



City of Hamilton
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
AGENDA

Meeting #: 23-008
Date: May 18, 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 May 4, 2023
5. **COMMUNICATIONS**
6. **DELEGATION REQUESTS**
7. **DELEGATIONS**
8. **STAFF PRESENTATIONS**
9. **CONSENT ITEMS**
 - 9.1 Hamilton Women and Gender Equity Committee Minutes
 - a. January 26, 2023

b. February 16, 2023

9.2 Workplace Mental Health and Wellbeing Strategy (2023 –2026) (HUR23007) (City Wide)

MOVED TO 8.1

9.3 2022 Provincial Offences Administration Annual Report (FCS23057) (City Wide)

9.4 Reserve / Revenue Fund Investment Performance Report – December 31, 2022 (FCS23001) (City Wide)

9.5 Hamilton Future Fund Investment Performance Report – December 31, 2022 (FCS23050) (City Wide)

9.6 Cemetery Trust Accounts Investment Performance Report – December 31, 2022 (FCS23053) (City Wide)

10. DISCUSSION ITEMS

10.1 Proposed Write-off for Provincial Offences (FCS23058) (City Wide)

10.2 Capital Project Closing Report as of December 31, 2022 (FCS22079(b)) (City Wide)

10.3 Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042) (City Wide)

10.4 Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item

Discussion of Private & Confidential Appendix "A" FCS22071(a)/PW22065(a) would be pursuant to Section 9.3, Sub-section (i) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (i) of the *Ontario Municipal Act, 2001, as amended, as the subject matter pertains to a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.*

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. Continued Standardization and Request to Negotiate a Contract for Systems Furniture for the City of Hamilton (PW22065 / FCS22071) (City Wide)

Item on OBL: 22-J

Addressed as Item 10.4 on today's agenda

14. PRIVATE AND CONFIDENTIAL

- 14.1 Confidential Appendix "A" to Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item

Pursuant to Section 9.3, Sub-section (i) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (i) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

- 14.2 Auditor General Reporting of Serious Matters to Council (Case #65357) (AUD23007) (City Wide)

Pursuant to Section 9.3, Sub-section (a) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (a) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to the security of the property of the City or a local board.

15. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 23-007

9:30 a.m.
May 4, 2023
Council Chambers
Hamilton City Hall

Present: Councillors C. Kroetsch (Chair), M. Spadafora M. Tadeson, A. Wilson, and M. Wilson

Absent with Regrets: Councillor T. Hwang (Vice-Chair) – City Business, Councillors J. Beattie and B. Clark - Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. **Development Charges Indexing - Effective July 6, 2023 (FCS23047) (City Wide) (Item 9.1)**

(Spadafora/Tadeson)

That Report FCS23047, respecting Development Charges Indexing - Effective July 6, 2023 (FCS23047) (City Wide), be received.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
ABSENT - Ward 9 Councillor Brad Clark
ABSENT - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

2. **Development Charge Background Study – Parklands and Natural Assets (Item 11.2)**

(M. Wilson/A. Wilson)

WHEREAS, the City's Development Charge By-law 19-142 will expire on June 13, 2024;

WHEREAS, growth-related Master Plans will guide the assessment of servicing and infrastructure needs to accommodate the City's future growth;

WHEREAS, the growth-related Master Plans provide the technical and financial basis used to support the development of the Development Charge Background Study; and

WHEREAS the Development Charge Background Study will provide the basis upon which the new Development Charge By-law will be based;

THEREFORE, BE IT RESOLVED:

- (a) That the Water, Wastewater & Stormwater Master Plan includes consideration for alternative policy approaches to traditional stormwater management techniques by considering a climate change impact and non-conventional stormwater management facilities, including open space and parkland areas; and
- (b) That staff review and report back to the Audit, Finance and Administration Committee with options for the development of a framework to account for natural assets within the City's Development Charge Background Study in future Development Charge By-law updates beyond 2024.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
ABSENT - Ward 9 Councillor Brad Clark
ABSENT - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

The Committee Clerk advised that there were no changes to the agenda.

(Tadeson/Spadafora)

That the agenda for the May 4, 2023 Audit, Finance and Administration Committee meeting, be approved, as presented.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
ABSENT - Ward 9 Councillor Brad Clark
ABSENT - Ward 10 Councillor Jeff Beattie

YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) April 20, 2023 (Item 4.1)

(Tadeson/Spadafora)

That the Minutes of the April 20, 2023 meeting of the Audit, Finance and Administration Committee, be approved, as presented.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
ABSENT - Ward 9 Councillor Brad Clark
ABSENT - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(d) MOTIONS

(i) Area Specific Development Charges (Item 11.1)

(M. Wilson/Tadeson)

WHEREAS, the City is in the process of undertaking a Development Charges Background Study;

WHEREAS, Section 10 (2) (c.1) of the Development Charges Act, 1997, requires consideration of the use of more than one Development Charge by-law to reflect different needs for services in different areas;

WHEREAS, the Masterplan teams have been directed to consider area specific (variable) Development Charges in the completion of their Masterplans;

WHEREAS, the City currently uses average persons per unit as the basis for determining the Development Charge applicable for low, medium, and high density residential development which results in low density being charged a higher per-unit rate than medium or high density developments; and

WHEREAS, the City of Hamilton is committed to building a range and mix of housing types and tenures, including affordable housing, to meet the needs of the current and growing population;
THEREFORE, BE IT RESOLVED:

