

AUDIT & FINANCE STANDING COMMITTEE
SPECIAL MEETING
MINUTES
June 27, 2011

PRESENT: Councillors: Gloria McCluskey, Chair
Russell Walker, Vice-Chair
Steve Adams
Barry Dalrymple
Bill Karsten
Linda Mosher
Tim Outhit
Sue Uteck

REGRETS: NONE

OFFICE OF THE
AUDITOR GENERAL: Mr. Larry Munroe, Auditor General

STAFF: Mr. Bruce Fisher, Acting Director, Finance
Mr. Louis de Montbrun, Manager, Accounting Operations
Ms. Chris Newson, Legislative Assistant

GUEST: Mr. Gordon Moore, KPMG

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1. CALL TO ORDER

Councillor McCluskey, Chair, called the meeting to order at 2:08 p.m. in Halifax Hall, 2nd Floor City Hall, 1841 Argyle Street, Halifax.

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

Addition:

4.1.1 HRM Discretionary Funding to Business Improvement Districts: Proposed Bid Contributions Policy

MOVED by Councillor Walker, seconded by Councillor Karsten that the agenda, as amended, be approved. MOTION PUT AND PASSED.

3. CONSOLIDATED FINANCIAL STATEMENTS OF HALIFAX REGIONAL MUNICIPALITY FOR YEAR ENDED MARCH 31, 2011

The HRM Audited Consolidated Financial Statements for the Year Ending March 31, 2011 were before the Standing Committee.

The KPMG HRM Audit Findings Report for the Year Ending March 31, 2011 was before the Standing Committee.

Mr. Bruce Fisher, Acting Director, Finance, and Mr. Louis de Montbrun, Manager, Accounting Operations, presented the Consolidated Financial Statements for the Year Ending March 31, 2011.

Staff responded to questions of clarification from Members of the Standing Committee.

Councillor Uteck requested that staff forward a status update to Regional Council in regard to the Hurricane Juan and White Juan matters.

In response to a question by Councillor McCluskey, Mr. Fisher advised that Finance would forward background information to her from the budget in regard to any outstanding risk assessment appeals.

In response to a request by Councillor Uteck for more information in regard to the Miscellaneous Trust Fund statement item *Commons Commutation* in the amount of \$16,491, Mr. de Montbrun advised that he would forward her that information.

Mr. Gordon D. Moore, KPMG, presented the HRM Audit Findings Report for the Year Ending March 31, 2011. He then responded to questions of clarification from Members of the Standing Committee.

MOVED by Councillor Outhit, seconded by Councillor Karsten that the Audit and Finance Standing Committee recommended that Halifax Regional Council accept, pending approval by the Halifax Water Commission Board, the HRM Consolidated Financial Statements for the Year Ended March 31, 2011; the Miscellaneous Trust Funds Financial Statements for the Year Ended March 31, 2011, and the General Rate Surplus Financial Information for the Year Ended March 31, 2011. MOTION PUT AND PASSED.

4. Grant Committee Report: HRM Discretionary Funding to Business Improvement Districts: Proposed Bid Contributions Policy

The June 14, 2011 Grants Committee report was before the Standing Committee.

Councillor Outhit retired from the meeting at 3:25 p.m.

Mr. Andrew Whittemore, Manager, Community Development, and Ms. Peta-Jane Temple, Team Lead, Tax, Grants and Special Projects, Community Development, presented the report.

Staff responded to questions of clarification from Members of the Standing Committee.

Discussion ensued on the proposed policy.

MOVED by Councillor Mosher, seconded by Councillor Uteck that the Audit and Finance Standing Committee request that the proposed HRM Discretionary Funding to Business Improvement Districts: Proposed BID Contributions Policy be amended as follows:

- **Section 20.2 *Enhanced Maintenance & Beautification*, Page 9, sixth bullet: add the following *"In the absence of an HRM Council approved Streetscape Plan..."***
- **Section 20.7 *Advocacy*, Page 11, add the following to the last bullet: *"...subject to liaising with HRM Visioning staff."***

MOTION TO AMEND PUT AND PASSED.

Councillor Mosher suggested that clarification on the following be included in the proposed policy:

- **Section 20.4 *Safety and Security*, last bullet on page 10; clarification be included on whether or not the cost of a Crime Prevention Through Environmental Design (CEPTED) Audit would be over and above the grant awarded to the BID**
- **Section 21, *Eligible Expenditures*, Page 12, sixth bullet in regard to construction of public amenities; clarification be included on eligible expenditures and that the following wording be added: *"if it is on HRM property, it is subject to appropriate HRM staff approvals."***

- Section 22, *Ineligible Expenses*, Page 13: clarification on ineligible expenses be included due to one BID doing things beyond their scope such as hiring a motivational speaker.

In response to a concern raised by Councillor Mosher in regard to five businesses that were incorrectly charged as part of the Spryfield BID when they were not removed from the BID area as per the July 2004 motion of Regional Council, Mr. Bruce Fisher, Acting Director, Finance, explained that HRM will reimburse those funds.

Councillor Uteck requested that the policy provide more clarity in regard to eligible/ineligible expenses due to experiences of one BID who was told that they could not place a banner on a pole yet other areas have, and; that any planters would have to be planted, maintained, removed and stored by them.

Councillor Walker noted that the intent today was to approve the policy in principle not to get into the details as the details would come later; it was then **MOVED by Councillor Walker, seconded by Councillor Uteck that the Audit and Finance Standing Committee recommend that Halifax Regional Council approve in principle:**

1. **The proposed *HRM Business Improvement District Contributions Policy* as detailed in Attachment 1 of the May 5, 2011 staff report, and; as amended by the Audit and Finance Standing Committee on June 27, 2011;**
2. **Implementation of the proposed *HRM Business Improvement District Contributions Policy*, effective April 2, 2012;**
3. **Identification of the HRM Business Improvement District Contributions Program and respective budget, to be created under M311 - Fiscal Services.**

MOTION PUT AND PASSED.

5. ADJOURNMENT

The meeting was adjourned at 3:42 p.m.

Chris Newson
Legislative Assistant

IN CAMERA ITEMS - NONE

INFORMATION ITEMS

1. Upcoming Agenda Items
 - 1.1 Community Facilities Master Plan – Funding Strategies – **Spring 2012**
 - 1.2 Review of the Business Park Reserve Policy – **September 2011**
 - 1.3 Investment Policy Presentation – **September 2011**
 - 1.4 Capital Cost Contributions for HRM – Update – **August 17, 2011**
 - 1.5 Revised Special Events Granting Framework – **August 17, 2011**
 - 1.6 Long Term Capital / Project Budget Pressures Review – **August 17, 2011**
 - 1.7 Work Plan for the Implementation of Recommendations Resulting from the Auditor General’s Report on Concerts on the North Commons - **August 17, 2011**