMITTEE

12.2.1 Investment Activities– Quarter ending March 31, 2016

The following was before the Standing Committee:

- *A report from the Investment Policy Advisory Committee dated July 28, 2016*

MOVED by Councillor Craig, seconded by Councillor Karsten

That the Audit & Finance Standing Committee forward the Investment Policy Advisory Committee report dated July 28, 2016 to Halifax Regional Council as an information item.

MOTION PUT AND PASSED.

12.3 GRANT COMMITTEE– NONE

12.4 SPECIAL EVENTS ADVISORY COMMITTEE – NONE

12.5 MEMBERS OF THE AUDIT & FINANCE STANDING COMMITTEE – NONE

12.6 OFFICE OF THE AUDITOR GENERAL – NONE

14. IN CAMERA (IN PRIVATE)

14.1 Property Matter

14.1.1 Buy Back Agreement – Hospice Society of Greater Halifax – 9 Spring Street

The following motion was passed in public session:

MOVED by Councillor Rankin, seconded by Councillor Karsten

THAT the Audit & Finance Standing Committee recommend that Regional Council:

- 1. Approve an increase to the 2016/17 capital budget, requiring a new capital account for land repurchase, to be funded with a withdrawal of \$179,630, from the Capital Fund Reserve with repayment from the future proceeds of the re-sale of the property, and;**
- 2. Authorize staff to exercise the Buy-Back Agreement registered against 9 Spring Street, as per the terms outlined in Table 1 of the private and confidential staff report dated July 19, 2016, and;**
- 3. Following the repurchase of 9 Spring Street, declare it surplus to municipal requirements pursuant to Administrative Order 50 and categorize it as Ordinary, and;**
- 4. That the private and confidential staff report dated July 19, 2016 not be released until the transaction has closed.**

MOTION PUT AND PASSED.

15. ADDED ITEMS – NONE

16. NOTICES OF MOTION – NONE

17. PUBLIC PARTICIPATION

Councillor Mosher called three times for members of the public to address the Audit & Finance Standing Committee. There were no speakers present.

18. DATE OF NEXT MEETING – October 5, 2016

19. ADJOURNMENT

The meeting adjourned at 11:02 a.m.

Liam MacSween
Legislative Assistant