



**AUDIT AND FINANCE STANDING COMMITTEE
SPECIAL MEETING
MINUTES
June 16, 2021**

PRESENT: Councillor Russell, Chair
Councillor Deagle Gammon, Vice Chair
Councillor Hendsbee
Councillor Purdy
Councillor Cleary
Councillor Morse
Mayor Savage

STAFF: Jacques Dubé, Chief Administrative Officer
Crystal Nowlan, Manager, Asset Management
John Traves, Municipal Solicitor
Evangeline Colman-Sadd, Auditor General, Halifax Regional Municipality
Annie Sherry, Legislative Assistant
Simon Ross-Siegel, Legislative Assistant

Please note these minutes require approval at a future meeting of the Audit and Finance Standing Committee.

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

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

The meeting was called to order at 10:01 a.m. The Standing Committee adjourned at 10:52 a.m.

1. CALL TO ORDER

The meeting was called to order at 10:01 a.m.

2. APPROVAL OF MINUTES – May 19, 2021

MOVED by Councillor Deagle Gammon, seconded by Councillor Purdy

THAT the minutes of the May 19, 2021 Audit and Finance Standing Committee be approved

MOTION PUT AND PASSED.

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

Additions- None

Deletions- None

MOVED by Councillor Hendsbee, seconded by Mayor Savage

THAT the agenda be approved as presented

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES

5. CALL FOR DECLARATION OF CONFLICT OF INTERESTS

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 – None

11. INFORMATION ITEMS BROUGHT FORWARD – NONE

12. REPORTS

12.1 AUDITOR GENERAL

12.1.1 Follow-up Review – 2019 Audits

The following was before the Standing Committee:

- An information report dated June 8, 2021
- A presentation titled, *Follow-up Review – 2019 Audits*, dated June 16, 2021

Evangeline Colman-Sadd, Auditor General, presented the Follow-Up Review of the 2019 Audits. Topics included:

- Payroll Management Follow-up Review
 - 56% of recommendations implemented
- Purchasing Card Program Follow-up Review

- 100% of recommendations implemented
- Road and Sidewalk Asset Management Follow-up Review
 - 40% of recommendations implemented
- Upcoming Follow-up Reviews
 - LED Streetlight Conversion Project
 - HRM'S New Website Project
 - Fleet Vehicle Use, Car Allowances and Mileage Audit

Evangeline Colman-Sadd responded to questions of clarification from members of the Committee regarding scope of the follow-up reviews and methods of prioritization for road and sidewalk construction projects.

Evangeline Colman-Sadd outlined the follow-up review process. The Auditor General's Office outlines all recommendations that were agreed to, asks for key contacts on each of the recommendations from the Business Unit, and a management self-assessment takes place to determine which recommendations were completed. The Auditor General's Office reviews this assessment and determines what needs to be done to complete a review level of assurance, and then follows up with the Business Unit to share their findings. Evangeline Colman-Sadd noted that the Audit and Finance Standing Committee could request an implementation plan from the Business Unit that was the subject of an audit a month or two following its completion, and that this would aid in the review process.

12.2 STAFF

12.2.1 Neptune Theatre Funding Request

The following was before the Standing Committee:

- A staff recommendation report dated May 5, 2021

MOVED by Mayor Savage, seconded by Councillor Cleary

THAT the Audit and Finance Standing Committee recommend that Halifax Regional Council authorize the Chief Administrative Officer to execute a contribution agreement with Neptune Theatre for a contribution of up to \$100,000, subject to Neptune Theatre providing certain informational requirements as set forth in this report.

Jamie MacLellan, Community Developer, responded to questions of clarification from the Committee regarding the definition of and funding parameters for anchor organizations.

MOTION PUT AND PASSED.

12.2.2 Budget Changes – Composting Facilities Recapitalization

The following was before the Standing Committee:

- A staff recommendation report dated June 1, 2021

MOVED by Councillor Cleary, seconded by Councillor Mayor Savage

THAT the Audit and Finance Standing Committee recommend that Halifax Regional Council:

1. **Approve a budget increase to the 2021/22 approved gross capital budget, to increase Project Account No. CW190005 Burnside Composting Facility Repairs in the amount of \$539,000; and**

- 2. Approve an unbudgeted reserve withdrawal of \$539,000 from Q556, Solid Waste Facilities Reserve to fund this increase, as outlined in the Financial Implications section of this report.**

Andrew Philopoulos, Manager of Solid Waste Resources, responded to questions of clarification from the Committee regarding corrosion challenges and timing of the contract.

MOTION PUT AND PASSED.

12.3 GRANTS COMMITTEE – NONE

12.4 COMMITTEE MEMBERS - NONE

13. MOTIONS – NONE

14. IN CAMERA (IN PRIVATE) – NONE

15. ADDED ITEMS - NONE

16. NOTICES OF MOTION - NONE

17. PUBLIC PARTICIPATION - NONE

18. DATE OF NEXT MEETING – July 21, 2021

19. ADJOURNMENT

The Committee adjourned at 10:52 a.m.

Annie Sherry
Legislative Assistant