



**AUDIT COMMITTEE  
MINUTES  
August 16, 2023**

**PRESENT:** Councillor Paul Russell, Chair  
Councillor Shawn Cleary  
Councillor David Hendsbee  
Councillor Iona Stoddard  
Councillor Pam Lovelace  
Mayor Mike Savage, Ex Officio  
Caroline Duchesne

**REGRETS:** Councillor Cathy Deagle Gammon, Vice Chair  
Taiwo Lawal

**STAFF:** Cathie O'Toole, Chief Administrative Officer  
Jerry Blackwood, Executive Director of Finance and Asset Management/Chief  
Financial Officer  
Chris Giddens, Solicitor III  
Annie Sherry, Legislative Assistant  
Dorothy Maponga, Legislative Assistant

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

*The agenda, reports, supporting documents, and information items circulated are online at [halifax.ca](http://halifax.ca).*

*The meeting was called to order at 10:01 a.m. and moved into an In Camera (In Private) session at 10:54 a.m. The Committee reconvened at 11:05 a.m. and adjourned at 11:16 a.m.*

## **1. CALL TO ORDER AND LAND ACKNOWLEDGEMENT**

The Chair called the meeting to order at 10:01 a.m. and acknowledged that the meeting took place in the traditional and ancestral territory of the Mi'kmaq people, and that we are all treaty people.

## **2. APPROVAL OF MINUTES – March 23, 2023**

MOVED by Councillor Lovelace, seconded by Councillor Stoddard

**THAT the minutes of March 23, 2023 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. BUSINESS ARISING OUT OF THE MINUTES**

## **5. YEAR END FINANCIAL STATEMENTS & FOURTH QUARTER FINANCIAL REPORT**

The following was before the Committee:

- Staff report dated August 3, 2023
- Staff presentation dated August 16, 2023
- Presentation dated August 8, 2023

Jerry Blackwood, Executive Director of Finance and Asset Management/Chief Financial Officer, and David Harley, Director of Financial Reporting and Accounting gave a presentation and responded to questions of clarification from the Committee.

MOVED by Councillor Lovelace, seconded by Councillor Cleary

**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, 2023;**
- 2. The Statement of General Rate Surplus of the Halifax Regional Municipality for the year ended March 31, 2023;**
- 3. Transfer of \$3,079,234 to the Options Reserve, Q421, to reduce the general rate surplus to zero.**

4. **The financial statements of the Halifax Regional Municipality Miscellaneous Trust Funds for the year ended March 31, 2023; and,**
5. **The appointment of KPMG to be the External Auditor for the fiscal year ended March 31, 2024.**
6. **The Fourth Quarter report for 2022/23 on District Capital, District Activity, Recreation Area Rates, Hospitality Expenses, and Expenses for Reportable Individuals.**
7. **Approve unbudgeted withdrawals of \$17,480,281 from the Capital Fund Reserve, Q526 to fund a shortfall in CAPPOOL in fiscal 2023/24.**

Blackwood and Harley responded to questions of clarification from the Committee regarding impacts of wildfires, floods, and Hurricane Fiona on the annual budget, and timelines for processing claims and receiving funding from federal Disaster Financial Assistance.

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

As provided for in section 103 of Administrative Order One, *Respecting the Procedures of the Council*, a motion was made to convene In Camera to discuss Item 5 - Year End Financial Statements & Fourth Quarter Financial Report.

MOVED by Councillor Cleary, seconded by Councillor Stoddard

**THAT the Audit Committee convene to In Camera (In Private) to discuss Item 5 - Year End Financial Statements & Fourth Quarter Financial Report**

**MOTION PUT AND PASSED.**

Cathie O'Toole, Chief Administrative Officer, Blackwood, and Harley responded to questions of clarification from the Committee regarding the origin and utility of CAPPOOL, and legislation outlining utility of the risk reserve and options reserve.

The question was called on the main motion:

MOVED by Councillor Lovelace, seconded by Councillor Cleary

**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, 2023;**
2. **The Statement of General Rate Surplus of the Halifax Regional Municipality for the year ended March 31, 2023;**
3. **Transfer of \$3,079,234 to the Options Reserve, Q421, to reduce the general rate surplus to zero.**
4. **The financial statements of the Halifax Regional Municipality Miscellaneous Trust Funds for the year ended March 31, 2023; and,**
5. **The appointment of KPMG to be the External Auditor for the fiscal year ended March 31, 2024.**

6. **The Fourth Quarter report for 2022/23 on District Capital, District Activity, Recreation Area Rates, Hospitality Expenses, and Expenses for Reportable Individuals.**
7. **Approve unbudgeted withdrawals of \$17,480,281 from the Capital Fund Reserve, Q526 to fund a shortfall in CAPPOOL in fiscal 2023/24.**

**MOTION PUT AND PASSED.**

**6. IN CAMERA (IN PRIVATE) – NONE**

**7. DATE OF NEXT MEETING – To be determined**

**8. ADJOURNMENT**

The meeting adjourned at 11:16 a.m.

Annie Sherry  
Legislative Assistant