



**AUDIT & FINANCE STANDING COMMITTEE
SPECIAL MEETING
DRAFT MINUTES
November 25, 2020**

PRESENT: Councillor Paul Russell, Chair
Councillor Cathy Deagle Gammon, Vice-Chair
Councillor David Hendsbee
Councillor Trish Purdy
Councillor Shawn Cleary
Councillor Kathryn Morse
Mayor Mike Savage

STAFF: John Traves, Municipal Solicitor
Jane Fraser, Chief Financial Officer
Jacques Dubé, Chief Administrative Officer
Evangeline Colman-Sadd, Auditor General of HRM
Phoebe Rai, Deputy Municipal Clerk
Simon Ross-Siegel, Legislative Assistant

These minutes are considered draft and will require approval by the Audit and Finance Standing Committee at a future meeting.

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.

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The meeting was called to order at 10:05 a.m. Standing Committee moved into an In Camera (In Private) session at 11:13 a.m. and returned to public session at 11:47 a.m. Standing Committee adjourned at 11:50 a.m.

1. CALL TO ORDER

The Chair called the meeting to order at 10:05 a.m.

1.1 Election of Chair and Vice Chair

Simon Ross-Siegel, Legislative Assistant called for nominations for the position of Chair of the Audit and Finance Standing Committee.

MOVED by Councillor Hendsbee, seconded by Councillor Cleary

THAT Councillor Russell be nominated as Chair of the Audit and Finance Standing Committee.

MOTION PUT AND PASSED.

Simon Ross-Siegel called three times for further nominations for the position of Chair. There were no further nominations.

MOVED by Councillor Hendsbee, seconded by Councillor Cleary

THAT nominations for the position of Chair of the Audit and Finance Standing Committee be closed.

MOTION PUT AND PASSED.

Councillor Russell was elected as Chair of the Audit and Finance Standing Committee.

Councillor Russell called for nominations for the position of Vice Chair of the Audit and Finance Standing Committee.

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT Councillor Deagle Gammon be nominated as Vice Chair of the Audit and Finance Standing Committee.

MOTION PUT AND PASSED.

Councillor Russell called three times for further nominations for the position of Vice Chair. There were no further nominations.

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT nominations for the position of Vice Chair of the Audit and Finance Standing Committee be closed.

MOTION PUT AND PASSED.

Councillor Deagle Gammon was elected as Vice Chair of the Audit and Finance Standing Committee.

2. APPROVAL OF MINUTES – September 16, 2020

MOVED by Councillor Deagle Gammon, seconded by Councillor Cleary

THAT the minutes of September 16, 2020 be approved as presented.

MOTION PUT AND PASSED.

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

MOVED by Councillor Hendsbee, seconded by Councillor Cleary

THAT the agenda be approved as circulated.

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 – NONE**
- 11. INFORMATION ITEMS BROUGHT FORWARD – NONE**

12. REPORTS

12.1 AUDITOR GENERAL

12.1.1 Follow-up Review – 2018/19 Audits

The following was before the Standing Committee:

- A presentation dated November 25, 2020

Evangeline Colman-Sadd, Auditor General of HRM gave a presentation to the Standing Committee regarding follow-up review of 2018/19 Audits and progress management has made implementing changes recommended by the Auditor General and responded to questions.

12.2 STAFF

12.2.1 Review of Report Requests

The following was before the Standing Committee:

- A staff recommendation report dated October 26, 2020

MOVED by Councillor Cleary, seconded by Councillor Deagle Gammon

THAT the Audit and Finance Standing Committee review the attached list of report requests, as outlined in Attachment 1 of the staff report dated October 26, 2020 and bring forward any items recommended to be withdrawn.

Standing Committee did not bring any items forward to be withdrawn.

MOTION PUT AND PASSED.

12.2.2 Proposed 2021 Audit & Finance Standing Committee Meeting Schedule

The following was before the Standing Committee:

- A staff recommendation report dated November 18, 2020

MOVED by Councillor Hendsbee, seconded by Councillor Cleary

THAT Audit and Finance Standing Committee approve the proposed 2021 meeting schedule as outlined in Attachment 1 of the staff report dated November 18, 2020.

MOTION PUT AND PASSED.

12.2.3 Second Quarter 2020/21 Financial Report

The following was before the Standing Committee:

- A staff recommendation report dated November 12, 2020
- A staff presentation dated November 25, 2020

David Harley, Manager Accounting & Financial Reporting, gave a presentation to the Standing Committee regarding Second Quarter 2020/21 finances. Highlights of the presentation included:

- Information regarding the general rate surplus including projected deficits and offsets;
- Risk and opportunities related to the continuing pandemic;
- Updates regarding district capital and district activity funds;
- Updates regarding recreation area rate accounts; and
- A capital projection summary.

Responding to questions from members of the Standing Committee, Jane Fraser, Chief Financial Officer, provided an overview of the current financial situation with respect to the Covid-19 pandemic. Overall the municipality is in a better situation with respect to taxes received than staff originally anticipated earlier in April. 91% of the final tax bill payable in October of this year has been paid. Taxes received are about 63 million dollars short of owing, which is much smaller shortfall than staff had originally anticipated. Staff had previously anticipated a 180-million-dollar shortfall and then subsequent revised estimate of 130 million dollars. Staff plans to return to Council with a report with recommendations to use 46 million dollar "Restart" funding to rebalance the 2021/22 budget.

Responding to questions from members of the Standing Committee regarding the percentage of taxes received, Jane Fraser stated that 90% of residential taxes and 91% of commercial taxes have been received. The municipality has received 73% of property taxes classified as "other", and 92% of a remaining mix of resource and other property taxes have been received.

Responding to questions from members of the Standing Committee, David Harley confirmed that unspent recreation area rate funds are carried forward for community use and do not become general reserves.

MOVED by Councillor Deagle Gammon, seconded by Councillor Cleary

THAT Audit and Finance Standing Committee forward the Second Quarter 2020/21 Financial Report to Regional Council for their information

MOTION PUT AND PASSED.

12.2.4 Councillor Appointments to Boards and Committees

The following was before the Standing Committee:

- A staff memorandum

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT Audit and Finance Standing Committee:

- 1. Nominate one (1) member to the Executive Standing Committee for a term to November 2022;**
- 2. Nominate one (1) member to the Grants Committee for a term to November 2022;**
- 3. Nominate one (1) member to the Investment Policy Advisory Committee for a term to November 2022; and,**
- 4. Nominate three (3) members to the Special Events Advisory Committee for a term to November 2022.**

Standing Committee considered the slate of candidates and considered nominations.

MOVED by Councillor Deagle Gammon, seconded by Councillor Cleary

THAT Councillor Russell be nominated as a member of the Executive Standing Committee for a term to November 2022.

MOTION PUT AND PASSED.

Phoebe Rai, Deputy Municipal Clerk, called three times for further nominations for the position. There were no further nominations.

MOVED by Councillor Cleary, seconded by Councillor Deagle Gammon

THAT nominations for the position of a member of the Executive Standing Committee be closed.

MOTION PUT AND PASSED.

MOVED by Councillor Russell, seconded by Councillor Cleary

THAT Councillor Deagle Gammon be nominated as a member of the Grants Committee for a term to November 2022.

MOTION PUT AND PASSED.

Phoebe Rai, Deputy Municipal Clerk, called three times for further nominations for the position. There were no further nominations.

MOVED by Councillor Hendsbee, seconded by Councillor Russell

THAT nominations for the position of a member of the Grants Committee be closed.

MOTION PUT AND PASSED.

MOVED by Councillor Hendsbee, seconded by Councillor Deagle Gammon

THAT Councillor Cleary be nominated as Co-Chair of the Investment Policy Advisory Committee for a term to November 2022.

MOTION PUT AND PASSED.

These minutes are considered draft and will require approval at a future meeting.

Phoebe Rai, Deputy Municipal Clerk, called three times for further nominations for the position. There were no further nominations.

MOVED by Councillor Russell, seconded by Councillor Hendsbee

THAT nominations for the position of Co-Chair of the Investment Policy Advisory Committee be closed.

MOTION PUT AND PASSED.

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT Councillor Russell be nominated as Chair of the Special Events Advisory Committee for a term to November 2022.

MOTION PUT AND PASSED.

Phoebe Rai, Deputy Municipal Clerk, called three times for further nominations for the position. There were no further nominations.

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT nominations for the position of Chair of the Special Events Advisory Committee be closed.

MOTION PUT AND PASSED.

MOVED by Councillor Cleary, seconded by Councillor Deagle Gammon

THAT Councillor Mancini be nominated as Vice Chair of the Special Events Advisory Committee for a term to November 2022.

MOTION PUT AND PASSED.

Phoebe Rai, Deputy Municipal Clerk, called three times for further nominations for the position. There were no further nominations.

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT nominations for the position of Vice Chair of the Special Events Advisory Committee be closed.

MOTION PUT AND PASSED.

MOVED by Councillor Hendsbee, seconded by Councillor Cleary

THAT Councillor Morse be nominated as a member of the Special Events Advisory Committee for a term to November 2022.

MOTION PUT AND PASSED.

Phoebe Rai, Deputy Municipal Clerk, called three times for further nominations for the position. There were no further nominations.

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MOVED by Councillor Russell, seconded by Councillor Cleary

THAT nominations for the position of a member of the Special Events Advisory Committee be closed.

MOTION PUT AND PASSED.

The motion before the Standing Committee now reads:

THAT Audit and Finance Standing Committee:

- 1. Nominate Councillor Russell to the Executive Standing Committee for a term to November 2022;**
- 2. Nominate Councillor Deagle Gammon to the Grants Committee for a term to November 2022;**
- 3. Nominate Councillor Cleary to the Investment Policy Advisory Committee for a term to November 2022; and,**
- 4. Nominate Councillors Russell, Mancini and Morse to the Special Events Advisory Committee for a term to November 2022.**

MOTION PUT AND PASSED.

12.3 GRANTS COMMITTEE – NONE

12.4 COMMITTEE MEMBERS – NONE

13. MOTIONS – NONE

14. IN CAMERA (IN PRIVATE)

MOVED by Councillor Hendsbee, seconded by Councillor Purdy

To convene to in camera to discuss the Personnel Matter.

MOTION PUT AND PASSED.

14.1 PERSONNEL MATTER – *Private and Confidential Report*

This matter was dealt with In Camera (In Private) and ratified in public as follows:

MOVED by Councillor Cleary, seconded by Councillor Hendsbee

THAT the Audit and Finance Standing Committee ratify the recommendations regarding the selected slate of candidates and that they be recommended for approval to Halifax Regional Council.

MOTION PUT AND PASSED.

15. ADDED ITEMS - NONE

16. NOTICES OF MOTION – NONE

17. PUBLIC PARTICIPATION – NONE

18. DATE OF NEXT MEETING – December 16, 2020

19. ADJOURNMENT

The meeting was adjourned at 11:50 p.m.

Simon Ross-Siegel
Legislative Assistant