

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2019-MAY-15, AT 9:00 A.M.

Present: Councillor T. Brown, Chair
Councillor S. D. Armstrong
Councillor D. Bonner
Councillor B. Geselbracht (vacated 9:12 a.m., returned 9:20 a.m.)
Councillor E. Hemmens
Councillor Z. Maartman
Councillor I. W. Thorpe
Councillor J. Turley

Absent: Mayor L. Krog

Staff: J. Rudolph, Chief Administrative Officer
R. J. Harding, Director, Parks and Recreation (vacated 9:30 a.m.)
D. Lindsay, Director, Community Development (arrived 9:32 a.m., vacated 9:44 a.m.)
L. Mercer, A/Director, Financial Services
W. Fulla, Manager, Business, Asset & Financial Planning
P. Rosen, Senior Manager Engineering (vacated 9:34 a.m.)
S. Newlands, Parks Project Coordinator (arrived 9:12 a.m., vacated 9:21 a.m.)
D. Blackwood, Client Support Specialist (vacated 9:06 a.m.)
S. Snelgrove, Deputy Corporate Officer
J. Vanderhoef, Recording Secretary

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

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

2. ADOPTION OF AGENDA:

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

3. ADOPTION OF MINUTES:

It was moved and seconded that the following minutes be adopted as circulated:

- Minutes of the Finance and Audit Committee Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC on Wednesday, 2019-APR-10 at 9:00 a.m.

- Minutes of the Finance and Audit Committee Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC on Monday, 2019-APR-15 at 9:00 a.m.

The motion carried unanimously.

4. REPORTS:

- (a) Arbot 2 Neighbourhood Park Improvement Request Under the Partners in Parks (PIP) Program

Richard Harding, Director, Parks and Recreation, provided an overview of the Partners in Parks program and noted that a delegation was scheduled to make a presentation; however, they were not present.

D. Blackwood vacated the boardroom at 9:06 a.m.

Committee discussion took place regarding the following:

- Estimated budget for this project and sharing of costs
- Various groups providing different strengths such as funding initiatives or access to equipment
- In the past the City was moving away from creating more parks, but now neighbourhood parks are bringing people together and are increasing community activities
- Budget of \$100,000 annually for the Partners in Parks program, based on first come first served

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

1. allocate \$25,000 from the 2019 Partners In Parks Program fund for Arbot 2 Neighbourhood Park improvements; and,
2. approve the renaming of Arbot 2 Park to Royal Oak Park.

The motion carried unanimously.

S. Newlands entered the boardroom at 9:12 a.m.

Councillor Geselbracht vacated the boardroom at 9:12 a.m. declaring a conflict of interest as his partner sits on the Mid-Island Youth & Community Development Cooperative Board.

(b) Community Program Development Grant - Mid-Island Youth and Community Development Cooperative

Richard Harding, Director, Parks and Recreation, spoke regarding the intention of development grants to help organizations get projects started and build momentum.

Committee discussion took place regarding the following:

- Previous years financial statements show breaking even, does the group need money to host this year
- Requesting clarification from Staff regarding financials
- Is this a social enterprise or a not for profit
- Supports Nanaimo social and health networks and aligns with Council's strategic plan
- Level of accountability for any group who receives or requests funding
- Process for reporting back after events

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the request from the Mid-Island Youth and Community Development Cooperative for a Community Program Development Grant in the amount of \$6,350 to assist in funding Nanaimo Earth Day Social Enterprise Start-up. The motion carried.

Opposed: Councillor Turley

By unanimous consent the Finance and Audit Committee requested that Staff provide clarification regarding the financial documents for the Mid-Island Youth and Community Development Cooperative, prior to the above motion being considered by Council.

Councillor Geselbracht returned to the boardroom at 9:20 a.m.

S. Newlands vacated the boardroom at 9:21 a.m.

(c) Quarterly Purchasing Report (Single and Sole Source), Instances of Non-Compliance Purchases and Purchases in Excess of \$250,000

Introduced by Laura Mercer, Acting Director, Financial Services.

It was moved and seconded that the report titled "Quarterly Purchasing Report (Single and Sole Source), Instances of Non-Compliance Purchases and Purchases in Excess of \$250,000", dated 2019-MAY-15, be received for information. The motion carried unanimously.

(d) Budget Transfer Policy

Introduced by Laura Mercer, Acting Director, Financial Services.

Committee discussion took place regarding the following:

- Differences between the proposed updated policy and the original policy
- Council approval has been removed on most things and authority has been given to Directors in an attempt to streamline approvals and be more efficient

- Any significant political issues or items of importance will still come to Council for approval

It was moved and seconded that the report titled “Budget Transfer Policy”, dated 2019-MAY-15, be received for information. The motion carried unanimously.

(e) Travel Policy

Introduced by Laura Mercer, Acting Director, Financial Services.

Committee discussion took place regarding the following:

- Provincial and Federal policies relating to alcohol
- Removing alcohol from the policy
- When a receipt is required for reimbursement
- Alcohol purchases would be against the policy as presented
- Accountability being presumed in policy
- Optics of alcohol purchases being made on a purchasing card

R. Harding vacated the boardroom at 9:30 a.m.

- Removing non-alcoholic beverages from section 5.5 of the proposed updated policy

D. Lindsay entered the boardroom at 9:32 a.m.

P. Rosen vacated the boardroom at 9:34 a.m.

- Addressing two issues: per diem allowances and the purchase of alcohol
- Removing non-alcoholic beverages from the per diem

It was moved and seconded that the report titled “Travel Guidelines Policy Update”, dated 2019-MAY-15, be received for information.

Committee discussion continued regarding the following:

- Purchasing a glass of wine or beer with dinner versus purchasing an entire bottle of alcohol
- Purchasing card policy is clear that any alcohol purchases must be reimbursed to the City of Nanaimo
- Per diem is intended to make the process easier and does not require receipts
- Public perception of spending money on alcohol with a purchasing card
- Per diem does not track specifics of purchases
- Confusing the travel policy with purchasing policy guidelines
- Previous issues with alcohol appearing on purchasing card invoice
- Definition of ineligible expenses in the updated policy lists alcohol

D. Lindsay vacated the boardroom at 9:44 a.m.

- Entitled to \$85 per day according to per diem
- Removing non-alcoholic beverages from section 5.5 Meals/Per Diem Allowance
- Per diem is the only item that does not require a receipt all other items require a receipt
- Adding a footnote to pre diem stating trust in the discretion of people using the per diem
- Clarify that ineligible expenses relate to any receipts submitted

It was moved and seconded that the report titled “Travel Guidelines Policy Update”, dated 2019-MAY-15, be received for information and be amended to remove alcohol from the Travel Guidelines Policy. The motion was defeated.

Opposed: *Councillors Bonner, Brown, Geselbracht, Hemmens, Maartman, Thorpe, Turley*

It was moved and seconded that the report titled “Travel Guidelines Policy Update”, dated 2019-MAY-15, be received for information and be amended to provide clarification under the definition of ineligible expenses to include the wording “when receipts are submitted”. The motion carried unanimously.

Councillor Armstrong requested that Jake Rudolph, Chief Administrative Officer, speak with Superintendent Miller about the issues around alcohol in a policy and get clarification on what is required and bring it back to Council.

It was moved and seconded that the report titled “Travel Guidelines Policy Update”, dated 2019-MAY-15, be received for information and be amended to remove the third bullet “Non-alcoholic beverages” in section 5.5 Meals/Per Diem Allowance of the Travel Guidelines Policy. The motion carried unanimously.

The vote was taken on the original motion, as amended, as follows:

It was moved and seconded that:

- the report titled “Travel Guidelines Policy Update”, dated 2019-MAY-15, be received for information;
- that further clarification be provided under the definition of ineligible expenses to include the wording “when receipts are submitted”; and,
- that the third bullet “Non-alcoholic beverages” in section 5.5 Meals/Per Diem Allowance be removed from the Travel Guidelines Policy.

The motion carried.

Opposed: *Councillor Armstrong*

5. QUESTION PERIOD:

There were no members of the public in attendance to ask questions.

6. ADJOURNMENT:

It was moved and seconded at 9:54 a.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER