



City of Hamilton
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
AGENDA

Meeting #: 23-002
Date: February 2, 2023
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

1. **CEREMONIAL ACTIVITIES**
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 January 19, 2023
5. **COMMUNICATIONS**
6. **DELEGATION REQUESTS**
7. **DELEGATIONS**
 - 7.1 Angelo Cristofaro, Consilium Public Sector Services Inc., respecting Fairness of procurement process for contract number C5-09-22 - Development of a Multi-Year Plan to Build Safer Communities

(Approved on January 19, 2023)
8. **STAFF PRESENTATIONS**

9. CONSENT ITEMS

10. DISCUSSION ITEMS

- 10.1 Grightmire Arena Lessons Learned – Management Responses Status Report (PW23007/FCS23011) Outstanding Business List

Please refer to Item 14.1 for Confidential Appendix A to Report PW23007/FCS23011.

Confidential Appendix A has been released publicly.

- 10.2 2022 City Enrichment Fund Update (GRA23001) (City Wide)

11. MOTIONS

12. NOTICES OF MOTION

13. GENERAL INFORMATION / OTHER BUSINESS

- 13.1 Amendments to the Outstanding Business List

a. Items Considered Completed and to be Removed

- a. Road Maintenance Small Tools and Equipment Inventory Audit and Follow Up to Audit Report AUD11006 (AUD21010) (City Wide)

Item on OBL: 21-M

Addressed as Item 10.7 on the January 19, 2023 agenda.

- b. Grightmire Arena Lessons Learned Audit (AUD22004) (City Wide)

Item on OBL: 22-C

Addressed as Item 10.1 on today's agenda.

14. PRIVATE AND CONFIDENTIAL

15. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 23-001

9:30 a.m.
January 19, 2023
Council Chambers
Hamilton City Hall

Present: Councillors C. Kroetsch (Chair), T. Hwang (Vice-Chair), J. Beattie, B. Clark, M. Tadeson, A. Wilson and M. Wilson

Also Present: Councillor T. Jackson

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. **860 Rymal Rd E - Wentworth Condominium Corporation (WCC) #128
Wastewater/Storm Sewer Credit (Item 7.1)**

(Beattie/Tadeson)

WHEREAS, 860 Rymal Rd E is an 87-unit townhome complex that experienced a sharp increase in their wastewater / storm bills during 2022 that was attributable to a private watermain break in a driveway and a service line break under the basement floor of a unit;

WHEREAS, prior to 2022 the typical monthly water billings averaged approximately 1,500m³ in consumption with total water and wastewater/storm monthly bills of about \$6,000 and the period of high consumption related to the service line leaks of January 4, 2022 to October 3, 2022 amounted to 50,317m³ equating to total water and wastewater/storm charges of \$190,299.32;

WHEREAS, Hamilton Water reviewed the private watermain break and concluded that given the location of the leak and the fact that the leaking water remained underground, it appears that the leaking water ended up underground and likely did not enter the City's sanitary or storm sewer systems.

WHEREAS, the wastewater portion associated with the excess water consumption related to the service line leak at 860 Rymal Road amounts to \$65,900.

THEREFORE BE IT RESOLVED:

That staff be directed to provide a credit adjustment in the amount of \$65,900 to the Wentworth Condominium Corporation (WCC) #128 for excess wastewater/storm sewer charges located at 860 Rymal Rd E, for the billing period from January 4, 2022 to October 3, 2022.

Result: Motion CARRIED by a vote of 6 to 1, as follows:

YES - Ward 1 Councillor Maureen Wilson
NO - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

2. 2022 City of Hamilton External Audit Plan (FCS23008) (City Wide) (Item 8.1)

(a) (Tadeson/Hwang)

That Appendix "A" attached to Report FCS23008 respecting the 2022 City of Hamilton External Financial Audit Planning Report prepared by KPMG be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 - Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(b) (Kroetsch/Clark)

That staff be directed to work with the external auditor to develop an executive summary of the financial audit to make it more accessible to the public, utilising clear writing standards, to be included as part of the final audit report.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 - Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

3. Water Meter Program Audit and Water Billing Service Transition Project (AUD23002) (City Wide) (Item 8.2)

(Hwang/M. Wilson)

- (a) That Report AUD23002, and Appendices “A” and “C” to Report AUD23002, respecting the Water Meter Program Audit, be received;
- (b) That **staff be directed to revise** the Management Responses, as detailed in Appendix “B” to Report AUD23002, **to indicate approval of the Office of the City Auditor’s Recommendation 5, and that the revised Appendix “B” to Report AUD23002**, be approved;
- (c) That the General Manager of Public Works be directed to implement the Management Responses and report back to the Audit, Finance and Administration Committee by July 2023 on the nature and status of actions taken in response to the audit report; and
- (d) That the General Manager of Public Works, in conjunction with the General Manager of Finance and Corporate Services, be directed to conduct a fulsome risk assessment for the Water Billing Service Transition Project; **and**
- (e) **That staff ensure a privacy impact assessment is completed for the water billing service transition project.**

Result: Main Motion, As Amended, CARRIED by a vote of 7 to 0, as follows:

- YES - Ward 1 Councillor Maureen Wilson
- YES - CHAIR Ward 2 Councillor Cameron Kroetsch
- YES - Ward 4 Councillor Tammy Hwang
- YES - Ward 9 Councillor Brad Clark
- YES - Ward 10 Councillor Jeff Beattie
- YES - Ward 11 Councillor Mark Tadeson
- YES - Ward 13 Councillor Alex Wilson