- (a) That staff be directed to consider alternative Development Charges which may include variation of the Development Charges based upon factors such as location, type of development, density and unit size/lot size; and
- (b) That consideration also be given to defensible charges which are higher for larger residential units than smaller residential units

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
ABSENT - Ward 9 Councillor Brad Clark
ABSENT - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(e) ADJOURNMENT (Item 15)

(Spadafora/Tadeson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 9:50 a.m.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
ABSENT - Ward 9 Councillor Brad Clark
BEATTIE - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

Respectfully submitted,

Councillor Cameron Kroetsch, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk

9.1(a)

Hamilton**Minutes 23-001****Hamilton Women and Gender Equity Committee****Thursday, January 26, 2023****6:00 p.m.**

Due to the COVID-19 and the Closure of City Hall All electronic meetings can be viewed at: City's YouTube Channel:

**<https://www.youtube.com/user/InsideCityofHamilton>
Virtual Meeting**

Present: Deanna Allain, Gagan Batra, Melanie Cummings, Anna Davey, Autumn Getty, Adriana Harris, Jan Lukas, Pascale Marchand, Kathleen Shannon, and Yulena Wan

Regrets: Michelle Hutton, Heather Platt, Stephanie Scardellato and Julie Turner

Also

Present: Morgan Stahl, Director of Government Relations and Community Engagement
Loren Kolar, Legislative Coordinator

1. CEREMONIAL ACTIVITIES**(i) Land Acknowledgement**

D. Allain provided the Land Acknowledgement.

2. APPROVAL OF THE AGENDA (ITEM 2)

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

10. DISCUSSION ITEMS

10.4 Citizen Committee Report respecting Gender Lens Budgeting

(Batra/Harris)

That the agenda for the January 26, 2023 meeting of the Hamilton Women and Gender Equity Committee, be approved, as amended.

CARRIED

3. DECLARATION OF INTEREST (Item 3)

None.

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

(i) December 22, 2022 (Item 4.1)

(Batra/Harris)

That the Hamilton Women and Gender Equity Committee approve the Minutes of December 22, 2022, as presented.

CARRIED

5. COMMUNICATIONS (Item 5)

(i) Audit, Finance and Administration Committee Report 22-016, Item 5 (b), as Amended by Council, September 28, 2022 respecting Confidential Interview Questions for the Hamilton

Police Services Board Selection Committee (Item 5.1)

(Getty/Harris)

That the Audit, Finance and Administration Committee Report 22-016, Item 5 (b), as Amended by Council, September 28, 2022 respecting Confidential Interview Questions for the Hamilton Police Services Board Selection Committee, be received.

6. DISCUSSION ITEMS (Item 10)

(i) Review of the Citizen Committee Report regarding feedback on the Procedural Handbook (Item 10.1)

The Committee provided the following feedback:

The City of Hamilton Women and Gender Equity Advisory Committee recommends that Council, with the support of staff, consider the following items of feedback respecting the Procedural Handbook, and ensure that commitments listed by the city and staff are upheld.

The document's table of contents and references to by-laws and other pieces of legislation should include hyperlinks for ease of access in electronic format.

Additionally, the document should be available in a plain language format, recognizing that the format and legalese creates a barrier to engagement and ensuring all committee members understand their roles and commitments.

Should council members or staff require additional information related to any of the mentioned feedback, the committee is prepared to provide additional reports or attend meetings to respond to questions.

The following items of feedback were identified by members of the Women and Gender Equity Advisory Committee through working group sessions:

- Page 10: regarding the appointment and recruitment process, there should be a commitment by the City of Hamilton to provide recruitment information to community partners and organizations, with particular focus on encouraging members of marginalized communities to apply, in line with a focus on equity, diversity, and inclusion in the recruitment process.
- Page 12: regarding member training, it is imperative that the City Clerk ensure existing and new members of the committee receive training, as new members to this committee beginning early 2022 did not receive most of the listed training, or materials related to it.

In the sharing of training information and reference documents, it should be readily available and easily accessible for both committee members and the general public to access, including having such information available on the City of Hamilton website along with up-to-date committee information. The City Clerk should have a commitment and procedure to monitor their fulfilment of training and reference documents

provided. Committee members feel that training and orientation has been minimal and insufficient, causing confusion and limiting engagement and the development of action items in formal meetings. Providing additional training in procedure, meeting format, and how to prepare documents such as Citizen Committee Reports or Meeting Minutes would be helpful to effective operation and success.

- Page 14: regarding council representatives on advisory committees, there should be a commitment of attendance, or otherwise a process to allow committees to request another council representative if attendance becomes a challenge. The Women and Gender Equity Advisory Committee has only had a council representative attend one meeting since the beginning of its current term.
- Page 21: regarding consultation on staff reports, this is a practice that has not taken place during this term of the committee. Staff should be committed to utilizing advisory committees for feedback on reports on a frequent and consistent basis, and members of council should be encouraged to directly request staff consult with advisory committees to ensure this takes place. In the absence of this practice, citizen advisory committees often lack notice and necessary time to review documents and generate reports and feedback before items are reviewed by members of council. Again, there should be a commitment by staff to regularly and consistently consult with

advisory committees, and a procedure to ensure the commitment is maintained.

- Page 23: regarding calls to vote, there is no mention of an option to abstain from votes and how they would be recorded. If there is no abstention option for members, it should be clearly stated along with reasoning in this handbook.
- Page 33, regarding public notice of citizen member vacancies, these again should be shared with community organizations with a focus on equity, diversity, and inclusion.

