



## City of Hamilton

# AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REVISED

**Meeting #:** 20-013

**Date:** December 10, 2020

**Time:** 9:30 a.m.

**Location:** Due to the COVID-19 and the Closure of City Hall

All electronic meetings can be viewed at:

City's Website:

<https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas>

City's YouTube Channel:

<https://www.youtube.com/user/InsideCityofHamilton> or Cable 14

Angela McRae, Legislative Coordinator (905) 546-2424 ext. 5987

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**1. APPOINTMENT OF COMMITTEE CHAIR AND VICE-CHAIR FOR 2021**

**2. APPROVAL OF AGENDA**

(Added Items, if applicable, will be noted with \*)

**3. DECLARATIONS OF INTEREST**

**4. APPROVAL OF MINUTES OF PREVIOUS MEETING**

4.1. November 19, 2020

**5. COMMUNICATIONS**

\*5.1. Correspondence from the Hamilton Waterfront Trust respecting their December 31, 2019 Audited Financial Statements

Recommendation: Be Received.

- \*5.2. Correspondence from Principles Integrity, respecting Recommendations of Governance Review Sub-Committee re Ethical Framework Work Plan

Recommendation: Be received and referred to consideration of Item 10.9 - Governance Review Sub-Committee Report 20-003 - December 2, 2020

## 6. DELEGATION REQUESTS

## 7. CONSENT ITEMS

### 7.1. Various Volunteer Advisory Committee Minutes:

7.1.a. Hamilton Mundialization Committee - February 19, 2020

7.1.b. Hamilton Mundialization Committee - October 21, 2020

7.1.c. Hamilton Status of Women Committee - January 23, 2020

7.1.d. Hamilton Aboriginal Advisory Committee - March 5, 2020

7.1.e. Committee Against Racism - September 22, 2020

\*7.1.f. Hamilton Status of Women Advisory Committee - October 22, 2020

\*7.1.g. Committee Against Racism - January 28, 2020

\*7.1.h. Committee Against Racism - February 25, 2020

\*7.1.i. Committee Against Racism - October 27, 2020

\*7.1.j. Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Advisory Committee - February 18, 2020

\*7.1.k. Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Advisory Committee - September 15, 2020

\*7.1.l. Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Advisory Committee - October 20, 2020

7.2. Criteria for Participation in Assessment Appeals (FCS20063(a)) (City Wide) (Outstanding Business List)

7.3. 2020 Third Quarter Request for Tenders and Proposals Report (FCS20033(b)) (City Wide)

- 7.4. 2020 Third Quarter Non-Compliance with the Procurement Policy Report (FCS20035(b)) (City Wide)
- 7.5. 2020 Third Quarter Emergency and Non-competitive Procurements Report (FCS20034(b)) (City Wide)
- 7.6. \$51,075,000 Serial Debentures Dated November 3, 2020 and Maturing November 3, 2021 to 2035 (FCS20100) (City Wide)
- 7.7. Standards and Approved Products Committee Report (PW20080) (City Wide)

**8. PUBLIC HEARINGS / DELEGATIONS**

**9. PRESENTATIONS**

- 9.1. Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee Annual Presentation

**10. DISCUSSION ITEMS**

- 10.1. 2021 Budget Submissions Volunteer Advisory Committee (HUR20012) (City Wide)
- 10.2. 2021 Budget Submissions Volunteer Advisory Committee (CM20013) (City Wide)
- 10.3. Parklane Workplace Management System (HUR20013) (City Wide)
- 10.4. HMRF - HWRF Pension Administration Sub-Committee Report 20-001 - November 24, 2020
- 10.5. Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation(CHH) Projects (FCS19068(a)) (City Wide)
- 10.6. 2021 Grant Advances – City Enrichment Fund (GRA20004) (City Wide)
- 10.7. 9252 Twenty Road West, Mount Hope – Water and Wastewater / Storm Charges Deferred Payment Arrangement (FCS20107) (Ward 11)
- 10.8. Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Budget Expenditure Request (CM20012) (Outstanding Business List Item)
- \*10.9. Governance Review Sub-Committee Report 20-003 - December 2, 2020
- \*10.10. Hamilton Street Railway Pension Plan Valuation at January 1, 2020 (FCS20066) (City Wide)

**11. MOTIONS**

**12. NOTICES OF MOTION**

**13. GENERAL INFORMATION / OTHER BUSINESS**

13.1. Amendments to the Outstanding Business List:

13.1.a. Items to be Removed:

Criteria for Participation in Assessment Appeals (FCS20063) (City Wide)

Added: August 13, 2020 at I AF&A Item 5.4

Completed: December 10, 2020 AF&A - Item 7.2

OBL Item: 20-I

Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee Budget Expenditure Requests

Added: November 19, 2020 at AF&A - Item 9.4

Completed: December 10, 2020 AF&A - Item 10.8

OBL Item: 20-L

**14. PRIVATE AND CONFIDENTIAL**

14.1. Commercial Relationship Between the City of Hamilton and Century Group Inc.  
FCS18100(b) / LS18060(b) (City Wide)

Pursuant to Section 8.1, Sub-section (f) of the City's Procedural By-law 18-270, as amended, and Section 239(2), Sub-section (f) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

**15. ADJOURNMENT**





## AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 20-012

9:30 a.m.  
November 19, 2020  
Council Chambers  
Hamilton City Hall

**Present:** Councillors M. Wilson (Chair), C. Collins, L. Ferguson, J. Partridge, M. Pearson, and A. VanderBeek

**Absent:** Councillors B. Johnson and B. Clark – City Business

### THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

**1. Tax and Rate Operating Budget Variance Report as at August 31, 2020 – Budget Control Policy Transfers (FCS20069(a)) (City Wide) (Item 8.1)**

**(Pearson/Partridge)**

- (a) That the Tax and Rate Operating Budget Variance Report as at August 31, 2020 attached as Appendices “A” and “B”, respectively, to Report FCS20069(a) be received;
- (b) That, in accordance with the “Budget Control Policy”, the 2020 budget transfer, transferring budget from one department / division to another or from one cost category to another with no impact on the levy, as outlined in Appendix “C” to Report FCS20069(a), be approved;
- (c) That, in accordance with the “Budgeted Complement Control Policy”, the 2020 complement transfer transferring complement from one department / division to another with no impact on the levy, as outlined in Appendix “D” to Report FCS20069(a), be approved; and,
- (d) That, in accordance with the “Budgeted Complement Control Policy”, the 2020 extensions of temporary positions with 24-month terms or greater, with no impact on the levy, as outlined in Appendix “E” to Report FCS20069(a), be approved.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
 YES - Ward 15 Councillor Judi Partridge  
 YES - Ward 13 Councillor Arlene VanderBeek  
 YES - Ward 12 Councillor Lloyd Ferguson  
 NOT PRESENT - Ward 11 Councillor Brenda Johnson

YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**2. 2021 Temporary Borrowing and Interim Tax Levy By-laws (FCS20094) (City Wide) (Item 9.1)**

**(Ferguson/Pearson)**

- (a) That Appendix "A" attached to Report FCS20094 "By-law to Authorize the Temporary Borrowing of Monies to Meet Current Expenditures Pending Receipt of Current Revenues for 2021", be passed; and,
- (b) That Appendix "B" attached to Report FCS20094 "By-law to Authorize an Interim Tax Levy for 2021", be passed.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**3. Binbrook Conservation Area Capital Funding Plan (FCS20096) (City Wide) (Item 9.2)**

**(Partridge/Collins)**

- (a) That the Niagara Peninsula Conservation Authority's special benefitting capital levy request related to septic system and other capital improvements to the Binbrook Conservation Area of up to \$1.21 M be funded from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over 15 years at an interest rate of 1.66% for an annual payment of \$91,790.31 as outlined in Appendix "A" of Report FCS20096;
- (b) That the Niagara Peninsula Conservation Authority's capital levy of \$92,000 be included in the 2021 Tax Operating Budget; and,
- (c) That the Niagara Peninsula Conservation Authority submit financial documentation to the Director of Financial Planning, Administration and Policy for the release of funds for the capital projects of up to \$1.21 M.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek

YES - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**4. Information Technology Data Centre Air Conditioning System Replacement (FCS20091) (City Wide) (Item 9.3)**

**(Ferguson/Collins)**

That Finance staff be directed to mitigate the additional \$250,000 required to replace the Air Conditioning System in the Corporate Data Centre, through Capital Work In Progress (WIP) funding and/or reserves.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**5. Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Budget Expenditure Requests (Added Item 9.4)**

**(Partridge/VanderBeek)**

That the following budget allocation from the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee budget, be approved:

Motion 7.2:

- (a) \$450.00 to reimburse organizers for speaker fees associated with local Transgender Day of Remembrance (TOOR) events happening on November 20, 2020 and November 24, 2020.

**Result: Motion CARRIED by a vote of 5 to 1, as follows:**

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
NO - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**6. Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Advertising for Vacancies (Added Item 9.5)**

**(VanderBeek/Collins)**

That the Office of the City Clerk and Communications staff be directed to advertise for vacancies on the LGBTQ Advisory Committee ("LGBTQAC") based on the presentation delivered to the LGBTQAC by Communications staff at its November 17, 2020 meeting with the following modifications and considerations:

- (a) That the advertising campaign focuses primarily on recruiting youth, queer and trans, Black, Indigenous, people of colour (QTBIPOC), and Two Spirit members of the community;
- (b) That the language used to describe gender identity and expression be inclusive, especially when it comes to demographic selecting or targeting;
- (c) That the advertising campaign be designed and carried out with the principles of accessibility and literacy in mind and that it conform to any standards as outlined in the Accessibility for Ontarians with Disabilities Act (AODA);
- (d) That the advertisements are translated into multiple languages (multilingual) so as to reach more interested Hamiltonians;
- (e) That the budget for Google Ad Words be reduced significantly as the LGBTQAC is unsure that this approach of targeting 1.8 million impressions will serve the advertising campaign;
- (f) That any additional budget funding that remains be focused on social media advertising, especially in groups identified by the LGBTQAC;
- (g) That any suitable advertisements or advertisement copy be sent directly to members of City Council for inclusion in any of their newsletters or electronic newsletters;
- (h) That the previous request to advertise through the Hamilton Street Railway (HSR) be rescinded as the LGBTQAC thinks that this will not be cost effective and will likely not reach the focus audience; and,
- (i) That an artist/graphic designer from Two Spirit or LGBTQIA+ communities be employed to come up with any designs, drawings, or images associated with the advertising campaign.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge

YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**7. City Auditor Reporting of Serious Matters to Council (Case #26158)  
(AUD20010) (City Wide) (Item 13.2)**

**(Partridge/Collins)**

That Report AUD20010, respecting City Auditor Reporting of Serious Matters to Council (Case #26158) be received and remain confidential.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**FOR INFORMATION:**

**(a) CHANGES TO THE AGENDA (Item 1)**

The Committee Clerk advised of the following change to the agenda:

**9. DISCUSSION ITEMS**

- 9.4 Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Budget Expenditure Requests
- 9.5 Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Advertising for Vacancies

**(Collins/Pearson)**

That the agenda for the November 19, 2020 Audit, Finance and Administration Committee meeting be approved, as amended.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek

YES - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(b) DECLARATIONS OF INTEREST (Item 2)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)**

**(i) November 5, 2020 (Item 3.1)**

**(VanderBeek/Partridge)**

That the Minutes of the November 5, 2020 meeting of the Audit, Finance and Administration Committee be approved, as presented.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(d) STAFF PRESENTATIONS (Item 8)**

**(i) Tax and Rate Operating Budget Variance Report as at August 31, 2020 – Budget Control Policy Transfers (FCS20069(a)) (City Wide) (Item 8.1)**

Mike Zegarac, General Manager of Finance and Corporate Services addressed the Committee with a staff presentation respecting Report FCS20069(a), the Tax and Rate Operating Budget Variance Report as at August 31, 2020 – Budget Control Policy Transfers.

**(Pearson/Collins)**

That the Staff Presentation respecting Report FCS20069(a), the Tax and Rate Operating Budget Variance Report as at August 31, 2020 – Budget Control Policy Transfers, be received.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson

NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(e) DISCUSSION ITEMS (Item 9)**

**(i) Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Budget Expenditure Requests (Added Item 9.4)**

**(Partridge/VanderBeek)**

That the following recommendations, be referred to staff to prepare a report for the Audit, Finance and Administration Committee with additional information:

Motion 7.3:

- (a) That a budget allocation of \$500.00 from the LGBTQAC's budget to assist spectrum Hamilton in running their online events and weekly online peer support;
- (b) That a budget allocation of \$500.00 from the LGBTQAC's budget to assist Kyle's Place in stocking their food pantry;
- (c) That a budget allocation of \$500.00 from the LGBTQAC's budget to assist the Sex Workers' Action Program Hamilton (SWAP) in supporting their ongoing drive to compile Harm Reduction Outreach Packages; and,
- (d) That a budget allocation of \$500.00 from the LGBTQAC's budget to assist The SPACE Youth Centre in supporting their OQRA and Kaleidoscope programs.

**Result: Motion CARRIED by a vote of 5 to 1, as follows:**

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
NO - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(f) PRIVATE AND CONFIDENTIAL (Item 13)**

**(i) November 5, 2020 – Closed Minutes (Item 13.1)**

**(Pearson/VanderBeek)**

- (a) That the Closed Session Minutes of the November 5, 2020 Audit, Finance and Administration Committee meeting, be approved as presented; and,
- (b) That the Closed Session Minutes of the November 5, 2020 Audit, Finance and Administration Committee meeting, remain confidential.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(g) ADJOURNMENT (Item 14)**

**(VanderBeek/Pearson)**

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 10:57 a.m.

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

YES - Ward 3 - Ward 1 Councillor Maureen Wilson  
YES - Ward 15 Councillor Judi Partridge  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NOT PRESENT - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

Respectfully submitted,

Councillor Wilson, Chair  
Audit, Finance and Administration  
Committee

Angela McRae  
Legislative Coordinator  
Office of the City Clerk





SENT BY EMAIL

October 28, 2020

Stephanie Paparella  
Legislative Co-ordinator  
Office of the City Clerk  
71 Main Street West, 1<sup>st</sup> Floor  
Hamilton, ON  
L8P 4Y5

**Subject: December 31, 2019 Audited Financial Statements**

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Please find attached, audited financial statements for the Hamilton Waterfront Trust for the year ended December 31, 2019.

Annual financial statement is required to be forwarded to your attention by the Hamilton Waterfront Trust. This statement is meant to fulfill the requirement for information under the deed agreement item (12) signed by the Corporation of the City of Hamilton and The Hamilton Harbour Commissioners dated November 24, 2000.

Yours truly,



Werner Plessl  
Executive Director  
Hamilton Waterfront Trust

cc: Janette Smith, City Manager  
Mike Zegarac, GM Finance & Corporate Services  
Brian McMullen, Director, Financial Planning, Administration and Policy



Hamilton Waterfront Trust  
Consolidated Financial Statements  
For the year ended December 31, 2019

**Hamilton Waterfront Trust**  
**Consolidated Financial Statements**  
For the year ended December 31, 2019

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Burlington ON L7N 3N8 Canada

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## Independent Auditor's Report

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To the Board of Directors of  
Hamilton Waterfront Trust

### Opinion

We have audited the consolidated financial statements of Hamilton Waterfront Trust and its subsidiaries (the "Group"), which comprise of the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2019, and its results of operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Burlington, Ontario  
October 1, 2020

## Hamilton Waterfront Trust Consolidated Statement of Financial Position


| December 31                      | 2019                | 2018                |
|----------------------------------|---------------------|---------------------|
| <b>Assets</b>                    |                     |                     |
| <b>Current</b>                   |                     |                     |
| Cash                             | \$ 472,697          | \$ 553,896          |
| Accounts receivable (Note 2)     | 59,775              | 185,065             |
| Inventories and prepaid expenses | 28,221              | 28,221              |
|                                  | 560,693             | 767,182             |
| <b>Capital assets (Note 3)</b>   | <b>1,384,156</b>    | 1,456,917           |
| <b>Note Receivable (Note 6)</b>  | <b>1,342,249</b>    | 2,202,149           |
|                                  | <b>\$ 3,287,098</b> | <b>\$ 4,426,248</b> |

### Liabilities and Net Assets

|  |                     |                     |
|--|---------------------|---------------------|
| <b>Current</b>   |                     |                     |
| Accounts payable and accrued liabilities                   | \$ 687,047          | \$ 781,873          |
| Current portion of deferred capital contributions (Note 4) | 40,273              | 41,742              |
|  | 727,320             | 823,615             |
| <b>Deferred revenue - City of Hamilton</b>                 | <b>436,049</b>      | 458,830             |
| <b>Deferred capital contributions (Note 4)</b>             | <b>1,171,515</b>    | 1,210,319           |
|  | 2,334,884           | 2,492,764           |
| <b>Net assets</b>  | <b>952,214</b>      | 1,933,484           |
|  | <b>\$ 3,287,098</b> | <b>\$ 4,426,248</b> |

On behalf of the Board:

Bernie Mueller (electronic signature) Director

 Director

## Hamilton Waterfront Trust Consolidated Statement of Operations and Changes in Net Assets

| <b>For the year ended December 31</b>   | <b>2019</b>       | <b>2018</b>         |
|---|-------------------|---------------------|
| <b>Revenue</b>  |                   |                     |
| Investment income   | \$ 3,397          | \$ 2,015            |
| City of Hamilton contract and management income   | 59,445            | 119,663             |
| Other income  | 13,300            | 70,877              |
| Hamiltonian Tour Boat   | 36,929            | 35,202              |
| Williams Fresh Cafe   | 1,428,213         | 1,459,362           |
| Hamilton Scoops   | 163,488           | 171,165             |
| Kids Fest   | 19,192            | -                   |
| Hamilton Trolley  | 27,783            | 41,372              |
| Fishing Derby   | -                 | 1,094               |
| Waterfront Grill  | 47,167            | 50,316              |
| HWT Centre  | 94,007            | 74,701              |
| Outdoor Ice Rink  | 319,059           | 307,049             |
| Skate Rental  | 136,856           | 99,345              |
| Waterfront Development, City of Hamilton management contract                                    | 374,992           | 605,759             |
| Waterfront Wheels   | 12,541            | 13,611              |
|   | <b>2,736,369</b>  | <b>3,051,531</b>    |
| <b>Expenses</b>   |                   |                     |
| Advertising and promotion   | 664               | 43                  |
| Bad debts   | 67,461            | -                   |
| Bank charges  | 4,088             | 4,508               |
| Building expenses   | 10,458            | 6,001               |
| Dues and memberships  | 2,570             | 1,537               |
| Equipment expenses  | 1,853             | 3,766               |
| Insurance   | 5,400             | 11,248              |
| Office expenses   | 35,785            | 14,839              |
| Professional fees   | 25,812            | 60,182              |
| Salaries and benefits   | 274,510           | 329,008             |
| Telephone   | 9,348             | 9,399               |
| Travel  | 147               | 373                 |
| Other expenses  | 11,789            | 29,288              |
| Hamiltonian Tour Boat   | 34,484            | 35,274              |
| Williams Fresh Cafe   | 1,372,964         | 1,378,293           |
| Hamilton Scoops   | 121,669           | 151,443             |
| Kids Fest   | 12,219            | -                   |
| Hamilton Trolley  | 31,023            | 43,275              |
| Fishing Derby   | 13,026            | 13,561              |
| Waterfront Grill  | 51,651            | 62,309              |
| HWT Centre  | 50,464            | 95,839              |
| Outdoor Ice Rink  | 315,147           | 306,994             |
| Skate Rental  | 72,544            | 53,516              |
| Waterfront Development, City of Hamilton management contract                                    | 388,239           | 605,759             |
| Waterfront Wheels   | 12,828            | 13,446              |
|   | <b>2,926,143</b>  | <b>3,229,901</b>    |
| <b>Deficiency of revenue over expenses<br/>before amortization and other revenue (expenses)</b> | <b>(189,774)</b>  | <b>(178,370)</b>    |
| <b>Other revenue (expenses)</b>   |                   |                     |
| Amortization of capital assets  | (72,761)          | (73,134)            |
| Amortization of deferred capital contributions  | 40,273            | 41,742              |
| Expenses associated with tenant dispute (Note 6)  | (759,008)         | (316,729)           |
| Gain on disposal of HWT Centre  | -                 | 2,667,343           |
| Property taxes  | -                 | 405,421             |
|   | <b>(791,496)</b>  | <b>2,724,643</b>    |
| <b>Excess (deficiency) of revenue over expenses for the year</b>                                | <b>(981,270)</b>  | <b>2,546,273</b>    |
| <b>Net assets (deficiency), beginning of year</b>   | <b>1,933,484</b>  | <b>(612,789)</b>    |
| <b>Net assets, end of year</b>  | <b>\$ 952,214</b> | <b>\$ 1,933,484</b> |

The accompanying notes are an integral part of these consolidated financial statements.



## Hamilton Waterfront Trust Consolidated Statement of Cash Flows

| For the year ended December 31   | 2019         | 2018         |
|--|--------------|--------------|
| <b>Cash flows from operating activities</b>  |              |              |
| Excess (deficiency) of revenue over expenses for the year  | \$ (981,270) | \$ 2,546,273 |
| Adjustments to reconcile excess (deficiency) of revenue over expenses to net cash used in operating activities |              |              |
| Amortization of capital assets   | 72,761       | 73,134       |
| Amortization of deferred capital contributions   | (40,273)     | (41,742)     |
| Gain on disposal of HWT Centre   | -            | (2,667,343)  |
| Changes in non-cash working capital balances   |              |              |
| Accounts receivable  | 125,290      | 162,181      |
| Inventories and prepaid expenses   | -            | 1,721        |
| Accounts payable and accrued liabilities   | (94,826)     | (175,838)    |
| Deferred revenue   | (22,781)     | 14,332       |
|  | (941,099)    | (87,282)     |
| <b>Cash flows from investing activity</b>  |              |              |
| Purchase of capital assets   | -            | (39,380)     |
| <b>Cash flows from financing activity</b>  |              |              |
| Proceeds from note receivable  | 859,900      | 460,000      |
|  | (81,199)     | 333,338      |
| <b>Increase (decrease) in cash during the year</b>   |              |              |
| <b>Cash, beginning of year</b>   | 553,896      | 220,558      |
| <b>Cash, end of year</b>   | \$ 472,697   | \$ 553,896   |

The accompanying notes are an integral part of these consolidated financial statements.

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## Hamilton Waterfront Trust Notes to Consolidated Financial Statements

**December 31, 2019**

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### 1. Significant Accounting Policies

#### **Nature of Business**

The purpose of the Hamilton Waterfront Trust (the "Organization") is to improve and develop lands around the Hamilton Harbour and to encourage the local community to enjoy the Bay area. Hamilton is a culturally and ethnically diversified mosaic. Therefore, the Organization helps to promote the image of Hamilton to businesses and individuals over a wide radius.

Following a strategic review undertaken by the Board of Directors, it was decided to restructure the Organization to become a not-for-profit organization effective November 21, 2016. As part of the reorganization on that same date, HWT Inc., a wholly-owned subsidiary, was incorporated.

The Organization is incorporated under the Ontario Corporations Act, and now have a continuance under the Canada Not-for-Profit Corporations Act.

The Organization is registered under the Income Tax Act (Canada) (the "Tax Act") and, as such, is exempt from income taxes.

#### **Basis of Accounting and Presentation**

The consolidated financial statements of the Organization have been prepared using Canadian accounting standards for not-for-profit organizations.

These consolidated financial statements include the accounts of the Organization and HWT Inc. All significant intercompany transactions and balances have been eliminated.

#### **Revenue Recognition**

The Organization follows the deferral method of accounting for contributions.

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Deferred capital contributions related to capital assets represent the unamortized and unallocated amount of grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

The Organization recognizes all other revenue when services are performed or goods are sold, there is no uncertainty as to the customer acceptance, the price to the buyer is fixed or determinable and collection is reasonably assured.

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## Hamilton Waterfront Trust Notes to Consolidated Financial Statements

**December 31, 2019**

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### 1. Significant Accounting Policies (Continued)

#### Capital assets

Capital assets are recorded at cost. Amortization is based on their estimated useful life using the following methods and rates or terms:

|                         |   |  |
|-------------------------|---|--|
| Boat                    | - | 15 years straight-line                   |
| Building                | - | 5% declining balance                     |
| Computer equipment      | - | 30% declining balance                    |
| Dock                    | - | 5% declining balance                     |
| Furniture and equipment | - | 20% declining balance                    |
| Trolleys                | - | 15 years straight-line                   |
| Leasehold improvements  | - | straight-line over the term of the lease |

#### Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amount of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. Subsequently, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

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### 2. Accounts Receivable

|                           | <u>2019</u>      | <u>2018</u>       |
|---------------------------|------------------|-------------------|
| Trade accounts receivable | \$ 127,236       | \$ 533,138        |
| Impairment allowance      | (67,461)         | (348,073)         |
|                           | <u>\$ 59,775</u> | <u>\$ 185,065</u> |

## Hamilton Waterfront Trust Notes to Consolidated Financial Statements

**December 31, 2019**

### 3. Capital Assets

|                         | 2019                |                             | 2018                |                             |
|-------------------------|---------------------|-----------------------------|---------------------|-----------------------------|
|                         | Cost                | Accumulated<br>Amortization | Cost                | Accumulated<br>Amortization |
| Boat                    | \$ 52,156           | \$ 42,042                   | \$ 52,156           | \$ 38,565                   |
| Building                | 17,016              | 7,992                       | 17,016              | 7,517                       |
| Computer equipment      | 42,844              | 41,755                      | 42,844              | 41,288                      |
| Dock                    | 15,522              | 8,385                       | 15,522              | 8,009                       |
| Furniture and equipment | 209,092             | 178,989                     | 209,092             | 168,689                     |
| Trolleys                | 335,782             | 193,025                     | 335,782             | 169,570                     |
| Leasehold improvements  | 2,542,155           | 1,358,223                   | 2,542,155           | 1,324,012                   |
|                         | <b>\$ 3,214,567</b> | <b>\$ 1,830,411</b>         | <b>\$ 3,214,567</b> | <b>\$ 1,757,650</b>         |
| Net book value          |                     | <b>\$ 1,384,156</b>         |                     | <b>\$ 1,456,917</b>         |

### 4. Deferred Capital Contributions

Restricted capital contributions are amortized on the same basis as the underlying capital assets.

|   | 2019                | 2018         |
|---|---------------------|--------------|
| Balance, beginning of year                | \$ 1,252,061        | \$ 2,228,262 |
| Less: contributions recognized as revenue | (40,273)            | (41,742)     |
| Less: disposal of HWT Centre (Note 6)     | -                   | (934,459)    |
|   | <b>1,211,788</b>    | 1,252,061    |
| Less: current portion                     | (40,273)            | (41,742)     |
| Balance, end of year                      | <b>\$ 1,171,515</b> | \$ 1,210,319 |

### 5. Commitments

The Organization leases a premise at an annual rent of \$33,500 plus applicable taxes. The lease expired on October 31, 2019, however the Organization has verbally agreed to pay 50% of the annual rent until a new agreement has been signed.

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## Hamilton Waterfront Trust Notes to Consolidated Financial Statements

**December 31, 2019**

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### **6. Note Receivable**

Effective January 1, 2018, the Organization's lease on the Parks Discovery Centre with the City of Hamilton was terminated. In consideration of the Organization entering into this arrangement, The City of Hamilton agreed to pay an early surrender fee in the form of a note. The note receivable bears interest at 4% per annum and is payable in equal annual instalments of \$230,000 inclusive of interest, with final payment made on January 1, 2032.

During the year, the legal dispute with a tenant was settled. In connection with the legal settlement, the note receivable from The City of Hamilton was amended and the annual instalments were reduced to \$166,000 inclusive of interest beginning January 1, 2021.

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### **7. Financial Instrument Risks**

#### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable balances. This risk has not changed from the prior year.

#### **Liquidity Risk**

Liquidity risk is the risk that the Organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Organization will not have sufficient funds to settle a transaction on a due date; will be forced to sell financial assets at a value which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from the Organization's accounts payable and accrued liabilities. This risk has not changed from the prior year.

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### **8. Subsequent Event**

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic, resulting in economic uncertainties. As the impacts of COVID-19 continue, there could be further impacts on the Organization, however management is actively monitoring the effect on its financial condition, liquidity, operations, sector, and workforce.

Subsequent to year end, the Organization temporarily suspended its food and beverage operations from March 18, 2020 until June 22, 2020 at which point operations commenced under Ontario's Phase 2 reopening of businesses. The Organization has successfully applied for the Canada Emergency Wage Subsidy and Canada Emergency Business Account. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity at this time.



December 8, 2020

Chair and Members  
Audit, Finance & Administration Committee

Re: Recommendations of Governance Review Sub-Committee re Ethical Framework Work Plan

At its meeting on December 2, 2020, the Governance Review Sub-Committee had before it for consideration the Integrity Commissioner's work plan for review of the City's Ethical Framework. The recommendations of the Committee are before AF&A for its meeting of December 10, 2020.

At the Sub-Committee meeting we had the opportunity to correct the impression that the presentation of a work plan by us was self-interested. All of the work proposed is either part of the scope of work which was contemplated on our appointment, or assigned specifically by Council, or recommended for consideration by senior administrative staff.

However, despite having provided a clear estimate for what we anticipated would be the work involved, the Sub-Committee has recommended **an upset limit** for each element of the work plan.

To provide an upset limit we would have to include every possible contingency, resulting in a meaningless dollar limit, so high as to provide the Committee with little guidance. We respectfully request that the recommendation of the Governance Sub-Committee be revised to request an estimate, not an upset limit, for the work proposed be provided to the January 25, 2021 Governance Sub-Committee meeting.

We have already provided the Sub-Committee with an estimate of less than \$10,000 for the entire work plan, based on our work with other municipal clients similar to Hamilton. Breaking down that estimate, we anticipate the following time commitments:

- Review of Code of Conduct, *including* review of investigation and reporting protocols – 10 hours
- Provision of draft Council/Staff Relations Policy (2-5 hours)
- Guidance regarding Members' roles on external bodies (5-10 hours)
- Local Board governance issues, including revised code of conduct (10 hours)
- Such other matters as may be assigned (unknown).

All of which is respectfully submitted,

Principles *Integrity*,  
Integrity Commissioner for the City of Hamilton







## Hamilton

### Minutes

#### Hamilton Mundialization Advisory Committee

Wednesday, February 19, 2020 – 6:00 p.m.

Hamilton City Hall, Room 192

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|                       |   |
|-----------------------|---|
| <b>Present:</b>       | Pat Semkow, Bob Semkow, Rein Ende, Rosemary Baptista, Jan Lukas |
| <b>Regrets:</b>       | Freja Gray, Anthony Macaluso, Councillor Vanderbeek             |
| <b>Also, Present:</b> | Paul Di Clemente, Staff Liaison                                 |
| <b>Guests:</b>        | N/A   |

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#### Welcome & Introductions

P. DiClemente talked about responding to meetings moving forward.

P DiClemente explained that there was an update to the Handbook with regards to absences that instead of possibility of removal for 3 absences without regrets in a row it is now 3 absences in a term with discretion to the Chair to decide on whether to remove. The Hamilton Mundialization Committee members agreed to continue discussions on updated attendance policies at next meeting

#### 1. Ceremonial Activities

Land Acknowledgement (R. Baptista)

#### 2. Approval of the Agenda

Item 8.1 - An update was provided that Sergey Pavlov, who was scheduled to speak about the Hamilton Mundialization Committee website, will no longer be attending today's meeting.

That the agenda of February 19, 2020 be approved as amended.

**(R. Ende / B. Semkow)**

**CARRIED**

**3. Declaration of Interest**

N/A

**4. Approval of Minutes**

**4.1 Minutes of January 15, 2020**

Item 6 – Other Business to be amended. Prayer Breakfast was at “Liuna Station” not “La Luna”

That the minutes of January 15, 2020 be approved as amended.

**(J. Lukas, P. Semkow)**

**CARRIED**

**5. Communications**

J. Lukas – recommends that all committees need to be reminded of the protocol for communicating with newspaper/media

**6. Delegation Requests**

N/A

**7. Consent Items**

N/A

**8. Public Hearings/Delegation**

N/A

**9. Staff Presentations**

N/A

**10. Discussion Items**

**10.1. 2020 Activity Plan**

10.1.1. **2020 Event Planning**

10.1.2. **Hiroshima Nagasaki**

R. Ende – planning will not start until March. Will connect with the regular organisers and try and get communities involved.

### 10.1.3. World Citizenship Awards

R. Ende – With regards to the Bronze Medallion that was typically awarded. In the past we had a living sculptor who cast bronze medallions for the committee. We are down to the last of them. We may not have any more. We need to recognize that this may change.

Presentation typically at City Council and Mundialization has its own ceremony

The date on the poster needs to change. It is not May 17, 2018. It will not be May 17 any longer and the date itself needs to change from 2018 to 2020.

On the bottom of the Nomination Form the date of WCA 2018 needs to be amended.

Anthony is now the chair not the interim chair. Also needs amendment.

J. Lukas- Does Anthony want to have his contact info listed? Will he be the point person?

P. Di Clemente to confirm with Anthony

R. Ende- With regards to the news release. We need to update the list of past winners. The contact information at the end should be all corrected as it is out of date. There is no longer a Round Table for Strengthening Hamilton's Community Initiatives. That needs to be taken out.

J. Lukas – need to correct the form and get it out. Need to pick a date. May 20 and May 27 are the Council meetings. Should be put on website and distributed to Libraries, Rec Centres, Arenas etc. Should connect with Nadia Olivieri to see how this information was distributed previously.

P. Di Clemente agreed to make corrections and bring back to committee.

## 10.2. Photo Contest Winners Update

P. Di Clemente – shared that the winners have been notified and invited to attend the City Council meeting on Wednesday February 25, 2020. They

will be presented with a certificate from the Mayor and their Ward Councillors have also been notified. MUN invited to attend the ceremony.

J. Lukas- personally offended at the lack of notice given. Anthony should be the one doing the presentation as this was done in the past. Should send reminder to the media to make sure that they attend. It should be Anthony presenting not the mayor.

R. Ende – Might want to connect with the Spectator and Snap.

**11. Motions**

N/A

**12. Notices of Motion**

N/A

**13. General Information/Other Business**

J. Lukas – Ancaster Food Drive March 7, 2020

R. Baptista – Earth Day – April 22, 2020 First United Church

**14. Private and Confidential**

N/A

**15. Adjournment**

**(P. Semkow / B. Semkow)**

The Mundialization Committee adjourned at 7:45 p.m.

**CARRIED**

**Next Meeting: March 18, 2020, Hamilton City Hall, Room 192**



Hamilton

**MINUTES  
HAMILTON MUNDIALIZATION COMMITTEE**

October 21, 2020

6:00pm

Virtual WebEx Meeting

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Present: Anthony Macaluso, Freja Gray, Robert Semkow, Patricia Semkow, Rosemary Baptista, Janice Lukas, Rein Ende

Absent with Regrets:

Also Present: Jessica Bowen, Supervisor, Diversity and Inclusion  
Taline Morris, Admin Assistant, Diversity and Inclusion

Pursuant to Section 5.4(5) of the City of Hamilton's Procedural By-law, at 6:40 pm the Staff Liaison to the Committee advised those in attendance, that although quorum had been achieved, due to technical difficulties, the meeting could not be live streamed within 30 minutes after the time set for the Hamilton Mundialization Committee. Therefore, the Staff Liaison to the Committee noted the names of those in attendance and the meeting stood adjourned.

Respectfully submitted,

Jessica Bowen  
Supervisor, Diversity and Inclusion





Hamilton

**Minutes**

**Status of Women Advisory Committee**

**Thursday, January 23, 2020**

**City Hall, 71 Main St. W., Room 192**

**Present:** Deanna Allain, Autumn Getty, Jan Lukas, Stephanie Bertolo,  
Yulena Wan, Doreen Ssenabulya

**Regrets:** Stephanie Frisina, Anna Davey

**Absent:** Councillor Nann  
Daniela Giulietti, Councillor Nann's Office

**Guests:** Cheryl (YWCA)

**Also, Present:** Betsy Pocop (staff liaison), Diversity and Inclusion Office

The Status of Women Advisory Committee Approved the Following:

**Women of Distinction Awards**

**(D. Allain / S. Bertolo)**

The Status of Women Committee buy a table in the amount of \$1300.00 for the 2020 Women of Distinction Awards.

**CARRIED**

**Land Acknowledgement**

Autumn Getty provided the Land Acknowledgement

**Welcome/Introductions**

A round of introductions and welcoming of members and guests.

**1. Approval of the Agenda**

Addition of items:

Item 5.2 – Amend to include election of Recording Secretary

Item 7 - Sisters in Spirit and Ancaster Food Drive

Item 5.3.1 - Working Group

**(D. Allain / J. Lukas)**

That the Status of Women Committee accepts the agenda of January 23, 2020 as amended.

**CARRIED**

**2. Declaration of Interest**

- None

**3. Approval of Minutes**

**(D. Allain / D. Ssenabulya)**

That the Status of Women Committee accepts the Minutes of September 26, 2019 and November 5, 2019 as presented.

**CARRIED**

**4. Presentations**

- None

**5. Business/ Discussion Items**

**5.1 Business Arising from Previous Minutes**

- None

**5.2 Election of Chair, Vice-Chair and Recording Secretary**

- Nominations for Chair: Yulena Wan (declined) and Autumn Getty (accepted)
- No other nominations put forward
- Nominations for Vice-Chair: D. Allain (accepted), no other nominations presented
- The Status of Women Committee members unanimously declare Chair for 2020 to be A. Getty and Vice Chair D. Allain. They were uncontested and with no objections.
- Communication to be included in next email reminder to Status of Women Advisory Committee members for open secretary position.

**5.3 2020 Workplan**

**5.3.1 Working Group**

- Reach out to Chair of LGBTQ committee for an update.



- D. Allain to write letter in preparation for Citizen Committee Report
- D. Allain was connected with V. Nikolskaya and follow up to continue.
- A list from LGBTQ committee of which organizations they have requested information from or have connected.
- Identify a list of barriers that impact why women may not apply or be able to participate.
- Additional Items for consideration on Workplan:
  - Childcare for Volunteer Advisory Committees a pilot project: potential for 2020 and review information for consideration.
  - Free Menstrual products and provide advice to staff
  - International Women's Day, in which A. Getty will obtain information.
- Shelters

#### **5.4 Member Resignation**

- The committee members shared words of acknowledgement and kindness in regard to contributing member Marie Robbins and news of her recent passing.
- Members were advised of resignation of member, K. Hood

#### **(S. Bertolo / D. Allain)**

That the Status of Women Committee accept resignation of committee member Katie Hood.

**CARRIED**

#### **5.5 Review of Terms of Reference**

**DEFERRED**

#### **5.6 Equity Toolkit Review**

**DEFERRED**

### **6. Communication**

#### **6.1 Correspondence from Dina Honig, Hamilton Immigration Partnership Council (HIPC), respecting a Request for Study/ Research Ideas for HIPC's Research and Evaluation Committee**

**Recommendation: Be Received.**

#### **(D. Allain / J. Lukas)**

The Status of Women Committee receive the correspondence and add the item to February 2020 Agenda for discussion.

**CARRIED****7. Announcements and Information Sharing****• Sisters in Spirit**

Announcement and event to be held on February 14, 2020 at the David Braley Centre. Request for monetary support.

**(D. Allain / D. Ssenabulya)**

That the Status of Women Committee support the Sisters in Spirit event of February 14, 2020 by way of a \$200.00 contribution for the cost of buttons.

**CARRIED****• Ancaster Food Drive**

Request for donations and to please share information within your respected communities.

**8. Meeting adjourned at 8:02 p.m.****(D. Allain / D. Ssenabulya)**

Next meeting scheduled for Thursday, February 27, 2020



# Hamilton

## MINUTES

### Aboriginal Advisory Committee Thursday, March 5, 2020 – 5:30 P.M. City Hall, 71 Main St. W., Room 264

**Present:** Scott Cruickshank, Allan Loft, Connie Bellamy (chair), Cat Cayuga, Patty Lawlor (non-voting)

**Regrets:** Marilyn Wright, Laura Workman

**Also Present:** Betsy Pocop – Human Rights, Diversity & Inclusion (staff)

#### 1. Ceremonial Activities

- A. Loft did an opening

#### 2. Approval of Agenda

- Addition of Item 6 – Delegation Request
- Addition of Item 10.5 – Volunteer Handbook update
- Addition of Item 13.1 – Goodminds.com update

#### Motion #1

##### **S. Cruickshank/A. Loft**

That the Aboriginal Advisory Committee accepts the March 5, 2020 agenda, as amended.

**CARRIED**

#### 3. Declaration of Interest

- There were no declarations of interest

#### 4. Approval of Minutes of Previous Minutes

##### **4.1 January 16, 2020**

- Include that there were no communications

#### Motion #2

##### **C. Cayuga/S. Cruickshank**

That the Aboriginal Advisory Committee accepts the minutes of January 16, 2020, as amended.

**CARRIED**

#### 5. Communications

- None

**6. Delegation Requests**

- Request received from Cameron Kroestch **to attend the committee** regarding an all volunteer advisory committee chairs meeting and the standing committee of council that volunteer advisory committees report to.
- Request was made to defer the delegation to the April 2020 meeting

**Motion #3****C. Cayuga/S. Cruickshank**

That the Aboriginal Advisory Committee accepts the request **to delegation request** and that the delegation be deferred to the April 2020 meeting.

**CARRIED****7. Consent Items**

- none

**8. Public Hearings/Delegations**

- none

**9. Staff Presentations****9.1 Urban Indigenous Strategy**

- Update deferred to April meeting

**10. Discussion Items****10.1 Business Arising from Previous Minutes**

- Updates deferred to April meeting

**10.2 Urban Indigenous Strategy**

- Item moved to 9.1 under staff presentations

**10.3 Equity Toolkit**

- P. Lawlor will send feedback she has noted to committee members
- Additional feedback from members to be circulated amongst all members for review
- Feedback will then be compiled

**10.4 Election of Chair and Vice-Chair****Motion #4****C. Cayuga/S. Cruickshank**

As the Aboriginal Advisory Committee ran an election in October 2019 for Chair and Vice-Chair of the Committee, the Aboriginal Advisory Committee supports the current Chair, Marilyn Wright, and Vice-Chair, Connie Bellamy, to remain in their appointed positions until December 2020.

**CARRIED**

**10.5 Update on Advisory Committee Handbook**

- B. Pocop advised that a change occurred in the volunteer handbook regarding members' attendance – missing more than 3 meetings in a term
- B. Pocop will provide copies of the update at the April 2020 meeting

**11. Motions**

- none

**12. Notices of Motion**

- none

**13. General Information/Other Business**

- P. Lawlor advised the committee that Goodminds.com, a partner in the committee's book display is under new ownership – Achilles Gentle
- The committee will discuss further at future meeting regarding establishing relationship with new owner for future collaboration and partnership

**14. Private and Confidential**

- None

**15. Adjournment**

- A. Loft provided a closing

Meeting adjourned at 7:23pm

Next Meeting: Thursday, April 2, 2020





Hamilton

**- NOTES -  
COMMITTEE AGAINST RACISM  
Tuesday, September 22, 2020  
6:30 p.m. - 8:30 p.m.  
Webex meeting due to COVID-19**

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**Present:** Marlene Dei-Amoah, Shamini Jacob

**Regrets:** Phillip Jeffrey, Taimur Qasim, Annie Law, Leslyn Gombakomba

**Absent:** Tyrone Childs

**Also Present:** John Ariyo, Manager - Community Initiatives; Pauline Kajiura (staff liaison)

**Chair:** M. Dei-Amoah

Due to lack of quorum, the meeting did not take place. The Webex meeting ended at 7:00 p.m.

**Next meeting scheduled for Tuesday, October 27, 2020**







Hamilton

**Minutes  
Status of Women Advisory Committee  
Thursday, October 22, 2020  
Virtual Meeting**

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**Present:** Autumn Getty, Jan Lukas, Stephanie Bertolo,  
Yulena Wan, Doreen Ssenabulya, Stephanie Frisina, Anna  
Davey

**Regrets:** Deanna Allain

**Absent:** Councillor Nann  
Daniela Giulietti, Councillor Nann's Office

**Also,**

**Present:** Betsy Pocop (staff liaison), Diversity and Inclusion Office  
Taline Morris (Admin Assistant), Diversity and Inclusion Office

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**Land Acknowledgement**

A. Getty provided the Land Acknowledgement

**Welcome/Introductions**

A round of introductions and welcoming of members.

**1. Approval of the Agenda**

**(J. Lukas / A. Davey)**

That the Status of Women Committee approves the agenda of October 22, 2020 as presented.

**CARRIED**

**2. Declaration of Interest**

- None

**3. Approval of Minutes**

**(Y. Wan / A. Davey)**

That the Status of Women Committee approves the minutes of January 23, 2020 as presented.

**CARRIED**

**4. Presentations**

- None

**5. Business/ Discussion Items**

**5.1 Business Arising from Previous Minutes**

- None

**5.2 Election of Recording Secretary**

- Discussion around members rotating as Recording Secretary.
- S. Frisina volunteered as Recording Secretary but, unable to commit to all meetings. Suggested she let committee know in advance when available to be recording secretary
- Voting for new Recording Secretary to take place at January 2021 meeting.

**(A. Davey / Y. Wan)**

That the committee accepts S. Frisina as recording secretary for the remainder of 2020.

**CARRIED**

**5.3 2020 Workplan**

**5.3.1 Working Group**

- Committee members still interested in reaching out to other Advisory Committees for recruitment strategies for recruitment of new members
- A. Getty to reach out to LGBTQ Advisory Committee
- Members discussed items from previous workplan: providing free menstrual products in City spaces and availability of childcare. Members agreed to continue discussion at a future date.
- Members discussed possibly changing committee name, however a decision was not reached, and the committee has agreed to create a working group to explore this item further.

**(A. Davey/ S. Bertolo)**

That the Status of Women Committee create a working group for the purpose of discussing the committee's name to be more inclusive.

**CARRIED****5.4 Budget for 2021**

- Actual budget and reserve amounts discussed
- The Committee is unable to transfer funds to reserves due to maximum reserves amount reached
- Members inquired about donating to community agencies that support women and align with committee's goals and objectives.  
B. Pocop to investigate if possible.

**(D. Ssenabulya / A. Davey)**

That the Status of Women Committee request the same as their 2020 budget amount of 3500.00 for 2021.

**CARRIED****5.5 Review of Terms of Reference****DEFERRED****5.6 Equity Toolkit Review**

- Group consensus to restart review of Toolkit.

**5.7 Correspondence from HIPC**

- Members inquired to understand if research ideas are still needed for a request from the Hamilton Immigration Partnership Council (HIPC)
- B. Pocop to follow up with requestor

**6. Announcements and Information Sharing**

- J. Lukas shared Sisters in Spirit event received remarkable response. Hamilton Police Service to set up red dress display. Virtual ceremony to take place November 3, 2020.
- J. Lukas and A. Getty also discussed Women of Distinction event went well.

**7. Meeting adjourned at 7:40 p.m.  
(Y. Wan / D. Ssenabulya)**

Next meeting scheduled for Thursday, November 26, 2020





Hamilton

**- MINUTES -  
COMMITTEE AGAINST RACISM  
Tuesday, January 28, 2020**

**6:30 p.m. - 8:30 p.m.**

**City Hall, 71 Main Street West, Room 192**

**Present:** Marlene Dei-Amoah, Tyrone Childs, Shamini Jacob, Annie Law, Leslyn Gombakomba, Taimur Qasim, Phillip Jeffrey

**Regrets:** Louic LeBlanc and Councillor Brad Clark

**Absent:** Sylvia Gill

**Also Present:** Jodi Koch – Director, Human Rights, Diversity and Inclusion  
Nabila Akbary - Admin. Assistant, Talent and Diversity  
John Ariyo- Manager, Community Initiatives  
Guests: Kojo Dampety, Jovaune Rhodes, Mohammad (HCCI: Anti-racism conference lead), Samsun (Youth Membership Program)

**Chair:** M. Dei-Amoah

**Welcome & Introductions**

Staff welcomed all in attendance and a round of introductions were done.

**1. Acceptance of the Agenda**

**S. Jacob / P. Jeffrey**

Addition of item 5.1 a) Update on HARRC and Delegation request under Presentation

That the Committee Against Racism accepts the Meeting Agenda with additions for January 28, 2020

**CARRIED**

**2. Declaration of Interest**

None declared

**3. Approval of Minutes**

**A. Law / L. Gombakomba**

That the Committee Against Racism accepts the Meeting Minutes of November 26, 2019.

**CARRIED****4. Presentations / Delegation Request**

Delegation requested by Kojo Damptey

My past attendance at the Committee Against Racism meetings have been to receive updates regarding Hamilton Anti-Racism Resource Centre. Since the December 5, 2019 Council meeting there has been a disillusion regarding the partnerships for the Hamilton Anti-Racism Centre. I am here today to express how Hamilton Centre for Civic Inclusion feels about it. Further discussions and clarification need to occur on what is to happen with the facility. Flyer given to CAR members for the 'Anti-Racism Conference' Feb 10, 2020.

Questions from Committee Against Racism members regarding:  
Past Governance Structure, Hamilton Anti-Racism Resource Centre Partners, Budget, and what was Hamilton Centre for Civic Inclusion's position on December 5, 2019.

**P. Jeffrey / T. Qasim**

That the Committee Against Racism approves the delegation from Kojo Damptey.

**CARRIED****5. Business / Discussion Items****5.1 a) Update on HARRC**

- J. Koch updated the committee members from the last meeting in November 2019. Both Chair and Vice-chair of Committee Against Racism presented to the Citizen Committee Report regarding Hamilton Anti-Racism Resource Centre to Audit, Finance and Administration Council. Community's concerns regarding Hamilton Anti-Racism Resource Centre was considered in both the staff report and Committee Citizen report.

Jodi introduced John Ariyo, Manager of Community Initiatives. Explanation of the Hamilton Anti-Racism Resource Centre project (HARRC) will be led by J. Ariyo within the City of Hamilton Community Initiatives division.

- J. Ariyo provided history of employment background and projects. Looking forward to working with Committee Against Racism committee members. with creating HARRC's vision and looking for support of committee members. Ask of committee members to work together with community on anti-hate work.

T. Qasim to take Chair.

- M. Dei-Amoah to speak: members of the community reaching out to Committee Against Racism and inquiring on committee initiatives and subcommittee ideas. Community engagement piece is a plan, but internal communication between the Committee Against Racism members must be an asset. Let this be the position to be moving forward with. Committee Against Racism

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works solely as a volunteer advisory committee.

M. Dei-Amoah to take Chair.

**b) Committee Member Resignation**

- Committee members are sad to see member Louic LeBlanc's resignation. An acknowledgement of resignation is respectfully accepted. The Committee Against Racism thanks L. LeBlanc's years of dedicated services and his contribution to CAR. For partnering alongside and allying alongside CAR. CAR does promote discriminatory behaviour. CAR supports committee members and allyship.

**T. Qasim / T. Childs**

That the Committee Against Racism respectfully receive and acknowledge resignation of Louic LeBlanc.

**CARRIED**

- Sylvia Gill is deemed to have resigned as a letter and communication was sent to her with no response.

**T. Qasim / S. Jacob**

That the Committee Against Racism accepts and acknowledges the deemed resignation of Sylvia Gill.

**CARRIED****5.2 Election of Chair****DEFER****5.3 Election of Vice-Chair****DEFER****5.4 Election of Recording Secretary****DEFER****5.5 Committee Member Recruitment and Selection**

- The Committee Against Racism aims to have two new members for the committee.

**T. Qasim / A. Law**

That the Committee Against Racism to ask Legislative Clerks Office for the recruitment and selection of two new additional committee members for a total of nine members.

**CARRIED****5.6 Correspondence from Dina Honig, Hamilton Immigration Partnership Council (HIPC), respecting a Request for Study/Research Ideas for HIPC's Research and Evaluation Committee****DEFER****5.7 Lincoln Alexander Day**

- Date has changed as received from communication from family member. The ask is that the event to be put off for two years. A bigger event to be planned for 2022 and have Committee Against Racism to be involved as well. Budget to be adjusted for subject Lincoln Alexander day due to the date change. M. Dei-Amoah to reach out and have CAR involved in event initiatives. A possible addition to the workplan. M. Dei-Amoah to report back to committee with update on who is involved on Lincoln Alexander Day 2022.

