

**AUDIT COMMITTEE
DRAFT MINUTES
July 21, 2021**

PRESENT: Councillor Russell, Chair
Councillor Deagle Gammon, Vice Chair
Councillor Hendsbee
Councillor Purdy
Councillor Cleary
Councillor Morse
Mayor Mike Savage
Caroline Duchesne
Claude Carter

STAFF: Jacques Dubé, Chief Administrative Officer
John Traves, Municipal Solicitor
Jerry Blackwood, Chief Financial Officer
Annie Sherry, Legislative Assistant
Simon Ross-Siegel, Legislative Assistant

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

The agenda, reports, supporting documents, information items circulated, and video (if available) are online at halifax.ca.

The meeting was called to order at 10:03 a.m. The Audit Committee moved into an In Camera (In Private) session at 11:40 a.m. and reconvened at 12:08 p.m. The Committee adjourned at 12:10 p.m.

1. CALL TO ORDER

The Chair called the meeting to order at 10:03 a.m.

2. APPROVAL OF MINUTES – March 25, 2021

MOVED by Councillor Cleary, seconded by Councillor Deagle Gammon

THAT the minutes of March 25, 2021 be approved as circulated.

MOTION PUT AND PASSED.

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

Additions - None

Deletions - None

MOVED by Mayor Savage, seconded by Councillor Cleary

THAT the agenda be approved as presented.

MOTION PUT AND PASSED.

4. CALL FOR DECLARATION OF CONFLICT OF INTERESTS – NONE

5. YEAR END FINANCIAL STATEMENTS & FOURTH QUARTER FINANCIAL REPORT

The following was before the Audit Committee:

- Staff recommendation report dated July 9, 2021
- Staff presentation titled, *Audited Consolidated Financial Statements March 31, 2021*, dated July 21, 2021
- Presentation from KPMG titled, *Halifax Regional Municipality: Audit Findings Report for the year ended March 31, 2021*, dated July 9, 2021

MOVED by Mayor Savage, seconded by Councillor Deagle Gammon

THAT The Audit Committee recommend that Halifax Regional Council approve:

- 1) The Consolidated Financial Statements of the Halifax Regional Municipality for the year ended March 31, 2021;**
- 2) The Statement of General Rate Surplus of the Halifax Regional Municipality for the year ended March 31, 2021;**
- 3) Transfers of \$32,923,223 as outlined below, to reduce the general rate surplus to zero:**
 - Strategic Capital Reserve, Q606 \$ 10,000,000
 - Capital Fund Reserve, Q526 \$ 11,923,223
 - General Contingency Reserve, Q421 \$ 11,000,000
- 4) The financial statements of the Halifax Regional Municipality Miscellaneous Trust Funds for the year ended March 31, 2021; and,**
- 5) The appointment of KPMG to be the External Auditors for the fiscal year ended March 31, 2021.**
- 6) The Fourth Quarter 2020/21 Financial Report.**

David Harley, Manager, Accounting & Financial Reporting, gave a presentation on the year end statements and fourth quarter financial reports and responded to questions of clarification from the Committee.

Jerry Blackwood, Chief Financial Officer, and Jacques Dubé, Chief Administrative Officer, responded to questions of clarification from the Committee.

Jacques Dubé, Chief Administrative Officer, shared two webpage links:

- Municipal Fiscal Statistics – Financial Condition Indicators:
<https://data.novascotia.ca/Municipalities/Municipal-Fiscal-Statistics-Financial-Condition-In/44ah-ugrd>
- Municipal Finance and Statistics – Government of Nova Scotia:
<https://beta.novascotia.ca/programs-and-services/municipal-finance-and-statistics>

Carey Blair, Lead Audit Engagement Partner, KPMG, gave a presentation on the Audit Findings Report and responded to questions of clarification from the Committee.

Greg Allen, Audit Manager, KPMG, responded to questions of clarification from the Committee.

Mayor Savage left the meeting at 11:40 a.m.

MOTION PUT AND PASSED.

6. IN CAMERA (IN PRIVATE)

MOVED by Councillor Deagle Gammon, seconded by Claude Carter

THAT the Audit Committee convene In Camera (In Private) to discuss the 2020-2021 year end financial statements with the external auditor and without management present.

MOTION PUT AND PASSED.

7. DATE OF NEXT MEETING – TBD

8. ADJOURNMENT

The meeting adjourned at 12:10 p.m.

Annie Sherry
Legislative Assistant