(Harris/Gagan)

- (a) That the feedback from the Hamilton Women and Gender Equity Committee, respecting the Procedural Handbook, be referred to the Clerks Office and the Audit Finance and Administration Committee, and that the Chair be present to speak to and answer questions regarding the report at the standing committee meeting; and
- (b) That the Citizen Committee Report regarding feedback on the Procedural Handbook, be approved.

CARRIED

(ii) Review of the Citizen Committee Report regarding Feedback on the Code of Conduct (Item 10.2)

The Committee provided the following feedback:

- Page 41: regarding the statement, “This Code of Conduct is to be given broad, liberal interpretation in accordance with applicable legislation and the definitions set out herein. Commentary in this Code is illustrative and not exhaustive.”, the committee feels that the Code of Conduct should be explained more thoroughly and in plain language to prevent interpretation which extends beyond the understanding of the public and volunteer advisory committee members.
- Page 43: regarding confidential information, more information is needed to establish exactly what is considered to be confidential, how members can be aware of what the board of city is prevented from disclosing, and how the rule differentiates between items discussed in a closed meeting and information that is already publicly available. There should be a clear system to label and identify confidential information to local boards. Information related to confidentiality for members of council is much clearer in their code of conduct compared to this proposed code for volunteers.
- Page 44: regarding member conduct, more clarity is needed to provide committee members with information on how the City of Hamilton can require decorum “at all times”. For instance, if political protest is a charter protected right, but is not considered conducting oneself with decorum, more clarity is needed to confirm if a volunteer advisory committee member may face consequences or penalties.
- Page 44-45: regarding media communications, the

committee was previously told that the chair could not speak to media without approval from the committee they report to, which does not appear to be the case in the code of conduct. There is no information on the ability of the Chair to speak to media and what, if any, approval is required, or what limitations, if any, exist as part of such media communication. The commentary also identified that the rules of decorum apply to social media, and recommend that members “should consider articulating and posting their own policy of addressing how frequently they will monitor the site for the purpose of identifying and removing disparaging, abusive or hateful comments.” It is in the opinion of the advisory committee that the City of Hamilton should not be applying rules of decorum to volunteer committee members on their personal social media accounts, or outside of their duties as committee members, as it may infringe on their rights to expression and political protest. Further, it is unreasonable to apply responsibility for filtering hateful and abusive comments on the posts of volunteer advisory committee members. The City of Hamilton should not expect anyone to read through abusive and hateful comments on personal social media as part of code of conduct, and especially should not do so without providing support and resources for the additional harm such exposure to hate and abuse can cause.

- Page 45: regarding the expectation that members “adhere to and encourage public respect for the Local Board, the municipality and its by-laws, policies and procedures”, the committee feels the

Code of Conduct must provide clearer definitions of respect and what is considered disrespectful. Further to this, more clarity is needed to ensure members understand whether their rights to expression and political protest will be restricted or prohibited when agreeing to volunteer on a citizen advisory committee.

- Page 45: regarding the workplace harassment and violence policies in place for staff, members of this advisory committee have not received copies of such policies, and these policies, in addition to the code of conduct, must be easily and readily available to members so they can comply.
- Page 46: regarding the advice to consult the integrity commissioner if members seek clarification, there should be direction or information on who or how to contact the integrity commissioner included in the code of conduct.
- Page 46: the formatting of "Part 2" to include additional context for previously mentioned rules and the addition of new rules makes this part of the document particularly difficult to read and follow, and revision may be needed.
- Page 47: regarding the consequences of failure to adhere to code of conduct, and in addition to the aforementioned feedback on this item, "reprimand" must be clearly defined, and this section must clearly identify what reprimand and remedial actions will look like for volunteer citizen committee members.

- Page 49: the numbering of the items on this page include two separate items numbered as 4, rather than a continued sequential order. More clarify is needed on the operating procedure regarding any requirements for approval that are needed before a chair can speak to media on behalf of the committee, and what restrictions might be in place for such engagement.
- Page 53: regarding the note at the bottom of the page, the Chair or Vice-Chair and the Secretary have never signed the meeting minutes in practice on this committee, and more clarification is needed on if digital signatures would be acceptable if this is now going to be required, considering the hybrid operation of most committees.

(Harris/Marchand)

- (a) That the feedback from the Hamilton Women and Gender Equity Committee, respecting the Feedback on the Code of Conduct, be referred to the Clerks Office and the Audit Finance and Administration Committee, and that the Chair be present to speak to and answer questions regarding the report at the standing committee meeting; and
- (b) That the Citizen Committee Report regarding Feedback on the Code of Conduct, be approved.

CARRIED

(iii) Women of Distinction Awards, March 2, 2023 – discussion & table purchase (Item 10.3)

(Marchand/Shannon)

That the HWGEC committee approve the purchase of 2 tables, to a maximum amount of \$3000, with \$1500 from the Operating Budget and \$1500 from the Reserve Fund for the 2023 Women of Distinction Awards.

CARRIED

(Cummings/Getty)

That the remaining funds from the WGEC 2022 budget be allocated to the 2022 Reserve for the committee, to the maximum amount.

CARRIED

(iv) Citizen Committee Report respecting Gender Lens Budgeting (Added Item 10.4)

(Lukas/Getty)

- (a) That the City of Hamilton consider applying a gender lens to the City of Hamilton for the 2023 Operational Budget, with implementation in the 2024 Operational Budget;
- (b) That the City of Hamilton continue to promote gender equity in society through the operational budget, in support of the City of Hamilton's 2016-2025 Strategic Plan, including economic prosperity and growth, healthy and safe communities, clean and green, built environment and infrastructure, and culture and diversity;
- (c) Consider gender and diversity in taxation and resource allocation decisions; and

- (d) That the Citizen Committee Report be approved, and referred to the Audit, Finance and Administration Committee for consideration.