**5.8 Black History Month Events in Hamilton**

- Communication to be forwarded to committee members listing of lots of events happening during Black History Month. One event to occur January 31, 2020 in the Hamilton Public Library hosted by the Hamilton Black History Council.
- February 5, 2020, 'Together We Rise' hosted by the Hamilton legal clinic.
- Committee Member to ask how Zimbabwean community to approach committee for specific asks. Noted to be added on the workplan as an item to spread communication within the community.
- Workplan initiatives to include advertisements and communication strategies and availability of different channels such as the City of Hamilton website. Work on a definite communication plan.

**5.9 John C. Holland Awards**

- Holds a historical impact in the Hamilton community. Awards event created to recognize outstanding students and to provide scholarship opportunities.

**T. Childs / P. Jeffrey**

The Committee Against Racism to purchase tickets: CAR Committee member Leslyn Gombakomba and guest to attend (two tickets). An additional three tickets to be purchased for any available youth unable to attend the ceremony



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and event.

**CARRIED**

**5.10 CAR Brochure**

**DEFER**

**5.11 Terms of Reference**

**DEFER**

**5.12 Equity and Inclusion Toolkit**

**DEFER**

**6. Announcements and Information Sharing**

None declared

**7. Adjournment**

**P. Jeffrey / T. Qasim**

That the Committee Against Racism meeting adjourn at 9:02 p.m.

**Next meeting scheduled for Tuesday, February 25, 2020**





# Hamilton

## MINUTES

Committee Against Racism  
Tuesday, February 25, 2020

**Present:** Marlene Dei-Amoah, Tyrone Childs, Shamini Jacob, Annie Law, Leslyn Gombakomba, Phillip Jeffrey.

**Regrets:** Taimur Qasim and Councillor Brad Clark

**Absent:**

**Also Present:** John Ariyo, Manager, Community Initiatives  
Guest: Kojo Dampthey

**Chair:** M. Dei-Amoah

### **Welcome and Introductions**

The Chair welcomed all in attendance.

**1. Changes to the Agenda**  
None

**2. Declaration of Interest**  
None declared

**3. Approval of Minutes**

**3.1** January 28, 2020

## S. Jacob / P. Jeffrey

That the Committee Against Racism accepts the Meeting Minutes of January 28, 2020 with the following changes:

### Item 5.1 (b) **Committee Member Resignation:**

*2<sup>nd</sup> sentence should read:* The Committee Against Racism thanks L. LeBlanc for his years of dedicated service, his contribution, partnering and allying alongside CAR. CAR does not endorse or support the discriminatory behaviour to which the former member was subjected.

**CARRIED**

### 5.2 Election of Chair – Marlene Dei-Amoah.

Election of Vice-Chair

**DEFER**

Election of Recording Secretary – Phillip Jeffrey

### 5.5 **Committee Member Recruitment and Selection**

There are now two vacancies on the Committee. The Committee requested, through John Ariyo, that the vacancies be posted.

### 5.6 **Correspondence from Dina Honig, Hamilton Immigration Partnership Centre (HIPC), respecting a Request for Study/Research Ideas HIPC' s Research and Evaluation Committee.**

Committee to request that HIPC be invited to do a presentation to an upcoming CAR meeting.

### 5.7 **John C Holland Awards**

CAR Committee member Leslyn Gombakomba attended this event. Very successful event for the recognition of the ongoing contributions of members of the Black community in Hamilton and Ontario. Future CAR support of this event to be included in the discussion and development of CAR's workplan.

**5.8 CAR Brochure DEFER**

**5.9 Terms of Reference DEFER**

### **5.10 Equity and Inclusion Toolkit**

CAR was asked to comment. Committee is awaiting an updated version of document and how it is planned to be used by the City.

### **5.11 New Staff Liaison Remarks**

John Ariyo thanked the CAR Committee for their years of hard work. Transition work is in progress and CAR will be under the umbrella of his portfolio as Manager of Community Initiatives.

### **5.12 HAARC Update**

Included in the next steps are plans to establish an Independent Board of Directors /Advisory Committee for HAARC. HAARC governance structure will mainly be built from members of community with the relevant lived experience. CAR will likely also be represented. A Consultant will be hired shortly to assist in reaching out to the community. A new position of Project Manager for Inclusion and Equity has been established. The anticipated start date for this position is March 8. There will be a June report to Council.

### **5.13 City of Hamilton's Hate Mitigation Initiative**

A Consultant was hired by the City in November 2019 to develop an engagement plan to mitigate against hatred as experienced in Hamilton. The Consultant will be invited to share his/her work with CAR. This information could possibly align with CAR's priorities.

**5.14 CAR's 4-Year Workplan (Term of Council) DEFER**

**6 Announcements**

Activist/author Desmond Cole will be presenting from his new book at the Hamilton Public Library on February 28 from 6:00pm to 8:00pm.

**7. Adjournment**

**T. Childs/L. Gombakomba**

That the Committee Against Racism meeting adjourn at 8:50 pm.



# Hamilton

## MINUTES

Committee Against Racism  
Tuesday, October 27, 2020

**Present :** Marlene Dei-Amoah, Phillip Jeffrey, Taimur Qasim,  
Shamini Jacob, Annie Law.

**Regrets :** Leslyn Gombakomba

**Absent :** Tyrone Childs

**Also Present :** John Ariyo, Manager, Community Initiatives.  
Pauline Kajiura, Project Manager – Community  
Inclusion & Equity (Staff Liaison)

**Chair :** M. Dei-Amoah

### **1. WELCOME AND INTRODUCTIONS**

The Chair welcomed all in attendance.

### **2. LAND ACKNOWLEDGEMENT**

Pauline Kajiura introduced herself and read the Land Acknowledgement.

### **3 APPROVAL OF THE AGENDA**

**Taimur Qasim/ Phillip Jeffrey**

**CARRIED**

**4. DECLARATION OF INTEREST**

None declared

**5. APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

**5.1 Minutes – February 25, 2020**  
(deferred for approval at November 24 meeting due to correction in 5.1 (b))

**5.2 Notes – Meeting of September 22, 2020 – no quorum**

**Taimur Qasim/ Shamini Jacob**

That the Committee receive the Notes of the Meeting of September 22, 2020 since there was no quorum

**CARRIED**

**6. COMMUNICATIONS**

**6.1 Correspondence - from Abedar Kamgari, June 1 2020.**

:

**Annie Law/ Taimur Qasim**

That the Committee Against Racism receive the letter and proceed to discuss.

**CARRIED**

**Phillip Jeffrey/ Shamini Jacob**

That the Committee Against Racism:



- Requests that City Staff provide information on how the letter was responded to and dealt with by the City and the various persons and Committees addressed in the letter);
- Requests a copy of the 2014 Report and recommendations by Frank Iacobucci, which was cited in the correspondence, as well as Police Services Board presentations to Council regarding calls to defund the police;
- Upon receipt and subsequent analysis of the above information, the Committee Against Racism will continue to discuss the concerns raised in the letter as an ongoing business item, noting the societal relevance of the issues raised, in these times of the Black Lives Matter movement and the pandemic, and in regard to the lives of Black, Indigenous, and People of Colour (BIPOC) in the Hamilton community.

**CARRIED**

## **7 DELEGATION REQUESTS**

None.

## **8. PUBLIC HEARINGS /DELEGATIONS**

None.

## **9. BUSINESS /DISCUSSION ITEMS**

### **9.1 HARRC update**

CAR Committee member Taimur Qasim, who is a member of the HAARC Community Advisory Panel, provided an update on the progress of HAARC to date. The Advisory Panel is scheduled to complete its work in recruiting potential Board members by November 24, 2020.

John Ariyo, thanked the CAR members for their years of hard work on HAARC. A report to City Council is expected shortly after November 24.

## 9.2 Election of Vice-Chair

Taimur Qasim accepted the nomination (by Phillip Jeffrey) as CAR Vice-Chairperson.

## 9.3 Committee Member recruitment and selection

John Ariyo and Pauline Kajiura outlined the process procedures and procedures for replacing committee members. CAR Chair to send request to AF&A to begin a new recruitment process to solicit new applicants.

### Taimur Quasim/Phillip Jeffrey

That the Committee Against Racism request the Audit, Finance, and Administration Committee open and complete a recruitment process, advertising to fill two vacancies on the committee.

**CARRIED**

## 9.4 Committee Workplan

Work will need to be done at a meeting which is dedicated to this task. There is a need to revisit CAR's mandate/Terms of Reference in the light of recent developments such as Black Lives Matter.

**DEFER**

## 10 CONSENT ITEMS

None.

## 11 STAFF PRESENTATIONS

### 11.1 Review Recommendations on City of Hamilton's Hate Prevention & Mitigation Initiative

20 recommendations were provided by Consultant to the City.

CAR Committee members are invited to look at the recommendations (<https://engage.hamilton.ca>) and provide feedback.

Pauline Kajiura to circulate recommendations to CAR members to review as a group at the next meeting. They are also attached to today's agenda.

**DEFER**

**12 NOTICES OF MOTION**

**None**

**13 GENERAL INFORMATION/OTHER BUSINESS**

**None**

**14. PRIVATE AND CONFIDENTIAL**

**15 ADJOURNMENT**

**Taimur Qasim/ Shamini Jacob**

That the Committee Against Racism meeting adjourn at 8:45 pm.





# Hamilton

## MINUTES

### **LGBTQ Advisory Committee**

Tuesday, February 18, 2020

6:00 PM - 8:20 PM

City Hall, 71 Main Street West, Room 192

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**Present:** James Diemert, Autumn Getty (Recording Secretary), Lisa-Marie Johnston, Cameron Kroetsch (Chair), Violetta Nikolskaya (Vice Chair), Kyle Weitz, Maureen Wilson (City Council Appointee)

**Regrets:** Freja Gray, Mitch Ray-Borsc, Terri Wallis

**Absent:** Kristin Cavarzan, Jake Maurice

**Staff:** Jessica Bowen (Diversity and Inclusion)

**Guest:** Greg Tedesco (Housing Services, City of Hamilton)

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### **1. Welcome / Introductions**

Committee members and guests were welcomed and there was a round of introductions.

### **2. Land Acknowledgement**

V. Nikolskaya provided a Land Acknowledgement.

**3. Declarations of Conflicts of Interest**

None

**4. Procedural Business**

**4.1 Motion to Approve the Formal Agenda**

**(J. Diemert / V. Nikolskaya)**

That the LGBTQ Advisory Committee approve the agenda for today's meeting as distributed.

**CARRIED**

**4.2 Motion to Approve the Informal Agenda**

**(J. Diemert / V. Nikolskaya)**

That the LGBTQ Advisory Committee approve the agenda for today's meeting as distributed with the following additions / amendments:

- 7.7 - Civil Marriage Ceremonies at City Hall
- 7.8 - Informal Tour of the 519 in Toronto

**CARRIED**

### **4.3 Motion to Approve the Minutes of January 21, 2020**

**(K. Weitz / L. Johnston)**

That the LGBTQ Advisory Committee approve the minutes from its January 21, 2020 meeting as distributed.

**CARRIED**

## **5. Presentations / Delegations**

### **5.1 Delegation from Greg Tedesco, Housing Services, City of Hamilton with respect to feedback on the Point-in-Time Connection survey**

Delegate provided an overview of the Point-in-Time (PIT) connection (with brief presentation) and explained to the Committee that this is the third time that the City of Hamilton was participating in the national PIT connection.

The PIT will be implemented from April 19, 2020 to April 23, 2020. It will be similar to the PIT connection done in 2018 with the goal of connecting to the greater population.

The delegate asked Committee members for feedback on the demographic questions included in the survey and let members know that if they were interested in volunteering to help with the PIT connection that they could apply to do so online (delegate provided the link).

## 6. Regular Business

### 6.1 Motion to Schedule a Training and Planning Day for the Committee and to Assign a Budget for its Expenses

(A. Getty / K. Weitz)

That the Committee schedule a training and planning day for Sunday, April 26, 2020 and spend up to \$2,000.00 from its reserve.

**CARRIED**

Discussion: The Committee discussed possible options for capacity building and considered the objectives for the day as well as who might facilitate the content.

Possible training options included training related to anti-racism, anti-oppression, community engagement, and communications.

Members discussed different organisations who could possibly facilitate training. V. Nikolskaya will gather quotes for training from a few organisations for the Committee's consideration and will present them at the next meeting.



## **6.2 Motion to Delegate to the City of Hamilton's Advisory Committees about a(n):**

**All Advisory Committee Event; and**

**Change to the Standing Committee to which the LGBTQ Advisory Committee Reports**

**(K. Weitz / V. Nikolskaya)**

That the Committee delegate to all of the City of Hamilton's Advisory Committees to get feedback from them about hosting an All Advisory Committee Event and about a Change to the Standing Committee to which the LGBTQ Advisory Committee Reports.

**CARRIED**

Discussion: The intention of delegating to all of the City of Hamilton's 13 Advisory Committees is to get feedback from them about holding an All Advisory Committee event potentially hosted by the LGBTQ Advisory Committee. The goal of the event is to get to know the members of other Advisory Committees.

Suggestions discussed by the Committee included the possibility of hearing presentations from all of the Advisory Committees about what they do so that these Committees can learn from one another; and to discuss the possibility of making joint recommendations to City Council around common issues. The delegates (Chair and Vice Chair) will bring these ideas for feedback to the other Advisory Committees.

The Committee also discussed the idea of moving from reporting to the Audit, Finance and Administration Committee

to the Emergency and Community Services Committee. Members discussed that this might better align with its mandate and terms of reference.

### **6.3 Community Survey and Event about Flag Raising**

**(A. Getty / K. Weitz)**

That the LGBTQ Advisory Committee draft a survey and plan an event to engage with Two Spirit and LGBTQIA+ communities to get feedback about a flag raising in order to make a recommendation to City Council.

Discussion: Members of the Committee will come back with a draft and event plan at future meetings.

## **7. Discussion Items**

### **7.1 Update from Working Group on Committee Selection (on hiatus)**

### **7.2 Update from Working Group on the Needs Assessment and Scheduling of its Next Meeting**

The next meeting of the Working Group will be on Monday, March 16, 2020 at 6:00 PM at the YWCA.

### **7.3 Continued Discussion of Event for Pride Month 2020**

Members discussed what options they wanted to see for a potential Pride event and that the matter would come before the Committee for a decision at its next meeting.

#### **7.4 Continued Discussion of Food at Committee Meetings**

Members discussed possible food vendors to provide refreshments for its monthly meetings including Planted, Cake & Loaf, and Coven. Other considerations included the proximity of the vendor to City Hall and supporting businesses that provide a living wage or that may be able to accommodate dietary restrictions.

#### **7.5 Delegation to the Audit, Finance and Administration Committee of February 20, 2020**

Members discussed the potential of delegating to the Audit, Finance and Administration Committee with respect to the Citizen Committee Reports that they submitted. Members didn't put forward a motion to delegate.

There was a brief related discussion following this about one of the Committee's Citizen Committee Reports with respect to how it might be possible to better advertise Committee vacancies. The Committee will prepare a report on this subject to send to the Office of the City Clerk.

#### **7.6 Correspondence from the Hamilton Immigration Partnership Council**

#### **7.7 Civil Marriage Ceremonies at City Hall**

Members discussed that there was a staff report with respect to civil marriage ceremonies at City Hall and that it was not possible for the Committee to comment formally due to the timelines for public feedback. C. Kroetsch asked the City Clerk if there was a way to extend the timelines to allow the Committee to comment but was told this was not possible.

## **7.8 Informal Tour of the 519 in Toronto**

An informal invitation from City Staff was passed along to C.Kroetsch to see if members of the Committee would like to attend an informal tour of the 519 in Toronto. No members of the Committee expressed an interest in attending to represent it. C. Kroetsch was informed that attendees would include Mayor Fred Eisenberger, Deirdre Pike, Councillor Mauren Wilson, Councillor Nrinder Nann, and Christopher Cutler.

## **8. Notices**

### **8.1 Motion to Submit a Citizen Committee Report to the Office of the City Clerk with respect to Recommending the Most Relevant Places for Advertising Committee Vacancies (see attached draft Citizen Committee Report)**

## **9. Announcements**

## **10. Adjournment**

**(J. Diemert / K. Weitz)**

That, there being no further business, the meeting be adjourned at 8:20 PM.

**CARRIED**



# Hamilton

## MINUTES

### **LGBTQ Advisory Committee**

Tuesday, September 15, 2020

6:15 PM - 7:00 PM

City Hall, 71 Main Street West, Room 192

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**Present:** Lisa-Marie Johnston, Cameron Kroetsch (Chair), Jake Maurice, Violetta Nikolskaya (Vice Chair), Terri Wallis, Maureen Wilson (City Council Appointee)

**Regrets:** James Diemert, Freja Gray, Mitch Ray-Borsc, Kyle Weitz

**Absent:** Kristin Cavarzan, Autumn Getty (Recording Secretary)

**Staff:** John Ariyo (Manager, Community Initiatives), Pauline Kajiura (Staff Liaison)

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### **1. Welcome / Introductions**

Committee members and guests were welcomed and there was a round of introductions.

### **2. Land Acknowledgement**

V. Nikolskaya provided a Land Acknowledgement.

### **3. Declarations of Conflicts of Interest**

None

#### **4. Procedural Business**

##### **4.1 Motion to Approve the Formal Agenda**

**(T. Wallis / V. Nikolskaya)**

That the LGBTQ Advisory Committee approve the agenda for today's meeting as distributed.

**CARRIED**

##### **4.2 Motion to Approve the Informal Agenda**

**(T. Wallis / V. Nikolskaya)**

That the LGBTQ Advisory Committee approve the agenda for today's meeting as distributed.

**CARRIED**

##### **4.3 Motion to Approve the Minutes of February 18, 2020**

**(L. Johnston / J. Maurice)**

That the LGBTQ Advisory Committee approve the minutes from its February 18, 2020 meeting as distributed.

**CARRIED**

#### **5. Recommendations**

##### **5.1 Motion to Submit a Citizen Committee Report to the Office of the City Clerk with respect to Recommending the Most Relevant Places for Advertising Committee Vacancies (see attached draft Citizen Committee Report)**

**(T. Wallis / L. Johnston)**

That the Office of the City Clerk advertises for vacancies on the LGBTQ Advisory Committee in the places which the Committee has identified as likely to be most relevant to Two Spirit and LGBTQIA+ communities (see below).

- Pride and other 2SLGBTQIA+ websites and social media pages
- Facebook groups relevant to 2SLGBTQIA+ communities
- Public buildings
- Community bulletin boards
- Rural communities and rural community centres/hubs
- 2SLGBTQIA+ businesses and not-for-profit organizations
- Hamilton Regional Indian Centre and Six Nations
- Bus shelters, Hamilton Street Railway (HSR), DARTS (if feasible and safe)

Discussion - Consideration was also requested for the advertisements to be translated in multiple languages (not just English and French) in order to reach more interested Hamiltonians.

## **6. Regular Business**

### **6.1 Motion to Delegate to give an Annual Presentation to the Standing Committee to which the LGBTQ Advisory Committee Reports at the end of the Calendar Year**

**(T. Wallis / V. Nikolskaya)**

That the LGBTQ Advisory Committee delegate to provide an annual presentation to the Standing Committee to which it reports at the end of each calendar year.

**CARRIED**

Discussion - Members discussed a desire to make an annual presentation to the Audit, Finance and Administration Committee (the current Standing Committee to which the LGBTQ Advisory Committee reports), having noted that it had not made these annual presentations in the past but that other Advisory Committees routinely gave such presentations. The Chair and Vice Chair will prepare a presentation and either or both will delegate to the Audit, Finance and Administration Committee before the end of the calendar year.

## **7. Discussion Items**

### **7.1 Update from Working Group on Committee Selection**

The Working Group will need to convene in the coming months, at least once, in order to assist in disseminating information when Committee vacancies are advertised. The Working Group will wait for information from the Office of the City Clerk as to this timing.

### **7.2 Update from Working Group on the Needs Assessment**

Violetta will no longer chair this working group but will call the next meeting (as soon as possible) and a new chair will be chosen at that meeting.

### **7.3 Update from Chair about the Committee's Delegations to the Hamilton Cycling Committee and the Arts Advisory Commission (see February 18, 2020 Minutes for more information)**

The Chair delegated to both the Hamilton Cycling Committee and Arts Advisory Commission at their recent meetings and



discussed an all Advisory Committee event. Both of these Advisory Committees were not only enthusiastic about the idea but the Arts Advisory Commission carried a motion in support. The Chair and Vice Chair will continue to delegate to the other 10 Advisory Committees and will report back about this progress.

**7.4 Redaction of a Portion of the Citizen Committee Report Submitted in Relation to Motion 7.1 from the January 21, 2020 Meeting of the LGBTQ Advisory Committee (redacted version attached)**

The City Clerk, at the request of Councillor Lloyd Ferguson, asked that an error be corrected in this Citizen Committee Report. The error was corrected by the Office of the City Clerk by redacting the entire paragraph within which it was contained. According to the Office of the City Clerk, the LGBTQ Advisory Committee will not be permitted to correct the error as the Citizen Committee Report has now been received with no further action to be taken.

**8. Adjournment**

**(C. Kroetsch / V. Nikolskaya)**

That, there being no further business, the meeting be adjourned at 7:00 PM.

**CARRIED**





Hamilton

MINUTES

**LGBTQ Advisory Committee**

Tuesday, October 20, 2020

6:00 PM - 7:30 PM

City Hall, 71 Main Street West, Room 192

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**Present:** James Diemert, Lisa-Marie Johnston, Cameron Kroetsch (Chair), Jake Maurice, Violetta Nikolskaya (Vice Chair), Terri Wallis, Maureen Wilson (City Council Appointee)

**Regrets:** Autumn Getty (Recording Secretary), Freja Gray, Kyle Weitz

**Absent:** Kristin Cavarzan

**Staff:** Pauline Kajiura (Staff Liaison)

**Guest:** Rebecca Sutherns, Sage Solutions

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**1. Welcome / Introductions**

Committee members and guests were welcomed and there was a round of introductions. C. Kroetsch took roll call.

**2. Land Acknowledgement**

V. Nikolskaya provided a Land Acknowledgement.

**3. Declarations of Conflicts of Interest**

None

**4. Procedural Business**

**4.1 Motion to Approve the Agenda**

**(L. Johnston / T. Wallis)**

That the LGBTQ Advisory Committee approve the agenda for today's meeting as distributed.

**CARRIED**

**4.2 Motion to Approve the Minutes of September 15, 2020**

**(L. Johnston / T. Wallis)**

That the LGBTQ Advisory Committee approve the minutes from its September 15, 2020 meeting as distributed.

**CARRIED**

**5. Delegation Requests**

**5.1 Rebecca Sutherns, Sage Solutions with respect to the City of Hamilton's Hate Prevention and Mitigation Initiative (see attachments) for today's meeting**

**(L. Johnston / J. Diemert)**

That the LGBTQ Advisory Committee approve the delegation request for today's meeting.

**CARRIED**

## 6. Delegations / Presentations

### 6.1 Rebecca Sutherns, Sage Solutions with respect to the City of Hamilton's Hate Prevention and Mitigation Initiative (see attachments)

Discussion - The delegate provided their phone number and email address for members in case they wished to provide further feedback after the meeting; (519) 994-0064; [rebecca@sage-solutions.org](mailto:rebecca@sage-solutions.org). The delegate also stated that these comments would either be incorporated into or appended to the report that would go to a future meeting of the General Issues Committee.

Members of the Committee had several questions and comments for the delegate including the following.

- Why do you believe these recommendations will be taken up by City Council and how do you think it will follow through on your recommendations? How will the City of Hamilton be held accountable for implementing these recommendations? Members expressed a desire for accountability mechanisms to be embedded in the recommendations
- Suggestions that the report back might include unpacking "hate" and that this language may not be sufficient to describe what is happening in Two Spirit and LGBTQIA+ communities and that it needs to include language that gets to the nuances surrounding hate including those things that support or foster it, including silence.
- Concerns that the methodology was being challenged by members of Council with expressions from

members that the final version of the report respond to those challenges with specific reference to cultures and climates in Hamilton that may prevent participation and an analysis around why the results may be atypical.

- Members expressed concerns around having to continue to provide information about their lived experiences to the City of Hamilton. Members said that they have been doing the work of testifying for decades and that many members of Two Spirit and LGBTQIA+ communities have been speaking out online and through social media. What tools are being used by the City to find, read, evaluate, and address those comments and to take them as serious feedback from communities?
- Where in this reporting are the Advisory Committees being used in their advice-giving capacity? How is the City of Hamilton reaching out to those on Advisory Committees that represent communities impacted by "hate"?

## **7. Regular Business**

### **7.1 Motion to Accept the Resignation of K. Cavarzan from the Committee**

**(V. Nikolskaya / T. Wallis)**

That the LGBTQ Advisory Committee accept the resignation of K. Cavarzan from the Committee.

**(J. Diemert / L. Johnston)**

That the LGBTQ Advisory Committee defer this motion to its next meeting.

**DEFERRED**

Discussion - Staff advised the Committee that the proper paperwork may not have been submitted and would like to reach out to K. Cavarzan before proceeding.

**7.2 Motion to Accept the Resignation of M. Ray-Borsc from the Committee**

**(T. Wallis / L. Johnston)**

That the LGBTQ Advisory Committee accept the resignation of M. Ray-Borsc from the Committee.

**CARRIED**

**8. Discussion Items**

**8.1 Outstanding Business List**

No discussion

**8.2 Update from Working Group on Committee Selection**

No discussion

**8.3 Update from Working Group on the Needs Assessment**

No discussion

#### **8.4 Impacts of the COVID-19 Pandemic on Members of Two Spirit and LGBTQIA+ Communities**

Members expressed seeing a housing and homelessness crisis as it pertains to mental health and youth, in-person support, access to walk-in clinics, access to physicians, domestic violence in isolation, and an overall concern about the lack of services in Hamilton for members of Two Spirit and LGBTQIA+ communities.

There are complex needs in our communities related to housing including the costs, difficulties with moving during a pandemic, full shelters and shelter hotels, and the deteriorating situation with encampments throughout the city. These needs are felt especially keenly for members of Two Spirit and LGBTQIA+ communities that have been made even more vulnerable by this pandemic. Specifically, there are concerns regarding safe spaces and shelters, an increase of domestic and other violence, and a complete lack of safe space for members of Two Spirit and LGBTQIA+ communities.

References made to the McMaster Labour Studies *Mapping the Void* report and comments that for many people home is not a safe space and this increases precarity in the “home” environment. Members hoped that the City of Hamilton could support people who are experiencing this.

The pandemic has been hard on everybody but particularly for people with visible and invisible disabilities. Many people in the disability community are stigmatized and assumed not to have "sexuality". For this and other reasons, it's difficult for disabled members of Two Spirit and LGBTQIA+ communities to find space in these communities and even harder during a pandemic where the benefit of connections in person has



been lost. For some, especially those who are deaf, deafened, hard of hearing, speech-impaired, blind, and partially sighted, masks have increased difficulty with communication and the ability to form connections with others during the pandemic.

## **8.5 Integrity Commissioner Report and the Formal Reprimand of the LGBTQ Advisory Committee Chair by City Council**

Note - Minutes were not taken for all parts of this discussion as the livestream was interrupted due to the host's sudden loss of an internet connection. The meeting was hosted by City staff.

C. Kroetsch read a statement (attached).

Members of the Committee expressed serious concern about the process, the chilling effect that all of this will have on Advisory Committees, and support for the Chair during this time.

Councillor Maureen Wilson made lengthy remarks, most of which were lost due to the interruption of the livestream, but which addressed concerns with the Mayor's response to the Integrity Commissioner's complaint and regret for participating in decisions that had an impact on the Chair, the LGBTQ Advisory Committee, and Advisory Committees generally. Members of the Committee thanked Councillor Wilson for accepting responsibility for the way she voted and for speaking out at the meeting with regret.

Other members of the Committee spoke at length about their concerns with respect to how this would be viewed as an attempt to limit speech and to stifle the ability of Advisory

Committee's to give advice to City Council. Particular attention was given to the ongoing dialogue about the differences between "advocacy", "advice", and "activism" at City Council. A member suggested that our existence as members of an Advisory Committee representing Two Spirit and LGBTQIA+ communities is an act of advocacy in and of itself and that the implications around this artificial separation between advocacy, advice, and activism is harmful.

Members expressed serious concerns with respect to comments made by Councillor Terry Whitehead on Twitter, specifically his suggestion that the powers of the Integrity Commissioner might be used to file complaints against organizations (including the Hamilton Centre for Civic Inclusion) and specific individuals.

Members encouraged one another to practice self-care after what was an emotionally impactful discussion.

## **8.6 New Policy on Delegations for Advisory Committees**

The Chair explained that he had received communications via staff from the Office of the City Clerk outlining a new process for delegations from members of Advisory Committees to other governing bodies. In general, the new policy prevents delegations from members of Advisory Committees to other bodies (apart from the Standing Committee to which the LGBTQ Advisory Committee reports and the General Issues Committee).

A new policy has been developed which states that any such requests to delegate must be approved not only by the body to which the delegation is being requested, but also by City Council.

No information was provided as to the rationale for this decision or if it would become part of the official Advisory Committee Handbook.

The Chair expressed disappointment with this as several requests to delegate to other bodies had already been approved by the LGBTQ Advisory Committee that the Office of the City Clerk had now formally rescinded. It was not clear to the Chair if City Council had provided this direction or if this was done at the sole discretion of the City Clerk.

The Chair will not go through the process, which would take many months, of asking for permission for these specific delegations. Plans with respect to the content of those delegations will be made in their absence.

Members expressed confusion with this decision and asked the Chair for clarification. The Chair stated that he regretted that he had no further information.

## **9. Adjournment**

**(T. Wallis / J. Diemert)**

That, there being no further business, the meeting be adjourned at 7:30 PM.

**CARRIED**





## INFORMATION REPORT

|                           |   |
|---------------------------|---|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee  |
| <b>COMMITTEE DATE:</b>    | December 10, 2020   |
| <b>SUBJECT/REPORT NO:</b> | Criteria for Participation in Assessment Appeals<br>(FCS20063(a)) (City Wide) – Outstanding Business List Item    |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Maria Di Santo (905) 546-2424 Ext. 5254<br>David Janaszek (905) 546-2424 Ext. 4546                                |
| <b>SUBMITTED BY:</b>      | Rick Male<br>Director, Financial Services and Taxation & Corporate<br>Controller<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |   |

### COUNCIL DIRECTION

On August 13, 2020 Audit, Finance & Administration Committee approved the following motion:

That Report FCS20063, respecting the Criteria for Participation in Assessment Appeals, be referred back to staff for an additional report to include revised levels of participation respecting an appeal not being dependant on the assessed value of a property.

### INFORMATION

To address the on-going challenges to the assessed value of properties which ultimately results in a negative impact on the Municipality's property tax revenues, staff are taking a more active role to protect the City of Hamilton's (City) assessment base. As legislation permits the challenge of a property's assessment, it is inevitable adjustments will be made to property assessments that reduce the City's municipal property tax revenues. A more active role by the City will not eliminate losses, however would assist in mitigating such losses.

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**SUBJECT: Criteria for Participation in Assessment Appeals (FCS20063(a)) (City Wide) - Page 2 of 5 – Outstanding Business List Item**

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Considering the high volume of appeals, it is not possible for staff to be able to participate in all appeals. Although the City cannot actively participate in all appeals, nor does the City's active participation guarantee that the City will not experience Municipal property tax revenue losses, by actively participating in the more significant, higher risk appeals, the City will be in a better position to mitigate significant losses.

The ultimate goal is protecting the assessment base and ensuring any reduction in a property's assessment value or change in the tax classification, where warranted, is reasonable and based on the application of recognized valuation methodology and in accordance with legislation. Although a criteria for participation in an assessment appeal does not restrict staff in participating in any appeal, should the circumstances warrant it, the criteria is meant to ensure resources dedicated to participating in the appeal are focussed primarily on appeals with the largest risk and financial loss to the City.

In a typical month, staff receive anywhere between 10 to 20 Statement of Issues. The Statement of Issues identifies the reduction in assessment being sought by the Appellant and the corresponding rationale for such reduction. The required time dedicated to thoroughly reviewing the Statement of Issues varies, depending on the valuation approach, the type and number of issues, as well as the complexity of the property type.

Due to the volume of Statement of Issues received per month and existing resources and workload, it may not be possible to thoroughly review every Statement of Issues received, however, staff should, at a minimum, calculate an estimated municipal property tax loss for all Statement of Issues received. As such, the following modified criteria will be used by staff to determine which Statement of Issues warrant more detailed analysis and determination of the level of participation the City will take.

Staff will thoroughly review, respond and determine the appropriate level of participation in an appeal, generally where:

- (a) the estimated annual municipal property tax loss is \$50,000 or greater, or
- (b) the estimated annual municipal property tax loss is less than \$50,000, however:
  - o there is known potential for precedent setting impacts (i.e. have the potential to affect additional similar properties and may have a combined estimated annual municipal property tax loss of \$50,000 or greater), or

**SUBJECT: Criteria for Participation in Assessment Appeals (FCS20063(a)) (City Wide) - Page 3 of 5 – Outstanding Business List Item**

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- internal and/or external resources are available, and proceeding is financially prudent (i.e. cost to participate in appeal does not exceed estimated benefit)

Appendix “A” to Report FCS20063, provides a flow chart to be used by Taxation staff in determining when participation in an appeal is warranted in adherence to the criteria.

As per Council direction, the assessment threshold of \$30M has been removed from the criteria. This modification to the criteria would ensure that properties valued less than \$30M would be investigated further, based on the significance of the estimated annual municipal property tax loss. The higher the potential municipal property tax loss, the more resources will be warranted in participating in the appeal. These resources would include one, all or a combination of internal Taxation staff, internal Legal staff and external tax consultants. The set up of the roster of external consultants, originally expected to be completed in 2020, has been delayed due to other priorities as a result of COVID-19. Once the roster has been set up, staff will be in a better position to plan and allocate resources (both internal and external) effectively to focus on these appeals. The intent is that roster will be used to supplement internal staff resources, depending on workloads and the nature and complexity of the appeal.

The above criteria are intended to ensure staff focus mainly on commercial and industrial properties including Neighbourhood and Regional Shopping Centres, Big Box, Large Office Buildings, Steel Mills and Large Manufacturing/Processing.

The \$50,000 threshold has been set as a starting point and will be reviewed on an on-going basis. Participating in appeals requires a significant amount of time and resources, and as such, it is imperative that the cost of participating in an appeal does not exceed the financial benefit.

**Level of Participation:**

Where it is determined that the City will participate in an appeal, staff will respond to the Appellant’s Statement of Issues, which is the first step in ensuring the opportunity to participate throughout the appeal process. Responding to the Statement of Issues provides staff the opportunity to review the reason(s) an appeal was filed and allows the City an opportunity to provide greater input as the appeal proceeds. Should staff not submit a response, this would preclude the City from active involvement in the appeal process going forward and would prevent staff from partaking in settlement discussions.

**SUBJECT: Criteria for Participation in Assessment Appeals (FCS20063(a)) (City Wide) - Page 4 of 5 – Outstanding Business List Item**

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After providing a Response to the Statement of Issues, Staff will manage the appeals using two levels of increasing engagement:

1. Monitoring Proceedings
2. Active Participation

1. Monitoring Proceedings:

Staff may choose to take a less active role and monitor the proceedings of an appeal in situations where taking a more active role would not likely make a significant difference in the anticipated outcome of an appeal. Examples would be where, in the opinion of Staff through analysis, review of property data, market sales and comparable properties, the assessment value would appear to be overstated or may not be defensible and where a change or reduction would result in a more fair, equitable and accurate assessment. Staff would monitor the appeals throughout the process to ensure a reasonable outcome.

2. Active Participation:

Staff would be expected to take a more active role in the proceedings of an appeal where the matter is known to be precedent setting or where the City's position, as it relates to the issues and assessment, differs with that of the Appellant and where it's anticipated that there is the potential for significant tax loss which could be mitigated through active involvement. This level of engagement would require the most Staff time and possibly external resources depending on the issues and complexity throughout the appeal process.

This streamlined approach will allow staff to balance existing responsibilities and cost-effective use of external services. Staff would complete a high-level cost-benefit analysis to determine which level of engagement would be most appropriate for each appeal where it is determined that some level of engagement is warranted.

Other Potential Measures:

In addition to mitigating property tax loss through staff's involvement in assessment appeals, there are other potential measures and actions which can be taken to help ensure the accuracy and consistency in property assessments across the City. Some of these other measures may include:

- proactively monitor building permit activity, with a focus on commercial and industrial properties, and tracking the progress of the permits to ensure MPAC is assessing new construction on a timely basis



**SUBJECT: Criteria for Participation in Assessment Appeals (FCS20063(a)) (City Wide) - Page 5 of 5 – Outstanding Business List Item**

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- monitor subdivision activity to ensure that residential growth is being picked up actively and assessment class and value changes are captured where property is being developed
- undertake a thorough and ongoing review of properties with tax exempt status to ensure that the applicable properties are changed to a taxable classification where a change in ownership or change in use should cause removal of the tax exemption, whole or in-part
- undertake a more specific and detailed review of targeted areas throughout the City to ensure there are no potential errors or inconsistencies in property assessments and/or property tax classifications.

In summary, due to the municipal property tax revenue losses experienced annually, a more proactive approach is required. The criteria for participating in assessment appeals identified in this report is reasonable with the existing resources available and the potential use of external resources once the roster is set up. More active participation in appeals, coupled with the other potential measures that may be taken by staff, will benefit in the protection of the assessment base and reduce municipal property tax losses. Staff will continue to monitor appeals and the impacts of the City's more active participation and report back to Council annually through the Assessment Appeals report.

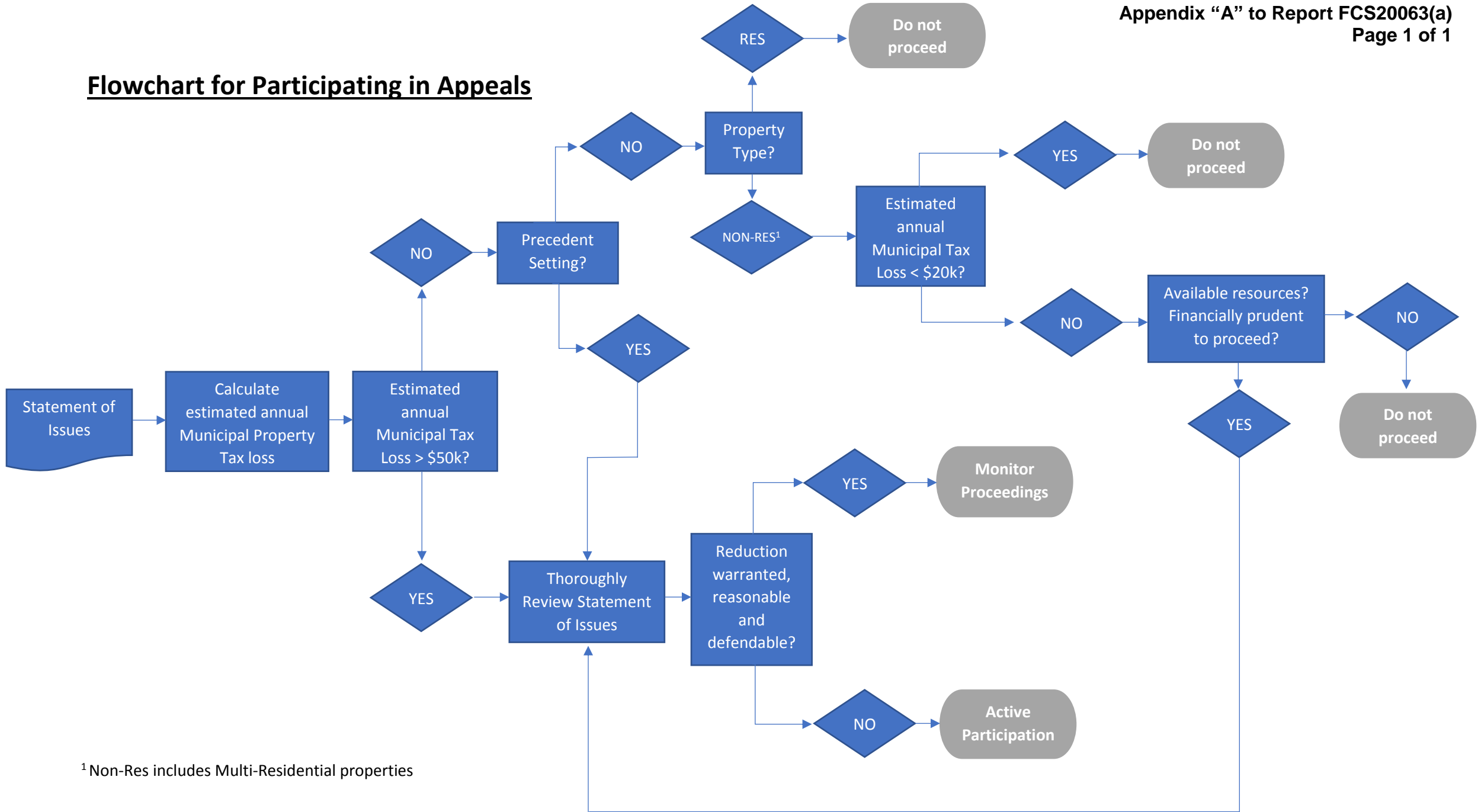
**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report FCS20063(a) - Flow Chart for Participation in Appeals

MD/DJ/dw



### Flowchart for Participating in Appeals



<sup>1</sup> Non-Res includes Multi-Residential properties





## INFORMATION REPORT

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | 2020 Third Quarter Request for Tenders and Proposals Report (FCS20033(b)) (City Wide)                          |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Patricia Vasquez (905) 546-2424 Ext. 5972  |
| <b>SUBMITTED BY:</b>      | Rick Male<br>Director, Financial Services and Taxation & Corporate Controller<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |  |

### COUNCIL DIRECTION

Procurement Policy, Section 4.2 – Approval Authority, Item (6) requires a quarterly status report for Request for Tenders and Request for Proposals be prepared and presented to Council.

### INFORMATION

This Report provides an update on the status of active Request for Tenders and Request for Proposals and Cooperative Procurements for the third quarter of 2020.

Request for Tenders and Request for Proposals have been issued and awarded in accordance with the City of Hamilton Procurement Policy. Those items with a status of “Under Review” will remain on the Report until such time an award is made. Request for Tenders and Request for Proposals listed under the “Cooperative Procurements” section was entered into by the City of Hamilton (City) via a cooperative procurement in accordance with the City’s Procurement Policy, Section 4.12 – Cooperative Procurements.

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**SUBJECT: 2020 Third Quarter Request for Tenders and Proposals Report  
(FCS20033(b)) (City Wide) - Page 2 of 2**

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Appendix "A" to Report FCS20033(b) details all Request for Tenders and Request for Proposals documents issued by the City or entered into by the City through a cooperative procurement. Award information is current as of October 1, 2020.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report FCS20033(b) – 2020 Third Quarter Request for Tenders and Proposals Report

PV/dw

**CITY OF HAMILTON**  
 Summary of Tenders and Proposals Issued – July 1, 2020 – September 30, 2020

**Contracts Awarded**

| <b>Contract Reference</b> | <b>Contract Title</b>   | <b>Closing Date (mm/dd/yyyy)</b> | <b>Vendor</b>                                 | <b>Term</b>              | <b>Award Amount</b>  |
|---------------------------|---|----------------------------------|---|--------------------------|--|
| C3-04-19                  | Proposal for Consultant Required to Complete a Parking Master Plan for the City of Hamilton                     | 10/9/2019                        | IBI Group Professional Services (Canada) Inc. | Project Specific         | \$198,191.00   |
| C2-06-19                  | Proposal for Provision of Services of an Integrity Commissioner and Lobbyist Registrar for the City of Hamilton | 12/10/2019                       | Principles Integrity                          | 2 Years + 4 Year Options | \$34,700.00<br><br>The 4 year option amount to be negotiated |
| C13-07-20                 | Tender for Elevator Modernization, York Blvd. Parkade   | 02/05/2020                       | Pinnacle Elevator Services Canada Inc.        | Project Specific         | \$288,500.00   |
| C11-06-20                 | Tender for Supply and Delivery of Self Contained Restrooms for HSR Operations                                   | 02/11/2020                       | Chantler's Environmental Services Ltd.        | 3 Years + 2 Options      | \$1,260,735.00   |
| C13-04-20                 | Tender for Building Automation System (BAS) and Mechanical (HVAC) Upgrades at Wentworth Lodge                   | 03/02/2020                       | Anacond Contracting Inc.                      | Project Specific         | \$462,400.00   |

### Contracts Awarded

| Contract Reference | Contract Title  | Closing Date (mm/dd/yyyy) | Vendor  | Term               | Award Amount                                      |
|--------------------|---|---------------------------|---|--------------------|---|
| C12-04-20          | Proposal for Plumbing Services for the City of Hamilton   | 03/03/2020                | 309917 Ontario Ltd.<br>o/a Western Plumbing and Heating<br><br>Binbrook Plumbing & Heating (1997) Ltd.<br><br>Plumbway Inc. | 1 Year + 4 Options | Fixed Price Contract<br><br>Hourly Rate = \$80.00 |
| C3-03-20           | Proposal for Red Hill Valley Parkway and Lincoln Alexander Parkway Feasibility Study  | 03/20/2020                | Morrison Hershfield Ltd.  | Project Specific   | \$439,500.00                                      |
| C11-29-20          | Tender for Supply and Delivery of Cab Chassis with Service Body and Minimum 37 ft Aerial  | 04/08/2020                | Ridgehill Ford Sales  | Project Specific   | \$156,108.00                                      |
| C13-10-20          | Proposal for Contractor Required for the Cleaning, Inspection, and Structural Rehabilitation of Existing Sewer Laterals as Required in the City of Hamilton | 04/24/2020                | Liqui-Force Services (Ontario) Inc.   | 1 Year + 4 Options | \$2,953,050.00                                    |
| C13-18-20          | Tender for Waterproofing of Existing Basement Foundation Walls at Fire Station 18   | 05/19/2020                | Triple Crown Enterprises Ltd.   | Project Specific   | \$149,908.00                                      |
| C13-19-20          | Tender for Sport Court and Pathway Replacements   | 05/27/2020                | GMR Landscaping Inc.  | Project Specific   | \$642,727.36                                      |
| C11-21-20          | Tender for Supply, Installation and Maintenance of Large Caliper Trees in New Subdivisions  | 06/04/2020                | The Gordon Company  | 3 Years            | \$317,460.00                                      |



### Contracts Awarded

| <b>Contract Reference</b> | <b>Contract Title</b>  | <b>Closing Date (mm/dd/yyyy)</b> | <b>Vendor</b>                            | <b>Term</b>        | <b>Award Amount</b> |
|---------------------------|--|----------------------------------|--|--------------------|---------------------|
| C11-25-20                 | Tender for Supply and Delivery of GM Original Equipment Manufacturer Parts and Vehicle Repair Services   | 06/05/2020                       | Budd's Oakville Ltd.                     | 1 Year + 4 Options | \$46,678.85         |
| C15-39-20 (H)             | Tender for Beach Blvd. Resurfacing from Eastport Drive North Intersection to Eastport Drive South Intersection   | 06/09/2020                       | Rankin Construction Inc.                 | Project Specific   | \$1,358,410.00      |
| C13-24-20                 | Tender for Culvert Replacement Services at Various Locations in the City of Hamilton   | 06/10/2020                       | Anthony's Excavating Central Inc.        | Project Specific   | \$1,103,583.00      |
| C18-06-20                 | Tender for Upgrade of Corridor Finishes at two CityHousing Hamilton Apartment Towers   | 06/10/2020                       | RCG Group Inc.                           | Project Specific   | \$229,101.00        |
| C11-14-20                 | Proposal for Rymal Road (Upper James Street to Dartnall Road) Municipal Class Environmental Assessment Phases 1 to 4   | 06/11/2020                       | Dillon Consulting Ltd.                   | Project Specific   | \$349,903.00        |
| C11-35-20                 | Tender for Invasive and Noxious Weed Control at Various Stormwater Management Facilities within the City of Hamilton   | 06/11/2020                       | Aerodrome International Maintenance Inc. | 1 Year + 3 Options | \$2,649,841.75      |
| C13-26-20                 | Tender for Prequalified General Contractors Required for the Homestead (HC027) Airport Employment Growth District (AEGD) Wastewater Pumping Station Upgrades | 06/11/2020                       | E. S. Fox Ltd.                           | Project Specific   | \$537,777.00        |
| C11-26-20                 | Tender for Supply and Delivery of Cummins Original Equipment   | 06/12/2020                       | Mississauga Bus, Coach & Truck           | 1 Year + 4 Options | \$158,443.45        |

### Contracts Awarded

| Contract Reference | Contract Title  | Closing Date (mm/dd/yyyy) | Vendor  | Term               | Award Amount |
|--------------------|---|---------------------------|---|--------------------|--------------|
|                    | Manufacturer Parts and Vehicle Repair Services  |                           | Repairs Inc.                                      |                    |              |
| C13-17-20          | Tender for Supply and Install of Energy Efficient LED Lighting at the Material Recycling Facility   | 06/12/2020                | Energy Network Services Inc.                      | Project Specific   | \$201,698.10 |
| C13-25-20          | Tender for Prequalified General Contractors Required for the English Church (HC019) Airport Employment Growth District (AEGD) Wastewater Pumping Station Upgrades | 06/17/2020                | H2Ontario Inc.                                    | Project Specific   | \$400,900.00 |
| C15-38-20 (H)      | Tender for Eastmount Neighbourhood Resurfacing  | 06/22/2020                | Coco Paving Inc.                                  | Project Specific   | \$927,973.55 |
| C12-01-20          | Proposal for Graffiti Removal Services  | 06/24/2020                | Sparkleen Services Inc.                           | 1 Year + 5 Options | \$495,315.00 |
| C11-34-20          | Tender for Supply and Delivery of Fuel Tanks and Installation of Existing Generators with Enclosures  | 06/26/2020                | Genrep Ltd.                                       | Project Specific   | \$245,500.00 |
| C13-12-20          | Tender for Supply and Installation of Playgrounds at Rosedale School and Ridgemount School  | 06/26/2020                | 1312772 Ontario Inc. o/a Alpine Green Contracting | Project Specific   | \$344,395.30 |
| C15-47-20 (M)      | Tender for Roadside Ditching Improvement Program  | 06/26/2020                | CRL Campbell Construction & Drainage Ltd.         | Project Specific   | \$335,212.00 |
| C13-30-20          | Tender for MTC Perimeter Fencing (Phase 2), 2200 Upper James St.  | 07/03/2020                | Caird-Hall Construction Inc.                      | Project Specific   | \$401,325.00 |
| C15-31-20 (P)      | Tender for Stone Church Road Trail  | 07/09/2020                | Melrose Paving Co. Ltd.                           | Project Specific   | \$157,347.40 |

### Contracts Awarded

| <b>Contract Reference</b> | <b>Contract Title</b>   | <b>Closing Date (mm/dd/yyyy)</b> | <b>Vendor</b>  | <b>Term</b>        | <b>Award Amount</b>  |
|---------------------------|---|----------------------------------|--|--------------------|--|
| C13-33-20                 | Tender for Confederation Beach Park Erosion Repairs   | 07/13/2020                       | Anthony's Excavating Central Inc.  | Project Specific   | \$287,679.00   |
| C18-05-20                 | Proposal for Plumbing Services Required for CityHousing Hamilton Properties   | 07/16/2020                       | A-1 Plumbing & Mechanical Inc.<br><br>Pitton Plumbing and Heating Inc.<br><br>Plumbway Inc.<br><br>Vics Group Inc. | 1 Year + 4 Options | \$100,000.00<br><br>\$100,000.00<br><br>\$100,000.00<br><br>\$100,000.00 |
| C11-36-20                 | Tender for Window Cleaning Services for Various City of Hamilton Facilities   | 07/21/2020                       | Toronto Window Cleaners Inc.   | 1 Year + 4 Options | \$384,808.49   |
| C18-08-20                 | Tender for Contractor Required to Provide an LED Lighting Retrofit at Two Occupied Multi-Unit Residential Properties  | 07/21/2020                       | Energy Network Services Inc.   | Project Specific   | \$75,076.86  |
| C12-09-20                 | Proposal for Comprehensive Inspection Reports and Repairs as Needed of Diesel Generator Fuel Systems to Maintain Technical Standards and Safety Authority (TSSA) Compliance | 07/29/2020                       | Cannington Construction Ltd.   | 1 Year + 4 Options | \$153,075.00   |
| C15-44-20 (BR)            | Tender for Roadside Safety Improvements and Miscellaneous Bridge Repairs  | 07/29/2020                       | Coco Paving Inc.   | Project Specific   | \$824,700.00   |
| C13-36-20                 | Tender for Conversion of Various Traffic Islands to Irrigated Beds  | 07/30/2020                       | GMR Landscaping Inc.   | Project Specific   | \$191,546.11   |

### Contracts Awarded

| <b>Contract Reference</b> | <b>Contract Title</b>   | <b>Closing Date (mm/dd/yyyy)</b> | <b>Vendor</b>  | <b>Term</b>        | <b>Award Amount</b> |
|---------------------------|---|----------------------------------|--|--------------------|---------------------|
| C15-21-20 (P)             | Tender for Waterford Park Redevelopment   | 07/30/2020                       | Stonecast Contracting Ltd.   | Project Specific   | \$800,935.50        |
| C13-37-20                 | Tender for Streetlighting Maintenance Services  | 07/31/2020                       | Fairway Electrical Services Inc.                                   | 1 Year + 4 Options | \$2,899,525.00      |
| C15-50-20 (H)             | Tender for Sidewalk Installation Rymal Road - Upper Sherman Ave to Eva Street   | 08/04/2020                       | Decew Construction Inc.  | Project Specific   | \$115,025.00        |
| C13-41-20                 | Tender for Construction of Joe Sams Park - Proposed Dog Park  | 08/05/2020                       | Ciccarelli Contractors Inc.  | Project Specific   | \$80,016.00         |
| C1-01-20                  | Proposal for Consulting Services for the Establishment of an Independent Board of Directors for the Hamilton Anti-Racism Centre | 08/06/2020                       | EMpower Strategy Group   | Project Specific   | \$56,500.00         |
| C18-07-20                 | Tender for Door Replacements at 772 Upper Paradise Rd.  | 08/12/2020                       | Crystal Windows and Doors  | Project Specific   | \$193,080.00        |
| C15-34-20 (TR)            | Tender for Construction of New Traffic Control Infrastructure   | 08/20/2020                       | Dufferin Construction Company, A division of CRH Canada Group Inc. | Project Specific   | \$814,685.00        |

### Contracts Cancelled

| <b>Contract Reference</b> | <b>Contract Title</b>  | <b>Closing Date (mm/dd/yyyy)</b> | <b>Reason for Cancellation</b>   |
|---------------------------|--|----------------------------------|--|
| C15-02-20 (BRH)           | Tender for Mud Street Road Rehabilitation and Bridge 366 Rehabilitation                                  | 05/05/2020                       | All bids received were over budget. A new Request for Tender will be issued in 2021.   |
| C11-24-20                 | Tender for Supply and Delivery of Ford Original Equipment Manufacturer Parts and Vehicle Repair Services | 05/29/2020                       | No bids were received. A new Request for Tender was issued under C11-38-20.  |
| C11-12-20                 | Tender for Streetlighting Night Patrol Services  | 07/16/2020                       | All bids received were over budget. A new Request for Tender with revised specifications was issued under C11-47-20.                       |
| C11-09-20                 | Proposal for Operations and Maintenance of the Central Composting Facility                               | 07/20/2020                       | The Request for Proposal was cancelled due to a change in the scope of work. A new Request for Proposal will be issued in Q3 of this year. |

### Contracts Pending Award

| <b>Contract Reference</b> | <b>Contract Title</b>   | <b>Closing Date (mm/dd/yyyy)</b> | <b>Contract Status</b>  |
|---------------------------|---|----------------------------------|-------------------------|
| C18-07-19                 | Proposal for Jamesville Redevelopment Opportunity   | 06/06/2019                       | Closed and Under Review |
| C2-03-20                  | Proposal for Development of Enterprise Data Management Strategy   | 02/26/2020                       | Closed and Under Review |
| C3-02-20                  | Proposal for Fireworks Services for Canada Day Celebration  | 03/10/2020                       | Closed and Under Review |
| C12-07-20                 | Proposal for Provision of Collision, Body Repair and Associated Services for City of Hamilton Light and Heavy Duty Vehicles As and When Required                            | 06/17/2020                       | Closed and Under Review |
| C11-01-20                 | Proposal for Supply and Delivery of Dual-View Inductively Coupled Plasma - Optical Emission Spectrometer (ICP-OES) for the City of Hamilton Environmental Laboratory (CHEL) | 06/22/2020                       | Closed and Under Review |
| C11-30-20                 | Tender for Grass Cutting and Landscaping Services for Water and Wastewater Treatment Facilities   | 07/09/2020                       | Closed and Under Review |
| C15-19-20 (TP)            | Tender for Hunter Street - Park Street to Catherine Street - Construction of Bicycle Barrier  | 07/28/2020                       | Closed and Under Review |
| C5-10-20                  | Proposal for Consultant Required to Complete a Recreation Master Plan for the City of Hamilton  | 07/29/2020                       | Closed and Under Review |
| C13-38-20                 | Tender for Concrete and Decorative Steel Pole Replacements  | 08/06/2020                       | Closed and Under Review |
| C5-04-20                  | Tender for Supply and Delivery of Aerial Fire Apparatus   | 08/18/2020                       | Closed and Under Review |
| C15-14-20 (P)             | Tender for Meadowlands Community Park Spray Pad   | 08/19/2020                       | Closed and Under Review |

### Contracts Pending Award

| <b>Contract Reference</b> | <b>Contract Title</b>  | <b>Closing Date (mm/dd/yyyy)</b> | <b>Contract Status</b>  |
|---------------------------|--|----------------------------------|-------------------------|
| C18-09-20                 | Tender for Contractor Required for Domestic Piping Replacement at 95 Hess Street South   | 08/19/2020                       | Closed and Under Review |
| C11-37-20                 | Proposal for Supply and Delivery of Correlating Logger Leak Detection Technology   | 08/20/2020                       | Closed and Under Review |
| C11-20-20                 | Proposal for Prime Consultant Services: Detailed Design, Public Art Proposal, Tender, Construction Administration and Warranty Inspection of Stadium Precinct Community Park | 08/21/2020                       | Closed and Under Review |
| C2-02-20                  | Proposal for Learning Management Software  | 08/24/2020                       | Closed and Under Review |
| C13-21-20                 | Tender for Mohawk 4 Ice Centre Metal Roof Repair Project   | 08/26/2020                       | Closed and Under Review |
| C13-29-20                 | Tender for Prequalified General Contractors Required for the Twenty Road (HC018) Airport Employment Growth District (AEGD) Wastewater Pumping Station Upgrades Tender        | 08/26/2020                       | Closed and Under Review |
| C11-32-20                 | Tender for Transport and Delivery of Wastewater Sludge for City of Hamilton Wastewater Treatment Facilities  | 08/27/2020                       | Closed and Under Review |
| C3-04-20                  | Proposal for Parking Enforcement Services  | 08/27/2020                       | Closed and Under Review |
| C2-05-20                  | Proposal for Document and Records Management Software and Services for the City of Hamilton  | 08/28/2020                       | Closed and Under Review |
| C11-41-20                 | Tender for Electrical Service Panels for Traffic Operations  | 09/10/2020                       | Closed and Under Review |
| C11-47-20                 | Tender for Streetlighting Night Patrol Services  | 09/23/2020                       | Closed and Under Review |

### Contracts Pending Award

| <b>Contract Reference</b> | <b>Contract Title</b>  | <b>Closing Date (mm/dd/yyyy)</b> | <b>Contract Status</b>           |
|---------------------------|--|----------------------------------|----------------------------------|
| C11-42-20                 | Tender for Supply and Delivery of Conventional Cab and Chassis with 6 Cubic Yard Rear Load Packer  | 09/24/2020                       | Closed and Under Review          |
| C5-02-20                  | Tender for Supply and Delivery of Pharmaceuticals for Paramedic Services   | 09/25/2020                       | Closed and Under Review          |
| C13-42-20                 | Tender for 125 Barton Yard - Parking Lot Construction  | 09/25/2020                       | Closed and Under Review          |
| C15-27-20 (HSW)           | Tender for Upper James Street Sanitary Forcemain   | 09/25/2020                       | Closed and Under Review          |
| C11-13-20                 | Proposal for Garner Road (Wilson St to Highway 403 Ramp) Municipal Class Environmental Assessment Phases 3 and 4                                       | 09/28/2020                       | Closed and Under Review          |
| C11-49-20                 | Tender for Supply and Delivery of Eaton Products As and When Required  | 09/29/2020                       | Closed and Under Review          |
| C13-13-20                 | Tender for Prequalified General Contractors Required for the Effluent Disinfection and Miscellaneous Upgrades at the Dundas Wastewater Treatment Plant | 09/29/2020                       | Closed and Under Review          |
| C13-39-20                 | Proposal for Contractor Required for the Design, Supply and Install of Play Structures at Eight City of Hamilton Parks                                 | 10/02/2020                       | Not closed as of October 1, 2020 |
| C11-44-20                 | Proposal for Heating, Ventilation, and Air Conditioning (HVAC) Maintenance Services  | 10/06/2020                       | Not closed as of October 1, 2020 |
| C9-03-20                  | Tender for Supply and Delivery of Emergency Equipment for the Build-up of New Cruisers for the Hamilton Police Service                                 | 10/07/2020                       | Not closed as of October 1, 2020 |



### Contracts Pending Award

| Contract Reference | Contract Title   | Closing Date (mm/dd/yyyy) | Contract Status                  |
|--------------------|--|---------------------------|----------------------------------|
| C11-17-20          | Proposal for Maintenance, Facility Repairs and Renovations as Required at Various Energy, Fleet and Facilities (EFFM) Managed Facilities in the City of Hamilton | 10/07/2020                | Not closed as of October 1, 2020 |
| C13-27-20          | Tender for Prequalified Contractors for City of Hamilton Farmers Market Ventilation and HVAC Upgrades  | 10/08/2020                | Not closed as of October 1, 2020 |

### Cooperative Procurements

| City Contract Reference | Contract Title   | Cooperative Group                           | Effective Date (mm/dd/yyyy) | Vendor                             | Term                | Estimated City Spend |
|-------------------------|--|---|-----------------------------|------------------------------------|---------------------|----------------------|
| C17-02-20               | Hydro Excavation (Sourcewell Contract # 122017)  | National Joint Powers Alliance              | 01/9/2020                   | Sewer Equipment Company of America | Project Specific    | \$1,043,661.74       |
| C17-03-20               | Software License Products and Related Services – Non-Microsoft and Non-Adobe (OECM 2018-318) | Ontario Education Collaborative Marketplace | 01/10/2020                  | Softchoice Canada Inc.             | 3 Years + 3 Options | \$4,301.10           |



## INFORMATION REPORT

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | 2020 Third Quarter Non-Compliance with the Procurement Policy Report (FCS20035(b)) (City Wide)                 |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Patricia Vasquez (905) 546-2424 Ext. 5972  |
| <b>SUBMITTED BY:</b>      | Rick Male<br>Director, Financial Services and Taxation & Corporate Controller<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |  |

### COUNCIL DIRECTION

Procurement Policy, Section 4.19, Item (3) requires a quarterly report be prepared and presented to Council to report the use of all Procurement Policy Non-Compliance Forms.

### INFORMATION

This Report is issued quarterly in accordance with the Procurement Policy. This report details the use of all Procurement Policy Non-Compliance Forms for the third quarter of 2020.

Procurements that are non-compliant with the Procurement Policy can be identified at any time during the procurement process. Procurements are deemed to be non-compliant with the Procurement Policy when the applicable Policy (Policies) and published procedure(s) are not followed. Under Policy 19, the General Manager is responsible for reviewing each incident and determines the appropriate level of disciplinary action to be taken.

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**SUBJECT: 2020 Third Quarter Non-compliance with the Procurement Policy  
Report (FCS20035(b)) (City Wide) - Page 2 of 2**

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During the third quarter of 2020, there were three (3) instances relating to the use of Policy 19, totalling \$107,518.00. The instances are summarized in Appendix "A" to Report FCS20035(b).

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report FCS20035(b) – 2020 Third Quarter Non-compliance with the Procurement Policy Report

PV/dw

## 2020 Third Quarter Non-Compliance with the Procurement Policy Report

| PO No.                                   | Amount      | Name                 | Division             |
|--|-------------|----------------------|----------------------|
| <b>Healthy and Safe Communities</b>      |             |                      |                      |
| 95213                                    | \$10,700.00 | Green Venture        | Healthy Environments |
| 95216                                    | \$14,168.00 | Environment Hamilton | Healthy Environments |
| <b>Planning and Economic Development</b> |             |                      |                      |
| 95054                                    | \$82,650.00 | Ristech Company      | Building             |





## INFORMATION REPORT

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | 2020 Third Quarter Emergency and Non-competitive Procurements Report (FCS20034(b)) (City Wide)                 |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Patricia Vasquez (905) 546-2424 Ext. 5972  |
| <b>SUBMITTED BY:</b>      | Rick Male<br>Director, Financial Services and Taxation & Corporate Controller<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |  |

### COUNCIL DIRECTION

Council has directed Procurement to report on the use of Sections 4.10 and 4.11 of the Procurement Policy on a quarterly basis.

### INFORMATION

This Report is issued quarterly in accordance with the Procurement Policy. The report details the procurement of goods and/or services during emergency situations and those detailed in Section 4.11 – Non-Competitive Procurements for the third quarter of 2020.

The Policy for Non-Competitive Procurements is used in narrowly defined circumstances where it is justified that the policies for the general acquisition process could not be followed. The “Emergency Procurement/Non-Competitive Procurement Form” is completed by the Client Department and approved by the General Manager.

Committee and Council are advised that procurements made under a Policy 10 due to COVID-19 have not been reported in this quarterly report. All COVID-19 related procurements will be reported separately by staff.

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**SUBJECT: 2020 Third Quarter Emergency and Non-competitive Procurements  
Report (FCS20034(b)) (City Wide) - Page 2 of 4**

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During the third quarter of 2020, there were 58 purchases totalling \$3,824,026.89, which were processed using an approved Policy 10 or 11. These are summarized in Appendix "A" to Report FCS20034(b).

The breakdown are as follows:

- 9 purchases totalling \$838,946.48 were issued under Policy 10, as "Emergency" purchases, whereby goods and services were acquired by the most expedient and economical means. The following purchases represent the largest dollar amount in this category:
  - Purchase Order 94988 for \$248,640.00 was issued to Moffatt Equipment to perform emergency works throughout the City of Hamilton (City) as a result of extreme wet weather flows and high lake level conditions. Works include pumping, cleaning inlets and outlets and drainage improvements.
  - Purchase Order 95246 for \$211,300.00 was issued to Schindler Elevator Corporation for emergency repairs of the Stoney Creek City Hall passenger elevator. Works include replacement of hydraulic cylinder and drilling of new casing.
  - Purchase Order 95099 for \$128,336.00 was issued to 714794 Ontario Ltd. o/a LM Enterprise to perform emergency works to daylight storm sewer to support a structural assessment and make any repairs necessary along with provide traffic control. The west curb lane on Ottawa Street between Industrial Street and Burlington Street was experiencing significant settlement. This was located above a large storm sewer that CCTV inspections indicated potential for failure and more inspections were necessary.
  - Purchase Order 95130 for \$122,587.32 was issued to SLR Consulting (Canada) Ltd. to perform emergency services required for the Cootes Paradise environmental impact evaluation as required. The order was issued to the City by the Ministry of Environment, Conservation and Parks. The Ministry had added a new scope of environmental assessments related to unintended discharge of wastewater from the Main/King combined sewer overflow tank.
- 6 purchases totalling \$312,468.61 represent short-term "Extensions" of current contracts which have expired, and unforeseeable circumstances have caused a delay in awarding a new contract. The following purchases represent the largest dollar amounts in this category:



**SUBJECT: 2020 Third Quarter Emergency and Non-competitive Procurements  
Report (FCS20034(b)) (City Wide) - Page 3 of 4**

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- Purchase Order 81109 was increased by \$145,000.00 to Day Communications Group Inc. for recruitment advertising on external sites such as LinkedIn, Municipal World and Indeed until September 2021. This extension is required to provide sufficient time to complete the procurement process and award a new contract.
- Purchase Order 95165 was increased by \$134,284.92 to CDW Canada Corp. for Microsoft Desktop and Data Centre licenses. This extension is required to provide sufficient time to complete the procurement process and award a new contract.
- 43 purchases totalling \$2,672,611.80 were identified as “Single Source” purchases whereby a particular vendor was recommended because it was more cost-effective or beneficial to the City. The following purchases represent the largest dollar amounts in this category:
  - Purchase Order 91194 for \$249,999.00 was issued to Cole Engineering Group Ltd. to provide consulting services for the detailed design and investigative services of the sanitary trunk sewer along Dickenson Road. The recommended phase 3 investigative service works included additional geotechnical bore holes, new nested wells, expanded private well survey to 3km radius, groundwater sanitary discharge testing and hydrogen sulfide gas sampling. This work is being single sourced as a result of the additional work added to the contract not being included in the RFP.
  - Purchase Order 95105 for \$200,000.00 was issued to GM Blueplan Engineering Ltd. to provide consulting engineering services to prepare a Chedoke Creek improvement study, including engagement and facilitation of key stakeholders, technical review, development of recommended solutions and an implementation plan. GM BluePlan has the knowledge of the City’s drainage system from previous work completed which should provide time and cost efficiencies to the City by retaining them for this work.
  - Purchase Order 95109 for \$187,246.32 was issued to Kerr Industries Ltd. to supply, install and upfit the 2020 police vehicles with emergency equipment. Kerr Industries Ltd. is responsible for the factory installation of police emergency equipment for Ford Canada.
  - Purchase Order 95126 for \$180,000.00 was issued to Black Creek Contracting to supply, install and maintain containment booms in watercourses to capture floatable waste that is discharged from the City's combined sewer system. Black Creek Contracting is the only contractor with experience installing and maintaining booms in the City of Hamilton.

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**SUBJECT: 2020 Third Quarter Emergency and Non-competitive Procurements  
Report (FCS20034(b)) (City Wide) - Page 4 of 4**

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- Purchase Order 95137 for \$161,690.00 was issued to Skyway Lawn Equipment Ltd. (Skyway) to supply and deliver golf carts for Hamilton Civic Golf Courses. In 2015, the City had purchased 127 golf carts from Skyway. Of the 127 golf carts, 45 were bought back by Skyway. As the provision of golf carts is important to the successful operation of the golf courses, negotiations with Skyway was completed to keep the remaining 82 golf carts as rentals for the 2020 golf season.
- Purchase Order 95017 for \$150,000.00 was issued to Hamilton Bike Share Inc. to supply and deliver the operation of Hamilton’s Bike Share program with private donations. Council has approved Hamilton Bike Share Inc. as the operator of Hamilton’s bikeshare program through February 2021 at no cost to the taxpayer. In addition, several private donations are permitted to be received by the City of Hamilton for the operations of the bikeshare program. These funds need to be distributed to Hamilton Bike Share Inc. for the continued operations of the bikeshare program.
- Purchase Order 94827 for \$100,000.00 was issued to Directrik Inc. to supply and deliver OEM parts and services for Seepex Inc. Directrik is the authorized Seepex Inc. supplier for Southwestern Ontario for the municipal markets.
- Purchase Order 94838 for \$100,000.00 was issued to Parsons Precast Inc. to manufacture, supply and deliver 600 concrete pre-cast cycling curbs. Parsons Precast Inc. is the only vendor who has pre-cast forms and can fabricate concrete cycling separation curbs.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS20034(b) – Third Quarter Emergency and Non-Competitive Procurements Report

PV/dw

2020 Third Quarter Emergency and Non-Competitive Procurements Report

| <b>PO No.</b>                            | <b>Type</b> | <b>Amount</b> | <b>Name</b>                         | <b>Department/Division</b>                               |
|--|-------------|---------------|-------------------------------------|--|
| <b>City Manager's Office</b>             |             |               |                                     |  |
| 95249                                    | SGLE        | \$11,000.00   | Uniting Gamers Inc.                 | Strategic Partnerships and Communications                |
| 94907                                    | SGLE        | \$30,000.00   | Workplace Medical Corp.             | Human Resources  |
| 95229                                    | SGLE        | \$54,400.00   | Chargefield Inc.                    | Strategic Partnerships and Communications                |
| 81109                                    | EXTN        | \$145,000.00  | Day Communications Group Inc.       | Human Resources  |
| <b>Corporate Services</b>                |             |               |                                     |  |
| NO PO                                    | EXTN        | \$0.00        | Sparkleen Services Inc.             | Procurement  |
| 92203<br>95000                           | EXTN        | \$8,183.69    | CDW Canada Corp.                    | Information Technology                                   |
| 95094                                    | SGLE        | \$24,980.00   | Trilinks Communications Inc.        | Information Technology                                   |
| 94930                                    | SGLE        | \$96,653.75   | Security Onion                      | Information Technology                                   |
| <b>Healthy and Safe Communities</b>      |             |               |                                     |  |
| 95168                                    | SGLE        | \$10,000.00   | Practical Turf Care                 | Recreation   |
| 95170                                    | SGLE        | \$22,344.00   | L.P.G. Pharmaceutical Advisors Ltd. | Recreation   |
| 92611<br>95060                           | SGLE        | \$45,035.00   | Mohawk Ford Sales (1996) Ltd.       | Emergency Services                                       |
| 94964                                    | SGLE        | \$50,000.00   | Colcamex Resources Inc.             | Epidemiology, Wellness, and Communicable Disease Control |
| 95235                                    | SGLE        | \$52,590.00   | Ekos Research Associates Inc.       | Epidemiology, Wellness, and Communicable Disease Control |
| 95137                                    | SGLE        | \$161,690.00  | Skyway Lawn Equipment Ltd.          | Recreation   |
| <b>Library</b>                           |             |               |                                     |  |
| 94998                                    | EMER        | \$43,184.00   | Mobile Communication Services       | Hamilton Public Library                                  |
| <b>Planning and Economic Development</b> |             |               |                                     |  |
| 92717                                    | SGLE        | \$2,251.00    | HUB Parking Technology Canada Ltd.  | Transportation Planning and Parking                      |
| 95210                                    | SGLE        | \$10,000.00   | Hamilton Chamber of Commerce        | Economic Development                                     |
| 94834                                    | EMER        | \$40,000.00   | QSM Environmentals                  | Transportation Planning and Parking                      |
| 95202                                    | SGLE        | \$50,000.00   | Davey Tree Expert Co of Canada Ltd. | Licensing and Bylaw Services                             |
| 95052                                    | SGLE        | \$52,700.00   | ASI Group Ltd.                      | Tourism and Culture                                      |
| 95017                                    | SGLE        | \$150,000.00  | Hamilton Bike Share Inc.            | Transportation Planning and Parking                      |

## 2020 Third Quarter Emergency and Non-Competitive Procurements Report

| PO No.              | Type | Amount       | Name                                  | Department/Division                       |
|---------------------|------|--------------|---------------------------------------|---|
| <b>Police</b>       |      |              |                                       |   |
| 93440               | SGLE | \$240.00     | Chubb Edwards                         | Police                                    |
| 94874               | SGLE | \$14,885.00  | Real Time Networks Inc.               | Police                                    |
| 95244               | SGLE | \$16,560.00  | 177180 Canada Inc.                    | Police                                    |
| 95230               | SGLE | \$25,752.00  | Millbrook Tactical Inc.               | Police                                    |
| 94909               | SGLE | \$36,925.00  | Marathon Institutional Products Ltd.  | Police                                    |
| 94932               | SGLE | \$38,307.24  | Colt Canada Corp.                     | Police                                    |
| 95021               | SGLE | \$45,050.00  | CCDI Consulting Inc.                  | Police                                    |
| 95109               | SGLE | \$187,246.32 | Kerr Industries Ltd.                  | Police                                    |
| <b>Public Works</b> |      |              |                                       |   |
| 87893               | SGLE | \$3,000.00   | Mccallum Sather Architects Inc.       | Energy, Fleet and Facilities Management   |
| 95205               | EMER | \$6,500.00   | Super Sucker Hydro Vac Service Inc.   | Energy, Fleet and Facilities Management   |
| 94895               | EMER | \$10,606.85  | Rankin Construction Inc.              | Transportation Operations and Maintenance |
| 89836               | SGLE | \$10,750.00  | Forrec Ltd.                           | Environmental Services                    |
| 77459               | SGLE | \$11,545.65  | Shoreplan Engineering Ltd.            | Environmental Services                    |
| 95124               | SGLE | \$15,000.00  | Glaser Manufacturing Inc.             | Hamilton Water                            |
| 95040               | EXTN | \$25,000.00  | The Alpine Group Inc.                 | Energy, Fleet and Facilities Management   |
| 94959               | EMER | \$27,792.31  | R V Anderson Associates Ltd.          | Hamilton Water                            |
| 92604               | SGLE | \$39,000.00  | 3Tec Inc.                             | Energy, Fleet and Facilities Management   |
| 95174               | SGLE | \$40,000.00  | Cornell Construction Ltd.             | Transportation Operations and Maintenance |
| 95144               | SGLE | \$54,900.00  | Ecolo Odor Control Systems            | Environmental Services                    |
| 95006               | SGLE | \$58,163.84  | Greenlane Biogas North America Ltd.   | Energy, Fleet and Facilities Management   |
| 79254               | SGLE | \$58,644.00  | R V Anderson Associates Ltd.          | Energy, Fleet and Facilities Management   |
| 94317               | SGLE | \$75,000.00  | The Capital Hill Group                | Hamilton Water                            |
| 94980               | SGLE | \$90,000.00  | Davey Tree Expert Co of Canada Ltd.   | Environmental Services                    |
| 94900               | SGLE | \$99,000.00  | Budget Environmental Disposal Inc.    | Energy, Fleet and Facilities Management   |
| 94914               | SGLE | \$99,000.00  | 3M Canada Company                     | Transportation Operations and Maintenance |
| 94827               | SGLE | \$100,000.00 | Directrik Inc.                        | Hamilton Water                            |
| 94838               | SGLE | \$100,000.00 | Parsons Precast Inc.                  | Transportation Operations and Maintenance |
| 95130               | EMER | \$122,587.32 | SLR Consulting (Canada) Ltd.          | Hamilton Water                            |
| 95099               | EMER | \$128,336.00 | 714794 Ontario Ltd. o/a LM Enterprise | Hamilton Water                            |
| 95165               | EXTN | \$134,284.92 | CDW Canada Corp.                      | Hamilton Water                            |

2020 Third Quarter Emergency and Non-Competitive Procurements Report

| PO No. | Type | Amount       | Name                         | Department/Division                     |
|--------|------|--------------|------------------------------|---|
| 95126  | SGLE | \$180,000.00 | Black Creek Contracting      | Hamilton Water                          |
| 95105  | SGLE | \$200,000.00 | GM Blueplan Engineering Ltd. | Hamilton Water                          |
| 95246  | EMER | \$211,300.00 | Schindler Elevator Corp.     | Energy, Fleet and Facilities Management |
| 94988  | EMER | \$248,640.00 | Moffatt Equipment            | Hamilton Water                          |
| 91194  | SGLE | \$249,999.00 | Cole Engineering Group Ltd.  | Environmental Services                  |





## INFORMATION REPORT

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | \$51,705,000 Serial Debentures Dated November 3, 2020 and Maturing November 3, 2021 to 2035 (FCS20100) (City Wide) |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Rosaria Morelli (905) 546-2424 Ext. 1390   |
| <b>SUBMITTED BY:</b>      | Mike Zegarac<br>General Manager, Finance and Corporate Services<br>Corporate Services Department                   |
| <b>SIGNATURE:</b>         |  |

### COUNCIL DIRECTION

Not Applicable.

### INFORMATION

Pursuant to the following Council resolutions, on November 3, 2020 the City of Hamilton issued, in the public bond market, one to 15-year serial debentures in the principal amount of \$51,705,000 (hereinafter called the “Debentures”). On October 28, 2020, the Debentures were given effect when Council enacted By-law No. 20-232 to authorize the Debentures.

The City issued the Debentures for the purposes of paying part of the cost of previously authorized capital works (hereinafter called the “Capital Works”) described in Schedule “A” to By-law No. 20-232, attached as Appendix “A” to Report FCS20100.

At an average net borrowing cost of 1.627% per annum, interest payments over the 15-year term total \$6,375,227. The capital financing costs of the Debentures (principal and interest) are included in the City’s operating budget with recoveries from development charges, where applicable. Any capital financing surplus will be reported to Council through operating budget variance reports.

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OUR Vision: To be the best place to raise a child and age successfully.

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**SUBJECT: \$51,705,000 Serial Debentures Dated November 3, 2020 and Maturing November 3, 2021 to 2035 (FCS20100) (City Wide) – Page 2 of 5**

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## Council Resolutions

Item 7 of Audit, Finance and Administration Committee Report 18-004, respecting Report FCS18011, “Authority to Negotiate and Place a Debenture Issue(s)”, approved by City Council by enacting By-law No. 18-099 at its meeting held on April 11, 2018.

Item 12 of General Issues Committee Report 17-022, respecting Report FCS17099, “2018 Tax Supported Capital Budget”, approved by City Council by enacting By-law No. 17-284 at its meeting held on December 8, 2017.

## Highlights

The City’s average net cost of borrowing for the Debentures was at an interest rate of 1.627% per annum, including dealer commission costs, for a 15-year term. Settlement of the Debentures took place on November 3, 2020.

The Debentures mature in equal amounts of principal (\$3,447,000) on November 3 in each of the years 2021 to 2035 and bear interest payable semi-annually on November 3 and May 3, commencing on May 3, 2021, as set out in Schedule B to By-law No. 20-232, attached as Appendix “B” to Report FCS20100. To be paid by the City, the total annual payment of principal and interest associated with the Debentures is \$4,110,548 in 2021 and is \$3,872,015 on average in the years 2021-2035.

The Debentures were officially launched on October 20, 2020 on the strength of notable expressions of interest from investors for a security issued by City of Hamilton. S&P Global Ratings recently maintained the City’s credit rating of AA+/Stable on October 14, 2020.

The Debentures transaction represents the City’s return to the public bond market to raise external funding following its \$110.82 M serial debentures offering in 2018, details of which can be found in Report FCS18095 respecting \$110,820,000 Serial Debentures dated October 1, 2018 and due October 1, 2019 to 2033.

Having already contemplated potentially purchasing a tranche of the Debentures should an opportunity arise, City Investments staff opted to make an investment in the City’s own securities by purchasing the 12-year tranche of the Debentures (the serial debenture with a principal amount of \$3,447,000, maturing November 3, 2032 and bearing interest at the rate of 1.75%) for the City’s Reserve Fund.



**SUBJECT: \$51,705,000 Serial Debentures Dated November 3, 2020 and Maturing November 3, 2021 to 2035 (FCS20100) (City Wide) – Page 3 of 5**

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Such an opportunity arose when, soon after the official launch, it was noted that the 12-year tranche of the Debentures was not placed with an external buyer at its offered price. The relatively attractive investment in the 12-year tranche, at a cost of \$3,446,341.66, with yield to maturity of 1.752% and term to maturity of 12 years, was made in accordance with the investment policy for the Reserve Fund and deployed some monies of the Reserve Fund generally not immediately required for operations and earmarked for future capital projects.

#### Borrowing Requirements and Authorities

In mid-September 2020, after consultation with the Mayor and the Senior Leadership Team, and under the authorities granted by Council in the Council Resolutions above, the General Manager of Finance and Corporate Services initiated the process to borrow external funds through the issuance of a potential debenture in the amount of \$51,705,000 to finance part of the costs of the Capital Works.

The Capital Works comprise 37 capital projects from City programs in the following categories: culture, recreation and parks (eight projects); housing and public health (two projects); transit (four projects); waste management (four projects); roads, bridges and traffic (six projects); water (eight projects); storm water (four projects); and harbour (one project).

The issuance of the Debentures for the Capital Works was authorized under the Council Resolutions above: A total debenture amount to be issued of \$43,969,000 corresponding to 32 of the Capital Works was authorized under the first Council Resolution; a total debenture amount to be issued of \$7,736,000 corresponding to five of the Capital Works was authorized under the second Council Resolution.

#### Preparation

In mid-September, staff monitored the indicative interest rates of the permitted structures and sources of financing for the potential debenture. Under the City's debt policy (Report FCS13074) and the *Municipal Act, 2001*, a debenture may be issued variously in the public market, through Infrastructure Ontario's Loan Program and by way of bank loans from prescribed financial institutions. Based on their findings, staff recommended that the City access the public bond market for the potential debenture issue to achieve the lowest net borrowing cost.

Accordingly, the General Manager of Finance and Corporate Services engaged the City's fiscal agents, RBC Dominion Securities Inc. and CIBC World Markets Inc. to act as lead manager and co-lead manager, respectively, on the potential debenture issue.

**SUBJECT: \$51,705,000 Serial Debentures Dated November 3, 2020 and Maturing November 3, 2021 to 2035 (FCS20100) (City Wide) – Page 4 of 5**

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### Pricing of the Debentures

With the lead and co-lead managers' advice, the General Manager of Finance and Corporate Services, on behalf of the City, officially launched the potential debenture issue on October 20, 2020. The timing of the launch took advantage of prevailing stable market conditions, good investor demand for municipal debentures and avoiding the week before the U.S. Presidential election.

Relatively soon after the official launch, also on October 20, 2020, the General Manager of Finance and Corporate Services, on behalf of the City, secured the final terms and pricing of the potential debenture issue (i.e. now the Debentures). The transaction represented an average net cost of borrowing of 1.627% to the City and offered an average interest rate of 1.548% to investors.

The Debentures were fully placed among 12 high quality buyers (investors) comprising insurance companies (23%), asset managers (4%) and eight Canadian municipal governments (73%), variously geographically located in Ontario (57%), Saskatchewan and Manitoba (together 30%) and the U.S. (13%). The debentures were delivered to investors on November 3, 2020, following Council's authorization of the issuance with the enactment of debenture By-law No. 20-232 on October 28, 2020.

### Indicative Borrowing Rates for Other Permitted Structures and Sources of Financing

The Debentures achieved the lowest net borrowing cost at an average interest rate of 1.627% per annum for a 15-year term relative to other structures and sources of financing permitted under the City's debt policy and *Municipal Act, 2001*. The indicative borrowing rates of interest for these other structures and sources of financing, as of October 20, 2020, are shown in Table 1.

Table 1  
Indicative Borrowing Rates  
Other Permitted Structures and Sources of Financing  
as of October 20, 2020

| Source                 | Structure     | Indicative Borrowing Rate |
|------------------------|---------------|---------------------------|
| Public Market          | Bullet        | 2.02%                     |
| Public Market          | Amortizer     | 1.75%                     |
| Infrastructure Ontario | Amortizer     | 1.76%                     |
| Infrastructure Ontario | Serial        | 1.74%                     |
| Bank Loan              | Variable Rate | 2.12% (swapped)           |

**SUBJECT: \$51,705,000 Serial Debentures Dated November 3, 2020 and Maturing November 3, 2021 to 2035 (FCS20100) (City Wide) – Page 5 of 5**

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Since early in March of 2020, interest rates on underlying Government of Canada bonds have been at extraordinarily low levels due to the actions by policymakers in order to support the economy from the COVID-19 pandemic. In March of 2020, with three separate rate cuts of 0.50% each, the Bank of Canada aggressively slashed the policy interest rate from 1.75% to 0.25%, its current value.

The Debentures average net cost of borrowing to the City of 1.627% represents the lowest borrowing cost that the City was able to achieve for a serial debentures issue of 15-year term and is less than one-half of the average net cost of borrowing to the City of 3.317% achieved for the serial debentures offering of 15-year term in September of 2018.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” – Schedule “A” to By-Law No. 20-232

Appendix “B” – Schedule “B” to By-Law No. 20-232

RM/dt



| <u>Project ID</u>                           | <u>Project Name</u>                                 | <u>Debentures to be Issued</u><br><u>(\$)</u> | <u>Debentures Authorized</u><br><u>(\$)</u> | <u>Debentures Issued to</u><br><u>Date (\$)</u> | <u>Term of Years</u> | <u>Staff Report</u>                  | <u>By-Law Number Authorizing</u><br><u>Work</u> |
|---|---|---|---|---|----------------------|--------------------------------------|---|
| <b><u>Culture, Recreation and Parks</u></b> |   |   |   |   |                      |                                      |   |
| 4401256892                                  | Crown Point East Park Development                   | 604,000                                       | 604,000                                     | 0   | 15                   | FCS13096                             | 13-326  |
| 4401356801                                  | Parks & Open Space Development                      | 887,000                                       | 887,000                                     | 0   | 15                   | FCS12096                             | 12-293  |
| 7101554509                                  | Mohawk Track - Redesign                             | 633,000                                       | 650,000                                     | 0   | 15                   | FCS16083(a)                          | 17-071  |
| 7101554510                                  | Dundas J. L. Grightmire Arena Renovation            | 4,000,000                                     | 4,000,000                                   | 0   | 15                   | FCS16083(a)                          | 17-071  |
| 7101641601                                  | Ancaster Aquatic Centre Refurbishment               | 417,000                                       | 417,000                                     | 0   | 15                   | FCS16083(a)                          | 17-071  |
| 7101654611                                  | Mt. Hope and Binbrook Hall Renovations              | 600,000                                       | 600,000                                     | 0   | 15                   | FCS16083(a)                          | 17-071  |
| 7101754704                                  | Huntington Park Recreation Centre                   | 954,000                                       | 954,000                                     | 0   | 15                   | FCS16083(a)                          | 17-071  |
| 7201741702                                  | Dundurn Coach House Roof                            | 208,000                                       | 416,000                                     | 0   | 15                   | FCS16083(a)                          | 17-071  |
|   |   | <b>8,303,000</b>                              |   |   |                      |                                      |   |
| <b><u>Housing and Public Health</u></b>     |   |   |   |   |                      |                                      |   |
| 6731641302                                  | Social Housing Capital Repairs                      | 1,500,000                                     | 1,500,000                                   | 0   | 15                   | FCS15088                             | 16-016  |
| 6771241201                                  | Long term Accommodations- McMaster                  | 2,206,000                                     | 2,206,000                                   | 0   | 15                   | FCS11111                             | 11-319  |
|   |   | <b>3,706,000</b>                              |   |   |                      |                                      |   |
| <b><u>Transit</u></b>                       |   |   |   |   |                      |                                      |   |
| 5301784710                                  | Automated Passenger Counters                        | 1,100,000                                     | 2,150,000                                   | 0   | 15                   | FCS16089                             | 16-336  |
| 5301785700                                  | New wash racks at Mountain Transit Centre           | 440,000                                       | 440,000                                     | 0   | 15                   | FCS16089                             | 16-336  |
| 5301785704                                  | Sustainable transportation / transit connections    | 1,512,000                                     | 1,512,000                                   | 0   | 15                   | FCS16089                             | 16-336  |
| 5301785708                                  | Passenger information technology                    | 1,200,000                                     | 1,200,000                                   | 0   | 15                   | PW18054<br>FCS16089                  | 16-336<br>18-205                                |
|   |   | <b>4,252,000</b>                              |   |   |                      |                                      |   |
| <b><u>Waste Management</u></b>              |   |   |   |   |                      |                                      |   |
| 5120991101                                  | Glanbrook Landfill-Stage 3 Dev                      | 4,000,000                                     | 4,000,000                                   | 0   | 15                   | FCS16089                             | 16-336  |
| 5120991101                                  | Glanbrook Landfill-Stage 3 Dev                      | 250,000                                       | 250,000                                     | 0   | 15                   | FCS15088                             | 16-016  |
| 5121691000                                  | Glanbrook Landfill Improvement                      | 100,000                                       | 100,000                                     | 0   | 15                   | FCS15088                             | 16-016  |
| 5121551700                                  | Municipal Recycling Facility Equipment Upgrades     | 235,000                                       | 280,000                                     | 0   | 15                   | FCS15011                             | 15-055  |
|   |   | <b>4,585,000</b>                              |   |   |                      |                                      |   |
| <b><u>Roads, Bridges, Traffic</u></b>       |   |   |   |   |                      |                                      |   |
| 4031641762                                  | Facility Yard Improvements                          | 249,000                                       | 250,000                                     | 0   | 15                   | FCS15088                             | 16-016  |
| 4661620001                                  | ATMS-Advanced Traffic Mang Sys                      | 1,750,000                                     | 1,750,000                                   | 0   | 15                   | FCS15088                             | 16-016  |
| 4031811015                                  | Brock Rd - Hwy 8 (Bullocks Corners)                 | 2,100,000                                     | 3,000,000                                   | 0   | 15                   | FCS17099                             | 17-284  |
| 4031711016                                  | Asset Preservation Red Hill Neighb North            | 210,000                                       | 2,100,000                                   | 0   | 15                   | FCS16089                             | 16-336  |
| 4031711016                                  | Asset Preservation - Sherwood Neighbourhood         | 191,000                                       | 1,910,000                                   | 0   | 15                   | FCS16089                             | 16-336  |
| 4031118126                                  | Bridge 163-Centennial Parkway                       | 1,000,000                                     | 1,000,000                                   | 0   | 15                   | FCS11011(a)                          | 11-081  |
|   |   | <b>5,500,000</b>                              |   |   |                      |                                      |   |
| <b><u>Water</u></b>                         |   |   |   |   |                      |                                      |   |
| 5141371301                                  | Barton - Nash to Centennial                         | 2,243,000                                     | 2,460,000                                   | 0   | 15                   | FCS12076/PW12085                     | 12-293  |
| 5141267275                                  | Stoney Creek Water Outstations Upgrades             | 803,000                                       | 1,260,000                                   | 0   | 15                   | FCS12076/PW12085                     | 12-293  |
| 5140667650                                  | Carlisle Communal Well System Upgrades              | 3,093,000                                     | 3,240,000                                   | 0   | 15                   | FCS05124/PW05143<br>FCS12076/PW12085 | 05-380, 12-293                                  |
| 5141267272                                  | Hillcrest Reservoir (HDR02) Phase 2 Upgrades        | 2,104,000                                     | 3,400,000                                   | 0   | 15                   | FCS12076/PW12085                     | 12-293  |
| 5141871301                                  | Mohawk - Upper Ottawa to Upper Kenilworth           | 1,249,000                                     | 1,305,000                                   | 0   | 15                   | FCS17081                             | 17-284  |
| 5141871301                                  | Columbia / Hudson / Leadale / Marcus / Stacey       | 1,110,000                                     | 1,160,000                                   | 0   | 15                   | FCS17081                             | 17-284  |
| 5141571301                                  | Rymal W - Garth to West 5th                         | 1,457,000                                     | 1,755,000                                   | 0   | 15                   | FCS17081                             | 17-284  |
| 5141860072                                  | Watermain Structural Lining - Site 1 (Sunning Hill) | 1,820,000                                     | 1,820,000                                   | 0   | 15                   | FCS17081                             | 17-284  |
|   |   | <b>13,879,000</b>                             |   |   |                      |                                      |   |
| <b><u>Storm water</u></b>                   |   |   |   |   |                      |                                      |   |
| 5181272290                                  | Centennial Parkway - Arrowsmith to Goderich         | 3,100,000                                     | 3,100,000                                   | 0   | 15                   | FCS12076/PW12085                     | 12-293  |
| 5181272290                                  | Mountain Park - Upper Sherman                       | 1,500,000                                     | 1,500,000                                   | 0   | 15                   | FCS11100/PW11086                     | 11-319  |
| 5181272290                                  | Wilson-Fiddlers Green to Halson                     | 1,200,000                                     | 1,200,000                                   | 0   | 15                   | FCS11100/PW11086                     | 11-319  |
| 5181206222                                  | West Harbour Main Basin - New Floating              | 3,680,000                                     | 3,680,000                                   | 0   | 15                   | FCS12076/PW12085                     | 12-293  |
|   |   | <b>9,480,000</b>                              |   |   |                      |                                      |   |
| <b><u>Harbour</u></b>                       |   |   |   |   |                      |                                      |   |
| 2110953900                                  | Randle Reef Rehabilitation                          | 2,000,000                                     | 2,000,000                                   | 0   | 15                   | FCS09114                             | 09-264  |
|   |   | <b>2,000,000</b>                              |   |   |                      |                                      |   |
|   | <b>Grand total</b>                                  | <b>51,705,000</b>                             | <b>60,056,000</b>                           |   |                      |                                      |   |



CITY OF HAMILTON

SCHEDULE "B" TO BY-LAW NO. 20-232

| Maturity Year | Interest Rate (%) | Principal (\$) November 3 | Interest (\$) May 3 | Interest (\$) November 3 | Total Annual Payment (\$) |
|---------------|-------------------|---------------------------|---------------------|--------------------------|---------------------------|
| 2021          | 0.500             | 3,447,000.00              | 331,773.75          | 331,773.75               | 4,110,547.50              |
| 2022          | 0.600             | 3,447,000.00              | 323,156.25          | 323,156.25               | 4,093,312.50              |
| 2023          | 0.700             | 3,447,000.00              | 312,815.25          | 312,815.25               | 4,072,630.50              |
| 2024          | 0.800             | 3,447,000.00              | 300,750.75          | 300,750.75               | 4,048,501.50              |
| 2025          | 0.950             | 3,447,000.00              | 286,962.75          | 286,962.75               | 4,020,925.50              |
| 2026          | 1.050             | 3,447,000.00              | 270,589.50          | 270,589.50               | 3,988,179.00              |
| 2027          | 1.200             | 3,447,000.00              | 252,492.75          | 252,492.75               | 3,951,985.50              |
| 2028          | 1.350             | 3,447,000.00              | 231,810.75          | 231,810.75               | 3,910,621.50              |
| 2029          | 1.450             | 3,447,000.00              | 208,543.50          | 208,543.50               | 3,864,087.00              |
| 2030          | 1.550             | 3,447,000.00              | 183,552.75          | 183,552.75               | 3,814,105.50              |
| 2031          | 1.650             | 3,447,000.00              | 156,838.50          | 156,838.50               | 3,760,677.00              |
| 2032          | 1.750             | 3,447,000.00              | 128,400.75          | 128,400.75               | 3,703,801.50              |
| 2033          | 1.800             | 3,447,000.00              | 98,239.50           | 98,239.50                | 3,643,479.00              |
| 2034          | 1.900             | 3,447,000.00              | 67,216.50           | 67,216.50                | 3,581,433.00              |
| 2035          | 2.000             | 3,447,000.00              | 34,470.00           | 34,470.00                | <u>3,515,940.00</u>       |
| TOTAL         |                   | <u>51,705,000.00</u>      | <u>3,187,613.25</u> | <u>3,187,613.25</u>      | <u>58,080,226.50</u>      |







## INFORMATION REPORT

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee                             |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | Standards & Approved Products Committee Report<br>(PW20080) (City Wide)                      |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Claudio Leon (905) 546-2424 Ext. 2971  |
| <b>SUBMITTED BY:</b>      | Gord McGuire<br>Director, Engineering Services<br>Public Works Department                    |
| <b>SIGNATURE:</b>         |             |
| <b>SUBMITTED BY:</b>      | Dave Alberton<br>Acting Director, Water and Wastewater Operations<br>Public Works Department |
| <b>SIGNATURE:</b>         |           |

### COUNCIL DIRECTION

In accordance with By-law 20-205, Procurement Policy, Policy #14: Standardization, this Report addresses the requirement of the Standards and Approved Products Committee to prepare an annual information report to Council outlining the rationale for any standardization of goods added to the City's Approved Products Listing, the number of goods standardized and any standardized good resulting in a single source purchase.

### INFORMATION

The Standards and Approved Products Committee is a collection of various City Department representatives assembled for the purpose of conducting, on a formal basis, the review and approval of new product applications and the maintenance of the City's Construction and Materials Specifications Manual. The Committee focuses on

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**SUBJECT: Standards and Approved Products Committee Report  
(PW20080) (City Wide) - Page 2 of 4**

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Linear Municipal Infrastructure products related to road, watermain, sewer, street lighting and traffic signals, all within the City's Right-of-Way, as well as park construction related products.

The Committee maintains the Standards and Approved Products Listing and Guidelines on the City's website, where a Product Approval Application and submission guidelines are available for suppliers wishing to submit products for evaluation.

The product application review process ensures that products and materials comply with current industry standards and satisfy the City's needs by providing best value and quality to the City's infrastructure. The review process is transparent and applies good business and technical justification when making decisions.

The City's Approved Products List is published on The Road Authority website. The list is used by Contractors, Developers and City Staff for selecting products to be used on City Projects. When approved products are specified within a tender document issued by the City, it is done so in accordance with any applicable trade agreements that apply to municipal procurement.

Some of the key benefits that the Committee offers is that it provides a single point of contact for suppliers, distributors and manufacturers. The Committee is a unison of diverse departments and provides the City a standardized methodology for assessing products and developing specifications, resulting in uniformity throughout the City. It also sends a clear message to the construction industry that the City of Hamilton is serious about attracting new business while maintaining appropriate high-quality engineering standards through the product evaluation and approval process.

The Committee consist of 15 members (13 voting members and 2 non-voting members). Voting members are representatives from key Sections and Departments that are impacted by product selection and standards implementation. These include Hamilton Water, Engineering Services (Asset Management, Design and Construction), Transportation Operations and Maintenance, and Landscape and Architectural Services from Public Works, and also the Growth Management Division from Planning and Economic Development. Voting members include the Director of Engineering Services and the Director of Water and Wastewater Operations. The non-voting members are the Manager of Procurement and the Committee Chair.

The Committee operates in accordance with its Terms of Reference and functions on consensus. Voting is used where consensus cannot be reached.

Meetings are held on a monthly basis to discuss and review product applications. A quorum must be present to make the meeting proceedings valid or to take any action on any product application. When a product approval vote is held, a decision requires

**SUBJECT: Standards and Approved Products Committee Report  
(PW20080) (City Wide) - Page 3 of 4**

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a minimum of 7 votes to be considered binding and members voting are required to acknowledge that there is no Conflict of Interest with regards to the product being reviewed.

At the end of the review process, the Committee issues a notification of the decision to the applicants in writing, indicating approval or rejection. Once a product is approved, any future product design or material change must be submitted by the manufacturer or the applicant to the Committee for re-evaluation, and the City reserves the right to remove any product from the Approved Products List at any time as deemed necessary.

The Approved Products List consists of a total of 370 products divided into 5 sections. The sections and the number of products for each are listed below:

- Section 1 – Watermain Products – 181 approved products
- Section 2 – Sewer Products – 71 approved products
- Section 3 – Street Lighting Products – 57 approved products
- Section 4 – Traffic Signals Products – 28 approved products
- Section 5 – Parks Products – 33 approved products

The Committee continues to review and make necessary enhancements to the Approved Products List to maintain accuracy. Various applications for new products have been received and none of the recently approved products have resulted in the requirement for single source purchasing.

A total of 46 products have been approved and 33 products have been grandfathered into the new Parks products list since June 2014.

The Committee also maintains the City's Construction and Material Specifications Manual and makes recommendations for revisions to the Standard Specifications, Design Guidelines, Construction Standards and Standard Drawings as deemed necessary.

Since 2014, revisions 6 to 12 to the Construction and Material Specifications Manual have been issued to address changes to the Ministry of the Environment, Conservation and Parks Watermain Disinfection Procedures and to the Construction Act. In addition, the City's Specification for Hot Mix Asphalt has been updated, Steel Pipe has been approved for watermain installations for special projects, and various Sewer, Road and Watermain Standard drawings have been updated and created.

The Committee is currently developing guidelines to address changes to the Environmental Protection Act, Ontario Regulation 406 On-Site and Excess Soil Management.

**SUBJECT: Standards and Approved Products Committee Report  
(PW20080) (City Wide) - Page 4 of 4**

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The Construction and Material Specifications Manual is widely used by consultants and Committee members in the development of their projects. The Committee provides a platform for cross-departmental participation in the review and updating of construction specifications and materials standards.

The manual continues to be available in print form for a fee and available for download from the City's website free of charge.

The following is a list of important events that have taken place within the Committee between June 2014 and September 2020:

- June 2015 - Addition of Landscape Architectural Services Section member;
- May 2017 - Addition of LRT Office member to focus on the Hamilton LRT impacts to water infrastructure (discontinued due to the LRT cancellation);
- June 2017- Addition of a Parks Products category in the Approved Products List;
- June 2019 - Addition of Engineering Services Construction Inspection member and Asset Management member;
- June 2019 - Approved Products List gets published in The Road Authority web portal;
- July 2019 - Removal of the requirement that products must be registered with The Road Authority in order to be considered for approval;
- Development of Watermain Design Guidelines (work in progress)

**APPENDICES AND SCHEDULES ATTACHED**

None

# Annual Presentation of the LGBTQ Advisory Committee

Cameron Kroetsch, Chair  
December 10, 2020

# Year in Review

- 6 meetings held, quorum achieved for all of them; building on an impeccable record of having held 9 meetings and hosted 2 public events from April through December of 2019
- COVID-19 really limited our ability to meet this year and to get through our planned agenda but we still managed to accomplish a number of our goals

# Key Milestones - January

- Participated in the City's new annual election cycle for Advisory Committees (the third election of Chair and Vice Chair during this current term of Council)
- Accepted delegations from lawyers working on the Independent Review of the event surrounding Pride 2019 and from a community organization looking to connect with Two Spirit and LGBTQIA+ communities

# Key Milestones - January

- Completed an overhaul of the template for our minutes, in cooperation and collaboration with the City Clerk and their office, to increase both legibility and ease of use
- Successfully worked with the Audit, Finance and Administration Committee to increase the number of members on the LGBTQAC from 9 to 15



# Key Milestones - January

- Submitted recommendations to various bodies with respect to reconsidering City Council's citizen appointee to the Hamilton Police Services Board; including a delegation to the Board on February 14, 2020
- Planned a number of community wide discussions for 2020 around issues facing members of Two Spirit and LGBTQIA+ communities

# Key Milestones - February

- Accepted a delegation from Greg Tedesco, City of Hamilton, Housing Services staff
- Planned a training day for members of the LGBTQAC
- Planned delegations to all 13 of the City of Hamilton's Advisory Committees to invite them to come together for an event and to seek input around topics and themes

# Key Milestones - February

- Planned a community survey and engagement event to discuss the LGBTQAC's plans for Pride month
- Planned to submit a Citizen Committee Report to the City Clerk's office with suggestions around where it would be best to advertise for Committee vacancies

# Key Milestones - March

- Cancelled the in person LGBTQAC meeting scheduled for March as the City of Hamilton began to make decisions about how to handle the COVID-19 pandemic
- Meetings were cancelled by the City for April and May

# Key Milestones - June

- Meetings were cancelled by the City in June and July with permission to schedule virtual meetings granted starting in August (the Committee chose to resume meeting in September)
- The LGBTQAC was not permitted by the City to meet, due to COVID restrictions, in or near Pride month and was thus unable to participate in or support Pride 2020

# Key Milestones - September

- Planned the LGBTQAC's first ever formal annual presentation to the Audit, Finance and Administration Committee
- Regrouped around the successful delegations to other Advisory Committees about plans for an event for all 13 of the City of Hamilton's Advisory Committees

# Key Milestones - October

- Accepted a delegation from Rebecca Sutherns, Sage Solutions with respect to the City of Hamilton's Hate Prevention and Mitigation Initiative
- Discussed the impacts of the COVID-19 pandemic on members of Two Spirit and LGBTQIA+ communities

# Key Milestones - October

- Discussed the Integrity Commissioner report and the formal reprimand of the LGBTQ Advisory Committee Chair by City Council
- The City cancelled scheduled delegations to other Advisory Committees, around the planned all AC event, as a result of a new regulation that now requires the approval of City Council for all delegations



# Key Milestones - November

- Made recommendations for the LGBTQAC's 2021 budget
- Recommended a donation to Transgender Day of Remembrance (TDOR) events in the City of Hamilton
- Recommended support to community organizations helping members of Two Spirit and LGBTQIA+ communities who are struggling during the pandemic

# Key Milestones - November

- Accepted a delegation from Matthew Grant and Alipa Patel, City of Hamilton, Communications staff
- Completed recommendations regarding advertising for vacancies on the LGBTQAC and submitted them to the Audit, Finance and Administration Committee

# Key Milestones - November

- Tentatively scheduled an all Advisory Committee event for the end of January and began discussions about how to disseminate the information for feedback from the other 13 Advisory Committees
- Submitted correspondence to the City of Hamilton with respect to sidewalk snow clearing

# Reflection on 2020

- The LGBTQAC was able to do quite a bit of work in January and February before the pandemic hit
- The pause in meetings caused the LGBTQAC to lose momentum but it got back on track with its goals in October and November and looks forward to having a full Committee of 15 members as soon as possible

# Looking ahead to 2021

- It is unclear how the pandemic will continue to impact members of Two Spirit and LGBTQIA+ communities but the LGBTQAC will continue to do what it can to help
- There will be some renewed planning for discussions about a Pride event and the LGBTQAC plans to review its formal mandate and structure as well as to provide training to its members





**CITY OF HAMILTON**  
**CITY MANAGER'S OFFICE**  
**Human Resources Division**

|                           |   |
|---------------------------|---|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee            |
| <b>COMMITTEE DATE:</b>    | December 10, 2020   |
| <b>SUBJECT/REPORT NO:</b> | 2021 Budget Submissions Volunteer Advisory Committee (HUR20012) (City Wide) |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Jessica Bowen (905) 546-2424 Ext. 5164                                      |
| <b>SUBMITTED BY:</b>      | Lora Fontana<br>Executive Director<br>Human Resources                       |
| <b>SIGNATURE:</b>         |   |

## RECOMMENDATIONS

- (a) That the Volunteer Advisory Committee 2021 budget base submissions be approved as follows and referred to the 2021 budget process:
- (i) Advisory Committee on Immigrant & Refugees in the amount of \$3,500, attached as Appendix "A" to Report HUR20012;
  - (ii) Aboriginal Advisory Committee in the amount of \$3,552, attached as Appendix "B" to Report HUR20012;
  - (iv) Hamilton Mundialization Committee in the amount of \$5,890, attached as Appendix "C" to Report HUR20012;
  - (v) Hamilton Status of Women Committee in the amount of \$3,500, attached as Appendix "D" to Report HUR20012.

## EXECUTIVE SUMMARY

In accordance with the process for submission of budgets for the Volunteer Advisory Committees, the Human Resources Volunteer Advisory Committee Budgets for 2021 in the amount of \$16,442. are being submitted with the recommendation that they be

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: 2021 Budget Submissions Volunteer Advisory Committee  
(HUR20012) (City Wide) - Page 2 of 4**

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approved. All four (4) of the base budget requests are the same amounts as the 2020 approved budgets.

**Alternatives for Consideration – See Page 3**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: The base budget requested for 2021 for the four (4) advisory committees is the same as the budget requested and approved for 2020.

Staffing: Not Applicable

Legal: Not Applicable

**HISTORICAL BACKGROUND**

At their October and November 2020 meetings, the Human Resources Volunteer Advisory Committees gave consideration to their budget needs for 2021. Their base budget submissions are attached as Appendices “A” to “D” to Report 20012 as approved.

The budget includes both incidental costs to support the Committees, as well as additional costs for specific events, programs and initiatives. The following is a summary of the request and detailed requests are attached as Appendices “A” to “D” to Report HUR20012.

| <b>Committee Name</b>   | <b>2020 Approved</b> | <b>2021 Base Request</b> | <b>Request from Reserve</b> | <b>Total 2021 Request</b> |
|---|----------------------|--------------------------|-----------------------------|---------------------------|
| Advisory Committee on Immigrant & Refugees<br>(Appendix A to Report HUR20012)                 | \$3,500              | \$3,500                  | -                           | \$3,500                   |
| Aboriginal Advisory Committee<br>(Appendix B to Report HUR20012)                              | \$3,552              | \$3,552                  | -                           | \$3,552                   |
| Hamilton Mundialization Committee (Includes Kids for Kaga)<br>(Appendix C to Report HUR20012) | \$5,890              | \$5,890                  | -                           | \$5,890                   |
| Hamilton Status of Women Committee<br>(Appendix D to Report HUR20012)                         | \$3,500              | \$3,500                  | -                           | \$3,500                   |

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

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**SUBJECT: 2021 Budget Submissions Volunteer Advisory Committee  
(HUR20012) (City Wide) - Page 3 of 4**

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In accordance with the volunteer committee budget process, the budgets are recommended for approval.

### **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The Volunteer Advisory Committees are able to put surplus funds from each year into a reserve, for future purposes and request the use of those funds, in future years, for specific activities. This provides the Committee with an opportunity to plan ahead to undertake specific projects or initiatives, in future years, while minimizing increases in their budgets. Some of the committees have not yet determined all of their activities for 2020. Should additional funding for any of the Advisory Committees be required in 2021 and be available in the volunteer advisory committee reserves, requests for reserve funding will be made at the appropriate time.

### **RELEVANT CONSULTATION**

The Volunteer Advisory Committees discussed their 2021 budget needs at their October and November 2020 Committee meetings.

### **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The recommendation will provide funding for the operations of the Volunteer Advisory Committees to enable them to continue to fulfil their terms of reference.

### **ALTERNATIVES FOR CONSIDERATION**

The alternative would be not to fund the operations of the Advisory Committees. This is not recommended as they provide valuable service and advice to both Council and staff of the City and bring voices to deliberations that might otherwise not be heard.

### **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

#### **Community Engagement & Participation**

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

**SUBJECT: 2021 Budget Submissions Volunteer Advisory Committee  
(HUR20012) (City Wide) - Page 4 of 4**

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**Healthy and Safe Communities**

Hamilton is a safe and supportive city where people are active, healthy, and have a high quality of life.

**Culture and Diversity**

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

**Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

**APPENDICES ATTACHED**

Appendix "A" to Report HUR20012 - Advisory Committee on Immigrant & Refugees

Appendix "B" to Report HUR20012 - Aboriginal Advisory Committee

Appendix "C" to Report HUR20012 - Hamilton Mundialization Committee

Appendix "D" to Report HUR20012 - Hamilton Status of Women Committee

# **CITY OF HAMILTON**

**2021**

**ADVISORY COMMITTEES**

**BUDGET SUBMISSION**

**Advisory Committee for Immigrants and Refugees**



## PART A: General Information

### ADVISORY COMMITTEE MEMBERS:

|                    |  |
|--------------------|--|
| Aref Alshaikhahmed |  |
| Leslyn Gombakomba  |  |
| Dina Honig         |  |
| Al Karsten         |  |
| Rami Safi          |  |

### MANDATE:

The Advisory Committee on Immigrants & Refugees, through the appropriate Standing Committee of Council, is a mandated advisory committee of the City of Hamilton, making recommendations to City Council and staff about policies, procedures and guidelines which address the needs and concerns of people who are immigrants or refugees.

## PART B: Strategic Planning

### STRATEGIC OBJECTIVES:

To ensure co-ordination and information sharing about immigrant and refugee issues throughout the City government.

To complement and collaborate with the work of the City of Hamilton's Committee Against Racism, wherever possible.

To liaise with community agencies and committees to encourage a more co-ordinated and responsive community services network of services dealing with multicultural issues.

To ensure the right of access for immigrants and refugees to City of Hamilton programs, services and facilities.

To provide a forum where immigrants, refugees, service providers and the broader community can express concerns, share information and recommend improvements to service levels for immigrants and refugees, through the appropriate Standing Committee of Council.

Please check off which Council approved Strategic Commitments your Advisory Committee supports

|   |   |                                 |   |
|---|---|---------------------------------|---|
| 1) Community Engagement & Participation | X | 2) Economic Prosperity & Growth | X |
| 3) Healthy & Safe Communities           | X | 4) Clean & Green                | X |

|                                       |   |                        |   |
|---------------------------------------|---|------------------------|---|
| 5) Built Environment & Infrastructure | X | 6) Culture & Diversity | X |
| 7) Our People & Performance           | X |                        |   |

**ALIGNMENT WITH CORPORATE GOALS:****PART C: Budget Request****INCIDENTAL COSTS:**

|  |                    |
|--|--------------------|
| Monthly Meetings Expenses (photocopying, refreshments, advertising, postage, etc.) | \$1,500.00         |
| <b>SUB TOTAL</b>   | <b>\$ 1,500.00</b> |

**SPECIAL EVENT/PROJECT COSTS:**

|  |                    |
|--|--------------------|
| Hosting the annual Newcomer Open House and preparing and disseminating the Newcomer Guide to Hamilton. | \$ 2,000.00        |
| <b>SUB TOTAL</b>   | <b>\$ 2,000.00</b> |

|                    |                    |
|--------------------|--------------------|
| <b>TOTAL COSTS</b> | <b>\$ 3,500.00</b> |
|--------------------|--------------------|

|  |                    |
|--|--------------------|
| <b>Funding from Advisory Committee Reserve (only available to Advisory Committees with reserve balances) The request from reserves is to cover expenses that may arise as a result of initiating an Employer Recognition award for hiring practices that facilitate the hiring of Immigrants, Newcomers and Refugees</b> | <b>\$ 2,000.00</b> |
|--|--------------------|

|   |                    |
|---|--------------------|
| <b>TOTAL 2021 BUDGET REQUEST (net of reserve funding)</b>             | <b>\$ 3,500.00</b> |
| <b>PREVIOUS YEAR (2020) APPROVED BUDGET (2020 Request \$3,500.00)</b> | <b>\$ 3,500.00</b> |

**CERTIFICATION:**

Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

**Representative's Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**November 18, 2020**

**Date:** \_\_\_\_\_

**Telephone #:** \_\_\_\_\_





# **CITY OF HAMILTON**

**2021**

**ADVISORY COMMITTEES**

**BUDGET SUBMISSION FORM**

**"ABORIGINAL ADVISORY COMMITTEE"**

**PART A: General Information**

**ADVISORY COMMITTEE MEMBERS:**

|                                   |  |
|-----------------------------------|--|
| <b>Marilyn Wright</b>             |  |
| <b>Constance (Connie) Bellamy</b> |  |
| <b>Allan Loft</b>                 |  |
| <b>Cat Cayuga</b>                 |  |
| <b>Scott Cruickshank</b>          |  |
| <b>Laura Workman</b>              |  |
| <b>Patty Lawlor (non-voting)</b>  |  |
|                                   |  |

**MANDATE:**

The Aboriginal Advisory Committee is a Council mandated advisory committee of the City of Hamilton. To address issues of mutual interest and/or concern and to enhance and to empower the Aboriginal community.

**PART B: Strategic Planning**

**STRATEGIC OBJECTIVES:**

To assist the City in achieving and demonstrating progress or positive change in support of the equitable economic, social, health and overall wellbeing of Aboriginal citizens.

To provide a forum and mechanism for co-ordinated dialogue and consultation between and among Aboriginal leaders and other stakeholders, acting as a catalyst for the development of positive relationships and open, transparent dialogue between and among the City and these stakeholders.

To offer input, advice and recommendations informed by stakeholder consultation to support the City in determining effective municipal strategies and/or policies on issues of importance to Aboriginal peoples.

**ALIGNMENT WITH CORPORATE GOALS:**

|  |   |  |   |
|--|---|--|---|
| Please check off which Council approved Strategic Commitments your Advisory Committee supports |   |  |   |
| <b>1) Community Engagement &amp; Participation</b>   | X | <b>2) Economic Prosperity &amp; Growth</b> | X |
| <b>3) Healthy &amp; Safe Communities</b>   | X | <b>4) Clean &amp; Green</b>                | X |
| <b>5) Built Environment &amp; Infrastructure</b>   | X | <b>6) Culture &amp; Diversity</b>          | X |
| <b>7) Our People &amp; Performance</b>   | X |  |   |

**PART C: Budget Request**

**INCIDENTAL COSTS:**

|  |                  |
|--|------------------|
| Monthly meeting expenses (photocopying, refreshments, advertising, signage, postage, etc.) | \$1000.00        |
| <b>SUB TOTAL</b>   | <b>\$1000.00</b> |

**SPECIAL EVENT/PROJECT COSTS:**

|  |                  |
|--|------------------|
| To include:<br>- National Indigenous Peoples Day<br>- Banner Display<br>- Truth & Reconciliation projects and community workshops<br>- Support and participation in events co-hosted with Urban Indigenous Strategy<br>- Support for community engagement activities | \$2552.00        |
| <b>SUB TOTAL</b>   | <b>\$2552.00</b> |

|                    |                  |
|--------------------|------------------|
| <b>TOTAL COSTS</b> | <b>\$3552.00</b> |
|--------------------|------------------|

|  |              |
|--|--------------|
| <b>Funding from Advisory Committee Reserve (only available to Advisory Committees with reserve balances)</b> | <b>\$N/A</b> |
|--|--------------|

|  |                   |
|--|-------------------|
| <b>TOTAL 2021 BUDGET REQUEST (net of reserve funding)</b>            | <b>\$ 3552.00</b> |
| <b>PREVIOUS YEAR (2020) APPROVED BUDGET (2020 Request \$3552.00)</b> | <b>\$ 3552.00</b> |

**CERTIFICATION:**

Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

**Representative's Name:** Marilyn Wright

**Signature:** Marilyn Wright

**Date:** Oct 15/20

**Telephone # :** 905-544-4320 ext 246 .  
Cell # 289 237-8684.

# **CITY OF HAMILTON**

**2021**

**ADVISORY COMMITTEES**

**BUDGET SUBMISSION FORM**

**Mundialization Committee**

## **PART A: General Information**

### **ADVISORY COMMITTEE MEMBERS:**

|                   |  |
|-------------------|--|
| Rosemary Baptista |  |
| Rein Ende         |  |
| Freja Gray        |  |
| Jan Lukas         |  |
| Anthony Macaluso  |  |
| Patricia Semkow   |  |
| Robert Semkow     |  |
|                   |  |

### **MANDATE:**

To facilitate and support peace initiatives and the twinning relationships between Hamilton and its ten twin-cities around the world. To assist Council in implementing its Mundialization resolution.

To complement and affirm the objectives of the "Strengthening Hamilton Community Initiative" of the City.

To support any and all relationships with the City of Hamilton's Twin Cities

## **PART B: Strategic Planning**

### **STRATEGIC OBJECTIVES:**

To carry out the mandate of the committee with activities such as:

- Ongoing Kaga/Hamilton events commemorating the 50 year plus relationship between Kaga and Hamilton (Dundas)
- Anniversary twinning events or other twinning events as identified
- Racalmuto Regional events
- World Citizenship award
- Photo Contest
- Hiroshima- Nagasaki Vigil
- Ongoing review of Mundialization relationships and processes thereof. The benefit of participation is the enhancement of relationships between the citizens of our twin communities both locally and internationally and the citizens of the City of Hamilton.

#### ALIGNMENT WITH CORPORATE GOALS:

| Please check off which Council approved Strategic Commitments your Advisory Committee supports |   |                                 |   |
|--|---|---------------------------------|---|
| 1) Community Engagement & Participation  | X | 2) Economic Prosperity & Growth | X |
| 3) Healthy & Safe Communities  | X | 4) Clean & Green                | X |
| 5) Built Environment & Infrastructure  | X | 6) Culture & Diversity          | X |
| 7) Our People & Performance  | X |                                 |   |

### PART C: Budget Request

#### INCIDENTAL COSTS:

|  |                   |
|--|-------------------|
| Monthly Meetings Expenses (photocopying, refreshments, advertising, postage, etc.) | \$1,500.00        |
| <b>SUB TOTAL</b>   | <b>\$1,500.00</b> |

#### SPECIAL EVENT/PROJECT COSTS:

|   |                   |
|---|-------------------|
| Hiroshima — Nagasaki Vigil, World Citizenship Award and/or photo contest, other twinning events (e.g. Racalmuto events) | \$2,390.00        |
| Kids for Kaga support for exchange program  | \$2,000.00        |
| <b>SUB TOTAL</b>  | <b>\$4,390.00</b> |

|                    |                  |
|--------------------|------------------|
| <b>TOTAL COSTS</b> | <b>\$5890.00</b> |
|--------------------|------------------|

|  |           |
|--|-----------|
| <b>Funding from Advisory Committee Reserve (only available to Advisory Committees with reserve balances)</b> | <b>\$</b> |
|--|-----------|

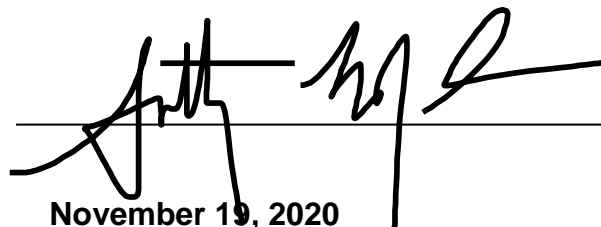
|   |                   |
|---|-------------------|
| <b>TOTAL 2021 BUDGET REQUEST (net of reserve funding)</b>             | <b>\$ 5890.00</b> |
| <b>PREVIOUS YEAR (2020) APPROVED BUDGET (2020 Request \$ 5890.00)</b> | <b>\$5890.00</b>  |

**CERTIFICATION:**

Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

**Representative's Name:** **Anthony Macaluso**

**Signature:**



**Date:**

**November 19, 2020**

**Telephone # :**



# **CITY OF HAMILTON**

**2021**

**ADVISORY COMMITTEES**

**BUDGET SUBMISSION FORM**

**“STATUS OF WOMEN”**

## **PART A: General Information**

### **ADVISORY COMMITTEE MEMBERS:**

|                          |  |
|--------------------------|--|
| <b>Deanna Allain</b>     |  |
| <b>Stephanie Bertolo</b> |  |
| <b>Anna Davey</b>        |  |
| <b>Stephanie Frisina</b> |  |
| <b>Autumn Getty</b>      |  |
| <b>Jan Lukas</b>         |  |
| <b>Doreen Ssenabulya</b> |  |
| <b>Yulena Wan</b>        |  |

### **MANDATE:**

The Status of Women Committee is a Council mandated advisory committee of the City of Hamilton. To act as an advisory committee of Council on matters pertaining to women and to provide input with respect to matters of municipal concern.

## **PART B: Strategic Planning**

### **STRATEGIC OBJECTIVES:**

To define, investigate, study and make recommendations on issues of concern affecting women of the City of Hamilton and other matters of social or municipal concern including matters referred to this Committee by City Council, staff and City of Hamilton committees.

To inform citizens of the City of Hamilton on issues affecting women.

To actively encourage women to participate in all aspects of society and support them in their life choices.

To advise citizens of the City of Hamilton of decisions made by City Council which may impact on women including matters of social concern and those referred to City Council by this Committee.

**ALIGNMENT WITH CORPORATE GOALS:**

| Please check off which Council approved Strategic Commitments your Advisory Committee supports |   |  |   |
|--|---|--|---|
| <b>1) Community Engagement &amp; Participation</b>   | X | <b>2) Economic Prosperity &amp; Growth</b> | X |
| <b>3) Healthy &amp; Safe Communities</b>   | X | <b>4) Clean &amp; Green</b>                | X |
| <b>5) Built Environment &amp; Infrastructure</b>   | X | <b>6) Culture &amp; Diversity</b>          | X |
| <b>7) Our People &amp; Performance</b>   | X |  |   |

**PART C: Budget Request****INCIDENTAL COSTS:**

|   |                  |
|---|------------------|
| Monthly meeting expenses (photocopying, refreshments, advertising, postage, etc.) | 1000.00          |
| <b>SUB TOTAL</b>  | <b>\$1000.00</b> |

**SPECIAL EVENT/PROJECT COSTS:**

|   |                  |
|---|------------------|
| Initiatives to be determined by the Committee | 2500.00          |
| <b>SUB TOTAL</b>                              | <b>\$2500.00</b> |

|                    |                   |
|--------------------|-------------------|
| <b>TOTAL COSTS</b> | <b>\$3,500.00</b> |
|--------------------|-------------------|

|  |            |
|--|------------|
| <b>Funding from Advisory Committee Reserve (only available to Advisory Committees with reserve balances)</b> | <b>\$0</b> |
|--|------------|

|  |                   |
|--|-------------------|
| <b>TOTAL 2021 BUDGET REQUEST (net of reserve funding)</b>          | <b>\$3,500.00</b> |
| <b>PREVIOUS YEAR (2020) APPROVED BUDGET (2020 Request \$3,500)</b> | <b>\$3,500.00</b> |

**CERTIFICATION:**

Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

**Representative's Name:** Autumn Getty

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**Signature:**

DocuSigned by:  
*Autumn Getty*  
B82DB96C45AB4F0...

---

**Date:** 10/29/2020

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**Telephone #:** 289-780-3304

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**CITY OF HAMILTON**  
**CITY MANAGER'S OFFICE**  
 Digital, Innovation & Strategic Partnerships

|                           |   |
|---------------------------|---|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee              |
| <b>COMMITTEE DATE:</b>    | December 10, 2020   |
| <b>SUBJECT/REPORT NO:</b> | 2021 Budget Submissions Volunteer Advisory Committee<br>(CM20013) (City Wide) |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Pauline Kajiura (905) 546-2424 Ext. 2567                                      |
| <b>SUBMITTED BY:</b>      | Cyrus Tehrani<br>Chief Digital Officer<br>City Manager's Office               |
| <b>SIGNATURE:</b>         |   |

### RECOMMENDATIONS

- (a) That the Volunteer Advisory Committee 2021 budget base submissions be approved as follows and referred to the 2021 budget process:
- (i) LGBTQ Advisory Committee in the amount of \$3,960, attached as Appendix "A" to Report CM20013;
  - (ii) Committee Against Racism in the amount of \$8,900, attached as Appendix "B" to Report CM20013;

### EXECUTIVE SUMMARY

In accordance with the process for submission of budgets for the Volunteer Advisory Committees, the Community Initiatives Volunteer Advisory Committee Budgets for 2021 in the amount of \$12,860. are being submitted with the recommendation that they be approved. Both (2) of the base budget requests are the same amounts as the 2020 approved budgets.

### Alternatives for Consideration – See Page 3

### FINANCIAL – STAFFING – LEGAL IMPLICATIONS

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: 2021 Budget Submissions Volunteer Advisory Committee  
(CM20013) (City Wide) - Page 2 of 3**

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Financial: The base budget requested for 2021 for two (2) advisory committees is the same as the budget requested and approved for 2020.  
 Staffing: Not Applicable  
 Legal: Not Applicable

## **HISTORICAL BACKGROUND**

At their November 2020 meetings, the Community Initiatives Volunteer Advisory Committees gave consideration to their budget needs for 2021. Their base budget submissions are attached as Appendices “A” and “B” to Report CM20013 as approved.

The budget includes both incidental costs to support the Committees, as well as additional costs for specific events, programs and initiatives. The following is a summary of the request and detailed requests are attached as Appendices “A” and “B” to Report CM20013.

| <b>Committee Name</b>                                      | <b>2020 Approved</b> | <b>2021 Base Request</b> | <b>Request from Reserve</b> | <b>Total 2021 Request</b> |
|--|----------------------|--------------------------|-----------------------------|---------------------------|
| LGBTQ Advisory Committee<br>(Appendix A to Report CM20013) | \$3,960              | \$3,960                  | -                           | \$3,960                   |
| Committee Against Racism<br>(Appendix B to Report CM20013) | \$8,900              | \$8,900                  | -                           | \$8,900                   |

In accordance with the volunteer committee budget process, the budgets are recommended for approval.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The Volunteer Advisory Committees are able to put surplus funds from each year into a reserve, for future purposes and request the use of those funds, in future years, for specific activities. This provides the Committee with an opportunity to plan ahead to undertake specific projects or initiatives, in future years, while minimizing increases in their budgets. Both of the committees have not yet determined all of their activities for 2021. Should additional funding for either of the Advisory Committees be required in 2021 and be available in the volunteer advisory committee reserves, requests for reserve funding will be made at the appropriate time.

**RELEVANT CONSULTATION**

The Volunteer Advisory Committees discussed their 2021 budget needs at their November 2020 Committee meetings.

**ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The recommendation will provide funding for the operations of the Volunteer Advisory Committees to enable them to continue to fulfil their terms of reference.

**ALTERNATIVES FOR CONSIDERATION**

The alternative would be not to fund the operations of the Advisory Committees. This is not recommended as they provide valuable service and advice to both Council and staff of the City and bring voices to deliberations that might otherwise not be heard.

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN****Community Engagement & Participation**

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

**Healthy and Safe Communities**

Hamilton is a safe and supportive city where people are active, healthy, and have a high quality of life.

**Culture and Diversity**

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

**Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

**APPENDICES ATTACHED**

Appendix "A" to Report CM20013 – LGBTQ Advisory Committee

Appendix "B" to Report CM20013 – Committee Against Racism





# CITY OF HAMILTON

2021

ADVISORY COMMITTEES

**BUDGET SUBMISSION FORM**

**LESBIAN, GAY, BISEXUAL, TRANSGENDER, AND QUEER (LGBTQ)  
ADVISORY COMMITTEE**

## PART A: General Information

### ADVISORY COMMITTEE MEMBERS:

|   |  |
|---|--|
| <b>James Diemert</b>                      | <b>Kyle Weitz</b>                              |
| <b>Autumn Getty (Recording Secretary)</b> | <b>Maureen Wilson (City Council Appointee)</b> |
| <b>Freja Gray</b>                         |  |
| <b>Lisa-Marie Johnston</b>                |  |
| <b>Cameron Kroetsch (Chair)</b>           |  |
| <b>Jack Maurice</b>                       |  |
| <b>Violetta Nikolskaya (Vice Chair)</b>   |  |
| <b>Terri Wallis</b>                       |  |

### MANDATE:

The LGBTQ Advisory Committee for the City of Hamilton exists to eliminate barriers experienced by LGBTQ communities by giving voice to the perspectives of LGBTQ individuals and evaluating the City on its related efforts. The Committee does this by making recommendations to Council and staff in order that the City of Hamilton will excel in providing services to and interfacing with members of the LGBTQ communities.

The Committee is empowered by City Council and is responsible to City Council for its services; it reports to City Council on issues and concerns pertaining to the LGBTQ communities through the Audit, Finance & Administration Committee.

## PART B: Strategic Planning

### STRATEGIC OBJECTIVES:

To provide opportunities for members of Hamilton’s diverse LGBTQ communities to share stories, impart information, raise concerns and recommend changes as they relate to the way the City develops by-laws, policies, programs and services that impact LGBTQ communities, through the appropriate Standing Committee of Council.

To provide advice and recommendations to City council and staff with respect to the implementation of by-laws, policies, programs and services that impact LGBTQ communities.

To educate and increase the awareness and understanding of City Council and staff on issues that impact LGBTQ communities.

To facilitate access to accurate information about LGBTQ communities, including an up-to-date list of LGBTQ positive spaces, programs, resources and organizations.

To acknowledge and respect the diversity of Hamilton’s LGBTQ communities, including those voices not represented at the Committee table, with respect to gender identity, sexual orientation, age, ability, ethno-cultural background and socio-economic status.

To review the progress and measure of success of the Committee and its activities on a regular basis.

|  |   |                                 |   |
|--|---|---------------------------------|---|
| Please check off which Council approved Strategic Commitments your Advisory Committee supports |   |                                 |   |
| 1) Community Engagement & Participation  | Y | 2) Economic Prosperity & Growth |   |
| 3) Healthy & Safe Communities  | Y | 4) Clean & Green                |   |
| 5) Built Environment & Infrastructure  |   | 6) Culture & Diversity          | Y |
| 7) Our People & Performance  | Y |                                 |   |

**ALIGNMENT WITH CORPORATE GOALS:**

**PART C: Budget Request**

**INCIDENTAL COSTS:**

|   |                 |
|---|-----------------|
| Monthly meeting expenses (photocopying, refreshments, advertising, postage, etc.)   |                 |
| *Actual expenses for 2020 were \$412.06 up to August 31; but we are basing this budget request upon the potential for there to be more in person meetings in 2021 than there were in 2020 but that, for the most part, meetings will be virtual |                 |
| <b>SUB TOTAL</b>  | <b>\$750.00</b> |

**SPECIAL EVENT/PROJECT COSTS:**

|  |                   |
|--|-------------------|
| <ul style="list-style-type: none"> <li>• Partnership in the development and sharing of community resources and information</li> <li>• Social marketing regarding positive spaces, including materials, focus groups, awareness, etc.</li> <li>• Partner with community groups for awareness campaigns at significant events in Two Spirit and LGBTQIA+ communities</li> <li>• Subsidizing membership participation in workshops/conferences relevant to committee objectives</li> <li>• Partner with organizations providing support to members of Two Spirit and LGBTQIA+ communities during the COVID-19 pandemic</li> <li>• Additional Special Event/Project Cost of \$2,000.00 (to come from the Committee's reserve) for Committee training around anti-racism, anti-oppression, and other topics related to the Committee's mandate</li> </ul> |                   |
| <b>SUB TOTAL</b>   | <b>\$5,210.00</b> |

|                    |                   |
|--------------------|-------------------|
| <b>TOTAL COSTS</b> | <b>\$5,960.00</b> |
|--------------------|-------------------|

|  |                   |
|--|-------------------|
| <b>Funding from Advisory Committee Reserve (only available to Advisory Committees with reserve balances)</b> | <b>\$2,000.00</b> |
|--|-------------------|

|  |                   |
|--|-------------------|
| <b>TOTAL 2021 BUDGET REQUEST (net of reserve funding)</b>            | <b>\$3,960.00</b> |
| <b>PREVIOUS YEAR (2020) APPROVED BUDGET (2020 Request \$3960.00)</b> | <b>\$3,960.00</b> |

**CERTIFICATION:**

Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

**Representative's Name:** **Cameron Kroetsch**

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**Signature:**

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**November 17, 2020**

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**Date:**

# **CITY OF HAMILTON**

**2021**

**ADVISORY COMMITTEES**

**BUDGET SUBMISSION FORM**

**COMMITTEE AGAINST RACISM**

## PART A: General Information

### ADVISORY COMMITTEE MEMBERS:

|                                  |  |
|----------------------------------|--|
| <b>Marlene Dei-Amoah, Chair</b>  |  |
| <b>Tyrone Childs</b>             |  |
| <b>Leslyn Gombakomba</b>         |  |
| <b>Shamini Jacob</b>             |  |
| <b>Phillip Jeffrey</b>           |  |
| <b>Annie Law</b>                 |  |
| <b>Taimur Qasim</b>              |  |
| <b>Councillor Maureen Wilson</b> |  |

### MANDATE:

The Committee Against Racism is a volunteer advisory Committee of the City of Hamilton, appointed by Council. Members comprise residents of the City of Hamilton, representing diverse background and cultures. The mandate of the Committee Against Racism is to advise, advocate and consult on relevant issues in the community of Hamilton relating to racism and its consequences, including anti-racism strategies.

## PART B: Strategic Planning

### STRATEGIC OBJECTIVES:

1. Make recommendations and give advice to the City of Hamilton’s staff and Council on issues relating to racism, equity, diversity and inclusion as well as issues relating to anti-racism.
2. Encourage every person, regardless of their race, ancestry, place of origin, colour, ethnic origin, citizenship, religion, creed or any other grounds based on the Ontario Human Rights Code (OHRC), to participate in programs and services for the improvement of community relations and the fulfilment of Human Rights.
3. Work actively with institutions and all other relevant organizations, including educational institutions, Police Services, Emergency Services, public, private, voluntary sector and all levels of government to advise, consult, advocate and to promote proactive measures pertaining to racism and its impacts.
4. Consult with individuals and/or groups with respect to complaints regarding racism and to make referrals within the community for complainants.
5. Initiate and facilitate discussions between individuals and/or groups to address issues and concerns of racism and/or while promoting respect and understanding in the community.

**ALIGNMENT WITH CORPORATE GOALS:**

|  |   |  |   |
|--|---|--|---|
| Please check off which Council approved Strategic Commitments your Advisory Committee supports |   |  |   |
| 1) <b>Community Engagement &amp; Participation</b>   | X | 2) <b>Economic Prosperity &amp; Growth</b> | X |
| 3) <b>Healthy &amp; Safe Communities</b>   | X | 4) <b>Clean &amp; Green</b>                |   |
| 5) <b>Built Environment &amp; Infrastructure</b>   | X | 6) <b>Culture &amp; Diversity</b>          | X |
| 7) <b>Our People &amp; Performance</b>   |   |  |   |

**PART C: Budget Request**

**INCIDENTAL COSTS:**

|   |               |
|---|---------------|
| Monthly meeting expenses (photocopying, refreshments, advertising, postage, etc.) |               |
| <b>SUB TOTAL</b>  | <b>\$ 900</b> |

**SPECIAL EVENT/PROJECT COSTS:**

|   |                 |
|---|-----------------|
| Initiatives by the Committee, including the following:<br>1) Days of recognition such as, Lincoln Alexander Day, Black History Month, Emancipation Day, and other days related to the mandate of anti-racism<br>2) Supporting City of Hamilton initiatives related to anti-racism<br>3) Support of anti-racism related community events |                 |
| <b>SUB TOTAL</b>  | <b>\$ 8,000</b> |

|                    |                 |
|--------------------|-----------------|
| <b>TOTAL COSTS</b> | <b>\$ 8,900</b> |
|--------------------|-----------------|

|  |                 |
|--|-----------------|
| <b>Funding from Advisory Committee Reserve (only available to Advisory Committees with reserve balances)</b> | <b>\$ 7,000</b> |
|--|-----------------|

|  |                 |
|--|-----------------|
| <b>TOTAL 2021 BUDGET REQUEST (net of reserve funding)</b>      | <b>\$ 8,900</b> |
| <b>PREVIOUS YEAR (2020) APPROVED BUDGET (2020 Request \$ )</b> | <b>\$ 8,900</b> |

**CERTIFICATION:**

Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

**Representative's Name:** **Marlene Dei-Amoah**

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**Signature:**

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**Date:**

**December 1, 2020**

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**Telephone # :**

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**CITY OF HAMILTON**  
**CITY MANAGER'S OFFICE**  
**Human Resources Division**

|                           |   |
|---------------------------|---|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee                |
| <b>COMMITTEE DATE:</b>    | December 10, 2020   |
| <b>SUBJECT/REPORT NO:</b> | Parklane Workplace Management System<br>(HUR20013) (City Wide)                  |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Gord Muise (905) 546-2424 Ext. 2655<br>Heather McNicol (905) 546-2424 Ext. 2635 |
| <b>SUBMITTED BY:</b>      | Lora Fontana<br>Executive Director<br>Human Resources                           |
| <b>SIGNATURE:</b>         |   |

### RECOMMENDATION

- (a) That the request to move from single source-procurement to standardization for a five (5) year term (January 1, 2021 to December 31, 2025), pursuant to Procurement Policy #14 – Standardization, for access to, and use of the Parklane Workplace Management System, be approved: and,
- (b) That the Executive Director, Human Resources be authorized to negotiate, enter into and execute the extension of the current agreement and any ancillary documents required to give effect thereto with Parklane Computer Systems, in a form satisfactory to the City Solicitor

### EXECUTIVE SUMMARY

Parklane Workplace Management System (“Parklane”) is used to manage both occupational and non-occupational disability caseloads and to provide a means to maintain, track and monitor confidential medical records. The City procured licensing access to Parklane in 2010. Currently with 20 licenses and 27 top tier users, City employees (including Police and Library) rely daily on Parklane for the claim management of every aspects of occupational and non-occupational health. In addition, WSIB claims are entered online through the Supervisor Incident Report by leaders across the organization as a familiar and efficient process that ensures the timely reporting of workplace accidents and injuries.

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: Parklane Workplace Management System (HUR20013) (City Wide) -  
Page 2 of 6**

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Since 2010, Human Resources has utilized the Procurement Policy #11 Non-Competitive Procurements provisions to acquire and maintain this invaluable software. Currently, Human Resources is seeking Council approval for Procurement Policy #14, Standardization, because it would otherwise be before Council as a request to extend the existing Policy #11 as a result of the contract term agreement ending on December 31, 2020, and the looming exhaustion of the currently allowable aggregate sum of the \$250,000. The business case to move from a single source procurement practice to a Standardization request, is compelling for the following reasons:

- The system is widely in use and holds a decade of historical data for the City's 8,000+ employees in relation to the confidential illness and injury specifics of those respective employees.
- Parklane has proven to be a critically successful product in the City's continuing evolution toward more effectively managing disability and absenteeism.
- The product has proven to be reliable and cost effective in relation to staff time and energy in terms of user-friendly platforms and integration with existing technology, including PeopleSoft, the City's Human Resources Management System.
- A product of choice for many other municipalities, hospitals and other public sector and private sector employers which assists the City in recruiting key positions within the City's Return to Work Services team whose daily use of Parklane is a valuable job skill.
- The City shares access to Parklane services with Police and Library staff responsible for disability management.
- Parklane provides similar functional benefits for disability practitioners as many of the Standard software approvals sought and approved by IT in its regular Standardization Report.

The current 2020 annual budgeted cost of Parklane is \$56,820 which covers a vast array of functional features that are outlined in the "Historical Background" section of this report.

**Alternatives for Consideration – See Page 6**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: Budgeted. No budget pressures. Annual cost ~ \$56, 820

Staffing: None.

Legal: None.

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**SUBJECT: Parklane Workplace Management System (HUR20013) (City Wide) -  
Page 3 of 6**

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## **HISTORICAL BACKGROUND**

In 2009, Human Resources sought competitive quotes for the provision of occupational and non-occupational disability technology to manage disability caseloads and provide a means to maintain, track and monitor confidential medical records. At the time, Parklane provided the City with the most appropriate functionality, compatibility to City IT systems (PeopleSoft) and cost efficiency. Parklane is one of the leading providers of Occupational Health and Safety software and is a recognized name in disability management markets (hospital, government, education, municipalities, utilities, manufacturing aerospace, etc.).

The vast array of functional features that are provided under the Parklane Computer Systems agreement are as follows:

### **Incident Reporting (Occupational Claim Management)**

- Record incidents, lost time, health care, hazards/near misses
- Manage all compensation claims
- Track incident direct and indirect costs
- Report on including types, causes, corrections, root cause, etc.
- Customize attribute table for additional incident tagging
- Submit reports to the compensation board electronically
- Hundreds of built-in statistical reports
- Export data for hands on analyzing and dashboard reports
- Attach photos and documents right to the incident
- Review dates feature to keep your tasks and follow-ups organized
- Auto-filled report of accident forms for Canada and U.S.
- Online Incident Reporting will also eliminate paper and reduce data entry

### **Work Accommodation (RTW, Modified Work)**

- Track who's off and available for modified work
- Build custom multi-phase RTW programs
- Detail employee restrictions and modified duties
- Define temporary or permanent modified duties
- Link electronic documents to each case
- Built-in statistical reports and export features
- Pull reports on program results to identify programs that work
- Track accommodated work hours

### **Disability Management (Non-Occupational Claim Management)**

- Manage short and long term non-occupational claims
- Record days off, claim reasons, and costs

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**SUBJECT: Parklane Workplace Management System (HUR20013) (City Wide) -  
Page 4 of 6**

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- Many customizable tables
- Categorize by permanent or temporary claims
- Customizable form letters
- Easily track your progress review dates and comments
- Built-in statistical reports and export features
- Monitor short- and long-term disability

**Chart (Medical Charting)**

- Record details of staff visits
- Identify trends in staff visits/calls
- Display summary of a employee history
- Variety of reports summarizing staff
- Electronically attach medical documents to chart
- Increased security ensures information is kept confidential
- Built in alerts warn of allergies and other need-to-know information
- Visits are summarized in each chart

**Recall (Compliance)**

- Record & track training, immunizations, testing
- Email notifications for due/overdue
- Built in/exportable compliance reports
- Personalized form letters for mass mailing/emailing
- Easily maintain your due diligence records

Original approval was received, and the City entered into agreement with Parklane for a three (3) year agreement January 1, 2010 to December 31, 2012. Further approval was received in 2012 in accordance with Procurement Policy #11 Non-Competitive Procurement, renewing the contract to 2016 and again extended for three (3) years in 2016. In 2019 another Policy #11 request was approved to extend to December 31, 2020 as the single source financial threshold (\$250,000) had not yet been exhausted.

Upon extending in 2019, it was discussed with Information Technology (IT) to add Parklane to the IT Standardization list to accompany the variety of software and other technology licences that are approved by Council. IT leadership agreed to submit Parklane on its Standardization report originally anticipated to be brought before Council in November of 2020. If approved, there would be no need for Human Resources to seek approval of an extension (Policy 11) prior to December 21, 2020. Due to COVID-19 and other considerations, the IT Standardization Report will not be brought to Council until after the expiry of the existing Parklane contract and approved funding. As a result, Human Resources is now bringing forward its own standalone Standardization request.

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**SUBJECT: Parklane Workplace Management System (HUR20013) (City Wide) -  
Page 5 of 6**

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Since 2013, Human Resources has utilized the Policy #11 provisions to acquire and maintain the invaluable Parklane software. The business case to move from a single source procurement practice that has been historically used to a Standardization request process, is compelling for the following reasons:

- The system is widely in use and holds a decade of historical data for the City's 8000+ employees in relation to the confidential illness and injury specifics of those respective employees.
- Parklane has proven to be a critically successful product in the City's continuing evolution toward more effectively managing disability and absenteeism.
- The product has proven to be reliable and cost effective in relation to staff time and energy in terms of user-friendly platforms and integration with existing technology, PeopleSoft, the City's Human Resources Management System.
- A product of choice for many other municipalities, hospitals and other public sector and private sector employers which assists the City in recruiting key positions within the City's Return to Work Services team whose daily use of Parklane is critical.
- The City shares access to Parklane services with Police and Library staff responsible for disability management.
- Parklane provides similar functional benefits for disability practitioners as many of the Standard software approvals sought and approved by IT in its regular Standardization Report.

The existing technology has served the City well for over a decade and in review of the historical advantages and intimate familiarity with the software by City staff, there is no demonstrated advantage, financial or otherwise, to move away from the Parklane platform at this time. In fact, to do so would place the City in a detrimental position. It is also noteworthy that the City manages the contract on behalf of the Police and Library boards as well. Any shift in direction would also place those groups in peril and reasonable notice would be necessary to allow them the opportunity to seek their own contract agreements for continued service.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

By-law 20-205 Procurement Policy, Policy 4.14 Standardization.

## **RELEVANT CONSULTATION**

Financial Services (Procurement)  
Corporate Services (Information Technology)

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

**Not Applicable**

**SUBJECT: Parklane Workplace Management System (HUR20013) (City Wide) -  
Page 6 of 6**

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**ALTERNATIVES FOR CONSIDERATION**

In the alternative, Council could approve a one (1) year extension to the existing contract in the form of a Policy 11 approval beyond the current threshold of \$250,000 for an addition year's commitment (to December 31, 2021) of approximately \$56,820, at which time Human Resources would ask that IT proceed with adding Parklane to its Standardization list. This option is not recommended as it would be a redundant exercise since both options would achieve the same result.

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Or People and Performance**

A Healthy, Respectful and Supportive Workplace

**APPENDICES AND SCHEDULES ATTACHED**

None

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Hamilton

**HMRF/HWRF PENSION ADMINISTRATION SUB-COMMITTEE  
REPORT 20-001**

**9:30 a.m.**

**Tuesday, December 10, 2019**

**Virtual Meeting**

**Hamilton City Hall**

**71 Main Street West**

**Present:** Councillors M. Pearson (Chair) and L. Ferguson  
HMRF Members: D. Skarratt (Co-Vice Chair) and D. Alford  
HWRF Members: J. Garchinski (Co-Vice Chair) and R. Slack

**Regrets:** HWRF Member: H. Hicks

**THE HMRF/HWRF PENSION ADMINISTRATION SUB-COMMITTEE PRESENTS  
REPORT 20-001 AND RESPECTFULLY RECOMMENDS:**

1. **2020 Master Trust Pension Statement of Investment Policies and Procedures (FCS20074) (City Wide) (Item 8.1)**
  - (a) That Appendix "A" to HMRF/HWRF Pension Administration Sub-Committee Report 20-001 respecting the 2020 City of Hamilton Defined Benefit Pension Plans Master Trust Statement of Investment Policies and Procedures be approved and replace the previous 2019 City of Hamilton Defined Benefit Pension Plans Master Trust Statement of Investment Policies and Procedures contained in Report FCS19073 and approved by Council on January 22, 2020; and,
  - (b) That Appendix "A" to HMRF/HWRF Pension Administration Sub-Committee Report 20-001 respecting the 2020 City of Hamilton Defined Benefit Pension Plans Master Trust Statement of Investment Policies and Procedures be forwarded to the Hamilton Street Railway Pension Advisory Committee for their information.
  - (c) That an Asset Liability Modelling Study be performed on the HMRF/HWRF/HSR Pension Plans up to a limit of \$90,000, to be funded from the respective Pension Plans based on their prorated share of total assets.

**2. Hamilton Wentworth Retirement Fund (HWRF) Valuation at December 31, 2019 (FCS20064) (City Wide) (Item 8.2)**

That the December 31, 2019 actuarial valuation for the Hamilton Wentworth Retirement Fund (HWRF) per Appendix "A" to Report FCS20064 be received for information.

**3. Hamilton Municipal Retirement Fund (HMRP) Valuation at December 31, 2019 (FCS20065) (City Wide) (Item 8.3)**

That the December 31, 2019 actuarial valuation for the Hamilton Municipal Retirement Fund (HMRP) per Appendix "A" to Report FCS20065 be received for information.

**4. Master Trust Pension Investment Performance Report as at December 31, 2019 (FCS19075(a)) (City Wide) (Item 9.1)**

That Report FCS19075(a), respecting the Master Trust Pension Investment Performance Report as at December 31, 2019, be received.

**5. Master Trust Pension Investment Performance Report as at June 30, 2020 (FCS20075) (City Wide) (Item 9.2)**

That Report FCS20075, respecting the Master Trust Pension Investment Performance Report as at June 30, 2020, be received.

**FOR INFORMATION:****(a) APPROVAL OF AGENDA (Item 1)**

The Committee Clerk advised that there were no changes to the agenda.

The agenda for the November 24, 2020 meeting of the HMRP/HWRF Pension Administration Sub-committee was approved, as presented.

**(b) DECLARATIONS OF INTEREST (Item 2)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)****(i) December 10, 2019 (Item 3.1)**

The December 10, 2019 Minutes of the HMRP / HWRF Pension Administration Sub-Committee meeting were approved, as presented.



**(d) PRESENTATIONS (Item 8)****(i) 2020 Master Trust Pension Statement of Investment Policies and Procedures (FCS20074) (City Wide) (Item 8.1)**

Nathan LaPierre, Aon, addressed the Committee with a presentation on Asset Liability Modelling.

The presentation from Nathan LaPierre, Aon, respecting Asset Liability Modelling, was received.

For disposition of this matter, refer to Item 1.

**(ii) Hamilton Wentworth Retirement Fund (HWRF) Valuation at December 31, 2019 (FCS20064) (City Wide) (Item 8.2)**

Mark Pearson, Aon, addressed the Committee with a presentation on the Hamilton Wentworth Retirement Fund (HWRF) Valuation at December 31, 2019.

The presentation from Mark Pearson, Aon, respecting the Hamilton Wentworth Retirement Fund (HWRF) Valuation at December 31, 2019, was received.

For disposition of this matter, refer to Item 2.

**(iii) Hamilton Municipal Retirement Fund (HMRF) Valuation at December 31, 2019 (FCS20065) (City Wide) (Item 8.3)**

Bill Liu, Willis Towers Watson, addressed the Committee with a presentation on the Hamilton Municipal Retirement Fund (HMRF) Valuation at December 31, 2019.

(a) The presentation from Bill Liu, Willis Towers Watson, respecting the Hamilton Municipal Retirement Fund (HMRF) Valuation at December 31, 2019, was received.

(b) Staff were directed to review the feasibility and benefit of a mortality assumption review for the HSR/HWRF/HSR Pension plans.

For further disposition of this matter, refer to Item 3.

**(e) ADJOURNMENT (Item 14)**

There being no further business, the HMRP/HWRF Pension Administration Sub-Committee adjourned at 11:25 a.m.

Respectfully submitted,

Councillor M. Pearson, Chair  
HMRP/HWRF Pension Administration  
Sub-Committee

Angela McRae  
Legislative Coordinator  
Office of the City Clerk

## **Statement of Investment Policies and Procedures**

City of Hamilton Defined Benefit Pension Plans Master Trust

November 2020

**APPROVED** on this \_\_\_\_\_ day of November, 2020

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## Section 1—Overview

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### 1.01 Purpose of Statement

This Statement of Investment Policies and Procedures (the “Policy” or “Master Trust SIPP”) provides the framework for the investment of the assets of the City of Hamilton Defined Benefit Pension Plans Master Trust (the “Master Trust”).

This Policy is based on the “prudent person portfolio approach” to ensure the prudent investment and administration of the assets of the Master Trust are within the parameters set out in the *Pension Benefits Act*, (Ontario) and the Regulations thereunder.

### 1.02 Background of the Master Trust

The inception date of the Master Trust is November 1, 1999, when three defined benefit pension plans, the “Plans”, (the Hamilton Municipal Retirement Fund (Registration number 0275123), the Hamilton Street Railway Pension Plan (1994) (Registration number 0253344), and the Hamilton Wentworth Retirement Fund (Registration number 1073352)) invested in units of the Master Trust. The portfolio of assets in the Master Trust is referred to as “the Fund”. These Plans hold units of the Master Trust and share, on a pro-rata basis, in all income, expenses and capital gains and losses of the Master Trust.

For reference purposes, the details of the Statement of Investment Policies and Procedures for each of the above mentioned Plans participating in the Master Trust have been attached to Appendix A of this Policy.

### 1.03 Objective of the Plan

The objective of the Plans is to provide members of the Plans with retirement benefits prescribed under the terms thereof.

### 1.04 Investment and Risk Philosophy

The primary investment objective is to provide an economic return on assets sufficient to fund Plan liabilities over the long-term, while adhering to prudent investment practices.