4. Hamilton Municipal Cemeteries Trust Funds Audit (AUD23001) (City Wide) (Item 8.3)

(Beattie/A. Wilson)

- (a) That Report AUD23001 and Appendix “A” to Report AUD23001, respecting the Hamilton Municipal Cemeteries Trust Funds Audit be received;
- (b) That the Management Responses, as detailed in Appendix “B” to Report AUD23001 be approved;
- (c) That the General Managers of Public Works, and Finance and Corporate Services be directed to implement the Management Responses (attached as Appendix “B” to Report AUD23001) and report back to the Audit, Finance and Administration Committee by December 2023 on the nature and status of actions taken in response to the audit report; and
- (d) That the confidential Appendix “C” to Report AUD23001, respecting Hamilton Municipal Cemeteries Trust Funds Audit Report: Cash Handling Audit, remain confidential and restricted from public disclosure.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

5. Utility Billing Transition Project Procurement Plan (FCS21082(d)) (City Wide) (Item 10.1)

(A. Wilson/Beattie)

- (a) That the single source procurement with Olameter Inc. to provide manual water meter reading services for the City of Hamilton, pursuant to Procurement Policy #11 – Non-competitive Procurements, be approved;
- (b) That the General Manager, Public Works, be authorized to negotiate, enter into and execute a contract and any ancillary documents required to give effect thereto to provide manual water meter reading services for the City of Hamilton for a term of two years with a one-year term extension at the City's sole option, commencing from when the City assumes responsibility for utility billing from Alectra Utilities, in a form satisfactory to the City Solicitor.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

6. 2023 Budget Submission – Committee Against Racism (CM23003) (City Wide) (Item 10.2)

(Beattie/Clark)

That the Committee Against Racism 2023 base budget attached as Appendix "A" to report CM23003 in the amount of \$8,900, be approved and referred to the 2023 budget process for consideration.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
NOT PRESENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie

YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

7. 2023 Budget Submission – Advisory Committee for Immigrants and Refugees (CM23006) (City Wide) (Item 10.3)

(A. Wilson/Beattie)

That the Advisory Committee for Immigrants and Refugees 2023 base budget submission attached as Appendix “A” to Report (CM23006) in the amount of \$3,500.00, be approved and referred to the 2023 budget process for consideration.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

8. 2023 Budget Submission: Mundialization Committee (CM23004) (City Wide) (Item 10.4)

(A. Wilson/Hwang)

- (a) That Appendix “A” to Report CM23004 respecting the Mundialization Committee’s 2023 base budget submission be approved in the amount of \$5,890.00; and
- (b) That Mundialization Committee’s 2023 budget submission be referred to the 2023 budget process.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

9. 2023 Budget Submission Hamilton Women and Gender Equity Committee (CM23002) (City Wide) (Item 10.5)

(Hwang/Tadeson)

That the Hamilton Women and Gender Equity Committee 2023 base budget submission attached as Appendix “A” to Report CM23002 in the amount of \$3,500.00, be approved and referred to the 2023 budget process for consideration.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

10. Recording of Advisory Committee Meetings (FCS21054(a)) (Item 10.6)

(Tadeson/A. Wilson)

- (a) That Council approve the recording and retention of all Virtual, Hybrid and In Person Advisory Committee meetings;
- (b) That subject to the approval of recommendation (a) to this report, the draft by-law, entitled “To Amend By-law No. 11-040 To Establish Retention Periods for Records of the City of Hamilton” (the “Records Retention By-law”), attached as Appendix ‘A’ to this report, be enacted by Council;
- (c) That subject to the approval of recommendation (a) to this report, the recruitment advertising for Advisory Committee Membership include notice that all Advisory Committee meetings will be livestreamed and recorded for future viewing; and
- (d) That subject to the approval of recommendation (a) to this report, all Council appointed Advisory Committee members be required to sign the Acknowledgement Form prior to each member attending their first meeting, as acknowledgement of the livestreaming and recording of all meetings.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

11. Road Maintenance Small Tools and Equipment Inventory Audit and Follow up to Audit Report AUD11006 (AUD21010): Management Update (PW23004) (City Wide) (Item 10.7)

(Beattie/A. Wilson)

That Report PW23004, respecting Road Maintenance Small Tools and Equipment Inventory Audit and Follow up to Audit Report AUD11006 (AUD21010): Management Update, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

- YES - Ward 1 Councillor Maureen Wilson
- YES - CHAIR Ward 2 Councillor Cameron Kroetsch
- YES - Ward 4 Councillor Tammy Hwang
- YES - Ward 9 Councillor Brad Clark
- YES - Ward 10 Councillor Jeff Beattie
- YES - Ward 11 Councillor Mark Tadeson
- YES - Ward 13 Councillor Alex Wilson

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

6. DELEGATION REQUESTS

- 6.1 Angelo Cristofaro, Consilium Public Sector Services Inc., respecting Fairness of procurement process for contract number C5-09-22 - Development of a Multi-Year Plan to Build Safer Communities (For a future meeting).

10. DISCUSSION ITEMS

- 10.7 Road Maintenance Small Tools and Equipment Inventory Audit and Follow up to Audit Report AUD11006 (AUD21010): Management Update (PW23004) (City Wide)

11. MOTIONS

- 11.1 Development Charge Demolition Charge Credit Extension for 708 Rymal Road East, Hamilton, Ontario – **WITHDRAWN**

12. NOTICES OF MOTION

- 12.1 Delegated Authority to Staff relating to Water Service Line Leaks

(Hwang/A. Wilson)

That the agenda for the January 19, 2023 Audit, Finance and Administration Committee meeting be approved, as amended.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) December 1, 2022 (Item 4.1)

(Tadeson/Hwang)

That the Minutes of the December 1, 2022 meeting of the Audit, Finance and Administration Committee be approved, as presented.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES – CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(d) COMMUNICATIONS (Item 5)

(i) Correspondence from Khursheed Ahmed, respecting their resignation from the Immigrant and Refugee Advisory Committee (Item 5.1)

(Hwang/A. Wilson)

That the correspondence from Khursheed Ahmed, respecting their resignation from the Immigrant and Refugee Advisory Committee, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark

YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(e) DELEGATION REQUEST (Item 6)

- (i) Angelo Cristofaro, Consilium Public Sector Services Inc., respecting Fairness of procurement process for contract number C5-09-22 - Development of a Multi-Year Plan to Build Safer Communities (For a future meeting) (Added Item 6.1)**

(Beattie/Tadeson)

That the delegation request from Angelo Cristofaro, Consilium Public Sector Services Inc., respecting Fairness of procurement process for contract number C5-09-22 - Development of a Multi-Year Plan to Build Safer Communities, be approved for a future meeting.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(f) DELEGATIONS (Item 7)

- (i) Patricia Ford, Wentworth Condominium Corporation (WCC) #128 at 860 Rymal Rd. E., respecting a water service line leak (Item 7.1)**

Patricia Ford, Wentworth Condominium Corporation (WCC) #128 at 860 Rymal Rd. E., addressed Committee respecting a water service line leak.

- (ii) Staff Supporting Documentation respecting a water service line leak at Wentworth Condominium Corporation (WCC) #128 at 860 Rymal Rd. E., (Item 7.1(a))**

(Hwang/Tadeson)

- (a) That the delegation from Patricia Ford, Wentworth Condominium Corporation (WCC) #128 at 860 Rymal Rd. E., respecting the water service line leak, be received; and
- (b) That the Staff Supporting Documentation respecting the water service line leak at Wentworth Condominium Corporation (WCC) #128 at 860 Rymal Rd. E., be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

For further disposition of this matter, refer to Item 1.

(g) PRESENTATIONS (Item 8)

(i) 2022 City of Hamilton External Audit Plan (FCS23008) (City Wide) (Item 8.1)

Paul Ciapanna, KPMG, addressed the Committee respecting 2022 City of Hamilton External Audit Plan, with the aid of a presentation.

(Hwang/A. Wilson)

That the presentation from Paul Ciapanna, KPMG, respecting the 2022 City of Hamilton External Audit Plan, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

For further disposition of this item, refer to Item 2.

(ii) Water Meter Program Audit and Water Billing Service Transition Project (AUD23002) (City Wide) (Item 8.2)

Brigette Minard, Deputy City Auditor, and Melissa Fournier, John Asher and Mike Cunningham, BDO, addressed the Committee respecting Water Meter Program Audit and Water Billing Service Transition Project, with the aid of a presentation.

(a) (Hwang/Beattie)

That the presentation from Brigette Minard, Deputy City Auditor, and Melissa Fournier, John Asher and Mike Cunningham, BDO, respecting Water Meter Program Audit and Water Billing Service Transition Project, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(b) (Kroetsch/Clark)

That subsection (b) of Report AUD23002, respecting the Water Meter Program Audit and Water Billing Service Transition Project, be **amended** as follows:

(b) That **staff be directed to revise** the Management Responses, as detailed in Appendix “B” to Report AUD23002, **to indicate approval of the Office of the City Auditor’s Recommendation 5, and that the revised Appendix “B” to Report AUD23002**, be approved;

(c) (Clark/Beattie)

That Report AUD23002, respecting the Water Meter Program Audit and Water Billing Service Transition Project, be further **amended** to add a new subsection (e), as follows:

(e) That staff ensure a privacy impact assessment is completed for the water billing service transition project.

Result: Amendments (ii)(b) and (c) CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

For further disposition of this item, refer to Item 3.

(iii) Hamilton Municipal Cemeteries Trust Funds Audit (AUD23001) (City Wide) (Item 8.3)

Charles Brown, City Auditor addressed the Committee respecting Hamilton Municipal Cemeteries Trust Funds Audit, with the aid of a presentation.

(Beattie/A. Wilson)

That the presentation from Charles Brown, City Auditor, respecting Hamilton Municipal Cemeteries Trust Funds Audit, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

For further disposition of this item, refer to Item 4.

(g) CONSENT ITEMS (Item 7)

(Hwang/Beattie)

That the Committee Against Racism Minutes of April 26, 2022, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

(h) NOTICES OF MOTION (Item 12)

(i) Delegated Authority to Staff relating to Water Service Line Leaks (Added Item 12.1)

Councillor Hwang introduced the following Notice of Motion:

WHEREAS, individual community members, corporations, non-profit organizations, and all other resident entities can delegate to the Audit Finance and Administration Committee to ask for Council consideration for bill adjustments and waiving of penalties, fees, interest accrued relating to charges for water and wastewater services;

WHEREAS, some properties with water meters located at the property line may experience increased water and wastewater/storm billings related to downstream water service line leaks;

WHEREAS, there is no Council approved policy/by-law authority for staff to address water service line leaks and their associated costs to claimants; and

WHEREAS, staff are better equipped to respond to technical and other considerations related to decision making with respect to water service line leaks than members of Council;

THEREFORE, BE IT RESOLVED:

That staff report back to the Audit, Finance and Administration Committee with a Water Service Line Leak Wastewater Bill Adjustment Policy to provide delegated authority for staff to make decisions on bill adjustments, waiving of fees/penalties, or enforcement of fees associated with water service line leaks; such policy to include an evaluation framework that would allow staff to determine the validity of water service line leak claims and appeals.

