

**METRO VANCOUVER REGIONAL DISTRICT
PERFORMANCE AND AUDIT COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Performance and Audit Committee held at 9:03 a.m. on Wednesday, April 11, 2018 in the 28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Richard Walton, North Vancouver District
Vice Chair, Mayor Wayne Baldwin, White Rock
Councillor Don Bell, North Vancouver City
Councillor Kiersten Duncan, Maple Ridge (arrived at 10:11 a.m.)
Councillor Colleen Jordan, Burnaby
Mayor John McEwen, Anmore
Councillor Terry O’Neill, Coquitlam
Mayor Michael Smith, West Vancouver

MEMBERS ABSENT:

Councillor Charlie Fox, Langley Township
Councillor Tom Gill, Surrey
Councillor Alexa Loo, Richmond
Councillor Tim Stevenson, Vancouver
Councillor Lorrie Williams, New Westminster

STAFF PRESENT:

Phil Trotzuk, Chief Financial Officer
Peter Navratil, Acting Chief Administrative Officer
Genevieve Lanz, Legislative Services Coordinator, Board and Information Services

1. ADOPTION OF THE AGENDA

1.1 April 11, 2018 Regular Meeting Agenda

It was MOVED and SECONDED

That the Performance and Audit Committee:

- a) amend the agenda for its regular meeting scheduled for April 11, 2018 by adding:
 - i. Item 5.10 Metro Vancouver Final Report
 - ii. on-table replacement page Item 5.1 Attachment 1 titled “Metro Vancouver Regional District Schedule 1”;
 - iii. Item 7.1 Remuneration Policy; and
- b) adopt the agenda as amended.

CARRIED

2. ADOPTION OF THE MINUTES

2.1 February 1, 2018 Regular Meeting Minutes

It was MOVED and SECONDED

That the Performance and Audit Committee adopt the minutes of its regular meeting held February 1, 2018 as circulated.

CARRIED

3. DELEGATIONS

No items presented.

4. INVITED PRESENTATIONS

No items presented.

5. REPORTS FROM COMMITTEE OR STAFF

Agenda Varied

The order of the agenda was varied to consider Item 5.10 at this point.

5.10 Metro Vancouver Final Report

Report dated April 4, 2018 from Phil Trotsuk, Chief Financial Officer, providing the Performance and Audit Committee with the external auditor's final report related to the annual audit for the Metro Vancouver Districts' and Housing Corporation for fiscal year 2017.

Discussion ensued on the authorization, approval and reimbursement of travel expenses for Board Directors.

Request of Staff

Staff was requested to report back to the July 5, 2018 meeting of the Performance and Audit Committee with information on policies related to authorization, approval and reimbursement of Board Directors travel and expenses.

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the report dated April 4, 2018, titled "Metro Vancouver Final Report" from BDO Canada LLP Chartered Accountants.

CARRIED

Agenda Order Resumed

The order of the agenda resumed with Item 5.1 being before the Committee.

The Committee considered Item 5.1 and Item 5.2 concurrently.

5.1 Audited 2017 Financial Statements

Report dated April 3, 2018 from Phil Trotsuk, Chief Financial Officer, presenting the Audited 2017 Financial Statements for the Metro Vancouver Districts and Metro Vancouver Housing Corporation.

5.2 2017 Financial Results Year-End

Report dated April 3, 2018 from Dean Rear, Director, Financial Planning and Operations, providing the Board with the final report on financial performance for the year ending December 31, 2017 as compared to the 2017 annual budget.

Members were provided a presentation related to Item 5.1 on the 2017 audited financial statements and Item 5.2 on the 2017 year-end financial results.

Presentation material titled “2017 Metro Vancouver Financial Results” and on-table replacement page for Item 5.1 Attachment 1 titled “Metro Vancouver Regional District Schedule 1” are retained with the April 11, 2018 Performance and Audit Committee agenda.

The Committee considered the recommendations presented in Items 5.1 and 5.2 together at this point.

It was MOVED and SECONDED

- a) That the MVRD Board approve the Audited 2017 Consolidated Financial Statements for the Metro Vancouver Regional District;
- b) That the GVS&DD Board approve the Audited 2017 Financial Statements for the Greater Vancouver Sewerage and Drainage District;
- c) That the GVWD Board approve the Audited 2017 Financial Statements for the Greater Vancouver Water District;
- d) That the MVHC Board approve the Audited 2017 Financial Statements for the Metro Vancouver Housing Corporation; and
- e) That the MVRD Board receive for information the report dated April 3, 2018, titled “2017 Financial Results Year-End”.

CARRIED

5.3 Greater Vancouver Sewerage and Drainage District Development Cost Charge Reserve Fund Expenditure Bylaw No. 313, 2018

Report dated April 3, 2018 from Dean Rear, Director, Financial Planning and Operations, seeking GVS&DD Board consideration of *Greater Vancouver Sewerage and Drainage District Development Cost Charge Reserve Fund Expenditure Bylaw No. 313, 2018* to meet statutory requirements to use development cost charges for funding of the liquid waste growth capital program.

It was MOVED and SECONDED

That the GVS&DD Board:

- a) give first, second and third reading to *Greater Vancouver Sewerage and Drainage District Development Cost Charge Reserve Fund Expenditure Bylaw No. 313, 2018*; and
- b) pass and finally adopt *Greater Vancouver Sewerage and Drainage District Development Cost Charge Reserve Fund Expenditure Bylaw No. 313, 2018*.

CARRIED

5.4 Semi-Annual Report on GVS&DD Development Cost Charges

Report dated April 3, 2018 from Dean Rear, Director, Financial Planning and Operations, informing the Performance and Audit Committee of the 2017 GVS&DD development cost charge revenues.

Members discussed the feasibility of a parkland development cost charge bylaw.

Request of Staff

Staff was requested to prepare a report on the feasibility of developing a parkland development cost charge bylaw and forward to the Regional Parks Committee for consideration.

10:11 a.m. Councillor Duncan arrived at the meeting.

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the report dated April 3, 2018 titled "Semi-Annual Report on GVS&DD Development Cost Charges".

CARRIED

5.5 Status of Water, Liquid Waste and Solid Waste Capital Expenditures to December 31, 2017

Report dated April 3, 2018 from Dean Rear, Director, Financial Planning and Operations, providing the Performance and Audit Committee with the status of Metro Vancouver capital projects.

Main Motion

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the report dated April 3, 2018, titled "Status of Water, Liquid Waste and Solid Waste Capital Expenditures to December 31, 2017".

Members discussed the inclusion of the economic impact section in the water, liquid waste and solid waste capital expenditures status reports.

Amendment to the Main Motion

It was MOVED and SECONDED

That the Performance and Audit Committee amend the Main Motion at the end of the motion by adding the phrase “and direct staff to remove from future reports the section regarding economic impact in the water, liquid waste and solid waste capital expenditures status report.”

DEFEATED

Question on the Main Motion

Question was called on the Main Motion and it was

CARRIED

5.6 Operating, Statutory and Discretionary Reserves Policy

Report dated March 28, 2018 from Phil Trotsuk, Chief Financial Officer, seeking endorsement of the *Operating, Statutory and Discretionary Reserves Policy*.

Members were provided a presentation on the proposed *Operating, Statutory and Discretionary Reserves Policy* highlighting policy principles, surplus priority sequence and management of reserves.

Members requested information regarding the Sustainable Innovation Fund application and approval process.

Request of Staff

Staff was requested to report back to the July 5, 2018 meeting of the Performance and Audit Committee with information on the Sustainable Innovation Fund application and approval process.

Presentation material titled “Operating, Statutory and Discretionary Reserves Policy” is retained with the April 11, 2018 Performance and Audit Committee agenda.

It was MOVED and SECONDED

That the Performance and Audit Committee endorse the *Operating, Statutory and Discretionary Reserves Policy* as presented in the attached report, dated March 28, 2018, titled “Operating, Statutory and Discretionary Reserves Policy.”

CARRIED

5.7 Procurement Process and Reporting

Report dated March 20, 2018 from Roy Moulder, Division Manager, Purchasing and Risk Management, Financial Services, providing the Performance and Audit Committee with information on procurement processes, evaluation criteria and staff considerations.

Members were provided a presentation on the procurement process highlighting procurement principles, competitive selection process and applicable board and corporate policies.

Presentation material titled "Procurement Process" is retained with the April 11, 2018 Performance and Audit Committee agenda.

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the report dated March 20, 2018, titled "Procurement Process and Reporting".

CARRIED

5.8 Tender/Contract Award Information – December 2017 to February 2018

Report dated March 26, 2018 from Roy Moulder, Division Manager, Purchasing and Risk Management, Financial Services, informing the Performance and Audit Committee of contracts valued at or in excess of \$500,000 (exclusive of taxes) handled by Purchasing and Risk Management division.

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the report dated March 26, 2018, titled "Tender/Contract Award Information – December 2017 to February 2018".

CARRIED

5.9 Manager's Report

Report dated March 28, 2018 from Phil Trotsuk, Chief Financial Officer, providing the Performance and Audit Committee with the status of the 2018 Work Plan, highlighting the affordable housing waiver bylaw for development cost charges.

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the report dated March 28, 2018, titled "Manager's Report".

CARRIED

5.10 Metro Vancouver Final Report

This item was previously considered.

Agenda Varied

The order of the agenda was varied to consider Item 7.1 at this point.

7. OTHER BUSINESS

7.1 Remuneration Policy

The Committee considered a request on the advisability and feasibility of amending the Terms of Reference of the Performance and Audit Committee to include an annual review of the Board remuneration and expense policy and

amending the *Remuneration Bylaw* to include meeting notice for any proposed amendments.

It was MOVED and SECONDED

That the Performance and Audit Committee direct staff to report back to the Committee on the advisability and feasibility of the following actions:

- a) amending the Terms of Reference of the Performance and Audit Committee to include an annual review of the remuneration and expense policy of the Board;
- b) amending the remuneration and expense bylaws to include that any changes would require at least one meeting notice period prior to adoption; and
- c) amending the remuneration and expense bylaws to include that all matters related to any proposed amendments in future be held in open meetings of committees or the Board of Directors.

CARRIED

Agenda Order Resumed

The order of the agenda resumed with Item 6.1 being before the Committee.

6. INFORMATION ITEMS

It was MOVED and SECONDED

That the Performance and Audit Committee receive for information the following Information Item:

- 6.1 Public Engagement Policy

CARRIED

7. OTHER BUSINESS

7.1 Remuneration Policy

This item was previously considered.

8. BUSINESS ARISING FROM DELEGATIONS

No items presented.

9. RESOLUTION TO CLOSE MEETING

It was MOVED and SECONDED

That the Performance and Audit Committee close its regular meeting scheduled for April 11, 2018 pursuant to the *Community Charter* provisions, Section 90 (1) (j) as follows:

“90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the Freedom of Information and Protection of Privacy Act;
- (l) discussions with regional district officers and employees respecting regional district objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report] of the Charter.

CARRIED

10. ADJOURNMENT/CONCLUSION

It was MOVED and SECONDED

That the Performance and Audit Committee adjourn its regular meeting of April 11, 2018.

CARRIED

(Time: 11:27 a.m.)

Genevieve Lanz,
Legislative Services Coordinator

Richard Walton, Chair