CARRIED

7. PRIVATE AND CONFIDENTIAL (Item 14)

(Davey/Getty)

That the Hamilton Women and Gender Equity Committee move into Closed Session respecting Item 14.1, Pursuant to Section 9.1, Sub-section (i) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (i) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the City or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

(i) Confidential Interview Questions for Police Services Board Selection Committee

(Getty/Harris)

That staff be directed to forward the confidential interview questions from the Hamilton Women and Gender Equity Committee to the Police Services Board, and that the questions remain confidential.

8. ADJOURNMENT (Item 15)

(Marchand/Wan)

That the Hamilton Women and Gender Equity Committee be adjourned at 7:34pm.

**CARRIED
Respectfully,**

**Deanna Allain, Chair
Women and Gender Equity
Advisory Committee**

9.1(b)

Hamilton**Minutes 23-02****Hamilton Women and Gender Equity Committee****Thursday February 16, 2023****6:00pm-8:00pm****All virtual meetings can be viewed at the****City's YouTube Channel:****<https://www.youtube.com/user/InsideCityofHamilton>****Virtual Meeting**

Present: Deanna Allain, Melanie Cummings, Adrianna Harris, Michelle Hutton, Jan Lukas, Pascale Marchand and Kathleen Shannon.

Regrets: Gagan Batra, Anna Davey, Autumn Getty, Heather Platt, Stephanie Scardellato and Yulena Wan.

Also Present: Morgan Stahl, Director of Government Relations and Community Engagement and Jocelyn Strutt, Senior Project Manager and Public Engagement Specialist.

1. CEREMONIAL ACTIVITIES**1.1 Land Acknowledgement**

D. Allain provided the Land Acknowledgement

2. APPROVAL OF THE AGENDA (ITEM 2)

The Chair advised the committee of the following additions to the agenda:

10. DISCUSSION ITEMS

10.1 Citizen Committee Report respecting Barriers to the Volunteer Advisory Committees' Ability to Fulfil its Mandate – REVISED

10.2 Update on Citizen Committee Report on Gender Equity Budgeting

10.3 Clarification respecting rules, guidelines, formatting, and limitations in the development of Citizen Committee Reports

(J. Lukas / K. Shannon)

That the agenda for the February 16, 2023 meeting be approved, as amended.

CARRIED

3. DECLARATION OF INTEREST (ITEM 3)

None.

4. APPROVAL OF MINUTES OF PREVIOUS MEETING (ITEM 4)

i. January 26, 2023 (Item 4.1)

(K. Shannon /A. Harris)

That the Hamilton Women and Gender Equity Committee approve the Minutes of January 26, 2023 as amended.

CARRIED

5. COMMUNICATIONS

(i) Resignation from the Women and Gender Equity Advisory Committee (Item 5.1)

(A. Harris / M. Cummings)

That the resignation of Julie Turner from the Women and Gender Equity Advisory Committee, be received.

CARRIED

6. STAFF PRESENTATIONS (ITEM 9)

(i) Hamilton Street Railway "Take the Wheel" Campaign (item 9.1)

Sadhna Jayatunge, Hamilton Street Railway Coordinator, Transit Customer Experience and Innovation, Public Works, City of Hamilton addressed Committee with information regarding their "Take the Wheel" campaign on International Women's Day March 8, 2023, 6-8pm at Mohawk College and their efforts to recruit more female drivers for the HSR.

(P. Marchand / J. Lukas)

That the Presentation respecting the Hamilton Street Railway "Take the Wheel" Campaign, be received.

CARRIED

7. DISCUSSION ITEMS (Item 10)

(i) Citizen Committee Report respecting Barriers to the Volunteer Advisory Committees' Ability to Fulfil its Mandate – REVISED (Added Item 10.1)

(P. Marchand/M. Cummings)

- (a) Let the record reflect that the committee has a report disallowed from the public agenda or discussion in open session, following an email sent to the Chair less than an hour before the meeting, and the citation of an unnamed HR policy and by-law 10-053 during the meeting. The report, as amended, was referred to the March 23, 2023 Audit, Finance, and Administration Committee meeting, where the Chair will attend as a delegate on behalf of the committee.
- (b) That the Citizen Committee Report respecting Barriers to the Volunteer Advisory Committees' Ability to Fulfil its Mandate, be approved; and
- (c) That, once approved by Council, copies of the Citizen Committee Report respecting Barriers to the Volunteer Advisory Committees' Ability to Fulfil its Mandate, be distributed to the Committee Against Racism, the Immigrant and Refugee Advisory Committee, and the Advisory Committee, Indigenous Advisory Committee, Lesbian, Gay, Bisexual, Transgender and Queer Advisory Committee (LGBTQ), Seniors Advisory Committee.

CARRIED**(ii) Citizen Committee Report on Gender Equity Budgeting (Added Item 10.2)**

The Chair addressed Committee with an update on presentation at City Budget meeting of Citizen Committee Report on Gender Equity Budgeting. Report was passed 6-0 to ask staff to look at and incorporate into 2024 budget.

(iii) Clarification respecting rules, guidelines, formatting, and limitations in the development of Citizen Committee Reports (Added Item 10.3)

(P. Marchand/M. Cummings)

- (a) That the committee be provided with clear clarification respecting the rules, guidelines, formatting, and limitations in the development of Citizen Committee Reports by the March 16, 2023 meeting.
- (b) In the event that there is no policy or procedure, that a response still be provided ahead of the March 16, 2023 meeting to provide findings to advisory committee.

CARRIED

14. PRIVATE AND CONFIDENTIAL

- (i) Closed Session Minutes of January 26, 2023.

(P. Marchand / K. Shannon)

That the Closed Session Minutes of January 26, 2023, be approved.

CARRIED

15. ADJOURNMENT (ITEM 15)

(A. Harris/ M. Hutton)

That the Hamilton Women and Gender Equity Committee be adjourned at 7:18 p.m.

CARRIED

15.1 Next Meeting Thursday March 16, 6pm

Respectfully submitted,


D. Allain,
Chair

Hamilton Women and Gender Equity Committee

Morgan Stahl,
Staff Liaison
City Manager's Office



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	2022 Provincial Offences Administration Annual Report (FCS23057) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Francesca Angheloni (905) 546-2424 Ext. 5718
SUBMITTED BY:	Cindy Mercanti Director, Customer Service, POA and Financial Integration Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

Not Applicable

INFORMATION

The 2022 Annual Report, attached to Report FCS23057 as Appendix "A", is a summary that highlights the activities and operations of the Provincial Offences Administration (POA) throughout the year. It is provided every year and includes a performance snapshot, summary of financial results, overview of achievements for the previous year and insight into the coming year's strategic initiatives.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS23057 – 2022 Provincial Offences Administration Annual Report

FA/dt

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.



2022 Provincial Offences Administration Annual Report

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Background

Provincial Offences Administration (POA) administers to charges from approximately 40 enforcement agencies for all acts and regulations under the *Provincial Offences Act*. A charge going to court can result in many different dispositions which do not result in a fine. A charge can be withdrawn, dismissed or suspended, all of which result in zero revenue for the City. An Early Resolution meeting can result in an agreed upon plea to a reduced charge and / or a reduced fine. Charges filed are varied and cover a broad range of legislative enforcement from speeding to careless driving under the *Highway Traffic Act* (inclusive of Red Light Camera and Automated Speed Enforcement), charges under City of Hamilton By-Laws (excluding parking offences), *Liquor Licence and Control Act*, *Trespass to Property Act*, *Compulsory Automobile Insurance Act*, the *Environmental Protection Act* and *Occupational Health and Safety Act*, to name a few.

POA administers Part I and Part III offences under the *Provincial Offences Act* which are filed by Enforcement Agencies. Administrative Penalty System (APS) offences are not administered by POA.

A Part I offence is commonly referred to as a "ticket" and is most often issued by an officer at the time of the offence. When a Part I offence notice is issued, the defendant can either plead guilty and pay the fine, request an Early Resolution meeting with a prosecutor or request a trial. A Part III offence is considered a more serious offence and requires the defendant to appear before a Justice of the Peace.

POA is located at 50 Main Street East, which accommodates administrative offices and four courtrooms. POA is comprised of the following services: Court Administration, Court Support, Collections and Prosecution (reporting through Legal Services).

Court Administration responsibilities include:

- Processing fine payments and requests for extension of time to pay
- Scheduling Early Resolution meetings and trials
- Receiving and processing all new charges and appeals
- Providing frontline customer service (i.e. counter, phone and emails)

Court Support responsibilities include:

- Ensuring courtroom decorum and capture of the official court record
- Management of court documents and exhibits
- Swearing in of witnesses and interpreters
- Arraigning the defendant on charges

Collections responsibilities include:

- Pursuit of the collection of overdue fines
- Prepares files for further enforcement

Each year, POA solicits an independent audit of the financial statements for the POA Office. As per the Memorandum of Understanding (MOU) between His Majesty the King in Right of Ontario as represented by the Attorney General and the City of Hamilton, the completed audit is submitted annually to the Attorney General and the Ministry of Finance.

POA Snapshot

The following provides a 2022 snapshot of POA performance:

Revenue (net provincial transfers)	Outstanding Accounts Receivable	Revenue Collected from Defaulted Accounts Receivable	Contribution to Net Levy
\$13.3 M	\$71.3 M	\$4.6 M	\$849 K

Trials Requested	Early Resolution (ER) Meetings Scheduled	Charges Filed
2,874	13,201	86,357

2022 Key Initiatives

In 2022, several continuous improvement initiatives were implemented:

- Updated the court master plan in consultation with the Ministry of the Attorney General
- Re-introduced in-person court proceedings and continued to conduct virtual proceedings
- Implemented hybrid court proceedings (some parties attend in person while others attend remotely)
- Further enhanced the accessibility and usability of electronic document filing
- Implemented the first stage of electronic filing of automated enforcement charges (i.e. Red Light Camera)
- Continued to support the download of responsibilities from Bill 177 to the Clerk of Court by reviewing Fail to Responds, Deemed not to Dispute matters from Early Resolution courts and Requests for Extension of Time to Pay

Hybrid Courts

Hybrid courts and the use of Zoom in the courtrooms have become an integral part of how Ontarians access their court proceedings. In a hybrid court proceeding at least one court participant is appearing electronically by Zoom and at least one court participant is appearing in-person in the courtroom. Hybrid courts have allowed POA the opportunity to proceed with the scheduling of all matters with greater flexibility for our customers and stakeholders which ultimately increases access to justice for all.

In 2022, POA has effectively supported the re-introduction of in-person courts in addition to the availability of virtual courts and hybrid courts. Several electronic and hybrid processes (filing of court documents and applications, receiving, storing and filing of secure court exhibits, payments of fines, and receiving and responding to customer inquiries) were also implemented to ensure timely access to justice for all while maintaining sensational customer service.

2023 Key Initiatives

Several continuous improvement initiatives are being launched for 2023:

- In consultation with the Ministry of the Attorney General, update the court master plan
- Ongoing preparation and consultation with the Ministry of the Attorney General for the further download of responsibilities from Bill 177 to the Clerk of the Court (i.e. Re-opening Applications which will be implemented in September 2023 and a new procedure for Early Resolution meetings between the defendant and the prosecutor before the Clerk of the Court as opposed to a Justice of the Peace)

Emerging Trends

The following changes to the legislative environment will impact POA:

- **Replacement of the Integrated Court Operational Network (ICON):** Led by the Ministry will fundamentally transform the way in which the justice system operates.
- **Administrative Penalty System (APS):** The Province of Ontario has implemented the framework, effective July 1, 2022, under the *Highway Traffic Act*, to allow Red Light Camera (RLC) and Automated Speed Enforcement (ASE) charges to be processed through an Administrative Monetary Penalty System. In 2022, a capital request was approved to review and propose recommendations for the incorporation of RLC and ASE into the Administrative Penalty Portfolio. In 2023, the City of Hamilton commissioned a review of the considerations and impact of the transition. This multi-divisional review includes key stakeholders from Legal Services, POA Administration, Public Works, Planning and Economic Development (PED) and Finance. The outcomes of the review will include detailed recommendations on the opportunity to transition RLC and ASE to Administrative Penalties. Timelines for completion of the review is Q4 2023.

Charges Filed

In 2022, POA received 86,357 charges of which, approximately 95% of the charges filed resulted from Hamilton Police Services, Automated Enforcement and the Ontario Provincial Police (OPP).

Total Charges Filed			
2019	2020	2021	2022
83,416	86,736	86,780	86,357

The number of charges filed has been consistent over the three-year period from 2020 to 2022. Most charges filed relate to the *Highway Traffic Act*.

The table below depicts Part I's and Part III's, by enforcement agency, of charges filed over a four-year period.

Charges Filed by Agency (Part I and Part III)

Hamilton Police: Number of Charges Filed

2019	2020	2021	2022
53,316	44,946	53,910	43,819

OPP: Number of Charges Filed

2019	2020	2021	2022
4,816	4,285	3,985	3,017

Red Light Camera: Number of Charges Filed

2019	2020	2021	2022
20,289	19,222	17,653	19,131

Automatic Speed Enforcement: Number of Charges Filed

2019	2020	2021	2022
N/A	16,058	7,160	16,292

Other Enforcement Agencies: Number of Charges Filed

2019	2020	2021	2022
915	463	437	713

Municipal Law Enforcement: Number of Charges Filed

Note: Part I's only (volume moved to APS in 2018)

2019	2020	2021	2022
37	210	884	76

All Agencies: Number of Charges Filed, Part III's

2019	2020	2021	2022
4,043	2,733	2,751	3,309

The proportion of charges filed by Hamilton Police Service has decreased by 13% since 2019. With the introduction of Automated Enforcement (Red Light Cameras and Automated Speed Enforcement), the proportion of Automated Enforcement charges has increased by 75% since 2019. OPP charges have demonstrated a downward trend since 2019. Charges filed by other enforcement agencies such as Ministry of the Environment, Ministry of Labour, etc. have also declined from 2019 to 2021, however an increase occurred in 2022 resulting from *Reopening Ontario Act* tickets being issued. In 2018, Municipal Law Enforcement (MLE) charges commenced its transition to the Administrative Penalty System (APS) Office. Part III's continue to be processed within POA.

Trials

Trials are scheduled into four courtrooms dependent upon judicial resources. In-person trials recommenced in September 2022.

Trials Scheduled, All Courtrooms

2019	2020	2021	2022
1,774	1,051	1,448	2,874

Early Resolution

This process is intended to provide resolution to court matters without a trial. Of all Part I's filed, 16% resulted in a request for an Early Resolution meeting with a prosecutor.

Percentage of Early Resolution Hearings Scheduled, Part I's

2019	2020	2021	2022
16%	11%	9%	16%

Fail to Respond

In 2022, 28% of all Part I certificates of offence filed were placed on a Fail to Respond (failed to respond to any settlement or dispute options) docket. Under Bill 177, tasks associated with the Fail to Respond process has been downloaded to POA.

Percentage Fail to Respond, Part I's

2019	2020	2021	2022
28%	5%	50%	28%

Revenues

POA administers and collects fines where revenue is disbursed to other City business units such as Animal Services, Building Division, Licencing and By-Law Services and Traffic Engineering and Operations (Red Light Camera (RLC) and Automated Speed Enforcement (ASE) charges). RLC and ASE revenue is transferred to Public Works, less Service Ontario fees and an administrative cost. Similarly, Licencing and By-Law Services and Building Division revenue is transferred to Planning and Economic Development, less an administrative cost.

Dedicated Fines, Victim Fine Surcharge, expenses associated with Part III matters prosecuted by the Province and any POA fines levied against the City are payable to the Ministry of the Attorney General.

Fines collected for other POA sites (i.e. Brantford, Burlington, etc.) are paid quarterly to the appropriate municipality after reconciliation with quarterly statements. The remaining revenue is used to offset any remaining administration costs and contribute to the net levy. Payments can be made at any POA Court Office, over the phone, on-line via Paytickets (third party vendor), at Hamilton Municipal Service Centres and at Service Ontario locations.

Revenues for 2022 improved over the previous year.

	Gross Revenue	Net Contribution
2019	\$13,597,869	\$3,052,708
2020	\$10,523,446	\$(328,423)
2021	\$12,561,088*	\$2,265,771
2022	\$13,323,936	\$848,579

*Includes \$1,043,500 Safe Start

Collections

Internal collections were responsible for collecting \$3,554,756 and the external collection agencies collected \$1,052,225 in 2022. This represents an increase in overall collections of \$126,404 over 2021.

In 2017, the Province introduced legislation to improve collection efforts (inability to renew plates and drivers' licences for driving-based offences) to encourage payment. POA has leveraged this opportunity by redirecting defaulted Red Light Camera and Automated Speed Enforcement collections to plate denial (up to a two-year process) saving the cost of the external agency fee.


Fines that qualify are added to the defendant's property taxes (tax roll). Since the introduction of tax rolling by POA in 2017, \$694,408 in outstanding fines have been added to the tax roll. For a defaulted fine to be tax rolled, property ownership must be confirmed. Specific business units, such as Licencing and By-Law Services, have the authority to deny issuing or renewing a licence if a fine is outstanding.

As of December 31, 2022, the outstanding receivables balance, including the 2022 proposed write-offs, totalled \$71,312,260.

Write-offs for Deceased Persons, which are an automatic write-off by the Ministry of the Attorney General, totalled \$430,673.



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Reserve / Revenue Fund Investment Performance Report – December 31, 2022 (FCS23001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Gerald T. Boychuk (905) 546-2424 Ext. 4321 Brandon A. Teglas (905) 546-2424 Ext. 4363
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

Not Applicable.

INFORMATION

The investment portfolio for the City of Hamilton's (City's) Reserve / Revenue Fund (comprised of reserve / revenue funds, capital account balances and unused operating funds) had an earnings rate of 2.86% for the 12 months ending December 31, 2022 and had an average earnings rate of 2.83% over the past five years. The earnings rate includes interest and bond lending revenues but excludes realized and unrealized capital gains / losses.

The City's portfolio generated \$44,231,801 in bond interest, net realized capital gains / losses, bond lending revenue and bank interest over the 12 months ending December 31, 2022. The average dollar amount generated over the last five years is \$34.10 M. The return of \$44,231,801 was realized on an average asset cost of \$1,692,498,383 (made up of \$1,129,480,829 for the investment portfolio, \$494,395,613 for the City's bank account balance, plus \$62,873,468 for the One Fund Equity and \$5,748,474 for the Universe Corporate Bond), giving a percentage return on cost of 2.61%. Bond lending revenues of \$344,736 are included in the earnings rate of 2.86%. Net unrealized capital losses were \$62,035,470 as at December 31, 2022.

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**SUBJECT: Reserve / Revenue Fund Investment Performance Report –
December 31, 2022 (FCS23001) (City Wide) – Page 2 of 4**

For the 12 months ending December 31, 2022, the overall return (includes bond interest, bond lending revenues, realized capital gains / losses and unrealized capital gains / losses) was -7.09% and the return on the benchmark or policy target was -5.70%, resulting in an under-performance of 139 basis points. Over the past five years, the overall return has averaged 1.63% per annum, out-performing the average return on the benchmark over the same five-year period of 1.09% by 54 basis points. For the one-year period ending December 31, 2022, the under-performance of the investment portfolio relative to the benchmark is attributed to its longer duration, resulting in mid-term and long-term bonds under-performing short-term bonds.

By comparison, the overall returns for the One Fund portfolios (offered by the Association of Municipalities of Ontario and the Municipal Finance Officers' Association), over the 12-month period ending December 31, 2022 were -4.04% for bonds and 1.57% for money market. If the City's Policy had been used in these funds (i.e. 90% bonds and 10% money market), then the overall return would have been -3.48%, or 3.61% more than the actual return of -7.09%. On an average portfolio market value of \$1,074 M, (excluding One Fund Equity and bank account balances), this incremental return would have resulted in revenue of approximately \$4.16 M. The One Fund's out-performance is attributed to its policy of investing in very short-term bonds of less than five years term. The FTSE TMX Short Government Index returned -3.88% while the FTSE TMX All-Government Mid Index returned -10.33%.

Table 1 summarizes the investment return indicators.

**Table 1 - Investment Return Indicators
(for information purposes only)**

	12 Months ended 12/31/2022	12 Months ended 12/31/2021	12 Months ended 12/31/2020	12 Months ended 12/31/2019	12 Months ended 12/31/2018
Policy Target	-5.70%	-1.49%	5.51%	3.42%	1.79%
City's Portfolio	-7.09%	-0.57%	7.16%	4.97%	1.82%
One Fund – Bonds	-4.04%	-1.44%	5.29%	2.61%	-1.51%
One Fund – Money Market	1.57%	0.04%	0.85%	1.68%	1.43%
FTSE TMX – Short Government	-3.88%	-1.12%	4.85%	2.40%	1.96%
FTSE TMX – Mid Government	-10.33%	-3.07%	9.69%	4.92%	2.12%
Bond Lending Revenue	\$344,736	\$336,417	\$262,239	\$322,520	\$284,474
Earnings Rate (Excludes Capital Gains / Losses)	2.86%	2.95%	2.71%	2.80%	2.85%
City's Return One Fund Investment (Equity)	17.07%	33.56%	19.56%	18.53%	2.24%

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**SUBJECT: Reserve / Revenue Fund Investment Performance Report –
December 31, 2022 (FCS23001) (City Wide) – Page 3 of 4**

The investments in the portfolio, excluding the One Fund Equity investment, consist of 100% bonds and 0% money market. During the year ending December 31, 2022, the interest rate earned in the City's bank account was greater than the interest rate earned on Treasury Bills and Banker's Acceptances (with term to maturity less than five years) and, therefore, funds that were earmarked for short-term expenses were held in the City's bank account at 0.65% crediting rate, as compared to the overnight rate of 0.25% or lower. As at December 31, 2022, the duration of the portfolio was 4.69 years compared with 4.97 years as at December 31, 2021.

