



**AUDIT AND FINANCE STANDING COMMITTEE
MINUTES
February 19, 2020**

PRESENT: Councillor Russell Walker, Chair
Councillor Lorelei Nicoll, Vice Chair
Councillor Bill Karsten
Councillor Stephen Adams
Councillor Paul Russell

REGRETS: Mayor Mike Savage
Councillor Matt Whitman

STAFF: John Traves, Municipal Solicitor
Jane Fraser, Chief Financial Officer
Evangeline Colman-Sadd, Auditor General
Paul Flinn, Audit Director
Robyn Dean, 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 10:00 a.m. The meeting adjourned at 10:25 a.m.

1. CALL TO ORDER

The Chair called the meeting to order at 10:00 a.m.

2. APPROVAL OF MINUTES – January 21, 2020

MOVED by Councillor Karsten, seconded by Councillor Nicoll

THAT the minutes of January 21, 2020 be approved as circulated.

MOTION PUT AND PASSED.

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

Deletion:

10.3 Presentations

10.3.1 Nancy Noble – Art Gallery of Nova Scotia

MOVED by Councillor Nicoll, seconded by Councillor Karsten

THAT the agenda be approved as amended.

Two-third majority vote required.

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES – NONE

5. CALL FOR DECLARATION OF CONFLICT OF INTERESTS – NONE

6. MOTIONS OF RECONSIDERATION – NONE

7. MOTIONS OF RESCISSION – NONE

8. CONSIDERATION OF DEFERRED BUSINESS – NONE

9. NOTICES OF TABLED MATTERS – NONE

10. CORRESPONDENCE, PETITIONS & DELEGATIONS

10.1 Correspondence – None

10.2 Petitions – None

10.3 Presentations

10.3.1 Nancy Noble – Art Gallery of Nova Scotia

This matter was deleted from the agenda during the approval of the order of business and approval of additions and deletions.

11. INFORMATION ITEMS BROUGHT FORWARD – NONE

12. REPORTS

12.1 AUDITOR GENERAL

12.1.1 Follow-up Review – 2017 Reports

The following was before the Standing Committee:

- A report dated February 2020
- A presentation entitled "Follow-up Review – 2017 Reports"

Evangeline Colman-Sadd, Auditor General, gave a brief overview of their review of the 2017 audit reports on Contract Management, Halifax Water (Management of Drinking Water Safety), and Management of Surplus Buildings and Land. The Auditor General noted the following points:

- HRM and Halifax Water have worked to correct known issues
- There is a high rate of audit recommendations being implemented (90% of report recommendations have been completed)
- The reports on Halifax Water and Management of Surplus Buildings and Land each have one outstanding recommendation

The Auditor General also noted that the next report follow-ups coming to the Audit and Finance Standing Committee will be the procurement audit and the audit on the management of development approvals.

12.2 STAFF

12.2.1 Information Report – Management of Surplus Buildings and Land

The Standing Committee had no questions. No further action was taken.

12.2.2 Third Quarter 2019/20 Financial Report

The following was before the Standing Committee:

- A staff recommendation report dated February 10, 2020

David Harley, Manager of Accounting & Financial Reporting, gave a brief presentation on the third quarter financial report for fiscal year 2019/20 ending December 31, 2019. Harley noted changes in the general rate surplus as well as risks and opportunities, Councillors' funds, recreation area rates, reserves, aged accounts receivable, hospitality expenses, and expenses for reportable individuals.

The Standing Committee discussed the report with Harley responding to questions. Specifically, the Standing Committee requested clarification on the 7.1 million decrease in salaries and benefits. Harley noted that a large portion of these savings are related to the vacancies and delays in hiring within the Transit Commission. Additionally, Harley noted that savings related to hiring delays within Halifax Regional Fire & Emergency, ICT, and Corporate Customer Services also contributed to the 7.1 million decrease.

MOVED by Councillor Karsten, seconded by Councillor Nicoll

THAT the Audit & Finance Standing Committee forward the Third Quarter 2019/20 Financial Report to Regional Council for their information.

MOTION PUT AND PASSED.

12.3 GRANTS COMMITTEE – NONE

12.4 COMMITTEE MEMBERS – NONE

13. MOTIONS – NONE

14. IN CAMERA (IN PRIVATE)

14.1 Approval of the In Camera (In Private) Minutes – January 21, 2020

This matter was dealt with in public session.

MOVED by Councillor Nicoll, seconded by Councillor Karsten

THAT the In Camera (In Private) minutes of January 21, 2020 be approved as circulated.

15. ADDED ITEMS – NONE

16. NOTICES OF MOTION – NONE

17. PUBLIC PARTICIPATION

No members of the public came forward at this time.

18. DATE OF NEXT MEETING – March 11, 2020 *(a week early due to March Break)*

19. ADJOURNMENT

The meeting was adjourned at 10:25 a.m.

Robyn Dean
Legislative Assistant