(i) ADJOURNMENT (Item 15)

(Hwang/Tadeson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 12:57 p.m.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson

Respectfully submitted,

Councillor Cameron Kroetsch, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Wed, 12/28/2022 - 11:55

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
In-person

Will you be delegating via a pre-recorded video?
No

Requestor Information

Requestor Information
Angelo Cristofaro
Consilium Public Sector Services Inc.
angelo.cristofaro@cp2s.ca

Preferred Pronoun
he/him


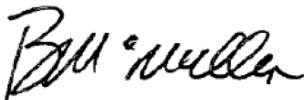
Reason(s) for delegation request
Fairness of procurement process for contract number C5-09-22 - Development of a Multi-Year Plan to Build Safer Communities

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	February 2, 2023
SUBJECT/REPORT NO:	Grightmire Arena Lessons Learned – Management Responses Status Report (PW23007/FCS23011) Outstanding Business List
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Tina Iacoe (905) 546-2424 Ext. 2796 Susan Nicholson (905) 546-2424 Ext. 4707 Janet Warner (905) 546-2424 Ext. 7041 Shaba Shringi (905) 546-2424 Ext. 3142
SUBMITTED BY:	Craig Murdoch Acting Director, Energy, Fleet and Facilities Management Public Works Department
SIGNATURE:	
SUBMITTED BY:	Brian McMullen Acting General Manager, Finance and Corporate Services Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

The Recommendations (Open Session) issued as part of the J.L. Grightmire Arena Lessons Learned Audit (AUD22004) presented at the Audit, Finance and Administration Committee on April 7, 2022, included the following:

- (c) *That the General Manager of Public Works and the General Manager of Finance and Corporate Services be directed to implement the Management Responses (attached as Confidential Appendices “A” and “C” to Report AUD22004) and report back to the Audit, Finance and Administration Committee by March 2023 on the nature and status of actions taken in response to the audit report;*

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: Grightmire Arena Lessons Learned - Management Responses Status
Report PW23007/FCS23011 – Outstanding Business List (City Wide)
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INFORMATION REPORT

This Information Report is to report on the progress made by Energy, Fleet and Facilities Management, Procurement, Legal Services and Risk Management Services Divisions in response to the audit recommendations.

The updates from the respective Divisions to the 15 recommendations are detailed in Confidential Appendix “A” to Report PW23007/FCS23011.

APPENDICES AND SCHEDULES ATTACHED

Confidential Appendix “A” to Report PW23007/FCS23011 – Grightmire Arena Lessons Learned - Management Responses Update

RECOMMENDATION NO. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
Recommendation #1 (AUD22004) <i>(Energy, Fleet and Facilities Management Division)</i>	We recommend that management develop a risk assessment framework and process, and that formal evaluation of risk be conducted as part of the project planning for each capital project. This would inform and identify the project management approach to be taken, resources that should be allocated, as well as the issues and mitigations that need to be tracked and reviewed on an ongoing basis.	Agree	A risk assessment framework and process are planned for development as part of the continued implementation of the Quality Management System (QMS) in Public Works in 2022. The PW QMS team has developed and implemented project management documents (including a PM manual, project charter template, project transition checklist and closing report template) working with a cross-divisional team across the City. Energy, Fleet and Facilities Management Division (EFFM) has further developed project initiation and close-out checklists, a project budget template and communications plan for capital projects to continually improve project management processes and mitigate risk. EFFM's 2022-2023 initiatives include further development of planning/ design and implementation/ construction phase checklists.	Expected Completion: Q2 2022 Revised Completion date: Q4 2023	<u>Q4 2022 – EFFM Update:</u> EFFM has developed internal working committees for various continuous improvement initiatives. EFFM has also recently completed the recruitment for the Sr. Project Manager of the EFFM Quality Management Office, which will be in place by the end Q1 2023, following which new template documents will be prepared.
Recommendation #2 (AUD22004) <i>(Procurement Section and Legal and Risk Management Services Division)</i>	We recommend that when using a CCDC 2 Stipulated Price contract for construction projects, that the current version be used and that the contract conforms with the changes introduced by recent changes to the <i>Construction Act</i> .	Agree	All construction contracts utilized through a procurement process are current with respect to the <i>Construction Act</i> . A working group of staff has been tasked with updating supplemental conditions to be used with the new CCDC 2-2020 Stipulated Price contract for implementation in June 2022.	Expected Completion: Q2 2022	<u>Q4 2022 – Procurement Update:</u> As of June 30, 2022, the updated CCDC 2-2020 is in effect and staff are using it as required. Staff has completed its review of the supplemental conditions to the contract and these are currently being used as well. COMPLETED
Recommendation #3 (AUD22004)	We recommend that contract management training be provided to project managers to ensure the City's rights under contract are	Agree	Contract management training will be provided to Project Managers involved in the planning and delivery of construction projects to ensure the City's rights are protected and timely remedies are	Estimated Completion: Q2 2022	<u>Q4 2022 – EFFM Update:</u> Contract Management Training is being organized by the Corporate Asset Management office on the

