



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 19-001

**9:30 a.m.
January 17, 2019
Council Chambers
Hamilton City Hall**

Present: Councillors C. Collins (Chair), M. Wilson (Vice-Chair), B. Johnson, M. Pearson, L. Ferguson, J. Partridge, and B. Clark

**Absent with
Regrets:** Councillor A. VanderBeek – City Business

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

**1. OMERS Plan Changes Approved by Sponsors Corporation (FCS19004)
(City Wide) (Item 7.1)**

(Johnson/Partridge)

That Report FCS19004, respecting OMERS Plan Changes Approved by Sponsors Corporation, be received.

CARRIED

2. 2019 Interim Levy and Temporary Borrowing By-Laws (FCS19003) (City Wide) (Item 7.2)

(Pearson/Partridge)

- (a) That Appendix “A” attached to Report FCS19003 being a “By-law to Authorize the Temporary Borrowing of Monies to Meet Current Expenditures Pending Receipt of Current Revenues for 2019”, be passed;
- (b) That Appendix “B” attached to Report FCS19003 being a “By-law to Authorize an Interim Tax Levy for 2019”, be passed.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Brad Clark

3. Whistleblower, Fraud & Waste Information Update for Q3 & Q4 2018 (AUD19001) (City Wide) (Item 7.3)

(Wilson/Partridge)

That Report AUD19001, respecting the Whistleblower, Fraud & Waste Information Update for Q3 & Q4 2018, be received.

CARRIED

4. 2018 City of Hamilton External Audit Plan (FCS19005) (City Wide) (Item 10.1)

(Pearson/Johnson)

That Appendix "A" attached to Report FCS19005 respecting the 2018 City of Hamilton External Audit Planning prepared by KPMG, be received.

CARRIED

5. HMRF/HWRF Pension Administration Sub-Committee Report 18-001 (Item 10.2)

(Pearson/Johnson)

(a) Appointment of Chair and Vice-Chair (Item 1)

- (i) That Councillor M. Pearson be appointed as Chair for the 2018 – 2022 term;
- (ii) That Don Skarratt (HMRF Member) be appointed as Co-Vice Chair for the 2018 – 2022 term; and,
- (iii) That Jim Garchinski (HWRF Member) be appointed as Co-Vice Chair for the 2018 – 2022 term.

(b) Hamilton Municipal Retirement Fund (HMRF) December 31, 2017 Valuation (FCS18092) (City Wide) (Item 9.1)

That the December 31, 2017 actuarial valuation for the Hamilton Municipal Retirement Fund (HMRF) attached as Appendix "A" to Report FCS18092, be received.

(c) Master Trust Pension Investment Performance Report as at December 31, 2017 (FCS17088(a)) (City Wide) (Item 10.1)

That Report FCS17088(a) respecting the Master Trust Pension Investment Performance Report as at December 31, 2017, be received.

(d) Master Trust Pension Investment Performance Report as at June 30, 2018 (FCS18091) (City Wide) (Item 10.2)

That Report FCS18091 respecting the Master Trust Pension Investment Performance Report as at June 30, 2018, be received.

(e) 2018 Master Trust Pension Statement of Investment Policies and Procedures (FCS18090) (City Wide) (Item 10.3)

- (i) That the 2017 Master Trust Statement of Investment Policies and Procedures be deleted and replaced with the 2018 Master Trust Statement of Investment Policies and Procedures, attached as Appendix "A" to HMRF-HWRF Pension Administration Sub-Committee Report 18-001; and,
- (ii) That the 2018 Master Trust Statement of Investment Policies and Procedures, attached as Appendix "A" to HMRF-HWRF Pension Administration Sub-Committee Report 18-001, be forwarded to the Hamilton Street Railway Pension Advisory Committee for their information.

(f) HMRF/HWRF/HSR Pension Plan Possible Transfer to OMERS (FCS18093) (City Wide) (Item 10.4)

That staff be directed to investigate a possible transfer of the City of Hamilton's (City) three legacy pension plans to Ontario Municipal Employees Retirement System (OMERS):

- (i) Hamilton Municipal Retirement Fund (HMRF);
- (ii) Hamilton Wentworth Retirement Fund (HWRF); and
- (iii) Hamilton Street Railway Pension Plan (HSR).

