



**AUDIT & FINANCE STANDING COMMITTEE
MINUTES
October 15, 2014**

PRESENT: Councillor Bill Karsten, Chair
Councillor Russell Walker, Vice-Chair
Mayor Mike Savage
Councillor Barry Dalrymple
Councillor Lorelei Nicoll
Councillor Gloria McCluskey
Councillor Stephen Adams

REGRETS: Councillor Linda Mosher
Councillor Tim Outhit

STAFF: Mr. John Traves, Municipal Solicitor
Mr. Greg Keefe, Chief Financial Officer
Mr. Larry Munroe, Auditor General
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 committee are available online: <http://www.halifax.ca/boardscom/SCfinance/141015afsc-agenda.php>

The meeting was called to order at 10:00 a.m., the Standing Committee moved into an In Camera session at 11:15 a.m. and reconvened at 11:30 p.m. the Standing Committee adjourned at 11:34 p.m.

1. CALL TO ORDER

The 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

MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the agenda be approved as presented.

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES

5. MOTIONS OF RECONSIDERATION – NONE

6. MOTIONS OF RESCISSION – NONE

7. CONSIDERATION OF DEFERRED BUSINESS – NONE

8. CORRESPONDENCE, PETITIONS & DELEGATIONS

8.1 Correspondence – NONE

8.2 Petitions – NONE

8.3 Presentation – NONE

9. REPORTS

9.1 STAFF

9.1.1 Reserve Funding Strategies: Proposed Administrative Order 2014-015-ADM

The following was before the committee:

- *A staff recommendation/information report dated September 19, 2014*

MOVED by Councillor Nicoll, seconded by Councillor Walker that the Audit and Finance Standing Committee recommend to Regional Council that Regional Council:

- 1) Adopt Administrative Order 2014-015-ADM, Respecting Reserve Funding Strategies, as set out in Attachment A of the staff report dated September 19, 2014;**
- 2) Repeal the Reserves Policy adopted by the Council on December 1, 1998 and all amendments thereto; and**
- 3) Amend the Terms of Reference for the Audit and Finance Standing Committee, as set out in Attachment B of the staff report dated September 19, 2014.**

MOTION PUT AND PASSED.

9.1.2 Funding Award – 2014 Nova Scotia Moves

The following was before the Committee

- *A staff recommendation report dated August 7, 2014*

MOVED by Councillor Nicoll, seconded by Councillor McCluskey that the Audit & Finance Standing Committee recommend to Halifax Regional Council to:

- (1) Authorize the Mayor and Clerk to enter into an agreement with Nova Scotia Energy (NS Moves Program) for \$100,000 in funding as indicated in the August 7, 2014 staff report; and**
- (2) Authorize the Mayor and Clerk to enter into an agreement with Nova Scotia Transportation & Infrastructure Renewal for \$70,000 in funding as indicated in the August 7, 2014 staff report; and**
- (3) Increase the Project Budget for CTU00420 Bikeway Master Plan Implementation by \$170,000 to include external funding from the Province of Nova Scotia.**

Councillor McCluskey expressed her support for the staff recommendation and noted that it will help improve transportation services in the Lake Loon area.

MOTION PUT AND PASSED.

9.1.3 Project No. CB000043 – Hubbards Recreation Centre

The following was before Committee:

- *A staff recommendation report dated August 18, 2014*

MOVED by Councillor Walker, seconded by Councillor Adams that the Audit and Finance Standing Committee recommend to Regional Council a budget transfer of \$75,000 to project No. CB000043 – Hubbards Recreation Centre with funding from Area Rate Account C175-Hubbards Recreation Centre.

Councillor McCluskey inquired if HRM owns the building in question. Mr. Richard MacLellan, Manager of Energy and Environment, replied in the affirmative and noted that the Hubbards Recreation Centre is operated by the Community.

In response to a follow up question from Councillor McCluskey, Mr. MacLellan noted that he will follow up with more information pertaining to the condition of the building as well as whether or not it is Governed by a Community Board.

MOTION PUT AND PASSED.

9.1.4 Q123 Waste Resources Reserve Withdrawal

The following was before the Committee:

- *A staff recommendation report dated September 29, 2014*

MOVED by Councillor McCluskey, seconded by Councillor Adams that the Audit & Finance Committee recommend that Halifax Regional Council approve an increase in the gross project budget to account CW000002, Otter Lake Equipment in the amount of \$1,600,000 with funding from the Waste Resources Reserve, Q123, for the purchase of replacement equipment.

Councillor McCluskey inquired about the type of equipment that is slated to be replaced.

Mr. Matt Keliher, Acting Manager of Solid Waste Resources, stated that staff is currently investigating the type of equipment which needs to be replaced. He noted that engineers are currently assessing equipment such as conveyors and shredders at the Otter Lake Facility. He concluded by commenting that the requested \$1.6 million was in previous years budget.

MOTION PUT AND PASSED.

9.2 OFFICE OF THE AUDITOR GENERAL

9.2.1 A Performance Review of Halifax Regional Fire & Emergency – Non- Emergency Fleet Vehicle Allocation Process

Mr. Larry Munroe, Auditor General provided a presentation respecting a Performance Review of Halifax Fire and Emergency – Non Emergency Fleet Vehicle Allocation.

Councillor Dalrymple joined the meeting at 10:13 a.m.

The Chair thanked Mr. Munroe for his presentation and requested questions of clarification from the Committee.

Councillor McCluskey thanked Mr. Munroe for his presentation and inquired as to why Transportation and Public Works is involved with fleet allocation for fire services. Mr. Munroe replied that it is in keeping with the current administrative processes for fleet allocation.

Mr. Mike Labrecque, Deputy Chief Administrative Officer, commented that the organization can best derive efficiencies in centralizing the operating costs for fleet within Transportation and Public Works. He commented that staff is currently working on a new solution that will allow for fleet to managed by the individual Business Units.

In response to a follow up question from Councillor McCluskey, Mr. Munroe commented that log books for non-emergency feet are the responsibility of those using the vehicles as well their supervisors.

Councillor Adams asked for further information with respect to the Canadian Revenue Agency (CRA) requirements for personal use vehicles and noted that up to date logs must be to be kept in this regard. He inquired as to how HRM can address this. Mr. Munroe replied that HRM administration would have to make a policy to ensure that logs are properly maintained.

Councillor Walker inquires as to the amount of vehicles that are used are used by Fire Services and inquired as to how many are in used the downtown core as opposed to rural areas of the municipality.

Chief Doug Trussler, Halifax Regional Fire and Emergency Services noted that there is an even split 50/50 split between vehicles utilized in the downtown core and in more rural areas.

Councillor Walker expressed his view that vehicles in the downtown core are used differently than those in rural areas.

Chief Trussler agreed with Councillor Walker's assessment and noted that some uses are different for differing areas.

Councillor Dalrymple noted the necessity of keeping logs for non-emergency vehicles but noted that he would like to see some flexibility and thought given to those individuals who work in more rural areas as the amount of distance required to get to and from work is different than that in the urban core.

Mr. Munroe agreed with Councillor Dalrymple's assessment and noted that circumstances in the urban areas are different than those in more urban areas.

Further discussion ensued.

Mr. Munroe introduced Mr. David Marr and Mr. Jordy Mann, of the Auditor General's Office and commended them, along with the rest of his staff, for their work on the report. He noted that his office strives to create discussion on matters that could use improvement. He concluded by stating that HRM and HRFE staff were very helpful and welcoming throughout the process of the report.

9.3 INVESTMENT POLICY ADVISORY COMMITTEE – NONE

9.4 GRANTS COMMITTEE – NONE

9.5 SPECIAL EVENTS ADVISORY COMMITTEE - NONE

10. MOTIONS – NONE

11. IN CAMERA

11.1 Property Matter

The Audit & Finance Standing Committee convened to In Camera at 11:15 a.m. to discuss the following matter:

11.1.1 Increase to Capital Budget Account and Industrial Lot Inventory Re-Purchase

The Audit and Finance Standing Committee reconvened to public session at 11:30 a.m. to ratify the following motion:

MOVED by Councillor Walker, seconded by Councillor McCluskey that the Audit & Finance Standing Committee recommend to Regional Council to:

- 1. Approve an Increase of \$840,000 to the Capital Budget Account CQ000011 – Lot Inventory Repurchase with funding from Q121, Industrial Park Reserve, with no net increase to the Capital Budget; and**
- 2. Following the repurchase of the properties identified in Table 1 of the Private and Confidential Report in accordance with the approved Buy Back Agreements, approve the addition of the properties to the lot inventory with the minimum unit selling price as provided in Table 1 of the private and confidential report**

It is further recommended that this report not be released to the public.

MOTION PUT AND PASSED.

12. ADDED ITEMS

Mayor Savage requested that an item be added to the agenda pertaining to a request for a staff report examining the possibility of providing additional funding for the 2014 Atlantic We Day Event.

The Chair noted that a two-third majority vote would be required add the Mayor's request to the agenda.

MOVED by Mayor Savage, seconded by Councillor Nicoll that request for a staff report be added to the agenda. MOTION PUT AND PASSED (Two-thirds majority vote).

12.1 Mayor Savage– Request for Staff Report – Increase to Event Grant for the 2014 We Day Atlantic Canada Event

Mayor Savage indicated that he was anticipating bringing this request forward for the next meeting in November but given the timelines involved with the event, it would not provide enough time to have the staff report completed.

MOVED by Mayor Savage, seconded by Councillor Dalrymple that the Audit and Finance Standing Committee recommend that Halifax Regional Council request a staff report to identify a funding source to increase the \$50,000 event grant for the 2014 We Day Atlantic Event approved by Regional Council on June 24, 2014 by \$20,000 for a total grant of \$70,000.

Mayor Savage noted that We Day is a very important event for youth in the HRM and noted that the additional funding will be greatly appreciated by the event organizers who are doing their best to fundraise. He encouraged his colleagues to support the motion.

MOTION PUT AND PASSED.

13. NOTICES OF MOTION – NONE

14. DATE OF NEXT MEETING – November 19, 2014

15. ADJOURNMENT

The meeting was adjourned at 11:34 a.m.

Liam MacSween
Legislative Assistant