

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 
Jacques Dubé, Chief Administrative Officer

DATE: October 13, 2021

SUBJECT: **Amendments to the Administrative Order 2014-020-GOV Respecting Marketing Levy Special Event Reserve Grants – Election of Chair**

ORIGIN

March 23, 2021 Halifax Regional Council motion (Item 11.5.2):

MOVED by Councillor Mancini, seconded by Councillor Lovelace

THAT Regional Council request a staff report on amending the Marketing Levy Administrative Order 2014-020-GOV to allow for a Councillor who does not sit on the Audit and Finance Standing Committee to Chair the Special Events Advisory Committee.

MOTION PUT AND PASSED UNANIMOUSLY.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S. 2008, c.39, Section 21 (1) as follows:

21 (1) The Council may establish standing, special and advisory committees.

Administrative Order One, *The Procedures of the Council Administrative Order*, Section 116 (5) as follows:

116 (5) The Council in establishing a Special Committee may direct who shall be the Presiding Officer of the committee and in the absence of such direction the committee shall elect its own Chair and, if required, a Vice Chair.

Administrative Order Number 2014-020-GOV *Respecting Marketing Levy Special Event Reserve Grants*, Schedule 1 Special Events Advisory Committee Terms of Reference

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Adopt the amendments to Administrative Order 2014-020-GOV *Respecting Marketing Levy Special Event Reserve Grants*, as set out in Attachment 2 of this report; and
2. Adopt the amendments to Administrative Order One, *The Procedures of the Council Administrative Order*, Schedule 2, Audit and Finance Standing Committee Terms of Reference, as set out in Attachment 4 of this report.

BACKGROUND

On March 27, 2007, Regional Council adopted the Special Events Advisory Committee Terms of Reference.

On December 6, 2011, Regional Council approved an amendment to the Special Events Advisory Committee Terms of Reference that the Chair of the Committee be appointed annually by the Audit and Finance Standing Committee from the membership of Audit and Finance Standing Committee. As outlined in the report from the Audit and Finance Standing Committee¹, the purpose of this amendment was to reflect the section of the Terms of Reference for the Audit and Finance Standing Committee.

On November 10, 2015, Regional Council adopted Administrative Order Number 2014-020-GOV, *Respecting Marketing Levy Special Event Reserve Grants*, which includes the Special Events Advisory Committee Terms of Reference (Schedule 1). Continuation of the requirement for the Chair of Special Events Advisory Committee to also be a member selected from the Audit & Finance Standing Committee was considered and determined to continue to provide financial accountability.

On March 23, 2021, Regional Council passed a motion requesting a staff report on amending Administrative Order 2014-020-GOV *Respecting Marketing Levy Special Event Reserve Grants*, to allow for a councillor who does not sit on the Audit and Finance Standing Committee to Chair the Special Events Advisory Committee.

DISCUSSION

Among the boards, committees and commissions of Regional Council that include both councillors and public volunteers, the Grants Committee is the only other Committee for which the Terms of Reference dictate that the Chair must be appointed by the nominating committee from membership of the nominating committee. Table 1 shows various provisions for the Election of Chair under respective Terms of References.

Table 1 – Various Provisions for the Election of Chair for Committees/Commission that include both councillors and public volunteers

Provision for Election of Chair	Committee Name
Any member may be elected as Chair or Vice Chair	Active Transportation Advisory Committee
	Board of Police Commissioners
	Heritage Advisory Committee
	Point Pleasant Park Advisory Committee
	Women's Advisory Committee

¹ [See Halifax Regional Council, December 6, 2011 – Item No. 10.2.1](#)

Provision for Election of Chair	Committee Name
	Western Common Advisory Committee*
Chair is elected from its non-Council members	Accessibility Advisory Committee
	Community Design Advisory Committee
	Halifax Peninsula Planning Advisory Committee
	North West Planning Advisory Committee
Councillor and staff member serve as Co-Chairs	Investment Policy Advisory Committee
Chair is appointed by the nominating committee from membership of the nominating committee	Grants Committee
	Special Events Advisory Committee

Staff has reviewed the request for a staff report and have prepared amendments to permit the Chair of the Committee to be appointed by the Audit and Finance Standing Committee from the any of the three councillors who are appointed to the Committee. This requires amendments to both Administrative Order One, *The Procedures of the Council Administrative Order*, (Attachment 2) and Administrative Order 2014-020-GOV *Respecting Marketing Levy Special Event Reserve Grants* (Attachment 4). These amendments will provide the Audit and Finance Standing Committee greater flexibility regarding the SEAC Chair appointment while maintaining the financial accountability of having a councillor chair the Committee.