The investment philosophies and strategies must take into account both return and risk objectives of the Plans and the City of Hamilton (the “City”).

In recognition of the risk and return objectives of the Plans and the City, an initial asset allocation policy was developed by the Investment Consultant in consultation with both the Chief Investments Officer and the Treasurer of the City (the “Treasurer”) based on the Plans’ current (at that time) funded status and the characteristics of the Plans and City. It is recognized, however, that the Plans’ return requirements and risk tolerance will change over time, and the intent is to reallocate the portfolio to lower risk allocations dynamically as the Plans’ funded statuses improve.

### 1.05 Administration

The General Manager of Finance and Corporate Services for the City (“General Manager of Finance and Corporate Services”) is the designated contact person at the City for administrative purposes.

## Section 2—Asset Mix and Diversification Policy

### 2.01 Master Trust Return Expectations

Each of the investment managers appointed to invest the assets of the Master Trust (the "Investment Managers") is directed to achieve a satisfactory long-term real rate of return through a diversified portfolio, consistent with acceptable risks, performance objectives and prudent management.

In order to achieve their long-term investment goals, the Plans must invest in assets that have uncertain returns, such as Canadian equities, foreign equities and bonds. However, the City attempts to reduce the overall level of risk by diversifying the asset classes and further diversifying within each individual asset class. Based on historical data and reasonable expectations for future returns, the City believes that a diversified portfolio of Canadian equities, nominal bonds, real return bonds and foreign equities will likely outperform over the long term.

The overall goal of this Policy is to maximize the return of the Fund while bearing a reasonable level of risk relative to the liabilities in order to ensure the solvency of the Fund over time. The assets of the Plans are sufficiently liquid to make payments which may become due from the Plans. The weights applied to each of the asset classes are based on the targets in the initial asset allocation outlined in Section 2.03 and adjusted based on the target allocation in the Dynamic Investment Policy Schedule in Section 2.03.

### 2.02 Expected Volatility

The volatility of the Master Trust is directly related to its asset mix, specifically, the balance between Canadian bonds, Canadian equities and foreign equities. Since the Investment Managers do not have the authority to make any type of leveraged investment on behalf of the Master Trust, the volatility of the Master Trust should be similar to the volatility of the Benchmark Portfolio set out in Section 4.02 (Performance Measurement).

### 2.03 Asset Mix

(a) In order to achieve the long-term objective within the risk/return considerations described in Section 1.04, the following asset mix policy (Benchmark Portfolio) and ranges were selected for the initial asset allocation:

| Assets          | Minimum % | Initial Target Weight % | Maximum % | Asset Category    |
|-----------------|-----------|-------------------------|-----------|-------------------|
| Canadian Equity | 25        | 30                      | 35        | Return-Seeking    |
| Global Equity   | 25        | 30                      | 35        | Return-Seeking    |
| Total Equities  | 50        | 60                      | 70        | Return-Seeking    |
| Fixed Income    | 30        | 40                      | 50        | Liability-Hedging |

For purpose of the total asset mix described above, the Investment Managers' asset class pooled funds are deemed to be 100% invested, even though these funds may contain a portion held in cash and cash equivalent instruments.

The Plan's target asset allocation<sup>1</sup> for each investment category listed in subsection 76(12) of the Regulation 909 to the Pension Benefits Act (Ontario) is as follows:

**PfAD Table**

| <b>Investment Category under subsection 76(12) of Regulation 909</b>                            | <b>Target Asset Allocation<sup>1</sup></b> | <b>Accessed through mutual or pooled or segregated funds</b> |
|---|--|--|
| 1. Insured Contracts  | 0.0%                                       | -  |
| 2. Mutual or pooled funds or segregated funds   | N/A  | -  |
| 3. Demand deposits and cash on hand   | 0.0%                                       | -  |
| 4. Short-term notes and treasury bills  | 0.0%                                       | -  |
| 5. Term Deposits and guaranteed investment certificates   | 0.0%                                       | -  |
| 6. Mortgage Loans   | 0.0%                                       | -  |
| 7. Real Estate  | 0.0%                                       | -  |
| 8. Real Estate Debentures   | 0.0%                                       | -  |
| 9. Resource properties  | 0.0%                                       | -  |
| 10. Venture Capital   | 0.0%                                       | -  |
| 11. Corporations referred to in subsection 11(2) of Schedule III to the federal investment regs | 0.0%                                       | -  |
| 12. Employer issued securities  | 0.0%                                       | -  |
| 13. Canadian stocks other than investments referred to in 1 to 12 above                         | 28.0%                                      | Yes  |
| 14. Non-Canadian stocks other than investments referred to in 1 to 12 above                     | 28.0%                                      | Yes  |
| 15. Canadian bonds and debentures other than investments referred to in 1 to 12 above           | 44.0%                                      | Yes  |
| 16. Non-Canadian bonds and debentures other than investments referred to in 1 to 12 above       | 0.0%                                       | -  |
| 17. Investments other than investments referred to in 1 to 16 above                             | 0.0%                                       | -  |

For inclusion within a fixed income investment category in the above table, the minimum ratings for target asset allocations of fixed income assets are outlined below. This framework is used to inform whether the target asset allocation to an investment category qualifies as fixed income for purposes of calculating the Provision for Adverse Deviations (PfAD) as defined under Regulation 909.

| <b>Credit Rating Agency</b> | <b>Rating – Bond Market Securities</b> | <b>Rating – Money Market Securities</b> |
|-----------------------------|--|---|
| DBRS                        | BBB                                    | R-2 (middle)                            |
| Fitch Ratings               | BBB-                                   | F-3                                     |
| Moody's Investors Services  | Baa3                                   | P-3                                     |
| Standard & Poor's           | BBB-                                   | A-3                                     |

- (b) **Return-Seeking Assets:** These assets generally will consist of all non-fixed income investments, such as equities and alternatives, with a main focus on price appreciation with generally higher expected long-term returns.
- (c) **Liability-Hedging Assets:** These assets generally will be fixed-income investments, such as bonds, with similar duration characteristics as the pension liabilities (i.e., these assets generally behave like pension liabilities). Since these assets focus mainly on current income, their expected long-term returns will generally be lower than return-seeking assets.
- (d) **Sub-Allocations and Rebalancing Ranges:** The sub-allocations and rebalancing ranges within the return-seeking portfolio will be reviewed from time to time as the total

<sup>1</sup> The target asset allocation indicated in the PfAD table is based on the glidepath positioning as of June 30, 2020.

return-seeking allocation changes due to the Dynamic Investment Policy Schedule below. The rebalancing ranges for the total return-seeking assets and liability-hedging assets (fixed income) are also determined by the Dynamic Investment Policy Schedule below.

- (e) In recognition of the risk and return objectives of the Plans and the City, an initial asset allocation policy was developed by the Investment Consultant in consultation with both the Chief Investments Officer and the Treasurer based on the Plans' current (at that time) funded status and the characteristics of the Plans and City. It is recognized, however, that the Plans' return requirements and risk tolerance will change over time, and the intent is to reallocate the portfolio to lower risk allocations dynamically as the Plans' funded statuses improve.

Based on an assessment of the Plans' long-term goals and desired risk levels, the HMRF/HWRF Pension Administration Sub-Committee (following advice from the Investment Consultant) recommended to City Council a "Dynamic Investment Policy" which was subsequently approved by City Council. The Dynamic Investment Policy was developed by the Investment Consultant in consultation with the Chief Investments Officer and the Treasurer, and is based on the 2010 Dynamic Investment Policy Study which was conducted by the Investment Consultant.

The Dynamic Investment Policy dynamically adjusts the allocation to return-seeking assets and liability-hedging assets as the Plans' funded statuses improve. Funded status may change due to any combination of investment returns, contributions, benefit payments, fund expenses, and changes to liabilities (including discount rate changes).

This Policy is based on the results of the 2010 Dynamic Investment Policy Study and the Dynamic Investment Policy Schedule is as follows:

| Funded Ratio <sup>1,2</sup> | Return -Seeking Allocation |        |         |
|-----------------------------|----------------------------|--------|---------|
|                             | Minimum                    | Target | Maximum |
| <65%                        | 50%                        | 60%    | 70%     |
| 65%                         | 50%                        | 60%    | 70%     |
| 66%                         | 50%                        | 60%    | 70%     |
| 67%                         | 50%                        | 60%    | 70%     |
| 68%                         | 50%                        | 60%    | 70%     |
| 69%                         | 50%                        | 60%    | 70%     |
| 70%                         | 50%                        | 60%    | 70%     |
| 71%                         | 49%                        | 59%    | 69%     |
| 72%                         | 47%                        | 57%    | 67%     |
| 73%                         | 46%                        | 56%    | 66%     |
| 74%                         | 44%                        | 54%    | 64%     |
| 75%                         | 43%                        | 53%    | 63%     |
| 76%                         | 41%                        | 51%    | 61%     |
| 77%                         | 40%                        | 50%    | 60%     |
| 78%                         | 38%                        | 48%    | 58%     |
| 79%                         | 37%                        | 47%    | 57%     |
| 80%                         | 35%                        | 45%    | 55%     |
| 81%                         | 34%                        | 44%    | 54%     |
| 82%                         | 32%                        | 42%    | 52%     |
| 83%                         | 31%                        | 41%    | 51%     |



| Funded Ratio <sup>1 2</sup> | Return -Seeking Allocation |        |         |
|-----------------------------|----------------------------|--------|---------|
|                             | Minimum                    | Target | Maximum |
| 84%                         | 29%                        | 39%    | 49%     |
| 85%                         | 28%                        | 38%    | 48%     |
| 86%                         | 26%                        | 36%    | 46%     |
| 87%                         | 25%                        | 35%    | 45%     |
| 88%                         | 23%                        | 33%    | 43%     |
| 89%                         | 22%                        | 32%    | 42%     |
| 90%                         | 20%                        | 30%    | 40%     |
| 91%                         | 19%                        | 29%    | 39%     |
| 92%                         | 17%                        | 27%    | 37%     |
| 93%                         | 16%                        | 26%    | 36%     |
| 94%                         | 14%                        | 24%    | 34%     |
| 95%                         | 13%                        | 23%    | 33%     |
| 96%                         | 11%                        | 21%    | 31%     |
| 97%                         | 10%                        | 20%    | 30%     |
| 98%                         | 8%                         | 18%    | 28%     |
| 99%                         | 7%                         | 17%    | 27%     |
| 100%                        | 5%                         | 15%    | 25%     |
| >100%                       | 5%                         | 15%    | 25%     |

<sup>1</sup> Funded ratio defined on a Wind-up basis.

<sup>2</sup> Funded ratio will change based on any combination of investment returns, contributions, benefits payments, expenses and changes in liabilities.

Sub-Allocations: The sub-allocations within the liability hedging and return seeking categories will be drawn down approximately based on the table below. However, allocations to illiquid assets may be adjusted at a slower rate. Sub-allocations should be within 5% of their targets. The sub-allocations will be adjusted proportionately when the return-seeking allocation is between the levels listed in the table below.

|                    | Return Seeking  |               | Liability Hedging |                   |
|--------------------|-----------------|---------------|-------------------|-------------------|
|                    | Canadian Equity | Global Equity | Long-Term Bonds   | Real Return Bonds |
| 15% return seeking | 8%              | 7%            | 11%               | 74%               |
| 20% return seeking | 10%             | 10%           | 12%               | 68%               |
| 25% return seeking | 13%             | 12%           | 14%               | 61%               |
| 30% return seeking | 15%             | 15%           | 15%               | 55%               |
| 35% return seeking | 18%             | 17%           | 17%               | 48%               |
| 40% return seeking | 20%             | 20%           | 18%               | 42%               |
| 45% return seeking | 23%             | 22%           | 20%               | 35%               |
| 50% return seeking | 25%             | 25%           | 21%               | 29%               |
| 55% return seeking | 28%             | 27%           | 23%               | 22%               |
| 60% return seeking | 30%             | 30%           | 25%               | 15%               |

Duration Strategy: Based on the Dynamic Investment Policy Study completed in 2010, the portfolio interest rate dollar duration will increase as the funded status improves and the allocation to liability hedging assets increases. Interest rate derivatives may be used on either a strategic or opportunistic basis to mitigate risk by increasing the hedge ratio up to 100%. This will be at the discretion of the Administrator and based on the duration of the Plan's liabilities.

Rebalancing and Monitoring: A systematic rebalancing procedure will be utilized to ensure that the asset allocation of the Fund stays within the ranges defined above. As the return-seeking asset allocation changes, the sub-category allocations will be kept approximately proportional to the Initial allocation specified above. However, the allocations to illiquid investments may be adjusted more slowly. The funded ratio and asset allocation of the Fund will be reviewed regularly or when significant cash flows occur, and will be monitored and reported on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time. The Fund will be rebalanced as necessary, making use of benefit payments and contributions to the extent possible and considering the transaction costs involved in the rebalancing.

#### **2.04 Management Structure**

The Master Trust may employ a mix of active and passive management styles. Active management provides the opportunity to outperform specific investment benchmarks and it can provide lower absolute volatility of returns. Passive, or index, management minimizes the risk of underperformance relative to a benchmark index and is generally less expensive than active management. This approach also diversifies the manager risk, making the Master Trust less reliant on the skills of a single Investment Manager.

Because holding large amounts of foreign assets can expose the Master Trust to fluctuations in the level of the Canadian dollar, a portion of the foreign assets may be hedged back into Canadian dollars.

#### **2.05 Environmental, Social and Governance (ESG) Issues**

The Administrator's primary responsibility is to make decisions in the best interest of the Plan beneficiaries. This responsibility requires that there be an appropriate balance between the need to seek long-term investment returns to help build better pensions for all members of the Plans and the needs for those returns to be delivered in as stable a manner as possible (given the behaviour of the investment markets).

The Administrator neither favours nor avoids managers and investments based on ESG integration. In keeping with the foregoing, and having regard to the size of the Plans and the pension fund, the Administrator does not take ESG factors into account when making investment decisions. As previously noted, the Administrator has delegated the search for investment managers to its Investment Consultant. On the direction of the Administrator, the Investment Consultant is directed to search and select the best investment managers for investing the assets of the Plans considering factors such as business, staff, historical performance and investment process, since the Administrator believes that these factors will contribute to higher investment returns in the long run and manage risk. Investment Managers are not prohibited from considering ESG factors if they believe that it will have a positive impact on the Plans' investment returns.

## Section 3—Permitted and Prohibited Investments

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### 3.01 General Guidelines

The investments of the Master Trust must comply with the requirements and restrictions set out in the *Income Tax Act* (Canada) and the *Pension Benefits Act* (Ontario), and their respective Regulations.

### 3.02 Permitted Investments

In general, and subject to the restrictions in this Section 3, the Investment Managers may invest in any of the following asset classes and in any of the investment instruments listed below:

- (a) **Canadian and Foreign Equities**
  - (i) Common and convertible preferred stock the shares of which are (a) listed on a prescribed stock exchange in Canada; or (b) listed on a prescribed stock exchange outside Canada;
  - (ii) Debentures convertible into common or convertible preferred stock, provided such instruments are traded on a recognized public exchange or through established investment dealers;
  - (iii) Rights, warrants and special warrants for common or convertible preferred stock the shares of which are (a) listed on a prescribed stock exchange in Canada; or (b) listed on a prescribed stock exchange outside Canada;
  - (iv) Private placement equities, where the security will be eligible for trading on a recognized public exchange within a reasonable and defined time frame;
  - (v) Instalment receipts, American Depository Receipts, Global Depository Receipts and similar exchange traded instruments;
  - (vi) Units of real estate investment trusts (REITs);
  - (vii) Exchange traded index-participation units (e.g., iUnits; SPDRs);
  - (viii) Income trusts registered as reporting issuers under the Securities Act, domiciled in a Canadian jurisdiction that provides limited liability protection to unit holders; and
  - (ix) Units of limited partnerships which are listed on the TSX exchange.

(b) **Canadian and Foreign Fixed Income**

- (i) Bonds, debentures, notes, non-convertible preferred stock and other evidence of indebtedness of Canadian or developed market foreign issuers whether denominated and payable in Canadian dollars or a foreign currency, provided such instruments are traded on a recognized public exchange or through established investment dealers, subject to Section 3.04 below;
- (ii) Real return bonds, subject to Section 3.04 below;
- (iii) Mortgages secured against Canadian real estate subject to Section 3.05 below;
- (iv) Mortgage-backed securities, guaranteed under the *National Housing Act*;
- (v) Term deposits and guaranteed investment certificates;
- (vi) Private placements of bonds subject to Section 3.03 below; and,
- (vii) Investment in bond and debenture issues of the City and affiliated bodies is neither encouraged nor discouraged. The decision by the Investment Manager(s) to invest in such issues is entirely their responsibility and they should be governed by the same degree of due diligence and prudence that they would apply when assessing any other investment in respect of a registered pension plan.

(c) **Cash and Short Term Investments**

- (i) Cash on hand and demand deposits;
- (ii) Canadian and U.S. Treasury bills and bonds (with remaining maturities not exceeding 365 days) issued by the federal (Canada & U.S., as applicable) and provincial governments and their agencies;
- (iii) Sovereign short-term debt instruments of developed countries, with maturities not exceeding 365 days;
- (iv) Obligations of trust companies and Canadian and foreign banks chartered to operate in Canada, including bankers' acceptances;
- (v) Commercial paper and term deposits; and
- (vi) Other money market instruments (maturity not exceeding 365 days).

(d) **Derivatives**

Assets are not invested in derivative instruments and the trust will not invest in derivatives directly (including options and futures). In the event that a pooled fund invests in derivatives, prior to investing in such pooled fund, appropriate risk management processes and procedures will be in place in order to help mitigate any risks associated with derivatives. Specifically, all derivative investments will

be made in accordance with applicable legislation and regulatory policies relating to the investment of pension plan assets in derivatives. The following uses of non-leveraged derivative instruments are permitted:

- (i) Covered put and/or call options with respect to publicly traded securities that are held in the portfolio;
  - (ii) The Investment Manager of an index portfolio may utilize fully backed, i.e. non-leveraged, derivative strategies designed to replicate the performance of specific market indices, i.e.- exchange-traded equity index futures contracts;
  - (iii) Investment Managers may use currency futures contracts and forward contracts to hedge foreign currency exposure; and
  - (iv) Interest rate derivatives can be used to hedge the interest rate risk in the liabilities.
- (e) **Other Investments**
- (i) Investments in open-ended or closed-ended pooled funds provided that the assets of such funds are permissible investments under this Policy, and
  - (ii) Deposit accounts of the Custodian can be used to invest surplus cash holdings.
- (f) **Index Mandates**
- (i) For managers of index mandates, permitted investment vehicles may include all instruments that may form part of the respective index.

### 3.03 Minimum Quality Requirements

- (a) **Quality Standards**
- Within the investment restrictions for individual portfolios, all portfolios should hold a prudently diversified exposure to the intended market.
- (i) The minimum quality standard for individual bonds and debentures is 'BBB-' or equivalent as rated by a Recognized Bond Rating Agency, at the time of purchase.
  - (ii) The minimum quality standard for individual short term investments is 'R-1' low or equivalent as rated by a Recognized Bond Rating Agency, at the time of purchase.
  - (iii) The minimum quality standard for individual preferred shares is 'P-1' or equivalent as rated by a Recognized Bond Rating Agency, at the time of purchase.
  - (iv) All investments shall be reasonably liquid (i.e. in normal circumstances they should be capable of liquidation within 1 month).

- (b) **Split Ratings**  
In cases where the Recognized Bond Rating Agencies do not agree on the credit rating, the bond will be classified according to the following methodology:
- (i) If two agencies rate a security, use the lower of the two ratings;
  - (ii) If three agencies rate a security, use the most common; and if four agencies rate a security, use the lowest most common; and
  - (iii) If three agencies rate a security and all three agencies disagree, use the middle rating; if four agencies rate a security and all four agencies disagree, use the lowest middle rating.
- (c) **Downgrades in Credit Quality**  
Each Investment Manager will take the following steps in the event of a downgrade in the credit rating of a portfolio asset by a Recognized Rating Agency to below the purchase standards set out in Section 3.03 (a) Quality Standards:
- (i) The Chief Investments Officer will be notified of the downgrade by telephone at the earliest possible opportunity;
  - (ii) Within ten business days of the downgrade, the Investment Manager will advise the Chief Investments Officer in writing of the course of action taken or to be taken by the Investment Manager, and its rationale; and
  - (iii) Immediately upon downgrade, the Investment Manager will place the asset on a Watch List subject to monthly review by the Investment Manager with the Chief Investments Officer until such time as the security matures, is sold or until it is upgraded to a level consistent with the purchase quality standards as expressed in the above guidelines.
- (d) **Rating Agencies**  
For the purposes of this Policy, the following rating agencies shall be considered to be 'Recognized Bond Rating Agencies':
- (i) Dominion Bond Rating Service Limited;
  - (ii) Standard and Poor's;
  - (iii) Moody's Investors Services Inc.; and
  - (iv) Fitch Ratings
- (e) **Private Placement Bonds**  
Private placement bonds are permitted subject to **all** of the following conditions:
- (i) The issues acquired must be 'A' or equivalent rated;
  - (ii) The total investment in such issues must **not** exceed 10% of the market value of the Investment Manager(s) bond portfolio;

- (iii) The Investment Manager's portfolio may **not** hold more than 5% of the market value of any one private placement;
- (iv) The Investment Manager(s) must be satisfied that there is sufficient liquidity to ensure sale at a reasonable price; and
- (v) The minimum issue size for any single security must be at least \$150 million.

### 3.04 Maximum Quantity Restrictions

#### (a) Total Fund Level

No one equity holding shall represent more than 10% of the total market value of the Master Trust's assets.

#### (b) Individual Investment Manager Level

The Investment Manager(s) shall adhere to the following restrictions:

##### (i) *Equities*

- (A) No one equity holding shall represent more than 10% of the market value of any one Investment Manager's equity portfolio.
- (B) No one equity holding shall represent more than 10% of the voting shares of a corporation.
- (C) No one equity holding shall represent more than 10% of the available public float of such equity security.
- (D) Income Trusts shall not comprise more than 15% of any Investment Manager's Canadian equity portfolio.

##### (ii) *Bonds and Short Term*

- (A) Except for federal and provincial bonds (including government guaranteed bonds), no more than 10% of an Investment Manager's bond portfolio may be invested in the bonds of a single issuer and its related companies.
- (B) Except for federal and provincial bonds, no one bond holding shall represent more than 10% of the market value of the total outstanding for that bond issue.
- (C) No more than 8% of the market value of an Investment Manager's bond portfolio shall be invested in bonds rated BBB (this includes all of BBB's: BBB+, BBB, and BBB-) or equivalent.
- (D) This Policy will permit the continued holding of instruments whose ratings are downgraded below BBB- after purchase, provided that such instruments are disposed of in an orderly fashion.

- (E) No more than 10% of the market value of an Investment Manager's bond portfolio shall be invested in bonds denominated in a currency other than Canadian dollars.
- (F) Except for the dedicated real return bond mandate, no more than 10% of the market value of the bond portfolio may be held in real return bonds.

**(iii) Other**

The use of derivative securities shall be supported at all times by the explicit allocation of sufficient assets to back the intended derivative strategy. For greater certainty, Investment Managers are not permitted to leverage the assets of the Master Trust. The use of derivative securities is only permitted for the uses described in this Policy. Purchase or sale of any of these instruments for speculative purposes is prohibited.

Notwithstanding the limits described in this Section, the single security limits do not apply to an Investment Manager's index mandate.

### 3.05 Prior Permission Required

The following investments are permitted **provided that** prior permission for such investments has been obtained from the Administrator:

- (a) Investments in private placement equities (except for the foreign equity investment managers investing in pooled funds where the pooled fund policy permits private placement equities).
- (b) Direct investments in mortgages.
- (c) Direct investments in any one parcel of real property that has a book value less than or equal to 5% of the book value of the Master Trust's assets. The aggregate book value of all investments in real property and Canadian resource properties shall not exceed 25% of the book value of the Master Trust's assets. (Previously, the overall 25% limit in respect of real and resource properties was a requirement under the *Pension Benefits Act* (Ontario).)
- (d) Direct investments in venture capital financing or private equity partnerships; and
- (e) Derivatives other than those described in 3.02(d).

### 3.06 Prohibited Investments

The Investment Managers shall not:

- (a) Invest in companies for the purpose of managing them;
- (b) Invest in securities that would result in the imposition of a tax on the Fund under the *Income Tax Act* (Canada) unless they provide a prior written acknowledgement that such investments will result in a tax and receive prior written permission for such investments from the Administrator or;
- (c) Make any investments not specifically permitted by this Policy.



### **3.07 Securities Lending**

The investments of the Master Trust may be loaned, for the purpose of generating revenue for the Fund, subject to the provisions of the *Pension Benefits Act* (Ontario) and the *Income Tax Act* (Canada), and applicable regulations.

For securities held in segregated accounts, such loans must be secured by cash and/or readily marketable government bonds, treasury bills and/or letters of credit, discount notes and bankers' acceptances of chartered banks. For loaned securities, the security held or collateral must have an aggregate market value which shall never be less than the percentage of the aggregate market value of the loaned securities which is the highest of: (i) the minimum percentage required by any applicable legislation, regulatory authority or prevailing market practice; or (ii) 105%. The aggregate market value of the loaned securities and of the collateral shall be monitored and calculated by the Custodian daily.

The terms and conditions of any securities lending program will be set out in a contract with the custodian. The custodian shall, at all times, ensure that the Chief Investments Officer has a current list of those institutions that are approved to borrow the Fund's investments.

Lending of the portion of the Master Trust's assets held in a pooled fund is governed by the terms of the conditions set out in the pooled fund Statement of Investment Policies and Procedures or similar document.

### **3.08 Borrowing**

The Master Trust shall not borrow money, except to cover short-term contingency and the borrowing is for a period that does not exceed ninety days, subject to the *Pension Benefits Act* (Ontario), the *Income Tax Act* (Canada) and the written permission of the General Manager of Finance and Corporate Services.

### **3.09 Conflicts between the Policy and Pooled Fund Investment Policies**

While the guidelines in this Policy are intended to guide the management of the Master Trust, it is recognized that, due to the use of pooled funds, there may be instances where there is a conflict between the Policy and the investment policy of a pooled fund. In that case, the Investment Manager is expected to notify Chief Investments Officer upon the initial review of the Policy and whenever a change in the pooled fund policy creates a conflict. However, it is understood that any ambiguity will be interpreted in favour of the pooled fund policy, provided such interpretation complies with all applicable laws.

## Section 4—Monitoring and Control

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### 4.01 Delegation of Responsibilities

The General Manager of Finance and Corporate Services is the designated contact person for administrative matters. However, City Council has delegated certain administrative duties and responsibilities to internal and external agents, including to the HMRF/HWRF Pension Administration Sub-committee, the Chief Investments Officer and the General Manager of Finance and Corporate Services. Overall responsibility for the Master Trust ultimately rests with City Council, and the City (acting through Council) is the pension plan administrator of the Plans (for each Plan, the "Administrator").

**(a) Chief Investments Officer**

The Chief Investments Officer has been delegated the following responsibilities:

- (i) monitoring the Master Trust asset mix and rebalancing as required, including executing asset mix changes required per the Dynamic Policy Schedules outlined in section 2.03;
- (ii) day-to-day liaison including contract management with external Investment Managers, the Investment Consultant, and the Custodian/Trustee;
- (iii) monitoring and budgeting for cash flow within the pension fund;
- (iv) researching, recommending and implementing improvements to asset management of the Master Trust;
- (v) directing and implementing strategy for self-managed portfolios, if any; and
- (vi) preparing and presenting to City Council and the HMRF/HWRF Pension Administration Sub-Committee a report on the Plan's investment performance and asset mix, and such other information as City Council may require and/or other such information as the Chief Investments Officer considers appropriate to include in the report, on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time.

**(b) Investment Managers**

The Investment Managers have been delegated the following responsibilities:

- (i) invest the assets of the Master Trust in accordance with this Policy;
- (ii) meet with the Chief Investments Officer as required and provide written reports regarding the Investment Manager's past performance, their future strategies and other issues as requested;

- (iii) notify the Chief Investments Officer, in writing of any significant changes in the Investment Manager's philosophies and policies, personnel or organization and procedures;
- (iv) will provide periodically, but no less than on an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time, lists of assets and such other information as may be requested by the Chief Investments Officer; and,
- (v) file, on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time compliance reports (see Section 4.03).

**(c) Custodian/Trustee**

The custodian/trustee will:

- (i) Fulfil the regular duties of a Custodian/Trustee as required by law;
- (ii) maintain safe custody over the assets of the Master Trust Plans;
- (iii) execute the instructions of the Chief Investments Officer and the Investment Managers; and
- (iv) record income and provide financial statements to the Chief Investments Officer on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time, or as otherwise required.

**(d) Investment Consultant**

The investment consultant has been delegated the following responsibilities:

- (i) assist the Chief Investments Officer in developing a prudent long-term asset mix, and specific investment objectives and policies;
- (ii) monitor, analyse and report on the Master Trust's investment performance and to support the Chief Investments Officer on any investment related matters;
- (iii) monitor and report the funded status of the Plans to the Chief Investments Officer on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time;
- (iv) assist with the selection of Investment Managers, custodians and other suppliers; and
- (v) meet with the Chief Investments Officer as required.

**(e) Actuary**

The actuary has been delegated the following responsibilities:

- (i) perform actuarial valuations of the Plan as required; and
- (ii) advise the Chief Investments Officer and the Investment Consultant on any matters relating to Plan design, membership and contributions, and actuarial valuations.

#### 4.02 Performance Measurement

For the purpose of evaluating the performance of the Master Trust and the Investment Managers, all rates of returns are measured over moving four-year periods. Return objectives are net of fees and include realized and unrealized capital gains or losses plus income from all sources. Returns will be measured quarterly and will be calculated as time-weighted rates of return.

**(a) Active and Index Canadian Equity Managers**

Investment results of the active and index Canadian Equity Managers are to be tested regularly against a Benchmark Portfolio comprising:

| Benchmark               | %   |
|-------------------------|-----|
| S&P/TSX Composite Index | 100 |

**(b) Active and Index Global Equity Managers**

Investment results of the active and index Global Equity Managers are to be tested regularly against a long-term Benchmark Portfolio comprising:

| Benchmark              | %   |
|------------------------|-----|
| MSCI World Index (C\$) | 100 |

**(c) Active and Index Canadian Bond Managers – Long Bonds**

Investment results of the active and index Canadian Bond Managers for Long Bonds are to be tested regularly against a Benchmark Portfolio comprising:

| Benchmark                   | %   |
|-----------------------------|-----|
| FTSE Canada Long Bond Index | 100 |

**(d) Active and Index Canadian Bond Managers – Real Return Bonds**

Investment results of the active and index Canadian Bond Managers for Real Return Bonds are to be tested regularly against a Benchmark Portfolio comprising:

| Benchmark                          | %   |
|------------------------------------|-----|
| FTSE Canada Real Return Bond Index | 100 |

#### 4.03 Compliance Reporting by Investment Manager

The Investment Managers are required to complete and deliver a compliance report to the Chief Investments Officer and the Investment Consultant on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time. The compliance report will indicate whether or not the Investment Manager was in compliance with this Policy during the period covered in the report.

In the event that an Investment Manager is not in compliance with this Policy, the Investment Manager is required to advise the Chief Investments Officer immediately, detail the nature of the non-compliance and recommend an appropriate course of action to remedy the situation.

The Master Trust invests in pooled funds with separate investment policies. In that case, the Investment Manager must confirm compliance to the pooled fund policy. In addition, should a conflict arise between a pooled fund policy and this Policy, the Investment Manager is required to advise the Chief Investments Officer immediately and detail the nature of the conflict.

#### 4.04 Standard of Professional Conduct

The Investment Managers are expected to comply, at all times and in all respects, with a written code of ethics that is no less stringent in all material respects than the Code of Ethics and Standards of Professional Conduct as promulgated by the CFA Institute.

The Investment Managers will manage the assets with the care, diligence and skill that an investment manager of ordinary prudence would use in dealing with pension plan assets. The Investment Managers will also use all relevant knowledge and skill that they possess or ought to possess as prudent investment managers.

## Section 5—Administration

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### 5.01 Conflicts of Interest

#### (a) Responsibilities

This standard applies to the City's staff, as well as to all agents employed by the City, in the execution of their responsibilities under the *Pension Benefits Act* (Ontario) (the "Affected Persons").

An "agent" is defined to mean a company, organization, association or individual, as well as its employees who are retained by the Administrator to provide specific services with respect to the investment, administration and management of the assets of the Master Trust.

#### (b) Disclosure

In the execution of their duties, the Affected Persons shall disclose any material conflict of interest relating to them, or any material ownership of securities, which could impair their ability to render unbiased advice, or to make unbiased decisions, affecting the administration of the Master Trust assets.

Further, it is expected that no Affected Person shall make any personal financial gain (direct or indirect) because of his or her fiduciary position. However, normal and reasonable fees and expenses incurred in the discharge of their responsibilities are permitted in accordance with City policies as approved by Council.

No Affected Person shall accept a gift or gratuity or other personal favour, other than one of nominal value, from a person with whom the employee deals in the course of performance of his or her duties and responsibilities for the Master Trust.

It is incumbent on any Affected Person who believes that he or she may have a conflict of interest, or who is aware of any conflict of interest, to disclose full details of the situation to the attention of the General Manager of Finance and Corporate Services and/or the Treasurer immediately. The General Manager of Finance and Corporate Services and/or the Treasurer, in turn, will decide what action is appropriate under the circumstances.

No Affected Person who has or is required to make a disclosure as contemplated in this Policy shall participate in any discussion, decision or vote relating to any proposed investment or transaction in respect of which he or she has made or is required to make disclosure, unless otherwise determined permissible by decision of the General Manager of Finance and Corporate Services and/or the Treasurer.

## 5.02 Related Party Transactions

The Chief Investments Officer shall not, on behalf of the Plans or the Master Trust, directly or indirectly,

- (i) lend the moneys of the Plans to a related party or use those moneys to hold an investment in the securities of a related party; or
- (ii) enter into a transaction with a related party.

The Chief Investments Officer may enter into a transaction with a related party:

- (i) for the operation or administration of the Plans if it is under terms and conditions that are not less favourable to the Plans than market terms and conditions and such transaction does not involve the making of loans to, or investments in, the related party or
- (ii) the value of the transaction is nominal or the transaction is immaterial. In assessing whether the value of the transaction is nominal or immaterial, two or more transactions with the same related party shall be considered as a single transaction.

For the purposes of Section 5.02, only the market value of the combined assets of the Fund shall be used as the criteria to determine whether a transaction is nominal or immaterial. Transactions less than 0.5% of the combined market value of the assets of the Fund are considered nominal.

The following investments are exempt from the related party rules:

- (i) investments in an investment fund or a segregated fund (as those terms are used in the *Pension Benefits Standards Regulations*) in which investors other than the administrator and its affiliates may invest and that complies with Section 9 and Section 11 of Schedule III to the *Pension Benefits Standards Regulations*;
- (ii) investments in an unallocated general fund of a person authorized to carry on a life insurance business in Canada;
- (iii) investments in securities issued or fully guaranteed by the Government of Canada, the government of a province, or an agency of either one of them;

- (iv) investments in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada, the government of a province, or an agency of either one of them;
- (v) investments in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace (as that term is used in the *Pension Benefits Standards Regulations*); or
- (vi) investments that involve the purchase of a contract or agreement in respect of which the return is based on the performance of a widely recognized index of a broad class of securities traded at a marketplace (as that term is used in the *Pension Benefits Standards Regulations*).

A "related party" is defined to mean the Administrator of the Plans, including any officer, director or employee of the Administrator. It also includes, the Investment Managers and their employees, a union representing employees of the employer, a member of the Master Trust, a spouse or child of the persons named previously, or a corporation that is directly or indirectly controlled by the persons named previously, and any other person constituting a "related party" under the *Pension Benefits Act (Ontario)*. Related party does not include government or a government agency, or a bank, trust company or other financial institution that holds the assets of the Master Trust.

### **5.03 Selecting Investment Managers**

In the event that a new Investment Manager must be selected or additional Investment Manager(s) added to the existing Investment Manager(s), the Chief Investments Officer will undertake an Investment Manager search with or without the assistance of a third-party investment consultant depending on the expertise required. The criteria used for selecting an Investment Manager will be consistent with the investment and risk philosophy set out in Section 1.04 (Investment and Risk Philosophy).

### **5.04 Directed Brokerage Commissions**

Investment Managers may use directed brokerage to pay for research and other investment related services provided they comply with, and provide the disclosure required by, the Soft Dollar Standards promulgated by the CFA Institute.

### **5.05 Monitoring of Asset Mix**

In order to ensure that the Master Trust operates within the minimum and maximum guidelines stated in this Policy as outlined in Section 2, the Chief Investments Officer shall monitor the asset mix on at least an annual basis, or upon such more frequent basis as may be requested by City Council or its delegates from time to time. Rebalancing between the investment mandates can take place over a reasonably short period of time after an imbalance has been identified. Rebalancing may be effected by redirecting the net cash flows to and from the Master Trust, or by transferring cash or securities between portfolios and/or Investment Managers.



## 5.06 Monitoring of Investment Managers

An important element in the success of this Policy is the link between the Investment Managers and the Chief Investments Officer. It is expected that the Investment Managers will communicate with the Chief Investments Officer whenever necessary. Periodic, written investment reports from the Investment Managers are sent to and reviewed by the Chief Investments Officer and form part of the monitoring process.

Meetings including telephone conference call meetings between the Investment Managers and the Chief Investments Officer will be scheduled as required. At each meeting or telephone conference call meeting, it is expected that the Investment Managers will prepare a general economic and capital markets overview, which will be distributed prior to or during the meeting. They should also include the following in their presentations:

- review of the previous period's strategy and investment results,
- discussion of how the condition of the capital markets affects the investment strategy of their respective portfolios,
- economic and market expectations,
- anticipated changes in the asset mix within the limits provided in this Policy, and,
- discussion of compliance and any exceptions.
- discussion of any votes that were cast against the wishes of company management by the Investment Managers in exercising voting rights (Section 5.08).

## 5.07 Dismissal of an Investment Manager

Reasons for considering the termination of the services of an Investment Manager include, but are not limited to, the following factors:

- (a) performance results which are below the stated performance benchmarks;
- (b) changes in the overall structure of the Master Trusts' assets such that the Investment Manager's services are no longer required;
- (c) change in personnel, firm structure or investment philosophy which might adversely affect the potential return and/or risk level of the portfolio; and/or
- (d) failure to adhere to this Policy.

## 5.08 Voting Rights

The Administrator has delegated voting rights acquired through the investments held by the Master Trust to the custodian of the securities to be exercised in accordance with the Investment Manager's instructions. Investment Managers are expected to exercise all voting rights related to investments held by the Master Trust in the interests of the members of the underlying pension plans. The Investment Managers shall report when they vote against the wishes of the company management to the Chief Investments Officer, providing information as to the reasons behind this vote.

## 5.09 Valuation of Investments Not Regularly Traded

The following principles will apply for the valuation of investments that are not traded regularly:

- (a) **Equities**  
Average of bid-and-ask prices from two major investment dealers, at least once every calendar quarter.
- (b) **Bonds**  
Same as for equities.
- (c) **Mortgages**  
Unless in arrears, the outstanding principal plus/minus the premium/discount resulting from the differential between face rate and the currently available rate for a mortgage of similar quality and term, determined at least once every month.
- (d) **Real Estate**  
A certified written appraisal from a qualified independent appraiser at least once every two years.

### 5.10 Policy Review

This Policy may be reviewed and revised at any time, but at least once every calendar year it must be formally reviewed. Should the Investment Manager(s) wish to review this Policy at any time, it is his/her responsibility to contact the Chief Investments Officer with specific recommendations.

The appropriateness of the Dynamic Investment Policy asset allocation parameters should be reviewed on an ongoing basis. A new Dynamic Investment Policy Study (Dynamic Asset-Liability Modeling Study) may be undertaken if any of the following events occur:

- (a) The plan gets significantly closer to the end-state of the flight path, including if the flight path funded ratio measurement changes significantly (to over 84%) from the starting point of the 2010 study, which was 69%.
- (b) There are significant changes to the regulations that affect the key metrics used in making decisions in the 2010 Dynamic Investment Policy Study or should affect the asset allocation in the future;
- (c) Capital market conditions change significantly such that the assumptions embedded in the 2010 Dynamic Investment Policy Study are no longer reasonable; or
- (d) The plan sponsor's risk posture changes significantly.

## Appendix A - Statement of Investment Policies & Procedures Hamilton Municipal Retirement Fund

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### Overview

#### 1.01 Purpose of Statement

This Statement of Investment Policies and Procedures (the "Hamilton Municipal Retirement Fund SIPP") provides the framework for the investment of the assets of the Hamilton Municipal Retirement Fund, registration number 0275123 (the "Plan");

The objective of the Hamilton Municipal Retirement Fund SIPP is to ensure that the assets of the Plan, together with expected contributions made by both the City and the Plan members, shall be invested in a continued prudent and effective manner.

The Hamilton Municipal Retirement Fund SIPP is based on the "prudent person portfolio approach" to ensure the prudent investment and administration of the assets of the Plan (the "Fund") are within the parameters set out in the *Pension Benefits Act*, (Ontario) and the Regulations thereunder.

All provisions in the Master Trust SIPP apply to this Appendix.

#### 1.02 Background of the Plan

The Hamilton Municipal Retirement Fund is a contributory defined benefit plan. The plan has been closed to new entrants since 1965. Municipal employees hired after June 30, 1965 participate in the OMERS Pension Plan. Therefore, this is a closed fund and will terminate upon the death of the last retiree or successor. Effective July 1, 2001, the last active member retired from the Plan.

#### 1.03 Plan Profile

*a) Contributions*

There are no active members in the Plan.

*b) Benefits*

2% of average annual earnings in best consecutive 5 years before retirement for each year of credited service up to 35 years reduced by 0.675% of the 5-year average earnings up to the final year's YMPE for each year of contributory service after January 1, 1966. CPP Offset suspended from date of retirement to age 65. Effective Jan 1, 2006 annual increases will not be less than the increase provided to retirees under the OMERS plan. .

*c) Liabilities*

As of the most recent actuarial valuation of the Plan as at December 31, 2019 there were no active members, 3 deferred members and 177 retirees and beneficiaries.

As of December 31, 2019, the going-concern liability of the plan was \$68,912,831, including a Provision for Adverse Deviation (PfAD) of \$3,700,990, compared to the actuarial value of assets of \$71,445,290. On a solvency basis, the liability was \$57,859,942, while the assets (at market) were \$71,295,290 (net of a provision for

plan windup expenses of \$150,000). On a windup basis, the liability was \$72,819,924.

#### **1.04 Objective of the Plan**

The objective of the Plans is to provide members of the Plans with retirement benefits prescribed under the terms thereof.

#### **1.05 Investment and Risk Philosophy**

The primary investment objective is to provide an economic return on assets sufficient to fund plan liabilities over the long-term, while adhering to prudent investment practices.

The investment philosophies and strategies must take into account both return and risk objectives of the Plan and the City.

In recognition of the risk and return objectives of the Plan and the City, an initial Asset Allocation Policy was developed based on the Plan's current funded status and the characteristics of the Plan and City. It is recognized, however, that the Plan return requirements and risk tolerance will change over time, and the intent is to reallocate the portfolio to lower risk allocations dynamically as the Plan's funded status improves.

#### **1.06 Administration**

The General Manager of Finance and Corporate Services for the City of Hamilton is the designated contact at the City for administrative purposes.

#### **1.07 Pooling of Assets**

For investment purposes, certain assets of the Plan are invested in units of the City of Hamilton Defined Benefit Plans Master Trust, along with certain assets of the Hamilton-Wentworth Retirement Fund and the Hamilton Street Railway Pension Plan (1994).

Up to 2 % of Plan assets may be invested outside of the City of Hamilton Defined Benefit Plans Master Trust for operating expenses and liquidity purposes, in accordance with the parameters set out in Section 3.02 (c) and (e) of the City of Hamilton Defined Benefit Plans Master Trust SIPP. The provisions of the City of Hamilton Defined Benefit Plans Master Trust SIPP apply to the investment of these assets.

#### **1.08 Master Trust SIPP**

The Master Trust SIPP is the policy that should be followed while investing the pooled assets of the Hamilton Municipal Retirement Fund.

## Appendix B - Statement of Investment Policies & Procedures Hamilton Street Railway Pension Plan (1994)

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### Overview

#### 1.01 Purpose of Statement

This Statement of Investment Policies and Procedures (the "Hamilton Street Railway Pension Plan SIPP") provides the framework for the investment of the assets of the Hamilton Street Railway Pension Plan (1994), registration number 0253344 (the "Plan");

The objective of the Hamilton Street Railway Pension Plan SIPP is to ensure that the assets of the Plan, together with expected contributions made by both the City and the Plan members, shall be invested in a continued prudent and effective manner.

The Hamilton Street Railway Pension Plan SIPP is based on the "prudent person portfolio approach" to ensure the prudent investment and administration of the assets of the Plan (the "Fund") are within the parameters set out in the *Pension Benefits Act*, (Ontario) and the Regulations thereunder.

All provisions in the Master Trust SIPP apply to this Appendix.

#### 1.02 Background of the Plan

The current Plan dates from January 1, 1994 when two former plans – Canada Coach Lines and Hamilton Street Railway plans were merged. Effective January 1, 2009 this contributory defined benefit plan was closed to new members and active members stopped contributing and accruing service under the plan.

#### 1.03 Plan Profile

##### a) Contributions

Under the terms of the Plan text, members' contributions prior to 1999 were 7.5% of earnings less contributions made to Canada Pension Plan. For the calendar years 1999 through 2008, members (depending on the year) either enjoyed a contribution holiday or were limited to contribution rates of 1% of earnings. Effective January 2009, as members became City employees, no member contributions have been required or permitted to be made to the Plan.

##### b) Benefits

Members receive a pension equal to 1.5% of average pensionable earnings up to the average Year's Maximum Pensionable Earnings (YMPE) as established under the Canada Pension Plan, plus 2% of the excess, multiplied by years of credited service accrued up to December 31, 2008. The "average pensionable earnings" are defined as the average of best five years' earnings during the member's credited service and OMERS credited service, if any. The "average YMPE" is defined as the average of the YMPE for the last thirty-six complete months of plan membership.

In the event that pensions accrued under the prior plan exceed the pension accrued under the current plan for service prior to July 1, 1980, then the pension is increased accordingly. Pensions are subject to annual indexing equal to the indexing provided

to retirees under the OMERS plan (100% of inflation to a maximum of 6% per annum).

*c) Liabilities*

As of the most recent actuarial valuation of the Plan as at January 1, 2020, there were 315 active members, 29 deferred members and 610 retirees and beneficiaries. The average age of the active members was approximately 54.3 years with average pensionable earnings of \$70,474.

As of January 1, 2020, the going-concern liability of the plan was \$228,695,400, including a Provision for Adverse Deviation (PfAD) of \$17,103,300, compared to the actuarial value of assets of \$211,167,500. On a solvency basis, the liability was \$216,314,100 while the assets (at market) were \$210,967,500 (net of a provision for plan windup expenses of \$200,000). On a windup basis the liability was \$315,487,000.

The going-concern deficit is being eliminated through a series of special payments. No special payments are required for the solvency deficit since the solvency ratio exceeds .85.

#### **1.04 Objective of the Plan**

The objective of the Plan is to provide members of the Plan with retirement benefits prescribed under the terms thereof.

#### **1.05 Investment and Risk Philosophy**

The primary investment objective is to provide an economic return on assets sufficient to fund plan liabilities over the long-term, while adhering to prudent investment practices.

The investment philosophies and strategies must take into account both return and risk objectives of the Plan and the City.

In recognition of the risk and return objectives of the Plan and the City, an initial Asset Allocation Policy was developed based on the Plan's current funded status and the characteristics of the Plan and City. It is recognized, however, that the Plan return requirements and risk tolerance will change over time, and the intent is to reallocate the portfolio to lower risk allocations dynamically as the Plan's funded status improves.

#### **1.06 Administration**

The General Manager of Finance and Corporate Services for the City of Hamilton is the designated contact at the City for administrative purposes.

#### **1.07 Pooling of Assets**

For investment purposes, certain assets of the Plan are invested in units of the City of Hamilton Defined Benefit Plans Master Trust, along with certain assets of the Hamilton-Wentworth Retirement Fund and the Hamilton Municipal Retirement Fund.

Up to 2 % of Plan assets may be invested outside of the City of Hamilton Defined Benefit Plans Master Trust for operating expenses and liquidity purposes, in accordance with the

parameters set out in Section 3.02 (a), (c) and (e) of the City of Hamilton Defined Benefit Plans Master Trust SIPP. The provisions of the City of Hamilton Defined Benefit Plans Master Trust SIPP apply to the investment of these assets.

#### **1.08 Master Trust SIPP**

The Master Trust SIPP is the policy that should be followed while investing the pooled assets of the Hamilton Street Railway Pension Plan (1994).

## Appendix C - Statement of Investment Policies & Procedures The Hamilton-Wentworth Retirement Fund

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### Overview

#### 1.01 Purpose of Statement

This Statement of Investment Policies and Procedures (the "Hamilton-Wentworth Retirement Fund SIPP") provides the framework for the investment of the assets of the Hamilton-Wentworth Retirement Fund, registration number 1073352 (the "Plan");

The objective of the Hamilton-Wentworth Retirement Fund SIPP is to ensure that the assets of the Plan, together with expected contributions made by both the City and the Plan members, shall be invested in a continued prudent and effective manner.

The Hamilton-Wentworth Retirement Fund SIPP is based on the "prudent person portfolio approach" to ensure the prudent investment and administration of the assets of the Plan (the "Fund") are within the parameters set out in the *Pension Benefits Act*, (Ontario) and the Regulations thereunder.

All provisions in the Master Trust SIPP apply to this Appendix.

#### 1.02 Background of the Plan

The Plan is a contributory, defined benefit Plan. Effective January 1, 1985 all active Region Other Participants, excluding Police Civilians, were transferred to OMERS. The liability to transfer such members to OMERS was met by monthly payments of \$115,187 until December 31, 2000 and monthly payments of \$361 thereafter, concluding September 30, 2003. Effective January 1, 2002, the last active member retired from the plan.

#### 1.03 Plan Profile

##### a) Contributions

Under the terms of the Plan text:

For normal retirement age 60 class:

- 1) Senior Police Officers: contributions should be 7% of earnings up to the YMPE plus 8.5% of contributory earnings in excess of YMPE.
- 2) Other Police Officers: contributions should be 6.5% of earnings up to YMPE plus 8% of contributory earnings in excess of YMPE.

For a normal retirement age of 65 contributions should be 5.75% of earnings.

##### b) Benefits

2% of average annual earnings in best 5 years before retirement for each year of credited service up to 35 years reduced by 0.675% of the 5-year average earnings up to the final year's YMPE for each year of contributory service after January 1, 1966. CPP Offset suspended from date of retirement to age 65. Effective Jan 1, 2006 annual increases will not be less than the increase provided to retirees under the



OMERS plan, which is currently equal to 100% of the increase in the Consumer Price Index to a maximum of 6.0% per annum.

*c) Liabilities*

As of the most recent actuarial valuation of the Plan as at December 31, 2019, there were no active members, no deferred members and 140 retirees and beneficiaries.

As of December 31, 2019, the going-concern liability of the plan was \$52,830,000, including a Provision for Adverse Deviation (PfAD) of \$4,304,000, compared to the actuarial value of assets of \$54,821,009. On a solvency basis, the liabilities were \$50,907,000 while the assets were \$54,751,000 (net of a provision for plan windup expenses of \$70,000). On a windup basis the liability was \$64,241,000.

#### **1.04 Objective of the Plan**

The objective of the Plan is to provide members of the Plan with retirement benefits prescribed under the terms thereof.

#### **1.05 Investment and Risk Philosophy**

The primary investment objective is to provide an economic return on assets sufficient to fund plan liabilities over the long-term, while adhering to prudent investment practices.

The investment philosophies and strategies must take into account both return and risk objectives of the Plan and the City.

In recognition of the risk and return objectives of the Plan and the City, an initial Asset Allocation Policy was developed based on the Plan's current funded status and the characteristics of the Plan and City. It is recognized, however, that the Plan return requirements and risk tolerance will change over time, and the intent is to reallocate the portfolio to lower risk allocations dynamically as the Plan's funded status improves.

#### **1.06 Administration**

The General Manager of Finance and Corporate Services for the City of Hamilton is the designated contact at the City for administrative purposes.

#### **1.07 Pooling of Assets**

For investment purposes, certain assets of the Plan are invested in units of the City of Hamilton Defined Benefit Plans Master Trust, along with certain assets of the Hamilton Street Railway Pension Plan (1994) and the Hamilton Municipal Retirement Fund.

Up to 2 % of Plan assets may be invested outside of the City of Hamilton Defined Benefit Plans Master Trust for operating expenses and liquidity purposes, in accordance with the parameters set out in Section 3.02 (c) and (e) of the City of Hamilton Defined Benefit Plans Master Trust SIPP. The provisions of the City of Hamilton Defined Benefit Plans Master Trust SIPP apply to the investment of these assets.

#### **1.08 Master Trust SIPP**

The Master Trust SIPP is the policy that should be followed while investing the pooled assets of the Hamilton-Wentworth Retirement Fund Pension Plan.

## Appendix D – Compliance Reports

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**The City of Hamilton Master Trust  
Index Bond Manager**

**Compliance Report for the Quarter Ended \_\_\_\_\_  
(date)**

|  |  | GUIDELINES | POLICY<br>COMPLIED<br>WITH<br><br>YES/NO * |
|--|--|------------|--|
| <b>ASSET MIX (at Market Value)</b>           |  | %          |  |
| <b>FIXED INCOME</b>                          | BONDS  | 100%       |  |
| <b>CASH</b>                                  | SHORT-TERM & CASH  | 0%         |  |
| <b>CONSTRAINTS</b>                           |  |            |  |
| <b>GENERAL</b>                               | Investment Policy Section 3.01 – General Guidelines  |            |  |
| <b>BONDS</b>                                 | Investment Policy Section 3.02 (b) – Bonds   |            |  |
| <b>CASH</b>                                  | Investment Policy Section 3.02 (c) – Cash  |            |  |
| <b>DERIVATIVES</b>                           | Investment Policy Section 3.02 (c) – Derivatives   |            |  |
| <b>OTHER</b>                                 | Investment Policy Section 3.02 (e) – Other Investments                                       |            |  |
| <b>INDEX</b>                                 | Investment Policy Section 3.02 (f) – Index Mandates  |            |  |
| <b>QUALITY REQUIREMENTS</b>                  | Investment Policy Section 3.03 – Minimum Quality Requirements                                |            |  |
| <b>QUANTITY RESTRICTIONS</b>                 | Investment Policy Section 3.04 – Maximum Quantity Restrictions                               |            |  |
| <b>PRIOR PERMISSION</b>                      | Investment Policy Section 3.05 – Prior Permission Required                                   |            |  |
| <b>PROHIBITED INVESTMENTS</b>                | Investment Policy Section 3.06 – Prohibited Investments                                      |            |  |
| <b>SECURITIES LENDING</b>                    | Investment Policy Section 3.07 – Securities Lending  |            |  |
| <b>RESPONSIBILITIES</b>                      | Investment Policy Section 4.01 (b) – Delegation of Responsibilities –<br>Investment Managers |            |  |
| <b>STANDARDS OF PROFESSIONAL<br/>CONDUCT</b> | Investment Policy Section 4.04 - Standards of Professional Conduct                           |            |  |
| <b>CONFLICTS OF INTEREST</b>                 | Investment Policy Section 5.01 - Conflicts of Interest                                       |            |  |
| <b>VOTING RIGHTS</b>                         | Investment Policy Section 5.08 - Voting Rights   |            |  |

\* If policy not complied with, comment on specifics

**COMPLETED BY:** \_\_\_\_\_ **SIGNED BY:** \_\_\_\_\_

**The City of Hamilton Master Trust  
Index Equity Manager**

**Compliance Report for the Quarter Ended \_\_\_\_\_  
(date)**

|  |  | GUIDELINES | POLICY<br>COMPLIED<br>WITH<br><br>YES/NO * |
|--|--|------------|--|
| <b>ASSET MIX (at Market Value)</b>           |  | %          |  |
| <b>EQUITIES</b>                              |  |            |  |
|  | U.S.   |            |  |
|  | EAFE   |            |  |
|  | TOTAL FOREIGN  |            |  |
| <b>CASH</b>                                  | SHORT-TERM & CASH  |            |  |
| <b>CONSTRAINTS</b>                           |  |            |  |
| <b>GENERAL</b>                               | Investment Policy Section 3.01 – General Guidelines  |            |  |
| <b>EQUITIES</b>                              | Investment Policy Section 3.02 (a) – Canadian and Foreign Equities                           |            |  |
| <b>CASH</b>                                  | Investment Policy Section 3.02 (c) – Cash and Short Term Investments                         |            |  |
| <b>DERIVATIVES</b>                           | Investment Policy Section 3.02 (d) – Derivatives   |            |  |
| <b>OTHER INVESTMENTS</b>                     | Investment Policy Section 3.02 (e) – Other Investments                                       |            |  |
| <b>INDEX</b>                                 | Investment Policy Section 3.02 (f) – Index Mandates  |            |  |
| <b>QUALITY REQUIREMENTS</b>                  | Investment Policy Section 3.03 – Minimum Quality Requirements                                |            |  |
| <b>QUANTITY RESTRICTIONS</b>                 | Investment Policy Section 3.04 – Maximum Quantity Restrictions                               |            |  |
| <b>PRIOR PERMISSION</b>                      | Investment Policy Section 3.05 – Prior Permission Required                                   |            |  |
| <b>PROHIBITED INVESTMENTS</b>                | Investment Policy Section 3.06 – Prohibited Investments                                      |            |  |
| <b>SECURITIES LENDING</b>                    | Investment Policy Section 3.07 – Securities Lending  |            |  |
| <b>BORROWING</b>                             | Investment Policy Section 3.08 – Borrowing   |            |  |
| <b>RESPONSIBILITIES</b>                      | Investment Policy Section 4.01 (b) – Delegation of Responsibilities –<br>Investment Managers |            |  |
| <b>STANDARDS OF PROFESSIONAL<br/>CONDUCT</b> | Investment Policy Section 4.04 - Standards of Professional Conduct                           |            |  |
| <b>CONFLICTS OF INTEREST</b>                 | Investment Policy Section 5.01 - Conflicts of Interest                                       |            |  |
| <b>VOTING RIGHTS</b>                         | Investment Policy Section 5.08 - Voting Rights   |            |  |

\* If policy not complied with, comment on specifics

**COMPLETED BY:** \_\_\_\_\_ **SIGNED BY:** \_\_\_\_\_

**The City of Hamilton Master Trust  
Active Bond Manager**

**Compliance Report for the Quarter Ended \_\_\_\_\_  
(date)**

|  |  | GUIDELINES | POLICY<br>COMPLIED<br>WITH<br><br>YES/NO * |
|--|--|------------|--|
| <b>ASSET MIX (at Market Value)</b>           |  | %          |  |
| <b>FIXED INCOME</b>                          | BONDS  | 100%       |  |
| <b>CASH</b>                                  | SHORT-TERM & CASH  | 0%         |  |
| <b>CONSTRAINTS</b>                           |  |            |  |
| <b>GENERAL</b>                               | Investment Policy Section 3.01 – General Guidelines  |            |  |
| <b>BONDS</b>                                 | Investment Policy Section 3.02 (b) – Bonds   |            |  |
| <b>CASH</b>                                  | Investment Policy Section 3.02 (c) – Cash  |            |  |
| <b>DERIVATIVES</b>                           | Investment Policy Section 3.02 (c) – Derivatives   |            |  |
| <b>OTHER</b>                                 | Investment Policy Section 3.02 (e) – Other Investments                                       |            |  |
| <b>INDEX</b>                                 | Investment Policy Section 3.02 (f) – Index Mandates  |            |  |
| <b>QUALITY REQUIREMENTS</b>                  | Investment Policy Section 3.03 – Minimum Quality Requirements                                |            |  |
| <b>QUANTITY RESTRICTIONS</b>                 | Investment Policy Section 3.04 – Maximum Quantity Restrictions                               |            |  |
| <b>PRIOR PERMISSION</b>                      | Investment Policy Section 3.05 – Prior Permission Required                                   |            |  |
| <b>PROHIBITED INVESTMENTS</b>                | Investment Policy Section 3.06 – Prohibited Investments                                      |            |  |
| <b>SECURITIES LENDING</b>                    | Investment Policy Section 3.07 – Securities Lending  |            |  |
| <b>RESPONSIBILITIES</b>                      | Investment Policy Section 4.01 (b) – Delegation of Responsibilities –<br>Investment Managers |            |  |
| <b>STANDARDS OF PROFESSIONAL<br/>CONDUCT</b> | Investment Policy Section 4.04 - Standards of Professional Conduct                           |            |  |
| <b>CONFLICTS OF INTEREST</b>                 | Investment Policy Section 5.01 - Conflicts of Interest                                       |            |  |
| <b>VOTING RIGHTS</b>                         | Investment Policy Section 5.08 - Voting Rights   |            |  |

\* If policy not complied with, comment on specifics

**COMPLETED BY:** \_\_\_\_\_ **SIGNED BY:** \_\_\_\_\_

**The City of Hamilton Master Trust  
Active Equity Manager**

**Compliance Report for the Quarter Ended \_\_\_\_\_  
(date)**

|  |   | GUIDELINES | POLICY<br>COMPLIED<br>WITH<br><br>YES/NO * |
|--|---|------------|--|
| <b>ASSET MIX (at Market Value)</b>       |   | %          |  |
| <b>EQUITIES</b>                          | CANADIAN  |            |  |
|  | U.S.  |            |  |
|  | EAFE  |            |  |
|  | TOTAL FOREIGN   |            |  |
| <b>CASH</b>                              | SHORT-TERM & CASH   |            |  |
| <b>CONSTRAINTS</b>                       |   |            |  |
| <b>GENERAL</b>                           | Investment Policy Section 3.01 – General Guidelines                                       |            |  |
| <b>EQUITIES</b>                          | Investment Policy Section 3.02 (a) – Canadian and Foreign Equities                        |            |  |
| <b>CASH</b>                              | Investment Policy Section 3.02 (c) – Cash and Short Term Investments                      |            |  |
| <b>DERIVATIVES</b>                       | Investment Policy Section 3.02 (d) – Derivatives  |            |  |
| <b>OTHER INVESTMENTS</b>                 | Investment Policy Section 3.02 (e) – Other Investments                                    |            |  |
| <b>INDEX</b>                             | Investment Policy Section 3.02 (f) – Index Mandates                                       |            |  |
| <b>QUALITY REQUIREMENTS</b>              | Investment Policy Section 3.03 – Minimum Quality Requirements                             |            |  |
| <b>QUANTITY RESTRICTIONS</b>             | Investment Policy Section 3.04 – Maximum Quantity Restrictions                            |            |  |
| <b>PRIOR PERMISSION</b>                  | Investment Policy Section 3.05 – Prior Permission Required                                |            |  |
| <b>PROHIBITED INVESTMENTS</b>            | Investment Policy Section 3.06 – Prohibited Investments                                   |            |  |
| <b>SECURITIES LENDING</b>                | Investment Policy Section 3.07 – Securities Lending                                       |            |  |
| <b>BORROWING</b>                         | Investment Policy Section 3.08 – Borrowing  |            |  |
| <b>RESPONSIBILITIES</b>                  | Investment Policy Section 4.01 (b) – Delegation of Responsibilities – Investment Managers |            |  |
| <b>STANDARDS OF PROFESSIONAL CONDUCT</b> | Investment Policy Section 4.04 - Standards of Professional Conduct                        |            |  |
| <b>CONFLICTS OF INTEREST</b>             | Investment Policy Section 5.01 - Conflicts of Interest                                    |            |  |
| <b>VOTING RIGHTS</b>                     | Investment Policy Section 5.08 - Voting Rights  |            |  |

\* If policy not complied with, comment on specifics

**COMPLETED BY:** \_\_\_\_\_ **SIGNED BY:** \_\_\_\_\_



**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
**Financial Planning, Administration and Policy Division**

|                           |   |
|---------------------------|---|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee  |
| <b>COMMITTEE DATE:</b>    | December 10, 2020   |
| <b>SUBJECT/REPORT NO:</b> | Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068(a)) (City Wide) |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Kirk Weaver (905) 546-2424 Ext. 2878<br>Brian McMullen (905) 546-2424 Ext. 4549   |
| <b>SUBMITTED BY:</b>      | Mike Zegarac<br>General Manager, Finance and Corporate Services<br>Corporate Services Department                                    |
| <b>SIGNATURE:</b>         |   |

**RECOMMENDATION(S)**

- (a) That the General Manager, Finance and Corporate Services, be authorized to enter into and execute any necessary agreements, including any agreements with Infrastructure Ontario's Loan Program, to secure the capital funding required for CityHousing Hamilton Corporation project at 55 Queenston Road with content acceptable to the General Manager, Finance and Corporate Services and in a form satisfactory to the City Solicitor;
- (b) That the General Manager, Finance and Corporate Services, be authorized and directed to negotiate and confirm the terms, placement and issuance of all debenture issue(s) and / or private placement debenture issue(s), in either a public or private market and / or bank loan agreements and debenture issue(s) and / or variable interest rate bank loan agreements and debenture issue(s), in an amount not to exceed \$4,200,000 Canadian currency in support of CityHousing Hamilton for project at 55 Queenston Road;

**SUBJECT: Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068(a)) (City Wide) –  
Page 2 of 6**

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- (c) That the General Manager, Finance and Corporate Services, be authorized and directed to enter into and execute any necessary agreements, to engage the services of all required persons, agencies and companies to secure the terms and issuance of the debenture issue(s) described in recommendation (b) to Report FCS19068(a) including, but not limited to, external legal counsel, fiscal agents and financial professionals, with content acceptable to the General Manager, Finance and Corporate Services and in a form satisfactory to the City Solicitor;
- (d) That the General Manager, Finance and Corporate Services, Mayor and City Clerk are individually authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents to implement Recommendation (b) to Report FCS19068(a) and in order to secure the terms and issuance of the debenture issue(s) described in Recommendation (b) to Report FCS19068(a) with content acceptable to the General Manager, Finance and Corporate Services and in a form satisfactory to the City Solicitor;
- (e) That the General Manager, Finance and Corporate Services be authorized and directed to administer all agreements and necessary ancillary documents described in Recommendations (a), (c) and (d) to Report FCS19068(a);
- (f) That staff be directed to prepare, for Council's consideration, all necessary By-law(s) to authorize and implement CityHousing Hamilton Corporation projects as attached in Appendix "A" to Report FCS19068(a) including By-laws for the purpose of authorizing the debenture issue(s) in accordance with Recommendations (b), (c), (d), (e), and (f) to Report FCS19068(a) and any by-laws necessary to negotiate, place and secure the required capital funding in accordance with Recommendation (a) to Report FCS19068(a).

## **EXECUTIVE SUMMARY**

The Board of Directors of CityHousing Hamilton Corporation (CHH) have passed resolutions at their September 29, 2020 Board meeting for additional debt financing of \$8,144,000 for CHH projects. This report seeks authority for \$4,200,000 of that request related to the project at 55 Queenston Road.

There are five projects in development that are related to the additional financing request:

- 55 Queenston Road (Queenston)
- 104-106 Bay Street North (Bay-Cannon)
- 253 King William Street (Wellington-King William)
- 701 Upper Sherman Avenue (Macassa)
- 150 Violet Drive (Riverdale)



**SUBJECT: Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068(a)) (City Wide) –  
Page 3 of 6**

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CHH undertook a review and analysis of the costs for each project given that the original project costing was undertaken in 2017. Since that time, significant construction cost escalation has occurred in the market resulting in identified increases in costs. CHH Report 17021(c) outlines several measures the Board is planning to take to address these cost pressures. One of these measures involves seeking additional debt financing beyond what had been previously approved for some of these projects.

The purpose of Report FCS19068(a) is to:

Request the authority to negotiate, secure and guarantee debenture issues, where required, for CHH debt of \$4,200,000; and

Provide Council with an updated Annual Debt Repayment Limit as required by Ontario Regulation 403/02 of the *Municipal Act*.

The City of Hamilton issues or secures debt instruments (debentures or loans) when the need exists and market conditions are right to attain funds to finance Capital Projects in accordance with the City's Debt Management Policy and Lease Financing Policy (Report FCS13074). Before authorizing any capital project or class of work or any increase in expenditure for a previously authorized capital project or class of work that would require a long-term debt or financial obligation, the municipal Treasurer shall calculate an updated repayment limit.

Using the 2020 Annual Repayment Limit (ARL), sent by the Ministry, the City Treasurer has calculated an updated ARL of \$201.2 M, shown on Appendix "A" to Report FCS19068(a). According to this calculation, the updated ARL of \$201.2 M represents a maximum amount which the City could commit to payments related to debt and financial obligations before the statutory limit is breached. The annual debt service requirement for the additional debt requested for these CHH projects of \$4,200,000 results in projected total debt servicing costs well below the updated ARL of \$201.2 M.

Appendix "B" to Report FCS19068(a) provides a summary of the request from CityHousing Hamilton. Additional information and recommendations related to Service Manager Consents for two of these projects (Queenston and Bay-Cannon) are contained in Report HSC20055 scheduled to be considered by Emergency and Community Services Committee on December 10, 2020.

**Alternatives for Consideration – Not Applicable**

**SUBJECT: Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068(a)) (City Wide) – Page 4 of 6**

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**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: The City's Capital Financing Plan takes into account borrowing to finance municipal capital projects with the associated debt charges included in the Tax Supported Operating Budget and the Rate Supported Water, Wastewater, Stormwater Operating Budget.

The City's total consolidated municipal and housing corporation (CityHousing Hamilton Corporation (CHH)) outstanding debt, as at December 31, 2019, was \$432,709,000 which is below the statutory limits of \$2,088,609,171.

Negotiating, securing and guaranteeing debenture issues, where required, for CHH debt of \$4,200,000 does not impact the City's Tax Supported or Rate Supported Operating Budgets as the debt and related debt servicing costs will be reported by CHH. Financial details on CHH's updated development strategy were approved at the CHH Board meeting of September 29, 2020 (confidential report CHH Report #17021(c)).

Staffing: N/A

Legal: Outside legal counsel is required in order to execute the issuance of debentures.

**HISTORICAL BACKGROUND**

Council approval is required to authorize the issuance of debentures in accordance with the City's Debt Management Policy and Lease Financing Policy (Report FCS13074).

On March 27, 2018, the Board of Directors of CHH passed resolutions through confidential Report #17021(b) requesting CHH debt of \$24,539,000 for a Development Strategy to renovate, rebuild and build new social and affordable housing.

On April 11, 2018, Council approved CHH debt of \$24,539,000 through Report FCS18011 respecting Authority to Negotiate and Place a Debenture(s) in Audit, Finance and Administration Committee Report 18-004 which included debt for the following locations relevant to Report FCS18011:

|             |                         |
|-------------|-------------------------|
| \$8,533,000 | Bay / Cannon            |
| \$1,656,000 | Wellington-King William |
| \$4,600,000 | Macassa                 |

**SUBJECT: Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068(a)) (City Wide) –  
Page 5 of 6**

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On September 29, 2020, the Board of Directors of CHH passed resolutions through Confidential Report #17021(c), requesting additional debt financing of up to \$8,144,000 related to the three CHH project sites.

Two of the projects, Queenston and Riverdale, did not previously require debt financing. Housing Services staff through Report HSC20055, scheduled for Emergency and Community Service Committee on December 10, 2020, are seeking to provide Service Manager consent for the Bay / Cannon and Queenston projects. In order to maintain alignment with these consents, staff is recommending that Council authorize the additional debt required for the Queenston project in the amount of \$4,200,000. Further debt authority, if required, would be sought at the time of Service Manager consent on the remaining projects.

**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

Report FCS19068(a) meets the requirements of the City of Hamilton's Debt Policy, whereby Council authority is required to issue debt.

**RELEVANT CONSULTATION**

Legal and Risk Management Services Division, Corporate Services Department

**ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)**

The recommendations in Report FCS19068(a) will allow the General Manager, Finance and Corporate Services, to negotiate the terms and issuance of a debenture(s) up to \$4,200,000 over several years to finance a CityHousing Hamilton Corporation (CHH) project at 55 Queenston Road.

The Provincial Government of Ontario establishes an Annual Repayment Limit representing the maximum amount which a municipality can commit to payments for debt obligations. Before authorizing any capital project or class of work or any increase in expenditure for a previously authorized capital project or class of work that would require a long-term debt or financial obligation, the municipal Treasurer shall calculate an updated limit.

Using the 2020 Annual Repayment Limit (ARL), sent by the Ministry, the City Treasurer has calculated an updated ARL of \$201.2 M, shown on Appendix "A" to Report FCS190068(a). According to this calculation, the updated ARL of \$201.2 M represents a maximum amount which the City could commit to payments related to debt and financial obligations before the statutory limit is breached. The annual debt service requirement for the additional debt requested for these CHH projects of \$4,200,000 results in projected total debt servicing costs well below the updated ARL of \$201.2 M.

**SUBJECT: Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068(a)) (City Wide) –  
Page 6 of 6**

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The City of Hamilton's updated ARL is attached as Appendix "A" to Report FCS19068(a).

Through the revised CHH Development Strategy approved by the CHH Board on September 29, 2020, the updated cost estimates related to the projects to be undertaken may result in an opportunity to apply additional Development Charges funds to these projects. Staff will review this strategy and advise CHH staff of any available Development Charges funds.

**ALTERNATIVES FOR CONSIDERATION**

N/A

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Economic Prosperity and Growth**

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

**Clean and Green**

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

**Built Environment and Infrastructure**

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

**Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report FCS19068(a) – City of Hamilton Treasurer's Updated 2020 Annual Repayment Limit

Appendix "B" to Report FCS19068(a) – Letter from CityHousing Hamilton Requesting Additional Debt Financing

KW/dt

**City of Hamilton Treasurer's Updated 2020  
Annual Repayment Limit**

|   |                      |
|---|----------------------|
| Annual Repayment Limit - effective January 1, 2020, as calculated by the Ministry of Municipal Affairs and Housing, based on 2019 Financial Information Return                | \$275,795,317        |
| Annual debt service charges on City Municipal debt approved to date 2020 and prior years but not yet issued (\$465.0 M @ 5% for 15-year term)                                 | -\$44,795,926        |
| Annual debt service charges on City Municipal debt in respect of ICIP Transit debt approved but not yet issued (\$83.6 M @ 5% for 15-year term)                               | -\$8,055,294         |
| Annual debt service charges on City Municipal debt in respect of West Harbour debt approved but not yet issued (\$2.9 M @ 5% for 15-year term)                                | -\$282,283           |
| Annual debt service charges on City Municipal debt in respect of Housing 10-year Strategy debt approved but not yet issued (\$10.0 M @ 1.75% for 20-year term)                | -\$596,912           |
| Annual debt service charges on CityHousing Hamilton debt approved but not yet issued and guaranteed by City of Hamilton (\$59.3 M @ 5% for 30-year term)                      | -\$3,856,250         |
| Annual debt service charges on Municipal and Development Charges debt approved but not yet issued - 2020 Tax and Rate Supported Budget (\$107.7 M @ 5% for 15-year term)      | -\$10,373,174        |
| Annual debt service charges on Municipal and Tax Supported Development Charges debt approved but not yet issued - Police Station 40 (\$8 M @ 5% for 15-year term)             | -\$770,738           |
| Annual debt service charges in 2020 resulting from 2018 debenture issue of \$110.82 M   | -\$10,587,004        |
| Annual debt service charges on debentures discharged in 2018 and 2019   | \$4,707,558          |
| Adjustment for annual debt service charges on outstanding CityHousing Hamilton mortgages and City of Hamilton Tangible Capital Leases   | \$36,094             |
| <b>Updated 2020 Annual Repayment Limit</b> - a calculation by the Treasurer representing an estimate of the maximum amount available to commit to annual debt service charges | <b>\$202,221,385</b> |
| Debenture amount at 5% interest rate for 15-year term (amortizer) corresponding to the annual debt service charges of \$201,221,385   | \$2,088,609,171      |

Note: Anomalies due to rounding





October 13, 2020

**RE: Development Design Strategy #17021(c)**

Dear Committee,

On September 29<sup>th</sup>, 2020 CityHousing Hamilton (CHH)'s Board of Directors approved Report #17021(c), to proceed with the updated budgets for Phase 1 of Bay-Cannon and Queenston due to the increasing costs of construction. Through implementing the recommended financial strategy of increasing the amortization period to 40 years, taking on the additional serviceable debt of \$8.14M, and through pursuing the maximum forgivable loan contribution from CMHC's Co-Investment Fund.

As part of this strategy, CHH has requested the City of Hamilton's approval of the development plan, amortization period as well as the necessary guarantee and preparation of the related agreements for the debt financing to the upset limit of \$8.14M as outlined in Report #17021(c).

The recommended 40-year amortization period will help increase CHH's current cash flows and ability to meet the growing demand for affordable housing while aligning with CMHC affordable housing amortization period. By increasing our amortization period to 40 years, CHH could increase the amount of debt that could be serviced.

Many other affordable housing providers have implemented a similar strategy, with a survey conducted of 12 affordable housing providers revealing an average amortization period of 42 years as part of the Development Reset Study.

With this financial strategy, CHH can continue momentum on housing development while determining the most feasible strategy to deliver quality affordable housing to the community. Allowing CHH to continue development in a financially sustainable way while increasing the amount of housing provided through net new affordable market units, without employing options that either would reduce any affordability or add additional tax levy to the City of Hamilton.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rochelle Desouza".

Rochelle Desouza  
Chief Financial Officer  
CityHousing Hamilton


Attn: Report #17021(c): Development Design Strategy Reset







**CITY OF HAMILTON**  
**CITY MANAGERS OFFICE**  
**Digital Innovation & Strategic Partnerships**

|                           |   |
|---------------------------|---|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance & Administration Committee                    |
| <b>COMMITTEE DATE:</b>    | Dec 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | 2021 Grant Advances – City Enrichment Fund (GRA20004)<br>(City Wide)              |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Monique Garwood (905) 546-2424 Ext. 3991  |
| <b>SUBMITTED BY:</b>      | Cyrus Tehrani<br>Chief Digital Officer<br>City Manager's Office                   |
| <b>SIGNATURE:</b>         |  |

## RECOMMENDATION

- (a) That effective Jan 1, 2021, an advance of funds be provided to the organizations specified in the attached Appendix “A” to Report GRA20004, and;
- (b) That any outstanding arrears due to the City of Hamilton by the organizations (as shown in the attached Appendix “A” to Report GRA20004) be first applied against the approved grant funding, including advances until the debt is satisfied, prior to that organization receiving the balance of any approved payment.

## EXECUTIVE SUMMARY

In 2015, Council approved the launch of the new City Enrichment Fund. Organizations that were previously funded through Boards & Agencies were transitioned over to the new program. In order to avoid undue hardship to their operations, it was felt that the advances should continue and have continued annually since.

For the organizations listed in the report (attached as Appendix “A” to Report GRA20004), the City follows a policy which ensures that grant payments are not made until outstanding arrears owing to the City of Hamilton are paid off.

## Alternatives for Consideration – Not Applicable

## FINANCIAL – STAFFING – LEGAL IMPLICATIONS

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: 2021 Grant Advances – City Enrichment Fund (GRA20004) (City Wide)**  
**- Page 2 of 2**

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Financial: Based on Council approval of the 2021 funding levels, the remaining payments to these organizations would be adjusted to ensure that total payment amounts do not exceed the 2020 Council approved funding level, which is expected by June 2021.

Staffing: None

Legal: None

**HISTORICAL BACKGROUND**

The City has been supporting various Boards and Agencies with operational funding in the past. Since these organizations depend on the City to fund their operational expenditures, past practice has been to provide regular on-going payments pending the approval of the City Budget for each year. The proposed payment schedule closely follows that of 2020.

**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

**RELEVANT CONSULTATION**

Corporate Services Finance and City Manager’s Office staff were consulted and jointly prepared this report.

**ANALYSIS AND RATIONALE FOR RECOMMENDATION**

To be consistent with prior years, staff is seeking Council Approval to continue funding as of January 2021, for those organizations that receive funding (attached as Appendix “A” to Report GRA20004) on a monthly basis, pending approval of the 2020 budget. The funding is based on the previous year’s budget and is adjusted if necessary, when the current year’s budget receives Council Approval.

**ALTERNATIVES FOR CONSIDERATION – Not Applicable**

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Economic Prosperity and Growth**

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

**Culture and Diversity**

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to GRA20004 – 2021 Advance, City Enrichment Fund

City Enrichment Fund  
 Requiring Advance Payments in 2021

| Agency                         | Advance Payment Schedule for 2021 | #of Payments (advance) | 2020 Approved Annual Budget | 2021 Advance Payment Amount (Monthly) | 2021 Advance Payment Amount (5 Payments) |
|--------------------------------|-----------------------------------|------------------------|-----------------------------|---------------------------------------|--|
| Art Gallery of Hamilton        | 1st of each month                 | 5                      | \$1,000,000.00              | \$83,333.33                           | \$416,666.67                             |
| Theatre Aquarius               | 1st of each month                 | 5                      | \$265,302.00                | \$22,108.50                           | \$110,542.50                             |
| Hamilton Philhamonic Orchestra | 1st of each month                 | 5                      | \$175,099.00                | \$14,591.58                           | \$72,957.92                              |
| Brott Music Festival           | 1st of each month                 | 5                      | \$182,800.00                | \$15,233.33                           | \$76,166.67                              |
| <b>Total</b>                   |                                   |                        | <b>\$1,623,201.00</b>       | <b>\$135,266.75</b>                   | <b>\$676,333.75</b>                      |





**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
**Financial Planning, Administration and Policy Division**

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | 9252 Twenty Road West, Mount Hope – Water and Wastewater / Storm Charges Deferred Payment Arrangement (FCS20107) (Ward 11) |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | John Savoia (905) 546-2424 Ext. 7298   |
| <b>SUBMITTED BY:</b>      | Brian McMullen<br>Director, Financial Planning, Administration and Policy<br>Corporate Services Department                 |
| <b>SIGNATURE:</b>         |  |

### RECOMMENDATION(S)

That the General Manager, Finance and Corporate Services, be authorized to enter into a deferred payment arrangement with a four-month repayment period commencing in January 2021, pertaining to water and wastewater / storm charges for a total amount of \$230,229.52 regarding Alectra Utilities (Alectra) account numbers 5092581300 and 6092581300 with the service address of 9252 Twenty Road West, Mount Hope.

### EXECUTIVE SUMMARY

In March 2017, Council approved the Water and Wastewater / Storm Billing Payment Arrangement Policy (Policy) which requires that all water and / or wastewater / storm deferred payment arrangements exceeding \$100 K be referred to the Audit, Finance and Administration Committee for approval (for details refer to Report FCS17029).

As such, Report FCS20107 is provided for the recommended authorization of a deferred payment arrangement with a four-month repayment period for Alectra account numbers 5092581300 and 6092581300 regarding 9252 Twenty Road West, Mount Hope (Twenty Place). Twenty Place, located on Twenty Road just west of Upper James Street in Mount Hope, is an 81-acre community comprised of bungalows, townhomes and mid-rise condo units.

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**SUBJECT: 9252 Twenty Road West, Mount Hope – Water and Wastewater / Storm Charges Deferred Payment Arrangement (FCS20107) (Ward 11) – Page 2 of 5**

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A few events have led to significant catch-up billings reflecting unbilled consumption for the two Twenty Place accounts:

- For each of the two high flow measuring elements a multiplier factor of 10 is required to be applied to the meter reading in order to accurately record the water consumption. Without applying the required multiplier factor, actual water consumption would be significantly underbilled. Due to a manual error that occurred at Alectra, an incorrect multiplier factor was applied to the high flow side of one of Twenty Place's water meters from March 2019 to November 2020.
- The two water meters' measuring elements were replaced in July 2020 by Hamilton Water's meter contractor, Neptune Technologies. However, the new meter information was not sent to Alectra until November 2020 resulting in estimated billings and billing delays since July 2020.
- A change in the property management company which receives and pays the water bills for Twenty Place resulted in some preauthorized payments being returned as unpaid.

The resulting catch-up billings, reflecting the unbilled portion, total \$230,229, a significant amount that would represent an undue financial hardship for WCC275 if billed in its entirety immediately.

The Policy allows for customers to request to enter into an optional payment arrangement to address water and / or wastewater / storm billings. In this case, Twenty Place has requested to pay the catch-up billings over a four-month period commencing in January 2021. As Twenty Place was not at fault for the unbilled consumption and quite understanding of the situation, in general, staff supports the relatively short-term payment arrangement.

**Alternatives for Consideration – N/A**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: Water and wastewater / storm revenue recovery related to a significant underbilled consumption will be realized in a reasonable timeframe.

Staffing: N/A

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**SUBJECT: 9252 Twenty Road West, Mount Hope – Water and Wastewater / Storm Charges Deferred Payment Arrangement (FCS20107) (Ward 11) – Page 3 of 5**

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Legal: The City's ability to recover water and wastewater revenue is not impaired by entering into a deferred payment arrangement with the customer. In the event a deferred payment instalment becomes delinquent, the outstanding balance would be immediately transferred to the property tax roll. In such circumstances, the fees and charges added to the tax roll will have priority lien status as described under Section 1 of the *Municipal Act, 2001*.

## **HISTORICAL BACKGROUND**

Report FCS20107 is being brought forward in accordance with the City's Water and Wastewater / Storm Billing Payment Arrangement Policy (Policy) approved by Council in March 2017. The Policy requires that all water and / or wastewater deferred payment arrangements exceeding \$100 K be referred to the Audit, Finance and Administration Committee for approval.

Twenty Place, located on Twenty Road just west of Upper James Street in Mount Hope, is an 81-acre community comprised of bungalows, townhomes and mid-rise condo units.

Twenty Place is serviced with two water service lines that are metered at the property line with two 250mm compound water meters so effectively, the 657 residential units within the community are bulk metered. The 250mm water meters are the largest size meters in service and are not common as there are only approximately 30 250mm water meters within the entire Hamilton water distribution system.

A compound meter is designed to accurately measure high and low flow rates and as such, have two measuring elements (one for low flows and one for high flows) so that two "odometer" readings are obtained for each billing cycle and commonly referred to as the "high" and "low" sides of the compound meter. Each compound meter represents an Alectra water account that is billed to a property management company engaged by the condominium corporation (WCC275).

A few events have led to significant catch-up billings reflecting unbilled consumption for the two Twenty Place accounts:

- For each of the two high flow measuring elements a multiplier factor of 10 is required to be applied to the meter reading in order to accurately record the water consumption. Without applying the required multiplier factor, actual water consumption would be significantly underbilled. Due to a manual error that occurred at Alectra, an incorrect multiplier factor was applied to the high flow side of one of Twenty Place's water meters from March 2019 to November 2020.

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**SUBJECT: 9252 Twenty Road West, Mount Hope – Water and Wastewater / Storm Charges Deferred Payment Arrangement (FCS20107) (Ward 11) – Page 4 of 5**

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- The two water meters' measuring elements were replaced in July 2020 by Hamilton Water's meter contractor, Neptune Technologies. However, the new meter information was not sent to Alectra until November 2020 resulting in estimated billings and billing delays since July 2020.
- A change in the property management company which receives and pays the water bills for Twenty Place resulted in some preauthorized payments being returned as unpaid.

The resulting catch-up billings, reflecting the unbilled portion, total \$230,229, a significant amount that would represent an undue financial hardship for WCC275 if billed in its entirety immediately.

### **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

As the amount proposed for a deferred payment arrangement exceeds \$100 K, the City's Water and Wastewater / Storm Billing Payment Arrangement Policy is applicable.

### **RELEVANT CONSULTATION**

Alectra Utilities has provided detailed water billing information related to the water accounts of Twenty Place and will have the customer formally enter into a payment arrangement upon approval of the Recommendation of Report FCS20107.

### **ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)**

There have been several significant catch-up or back billed water and / or wastewater / storm billings in the past particularly with large-use customers where deferred payment arrangements have been requested by customers. However, there have only been three circumstances since 2008 where staff has required Council approval for an arrangement exceeding \$100 K. Deferred interest-free payment arrangements are a reasonable measure to ensure the City recovers water and wastewater revenue without creating undue hardship for customers.

The Policy allows for customers to request to enter into an optional payment arrangement to address water and / or wastewater / storm billings. In this case, Twenty Place has requested to pay the catch-up billings over a four-month period commencing in January 2021. As Twenty Place was not at fault for the unbilled consumption and quite understanding of the situation in general, staff supports the relatively short-term payment arrangement.

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**SUBJECT: 9252 Twenty Road West, Mount Hope – Water and Wastewater / Storm Charges Deferred Payment Arrangement (FCS20107) (Ward 11) – Page 5 of 5**

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**ALTERNATIVES FOR CONSIDERATION**

N/A

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Community Engagement and Participation**

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

**Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

**APPENDICES AND SCHEDULES ATTACHED**

N/A

JS/dt

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# INFORMATION REPORT

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Budget Expenditure Request (CM20012) (Outstanding Business List Item) |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Pauline Kajiura (905) 546-2424 Ext. 2567   |
| <b>SUBMITTED BY:</b>      | Cyrus Tehrani<br>Chief Digital Officer<br>City Manager's Office  |
| <b>SIGNATURE:</b>         |  |

## COUNCIL DIRECTION

At the Audit, Finance and Administration meeting of November 19, 2020, the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee presented a Citizen Committee Report -- Budget Expenditure Requests (Added Item 9.4).

The Audit, Finance and Administration directed staff to prepare a report with additional information on Motion 7.3 as follows:

- (a) That a budget allocation of \$500.00 from the LGBTQ Advisory Committee's budget assist spectrum Hamilton in running their online events and weekly online peer support;
- (b) That a budget allocation of \$500.00 from the LGBTQ Advisory Committee's budget assist Kyle's Place in stocking their food pantry;
- (c) That a budget allocation of \$500.00 from the LGBTQ Advisory Committee's budget assist the Sex Workers' Action Program Hamilton (SWAP) in supporting their ongoing drive to compile Harm Reduction Outreach Packages; and,
- (d) That a budget allocation of \$500.00 from the LGBTQ Advisory Committee's budget assist The SPACE Youth Centre in supporting their OQRA and Kaleidoscope programs.

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**SUBJECT: Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Budget Expenditure Request (CM20012) (Outstanding Business List Item) - Page 2 of 4**

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## INFORMATION

Staff reviewed the City of Hamilton's Volunteer Committee Financial Funding Structure, previous expenses of the LGBTQ Advisory Committee, and the applicable division the operational work of the committee is embedded within the City structure (City Manager's Office).

Staff concluded that the LGBTQ Advisory Committee expenses as proposed fall within the financial guideline and are consistent with the committee's 2020 approved workplan. Staff's conclusion is based on the following:

1. The Volunteer Committee (VC) Funding Structure Guideline recognizes special event or project initiative costs that are part of the Business Planning/Budget Submissions by the VC. The actual expenditures should not exceed the budgeted allocation for the committee.

Further, the Policy specifically states that "*...it's up to each Department to ensure the applicable Department is ultimately responsible for the expenditures incurred by the VC. As such, any financial policies or guidelines should reflect those of the Department. For example, if a particular group desires to accept donations to assist with their mandate, existing departmental policies and procedures must be adhered to. If a policy does not exist then one should be developed (with assistance from applicable areas such as Legal*". The proposed expenses are consistent with community-driven strategic partnerships targeting capacity building and improving outcomes for equity-seeking community groups.

2. The LGBTQ Advisory Committee's terms of reference state, "*The LGBTQ Advisory Committee for the City of Hamilton exists to eliminate barriers experienced by LGBTQ communities by giving voice to the perspectives of LGBTQ individuals and evaluating the City on its related efforts. The Committee does this by making recommendations to Council and staff in order that the City of Hamilton will excel in providing services to and interfacing with members of the LGBTQ communities.*"
3. The proposed expenses also largely fall within the 2020 approved workplan of the committee, which are:
  - Partnership in the development and sharing of community resources and information;
  - Social marketing regarding positive spaces, including materials, focus groups, awareness, etcetera;

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**SUBJECT: Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Budget Expenditure Request (CM20012) (Outstanding Business List Item) - Page 3 of 4**

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- Partner with community groups for awareness campaigns at significant events in the LGBTQ community;
  - Subsidizing membership participation in workshops/conferences relevant to committee objectives.
4. Staff reviewed previous expenses of the LGBTQ Advisory Committee for operational consistency. Findings showed that the committee had provided similar partnership support directly to other community organizations in the past – such as a \$500 support to Pride Hamilton in 2019 for costs associated with supplying filtered water at the Pride event in Gage Park. Staff also worked with Finance Division to review expenditure requests from other Committees of Council and concluded that similar such supports have been provided by other Committees of Council this year and in years past that align to the respective mandates of those committees and are aligned to the Volunteer Committees (VCs) Funding Structure Guidelines
5. The programs named in the proposed budget expenditures are those provided to members of the Two-Spirit and LGBTQIA+ communities in Hamilton during the pandemic and have been, verbally, affirmed to use the funds before the end of December 2020. Staff further requested and obtained additional information on these program and events programs, with details below:
- The \$500 partnership support for spectrum Hamilton is to assist with running their online events and weekly online peer support program. Specifically, the event details include:
    - A weekly check-in program to stay connected with youth who attended spectrum’s in-person programming before COVID-19, and to make new connections with 2SLGBTQIA+ youth throughout COVID-19. These include messaging participants once a week, to “check-in” on how they are doing and to provide peer and emotional support, help problem solve any issues, and help connect with other resources in the community.
    - Online programming during COVID-19 also includes two online peer support sessions for 2SLGBTQIA+ youth in Hamilton each week. These have open hours, when spectrum staff are available online to support youth and connect them with resources.
  - The \$500 partnership support for Kyle's Place is to assist with stocking their food pantry. Specifically, the program details include:

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**SUBJECT: Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Budget Expenditure Request (CM20012) (Outstanding Business List Item) - Page 4 of 4**

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- Responding to the increased need for the food pantry during COVID-19. In keeping with their mandate, this fosters community, support, advocacy and access to resources, particularly for community members who are marginalized due to race, class, age, mental health and abilities. Kyle's Place provides a peer/mutual aid model in a trans and non-binary prioritized space.
- The \$500 partnership support for Sex Workers' Action Program Hamilton (SWAP) is to assist with their ongoing drive to compile Harm Reduction Outreach Packages. Specifically, the program details include
  - Emergency food, housing, transportation, hygiene items and other related needs arising from COVID19
  - The main focus of SWAP Hamilton is to provide outreach support to street-involved workers, those entering or leaving the industry, and including victims of trafficking.
  - Efforts are focussed towards harm reduction and to provide compassionate care. This includes but is not limited to providing supplies for safer sex, Naloxone/Narcan kits for those who may use opioids, direction towards local mental health, housing, childcare, clothing, and food resources, curated occupational health and safety protocols, and personal advocacy.
- Lastly, \$500 partnership support for The SPACE Youth Centre is to assist with their OQRA and Kaleidoscope programs. Specifically, the program details include:
  - OQRA offers a social and informal support group for QTBIPOC. It is a chance to connect with other racialized 2S-LGBTQIA+ folks in a private and empowering community setting where confidentiality is valued.
  - Kaleidoscope is a 2S-LGBTQIA+ youth circle; an intentional space prioritizing community care and centering the voices of youth with multiple marginalized identities through fun activities, healing & learning

**APPENDICES AND SCHEDULES ATTACHED**

N/A

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# Hamilton

## GOVERNANCE REVIEW SUB-COMMITTEE REPORT 20-003

Wednesday, December 2, 2020

1:00 pm

Room 264

Hamilton City Hall

**Present:** Councillors T. Whitehead (Chair), M. Wilson (Vice-Chair), B. Clark, L. Ferguson, M. Pearson, and A. VanderBeek

### THE GOVERNANCE REVIEW SUB-COMMITTEE PRESENTS REPORT 20-003 FOR INFORMATION:

**(a) CHANGES TO THE AGENDA (Item 2)**

The Committee Clerk advised that there were no changes to the agenda.

The December 2, 2020 Agenda of the Governance Review Sub-Committee was approved, as presented.

**(b) DECLARATIONS OF INTEREST (Item 3)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES (Item 4)**

**(i) October 13, 2020 (Item 4.1)**

The Minutes of the October 13, 2020 meeting of the Governance Review Sub-Committee were approved, as presented.

**(d) DISCUSSION ITEMS (Item 10)**

**(i) Integrity Commissioner Work Plan (FCS20016(a)) (City Wide) (Item 10.1)**

Report FCS20016(a), respecting the Integrity Commissioner Work Plan was referred back to Clerk's staff and Principles Integrity to determine an upset limit for development of each the following and report back to the Governance Review Sub-Committee:

- (a) Council Code of Conduct;

- (b) Council/Staff Relations Policy;
- (c) Protocols for review and/or investigation of complaints, and reporting on complaints;
- (d) Members' roles and responsibilities including with respect to appointments to, and sitting on, external bodies and separate entities such as municipal corporations;
- (e) Advisory Committee/Task Force Governance Issues, and Codes of Conduct (Local Boards); and,
- (f) Such Other issues of integrity or governance that Council wishes to assign

**(e) GENERAL INFORMATION/OTHER BUSINESS (Item 13)**

**(i) Procedural By-Law Update from City Clerk - Andrea Holland**

Andrea Holland, City Clerk advised the Committee that a Governance Review Sub-Committee meeting will be scheduled for January 25, 2020 for the Procedural By-law Review.

**(f) ADJOURNMENT (Item 15)**

There being no further business, the Governance Review Sub-Committee meeting adjourned at 3:04 p.m.

Respectfully submitted,

Councillor T. Whitehead, Chair  
Governance Review Sub-Committee

Angela McRae  
Legislative Coordinator  
Office of the City Clerk





**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
**Financial Services and Taxation Division**

|                           |  |
|---------------------------|--|
| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | December 10, 2020  |
| <b>SUBJECT/REPORT NO:</b> | Hamilton Street Railway Pension Plan Valuation at January 1, 2020 (FCS20066) (City Wide)                         |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Barb Howe (905) 546-2424 Ext. 5599   |
| <b>SUBMITTED BY:</b>      | Rick Male<br>Director, Financial Services, Taxation and Corporate<br>Controller<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |  |

### RECOMMENDATION

That the January 1, 2020 actuarial valuation for the Hamilton Street Railway Pension Plan per Appendix "C" to Report FCS20066 be received for information.

### EXECUTIVE SUMMARY

The January 1, 2020 valuation indicates that the plan has a \$17.5 million deficit on a going concern basis compared to a \$21.2 million deficit at January 1, 2017. Significant legislated changes have occurred since the last valuation which now requires that a going concern valuation include the full cost of future indexing and a Provision for Adverse Deviation. These two changes increased the going concern liabilities by \$37.4 million however the impact of the change was minimized by the gains in experience and changes in valuation assumptions.

On a solvency basis, the plan currently has a deficit of \$5.3 million compared to a \$26.1 million deficit at January 1, 2017. And on a windup basis the plan has a \$104.5 million deficit compared to the previous \$125.7 million deficit.

Since the solvency ratio is currently .98 (.88 – 2017) there are no solvency concerns and consequently no solvency funding is required. Further, since the solvency ratio is not less than 0.85, the next valuation will not be required until January 1, 2023.

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**SUBJECT: Hamilton Street Railway Pension Plan Valuation at January 1, 2020  
(FCS20066) (City Wide) - Page 2 of 7**

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However, the going concern deficit of \$17.5 million will require annual special payments of \$1.9 million starting January 1, 2021. The cost of this payment has been provided for in the current budget.

**Alternatives for Consideration – Not Applicable**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial:

**Going Concern Funding Requirements**

Under the new funding rules, a going concern valuation must now include 100% of the future cost of indexation. Although under the old rules, the valuation may exclude this indexation, the City of Hamilton (City) chose to fund 66-2/3%. The additional cost to fund 100% of the indexation has added \$20.3 million to the going concern liabilities. In addition, the new rules require that a Provision for Adverse Deviation (PfAD) be included in the valuation. The objective of PfAD is to reflect the level of risk in the plan's funding and investment policy. The PfAD has added \$17.1 million to the liabilities. However, the \$37.4 million in liabilities was offset by gains in the plan such that the going concern deficit only decreased from \$21.2 million (2017) to a \$17.5 million deficit at January 1, 2020.

Under the new funding rules the \$17.5 million deficit can be funded over 10 years instead of 15 years with a "fresh start" each valuation and deferred to start 12 months from the valuation date. This means that deficit payments required under the previous valuation end December 31, 2020 and are re-amortized over another 10 years resulting in a new all-inclusive annual special payment requirement of \$1.9 million starting January 1, 2021.

Further, an adjustment is allowed in the first valuation period if the new funding requirements exceed the amount that would have been required under the old funding rules. A portion of the additional cost can be exempted from the required contributions so that the increase is phased in over the three year period. The table below shows the annual required special payments less the exempted portion for each year:

|                               | <b>2020</b>  | <b>2021</b> | <b>2022</b> |
|-------------------------------|--------------|-------------|-------------|
| Going Concern Special Payment | \$2,470,800  | \$1,956,000 | \$1,956,000 |
| Less: Exempted Amount         | ( 1,328,400) | ( 185,000)  | ( 66,500)   |
| Minimum Required Contribution | \$1,142,400  | \$1,770,200 | \$1,889,500 |

Appendix "A" to Report FCS20066 contains a more detailed breakdown of the HSR annual special payments required during the period 2020-2022.

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**SUBJECT: Hamilton Street Railway Pension Plan Valuation at January 1, 2020  
(FCS20066) (City Wide) - Page 3 of 7**

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**Solvency Funding Requirements**

On a solvency basis, the plan is in a \$5.3 million deficit position at January 1, 2020 compared to a deficit of \$26.1 million in 2017. The current solvency ratio is 98% compared to 88% (2017). Under the previous funding rules plans were required to fund to a 100% level but under the new rules, funding is only required to a level of 85%. Since the solvency ratio exceeds 85%, no solvency funding is required during the valuation period.

**Funding Source**

Although the special payment for 2020 to fund the going concern liability is only \$1.1 million, as at October 2020 an amount of \$3.1 million had already been paid based on the requirements of the previous valuation. This has resulted in an excess contribution of \$2 million for 2020. This excess contribution was unavoidable since current legislation does not allow plan administrators to suspend contributions required based on the funding requirements of a previous valuation pending the outcome of a current valuation. In addition, excess contributions cannot be refunded, nor applied to the required special payments of the remaining two years of the valuation period. Therefore the excess contribution will be applied to the next valuation.

An amount of \$6.87 million has been provided for in the current budget. Since the windup status of the plan is currently a deficit of \$104.5 million, it is recommended that we maintain the \$6.8 million budgeted amount over the valuation period and transfer the excess above the required minimum special payments to the Pension Reserve. By doing so the estimated balance in the reserve will grow from \$3.3 million to an estimated \$16.7 million by December 31, 2022. Appendix "B" to Report FCS20066, illustrates in greater detail the funding requirements and the growth of the pension reserve.

**Staffing:**

None

**Legal:**

Under legislation, an actuarial valuation must be filed within nine months of the valuation date. For valuations dated December 31, 2019 and January 1, 2020, the regulators have introduced COVID measures to assist plan administrators, by extending the filing deadline from September 30, 2020 to December 31, 2020.

The 2020 valuation was filed in November 2020 so that special payments based on the previous valuation could be suspended and therefore no further payments would be required for 2020

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**SUBJECT: Hamilton Street Railway Pension Plan Valuation at January 1, 2020  
(FCS20066) (City Wide) - Page 4 of 7**

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## **HISTORICAL BACKGROUND**

As a result of a court ordered settlement approved on December 22, 2008, between the ATU 107 and the City, all members of the HSR plan were enrolled in the OMERS plan effective January 1, 2009, with future service accruing in the OMERS plan and past service remaining in the HSR plan. All new employees hired on or after January 1, 2009, became members of the OMERS plan. As a result, the HSR plan has become a closed plan. In addition, the settlement provided the following enhancements to the HSR plan:

- a) 100% indexing, equivalent to that provided by OMERS; and
- b) an additional six months of credited service for all qualifying members.

There is also a further provision whereby spousal benefits would be enhanced to 66-2/3% when an actuarial filing does not produce a deficit on either a going concern or solvency basis.

Each valuation requires the plan to be valued using three different methods:

- (i) **Going Concern Basis** – this valuation assumes that the plan will continue indefinitely. Consequently, to calculate funding requirements, an actuary selects an interest rate for the pension fund based on an assumed long-term average return. Any funding deficiencies must be eliminated through payments made over a period of 10 years. Under current legislation, post retirement indexation is included from the going concern valuation as well as a provision for adverse deviation.
- (ii) **Solvency basis** – is intended to calculate the funding required to pay for all benefits if the plan were to wind up on the valuation date. To determine solvency funding requirements, an actuary selects a rate that is an approximation of the annuity purchase rate. On a solvency basis the plan must be at least 85% funded. If the funded status falls below this level, then solvency special payments are required for the unfunded portion below 85%. The unfunded portion can be eliminated through payments made over a period of 5 years. Under current legislation, post retirement indexation can be excluded from the solvency valuation.
- (iii) **Wind-up Basis** – similar to the solvency basis, this valuation assumes that the plan would be wound up at the valuation date, but includes all benefit obligations, such as post-retirement indexing.

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**SUBJECT: Hamilton Street Railway Pension Plan Valuation at January 1, 2020  
(FCS20066) (City Wide) - Page 5 of 7**

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**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

This valuation is the first valuation reflecting the new funding rules under Regulation 250/18 which came into effect May 1, 2018.

Key changes to the funding rules include:

**Effective Date:** The new funding rules apply to actuarial valuation reports dated on or after December 31, 2017.

**Solvency Funding:** A pension plan is required to be funded at 85% (previously 100%) on a solvency basis. If the funded level is less than 85%, then solvency special payments are required and must be amortized over a five-year period. In addition, these payments must begin one year after the date of the valuation report.

**Going Concern Funding:** A pension plan must still be funded at 100% on a going concern basis however now it must include the estimated cost of indexation in the going concern liabilities. In addition, the amortization period has been reduced from 15 years to 10 years with a fresh start each valuation and any special payments required will commence one year after the date of the valuation report. Further, the going concern valuation must include a **Provision for Adverse Deviation (PfAD)**.

**Provision for Adverse Deviation (PfAD).** Under Reg. 250/18, the PfAD is a formula that is applied to the going concern liabilities. It is the sum of three percentages:

- (a) a fixed percentage depending on whether the plan is a closed plan,
- (b) a percentage depending on the asset mix of the plan, as allocated between fixed and non-fixed income in accordance with the plan's Statement of Investment Policies and Procedures (SIPP).
- (c) a percentage reflecting the excess of the pension plan's going concern discount rate over a benchmark discount rate.

Although the cost of indexation must be included in the going concern liabilities, it may be excluded when determining the value of the PfAD.

**Restrictions on Benefit Improvements:** Restrictions on plan amendments that would negatively impact the funding of a plan have been introduced. Immediate funding will trigger if the pension plan is not funded at 80% on both a solvency and going concern basis. The additional unfunded liability associated with the benefit improvement must be funded on a going concern basis over 8 years rather than 10 years.

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(FCS20066) (City Wide) - Page 6 of 7**

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**Plan Documents and Member Communications:** As a result of the new rules, changes will be required to a number of plan documents, including the Plan Text and Statement of Investment Policies and Procedures (SIPP). Moreover, additional disclosures will need to be made to members and former and retired members in the annual and biennial statements.

**RELEVANT CONSULTATION**

Actuaries from the firm Aon Hewitt prepared the January 1, 2020 Actuarial Valuation.

**ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The following chart provides a synopsis of the plan position and membership as of January 1, 2020, as compared to January 1, 2017:

|  | (\$ in millions) |           |
|--|------------------|-----------|
|  | 2020             | 2017      |
| <b>Going Concern Basis</b>                   |                  |           |
| Value of Assets                              | \$211.2          | \$193.5   |
| Less: Accrued Liabilities                    | \$211.6          | \$214.7   |
| Actuarial Surplus/(Deficit) before PfAD      | \$ (0.4)         | \$( 21.2) |
| Less: Provision for Adverse Deviation (PfAD) | \$ 17.1          | NA        |
| Actuarial Surplus(Deficit)                   | \$(17.5)         | \$( 21.2) |
|  |                  |           |
| <b>Solvency Basis</b>                        |                  |           |
| Value of Assets <sup>1</sup>                 | \$211.0          | \$193.3   |
| Less: Solvency Liabilities                   | \$216.3          | \$219.4   |
| Solvency Surplus/(Deficit)                   | \$( 5.3)         | \$(26.1)  |
| Solvency Ratio                               | .98              | .88       |
|  |                  |           |
| <b>Windup Basis</b>                          |                  |           |
| Value of Assets <sup>1</sup>                 | \$211.0          | \$193.3   |
| Less: Wind-up Liabilities                    | \$315.5          | \$319.0   |
| Wind-up Surplus/(Deficit)                    | \$(104.5)        | \$(125.7) |
|  |                  |           |
| # of active members                          | 315              | 388       |
| # of retired or deferred                     | 639              | 625       |

<sup>1</sup> includes windup expenses of \$200,000.

The 2020 annual payment of \$1.1 million to fund the going concern liability of \$17.5 million can be funded from the current budgeted amount of \$6.87 million. And by maintaining the budgeted amount over the valuation period will allow the pension reserve to grow to fund towards to the windup deficit of \$104.5 million.

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(FCS20066) (City Wide) - Page 7 of 7**

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**ALTERNATIVES FOR CONSIDERATION**

None.

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Community Engagement and Participation**

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

**Economic Prosperity and Growth**

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS20066 HSR Schedule of Amortization Payments.

Appendix “B” to Report FCS20066 HWRF and HSR Funding 2020-2022.

Appendix “C” to Report FCS20066 HSR Actuarial Valuation at January 1, 2020.

BH/dw

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Appendix 'A' to Report FCS20066  
Page 1 of 1

| <b>Schedule of Amortization Payments</b>                    |                       |                     |                     |                     |                             |
|---|-----------------------|---------------------|---------------------|---------------------|-----------------------------|
| <b>HSR Pension Plan</b>                                     |                       |                     |                     |                     |                             |
| <b>Based on the January 1, 2020 Valuation</b>               |                       |                     |                     |                     |                             |
| <b>Valuation Report</b>                                     | <b>Finance Report</b> | <b>2020</b>         | <b>2021</b>         | <b>2022</b>         | <b>Date of last payment</b> |
| January 1, 2009 going concern deficit                       | FCS09113              | 273,600             |                     |                     | Dec-2020                    |
| January 1, 2010 going concern deficit                       |                       | 142,800             |                     |                     | Dec-2020                    |
| January 1, 2011 going concern deficit                       | FCS12002              | 800,400             |                     |                     | Dec-2020                    |
| January 1, 2014 going concern deficit                       | FCS14082              | 831,600             |                     |                     | Dec-2020                    |
| January 1, 2017 going concern deficit                       | FCS17094              | 422,400             |                     |                     | Dec-2020                    |
| January 1, 2020 going concern deficit <sup>1</sup>          | FCS20064              | -                   | 1,956,000           | 1,956,000           | Dec-2030                    |
| <b>Special Payments required for Going Concern purposes</b> |                       | <b>\$ 2,470,800</b> | <b>\$ 1,956,000</b> | <b>\$ 1,956,000</b> |                             |
| January 1, 2014 solvency deficit                            | FCS14082              |                     |                     |                     | Dec-2019                    |
| January 1, 2017 solvency deficit <sup>2</sup>               | FCS17094              |                     |                     |                     | Dec-2022                    |
| <b>Special Payments required for solvency purposes</b>      |                       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |                             |
| <b>Total Special Payments</b>                               |                       | <b>\$ 2,470,800</b> | <b>\$ 1,956,000</b> | <b>\$ 1,956,000</b> |                             |
| Adjustment due to Transitional Rules <sup>3</sup>           |                       | -1,328,400          | -185,800            | -66,500             |                             |
| <b>Minimum Special Payments Required for 2020-2022</b>      |                       | <b>\$ 1,142,400</b> | <b>\$ 1,770,200</b> | <b>\$ 1,889,500</b> |                             |

<sup>1</sup> Annual special payment deferred by 12 months. And under new funding regulation all previous deficit start fresh

<sup>2</sup> The current valuation indicates that there is a Solvency Surplus, therefore no further solvency payments required

<sup>3</sup> New Funding Rules came into effect May 1 2018. For the first valuation filed under the new rules, the "transitional rule" for the increase in required contributions to be phased in over the first three year valuation period



**HWRF and HSR funding 2020-2022**

|  | 2019             | 2020             | 2021             | 2022             |
|--|------------------|------------------|------------------|------------------|
| <b>Budgeted Amount</b>   | <b>6,870,000</b> | <b>6,870,000</b> | <b>6,870,000</b> | <b>6,870,000</b> |
| <b>HWRF</b>  |                  |                  |                  |                  |
| Minimum Annual Special Payments                                      | 1,202,900        | -                | -                | -                |
| Estimate for current year's Pension Increases                        | 226,744          | -                | -                | -                |
| 2020 Excess Contributions based on previous funding requirements (a) |                  | 368,944          | -                | -                |
| Total HWRF Special Payments  | 1,429,644        | 368,944          | -                | -                |
| <b>HSR</b>   |                  |                  |                  |                  |
| Minimum Annual Special Payments                                      | 6,339,600        | 1,142,400        | 1,770,200        | 1,889,500        |
| Estimate for current year's Pension Increases                        | 138,059          | -                | -                | -                |
| 2020 Excess Contributions based on previous funding requirements (b) |                  | 2,043,857        | -                | -                |
| Total HSR Special Payments   | 6,477,659        | 3,186,257        | 1,770,200        | 1,889,500        |
| <b>Total HWF &amp; HSR Special Payments</b>                          | <b>7,907,303</b> | <b>3,555,201</b> | <b>1,770,200</b> | <b>1,889,500</b> |
| Less Budgeted Amounts  | 6,870,000        | 6,870,000        | 6,870,000        | 6,870,000        |
| Budget (Shortfall)/Excess  | (1,037,303)      | 3,314,799        | 5,099,800        | 4,980,500        |
| <b>Reserve Utilization</b>   |                  |                  |                  |                  |
| Beginning Balance  | 3,258,357        | 3,341,300        | 6,656,099        | 11,755,899       |
| Funding (shortfall)/excess of HSR/HWRF Special Payments              | -                | 3,314,799        | 5,099,800        | 4,980,500        |
| Interest Earned (c)  | 82,944           |                  |                  |                  |
| Estimated Reserve Ending Balance                                     | 3,341,300        | 6,656,099        | 11,755,899       | 16,736,399       |
| <b>Net Levy Impact</b>   | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |

**Note:**

- a) Based on the latest valuation report for HWRF the plan has a surplus and no special payments are required starting in 2020. However prior to receipt of new report 10 months worth of payments have been made based on the previous funding requirements
- b) Based on the latest valuation report for HSR there are no solvency special payments required, only going concern special payments. However prior to receipt of new report 10 months worth of payments have been made based on the previous funding requirements
- (c) An estimate for future interest earned is not included





# Actuarial Valuation as at January 1, 2020 for The Hamilton Street Railway Company Pension Plan (1994)

Canada Revenue Agency Registration Number: 0253344

November 2020

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## Executive Summary

An actuarial valuation has been prepared for the The Hamilton Street Railway Company Pension Plan (1994) (the "Plan") as at January 1, 2020 for the primary purpose of establishing a funding range in accordance with legislative requirements for the Plan until the next actuarial valuation is performed. This section provides an overview of the important results and the key valuation assumptions which have had a bearing on these results. The next actuarial valuation for the purposes of developing funding requirements should be performed no later than as at January 1, 2023.

## Summary of Principal Results

### Financial Position

|                                     | January 1, 2020         | January 1, 2017         |
|-------------------------------------|-------------------------|-------------------------|
| <b>Going Concern</b>                |                         |                         |
| Assets                              | \$ 211,167,500          | \$ 193,491,200          |
| Liabilities                         | <u>211,592,100</u>      | <u>214,681,400</u>      |
| Financial Position                  | \$ (424,600)            | \$ (21,190,200)         |
| Adjustments <sup>2</sup>            | <u>(17,103,300)</u>     | <u>-</u>                |
| <b>Surplus/(Unfunded Liability)</b> | <b>\$ (17,527,900)</b>  | <b>\$ (21,190,200)</b>  |
| <b>Solvency</b>                     |                         |                         |
| Assets <sup>1</sup>                 | \$ 210,967,500          | \$ 193,291,200          |
| Liabilities                         | <u>216,314,100</u>      | <u>219,410,700</u>      |
| Financial Position                  | \$ (5,346,600)          | \$ (26,119,500)         |
| Adjustments <sup>2</sup>            | <u>11,281,800</u>       | <u>20,969,500</u>       |
| <b>Surplus/(Unfunded Liability)</b> | <b>\$ 5,935,200</b>     | <b>\$ (5,150,000)</b>   |
| <b>Hypothetical Wind Up</b>         |                         |                         |
| Assets <sup>1</sup>                 | \$ 210,967,500          | \$ 193,291,200          |
| Liabilities                         | <u>315,487,000</u>      | <u>318,997,500</u>      |
| <b>Surplus/(Unfunded Liability)</b> | <b>\$ (104,519,500)</b> | <b>\$ (125,706,300)</b> |

<sup>1</sup> Net of estimated wind up expenses

<sup>2</sup> Adjustments include Provision for Adverse Deviation, prior year credit balance, and all solvency liability and solvency asset adjustments, where applicable

## Legislative Ratios

|                            | January 1, 2020 | January 1, 2017 |
|----------------------------|-----------------|-----------------|
| Funded ratio (Before PfAD) | 1.00            | 0.90            |
| Solvency ratio             | 0.98            | 0.88            |
| Transfer ratio             | 0.67            | 0.61            |

## Minimum Contribution Requirements

Considering the funding and solvency status of the Plan, the minimum City contributions for the period from January 1, 2020 to January 1, 2023 in accordance with legislative requirements, are as follows:

|   | Jan 1, 2020 to<br>Dec 31, 2020 | Jan 1, 2021 to<br>Dec 31, 2021 | Jan 1, 2022 to<br>Dec 31, 2022 |
|---|--------------------------------|--------------------------------|--------------------------------|
| City normal cost                                      | \$ -                           | \$ -                           | \$ -                           |
| Special payments toward amortizing unfunded liability | 2,470,800                      | 1,956,000                      | 1,956,000                      |
| Adjustments   | <u>(1,328,400)</u>             | <u>(185,800)</u>               | <u>(66,500)</u>                |
| <b>Minimum Required City Contribution</b>             | <b>\$ 1,142,400</b>            | <b>\$ 1,770,200</b>            | <b>\$ 1,889,500</b>            |



## Key Assumptions

The principal assumptions to which the valuation results are most sensitive are outlined in the following table.

| Going Concern                   | January 1, 2020  | January 1, 2017   |
|---------------------------------|--|---|
| Discount rate                   | 4.50% per year   | Same  |
| Provision for adverse deviation | 9.80% of non-indexed liabilities   | Not applicable  |
| Inflation rate                  | 2.00% per year   | 2.25% per year  |
| Indexing                        | 2.00% per year   | 1.50% per year  |
| Pensionable earnings            | 2.00% per year   | 3.25% per year  |
| Mortality table                 | 110% of 2014 Public Canadian Pensioners' Mortality Table ("CPM2014Publ") with generational improvement using CPM Scale B2D ("CPM-B") | Same  |
| Retirement rates                | 50% of members retire at the earliest unreduced retirement age and 50% at age 65.  | 50% of members retire at the earliest unreduced retirement age and 50% at age 62. |

| <b>Solvency/<br/>Hypothetical Wind Up</b> | <b>January 1, 2020</b>  | <b>January 1, 2017</b>   |
|---|---|--|
| Discount rate                             |   |  |
| <b>Solvency</b>                           | Annuity purchases: 2.93% per year<br>Transfers:<br>2.50% per year for 10 years,<br>2.60% per year thereafter    | Annuity purchases: 3.08% per year<br>Transfers:<br>2.30% per year for 10 years,<br>3.70% per year thereafter     |
| <b>Hypothetical Wind Up</b>               | Annuity purchases:-0.29% per<br>year<br>Transfers:<br>1.20% per year for 10 years,<br>1.20% per year thereafter | Annuity purchases: -0.09% per<br>year<br>Transfers:<br>1.30% per year for 10 years,<br>1.60% per year thereafter |
| Inflation rate                            | Not applicable  | Not applicable   |
| Pensionable earnings<br>increase          | Not applicable  | Not applicable   |
| Mortality table                           | 2014 Canadian Pensioners'<br>Mortality Table ("CPM2014") with<br>generational improvement using<br>CPM-B Scale  | Same   |
| Retirement rates                          | Age that produces the highest<br>lump-sum value   | Same   |

## Section 1: Introduction

### Purpose and Terms of Engagement

We have been engaged by Corporation of the City of Hamilton, and hereafter referred to as the City, to conduct an actuarial valuation of the Plan, registered in Ontario, as at January 1, 2020 for the general purpose of determining the minimum and maximum funding contributions required by pension standards, based on the actuarial assumptions and methods summarized herein. Specifically, the purposes of the valuation are to:

- Determine the financial position of the Plan on a going concern basis as at January 1, 2020;
- Determine the financial position of the Plan as at January 1, 2020 on a solvency and hypothetical wind up basis; and
- Provide the necessary actuarial certification required under the *Pension Benefits Act (Ontario)* (the "Act") and the *Income Tax Act*.

In accordance with Regulation, the City has elected to defer all new solvency special payments established as at January 1, 2020 by 12 months.

The results of this report may not be appropriate for accounting purposes or any other purposes not listed above.

The next required valuation will be as at January 1, 2023.

### Ontario Funding Reform

This report reflects Ontario Regulation 250/18 that modifies the funding rules for Ontario registered defined benefit pension plans for actuarial valuations effective from May 1, 2018. In particular, this report allows for:

- The funding of a reserve in the Plan, referred to as a Provision for Adverse Deviation (PfAD);
- The amortization of the going concern unfunded liability over 10 years, instead of 15 years, and a "fresh start" at each valuation;
- The funding of a solvency deficiency up to the level that the plan would be 85% funded on a solvency basis;
- The amortization of any benefit improvement over an 8-year period; and
- The full inclusion of the value of post-retirement indexing in the going concern liability.

In addition, the Regulations provide certain one-time transitional measures that will assist plan sponsors with moving to the new Regulations. These include:

- The ability to reduce the solvency special payment amount when there is a solvency excess; and
- The ability to phase in an increase in required contributions over a 3-year period.

On May 21, 2019, the Ontario Minister of Finance filed Ontario Regulation 105/19, which amends the funding rules for Ontario registered defined benefit pension plans. The amendments mainly related to

clarifying elements of the funding rules that took effect on May 1, 2018 under Ontario Regulation 250/18. Changes include the following:

- Clarification that the presence of a target allocation in below investment grade bonds in the Statement of Investment Policies and Procedures does not taint an entire bond category, thus allowing its use in the determination of the PfAD;
- Definition of a "closed plan" for the purpose of determining the PfAD: a plan in which at least 25% of the members entitled to defined benefits are in a class of employees from which new members are not permitted, according to the terms of the plan, to join the defined benefit plan;
- Clarification on the use of surplus and contribution holidays; and

Clarification that the Prior Year Credit Balance can be applied as prepayment of employer normal cost contributions, including the PfAD on the normal cost contributions.

## Summary of Changes Since the Last Valuation

The last such actuarial valuation in respect of the Plan was performed as at January 1, 2017. Since the time of the last valuation, we note that the following events have occurred:

- There were post-retirement pension increases of 1.49% effective January 1, 2018, 2.29% effective January 1, 2019 and 1.89% effective January 1, 2020. These increases have been reflected in the results presented in this valuation report.
- Ontario regulations were amended and the option to fund the cost of future post-retirement indexation of pensions via the normal cost was removed. The going concern valuation now includes the full cost of post-retirement indexation.
- In December 2017, the Canadian Institute of Actuaries ("CIA") released a new mortality improvement scale called MI-2017. MI-2017 was developed using general population data from 1967–2015. The City has not adopted MI-2017 as the mortality improvement scale in the going concern valuation as at December 31, 2020; and
- Ontario Regulation 250/18 came into effect.

## City Information and Inputs

In order to prepare our valuation, we have relied upon the following information:

- A copy of the previous valuation report as at January 1, 2017;
- A copy of the Statement of Investment Policies and Procedures for the Plan;
- A copy of the funding policy for the City;
- Membership data compiled as at January 1, 2020 by the City;
- Asset data taken from the Plan's audited financial statements; and
- A copy of the latest Plan text and amendments up to and including January 1, 2020.

Furthermore, our actuarial assumptions and methods have been chosen to reflect our understanding of the City's desired funding objectives with due respect to accepted actuarial practice and regulatory constraints.

As a result of a Settlement Agreement dated March 12, 2009, the Plan was amended to include a conditional increase to the joint and survivor normal form of pension to 66 2/3% from 50%. The benefit improvement is conditional upon an actuarial report being filed that discloses a plan surplus on either a going concern, solvency or wind-up basis. All HSR Plan members who were employees on December 31, 2008 would be entitled to this benefit improvement when it comes into effect, if they continue to be entitled to a pension from the plan. For the purposes of this report, the conditional benefit improvement has not been reflected in the results that have been reported.

## Subsequent Events

As of the date of this report, we have not been made aware of any subsequent events which would have an effect on the results of this valuation. However, the following points should be noted in this regard:

- Actual experience deviating from expected after January 1, 2020 will result in gains or losses which will be reflected in the next actuarial valuation report.
- Due to the COVID-19 pandemic, the financial markets experienced significant volatility after the valuation date. As with other experience emerging after the valuation date, the financial impact of this event on the Plan will be reflected in the next actuarial valuation report.
- The Canadian Institute of Actuaries has amended the Standards of Practice related to pension plans effective December 1, 2020. In particular, the amended Standards of Practice revise the way that commuted values are determined. The changes impact the interest rates and the retirement age assumption used in the determination of commuted values. As this change is not retroactive, it does not impact the Plan as at January 1, 2020 and the change will be reflected in future valuations.
- To the best of our knowledge, the results contained in this report are based on the regulatory and legal environment in effect at the date of this report and do not take into consideration any potential changes that may be currently under review. To the extent that actual changes in the regulatory and legal environment transpire, any financial impact on the Plan as a result of such changes will be reflected in future valuations.

## Section 2: Going Concern Valuation Results

### Going Concern Financial Position of the Plan

The going concern valuation provides an assessment of the Plan's financial position at the valuation date on the premise that the Plan continues on into the future indefinitely.

The selection of the applicable actuarial assumptions and methods reflect the Plan's funding objectives, as communicated by the City, actuarial standards of practice, and pension standards.

On the basis of the Plan provisions, membership data, going concern assumptions and methods, and asset information described in the Appendices, the going concern financial position of the Plan as at January 1, 2020 is shown in the following table. The results as at January 1, 2017 are also shown for comparison purposes.

### Going Concern Financial Position

|  | January 1, 2020        | January 1, 2017        |
|--|------------------------|------------------------|
| <b>Actuarial Value of Assets</b>   | <b>\$ 211,167,500</b>  | <b>\$ 193,491,200</b>  |
| <b>Going Concern Liabilities<sup>1</sup></b>                               |                        |                        |
| Active Members   | \$ 51,900,100          | \$ 73,380,900          |
| Deferred Vested Members  | 1,204,000              | 1,118,100              |
| Retired Members and Beneficiaries  | 158,317,300            | 140,182,400            |
| Pending Payouts  | <u>170,700</u>         | <u>-</u>               |
| <b>Total Liabilities</b>   | <b>\$ 211,592,100</b>  | <b>\$ 214,681,400</b>  |
| <b>Going Concern Position</b>  | <b>\$ (424,600)</b>    | <b>\$ (21,190,200)</b> |
| Additional liabilities due to PfAD   | <u>17,103,300</u>      | -                      |
| <b>Surplus/(Unfunded Liability)<br/>(before prior year credit balance)</b> | <b>\$ (17,527,900)</b> | <b>\$ (21,190,200)</b> |
| Prior year credit balance  | <u>-</u>               | <u>-</u>               |
| <b>Surplus/(Unfunded Liability)</b>  | <b>\$ (17,527,900)</b> | <b>\$ (21,190,200)</b> |

The PfAD is not required to be applied to the liabilities in respect of post retirement indexation of \$37,068,600 as at January 1, 2020.

<sup>1</sup> Going concern liabilities reported at January 1, 2017 exclude the cost of future indexation of \$38,966,400, assuming indexing at 2.25% per annum.

## Change in Financial Position

The major components of the change in the Surplus/(Unfunded Liability)<sup>1</sup> for the period from January 1, 2017 to January 1, 2020 are summarized in the following table.

|  |                        |
|--|------------------------|
| <b>Surplus/(Unfunded Liability) as at January 1, 2017</b>  | <b>\$ (21,190,200)</b> |
| Expected interest on Surplus/(Unfunded Liability)  | (2,991,300)            |
| City special payments in inter-valuation period with interest  | 18,583,200             |
| <b>Surplus/(Unfunded Liability) as at January 1, 2020</b>  | <b>\$ (5,598,300)</b>  |
| Change in liabilities due to experience gains/(losses)   |                        |
| Gain/(loss) from investment earnings greater/lower than expected                                     | \$ 7,579,400           |
| Gain/(loss) due to salary increases lower/greater than expected                                      | 1,740,900              |
| Gain/(loss) due to indexation experience   | 1,882,700              |
| Gain/(loss) due to retirement experience   | 2,536,900              |
| Gain/(loss) due to mortality experience  | 3,072,200              |
| Gain/(loss) due to termination experience  | 187,800                |
| Gain/(loss) on data correction   | (2,709,300)            |
| Gain/(loss) on YMPE/Maximum pension  | (232,400)              |
| Net gain/(loss) due to other experience and miscellaneous items                                      | (120,900)              |
| <b>Surplus/(Unfunded Liability) After Experience Gains/(Losses) as at January 1, 2020</b>            | <b>\$ 8,339,000</b>    |
| Change due to the inclusion of the value of post-retirement indexation as per Ontario funding reform | \$ (20,275,800)        |
| Change due to the Provision for Adverse Deviation  | (17,103,300)           |
| Change due to indexation assumption  | 5,721,600              |
| Change due to ITA assumption   | -                      |
| Change due to YMPE assumption  | (106,100)              |
| Change due to retirement decrement assumption  | 3,756,900              |
| Change due to discount rate assumption   | -                      |
| Change due to salary scale assumption  | 2,139,800              |
| <b>Surplus/(Unfunded Liability) as at January 1, 2020</b>  | <b>\$ (17,527,900)</b> |

<sup>1</sup> Prior to the application of the Prior Year Credit Balance

## Discussion of Changes in Assumptions

Effective January 1, 2020 the following assumptions have been changed:

- The inflation rate has been changed from 2.25% per year to 2.00% per year. This change decreased the going concern liabilities by \$5,721,600.
- The pensionable earnings increase has been change from 3.25% to 2.00% per year. This change has decreased the going concern liabilities by \$2,139,800.
- The retirement decrement assumption has gone from 50% at earliest unreduced retirement date and 50% at age 62 to 50% at earliest unreduced retirement date and 50% at age 65. This change has decreased the liabilities by \$3,756,900.

## Plan Amendments

There were no Plan amendments during the last three years that had a bearing on the results of this valuation.

## Going Concern Valuation Sensitivity Results

In accordance with the CIA Standards of Practice specific to pension plans, the table below presents the sensitivity of the going concern liabilities and the total normal cost (prior to the application of the Provision for Adverse Deviation) of using a discount rate 1% lower and 1% higher than that used for the going concern valuation.

| <b>January 1, 2020</b>                         | <b>Effect</b>  |              |         |
|--|----------------|--------------|---------|
|  | \$             | \$           | %       |
| Going concern liabilities                      | \$ 211,592,100 |              |         |
| Going concern liabilities (discount rate – 1%) | \$ 239,007,100 | 27,415,000   | 13.0%   |
| Going concern liabilities (discount rate + 1%) | \$ 189,064,200 | (22,527,900) | (10.6)% |
| Normal cost                                    | \$ -           |              |         |
| Normal cost (discount rate – 1%)               | \$ -           | -            | N/A     |
| Normal cost (discount rate + 1%)               | \$ -           | -            | N/A     |



## Plausible Adverse Scenarios

In accordance with the Canadian Institute of Actuaries Standards of Practice specific to pension plans, below is summarized scenarios of adverse but plausible assumptions, relative to the best estimate assumptions otherwise selected for the valuation.

### Interest Rate Sensitivity

The table below presents the sensitivity of the going concern position of using interest rates 1% lower than the current level. In order to calculate the impact on the Actuarial Value of Assets, the decrease in interest rates only impacts fixed income assets (47.7% of total assets) and a duration of 15.62<sup>1</sup> was considered.

|   | Base Scenario          | Adverse Scenario       | Impact (\$)            |
|---|------------------------|------------------------|------------------------|
| Actuarial value of assets                       | \$ 211,167,500         | \$ 227,347,800         | \$ 16,180,300          |
| Going concern liabilities                       | <u>211,592,100</u>     | <u>239,007,100</u>     | <u>27,415,000</u>      |
| Going concern position                          | \$ (424,600)           | \$ (11,659,300)        | \$ (11,234,700)        |
| Additional liabilities due to PfAD              | <u>17,103,300</u>      | <u>19,058,400</u>      | <u>1,955,100</u>       |
| <b>Surplus/(Unfunded Liability)<sup>1</sup></b> | <b>\$ (17,527,900)</b> | <b>\$ (30,717,700)</b> | <b>\$ (13,189,800)</b> |
| <b>Total Normal Cost</b>                        |                        |                        |                        |
| Jan 1, 2020 to Dec 31, 2020                     | \$ -                   | \$ -                   | \$ N/A                 |
| Jan 1, 2021 to Dec 31, 2021                     | \$ -                   | \$ -                   | \$ N/A                 |
| Jan 1, 2022 to Dec 31, 2022                     | \$ -                   | \$ -                   | \$ N/A                 |

<sup>1</sup> Before application of PYCB

## Deterioration in Asset Value

In assessing the risk related to the deterioration in asset value we have chosen an adverse scenario equal to a 15% reduction in the non-fixed income asset values and assume no change in future return expectations.

The table below presents the sensitivity of the going concern position of using the assets with a 15% reduction in non-fixed income asset values.

|   | Base Scenario          | Adverse Scenario       | Impact (\$)            |
|---|------------------------|------------------------|------------------------|
| Actuarial value of assets                       | \$ 211,167,500         | \$ 195,030,400         | \$ (16,137,100)        |
| Going concern liabilities                       | <u>211,592,100</u>     | <u>211,592,100</u>     | <u>-</u>               |
| Going concern position                          | \$ (424,600)           | \$ (16,561,700)        | \$ (16,137,100)        |
| Additional liabilities due to PfAD              | <u>17,103,300</u>      | <u>17,103,300</u>      | <u>-</u>               |
| <b>Surplus/(Unfunded Liability)<sup>1</sup></b> | <b>\$ (17,527,900)</b> | <b>\$ (33,665,000)</b> | <b>\$ (16,137,100)</b> |

### Total Normal Cost

|                             |      |      |        |
|-----------------------------|------|------|--------|
| Jan 1, 2020 to Dec 31, 2020 | \$ - | \$ - | \$ N/A |
| Jan 1, 2021 to Dec 31, 2021 | \$ - | \$ - | \$ N/A |
| Jan 1, 2022 to Dec 31, 2022 | \$ - | \$ - | \$ N/A |

## Mortality Sensitivity

The table below presents the sensitivity of the going concern position of the Plan to using a mortality assumption with a 10% improvement to the base mortality rates. For the purposes of this analysis, we have used 100% of the rates of the base table used in the going concern valuation.

|   | Base Scenario          | Adverse Scenario       | Impact (\$)           |
|---|------------------------|------------------------|-----------------------|
| Actuarial value of assets                       | \$ 211,167,500         | \$ 211,167,500         | \$ -                  |
| Going concern liabilities                       | <u>211,592,100</u>     | <u>217,367,000</u>     | <u>5,774,900</u>      |
| Going concern position                          | \$ (424,600)           | \$ (6,199,500)         | \$ (5,774,900)        |
| Additional liabilities due to PfAD              | <u>17,103,300</u>      | <u>17,491,000</u>      | <u>387,700</u>        |
| <b>Surplus/(Unfunded Liability)<sup>2</sup></b> | <b>\$ (17,527,900)</b> | <b>\$ (23,690,500)</b> | <b>\$ (6,162,600)</b> |

### Total Normal Cost

|                             |      |      |        |
|-----------------------------|------|------|--------|
| Jan 1, 2020 to Dec 31, 2020 | \$ - | \$ - | \$ N/A |
| Jan 1, 2021 to Dec 31, 2021 | \$ - | \$ - | \$ N/A |
| Jan 1, 2022 to Dec 31, 2022 | \$ - | \$ - | \$ N/A |

<sup>1</sup> Before application of PYCB

<sup>2</sup> Before application of PYCB

## Section 3: Solvency Valuation Results

### Solvency Financial Position of the Plan

The solvency valuation is a financial assessment of the Plan that is required by the *Act* and is performed in accordance with requirements prescribed by that legislation. It is intended to provide an assessment of the Plan's financial position at the valuation date on the premise that certain obligations as prescribed by the *Act* are settled on the valuation date for all members. The liabilities must be calculated based on a postulated scenario that maximizes liabilities on wind up of the Plan. Contingent benefits are included in the liabilities that would be payable under the postulated scenario, unless permitted to be omitted under the definition of solvency liabilities under the Regulations to the *Act*. All assumptions for the solvency valuation are listed in Appendix D.

On the basis of the Plan provisions, membership data, solvency assumptions and methods and asset information described in the Appendices, as well as the requirements of the *Act*, the solvency financial position of the Plan as at January 1, 2020 is shown in the following table. The solvency financial position of the Plan as at January 1, 2017 is shown for comparison purposes.

### Solvency Financial Position

|                                      | January 1, 2020       | January 1, 2017        |
|--------------------------------------|-----------------------|------------------------|
| <b>Assets</b>                        |                       |                        |
| Solvency assets                      | \$ 211,167,500        | \$ 193,491,200         |
| Estimated wind up expenses           | <u>(200,000)</u>      | <u>(200,000)</u>       |
| <b>Total Assets</b>                  | <b>\$ 210,967,500</b> | <b>\$ 193,291,200</b>  |
| <b>Solvency Liabilities</b>          |                       |                        |
| Active Members                       | \$ 59,759,600         | \$ 76,398,200          |
| Deferred Vested Members              | 1,348,500             | 1,256,400              |
| Retired Members and Beneficiaries    | 155,035,300           | 141,756,100            |
| Pending Payouts                      | <u>170,700</u>        | <u>-</u>               |
| <b>Total Liabilities</b>             | <b>\$ 216,314,100</b> | <b>\$ 219,410,700</b>  |
| <b>Solvency Position</b>             | <b>\$ (5,346,600)</b> | <b>\$ (26,119,500)</b> |
| Prior year credit balance            | -                     | -                      |
| Present value of special payments    | 11,281,800            | 20,969,500             |
| Solvency liability adjustment        | <u>-</u>              | <u>-</u>               |
| <b>Solvency Surplus/(Deficiency)</b> | <b>\$ 5,935,200</b>   | <b>\$ (5,150,000)</b>  |
| <b>Solvency ratio <sup>1</sup></b>   | <b>0.98</b>           | <b>0.88</b>            |

<sup>1</sup> Solvency Assets divided by Solvency Liabilities

## Solvency Asset Adjustment

The present value of scheduled special payments for solvency valuation purposes has been calculated by discounting the annual special payments to be remitted up to the end of their amortization period, at the weighted solvency discount rate.

| Nature of Deficiency                     | Effective Date               | End Date          | Months Included | Annual Special Payment | Present Value as of January 1, 2020 |
|--|------------------------------|-------------------|-----------------|------------------------|-------------------------------------|
| Going concern                            | January 1, 2009              | December 31, 2020 | 12              | \$ 273,600             | \$ 269,400                          |
| Going concern                            | January 1, 2010              | December 31, 2020 | 12              | 142,800                | 140,600                             |
| Going concern                            | January 1, 2011              | December 31, 2020 | 12              | 800,400                | 788,200                             |
| Going concern                            | January 1, 2015              | December 31, 2020 | 12              | 831,600                | 818,900                             |
| Going concern                            | January 1, 2018              | December 31, 2020 | 12              | 422,400                | 415,900                             |
| Going concern                            | January 1, 2021 <sup>1</sup> | December 31, 2030 | 60              | 1,956,000              | <u>8,848,800</u>                    |
| <b>Present Value of Special Payments</b> |                              |                   |                 |                        | <b>\$ 11,281,800</b>                |

## Statutory Solvency Financial Position

The minimum funding requirements under the Regulation are based on the statutory solvency financial position as at the valuation date. In calculating the statutory solvency financial position, various adjustments can be made including solvency funding of a reduced solvency deficiency effective for valuations filed after December 31, 2017. The reduced solvency deficiency is based upon 0.85 of the solvency liabilities and 0.85 of the solvency liability adjustment.

|   | January 1, 2020   |
|---|-------------------|
| The amount by which the sum of:         |                   |
| 85% of solvency liabilities             | \$ 183,867,000    |
| 85% of solvency liability adjustment    | -                 |
| Prior year credit balance               | <u>-</u>          |
|   | \$ 183,867,000    |
| Exceeds the sum of:                     |                   |
| Solvency assets net of wind-up expenses | \$ 210,967,500    |
| Solvency asset adjustment               | <u>11,281,800</u> |
|   | \$ 222,249,300    |
| <b>Reduced Solvency Deficiency</b>      | <b>\$ 0</b>       |

<sup>1</sup> In accordance with Regulation, the City has decided to defer new going concern and solvency special payments established as at January 1, 2020 by 12 months

## Solvency Concerns

A report indicates solvency concerns under the *Act* if the ratio of the solvency assets to solvency liabilities is less than 0.85.

Where a report indicates solvency concerns, the effective date of the next valuation that needs to be filed under the *Act* is one year from the valuation date of the valuation that gave rise to the solvency concerns.

Since the ratio of solvency assets to solvency liabilities is equal to 0.98, this report does not indicate solvency concerns.

## Solvency Valuation Sensitivity Results

In accordance with the CIA Standards of Practice specific to pension plans, the table below presents the sensitivity of the solvency liabilities to using a discount rate of 1% lower and 1% higher than that used for the solvency valuation.

| <b>January 1, 2020</b>                    | <b>Effect</b>  |                 |         |
|---|----------------|-----------------|---------|
|   |                | \$              | %       |
| Solvency liabilities                      | \$ 216,314,100 |                 |         |
| Solvency liabilities (discount rate – 1%) | \$ 243,672,000 | \$ 27,357,900   | 12.6%   |
| Solvency liabilities (discount rate + 1%) | \$ 193,874,100 | \$ (22,440,000) | (10.4)% |

## Incremental Cost on a Solvency Basis

The incremental cost on a solvency basis represents the present value at January 1, 2020 of the expected aggregate change in the solvency liabilities between January 1, 2020 and the next calculation date, that is January 1, 2023. Appendix D gives more details on the calculation methodology and on assumptions.

Based on this methodology and on these assumptions, the incremental cost on a solvency basis can be found in the following table.

|                                      | <b>Jan 1, 2020 to<br/>Dec 31, 2020</b> | <b>Jan 1, 2021 to<br/>Dec 31, 2021</b> | <b>Jan 1, 2022 to<br/>Dec 31, 2022</b> |
|--------------------------------------|--|--|--|
| Incremental cost on a solvency basis | \$ 2,484,300                           | \$ 2,414,300                           | \$ 2,518,900                           |

## Pension Benefits Guarantee Fund (“PBGF”)

A PBGF assessment is not required under Article 47(1) of Regulation 909 of the *Act*.

## Section 4: Hypothetical Wind Up Valuation Results

### Hypothetical Wind Up Financial Position of the Plan

A hypothetical wind up valuation is performed to determine the financial position of the Plan as at the valuation date on a wind up basis, reflecting market settlement rates as of the valuation date. Unlike the solvency valuation, all benefits are included that would be payable under the postulated scenario that would maximize benefits. The hypothetical wind up valuation is determined using benefit entitlements on the assumption that the Plan has neither a surplus nor a deficit. Contingent benefits are included in the liabilities that would be payable under the postulated scenario. Assets are set equal to market value net of estimated wind up expenses. All assumptions for the hypothetical wind up valuation are listed in Appendix D.

On the basis of Plan provisions, membership data, hypothetical wind up assumptions and methods, and asset information described in the Appendices, as well as the requirements of the *Act*, the hypothetical wind up financial position of the Plan as at January 1, 2020 is shown in the following table. The hypothetical wind up financial position of the Plan as at January 1, 2017 is shown for comparison purposes.

### Hypothetical Wind Up Financial Position

|  | January 1, 2020         | January 1, 2017         |
|--|-------------------------|-------------------------|
| <b>Assets</b>                                    |                         |                         |
| Hypothetical wind up assets                      | \$ 211,167,500          | \$ 193,491,200          |
| Estimated wind up expenses                       | <u>(200,000)</u>        | <u>(200,000)</u>        |
| <b>Total Assets</b>                              | <b>\$ 210,967,500</b>   | <b>\$ 193,291,200</b>   |
| <b>Hypothetical Wind Up Liabilities</b>          |                         |                         |
| Active Members                                   | \$ 91,710,400           | \$ 115,284,600          |
| Deferred Vested Members                          | 2,311,900               | 2,149,200               |
| Retired Members and Beneficiaries                | 221,294,000             | 201,563,700             |
| Pending Payouts                                  | <u>170,700</u>          | <u>-</u>                |
| <b>Total Liabilities</b>                         | <b>\$ 315,487,000</b>   | <b>\$ 318,997,500</b>   |
| <b>Hypothetical Wind Up Surplus/(Deficiency)</b> | <b>\$ (104,519,500)</b> | <b>\$ (125,706,300)</b> |

## Transfer Ratio

The transfer ratio is determined as follows:

|  | January 1, 2020 | January 1, 2017 |
|--|-----------------|-----------------|
| (1) Hypothetical wind up assets  | \$ 211,167,500  | \$ 193,491,200  |
| Prior year credit balance (A)  | \$ -            | \$ -            |
| Total city normal cost and required special payments until next mandated valuation (B) | \$ 6,382,800    | \$ 17,695,000   |
| (2) Asset adjustment Lesser of (A) and (B)   | \$ -            | \$ -            |
| (3) Hypothetical wind up liabilities   | \$ 315,487,000  | \$ 318,997,500  |
| <b>Transfer Ratio [(1)-(2)] / (3)</b>  | <b>0.67</b>     | <b>0.61</b>     |

## Section 5: Contribution Requirements

### Contribution Requirements in Respect of the Normal Cost

Active members no longer accrue further credited service, and as such, there are no current service contributions required.

### Development of Special Payments

The following table summarizes previously established amortization schedules of special payments before adjustment to reflect any gains or losses due to the going concern and solvency valuation results.

| Nature of Deficiency | Effective Date               | End Date          | Annual Special Payment |                  |
|----------------------|------------------------------|-------------------|------------------------|------------------|
| Going concern        | January 1, 2009              | December 31, 2023 | \$                     | 273,600          |
| Going concern        | January 1, 2010              | December 31, 2024 |                        | 142,800          |
| Going concern        | January 1, 2011              | December 31, 2025 |                        | 800,400          |
| Going concern        | January 1, 2015              | December 31, 2029 |                        | 831,600          |
| Going concern        | January 1, 2018 <sup>1</sup> | December 31, 2032 |                        | 422,400          |
| Solvency             | January 1, 2015              | December 31, 2019 |                        | 2,726,400        |
| Solvency             | January 1, 2018              | December 31, 2022 |                        | 1,142,400        |
|                      |                              |                   | \$                     | <b>6,339,600</b> |

The following table summarizes the amortization schedules of special payments after adjustment to reflect any gains or losses due to the going concern and solvency valuation results. In accordance with Regulation, the City has decided to defer all new going concern and solvency special payments established as at January 1, 2020 by 12 months. The following table summarizes the amortization schedules of special payments after the aforementioned adjustments.

| Nature of Deficiency | Effective Date  | Revised End Date  | Revised Annual Special Payment | Present Value as of January 1, 2020      |                                     |
|----------------------|-----------------|-------------------|--------------------------------|--|-------------------------------------|
|                      |                 |                   |                                | For Going Concern Valuation <sup>2</sup> | For Solvency Valuation <sup>3</sup> |
| Going concern        | January 1, 2009 | December 31, 2020 | \$ 273,600                     | \$ 267,200                               | \$ 269,400                          |
| Going concern        | January 1, 2010 | December 31, 2020 | 142,800                        | 139,400                                  | 140,600                             |
| Going concern        | January 1, 2011 | December 31, 2020 | 800,400                        | 781,600                                  | 788,200                             |
| Going concern        | January 1, 2015 | December 31, 2020 | 831,600                        | 812,100                                  | 818,900                             |
| Going concern        | January 1, 2018 | December 31, 2020 | 422,400                        | 412,500                                  | 415,900                             |
| Going concern        | January 1, 2021 | December 31, 2030 | 1,956,000                      | 15,115,100                               | 8,848,800                           |
|                      |                 |                   | \$ <b>4,426,800</b>            | \$ <b>17,527,900</b>                     | \$ <b>11,281,800</b>                |

<sup>1</sup> In accordance with Regulation, the City has decided to defer new solvency special payments established as at January 1, 2020 by 12 months

<sup>2</sup> The values in the table were developed using the going concern discount rate compounded monthly in arrears.

<sup>3</sup> The values in the table were developed using the weighted average solvency discount rate compounded monthly in arrears.



## Prior Year Credit Balance (“PYCB”)

The City has elected not to track or apply any PYCB to reduce the special payments.

## Available Actuarial Surplus

As at January 1, 2020 the Available Actuarial Surplus is calculated as follows:

### Going Concern Basis

|     |   |    |             |
|-----|---|----|-------------|
| (A) | Total assets  | \$ | 211,167,500 |
| (B) | Total liabilities                                     |    | 211,592,100 |
| (C) | Additional liabilities due to PfAD                    |    | 17,103,300  |
| (D) | Prior year credit balance                             |    | -           |
| (E) | <b>Available surplus: maximum (A – B – C – D); 0)</b> | \$ | -           |

### Hypothetical Wind-Up Basis

|     |   |    |   |
|-----|---|----|---|
| (F) | <b>Assets in excess of a transfer ratio of 105%</b> | \$ | - |
| (G) | <b>Available Actuarial Surplus: minimum (E; F)</b>  | \$ | - |

Under Regulations 7.0.3(1), 7.0.3(3) and 7.0.3(4) of the *Pension Benefits Act (Ontario)*, a contribution holiday may be permissible if an actuarial cost certificate is filed within the first 90 days of the fiscal year and the amount of the contribution holiday is less than the amount of the Available Actuarial Surplus.

## Excess Surplus

The *Income Tax Act* requires that any excess surplus first be applied to reduce or eliminate the City contribution requirements. Excess surplus is defined in Section 147.2(2)(d) of the *Income Tax Act*, as the portion of surplus (if any) that exceeds 25% of the going concern liabilities.

Since the surplus is less than 25% of the going concern liabilities plus to Provision for Adverse Deviation, there is no excess surplus and therefore it does not impact the development of the City contribution requirements.

## Transitional Rules

|  | 2020                | 2021                | 2022                |
|--|---------------------|---------------------|---------------------|
| <b>Under Rules Applicable Prior to May 1, 2018</b>           |                     |                     |                     |
| City normal cost   | \$ -                | \$ 77,700           | \$ 157,000          |
| Going concern special payments                               | -                   | -                   | -                   |
| Solvency special payments                                    | <u>1,142,400</u>    | <u>1,599,600</u>    | <u>1,599,600</u>    |
| <b>Total</b>   | <b>\$ 1,142,400</b> | <b>\$ 1,677,300</b> | <b>\$ 1,756,600</b> |
| <b>Under Rules Applicable as at May 1, 2018</b>              |                     |                     |                     |
| City normal cost   | \$ -                | \$ -                | \$ -                |
| Going concern special payments                               | 2,470,800           | 1,956,000           | 1,956,000           |
| Solvency special payments                                    | <u>-</u>            | <u>-</u>            | <u>-</u>            |
| <b>Total</b>   | <b>\$ 2,470,800</b> | <b>\$ 1,956,000</b> | <b>\$ 1,956,000</b> |
| <b>Increase in Contribution Requirement Due to New Rules</b> | <b>\$ 1,328,400</b> | <b>\$ 278,700</b>   | <b>\$ 199,400</b>   |

According to Section 4 of the Regulations, should the contribution requirements including any required payments due to the PfAD established under the rules in effect as at May 1, 2018 exceed the contribution requirements under the rules in effect prior to May 1, 2018 for each year of the period covered by this report, the increase in contribution requirement can be phased in over a three-years period. The table below shows the contribution requirement that can be exempt from increases from 2020 to 2022:

|  | 2020         | 2021       | 2022      |
|--|--------------|------------|-----------|
| Contribution to be Exempt from Increases | \$ 1,328,400 | \$ 185,800 | \$ 66,500 |

## Development of Minimum Required City Contribution

The table below presents the development of the minimum required City contribution for each of the plan years covered by this report.

|  | Jan 1, 2020 to<br>Dec 31, 2020 | Jan 1, 2021 to<br>Dec 31, 2021 | Jan 1, 2022 to<br>Dec 31, 2022 |
|--|--------------------------------|--------------------------------|--------------------------------|
| City normal cost   | \$ -                           | \$ -                           | \$ -                           |
| Special payments toward amortizing unfunded liability  | 2,470,800                      | 1,956,000                      | 1,956,000                      |
| Special payments toward amortizing solvency deficiency                                       | -                              | -                              | -                              |
| Contribution exempt from increase under transitional rules                                   | (1,328,400)                    | (185,800)                      | (66,500)                       |
| Required application of excess surplus   | -                              | -                              | -                              |
| Permitted application of available actuarial surplus   | -                              | -                              | -                              |
| <b>Minimum Required City Contribution, Prior to Application of Prior Year Credit Balance</b> | <b>\$ 1,142,400</b>            | <b>\$ 1,770,200</b>            | <b>\$ 1,889,500</b>            |
| Permitted application of prior year credit balance   | -                              | -                              | -                              |
| <b>Minimum Required City Contribution</b>  | <b>\$ 1,142,400</b>            | <b>\$ 1,770,200</b>            | <b>\$ 1,889,500</b>            |

## Development of Maximum Deductible City Contribution

The table below presents the development of the maximum deductible City contribution for each of the plan years covered by this report.

The maximum deductible City contribution presented in the table below for a given plan year is calculated assuming that the City makes the maximum deductible City contribution in the first plan year covered by this report.

|   | <b>Jan 1, 2020 to<br/>Dec 31, 2020</b> | <b>Jan 1, 2021 to<br/>Dec 31, 2021</b> | <b>Jan 1, 2022 to<br/>Dec 31, 2022</b> |
|---|--|--|--|
| City normal cost  | \$ -                                   | \$ -                                   | \$ -                                   |
| Greater of the Unfunded liability and the hypothetical wind up deficiency | 104,519,500                            | -                                      | -                                      |
| Required application of excess surplus                                    | <u>-</u>                               | <u>-</u>                               | <u>-</u>                               |
| <b>Maximum Deductible City Contribution</b>                               | <b>\$ 104,519,500</b>                  | <b>\$ -</b>                            | <b>\$ -</b>                            |

If the City wishes to make the maximum deductible City contribution, it is advisable to contact the Plan's actuary before making such contribution to ensure that the contribution will be permissible and deductible and that any regulatory requirements are considered.

## Section 6: Actuarial Certificate

### Actuarial Opinion, Advice and Certification for The Hamilton Street Railway Company Pension Plan (1994)

Canada Revenue Agency Registration Number: 0253344

#### Opinion

This actuarial certification forms an integral part of the actuarial valuation report for the Plan as at January 1, 2020. I confirm that I have prepared an actuarial valuation of the Plan as at January 1, 2020 for the purposes outlined in the Introduction section to this report and consequently:

**My advice on funding is the following:**

- The City should contribute the amounts within the range of minimum and maximum contribution amounts as outlined in Section 5 of this report, in accordance with legislative requirements.
- The next actuarial valuation for the purpose of developing funding requirements should be performed no later than as at January 1, 2023.

**I hereby certify that, in my opinion:**

- The contribution range as outlined in this report is expected to be sufficient to satisfy the Plan's funding requirements.
- The City contribution range outlined in this report qualifies as eligible contributions under Section 147.2(2) of the *Income Tax Act*.
- The pre-1990 maximum pension restrictions in Subsection 8504(6) of the Regulations to the *Income Tax Act* do not apply to any members of the Plan.
- For the purposes of the valuation:
  - The data on which this valuation is based are sufficient and reliable;
  - The assumptions used are appropriate; and
  - The actuarial cost methods and the asset valuation methods used are appropriate.

- This report and its associated work have been prepared, and my opinion given, in accordance with accepted actuarial practice in Canada and in compliance with the requirements outlined in subparagraphs 147.2(2)(a)(iii) and (iv) of the *Income Tax Act*.
- Notwithstanding the above certifications, emerging experience differing from the assumptions will result in gains or losses that will be revealed in subsequent valuations.

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Mark Pearson, FCIA, FSA  
Associate Partner

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November 2020

## Appendix A: Assets

### Asset Data

The Plan's assets are combined in a pooled fund under a Master Trust agreement administered by RBC Investor Services Trust and are managed by a number of different investment managers. This type of arrangement governs only the investment of the assets deposited into the trust fund in no way "guarantees" the benefits provided under the Plan or the costs of providing such benefits. The asset information presented in this report is based on the financial statements of the pension fund prepared by KPMG LLP.

Tests of the sufficiency and reliability of the asset data were performed and the results were satisfactory. The tests included:

- A reconciliation of actual cash flow with expected cash flow from the previous actuarial report; and
- A reconciliation of any anticipated benefit payments (for retirees, terminated, or deceased members) against the financial statements of the pension fund for confirmation of payments.

### Market Value of Assets

The following is a summary of the composition of the Plan's assets by asset type as reported by RBC Investor Services Trust as at January 1, 2020. For comparison purposes, the composition at the previous valuation date of January 1, 2017 is also shown.

|                              | January 1, 2020    |               | January 1, 2017    |               |
|------------------------------|--------------------|---------------|--------------------|---------------|
|                              | \$                 | %             | \$                 | %             |
| Cash and short term          | 2,757,900          | 1.3%          | 1,781,700          | 1.0%          |
| Canadian fixed income        | 100,829,200        | 47.7%         | 83,582,200         | 43.2%         |
| Canadian equities            | 67,764,800         | 32.1%         | 60,066,100         | 31.0%         |
| Foreign equities             | <u>39,815,600</u>  | <u>18.9%</u>  | <u>48,061,200</u>  | <u>24.8%</u>  |
| <b>Total Invested Assets</b> | <b>211,167,500</b> | <b>100.0%</b> | <b>193,491,200</b> | <b>100.0%</b> |

## Target Asset Mix

The target asset mix of the Plan is contained in the Plan's Statement of Investment Policies and Procedures. The Plan is currently on a glide path based on the funded ratio on a wind-up basis. As the funded ratio increases, the target mix changes in increments with an increase to fixed income and a corresponding decrease to return seeking equities. The below is the current target asset mix based on the wind-up results of the combined City defined benefit pension plans held in the Master Trust:

|  | <b>Target</b> |
|--|---------------|
| Short term                                 | 0.0%          |
| Fixed income (including Real Return Bonds) | 52.0%         |
| Canadian equities                          | 24.0%         |
| Foreign equities                           | <u>24.0%</u>  |
|  | <b>100.0%</b> |

Based on the glide path, the ultimate target asset mix is as follows:

|  | <b>Target</b> |
|--|---------------|
| Short term                                 | 0.0%          |
| Fixed income (including Real Return Bonds) | 85.0%         |
| Canadian equities                          | 8.0%          |
| Foreign equities                           | <u>7.0%</u>   |
|  | <b>100.0%</b> |



## Reconciliation of Changes in Adjusted Market Value of Assets

The table below reconciles changes in the adjusted market value of assets between January 1, 2017 and January 1, 2020.

|  | Jan 1, 2017 to<br>Dec 31, 2017 | Jan 1, 2018 to<br>Dec 31, 2018 | Jan 1, 2019 to<br>Dec 31, 2019 |
|--|--------------------------------|--------------------------------|--------------------------------|
| <b>Adjusted Market Value of Assets,<br/>Beginning of Plan Year</b> | <b>\$ 193,491,200</b>          | <b>\$ 204,658,400</b>          | <b>\$ 190,957,400</b>          |
| <b>Contributions During Plan Year</b>                              |                                |                                |                                |
| Employee contributions   | \$ -                           | \$ -                           | \$ -                           |
| City normal cost   | -                              | 54,300                         | 138,100                        |
| City special payments  | 4,774,800                      | 6,339,600                      | 6,339,600                      |
| <b>Total</b>   | <b>\$ 4,774,800</b>            | <b>\$ 6,393,900</b>            | <b>\$ 6,477,700</b>            |
| <b>Benefit Payments During Plan Year</b>                           |                                |                                |                                |
| Non-retired members <sup>1</sup>                                   | \$ 240,300                     | \$ 135,600                     | \$ 55,200                      |
| Retired members  | 10,858,200                     | 11,019,300                     | 11,384,300                     |
| <b>Total</b>   | <b>\$ 11,098,500</b>           | <b>\$ 11,154,900</b>           | <b>\$ 11,439,500</b>           |
| <b>Transfers During Plan Year</b>                                  |                                |                                |                                |
| Into plan  | \$ -                           | \$ -                           | \$ -                           |
| Out of plan  | -                              | -                              | -                              |
| <b>Total</b>   | <b>\$ -</b>                    | <b>\$ -</b>                    | <b>\$ -</b>                    |
| <b>Fees/Expenses</b>   |                                |                                |                                |
| Investment fees/expenses   | \$ 326,100                     | \$ 410,900                     | \$ 437,400                     |
| Non-investment fees/expenses                                       | 237,400                        | 296,800                        | 235,100                        |
| <b>Total</b>   | <b>\$ 563,500</b>              | <b>\$ 707,700</b>              | <b>\$ 672,500</b>              |
| <b>Investment Income</b>   | <b>\$ 18,054,400</b>           | <b>\$ (8,232,300)</b>          | <b>\$ 25,844,400</b>           |
| <b>Adjusted Market Value of Assets,<br/>End of Plan Year</b>       | <b>\$ 204,658,400</b>          | <b>\$ 190,957,400</b>          | <b>\$ 211,167,500</b>          |
| <b>Rate of return, net of fees/expenses</b>                        | <b>9.2%</b>                    | <b>-4.4%</b>                   | <b>13.4%</b>                   |

## Development of Actuarial Value of Assets

The actuarial value of assets is equal to the adjusted market value of assets.

<sup>1</sup> Includes members who have terminated employment or died

## Appendix B: Membership Data

### Source of Data

This valuation was based on member data provided by the Company as of January 1, 2020. Tests of the sufficiency and reliability of the member data were performed and the results were satisfactory. The tests included:

- A reconciliation of membership status against the membership status at the last valuation. This test was performed to ensure that all members were accounted for. A summary of this reconciliation follows on the next page;
- A reconciliation of birth, hire, and participation dates against the corresponding dates provided for the last valuation to ensure consistency of data;
- A reconciliation of credited service against the corresponding amount provided for the last valuation to ensure that no member accrued any credited service from January 1, 2017;
- A reconciliation of pensionable earnings against the corresponding amounts provided for the last valuation to identify any unusual increases or decreases;
- A reconciliation of accrued benefits against the corresponding amounts provided for the last valuation to identify any unusual benefit accruals;
- A reconciliation of any stated benefit payments since January 1, 2017 (for retired, terminated, or deceased members) against the financial statements of the pension fund for confirmation of the payments; and
- A reconciliation of inactive member benefit amounts against the corresponding amounts provided for the last valuation to ensure consistency of data.

There was no information missing from the data, so no assumptions were required with respect to such data.

A copy of the administrator certification certifying the accuracy and completeness of the member data (and the Plan provisions summarized in this report) is included in Appendix H of this report.

## Membership Summary

The table below reconciles the number of members as of January 1, 2020 with the number of members as of January 1, 2017 and the changes due to experience in the period.

|                              | <b>Active and<br/>Disabled Members</b> | <b>Deferred Vested</b> | <b>Retired Members<br/>and Beneficiaries</b> | <b>Total</b> |
|------------------------------|--|------------------------|--|--------------|
| <b>As at January 1, 2017</b> | <b>388</b>                             | <b>26</b>              | <b>599</b>                                   | <b>1,013</b> |
| New members                  | 0                                      | 0                      | 0  | 0            |
| Paid out                     | (5)                                    | 0                      | 0  | (5)          |
| Terminations                 | (4)                                    | 4                      | 0  | 0            |
| Deaths                       | (2)                                    | 0                      | (71)   | (73)         |
| No Further Benefits          | 0                                      | 0                      | (3)  | (3)          |
| Retired                      | (62)                                   | (1)                    | 63   | 0            |
| New spouses                  | 0                                      | 0                      | 22   | 22           |
| Transferred                  | 0                                      | 0                      | 0  | 0            |
| Data corrections             | <u>0</u>                               | <u>0</u>               | <u>0</u>                                     | <u>0</u>     |
| <b>As at January 1, 2020</b> | <b>315</b>                             | <b>29</b>              | <b>610</b>                                   | <b>954</b>   |

## Active and Disabled Members

|                              | January 1, 2020 | January 1, 2017 |
|------------------------------|-----------------|-----------------|
| Number                       | 315             | 388             |
| Average age                  | 54.3            | 52.8            |
| Average pensionable service  | 9.3             | 10.5            |
| Average pensionable earnings | \$ 70,474       | \$ 66,849       |
| Proportion female            | 23.8%           | 24.2%           |

## Deferred Vested Members

|                          | January 1, 2020 | January 1, 2017 |
|--------------------------|-----------------|-----------------|
| Number                   | 29              | 26              |
| Average age              | 55.8            | 54.2            |
| Average deferred pension | \$ 3,317        | \$ 3,714        |
| Proportion female        | 41.4%           | 42.3%           |

## Retired Members and Beneficiaries

|                                 | January 1, 2020 | January 1, 2017 |
|---------------------------------|-----------------|-----------------|
| Number                          | 610             | 599             |
| Average age                     | 75.3            | 75.5            |
| Average annual lifetime pension | \$ 18,587       | \$ 17,319       |
| Average annual bridge pension   | \$ 547          | \$ 535          |
| Proportion female               | 33.0%           | 31.6%           |

## Active/Disabled Membership Distribution

The following table provides a detailed summary of the active/disabled membership at the valuation date by years of credited service and by age group. For privacy reasons, average pensionable earnings is not shown for groups with two or less members.

| Age                   | < 5              | 5–10             | 10–15            | 15–20            | 20–25            | 25–30            | >=30        | Total            |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------|------------------|
| <40                   | 10               |                  |                  |                  |                  |                  |             | 10               |
|                       | \$ 67,044        | \$               | \$               | \$               | \$               | \$               | \$          | \$ 67,044        |
| 40–45                 | 10               | 7                |                  |                  |                  |                  |             | 17               |
|                       | \$ 77,617        | \$ 77,268        | \$               | \$               | \$               | \$               | \$          | \$ 77,473        |
| 45–50                 | 34               | 27               | 1                |                  |                  |                  |             | 62               |
|                       | \$ 70,518        | \$ 69,678        | \$ *             | \$               | \$               | \$               | \$          | \$ 70,424        |
| 50–55                 | 32               | 21               | 5                | 8                | 2                |                  |             | 68               |
|                       | \$ 69,111        | \$ 70,063        | \$ 80,388        | \$ 69,459        | \$ *             | \$               | \$          | \$ 70,738        |
| 55–60                 | 25               | 29               | 3                | 19               | 18               |                  |             | 94               |
|                       | \$ 68,597        | \$ 69,433        | \$ 75,814        | \$ 69,694        | \$ 68,935        | \$               | \$          | \$ 69,372        |
| 60–65                 | 8                | 15               | 3                | 14               | 7                | 2                |             | 49               |
|                       | \$ 68,034        | \$ 68,547        | \$ 64,058        | \$ 76,072        | \$ 73,610        | \$ *             | \$          | \$ 71,037        |
| >=65                  | 2                | 2                | 1                | 1                | 3                | 5                | 1           | 15               |
|                       | \$ *             | \$ *             | \$ *             | \$ *             | \$ 80,106        | \$ 67,800        | \$ *        | \$ 68,907        |
| <b>Total</b>          |                  |                  |                  |                  |                  |                  |             |                  |
| <b>Count</b>          | <b>121</b>       | <b>101</b>       | <b>13</b>        | <b>42</b>        | <b>30</b>        | <b>7</b>         | <b>1</b>    | <b>315</b>       |
| <b>Average Salary</b> | <b>\$ 69,689</b> | <b>\$ 70,011</b> | <b>\$ 74,928</b> | <b>\$ 71,733</b> | <b>\$ 72,204</b> | <b>\$ 67,838</b> | <b>\$ *</b> | <b>\$ 70,474</b> |

\* Omitted for privacy reasons

## Deferred Vested/Retired Membership Distribution

The following table provides a detailed summary of the deferred vested/retired membership at the valuation date by age group. For privacy reasons, average pensions are not shown for groups with two or less members.

| Age                             | Deferred Vested<br>Members | Retired Members<br>and Beneficiaries |
|---------------------------------|----------------------------|--------------------------------------|
| < 50                            | 7<br>\$ 2,628              | 1<br>\$ *                            |
| 50–55                           | 5<br>\$ 2,515              | \$                                   |
| 55–60                           | 9<br>\$ 3,475              | 21<br>\$ 21,280                      |
| 60–65                           | 6<br>\$ 4,674              | 52<br>\$ 22,674                      |
| 65 <sup>1</sup> –70             | 2<br>\$ *                  | 101<br>\$ 20,319                     |
| 70–75                           | \$                         | 143<br>\$ 22,649                     |
| 75–80                           | \$                         | 106<br>\$ 17,864                     |
| >=80                            | \$                         | 186<br>\$ 13,569                     |
| <b>Total<br/>Count</b>          | <b>29</b>                  | <b>610</b>                           |
| <b>Average Lifetime Pension</b> | <b>\$ 3,317</b>            | <b>\$ 18,587</b>                     |

\* Omitted for privacy reasons

<sup>1</sup> Includes all deferred vested members over age 65

## Appendix C: Going Concern Assumptions and Methods

### Assumptions and Methods

A member's entitlements under a pension plan are generally funded during the period over which service is accrued by the member. The cost of each member's benefits is allocated in some fashion over the member's service. An actuarial valuation provides an assessment of the extent to which allocations relating to periods prior to a valuation date (often referred to as the actuarial liabilities) are covered by the plan's assets.

The going concern valuation provides an assessment of a pension plan on the premise that the plan continues on into the future indefinitely based on assumptions in respect of future events upon which a plan's benefits are contingent and methods that effectively determine the way in which a plan's costs will be allocated over the members' service. The true cost of a plan, however, will emerge only as experience develops, investment earnings are received, and benefit payments are made.

This appendix summarizes the going concern assumptions and methods that have been used for the going concern valuation of the Plan at the valuation date. The going concern assumptions and methods have been chosen to reflect our understanding of the Plan's funding objectives with due respect to accepted actuarial practice and regulatory constraints. For purposes of this valuation, the going concern methods and assumptions were reviewed and changes as indicated were made.

The actuarial assumptions and methods used in the current and previous valuations are summarized below and described on the following pages.

|   | January 1, 2020  | January 1, 2017  |
|---|--|--|
| <b>Economic Assumptions</b>                               |  |  |
| Discount rate   | 4.50% per year   | Same   |
| Inflation rate  | 2.00% per year   | 2.25% per year   |
| Post-retirement indexing rate                             | 2.00% per year   | 1.50% per year   |
| Increases in pensionable earnings                         | 2.00% per year   | 3.25% per year   |
| Increases in year's maximum pensionable earnings ("YMPE") | 2.50% per year   | 2.75% per year   |
| Increases in maximum pension limit                        | \$3,092.22 in 2020;<br>then 2.50% per year                             | \$2,914.44 in 2017;<br>then 2.75% per year                             |
| Investment expenses                                       | 0.20% per year<br>(taken into account in the discount rate assumption) | Same   |
| Non-investment expenses                                   | 0.20% per year<br>(taken into account in the discount rate assumption) | Same   |
| Provision for adverse deviation                           | 9.80% of non-indexed liabilities                                       | Not applicable   |
| Margin for adverse deviation                              | Not applicable   | 0.30% per year<br>(taken into account in the discount rate assumption) |



|                                      | January 1, 2020   | January 1, 2017   |
|--------------------------------------|---|---|
| <b>Demographic Assumptions</b>       |   |   |
| Mortality table                      | 110% of 2014 Public Canadian Pensioners' Mortality Table ("CPM2014Publ") with generational improvement using CPM-B Scale                    | Same  |
| Retirement rates                     | 50% of members retire at the earliest unreduced retirement age and 50% at age 65.   | 50% of members retire at the earliest unreduced retirement age and 50% at age 62. |
| Termination rates                    | Not applicable  | Same  |
| Disability rates                     | Not applicable  | Same  |
| Proportion married                   |   |   |
| Non-retired proportion with spouse   | 85% with opposite-sex spouse  | Same  |
| Non-retired spousal age differential | Males three years older   | Same  |
| Retired members                      | Actual marital status and ages are used   | Same  |
| Margin for adverse deviation         | Not applicable  | Same  |
| <b>Methods</b>                       |   |   |
| Actuarial cost method                | Projected unit credit   | Same  |
| Asset valuation method               | Market value of assets adjusted to reflect contributions, benefit payments, transfers and fees/expenses in transit as of the valuation date | Same  |

## Justification of Actuarial Assumptions and Methods

### Margins for Adverse Deviations

The actuary has discussed the Plan's experience with the City and compared it to the expected experience. This review indicates that the use of the PfAD achieves the Company's desire to maintain safety cushions; therefore the decision was made to not to include any additional margins for conservatism. The Provisions for PfAD that is required by Ontario Regulation is discussed later in this section.

### Economic Assumptions

#### Discount Rate

The overall expected return was developed using best-estimate returns for each major asset class in which the pension fund is invested. A Monte Carlo simulation is performed where the portfolio returns are projected assuming annual rebalancing. Expected plan cash flows are projected for a maximum of 30 years reflecting the plan's time horizon and discounted using the simulated returns. The internal rate of return is then calculated for each scenario and the results are used to develop an overall best-estimate rate of return for the entire pension fund. Gains from rebalancing and diversification are implicit to this return.

In determining the expected return, we have taken into account the current Master Trust target asset mix of 48% equities / 52% fixed income (including all details of asset categories) as well as the City's policy of intending to increase the investment in bonds and decrease the investment in equities as the funded position of the plan improves. We have assumed that the plan's investment will be 45% equities / 55% fixed income by the year 2035 and have assumed a smooth transition of assets during that time.

The overall expected return has been established based on the City's investment policy and its funding policy (whether formal or informal) and objectives. There may be some barriers to achieving this return such as inflation higher than expected, asset returns lower than expected, and assets and liabilities that are mismatched.

The following table lays out the adjustments that have been made to the overall expected rate of return in order to arrive at our going concern discount rate assumption:

#### Development of Discount Rate

|   |     |                |         |              |
|---|-----|----------------|---------|--------------|
| Overall expected return                     |     |                |         | 4.77%        |
| Non-investment expenses                     |     |                |         | (0.20)%      |
| Investment expenses                         |     |                |         |              |
| Passive                                     | (1) | (0.07)%        |         |              |
| Actively managed                            | (2) | <u>(0.13)%</u> |         |              |
|   |     |                | (1)+(2) | (0.20)%      |
| Additional returns due to active management |     |                |         | <u>0.13%</u> |
| <b>Discount Rate</b>                        |     |                |         | <b>4.50%</b> |

## Inflation Rate

The inflation rate is assumed to be 2.00% per year. The inflation rate assumption reflects our best estimate of future inflation considering current economic and financial market conditions.

## Increases in Pensionable Earnings

The assumption for increases in pensionable earnings of 2.00% per year reflects the assumed rate of inflation, plus allowances for the effect of productivity growth.

## Increases in YMPE

As the benefits paid to a member from the Plan are dependent on the future YMPE, it is necessary to make an assumption regarding the future increases in the YMPE.

The assumed increase in the YMPE reflects the assumed rate of inflation plus the productivity increase assumption.

## Increases in the Maximum Pension Limit

Pensions are limited to the maximum limits under the *Income Tax Act*. The *Income Tax Act* specifies both a dollar limit, and in addition pensions cannot exceed 2% of indexed highest average compensation per year of credited service. The assumed increase in the dollar limit reflects the assumed rate of inflation plus the productivity increase assumption.

## Expenses

Since the discount rate has been established net of all expenses, no explicit assumption is required for all expenses.

## Provision for Adverse Deviation

For the purpose of this valuation, the PfAD is established based on the target asset allocation for each category of investments set out in the Plan's Statement of Investment Policies and Procedures (SIPP) in effect at the date of this report

| <b>Asset Mix Component</b>                               | <b>Investment<br/>Categorization under<br/>Regulation 76 (12)</b> | <b>Categorization under<br/>Regulation 11.2 (8)<sup>1</sup></b> | <b>Target Asset<br/>Allocation(%)</b> |
|--|---|---|---------------------------------------|
| Cash and short term                                      | 4   | Fixed Income ("L")  | 0.0%                                  |
| Fixed-income   | 15  | Fixed Income ("L")  | 52.0%                                 |
| Canadian equities  | 13  | Non-Fixed Income  | 24.0%                                 |
| Foreign equities   | 14  | Non-Fixed Income  | <u>24.0%</u>                          |
|  |   |   | <b>100.0%</b>                         |
| Fixed income ("L")                                       |   |   | 52.0%                                 |
| Alternative Investment ("M")                             |   |   | 0.0%                                  |
| (a) Percentage of fixed income for PfAD ["L" + 50%* "M"] |   |   | 52.00%                                |
| (b) Percentage of non-fixed income for PfAD [100%-(a)]   |   |   | 48.00%                                |
| (c) Asset mix component (see table below) <sup>2</sup>   |   |   | 4.80%                                 |

| <b>Percent of<br/>Non-Fixed Income Assets</b> | <b>PfAD for Closed Plans</b> | <b>PfAD for Open Plans</b> |
|---|------------------------------|----------------------------|
| 0%  | 0%                           | 0%                         |
| 20%   | 2%                           | 1%                         |
| 40%   | 4%                           | 2%                         |
| 50%   | 5%                           | 3%                         |
| 60%   | 7%                           | 4%                         |
| 70%   | 11%                          | 6%                         |
| 80%   | 15%                          | 8%                         |
| 100%  | 23%                          | 12%                        |

<sup>1</sup> The fixed income investments satisfy the minimum credit rating requirements prescribed by the Regulation.

<sup>2</sup> Based on linear interpolation.

**Benchmark Discount Rate (BDR)**

---

|  |       |
|--|-------|
| (d) V39056 rate at the valuation date        | 1.76% |
| (e) BDR [(d)+1.5%*(a)+5.0%*(b)+0.5%]         | 5.44% |
| (f) Best estimate discount rate <sup>1</sup> | 4.77% |
| (g) Plan duration                            | 11.43 |

**PfAD is Determined as Follows:**

---

|  |              |
|--|--------------|
| Fixed component (open 4% or closed 5%) | 5.00%        |
| Asset mix component                    | 4.80%        |
| BDR component [Max [0, (g)*((f)-(e))]] | <u>0.00%</u> |
| <b>Total</b>                           | <b>9.80%</b> |

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<sup>1</sup> Gross of non-investment expenses and passive investment management fees.

## Demographic Assumptions

### Mortality

At the current and last valuation, we are using the 2014 Public Canadian Pensioners' Mortality Table and with generational improvement with CPM-B. We have adjusted the base rates of the table by 110% to account for the size of the pensions members are receiving.

In 2017, the CIA released a research paper introducing a new Mortality Improvement Scale (MI-2017) and subsequently published an Education Note stating that both the MI-2017 and CPM-B Scales "constitute broad and relevant mortality improvement studies for the Canadian population." The continued use of the CPM-B projection scale is considered reasonable.

### Retirement

Retirement rates are typically developed taking into account the past experience of the Plan. Accordingly, the rates of retirement have been developed as our expectation of the best-estimate rates of retirement based on the Plan provisions and our experience with other similar plans.

### Termination of Employment

No allowance has been made for termination of employment prior to retirement on the basis that the impact of including such an assumption would not have a material impact on the valuation results.

### Proportion of Members with Spouses and Spousal Age Differential

These assumptions are relevant to the valuation of benefits since there is a subsidized joint and survivor benefit available for members with a spouse. The proportion of members who will have a spouse is based on broad population statistics. The spousal age difference was based on broad population statistics.

## Other

### Actuarial Cost Method

An actuarial cost method is a technique used to allocate in a systematic and consistent manner the expected cost of a pension plan over the years of service during which Plan members earn benefits under the Plan. By funding the cost of a pension plan in an orderly and rational manner, the security of benefits provided under the terms of the Plan in respect of service that has already been rendered is significantly enhanced.

The projected unit credit actuarial cost method has been used for this valuation. Under this method, the actuarial present value of benefits in respect of service prior to the valuation date, but based on pensionable earnings projected to retirement, is compared with the actuarial asset value, revealing either a surplus or an unfunded actuarial liability.

With respect to service after the valuation date, the expected value of benefits for service in the year following the valuation date (i.e., the normal cost) net of any required employee contributions is expressed as a percentage of the expected value of participating payroll for that year. The employer normal cost contributions are determined each year by applying this percentage to the actual participating payroll for the year.

When calculating the actuarial present value of benefits at the valuation date, the present value of all retirement, withdrawal and preretirement death benefits are included. For each member, the retirement, withdrawal and preretirement death benefits for a particular period of service are first projected each year into the future taking into account future vesting, early retirement entitlements and minimum pension/value entitlements. These projected benefits for each future year are then capitalized, multiplied by the probability of the member leaving the Plan in that year and discounted with interest and survivorship to the valuation date. The actuarial present value of benefits for the particular period of service is then determined by summing the present values of these projected benefits.

The pattern of future contributions necessary to pre fund future benefit accruals for any one particular individual will increase gradually as a percentage of their pensionable earnings as the individual approaches retirement. For a stable population (i.e., one where the demographics of the group remain constant from year to year), the normal cost will remain relatively level as a percentage of payroll. The projected unit credit actuarial cost method therefore allocates contributions among different periods in an orderly and rational manner for a stable population group.

In the event of future adverse experience, contributions in addition to the normal cost calculated under the projected unit credit actuarial cost method may be required to ensure that the Plan's assets are adequate to provide the benefits. Conversely, favourable experience may generate surplus which may serve to reduce future contribution requirements.

### Asset Valuation Method

Market value, adjusted by in-transit cash flows was used as the actuarial value of assets for this valuation.

## Appendix D: Solvency and Hypothetical Wind Up Assumptions and Methods

### Valuation Assumptions

|   | January 1, 2020   | January 1, 2017   |
|---|---|---|
| <b>Economic Assumptions</b>                           |   |   |
| Discount rate   |   |   |
| Transfer value basis<br>— <i>Without indexation</i>   | 2.50% per year for 10 years;<br>2.60% per year thereafter | 2.30% per year for 10 years;<br>3.70% per year thereafter |
| Annuity purchase basis<br>— <i>Without indexation</i> | 2.93% per year  | 3.08% per year  |
| Duration used to determine annuity purchase basis     | 10.51   | 10.63   |
| Transfer value basis<br>— <i>With indexation</i>      | 1.20% per year for 10 years;<br>1.20% per year thereafter | 1.30% per year for 10 years;<br>1.60% per year thereafter |
| Annuity purchase basis<br>— <i>With indexation</i>    | -0.29% per year   | -0.09% per year   |
| <i>Income Tax Act</i> dollar limit                    | \$3,092.22 per year                                       | \$2,914.44 per year                                       |
| Weighted solvency discount rate                       | 2.89% per year  | 3.00% per year  |



|  | January 1, 2020   | January 1, 2017 |
|--|---|-----------------|
| <b>Demographic Assumptions</b>   |   |                 |
| Mortality table  | 2014 Canadian Pensioners' Mortality Table ("CPM2014") with generational improvement using CPM-B <sup>1</sup> Scale (sex-distinct rates)     | Same            |
| Withdrawal rates   | Not applicable  | Same            |
| Retirement age   |   |                 |
| Active and deferred vested members   | Ages that produces the highest value  |                 |
| Retired members and beneficiaries  | Not applicable  | Same            |
| Termination of employment  | Terminate with full vesting   | Same            |
| Marital status   |   |                 |
| Non-retired spousal proportion   | 85% with spouses  | Same            |
| Non-retired spousal age differential   | Males three years older   | Same            |
| Retired members  | Actual marital status and ages are used   | Same            |
| <b>Other</b>   |   |                 |
| Wind up expenses   | \$200,000   | Same            |
| Actuarial cost method  | Unit credit   | Same            |
| Asset valuation method   | Market value of assets adjusted to reflect contributions, benefit payments, transfers and fees/expenses in transit as of the valuation date | Same            |
| <b>Incremental Cost</b>  |   |                 |
| The assumptions for the expected benefit payments and decrement probabilities, service accruals, and projected changes in benefits and/or pensionable earnings | Same as going concern   | Same            |

<sup>1</sup> No preretirement mortality was applied

Based on the CIA's Guidance and information such as pension legislation, Plan provisions and Plan experience, we have made the following assumptions regarding how the Plan's benefits would be settled on Plan wind up:

|  | <b>Percent of Liability<br/>Assumed to be Settled By<br/>Purchase of Annuities</b> | <b>Percent of Liability<br/>Assumed to be Settled By<br/>Lump-Sum Transfer</b> |
|--|--|--|
| <b>Active Members</b>                    |  |  |
| Not retirement eligible                  | 0%   | 100%   |
| Retirement eligible                      | 100%   | 0%   |
| <b>Deferred Vested Members</b>           |  |  |
| Not retirement eligible                  | 0%   | 100%   |
| Retirement eligible                      | 100%   | 0%   |
| <b>Retired Members and Beneficiaries</b> | 100%   | 0%   |

## Postulated Scenario

The postulated scenario is the assumption of immediate termination of employment for the active group at the valuation date. Therefore, no allowance for future salary increases or demographic experience are reflected.

## Benefits Valued

|  | <b>Solvency Valuation</b>                                       | <b>Hypothetical Wind Up Valuation</b>                           |
|--|---|---|
| <b>Vesting</b>                               | We have treated all accrued benefits as vested on Plan wind up. | We have treated all accrued benefits as vested on Plan wind up. |
| <b>Grow-in Benefits</b>                      | Grow-in to early retirement and other benefits were included    | Grow-in to early retirement and other benefits were included    |
| <b>Exclusions</b>                            | Post-retirement indexing was excluded from the valuation        | No Plan benefits were excluded from the valuation               |
| <b>Post-valuation Date Benefit Increases</b> | None were assumed   | None were assumed   |
| <b>Indexing</b>                              | Excluded from the valuation                                     | Included from the valuation                                     |

## Justification for Valuation Assumptions

We have set the aforementioned assumptions based on guidance prepared by the CIA Committee on Pension Plan Financial Reporting ("PPFRC") in Educational Note – Assumptions for Hypothetical Wind-Up and Solvency Valuations with Effective Dates between December 31, 2019 and December 30, 2020 ("CIA Guidance") released on January 30, 2020.

For benefit entitlements that are expected to be settled by lump-sum transfer, we based the assumptions on Section 3500 (Pension Commuted Values) of the CIA Standards of Practice, using rates corresponding to a valuation date of January 1, 2020.

For benefit entitlements that are expected to be settled by purchase of annuities, we based the assumptions on information compiled by the PPFRC from insurance companies active in the group annuity market as described in the educational note.

### Development of Discount Rates

The development of the discount rates is shown below.

|  |  |
|--|--|
| Solvency lump-sum discount rate for 10 years | = V122542 <sup>1</sup> + 90 bps<br>= 1.64% + 0.90%<br><b>= 2.54% (rounded to 2.50%) per year</b>   |
| Solvency lump-sum discount rate thereafter   | = V122544 <sup>1</sup> + 0.5 x (V122544 <sup>1</sup> – V122542 <sup>1</sup> ) + 90 bps<br>= 1.68% + 0.5 x (1.68% – 1.64%) + 0.90%<br><b>= 2.60% per year</b> |
| Solvency annuity purchase discount rate      | = V39062 + Duration Adjustment<br>= 1.76% + 1.17%<br><b>= 2.93% per year</b>   |

### Mortality Table

The derivation of the discount rate above is in conjunction with CPM2014 in accordance with the CIA Guidance.

### Preretirement Mortality

We have made no allowance for preretirement mortality. The impact of including such an assumption would not have a material impact on the valuation, since the value of the death benefit is approximately equal to the value of the accrued pension.

### Pensionable Earnings

To estimate active and disabled members' best average earnings, we have used actual historical member earnings.

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<sup>1</sup> CANSIM Series (annualized)

## Assumptions Not Needed

The following are not relevant to the solvency or hypothetical wind up valuation:

- Increases in pensionable earnings;
- Termination of employment rates;
- Increases in CPP and OAS benefits;
- Increases in *Income Tax Act* maximum pension limit; and
- Disability rates.

## Estimated Wind Up Expenses

Plan wind up expenses would normally include such items as fees related to preparation of the actuarial wind up report, fees imposed by a pension supervisory authority, legal fees, administration, custodial and investment management expenses. We have assumed these fees would be \$200,000.

## Calculation of Special Solvency Payments

To calculate the special payments necessary to liquidate the Solvency deficiency we used a weighted average of the solvency discount rates based on the relative proportions of benefit entitlements that are expected to be settled by purchase of annuities and lump-sum transfer.

## Unisex Assumption

The liabilities are valued on a sex-distinct basis. The determination of the unisex percentage used in the payment of commuted values to non-Quebec members eligible for portability is based on the proportion of non-Quebec active and deferred vested liabilities for males and females. As such, the determination of commuted value liabilities on a sex-distinct basis in the solvency/hypothetical wind-up valuation is appropriate.

## Actuarial Cost Methods

Unit credit (accrued benefit) cost method as prescribed.

## Asset Valuation Method Considerations

Assets for solvency purposes have been determined using market value, adjusted by in-transit cash flows.

## Incremental Cost

The incremental cost represents the present value, at the calculation date (time 0), of the expected aggregate change in the liabilities between time 0 and the next calculation date (time t), adjusted upwards for expected benefit payments between time 0 and time t.

An educational note was published in December 2010 by the CIA Committee on PPFRC to provide guidance for actuaries on the calculation of this new information.

The calculation methodology can be summarized as follows:

- The present value at time 0 of expected benefit payments between time 0 and time t, discounted to time 0,  
plus
- Projected liabilities at time t, discounted to time 0, allowing for, if applicable to the pension plan being valued:
  - expected decrements and related changes in membership status between time 0 and time t,
  - accrual of service to time t,
  - expected changes in benefits to time t,
  - a projection of pensionable earnings to time t,minus
- The liabilities at time 0.

The projection calculations take into account the following assumptions and additional considerations:

- The assumptions for the expected benefit payments and decrement probabilities, service accruals, and projected changes in benefits and/or pensionable earnings would be consistent with the assumptions used in the pension plan's going concern valuation.
- The assumptions used to calculate the projected liability at time t are consistent with the assumptions for the liabilities at time 0, assuming that interest rates remain at the levels applicable at time 0, that the select period is reset at time t for interest rate assumptions that are select and ultimate and that the Standards of Practice for the calculation of commuted values and the guidance for estimated annuity purchase costs in effect at time 0 remain in effect at time t.
  - Active and inactive Plan members as of time 0 are considered in calculating the incremental cost.

## Appendix E: Summary of Plan Provisions

This funding valuation was based on Plan design information provided by the City as of January 1, 2020. The following is a summary of the main provisions of the Plan.

### Effective Date

July 1, 1980 (Prior plans, running continuously, applied before this date).

### Eligibility

Prior to January 1, 2009, full time employees must join on completion of six months of continuous service.

Part time employees are eligible to join after two years of service, provided, they have either:

- Earnings of at least 35% of the Canada Pension Plan (CPP) Year's Maximum Pensionable Earnings (YMPE), or
- 700 hours of employment

in each of two consecutive calendar years immediately prior to joining the Pension Plan.

Effective January 1, 2009, the Plan has been closed to new members.

### Retirement

#### Normal Retirement Date

Age 65.

#### Unreduced Retirement Date

Members may retire with no reduction in accrued pension following attainment of age plus service (including OMERS service) totalling 85 years, but not earlier than age 55.

## Early Retirement Date

Members may retire after their 55<sup>th</sup> birthday. In this case, the pension will be reduced as per the table below:

| Age at Retirement                     | Adjustment Between Age Reached and Initial Date of Unreduced Retirement   |
|---------------------------------------|---|
| Active member                         | 1/2% for each month (up to 60 months) preceding the earlier of the date the member's age reaches 65, or the member's age plus service* reaches 85.<br>Plus<br>1/3% for each month (greater than 60 but less than 120 months) preceding the earlier of the date the member's age reaches 65, or the member's age plus service* reaches 85. |
| Member entitled to a deferred pension | Actuarial equivalent of the deferred pension payable at age 65  |

\* including OMERS service

## Credited Pension

### Normal Retirement Pension

Members receive a pension equal to 1.5% of average pensionable earnings up to the average Year's Maximum Pensionable Earnings (YMPE) as established under the Canada Pension Plan, plus 2% of the excess, multiplied by years of credited service. The "average pensionable earnings" are defined as the average of best five years' earnings. The average YMPE is the average of the YMPE for the last thirty-six months of the Plan membership.

In the event that pensions accrued under the prior plan exceed the pension accrued under this Plan for service prior to July 1, 1980, then the pension is increased accordingly.

Credited service includes an additional six months of past service for all active members as at January 1, 2009, subject to satisfying certain employment continuation requirements.

Active members accrue no credited service under this Plan with respect to service on and after January 1, 2009.

## Bridge Benefit

A bridge benefit is payable on early retirement in the amount of \$18.00 per month per year of employment service up to January 1, 2009 to a maximum of 30 years of employment service, reduced by the early retirement reduction as described above. The bridge benefit stops at age 65 or death, if earlier, and is fully indexed.

## Normal Form of Pension

The normal form of Pension Benefit is payable for life with a five year guarantee. A 50% continuation is provided to a surviving spouse. The spouse is defined to be the spouse as of the date of death or retirement subject to only one spouse having entitlements and the spouse at retirement taking precedence if more than one spouse would otherwise exist. If the age difference between the member and the spouse is greater than five years, the pension is actuarially reduced.

## Indexing

Effective January 1, 2009, pension benefits payable following retirement and surviving spouse pensions are to be increased at the same rate provided under OMERS (100% of inflation up to a maximum of 6% each year) for both lifetime and bridge pensions in payment on and after January 1, 2009.

## Benefits Paid Following Termination of Employment

The member may elect to receive a cash settlement as specified in the Plan rules, or a deferred pension (subject to provincial legislation regarding locking-in requirements).

For current active members, all pre-1987 entitlements are 100% vested. For members with at least 2 years of membership, all entitlements are 100% vested.

## Death Benefits Prior to Retirement

In the event of death in service, a member's beneficiary will receive a return of contributions according to the description in the Plan rules, or a spousal pension equal to 50% of the member's accrued entitlement. The "50% rule" for post 1986 accruals applies.

## Death Benefits After Retirement

Optional forms of pension are available on an actuarially equivalent basis to the normal form of pension.

## 50% Rule (Excess Contributions)

Upon a member's termination of service or death after two years of membership in the Plan, or retirement, the employer must fund at least 50% of the value of any benefits resulting from years of credited service after January 1, 1987.



## Contributions

Prior to 2003, a member contributed 7.5% of earnings less contributions which are made to the Canada Pension Plan. However, for calendar years 1999-2002 the employees were not required to contribute because by Plan terms employee contributions cannot occur without equal City contributions. Effective January 1, 2009, members are neither required nor permitted to make contributions to the Plan.

A copy of a letter from the City certifying the accuracy and completeness of the Plan provisions summarized in this report is included in Appendix H of this report.

## Appendix F: History of Plan

Predecessor plans were established with effect from July 1, 1980, which succeeded plans originally established in the mid-to-late 1940s. The current Plan dates from January 1, 1994 when two predecessor plans were merged.

Prior to July 1, 1980, pension benefits were provided through group annuity policies with the Prudential Assurance Company Limited. Benefits with respect to service during this period together with these group annuity policies were transferred to this Plan. These annuities were placed on a paid-up basis. Most of the insured benefits were provided through participating annuities; the rest were provided through non-participating annuities. The participating annuities were credited with bonuses as established by Prudential from time to time.

In September 1986, except for pensions in the course of payment and certain deferred vested members, these group annuities were cashed out, with the proceeds being added to the invested assets of the Plan.

At the prior plan's inception, annuity contracts were purchased by the Plan when a member retired. Assets and liabilities in respect of such purchased annuities are excluded from this report. With effect from June 1986, new retirees were paid out of the fund on a monthly basis. For administrative reasons, since January 1988 pension payments are now made by the City of Hamilton (and were formerly made by the Region of Hamilton-Wentworth) subject to reimbursement by the Plan. Such actions are merely flow-through transactions, with no financial consequences whatsoever to the Plan. In fact, such actions save the Plan any costs of cheque issuance, etc., and as such, have a beneficial effect on the Plan.

Early Retirement windows have been effected at several dates under predecessor plans between 1991 and 1993 inclusive.

Effective January 1, 1999 the Plan was amended as follows:

- A. The early retirement reduction is equal to
  - a. the lesser of
    - i.  $\frac{1}{2}$  % for each month (up to 60 months) by which age is less than age 65, and
    - ii.  $\frac{1}{2}$  % for each month (up to 60 months) by which age plus service is less than 85 years,
  - plus
  - b. the lesser of
    - i.  $\frac{1}{3}$ % for each month (in excess of 60 months, but not in excess of 120 months) by which age is less than age 65, and
    - ii.  $\frac{1}{3}$ % for each month (in excess of 60 months, but not in excess of 120 months) by which age plus service is less than 85 years.
- B. A bridging benefit is payable on early retirement in the amount of \$18.00 per month per year of employment service, to a maximum of 30 years of employment service (accrued to December 31, 2008), reduced by the early retirement reduction as described above.

- C. Indexing on May 1, 1999, May 1, 2000 and May 1, 2001 will be based on the greater of the current formula or 1% for all pensioners and beneficiaries who are paid from the Plan.
- D. During 1999 and 2000 members are not required to contribute. During 2001 members were scheduled to contribute 1% of pensionable earnings with a minimum equal employer contribution. Employer contributions during 1999-2001 will equal member contributions, contingent upon the amounts being within amount required and permitted by applicable authorities. Since Employer contributions cannot occur due to restrictions in the *Income Tax Act*, no employee contributions will occur in 2001, with further review scheduled thereafter.

Effective May 1, 2002 the Plan was amended to provide that indexing on May 1, 2002 will be based on the greater of the current formula or 1% for all pensioners and beneficiaries who are paid from the Plan.

Effective January 1, 2003, the Plan was amended to reflect agreement (as per the current Collective Bargaining Agreement, effective April 1, 1998) which provides that contributions by members and the City shall be equal annually, unless member contributions are constrained by the Income Tax Act.

Effective January 1, 2009, the Plan was amended to provide the following:

- Post-retirement indexation that mirrors the indexation provided under OMERS (100% of inflation up to a maximum of 6% each year);
- No future service accruals;
- Six months additional credited service, subject to certain employment continuation requirements;
- OMERS service used for eligibility for certain benefits;
- An increase in the joint and survivor normal form of pension to 66 2/3% from 50%; conditional upon an actuarial report being filed that discloses a plan surplus. All HSR Plan members who were employees on December 31, 2008 would be entitled to this benefit improvement when it comes into effect if they continue to draw a pension from the plan.

## Appendix G: Glossary of Terms

- The **actuarial value of assets** is the asset value used for going concern valuation purposes. Smoothing methods are sometimes used to smooth investment gains and losses over a certain period.
- The **estimated wind up expenses** is an estimate of the administrative and other expenses expected to be charged against the pension fund if the Plan were to terminate on the valuation date.
- The **going concern excess/(unfunded liability)** is the difference between the actuarial value of assets and sum of the going concern liabilities, the amount equal to the provision for adverse deviations in respect of the going concern liabilities of the pension plan, and the prior year credit balance of the pension plan.
- The **going concern funded ratio** compares the value of the assets of the pension plan determined on the basis of a going concern valuation, including accrued and receivable income but excluding the amount of any letter of credit held in trust for the pension plan, exceeds the prior year credit balance to the total amount of the going concern liabilities of the pension plan.
- The **going concern liabilities** are the actuarial present value of benefits earned in respect of service prior to the valuation date. The going concern liabilities are calculated using the going concern assumptions and methods summarized in Appendix C of this report.
- The **going concern position** is the difference between the actuarial value of assets and the going concern liabilities.
- The **maximum deductible company contribution** refers to an eligible contribution pursuant to Section 147.2(2) of the *Income Tax Act*. Under Subsection 8502(b) of the Regulations to the *Income Tax Act*, each Company contribution made after January 1, 1991 in respect of a defined benefit provision of a registered pension plan must be such eligible contribution.

In a company's fiscal year, the following contributions are eligible under Section 147.2(2) of the *Income Tax Act*.

- The company normal cost, eligible under Section 147.2(2) subject to certification by the actuary and approval by the Canada Revenue Agency; plus
- Special payments eligible under Section 147.2(2) up to the amount of the unfunded liability, the solvency deficiency, or the hypothetical wind up deficiency, whichever is greater, subject to certification by the actuary and approval by the Canada Revenue Agency; less
- Required application of excess surplus.

The company normal cost and special payments for this Plan will be deductible under Section 147.2(2) of the *Income Tax Act*, subject to the approval of the Canada Revenue Agency.

Note that contributions to a plan are still permissible and deductible if there is an excess surplus, providing there is simultaneously a solvency or hypothetical wind up deficiency in the Plan or the contributions are required as minimum contributions under provincial or federal *Act* legislation, pursuant to Subsections 8516(2) and (3) of the Regulations to the *Income Tax Act*.

One restriction under the *Income Tax Act* is that if there is an excess surplus, and a solvency or hypothetical wind up deficiency, the maximum deductible contribution is restricted to the full amount of the deficiency without allowance for interest or any other contributions such as company normal cost and/or transfer deficiency payments.

In order to be deductible in a given fiscal year, company contributions must be made not later than 120 days after the end of the fiscal year.

- The **minimum required company contribution** for each plan year is equal to:
  - The company normal cost; plus
  - Special payments toward amortizing any unfunded liability over ten (10) years beginning one year from the date on which the unfunded liability was established; plus
  - Special payments toward amortizing any solvency deficiency over five years beginning no later than 12 months (24 months if the company elected temporary funding relief option 8) from the date on which the solvency deficiency was established (this period of years may be longer if the Company has elected temporary funding relief options 3, 5, and/or 7); less
  - Required application of excess surplus; less
  - Permitted application of surplus; less
  - Permitted application of PYCB.

In order to satisfy the requirements of the *Act* and its Regulations, contributions to the fund must be made in accordance with the following rules:

- Required member contributions (if any) must be remitted to the pension fund within 30 days following the month in which the contributions were received from the member or deducted from his or her remuneration.
- Company normal cost contributions must be remitted to the pension fund within 30 days after the end of the month for which the contributions are payable.
- Special payments must be remitted to the pension fund in the month for which they are payable.
- The **prior year credit balance** is
  - The PYCB stated in the last report in respect of the Plan under the Regulation; plus
  - The total amount of contributions made to the Plan by the Company after the valuation date of the last report in respect of the Plan and before the valuation date for the report being prepared; less
  - The total minimum amount of contributions required to have been made after the valuation date of the last report in respect of the Plan and before the valuation date for the report being prepared, if the contributions had been calculated without reference to any PYCB.

The Company may choose to set the PYCB between nil and the amount as calculated above, but may not recapture the amount forfeited at any time.

- **Reduced solvency deficiency** the difference between the sum of 85% of the solvency liability, 85% of solvency liability adjustment and the PYCB to the sum of the solvency asset and solvency asset adjustment.
- **Solvency/Hypothetical wind up assets** are the market value of pension fund assets adjusted to reflect contributions, benefit payments, transfers and fees/expenses in-transit at the valuation date.

- The **solvency asset adjustment** is an adjustment that may be made to the solvency assets to reflect:
  - The impact of using an averaging method that stabilizes short-term fluctuations in the market value of the Plan’s assets calculated over a period of not more than five years; plus
  - The present value of any remaining special payments required to liquidate any unfunded liability (for service not previously recognized for benefit determination purposes) established after December 31, 1987; plus
  - The present value of any remaining special payments other than those above that are scheduled for payment within six years after the valuation date. This period of years may be longer if the Company has elected temporary funding relief options 3, 5, 7, and/or 8.
- The **solvency liabilities** are the actuarial present value of benefits earned in respect of service prior to the valuation date determined as if the Plan were wound up on the valuation date and taking into account Section 74 of the *Act* (i.e., grow-in). In calculating the solvency liabilities, which includes plant closure benefits or permanent layoff benefits that would be immediately payable if the Plan sponsor’s business was discontinued on the valuation date, the *Act* and its Regulations permit the exclusion of the following benefits:
  - Any escalated adjustments;
  - “Excluded plant closure benefits” that the City elected on November 26, 1992 to exclude;
  - “Excluded permanent layoff benefits” that the City elected on November 26, 1992 to exclude;
  - Special allowances other than those where the member has met all age and service eligibility requirements;
  - Consent benefits other than those where the member has met all eligibility requirements except the consent of the employer, or in the case of a jointly sponsored pension plan, the consent of the employer or the administrator;
  - Prospective benefit increases;
  - Potential early retirement window benefit values; and
  - Pension and ancillary benefits payable under a qualifying annuity contract.

The solvency liabilities are determined using benefit entitlements on the assumption that the Plan has neither a surplus nor a deficit. The solvency liabilities are calculated using the solvency valuation assumptions summarized in Appendix D of this report.

- The **solvency liability adjustment** is an adjustment that may be made to the solvency liabilities to reflect the impact of using a solvency valuation discount rate for discounting the liability that is the average of market discount rates calculated over the same period of time as that used in the calculation of the solvency asset adjustment.
- The **solvency position** is the difference between the solvency assets (net of estimated wind up expenses) and the solvency liabilities.
- The **solvency ratio** compares the solvency assets (plus any letters of credit held in trust exceeding the prior year credit balance) to the solvency liabilities for purposes of Subsections 14(2) and (3) of the Regulations of the *Act* to determine the latest effective date of the next required valuation.
- The **solvency excess/(deficiency)** is the solvency position, increased by the solvency asset adjustment and the solvency liability adjustment, then decreased by the PYCB.

- The **special payments** are payments required to liquidate the unfunded liability and/or reduced solvency deficiency:
  - The going concern special payments are payments required to liquidate the unfunded liability, with interest at the going concern valuation discount rate, by equal monthly instalments over a period of ten (10) years beginning one year from the valuation date of the report in which the going concern unfunded liability was determined.
  - The solvency special payments are payments required to liquidate the reduced solvency deficiency, with interest at the solvency valuation discount rate, by equal monthly instalments over a period of five years beginning no later than 12 months (24 months if company elected temporary funding relief option 8) from the valuation date of the report in which the solvency deficiency was determined. This period of years may be longer if the City has elected temporary funding relief options 3, 5, and/or 7.
- The **total normal cost** is the actuarial present value of benefits expected to be earned in respect of service for each year starting on the valuation date. Required member contributions (if any) are deducted from the total normal cost to determine the company normal cost. The total normal cost is calculated using the going concern valuation assumptions and methods summarized in Appendix C of this report.
- The **transfer ratio** compares the solvency assets, minus the lesser of the PYCB and the required company contributions until the next required valuation (before application of the PYCB), to the solvency liabilities plus the liability of any excluded benefits (except for pension benefits and ancillary benefits payable under a qualifying annuity contract). If the transfer ratio is less than 1.00, lump-sum transfers from the pension fund under Section 42 of the *Act* are limited to the commuted value of the member's pension multiplied by the transfer ratio. The administrator may transfer the entire commuted value if:
  - The administrator is satisfied that an amount equal to the transfer deficiency has been remitted to the pension fund; or
  - The aggregate of transfer deficiencies for all transfers made since the last valuation date does not exceed 5% of the Plan's assets at that time.

In June 2009, Subsection 19 of the Regulations of the *Act* was amended and Policy T800-402 was released. The Policy imposes additional restrictions for payment of commuted values under certain circumstances.

## Appendix H: Administrator Certification

With respect to the The Hamilton Street Railway Company Pension Plan (1994), forming part of the actuarial report as at January 1, 2020, I hereby certify that, to the best of my knowledge and belief:

- The asset data provided or made available to the actuary is complete and accurate;
- The membership data and subsequent query answers provided or made available to the actuary are complete and accurate for all persons who are entitled to benefits under the terms of the Plan in respect of service up to the date of the valuation;
- The Plan provisions provided or made available to the actuary are complete and accurate up to the latest Amendment;
- The actuary has been notified of all relevant events subsequent to the valuation measurement date; and
- The terms of engagement contained in Section 1 of this report are accurate and reflect the plan administrator's direction.

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Name (print) of Authorized Signatory

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Title

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Signature

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Date



## About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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