

MINUTES
SPECIAL FINANCE AND AUDIT COMMITTEE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2017-DEC-13, AT 9:00 A.M., and continuing 2017-DEC-14 at 9:00 a.m.

PRESENT: Chair Councillor W. L. Bestwick

Members: Mayor W. B. McKay
 Councillor S. D. Armstrong
 Councillor M. D. Brennan (entered 9:06 a.m.)
 Councillor G. W. Fuller
 Councillor J. Hong
 Councillor J. A. Kipp
 Councillor I. W. Thorpe (vacated 11:07 a.m.)

Absent: Councillor W. M. Yoachim

Staff: T. Samra, Chief Administrative Officer (entered 9:28 a.m.)
 V. Mema, Chief Financial Officer
 J. Van Horne, Director of Human Resources (entered 10:00 a.m.)
 B. Sims, Manager, Water Resources (entered 10:00 a.m.)
 K. Fry, Fire Chief (entered 9:56 a.m.)
 W. Fulla, Manager, Finance – Business & Asset Planning (entered 9:56 a.m.)
 D. Lindsay, Director of Community Development
 B. Anderson, Manager Cultural and Community Development (entered 9:27 a.m.)
 J. Elliot, Senior Manager Public Works (entered 9:59 a.m.)
 P. Rosen, Senior Manager Engineering (entered 9:59 a.m.)
 M. Miller, Financial Analyst (entered 10:00 a.m.)
 L. Mercer, Manager Accounting Services
 J. Slater, Senior Accountant
 A. Groot, Manager, Facility Planning and Operations (vacated 10:38 a.m.)
 S. Snelgrove, Deputy Corporate Officer
 K. Gerard, Recording Secretary

1. CALL THE SPECIAL FINANCE AND AUDIT COMMITTEE MEETING TO ORDER:

The Special Finance and Audit Committee Meeting was called to order at 9:01 a.m.

2. INTRODUCTION OF LATE ITEMS

- (a) Agenda Item 5(a) – Add report titled “City of Nanaimo Audit Planning Report for the year ending December 31, 2017”.
- (b) Agenda Item 6(a) – Remove report titled “Community Engagement Task Force Mandate and 2018 Budget”.

- (c) Agenda Item 6(e) – Add “Scope Change and Project Update for Harewood Centennial Park Improvement – Phase 2”.
- (d) Agenda Item 6(f) – Add report titled “City of Nanaimo & School District 68 Joint Development of Community Field at Nanaimo District Secondary School: Use of Surplus Funds for Bleachers”.
- (e) Agenda Item 7(b) – Add reports titled “College Heights Water Mains” and “Response to Health, Social and Safety Issues in the Downtown”.

3. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

Councillor Brennan entered the Boardroom at 9:06 a.m.

4. PRESENTATIONS:

(a) KPMG Audit Planning Report

Introduced by Victor Mema, Chief Financial Officer.

Presentation:

- 1. Nancy Adie-MacKay, Lead Audit Engagement Partner, and Liette Bates-Eamer, Audit Engagement Partner, KPMG, provided a presentation regarding the 2017 Financial Audit of the City of Nanaimo.

It was moved and seconded that Council receive the presentation from Nancy Adie-MacKay, Lead Audit Engagement Partner, and Liette Bates-Eamer, Audit Engagement Partner, KPMG, regarding the KPMG Audit Planning Report, for information. The motion carried unanimously.

B. Anderson entered the Boardroom at 9:27 a.m.

T. Samra entered the Boardroom at 9:28 a.m.

5. REPORTS:

(a) Nanaimo Art Gallery Operating Grant

Introduced by Bruce Anderson, Manager, Community & Cultural Planning.

Delegation:

- 1. Julie Bevan, Executive Director, Nanaimo Art Gallery, provided a presentation regarding the Nanaimo Art Gallery.

It was moved and seconded that Council receive the delegation from Julie Bevan, Executive Director, Nanaimo Art Gallery, for information. The motion carried unanimously.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve a \$30,000 increase to the annual operation budget for the Nanaimo Art Gallery, commencing in 2018. The motion carried unanimously.

W. Fulla and K. Fry entered the Boardroom at 9:56 a.m.

J. Elliot and P. Rosen entered the Boardroom at 9:59 a.m.

J. Van Horne, B. Sims and M. Miller entered the Boardroom at 10:00 a.m.

(b) Social Planning Grant – 2018 Recommendations

Introduced by Bruce Anderson, Manager, Community & Cultural Planning.

Councillor Hong vacated the Boardroom at 9:45 a.m. declaring a conflict of interest as one of the businesses contained in the Staff report is his tenant.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the 2018 Social Response and the 2018 Community Vitality grant recommendations subject to budget approval. The motion carried unanimously.

Opposed: Councillor Brennan

Councillor Hong returned to the Boardroom at 9:59 a.m.

J. Van Horne, B. Sims, K. Fry, W. Fulla, J. Elliot, P. Rosen and M. Miller vacated at the Boardroom at 10:04 a.m.

Mayor McKay vacated the Boardroom at 10:05 a.m.

(c) 2018 Culture & Heritage Grant Recommendations

Introduced by Bruce Anderson, Manager, Community & Cultural Planning.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the 2018 Culture & Heritage Grant funding (Operating and Projects) recommendations of \$330,052, as outlined in the report titled "2018 Culture and Heritage Grant Recommendation", dated 2017-DEC-13. The motion carried unanimously.

Mayor McKay returned to the Boardroom at 10:13 a.m.

(d) Scope Change and Project Update for Harewood Centennial Park Improvement - Phase 2

Introduced by Art Groot, Manager, Facility Planning and Operations.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the transfer of funds from Parks and Recreation projects as outlined, to the Harewood Centennial Park Phase 2 Improvements as follows:

1. Up to \$330,000 to cover overall Phase 2 park implementation work as outlined; and,
2. Up to \$220,000 to change the playing surface from asphalt to concrete as per user group preference with information from design, costing and feasibility coming back to Council prior to final decision regarding switching the playing surface is made.

Councillor Fuller vacated the Boardroom at 10:27 a.m.

The motion carried unanimously.

(e) City of Nanaimo & School District 68 Joint Development of Community Field at Nanaimo District Secondary School: Use of Surplus Funds for Bleachers

Introduced by Tracy Samra, Chief Administrative Officer.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the use of remaining joint City of Nanaimo and SD68 project funds for the installation of a concrete pad and bleachers for the Nanaimo District Secondary School Community Artificial Turf Field. The motion carried unanimously.

Councillor Thorpe vacated the Boardroom at 10:38 a.m.

Councillor Kipp vacated the Boardroom at 10:39 and quorum was lost.

Councillors Fuller, Kipp and Thorpe returned to the Boardroom at 10:40 a.m. and quorum was regained.

J. Van Horne, B. Sims, K. Fry, J. Elliot, P. Rosen, M. Miller returned to the Boardroom at 10:40 a.m.

6. OTHER BUSINESS:

(a) Delegation from Violet Hayes, Executive Director, Island Crisis Care Society

Violet Hayes, Executive Director, Island Crisis Care Society, provided a presentation regarding the critical state of homelessness for women in our community.

It was moved and seconded that the Finance and Audit Committee receive the delegation from Violet Hayes, Executive Director, Island Crisis Care Society, for information. The motion carried unanimously.

(b) 2018 – 2022 Draft Financial Plan Workshop

Introduced by Tracy Samra, Chief Administrative Officer.

1. College Heights Water Mains

Introduced by Bill Sims, Director, Public Works.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to proceed with the allocation of \$550,000 from water supply reserves to replace additional water mains in the area of the College Drive water main project. The motion carried unanimously.

2. Response to Health, Social and Safety Issues in the Downtown

Introduced by Bruce Anderson, Manager of Cultural and Community Planning.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to:

1. approve up to \$60,000 for the provision of security and clean-up in the downtown; and,
2. return to Council with a report on the balance of the request by Staff prior to March 31, 2018.

The motion carried unanimously.

(a) Delegation from Violet Hayes, Executive Director, Island Crisis Care Society
(continued)

It was moved and seconded that the Finance and Audit Committee direct Staff to work with Samaritan House regarding their campaign to expand Nanaimo's Shelter for Women and prepare a report for Council's consideration. The motion carried unanimously.

7. PROCEDURAL MOTION:

It was moved and seconded that the Finance and Audit Committee proceed "In Camera" under *Community Charter* Sections 90(1):

- (c) labour relations or other employee relations;
- (k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the Council, could reasonably be expected to harm the interests of the municipality if they were held in public;
- (l) discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under Section 98 [annual municipal report];
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2); and,

Community Charter Section 90(2):

- (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

The motion carried unanimously.

The meeting moved “In Camera” at 11:26 a.m.

By unanimous consent Council recessed the Special Finance and Audit Committee meeting at 12:00 p.m. with the intention to reconvene at 9:00 a.m., Thursday, 2017-DEC-14.

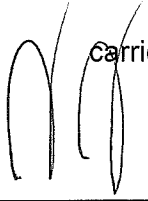
It was moved and seconded that the Special Finance and Audit Committee Meeting reconvene at 9:03 a.m., on Thursday, 2017-DEC-14 in the Service and Resource Centre Boardroom. The motion carried unanimously.

PRESENT:	Chair	Councillor W. L. Bestwick
	Members:	Mayor W. B. McKay Councillor S. D. Armstrong Councillor M. D. Brennan (entered 9:30 a.m.) Councillor G. W. Fuller Councillor J. Hong Councillor J. A. Kipp
	Absent:	Councillor I. W. Thorpe Councillor W. M. Yoachim
	Staff:	T. Samra, Chief Administrative Officer V. Mema, Chief Financial Officer J. Van Horne, Director of Human Resources B. Sims, Manager, Water Resources K. Fry, Fire Chief W. Fulla, Manager, Finance – Business & Asset Planning D. Lindsay, Director of Community Development J. Elliot, Senior Manager Public Works P. Rosen, Senior Manager Engineering M. Miller, Financial Analyst S. Snelgrove, Deputy Corporate Officer K. Gerard, Recording Secretary

It was moved and seconded that the Finance and Audit Committee reconvene the “In Camera” meeting at 9:05 a.m. The motion carried unanimously.

8. ADJOURNMENT:

It was moved and seconded at 10:53 a.m. that the meeting terminate. The motion
Carried unanimously.



CHAIR

CERTIFIED CORRECT



CORPORATE OFFICER