When the Administrative Order was adopted, there were three Community Councils and the three councillors appointed to the Committee came one from each of the Community Councils. Since that time, Council has created the Regional Centre Community Council (RCCC) for lands included in Package A of the Centre Plan. In light of this change, for clarity staff are also recommending that Council adopt amendments to exclude the RCCC from the Community Councils from which members are appointed, as the areas under the RCCC will be covered by either the Harbour-East Marine Drive Community Council or the Halifax and West Community Council.

FINANCIAL IMPLICATIONS

No financial implications associated with the recommendations made in this report.

RISK CONSIDERATION

No risk considerations were identified.

COMMUNITY ENGAGEMENT

No formal public engagement has been undertaken in preparing this report.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

1. Halifax Regional Council could defeat the staff recommendation to adopt the Amending Administrative Orders as set out in Attachments 2 and 4 of this report. This would result in status quo of Administrative Order Number 2014-020-GOV and Audit and Finance Standing Committee Terms of Reference.

2. Halifax Regional Council could request amendments to Administrative Order 2014-020-GOV and Administrative Order One, *The Procedures of the Council Administrative Order*, Schedule 2, Audit and Finance Standing Committee Terms of Reference that are different to the recommended amendments to address specific issues. This may require a supplementary report to address additional amendments.

ATTACHMENTS

Attachment 1 – Showing Proposed Changes to Administrative Order 2014-020-GOV

Attachment 2 – Amending Administrative Order for Administrative Order 2014-020-GOV

Attachment 3 – Showing Proposed Changes to Administrative Order One, Audit and Finance Standing Committee Terms of Reference

Attachment 4 – Amending Administrative Order for Administrative Order One, Audit and Finance Standing Committee Terms of Reference

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Haruka Aoyama, Legislative Assistant, 902.490.6517

ADMINISTRATIVE ORDER NUMBER 2014-020-GOV
Respecting Marketing Levy Special Event Reserve Grants

WHEREAS the Council of the Halifax Regional Municipality values the economic impact of large scale events to the Halifax Regional Municipality;

AND WHEREAS the Council of the Halifax Regional Municipality wishes to support organizations to attract and host large scale special events within the Halifax Regional Municipality through grants;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Administrative Order on MLSE Grants*.

Interpretation

2. In this Administrative Order,
 - (a) “Anniversary” means a celebration at quarter century intervals that an event acknowledges with enhanced programming;
 - (b) “Applicant” means an organization applying for funding under this AO;
 - (c) “Concerned status” means conditions attached to the release of grant funds in accordance with section 31 of this AO;
 - (d) “Council” means the Regional Council of the Halifax Regional Municipality;
 - (e) “Enhanced visibility” means multi-media opportunities to promote the Municipality that would not occur, in whole or in part, without a grant under this AO;
 - (f) “Grant” means a transfer of funds to an organization subject to eligibility criteria;
 - (g) “Special Events Advisory Committee” or, “SEAC” means the advisory committee of Council pursuant to the Terms of Reference attached in Schedule 1 to this AO;
 - (h) “Major Hosting Event” means a national or international event that typically does not recur annually in the same location and is awarded to a host destination through a competitive bidding process;

- (i) “Multi-media opportunities” means opportunities to profile the Municipality through a number of marketing platforms such as radio, television, video, print, internet and social media;
- (j) “Municipality” means the Halifax Regional Municipality;
- (k) “New or Emerging Event” means an event that has been held in Halifax for the first time within the past five (5) years, or strongly demonstrates a recent change or growth;
- (l) “Organization” means a registered charity, non-profit society or for-profit entity with demonstrated event management experience;
- (m) “Organizer” means the organization responsible for delivering the special event;
- (n) “Special event” means an event, festival or public celebration that:
 - (i) demonstrates capacity and the ability to develop as a tourism driver over the long term;
 - (ii) is promoted to and marketed to tourists; and
 - (iii) is available to the general public to attend, either free or through the purchase of tickets.
- (o) “Staff” means staff of Parks & Recreation; and
- (p) “Tourist” means a person who travels 100 kilometres or more specifically to attend the special event.