RECOMMENDATION NO. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
<i>(Energy, Fleet and Facilities Management Division)</i>	protected and timely remedies can be implemented during the capital project process.		implemented. Training will be provided once Legal and Procurement have confirmed delegated authority and available support.	Revised Completion date: Q1 2023	new CCDC 2-2020 contract for all departments across Public Works. Training sessions will be scheduled in Q1-2023.
Recommendation #4 (AUD22004) <i>(Energy, Fleet and Facilities Management Division)</i>	We recommend that management consider separating the roles of project management and contract management for capital projects in general, or alternatively with those that reach a pre-determined level of risk.	Agree with alternative to be implemented	<p>Current practices will be reviewed with Legal and Procurement to determine the changes necessary related to the roles of project and contract management in general, or when a pre-determined level of risk is reached. As defined by the Office of the City Auditor (OCA), contract management for capital projects (in comparison to contract administration), is strictly concerned with contract delivery/ adherence to the contract terms (i.e., role of a contract compliance specialist). As such, EFFM will review the existing Service Level Agreement (SLA) with Legal Services with regards to the requirement to engage an experienced Legal representative knowledgeable in construction contract law to enforce contract management practices for applicable high-risk projects.</p> <p>EFFM will undertake a municipal scan to explore models for construction contract management successfully implemented by other municipalities in Ontario for multidisciplinary construction projects. Understanding that the City is bound by existing Legal and Procurement policies, and have limited ability/ flexibility to change processes, EFFM relies on the subject matter experts in these support divisions/department to provide guidance on contract management practices.</p>	Expected Completion: Q4 2023	<u>Q4 2022 – EFFM Update:</u> EFFM is on target to complete a municipal scan and working with Legal Services will initiate this in Q2 2023 once the EFFM Quality Management Office is in place, to be completed by the end of Q4 2023.

RECOMMENDATION No. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
Recommendation #5 (AUD22004) <i>(Procurement Section)</i>	We recommend that contractor performance for each contract be tracked and formally evaluated using a consistent and robust process, and that the use of contractor ratings from previous performance be considered for implementation as a procurement criterion in order to mitigate the risk of poor results.	Agree	It is within Procurement's workplan to research and develop a more robust Vendor Performance Program. The context of this program has yet to be determined however, Procurement will investigate the potential to use contractor ratings from previous contract performance as a procurement criterion in order to mitigate the risk of poor results. Procurement also recognizes that significant consultation is required with both internal and external stakeholders in order for this program to be successful. EFFM Supplemental Comment: In discussions with Procurement, EFFM will participate in this initiative to develop a more robust Vendor Performance Program.	Expected Completion: Q4 2022 Revised Completion date: Q4 2023	<u>Q4 2022 – Procurement Update:</u> Procurement is still experiencing a shortage of staffing resources to complete this work. A recruitment is under way for a project manager to develop and implement. This is a priority for Procurement Staff to complete.
Recommendation #6 (AUD22004) <i>(Legal and Risk Management Services Division with Procurement Section)</i>	We recommend that the values used for liquidated damages be reviewed to ensure they adequately compensate the City for the damages of late delivery and daily costs incurred, and to motivate contractors to take prompt action to cure project delays/deficiencies. Where liquidated damages would likely fall short of what is necessary to motivate Contractors to meet schedule requirements, we also would recommend the use of bonus/penalty clauses and earn-backs in the Contract.	Agree	Staff will investigate and pursue best practices including discussion with other municipalities, on the approach to liquidated damages, bonus and penalty provisions pertaining to contractual dealings. Legal Services will aid Procurement in updating the approach to appropriately amending contracts arising from this investigation in order to best protect the City's interests as permitted by these measures. Further, Procurement staff will engage and consult with client staff to assess consequences and controls in order to ensure appropriate application of the changes involved.	Estimated Completion: Q1 2023 Revised Completion date: Q4 2023	<u>Q4 2022 – Procurement Update:</u> Procurement staff has had preliminary discussions with both internal staff (including Facilities, Hamilton Water, Legal Services) and external municipalities within Ontario. Limited staffing resources are such that an extension is required.

RECOMMENDATION NO. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
Recommendation #7 (AUD22004) <i>(Energy, Fleet and Facilities Management Division)</i>	We recommend that project management processes be improved to ensure adequate project documentation is maintained by the City, including delays and deficiencies, ensuring that contract management administrative requirements are strictly adhered to, and formal communications with the contractor are timely, effective and sufficient.	Agree	<p>Project management processes will be improved with the planned introduction of a central filing system through the Enterprise Asset Management (EAM) project for all required project documentation, including delays and deficiencies. The EAM project is the medium-term solution to ensure adequate project documentation is always maintained. Implementation is expected by 2025.</p> <p>The existing EFFM Contract Analyst position along with a new Quality Management Office within EFFM will be redefined to add duties related to quality management and project record retention. A standard operating procedure detailing project management processes will also be introduced related to ensuring contract management and contract administrative requirements are strictly followed for timely and effective contractor communications.</p>	Estimated Completion: Q4 2022 for Quality Management Office (QMO) and EAM implementation by 2025	<u>Q4 2022 – EFFM Update:</u> EFFM continues to collaborate with the departmental Public Works Quality Management System (PWQMS) and EAM project teams in the development of project management processes. EFFM has also recently completed the recruitment for the Sr. Project Manager of the EFFM Quality Management Office, which will be in place by the end of Q1 2023.
Recommendation #8 (AUD22004) <i>(Energy, Fleet and Facilities Management Division)</i>	We recommend that special contingency procedures and guidelines be developed for enhancing the oversight and contract management practices for projects in difficulty.	Agree	<p>A standard operating procedure will be developed for the management of contingency in order to enhance the oversight and contract management practices for projects in difficulty. This procedure will define roles and responsibilities, as well as ensure updates for all projects on a routine basis through a project tracker or similar mechanism while incorporating an existing escalation protocol.</p> <p>Since 2020, EFFM has implemented an escalation protocol through bi-monthly project status updates on significant/major capital projects, which allows senior management to be notified of any project issues.</p>	Estimated Completion: Q4 2022 Revised Completion date: Q4 2023	<u>Q4 2022 – EFFM Update:</u> EFFM has kept senior management and Council apprised of project status updates and will continue to do so. The standard operating procedure will be developed in in 2023 once the EFFM Quality Management Office is in place.

RECOMMENDATION No. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
Recommendation #9 (AUD22004) <i>(Energy, Fleet and Facilities Management Division)</i>	We recommend that Public Works implement a process to share critical capital project information such as cost estimates with Procurement to ensure the procurement team has all relevant information for a capital project.	Agree	A standard operating procedure will be developed to document the process to share critical capital project information with Procurement to ensure the Procurement team has all relevant information for a capital project e.g. cost estimates tracked in advance of tender issuance. This information could be attached as supporting documentation to the existing project budget template, RFCTA form and Project Charter submitted at the time of tender.	Estimated Completion: Q1 2022 Revised Completion date: Q4 2023	<u>Q4 2022 – EFFM Update:</u> EFFM has started including the completed project budget as part of the Request for Contract/Tender Approval (RFCTA) package. The standard operating procedure will be developed in 2023 to document the process.
Recommendation #10 (AUD22004) <i>(Procurement Section)</i>	We recommend that the practice of single sourcing of professional consulting firms be reviewed and be utilized only during exceptional circumstances. Professional consulting services generally should only be retained through a competitive process as outlined in the City of Hamilton's Procurement By-law.	Agree	The City's Procurement Policy sets out the requirements for awarding contracts to vendors. Staff agree that the most prudent mechanism to select a vendor is through a competitive process. However, where exceptional circumstances exist and a competitive process is not recommended, the appropriate approval to single source must be obtained either by the General Manager or Council.	Expected Completion: Not Applicable.	<u>Q4 2022 – Procurement Update:</u> Procurement Section has developed and implemented a revised Policy 11 approval form specifically for consultants. The new form requests additional information to support the Policy 11 request as well as includes an acknowledgement by the client department that, pending the dollar value of the services, a formal contract with the vendor will be required. COMPLETED
Recommendation #11 (AUD22004) <i>(Procurement Section)</i>	We recommend that a standard form of contract be developed and used for the procurement of architectural consulting as well as for contract administration services including terms and conditions specific to each type of service. Furthermore, we recommend contract	Agree	Procurement has developed and currently utilizes various templated competitive procurement documents for the engagement of contract administration and architectural consulting services. For those circumstances where architectural or contract administration services are not procured through a competitive process, staff will ensure that	Expected Completion: Q4 2022 Revised Completion date: Q2 2023	<u>Q4 2022 – Procurement Update:</u> As noted in the update to Recommendation #10, the new Policy 11 form requires a formal contract with the vendor based on the value of services. Procurement has a standard form of contract for a Prime Consultant in place. Any standard terms of


RECOMMENDATION NO. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
	management techniques be utilized to manage the consultant's performance based on these agreements.		a formal contract is to be executed with the vendor prior to any work being carried out. The next revision of the Procurement Policy will be amended to include this requirement.		reference or scope of work required under the contract shall be created and maintained by Facilities and modified on a case by case basis to reflect project specific requirements.
Recommendation #12 (AUD22004) (Energy, Fleet and Facilities Management Division)	We recommend that communication with Council regarding projects in difficulty be timely and forthright, and that the risk assessment process (see Recommendation 1) be utilized to bring potentially unfavorable conditions and negative community impact to Council's attention in a proactive manner.	Agree	A standard operating procedure will be developed to document the procedure for timely and forthright communication of projects in difficulty to Council. This procedure will incorporate the output of the risk assessment process to ensure that potentially unfavorable conditions and negative community impact are proactively brought to Council's attention.	Expected Completion: Q4 2022 Revised Completion date: Q1 2023	<u>Q4 2022 – EFFM Update:</u> EFFM has continued to keep Council and senior management apprised of project updates since the completion of this audit. The standard operating procedure will be developed in 2023. .
Recommendation #13 (AUD22004) (Energy, Fleet and Facilities Management Division)	We recommend that the budget for the capital projects portfolio include sufficient funding for necessary corporate services, such as legal, financial, and contract management expertise, in order to ensure that they City's interests are protected during the completion of capital projects.	Agree	Corporate Services Financial Planning, Administration and Policy staff will work with the Corporate Asset Management team and the asset owners to assess the type of costs charged to Capital Projects and assess resources needed to support Capital Projects. Under the Asset Management framework, staff will develop a definition of the cost of a Capital Asset including a review of operating costs recovered from Capital Projects. Staff will be looking to change our approach for costs that are recovered from Capital Projects, such that, capital projects may only include costs that are directly attributable to a capital project. Therefore, we will be reviewing costs for City project management, City contract management, other City overhead, City financial services, City and external legal services, etc. It is expected that the impact of any change will be assessed, and the pros and cons	Expected Completion: Q3 2023	<u>Q4 2022 – EFFM Update:</u> EFFM is continuing to work on this item. EFFM's project budget template includes an estimate for internal fee recoveries as a percentage of the project costs. This will be reviewed along with the costs of other stakeholders mentioned in the recommendation column. As noted in the update to Recommendation #7, EFFM's QMO office will be operational by the end of Q1 2023, and meeting the expected completion target will be part of its mandate.

RECOMMENDATION NO. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
			of alternatives will be provided. (Operating budget, capital financing costs, i.e. transfers to capital, may be needed to offset operating budget capital cost recoveries).		
<p>Recommendation #14 (AUD22004)</p> <p><i>(Energy, Fleet and Facilities Management Division)</i></p>	<p>We recommend that management implement and/or strengthen processes to ensure that when faced with contractor claims for cost increases or time extensions due to alleged design issues, that these alleged design flaws are rigorously and independently evaluated, commensurate with their seriousness. In particular, design flaws that potentially impact safety should be promptly addressed and accountability/liability for actual design flaws is assured.</p>	<p>Agree</p>	<p>The EFFM Capital team through its new Quality Management Office, in collaboration with Legal Services and Procurement will explore means of strengthening current process that is currently governed by both (i) CCDC-2 design-bid-build contract, which defines the role of the Consultant as the contract administrator (i.e., The Consultant will provide administration of the Contract as described in the Contract Documents), and (ii) the Ontario Building Code (OBC), whereby, the capital construction projects delivered by EFFM require building permits in compliance with the OBC, which include a Commitment to General Review signed by the Prime Design Consultant and/or design Engineers to complete construction documentation, field inspections, review of shop drawings and testing reports, and contract administration services to ensure compliance with the design.</p> <p>Additionally, CCDC-2 also includes mechanisms for conflict resolution. EFFM will review the existing Service Level Agreement (SLA) with Legal Services with regards to the requirement to engage an experienced Legal representative knowledgeable in construction contract law to enforce contract management practices for applicable high-risk projects. This will allow the City to act promptly to enforce our contractual rights going forward in situations where alleged design flaws are raised during the construction phase.</p>	<p>Expected Completion: Q2 2023</p> <p>Revised Completion date: Q3 2023</p>	<p><u>Q4 2022 – EFFM Update:</u> EFFM will formalise a process in consultation with Legal Services, Risk Management and the Procurement Section, once the EFFM QMO office is operational in Q1 2023 (as noted in the update to Recommendation #7). Limited staffing resources have resulted in requiring an extension.</p> <p>EFFM will collaborate with Legal Services to review the Service Level Agreement in 2023.</p>

RECOMMENDATION NO. (RESPONSIBLE DIVISION)	AUDIT RECOMMENDATION	AGREED/ DISAGREE	MANAGEMENT RESPONSE	EXPECTED COMPLETION DATE	Q4 2022 STATUS UPDATE
Recommendation #15 (AUD22004) (Legal Division)	We recommend that management review its process for approving settlements that exceed a predetermined threshold to ensure appropriate due diligence is being exercised over the proposed settlement amounts. Such process should be designed to provide Council with assurances that proposed settlements of significant cost were being subjected to the necessary scrutiny and validation and were properly supported.	Agree	Management supports reviewing its process to approve settlements to ensure appropriate checks and balances are in place before recommendations are made to Council. Staff will target completion of this review Q3, 2022, in advance of 2023 budget deliberations.	Expected Completion: Q3 2022 Revised Completion date: Q2 2023	<u>Q4 2022 – Legal Update:</u> A new City Solicitor joined the City in mid-October 2022 and as such, the timing of implementation of this review is deferred until the new City Solicitor has been given the opportunity to review.



CITY OF HAMILTON
CITY MANAGER'S OFFICE
 Government & Community Relations Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	February 2, 2023
SUBJECT/REPORT NO:	2022 City Enrichment Fund Update (GRA23001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Monique Garwood (905) 546-2424 Ext. 3991
SUBMITTED BY:	Morgan Stahl Director, Government Relations & Community Engagement City Manager's Office
SIGNATURE:	

RECOMMENDATION

- (a) That the overall 2022 City Enrichment Fund surplus (attached as Appendix "A" to Report GRA23001), in the amount of \$160,772 be transferred to the City Enrichment Fund Reserve # 112230.

EXECUTIVE SUMMARY

The total budget for the 2022 City Enrichment Fund program is \$6,088,340. During the year, additional amounts totalling \$10,392 was approved for one-time funding from the City Enrichment Fund Reserve # 112230, making total funds available for distribution of \$6,098,732. As at the 2022 year-end, the City Enrichment Fund shows an unspent balance of \$160,772. The unspent balance is comprised of funds returned from 2021 grant recipients as well as uncollected grants (as outlined in Appendix "B" to Report GRA23001).

The City Enrichment Fund Reserve # 112230 had an opening balance of \$1,354,593. During the year, Council approved transfers of \$10,392, resulting in a closing reserve balance of \$1,344,201. Of the \$1,344,201, \$500,000 is earmarked for the One-Time Enhancement Grant program and \$75,000 for the approved Digital Equity Stream to be utilized in 2023 and 2024. Following these entries, the remaining reserve balance will be \$694,201.

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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: 2022 City Enrichment Fund Update (GRA23001) (City Wide) - Page 2 of 3

Alternatives for Consideration – See Page 3

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The overall surplus in the City Enrichment Fund is \$1,344,201. If transferred to the City Enrichment Fund Reserve, the balance in this reserve as at Dec 31, 2022 will be \$1,504,973. Of this balance, \$500,000 is earmarked for the One-Time Enhancement Grant program and \$75,000 for the approved Digital Equity Stream to be utilized in 2023 and 2024, resulting in a remaining reserve balance will be \$854,973.

Staffing/Legal: There are no staffing or legal implications of this report.

HISTORICAL BACKGROUND

Prior to the final year-end closing entries, staff prepare a final draft of the City Enrichment Fund actual costs, in order to provide Council a review of any unclaimed or unallocated grant funds. This report outlines all the grants paid, returned, due or allocated for the year ending December 31, 2022. This is consistent with the practice of previous years and is common practice for staff overseeing the City Enrichment Fund.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

N/A

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The unallocated balance for the City Enrichment Fund is \$160,772.

The summary of funding is below:

2022 Approved Funding	\$6,098,732
Grants Issued per Category:	
Agriculture	\$ 77,191
Arts	\$2,710,478
Communities, Culture & Heritage (CCH)	\$ 500,970
Community Services	\$2,236,188
Environment	\$ 139,327
Sport & Active Lifestyles	\$ 238,715
Administration Costs	<u>\$ 35,091</u>

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SUBJECT: 2022 City Enrichment Fund Update (GRA23001) (City Wide) - Page 3 of 3

Total Payments	\$5,937,960
Balance/Surplus	<u>\$ 160,772</u>

ALTERNATIVES FOR CONSIDERATION

The Committee could choose not to transfer the surplus to the City Enrichment Fund Reserve # 112230. The surplus would form part of the City's overall surplus/deficit for 2022.

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.

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 GRA23001 – 2022 City Enrichment Fund Summary

Appendix "B" to GRA23001 – 2022 City Enrichment Fund Unallocated & Returned Funds

2022 City Enrichment Fund SUMMARY

Category	Total Applications Received	Total Applications Funded	2022 Approved Budget	2022 Total Approved Funding	2022 Total Payment	Variance (Approved Funding vs Payment)
Agriculture	15	15	\$ 143,360	\$ 109,388	\$ 77,191	\$ 32,197
Arts	69	61	\$ 2,770,540	\$ 2,721,573	\$ 2,710,478	\$ 11,095
Communities, Culture & Heritage (CCH)	67	47	\$ 567,700	\$ 601,557	\$ 500,970	\$ 100,587
Community Services	111	89	\$ 2,164,360	\$ 2,236,688	\$ 2,236,188	\$ 500
Environment	10	10	\$ 146,390	\$ 139,327	\$ 139,327	\$ -
Sport & Active Lifestyles	45	44	\$ 245,990	\$ 240,199	\$ 238,715	\$ 1,484
Total Traditional Grant Categories	317	266	\$ 6,038,340	\$ 6,048,732	\$ 5,902,869	\$ 145,863
CEF Administration			\$ 50,000	\$ 50,000	\$ 35,091	\$ 14,909
Total City Enrichment Fund	317	266	\$ 6,088,340	\$ 6,098,732	\$ 5,937,960	\$ 160,772

2022 City Enrichment Fund Uncollected Grants

REF #	Organization	Program Name	2022 Approved	2022 Payment	Variance
ART-D19	Trip Print Press (Nicholas Kennedy)	Established Artist Project	1,800		1,800
CCH-A1	Downtown Dundas BIA	Community, Culture, Heritage Large Events	25,909		25,909
CS-H12	Disability Justice Network Of Ontario	Youth Action	4,500	4,000.00	500
					-
Total 2022 Uncollected Grants			32,209	4,000.00	28,209
Funds Returned				Amount	
AGR	Rockton Agricultural Society	2021 Grant funds returned		27,139.00	
AGR	Golden Horseshoe Beekeepers' Association	2021 Grant funds returned		282.00	
AGR	Hamilton-Wentworth 4-H Association	2021 Grant funds returned		897.50	
AGR	Hamilton Wentworth Soil and Crop Improvement Association	2021 Grant funds returned		2,461.51	
AGR	Ancaster Horticultural Society	2021 Grant funds returned		143.00	
AGR	Hamilton Wentworth Fed of agr	2021 Grant funds returned		1,275.00	
ARTS	Bach Elgar Choir (Bach Elgar Choral Society)	2021 Grant funds returned		4,815.00	
ARTS	Dundas Concert Band Inc.	2021 Grant funds returned		733.00	
ARTS	Mashal Khan	2021 Grant funds returned		3,750.00	
CCH	Hamilton Folk Arts Heritage Council	2021 Grant funds returned		41,480.00	

REF #	Organization	Program Name	2022 Approved	2022 Payment	Variance
CCH	South Asian Heritage Association of Hamilton & Region	2021 Grant funds returned		2,761.00	
CCH	Rotary Club of Hamilton AM	2021 Grant funds returned		298.00	
CCH	Durand Neighbourhood Association Inc.	2021 Grant funds returned		1,273.00	
CCH	Festitalia Corporation	2021 Grant funds returned		5,952.00	
CCH	Hamilton Santa Claus Parade Committee	2021 Grant funds returned		22,914.00	
SAL	Hamilton Bay Sailing Club	2021 Grant funds returned		1,483.80	
Total Returned Grants			-	117,657.81	117,658
Total CEF Administration Costs			50,000	35,090.57	14,905
Total Remaining Funds			82,209	156,748.38	160,772