

AUDIT AND FINANCE STANDING COMMITTEE
MINUTES

August 17, 2011

PRESENT: PRESENT: Councillor Gloria McCluskey, Chair
Councillor Russell Walker, Vice-Chair
Councillor Barry Dalrymple
Councillor Bill Karsten
Councillor Linda Mosher

REGRETS: Councillor Steve Adams
Councillor Tim Outhit
Councillor Sue Uteck

STAFF: Bruce Fisher, Acting Director Finance
Richard Butts, CAO
Sherryl Murphy, Deputy Clerk

OFFICE OF THE AUDITOR GENERAL: Larry Munroe, Auditor General
David Marr, Senior Associate

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1. CALL TO ORDER

Councillor McCluskey, Chair, called the meeting to order at 11:08 a.m. in Halifax Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES

MOVED by Councillor Walker, seconded by Councillor Karsten that the minutes of the Audit and Finance Standing Committee of June 15, June 27 and revised minutes of May 18, 2011 and the November 29, 2010 minutes of the Audit Committee be approved, as presented. MOTION PUT AND PASSED.

3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS – None

Additions:

- 11.1 Information Item 3 – Information Report – Hurricane Juan and White Juan – Disaster Financial Assistance (DFA) Claims was brought forward for consideration

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

- 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

8.1 Correspondence

8.1.1 E-mail re Implementing the Auditor General's Report re Concerts on the Commons – June 16, 2011 – A. Fricker

The e-mail dated June 16, 2011 from Aubrey Fricker regarding implementation of the Auditor General's Report re Concerts on the Commons was before the Committee.

MOVED by Councillor Mosher, seconded by Councillor Walker that the June 16, 2011 e-mail from Mr. Fricker be received and referred to the CAO for response. MOTION PUT AND PASSED.

8.2 Petitions - None

9. REPORTS

9.1 Staff

9.1.1 Workplan to Implement Auditor General's Recommendation in Review of the Concerts on the North Common

An Information Report from Mr. Richard Butts, CAO dated August 2, 2011 regarding the Auditor General's recommendations in review of the concerts on the Commons was before the Committee.

Mr. Butts advised the report outlined the progress to date noting that an internal project team, Audit Coordination Team (ACT), was in place and work on management's response to the Auditor General's recommendations was moving forward. The CAO will be reporting every two months to the Audit Committee and the October Update will provide more information.

9.1.2 Capital Cost Contribution Program

A staff report regarding the Capital Cost Contribution Program dated June 2, 2011 was before the Committee.

Mr. Peter Duncan, Manager, Infrastructure Planning, gave a brief overview of the June 2, 2011 report.

During discussion of the report, the Committee requested that staff provide a comparison of capital revenues realized through the proposed charges versus the existing charges. Note was made that the areas where CCCs would be utilized are identified in the Regional Plan as growth areas. The Committee further requested that staff utilize consistent data regarding population figures pointing to the Clerk's Office as having the most up to date information.

MOVED by Councillor Karsten, seconded by Councillor Mosher that the Audit and Finance Committee recommends Halifax Regional Council formally request the necessary amendments to the HRM Charter to allow Capital Cost Contributions to be collected from developers for the growth related portion of capital costs related to Fire Services, Recreation Facilities, Libraries and growth related studies. MOTION PUT AND PASSED.

9.2 MEMBERS OF THE AUDT & FINANCE STANDING COMMITTEE

9.2.1 Councillor McCluskey – HRM Employee Reimbursement for Canada Games

An e-mail dated July 10, 2011 from Mr. Eric Cormier, Hacketts Cove, regarding reimbursement of employee vacation time for volunteering for the Canada Games.

This correspondence was forwarded to the CAO for response.

9.2.1 Councillor McCluskey – GHP/Destination Halifax/Trade Centre Ltd. Budget Presentations

A brief discussion ensued as to whether the Greater Halifax Partnership, Destination Halifax and Trade Centre Limited would be required to present their budgets to this Committee. Note was made that there are potential cost savings between GHP and HRM (e.g. survey/research coordination) which should be considered.

MOVED by Councillor Karsten, seconded by Councillor Dalrymple that further consideration of this matter be deferred pending an update from the CAO as to whether these groups will be presenting their budgets to the Audit and Finance Standing Committee. MOTION PUT AND PASSED.

9.3 OFFICE OF THE AUDITOR GENERAL

9.3.1 District Activity and District Capital Funds

Mr. Larry Munroe, Auditor General, gave a brief presentation of his report relative to District Activity and District Capital Funds noting that the report was the result of a compliance review. A copy of the report entitled 'District Activity and District Capital Funds Compliance Review' as obtained from the Auditor General's web site <http://halifax.ca/auditorgeneral/reports.html> is included in the file for this meeting

Mr. Munroe responded to questions from members of the Committee. He noted that the recommendations addressed processes that could be improved. Mr. Munroe commented that as referred to in 2.2.2 in the Summary of Recommendations (Page 22 of the report), staff would be developing a request for funding form to be used when accessing these funds.

The Committee agreed that further discussion on this matter would be deferred to the next meeting of Audit and Finance Standing Committee in order to provide members an opportunity to review in detail the report.

9.3.2 Wireless Communications

Mr. Larry Munroe, Auditor General, gave a brief presentation of his report relative to Wireless Communications. A copy of the report entitled "Wireless Communications Review" as obtained from the Auditor General's web site <http://halifax.ca/auditorgeneral/reports.html> is included in the file for this meeting.

Mr. Munroe responded to questions from members of the Committee. He noted that staff has been working to update policies and negotiate contract extensions. Mr. Munroe indicated that staff's response to the recommendation has been positive and work is ongoing.

There was no further action taken with regard to this matter.

10. MOTIONS

11. ADDED ITEMS

11.1 Information Report – Hurricane Juan and White Juan – Disaster Financial Assistance (DFA) Claims

This matter was added to the agenda during the approval of the order of business.

In response to a question from Councillor Karsten regarding the next steps, Mr. Fisher indicated that the audit around these events was extreme and that staff would continue to work with the Province in having these claims resolved.

Following a brief discussion regarding Information Item 3 and 4, it was **MOVED by Councillor Karsten, seconded by Councillor Walker that consideration of these reports be deferred to the next meeting of the Audit and Finance Standing Committee. MOTION PUT AND PASSED.**

12. DATE OF NEXT MEETING

The next meeting of the Audit and Finance Standing Committee will be held on Wednesday, September 21, 2011 in the Council Chamber, 3rd Floor, City Hall.

13. ADJOURNMENT

The meeting adjourned at 1:13 p.m.

Sherryl Murphy
Deputy Clerk

INFORMATION ITEMS

1. Upcoming Agenda Items
 - 1.1 Community Facilities Master Plan – Funding Strategies - **early spring 2012**
 - 1.2 Review of the Business Park Reserve Policy – **September 2011**
 - 1.3 Investment Policy Presentation – **September 2011**
 - 1.4 Long Term Capital / Project Budget Pressures Review – **September 2011**
 - 1.5 Revised Special Events Granting Framework – **September 2011**
 - 1.6 Multi-District & Event Facilities – A Case for Action – **September 2011**
2. Update on Commons Computation Fund (T113)
3. Information Report – Hurricane Juan and White Juan – Disaster Financial Assistance (DFA) Claims
4. Write-off of Uncollectible Accounts (to be circulated) –
5. 2011 Assessment Roll Appeals (to be circulated) – next meeting