Purpose

3. The purpose of this Administrative Order is to provide grants from the Municipality to direct financial support to large scale special events in Halifax Regional Municipality that support and promote tourism and business development.

Grants Available

4. There are hereby established four grant programs:

- a) Signature Events: supports annual large scale special events.

- (i) Available to Organizations that have operated for a minimum of three (3) consecutive years with strong event management and a track record of success.
 - (ii) The special event must be in existence for a minimum of five (5) consecutive years and have a minimum budget of \$100,000.00.
 - (iii) May provide sustainable funding up to a maximum term of three (3) years.
 - (iv) Provides additional funding up to a maximum of 10% of the previous year's total grant amount to support additional programming for an anniversary of the event.
- b) Distinguished Events: supports one-time large scale events that have high potential for national and/or international exposure, an ability to encourage multiple day visits to the Municipality, and provide the Municipality with a competitive advantage.
- (i) Repealed.
 - (ii) The event must have a minimum budget of \$50,000.00.
 - (iii) Repealed.
 - (iv) Repealed.
 - (v) Repealed.
 - (vi) National University Sports Championships may be considered for funding within this category.
- (c) New Events (Emerging): supports Organizations that bring or create a new event in Halifax.
- (i) Available to Organizations that have operated for a minimum of one (1) year with demonstrated experience in event management.
 - (ii) The event must have a minimum budget of \$50,000.00.
 - (iii) Preference will be given to applicants that have secured corporate and government funding.

- (iv) The New Events (Emerging) Program:
 - a. provides up to five (5) consecutive years of sustainable funding; and
 - b. may provide the cost of executing a Sport Tourism Economic Assessment Model (STEAM) or an alternate industry recognized economic assessment tool as approved by staff in the first and fifth year of funding.

- (d) Major Hosting Events: supports Organizations bidding on the rights to host major events and supports programs, activities and services specific to the delivery of a major event being hosted in Halifax. Events must be of a size and scope sufficient to draw tourists to the Municipality's communities, attract significant media exposure, and profile Halifax destinations nationally and globally.
 - (i) The event must have a minimum budget of \$500,000.00.
 - (ii) Funding conditional on receiving event funding from other levels of government.

Application Requirements

- 5. Repealed.

- 5A. (1) The intake periods for each grant program shall be as follows:
 - (a) Signature Events: one intake period per fiscal year;
 - (b) Distinguished Events: two intake periods per fiscal year;
 - (c) New Events (Emerging): two intake periods per fiscal year; and
 - (d) Major Hosting Events: application to this program may be made at any time.

- (2) The intake periods and application deadlines will be established by staff and advertised on the HRM website.

- 6. Applications must be signed by the applicant's authorized representative(s).

- 7. All applications must be received by mail, in person or emailed by the application deadline. Applications may be submitted:

- a) in person to:
HRM Event Grants Officer
2nd floor, Dartmouth Ferry Terminal
 - b) by mail to:
HRM Event Grants Officer
P.O. Box 1749
Halifax, NS
B3J 3A5
 - (c) by email to:
eventgrants@halifax.ca
8. Late or incomplete applications will not be reviewed or considered.
9. All applications shall be in a format prescribed by staff and include:
- (a) a description of the applicant, including history and organisation's staffing and structure;
 - (b) details on any other funding received from the Municipality within the current and two previous fiscal years, including tax relief;
 - (c) a statement of corporate funding sources sought by the applicant, including current status of applications;
 - (d) a statement of other government funding sources sought by the applicant, including current status of applications;
 - (e) a detailed event description with a statement on the tourism and economic impact in the community;
 - (f) previous year's municipal service costs when applicable;
 - (g) a detailed event budget; and
 - (h) completion of an economic impact analysis, such as the Sport Tourism Economic Assessment Model (STEAM) or an alternate industry recognized economic assessment tool as approved by staff.

Eligibility

10. To be eligible for funding, an applicant shall be a registered not-for-profit society or for-profit entity in good standing with the Provincial Registrar of Joint Stock Companies or federally registered under the *Corporations Act* and:

- (a) Repealed;
- (b) has no outstanding municipal service costs due to the Municipality; and
- (c) has no outstanding reports or due to the Municipality.

11. For the organization to be eligible for funding the event must:

- (a) provide an element of the event open to the general public to attend;
- (b) secure additional sources of revenue such as corporate contributions, donations, sales, and membership fees and must pursue other sources of public or private funding;
- (c) be held within the geographical boundaries of the Municipality; and
- (d) be fourteen (14) days or less in duration.

12. The following organizations are not eligible for funding:

- (a) government agencies;
- (b) organizations aligned with a political party or to support activities thereof;
- (c) individuals;
- (d) educational institutions; or
- (e) groups using the funds for activities outside the Municipality.

13. The following events are not eligible for funding:

- (a) consumer shows;
- (b) trade shows;
- (c) meetings;

- (d) seminars;
- (e) repealed;
- (f) symposiums;
- (g) public lectures;
- (h) fundraisers;
- (i) professional training and development;
- (j) educational initiatives;
- (k) banquets;
- (l) conferences; and
- (m) marketing initiatives.

Expenses

- 14. Grants may be applied to programing, operating, marketing and promotional expenses.
- 15. No portion of the grant shall be:
 - (a) applied to volunteer bursaries or honoraria; or
 - (b) paid to members or officers of an organization's Board of Directors either directly or indirectly.

General Provisions

- 16. Staff is available to assist with the application process and other issues that may arise.
- 17. Staff may consult with provincial and federal government funders to thoroughly assess the rights and benefits being offered by the applicant.
- 18. Retroactive funding will not be awarded.

19. Any event that will occur less than three (3) months after the application deadline, or after the application submission in the case of a Major Hosting Event, will be assessed on a case by case basis with no guarantee of a decision before the date of the event.

20. All grant recipients must provide staff full access to the event for the purposes of monitoring and evaluation, including but not limited to audit and inspection of accounts, records, receipts, invoices, vouchers and other documents related to the funding provided through HRM.

Application Evaluations

21. The following criteria will be used to evaluate applications for Council's consideration:

- (a) degree of economic impact;
- (b) number of consecutive, multiple day visits from tourists;
- (c) enhanced visibility to Halifax as a tourist and business destination;
- (d) expertise of event organizer;
- (dd) amount of funding received from the Municipality within the current and two previous fiscal years, including tax relief;
- (e) financial stewardship as demonstrated through financial statements and proposed event budget; and
- (f) for New Events (Emerging) and Major Hosting Events, funding support from other levels of government.

22. To ensure transparency in the evaluation of applications:

- (a) all staff and SEAC members will complete a "Disclosure of Conflict of Interest" declaration;
- (b) staff or SEAC members who have provided direct assistance to support an applicant in completing an application shall not be involved in any part of the grant assessment process for that application;
- (c) advice or information given to one applicant shall be made available to all other applicants; and

(d) staff or SEAC members who declare an interest in an application, shall not be involved in any part of the grant assessment process for that application.

Application Review Process

23. Applications will be administered by staff of Parks & Recreation.
24. Applicants will be notified promptly if their application is ineligible for consideration.
25. Final approval of all applications for a grant, and the amount thereof, is a decision of Council in its sole discretion.
26. Notification of the decision of Council will be communicated to applicants after it is made.
27. Approval of grants is conditional on Council's approval of the annual program budget.
28. Due to limited funds, not all eligible applications may receive funding.

Conditions of Approval & Payment of Grants

29. Successful applicants are required to sign an HRM Event Grant Agreement. Funds will not be released prior to the HRM Event Grant Agreement being executed.
30. All HRM Event Grant Agreements will contain the following terms regarding Concerned Status:
 - (a) The Special Events Advisory Committee or Council may identify concerns with an organization or event and recommend the organization be placed under Concerned Status. An organizer will be notified immediately upon the organization being placed under Concerned Status.
 - (b) Concerned Status may occur if the organization:
 - (i) has a major deficit, such deficit being ten percent (10%) or more of the organization's annual budget;
 - (ii) shows evidence of not being financial viable;
 - (iii) has a significantly reduced audience or sales base that differs from stated intentions;
 - (iv) does not demonstrate the ability to plan into the future;

- (v) does not address major artistic concerns, such as artistic or editorial direction, declining quality of activity, or failure to achieve activity plan;
 - (vi) does not meet contractual obligations or minimum requirements outlined in the agreement; or
 - (vii) demonstrates management or governance practices which do not conform with generally acceptable practices in the sector.
- (c) An organization placed under Concerned Status will be required to meet quarterly with Parks & Recreation staff for review of the following documentation:
- (i) profit & loss statement;
 - (ii) balance sheet;
 - (iii) year-to-date budget;
 - (iv) bank reconciliation (only required upon specific request from staff);
 - (v) new or updated business plan; and
 - (vi) any other documentation relevant to the Concerned Status designation.
- (d) When an organization receiving a multi-year grant commitment has been placed under Concerned Status it may result in:
- (i) a lower grant award;
 - (ii) additional conditions placed on the current grant and any future grants; and
 - (iii) discontinuation of the grant term if applicable where issues go unresolved.

31. Grant monies for applications approved will be dispersed according to a schedule as outlined in the executed HRM Event Grant Agreement, with up to twenty per cent (20%) being withheld until completion of the event and submission of the final report.

32. Successful applicants are required to complete a final report form within one hundred and twenty (120) days of the conclusion of the event describing the impact of the funding received from the Municipality. A final report template will be available from Parks & Recreation staff. The criteria for reporting includes:

- (i) name of organization, amount of grant, terms and conditions;
- (ii) total event costs;
- (iii) a breakdown of the expenditure of the grant funds (the Municipality reserves the right to require proof of payments made);
- (iv) a final description of the event, including information on the completeness of the project; and
- (v) copies of printed and web based materials funded through the grant as well as documentation of events or projects directly or indirectly supported by the Municipality through this grant process.

33. A successful applicant may request an extension to file the final report if unable to meet the one hundred and twenty (120) days deadline. The request must be received one (1) month prior to the deadline. Submission of a request for extension does not guarantee that an extension will be awarded.

34. Failure to submit a final report within one hundred and twenty (120) days of the conclusion of the event or at the end of an approved extension period will result in:

- (a) the forfeiture of any remaining grant; and
- (b) placement of the organization on the Municipality's delinquent organizations list.

The organization will be notified of any forfeiture of grant funds.

35. Organizations placed on the delinquent organizations list are ineligible to apply for future grants from HRM. Organizations will be removed from the delinquent organizations list on submission of a final report.

36. The Municipality's support must be recognized as outlined in the "Requirements for Acknowledging Funding" set out in the HRM Event Agreement.

Referral by Council

37. The question of grant funding for a particular event pursuant to this Administrative Order may be referred by Council to a Standing Committee or to the Council in Committee for a recommendation to the Council on whether to provide grant funding.

Scope

38. Notwithstanding this Administrative Order, an application for an event may be considered by Council or the SEAC for a grant.

39. Nothing in this Administrative Order shall be interpreted to limit or otherwise prescribe Council's general discretion to provide grants under the *Halifax Regional Municipality Charter* or otherwise.

Transition

40. Notwithstanding this Administrative Order, current multi-year grants awarded by Council under the "Civic Events Granting Framework and Policy" shall be governed in accordance with the agreement made at the time of the award, including payment schedules and reporting requirements.

40A. A committee member appointed to SEAC at the time this Administrative Order comes into force shall remain a member of the committee until the member's position is vacated, at which time any new appointments to SEAC shall be in accordance with the Terms of Reference as set out in Schedule 1.

Repeal

41. The "Civic Events Granting Framework and Policy" adopted by Council on March 27, 2007 and all amendments thereto are hereby repealed.

Done and passed in Council this 10th day of November, 2015.

Mayor

Municipal Clerk

Administrative Order Number 2014-020-GOV
Respecting Marketing Levy Special Event Reserve Grants

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on November 10, 2015.

Cathy Mellett, Municipal Clerk

Schedule 1

Special Events Advisory Committee Terms of Reference

MANDATE

The HRM Special Events Advisory Committee shall review, evaluate and make recommendations to Regional Council regarding the annual Marketing Levy Special Events Reserve (MLSER) with staff support from Parks and Recreation.

STATEMENT OF PURPOSE

Pursuant to the Marketing Levy Special Events Reserve Administrative Order 2014-020-GOV, members of the HRM Special Events Advisory Committee will evaluate applications for funding for events that support and generate economic and tourism development.