(g) Hamilton Municipal Retirement Fund Plan Text Amendment (FCS18084) (City Wide) (Item 10.5)

- (i) That the Treasurer be authorized and directed to file the amendment to Section 4.01 to the Hamilton Municipal Retirement Fund (HMRF), per Appendix 'B' to HMRF-HWRF Pension Administration Sub-Committee Report 18-001 with the applicable government agencies; and,
- (ii) That the City Solicitor be authorized and directed to prepare any necessary amendments to the HMRF or prepare any necessary by-law amendments to facilitate the direction given in sub-section (a).

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Brad Clark

6. Commercial Relationship Between the City of Hamilton and Century Group Inc. (FCS18100 / LS18060) (City Wide) (Item 14.2)

(Ferguson/Clark)

- (d) That recommendations (a), (b) and (c) be released publicly following approval by Council; and,
- (e) That the contents of Report FCS18100 / LS18060, respecting the Commercial Relationship Between the City of Hamilton and Century Group Inc., remain confidential.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Lloyd Ferguson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Brenda Johnson

7. Impact of Bill 148 on Service Contracts (LS18009(c) / FCS18001(c)) (City Wide) (Item 14.2)

(Pearson/Ferguson)

That the contents of Report LS18009(c) / FCS18001(c), respecting the Impact of Bill 148 on Service Contracts, remain confidential.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Lloyd Ferguson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Brenda Johnson

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

The Committee Clerk advised of the follow changes to the agenda:

1. DELEGATION REQUESTS - WITHDRAWN

- 6.1 Viv Saunders, respecting Ward Specific Funding Initiatives (For today's meeting)

(Johnson/Pearson)

That the agenda for the January 17, 2019 Audit, Finance and Administration Committee meeting be approved, as amended.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brad Clark

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 4)

(i) December 17, 2018 (Item 4.1)

(Wilson/Pearson)

That the Minutes of the December 17, 2018 meeting of the Audit, Finance and Administration Committee be approved, as presented.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brad Clark

(d) DELEGATION REQUESTS (Item 6)

(i) Eric Zvaniga, Century Group Inc., respecting the Commercial Relationship Discussion (Item 14.2 on today's agenda) (For today's meeting) (Item 6.2)

(Johnson/Partridge)

That the delegation request from Eric Zvaniga, Century Group Inc., respecting the Commercial Relationship Discussion, be approved for today's meeting.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brad Clark

- (ii) **Vince Dipietro, Angelica Homes, respecting a rental property's water bill (For a future meeting) (Item 6.3)**

(Pearson/Johnson)

That the delegation request from Vince Dipietro, Angelica Homes, respecting a rental property's water bill, be approved for a future meeting.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brad Clark

(e) PUBLIC HEARINGS / DELEGATIONS (Item 8)

- (i) **Eric Zvaniga, Century Group Inc., respecting the Commercial Relationship Discussion (Item 14.2 on today's agenda) (Added Item 8.1)**

Eric Zvaniga, Century Group Inc., addressed the Committee respecting the commercial relationship between the City of Hamilton and Century Group Inc. A copy of the speaking notes has been included in the official record.

(Partridge/Pearson)

That the delegation from Eric Zvaniga, Century Group Inc., respecting the commercial relationship between the City of Hamilton and Century Group Inc., be received.

CARRIED

A copy of the speaking notes are available on the City's website or through the Office of the City Clerk.

(f) PRIVATE & CONFIDENTIAL (Item 14)

(i) Closed Session Minutes – December 17, 2018 (Item 14.1)

(Partridge/Ferguson)

- (a) That the Closed Session Minutes of the December 17, 2018 Audit, Finance and Administration meeting, be approved as presented; and
- (b) That the Closed Session Minutes of the December 17, 2018 Audit, Finance and Administration meeting, remain confidential.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
YES - Councillor Judi Partridge
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Brad Clark

(Partridge/Johnson)

That Committee move into Closed Session respecting Items 14.2 & 14.3, pursuant to Section 8.1, Sub-sections (e), (f), (i) and (k) of the City's Procedural By-law 18-270, and Section 239(2), Sub-sections (e), (f), (i) and (k) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; advice that is subject to solicitor/client privileges, including communications necessary for that purpose; a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

CARRIED

(ii) Commercial Relationship Between the City of Hamilton and Century Group Inc. (FCS18100 / LS18060) (City Wide) (Item 14.2)

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 6.

**(iii) Impact of Bill 148 on Service Contracts (LS18009(c) / FCS18001(c))
(City Wide) (Item 14.3)**

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 7.

(g) ADJOURNMENT (Item 15)

(Partridge/Pearson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 11:50 a.m.

CARRIED

Respectfully submitted,

Councillor Collins, Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk