

AUDIT AND FINANCE STANDING COMMITTEE  
MINUTES

October 16, 2013

PRESENT: Councillors: Russell Walker, Vice Chair  
Mayor Mike Savage  
Gloria McCluskey  
Tim Outhit  
Barry Dalrymple  
Linda Mosher  
Lorelei Nicoll  
Stephen Adams

REGRETS: Councillor Karsten, Chair  
Councillor Mosher

GUEST COUNCILLORS: Councillor Mason

STAFF: Mr. Greg Keefe, Director of Finance and Information,  
Communications & Technology/CFO  
Mr. John Traves, Director, Legal Services  
Mr. Liam MacSween, Legislative Assistant

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## **1. CALL TO ORDER**

The Chair called the meeting to order at 10:02 a.m. in Council Chambers at City Hall, 1841 Argyle Street, Halifax.

## **2. APPROVAL OF MINUTES – September 11 & 18, 2013**

**MOVED by Councillor Nicoll and seconded by Councillor Dalrymple that the minutes be approved as presented.**

## **3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS - NONE**

**MOVED by Councillor Nicoll and seconded by Councillor Outhit that the agenda be approved as presented.**

## **4. BUSINESS ARISING OUT OF THE MINUTES – None**

## **5. MOTIONS OF RECONSIDERATION – NONE**

## **6. MOTIONS OF RECISSION – NONE**

## **7. CONSIDERATION OF DEFERRED BUSINESS – NONE**

## **8. CORRESPONDENCE, PETITIONS & DELEGATIONS – NONE**

## **9. REPORTS**

### **9.1 Staff**

#### **9.1.1 Funding Awards – 2013 NS Moves**

A staff report dated August 12, 2013 was before the Audit and Finance Standing Committee.

**MOVED by Councillor Dalrymple and seconded by Mayor Savage that the Audit & Finance Standing Committee recommend to Halifax Regional Council to:**

- (1) Authorize the Mayor and Clerk to enter into an agreement with the Province of Nova Scotia for \$105,000 in funding as indicated in the August 12, 2013 staff report;**
- (2) Authorize the Mayor and Clerk to enter into an agreement with Halifax Harbour Bridges for \$10,000 in funding as indicated in the August 12, 2013 staff report;**

- (3) **Increase the Project Budget for Project No CTR00908 – Transportation Demand Management Program, by \$40,000 to include external funding from the Province of Nova Scotia;**
- (4) **Increase the Project Budget for Project No. CMU00975 – Transit Corridor, by \$30,000 to include external funding from the Province of Nova Scotia;**
- (5) **Increase the Project Budget for Project No. CMU01095 – Transit Strategy, by \$25,000 to include external funding from the Province of Nova Scotia;**
- (6) **Increase the Project Budget for Project No. CTU00420 – Active Transportation Plan, by \$10,000 to include external funding from the Province of Nova Scotia; and**
- (7) **Increase the Project Budget for Project No. CTU00420 – Active Transportation Plan, by \$10,000 to include external funding from Halifax Harbour Bridges.**

**MOTION PUT AND PASSED.**

**9.1.2 Development Charges for Transit and Transportation Services**

A staff report dated October 9, 2013 was before the Audit and Finance Standing Committee

**MOVED by Councillor Nicoll and seconded by Councillor Dalrymple that the Audit and Finance Standing Committee recommend that Regional Council begin the formal by-law adoption process to enact By-Law D-400, the Development Charges for Transit Facilities By-Law, Attachment C of the October 9, and staff report.**

Councillor Nicoll suggested that a presentation regarding this matter should be prepared and delivered at Regional Council so that the matter can be discussed by all members of Council.

Mayor Savage referenced the study conducted by staff and Halifax Water and inquired as to the how the price of a house can be increased by \$10,000 and not impact potential buyers.

Mr. Duncan stated that staff analyzed incomes, examined the data and concluded that an increase of up to \$10,000 will not significantly impact the affordability of housing.

Mr. Greg Keefe, Chief Financial Officer, noted that a full presentation on this matter will be brought forward to Regional Council.

Councillor Outhit expressed concern that Capital Cost Charges (CCC) for new developments in a particular area will not be used to improve transit services specifically in that area.

Mr. Keefe noted that CCC's are more general in nature than development charges and that existing homes have already paid with respect to the funding of services in the area. The proposed development charges will be applied to new development.

Further discussion ensued with Councillor Mason noting with respect to fees, that the amount is set rather than indexed and inquired whether or not there will be a periodic review of these schedules.

Mr. Duncan noted that the fee schedules would be reviewed every three (3) years or more, if required.

Councillor Nicoll commented that the staff report indicated that there would be no immediate implications for taxpayers and asked if this inferred there will be tax implications in the future.

Mr. Keefe stated that there will be a full presentation at the Committee of the Whole session on October 22 to explain the framework of taxation and how the process is implemented.

Councillor Outhit inquired about the origin of the schedule on page 7 of the staff report (Attachment A).

Mr. Duncan commented that staff used the Capital budget and the ten year plan from the previous year to forecast and make assumptions. As such, these numbers may change.

## **MOTION PUT AND PASSED.**

### **9.1.3 Budget Framework for 2014-15/Budget Process**

A staff report dated October 9, 2013 was before the Audit and Finance Standing Committee.

Mr. Bruce Fisher, Manager of Financial Policy and Planning, gave a presentation entitled Budget Process and Consultation Plan dated October 16, 2013.

**MOVED by Councillor Outhit and Seconded by Councillor Nicoll the Audit and Finance Standing Committee recommend that Regional Council approve:**

- (1) The Budget schedule as per Attachment A of the October 9, 2013 staff report – Audit & Finance 2014-15 Budget Schedule.**
- (2) The Budget Consultation plan**

### **(3) Preliminary fiscal direction**

Councillor Outhit stated that overall he is pleased with the proposed budget consultation process but is concerned about the time lines with respect to how much opportunity the public will have to participate in the budget. Councillor Outhit also inquired as to whether the Halifax Chamber of Commerce and the Greater Halifax Partnership will have the opportunity to present to the Audit and Finance Committee regarding the budget.

Mr. Fisher noted that the budget consultations with the public are designed to be ongoing throughout the entire budget process. He advised that the Halifax Chamber of Commerce and the Greater Halifax Partnership will be included in the consultation process.

Councillor McCluskey entered the meeting at 10:52 a.m.

Councillor Dalrymple noted that the consultations planned to be held at Community Council is a positive move for rural communities. He noted that advertisements should go out early to catch weekly and monthly newspapers in rural area and that some rules around the "open mic" sessions at Audit and Finance meeting, such as the use of a sign-up sheet should be established.

Councillor Nicoll noted that education is key to understanding the pressures faced by municipalities when formulating budgets. She commented that she would like to see more information with respect to the strategic objective of the budget process.

Mr. Keefe noted that business planning is tied to the strategic directive of Council and that the majority of the work on the budget is to focus on fiscal sustainability and keeping the tax burden below the growth of income.

Councillor McCluskey stated that public consultation with respect to the budget process has worked well in the past and that she is happy to see more of it in the budget plans for the upcoming budget.

Members of the Committee expressed concern that the budget review and consultations should take place at the Committee of the Whole as opposed to the Audit and Finance Standing Committee. It was determined that this matter was better discussed at Regional Council.

### **MOTION PUT AND PASSED.**

#### **9.1.4 Investment Activities – Quarter Ending June 30, 2013**

A staff reported dated October 3, 2013 was before the Audit and Finance Standing Committee.

**MOVED by Councillor Outhit and seconded by Councillor Nicoll that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item.**

**MOTION PUT AND PASSED.**

Councillor Mason left the meeting at 11:22 p.m.

**9.2 MEMBERS OF THE STANDING COMMITTEE – NONE**

**9.3 OFFICE OF THE AUDITOR GENERAL**

**9.3.1 Work Plan 2013-14 Mid-Year Briefing**

A report entitled '2013 – 2014 Work Plan, dated March 2013 was before the Audit and Finance Standing Committee. A presentation related to the report entitled "TIPS 2012 Annual Report and Work Plan 2013 – 2014 Mid-Year Briefing dated October 16, 2013 was also distributed to the Audit and Finance Standing Committee

Mr. Larry Munroe, Auditor General delivered the presentation reviewing with the Committee an update of the 2013-14 work plan. He reviewed the work and initiatives that the Office of the Auditor General has undertaken such as performance projects, compliance projects, risk assessment, and continuous monitoring priorities.

After some brief questioning from the Committee the Chair thanked the Auditor General for his presentation.

**9.3.2 TIPS Hotline Annual Report – 2012**

Mr. Larry Munroe, Auditor General gave a presentation entitled " TIPS 2012 Annual Report and Work Plan 2013 – 2014 Mid-Year Briefing"

Mr. Munroe gave an overview of the TIPS (Taking Improvement & Performance Seriously) program, and provided a breakdown of the numbers of calls and online submissions processed to date. Mr. Munroe noted that the hotline is used by staff and members of the public. He noted a decrease in the number of calls and online submissions from 2011 to 2012.

After some brief questioning from the committee the Chair thanked the Auditor General for his presentation.

**9.4. GRANTS COMMITTEE – NONE**

**9.5 INVESTMENT POLICY ADVISORY COMMITTEE**

**9.5.1 Investment Policy Advisory Committee Report – Quarters ending June 30, 2013**

A staff report dated September 13, 2013 was before the Audit and Finance Standing Committee.

**MOVED by Councillor Outhit and seconded by Councillor McCluskey that the Audit and Finance Standing Committee forward the September 13, 2013 Investment Policy Advisory Committee Report to Regional Council as an Information item.**

**MOTION PUT AND PASSED.**

- 10. MOTIONS – NONE**
- 11. ADDED ITEMS**
- 12. NOTICES OF MOTION**
- 13. IN CAMERA - NONE**
- 14. NEXT MEETING DATE – November 20, 2013**
- 15. ADJOURNMENT**

The meeting was adjourned at 11:48.

Liam MacSween  
Legislative Assistant