1. COMPOSITION OF COMMITTEE

1.1. The HRM Special Events Advisory Committee shall comprise a voting membership of up to nine (9) as follows: Three (3) elected members of Halifax Regional Council appointed by the Audit and Finance Standing Committee;

1.1.1. The three (3) elected members are to be appointed from Community Councils, with one (1) elected member appointed from each Community Council **except the Regional Centre Community Council**;

1.1.2. One (1) elected member is also to be a member of the Audit & Finance Standing Committee;

1.2. The Chair shall be appointed by the Audit and Finance Standing Committee from the ~~membership of the Audit and Finance Standing Committee~~ **three (3) elected members of Halifax Regional Council appointed to the Special Events Advisory Committee**;

1.3. The Vice Chair shall be appointed by the Audit and Finance Standing Committee from the Community Council membership;

1.4. The members-at-large from professional agencies shall be appointed by the Audit and Finance Standing to include:

1.4.1. One (1) member from the Hotel Association of Nova Scotia;

1.4.2. One (1) member from Destination Halifax;

- 1.4.3. One (1) member from the Halifax Partnership;
- 1.4.4. One (1) member from the Restaurant Association of Nova Scotia;
- 1.4.5. One (1) member from the Business Improvement Districts (BIDS); and
- 1.4.6. One (1) member from a business tourism organisation

2 **TERM OF OFFICE**

- 2.1 Each elected representative shall be appointed for a term of two (2) years, renewable.
- 2.2 Agency representatives shall be appointed for a term of two (2) years and thereafter may be re-appointed for a term of one (1) year so as to ensure staggered terms.

3 **VACANCIES**

- 3.1 The Chair shall inform the Clerk's Office of any vacancies.
- 3.2 Should a vacancy occur during an elected member's term of office the Council Selection Committee and Regional Council shall appoint a new representative to complete the balance of the term.
- 3.3 Should a vacancy occur during an agency member's term of office Regional Council shall appoint a replacement to complete the balance of the term.

4 **DUTIES**

The duties of the HRM Special Events Advisory Committee are to:

- 4.1 Advise Regional Council on all matters related to the allocation of the MLSER;
- 4.2 Continue to review eligibility criteria, priorities, policy and procedures for assistance under the respective programs and services managed under the auspices of the Marketing Levy Special Events Reserve Administrative Order 2014-020-GOV; and
- 4.3 The duties of the HRM Special Events Advisory Committee shall be reviewed annually by staff and Committee members and may be amended by Regional Council on an on-going basis.

5 **QUORUM**

5.1 A quorum at a regular meeting of the HRM Special Events Advisory Committee shall be a simple majority of members of which at least one (1) shall be an elected member of Regional Council.

6 **MEETINGS**

6.1 The committee shall meet as required to facilitate the timely review and recommendations on the MLSER.

6.2 The Chair in consultation with staff shall be responsible for calling all meetings of the HRM Special Events Advisory Committee.

6.3 Notice of the HRM Special Events Advisory Committee meetings and minutes shall be provided by the Clerk's Office.

7 **REMUNERATION**

Members of the HRM Special Events Advisory Committee shall not be remunerated for serving on the committee except where reimbursement is made in accordance with HRM policy for reasonable expenses incurred while in the service of the Committee.

8 **DECLARATION OF CONFLICT OF INTEREST**

Where personal or professional involvement or association could result in an actual or perceived conflict of interest for a member of the HRM Special Events Advisory Committee, the member shall declare the conflict and abstain from debate on the related topic, or where appropriate remove themselves from a meeting and shall not vote on any motion applying to the declared conflict.

Approved March 27, 2007
Amended April 1, 2008
Amended March 24, 2009
Amended November 30, 2010
Amended October 18, 2011
Amended December 6, 2011 (Appointment of Chair)
Amended October 30, 2012 (Composition & Quorum)

Administrative Order Number 2014-020-GOV
Respecting Marketing Levy Special Event Reserve Grants

Notice of Motion: October 27, 2015
Approved: November 10, 2015

Amendment # 1
Notice of Motion: May 22, 2018
Approval: June 5, 2018

Amendment # 2
 Amend clause (k) of section 2
 Amend subclauses a. and b. of clause 4(c)(iv)
Notice of Motion: April 6, 2021
Approval: April 20, 2021

SCHEDULE 2

**AUDIT AND FINANCE STANDING COMMITTEE
TERMS OF REFERENCE**

Purpose

1. (1) The purpose of the Audit and Finance Standing Committee is to provide advice to the Council on matters relating to audit and finance.
- (2) The other purposes of the Committee are to:
 - (a) fulfill the requirements as outlined in Section 48 of the *HRM Charter*; and
 - (b) assist the Council in meeting its responsibilities by ensuring the adequacy and effectiveness of financial reporting, risk management and internal controls.

Composition

2. (1) The Audit and Finance Standing Committee shall consist of six (6) Members of the Council.
- (2) The Members of the Audit and Finance Standing Committee shall be appointed by the Council as follows:
 - (a) one (1) Member appointed from each Community Council; and
 - (b) three (3) Members appointed at large.
- (2A) The Audit Committee shall consist of the Members of the Audit and Finance Committee and one (1) or two (2) persons who are not Members or employees of the Municipality and these one (1) or two (2) persons shall:
 - (a) reside within the boundaries of the Municipality;
 - (b) be at least eighteen (18) years of age at the time of appointment;
 - (c) not serve concurrently on any other board or committee of the Municipality;
 - (d) satisfy any recruitment requirements as set forth in any recruitment advertisement issued by the Municipality;
 - (e) be appointed by Council in accordance with the Public Appointment Policy; and
 - (f) be voting members of the Audit Committee only.

(3) The term of each appointment shall be for two (2) years.

(4) The Chair and Vice-Chair shall be elected annually in November, by the Members and from the Members of the Audit and Finance Standing Committee.

COMMUNITY COUNCIL	MEMBERS AT	CHAIR AND VICE CHAIR	EX OFFICIO	RESIDENTS OF HRM FOR AUDIT
Halifax & West Community Council	Three (3) Members at large.	Elected by and from the members of the committee.	Mayor.	One (1) or two (2).
North West Community Council				
Harbour East – Marine Drive Community				

Duties and Responsibilities

Audit

3. The Audit and Finance Standing Committee shall meet at least twice in each fiscal year as an Audit Committee to:

(a) review the qualifications, independence, quality of service and performance of the External Auditors annually and recommend to the Council the appointment or discharge of the External Auditors;

(b) carry out the responsibilities of the Audit Committee as outlined in subsection 48(2) of the *HRM Charter*, including:

(i) reviewing, in detail, the financial statements of the Municipality with the External Auditors,

(ii) evaluating internal control systems and management letters with the External Auditors,

(iii) reviewing the conduct and adequacy of any internal audit undertaken,

(iv) reviewing matters arising out of any internal audit that require further Investigation, and

(v) undertaking other actions determined by the Council to be the duties of the Audit Committee; and

(c) review with management and the External Auditor and recommend to the Council for approval, the annual audited financial statements.

Finance and Risk Management

4. The Audit and Finance Standing Committee shall:

(a) review with Finance management the monthly financial forecast and KPIs (key performance indicators) to be presented to the Council;

(b) review annually the debt and interest risk management activities proposed for the upcoming year by the CFO;

(c) review annually with Finance management and report to the Council on the appropriateness of financial accounting policies, disclosures and forecasts;

(d) ensure the adequacy and effectiveness of the systems of internal control in relation to financial controls and risk management as established by Administration;

(e) review bi-annually with management, the enterprise risk management and financial implications coming from such risk and implications, including: Environmental, Human Resources, Operational and the insurable risks and insurance coverage strategy of the Municipality; and

(f) review, as required, any other policies, procedures, forecasts, reports or process as agreed to mutually by the CAO and the Committee.

Auditor General

4A. The Chair and Vice Chair of the Committee shall review and approve the expenses of the Auditor General respecting employment and professional development expenses, such as travel, conferences and training, and for the purposes of:

(a) the *Employment Expense Reimbursement Policy*, the Chair and Vice Chair of the Audit and Finance Standing Committee stand in the place of the business unit;

(b) the Employee Learning & Development Policy, the Chair and Vice Chair of the Audit and Finance Standing Committee stands in the place of the approval authority; and

(c) the Request for Education Reimbursement Policy, the Chair and Vice Chair of the Audit and Finance Standing Committee stand in the place of the manager for approval and the HRM Corporate Training office for a review to determine if it meets the conditions under the policy.

Halifax Regional Library

5. The mandate of the Audit and Finance Standing Committee shall include auditing, finance and risk management of the Halifax Regional Library.

Liaison

6. Notwithstanding section 49 of the *HRM Charter* outlining the role, independence and reporting relationship of the Municipal Auditor General, the Audit and Finance Standing Committee shall act as a liaison and communication link between the Auditor General and the Council.

7. The Audit and Finance Standing Committee shall liaison with:

(a) the Provincial Property Valuation Service through representation on the Union of Nova Scotia Municipalities (UNSM) oversight board;

(b) the Investment Policy Advisory Committee through appointment of the Council representative to the Committee; and

(c) the Grants Committee ~~and Special Events Advisory Committee~~ through nomination of the Council and Citizen representatives and appointment of the Chair of the Committees from a member of the Audit and Finance Standing Committee.

(d) the Special Events Advisory Committee through nomination of the Council and Citizen representatives and appointment of the Chair of the Committee from the members of Regional Council appointed to the Special Events Advisory Committee.

Other Duties and Responsibilities

8. The Audit and Finance Standing Committee shall review and make recommendations on proposals coming to the Council outside of the annual budget or tender process including:

(a) new programs or services not yet approved or funded;

(b) programs or services that are being substantially altered;

(c) proposed changes in any operating or project budget items;

(d) the commitment of funds where there is insufficient approved budget;

(e) new or increased capital projects not within the approved budget;

(f) increases in project budget due to cost sharing; and

(g) the creation or modification of reserves and withdrawals not approved in the approved budget.

Administration and Procedures

9. The Audit and Finance Standing Committee shall meet no less than four (4) times annually, preferably monthly, or as determined by the Committee.
10. Administrative and meeting procedures shall be in accordance with this *Administrative Order*.
11. Pursuant to clause 20(1) (c) of the *HRM Charter*, the Council delegates the power to direct staff to prepare reports to this Standing Committee provided that:
- (a) the topic of the report is consistent with the mandate of the Standing Committee as expressed in the Committee's terms of reference approved by the Council; and
 - (b) the topic of the report is consistent with the Council's approved strategic priorities, budgets and policies.
- 11A (1) The Audit and Finance Standing Committee may hear and consider a submission or representation from any person who wishes to be heard, and each submission will be limited to five (5) minutes.
- (2) If more than one person appears representing a group or association in relation to a particular item, the Audit and Finance Standing Committee may require that the persons designate a spokesperson who shall speak on behalf of the group or association so appearing.

Staff Liaison

12. Management support and liaison shall be through the Office of the Director of Finance/CFO, the Office of the Auditor General and the Office of the Director of Legal Services and Risk Management (as required) supported through the Office of the Clerk.

Subcommittees

13. (1) The Audit and Finance Standing Committee shall appoint a subcommittee to oversee the contract of the Auditor General.
- (2) The subcommittee shall be comprised of the Mayor, the Chair and the Vice-Chair of the Audit and Finance Standing Committee.
- (3) The subcommittee shall report, as required, to the Audit and Finance Standing Committee who, in turn, shall report to the Council.

Standing Committee Advisory Committees

14. The following Committees shall be advisory committee to the Audit and Finance Standing Committee:

COMMITTEE	TYPE	APPOINTMENT
Investment Policy	Advisory	One (1) Member shall be appointed by and from the Audit and Finance Standing Committee. The other Members shall be appointed at large.
Grants	Advisory	The Chair shall be appointed by and from the Audit and Finance Standing Committee. One (1) Member shall be appointed from each Community Council Citizen Members shall be appointed at large.
Special Events	Advisory	The Chair shall be appointed by and from the Audit and Finance Standing Committee from the three Councillors appointed as members. One (1) Member shall be appointed from each Community Council, except the Regional Centre Community Council The Citizen/Sector Members shall be appointed at large.

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MUNICIPAL CLERK

I, Iain MacLean, Municipal Clerk for the Halifax Regional Municipality, hereby certify that the above-noted administrative order was passed at a meeting of the Halifax Regional Council held on _____, 2021.

Iain MacLean
Municipal Clerk

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