On December 31, 2022, the market value of the investment portfolio was \$1,103,421,595 (excluding One Fund Equity and bank balances), an increase of \$14,656,777 compared to \$1,088,764,818 on December 31, 2021.

As at December 31, 2022, the market value of One Fund equity holdings was \$72,262,834 and One Fund Universal Corporate Bond (UCB) was \$5,087,071. Over the 12-month period ending December 31, 2022, returns in the City's Equity investment in the One Fund of 17.07% and UCB of -9.78%.

Table 2 shows the changes in Canadian interest rates over the past 24 months.

Table 2 – Canadian Interest Rates

Canada Benchmark Bond	Interest Rate January 3, 2023	Interest Rate January 4, 2022	Interest Rate January 4, 2021
One Month (T-Bill)	4.10%	0.08%	0.04%
2 year	4.02%	1.01%	0.20%
5 year	3.34%	1.39%	0.39%
10 year	3.21%	1.59%	0.68%

As can be seen in Table 2, interest rates increased through 2022 for all terms up to 10 years. The increase in rates over the prior year ranged from 1.62% in the 10-year bond to 4.02% in the one month (T-bill).

The Canadian Dollar and US Dollar exchange rate started at approximately \$1.26 and increased to \$1.35 at year end. Oil started the year at \$77 US per barrel and finished the year at \$83 US per barrel. The GDP rate growth forecast of 1.6% was not achieved for the year. It has been confirmed as an actual -6.8% for 2022. The actual was rectified in the last half of 2022 ending with a +3.4% real GDP growth number.

The Bank of Canada, through 2022, increased the Bank of rate six times starting in April to 4.25% at year end to dampen inflation due to global COVID-19 and variants, supply and price stability, coupled with increasing wage demands. The expectation is for rates to remain at 4.25%, more or less, for an extended period. The expectation is for inflation to decline and real Growth GDP to be in the 2% to 3% range.

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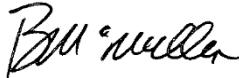
**SUBJECT: Reserve / Revenue Fund Investment Performance Report –
December 31, 2022 (FCS23001) (City Wide) – Page 4 of 4**

The Reserve Fund portfolio has significant holdings of high-quality securities. The Fund under-performed its benchmark by 1.39 bps (1.39%) by returning -7.09% through 2022 versus a benchmark of -5.70%. As a strategy going forward, the assumptions are that the economy will recover, COVID-19 will be controlled, a new normal will arrive but not immediately and interest rates will vary only marginally for this coming year.

GB/BT/dt



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Hamilton Future Fund Investment Performance Report – December 31, 2022 (FCS23050) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Gerald T. Boychuk (905) 546-2424 Ext. 4321 Brandon A. Teglas (905) 546-2424 Ext. 4363
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

Not Applicable.

INFORMATION

The City of Hamilton Future Fund portfolio of investments had an earnings rate of 2.73% for the 12 months ending December 31, 2022 and an average earnings rate of 2.59% over the past five years. The earnings rate includes interest and lending revenues but excludes realized and unrealized capital gains / losses.

The City of Hamilton Future Fund's portfolio generated approximately \$1,432,012 in bond interest, net realized capital gains / losses and lending revenue over the last 12 months ending December 31, 2022. The total return of \$1,432,012 was realized on an investment at an average cost of \$51,772,302, giving a percentage return on cost of 2.77%. Interest, net realized capital gains / losses and bond lending income over the last five years have averaged \$1.30 M annually.

As of December 31, 2022, net unrealized capital loss was \$2,309,102 and a net capital gain of \$11,727 was realized over the past 12 months. The duration of the portfolio of investments was 4.22 years as of December 31, 2022 compared with 4.32 years as of December 31, 2021.

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**SUBJECT: Hamilton Future Fund Investment Performance Report –
December 31, 2022 (FCS23050) (City Wide) – Page 2 of 3**

As of December 31, 2022, the market value of the portfolio was \$50,557,975 compared with \$53,345,292 as of December 31, 2021, a decrease of \$2,787,317.

For the 12 months ending December 31, 2022, the overall return (includes interest, bond lending revenue, realized and unrealized capital gains / losses) was -5.20%, out-performing the benchmark return of -5.70% by 50 basis points. Over the past five years, the overall return has averaged 1.74% per annum, out-performing the average benchmark return over the same five-year period of 0.71% by 103 basis points. The out-performance of the Hamilton Future Fund relative to the benchmark over the last five years is attributed mostly to its overweight position over the last couple of years in longer term bonds.

The overall returns for the One Fund (offered by the Association of Municipalities of Ontario and the Municipal Finance Officers Association) for the year ending December 31, 2022 was 28.90% for the Equity Portfolio, -4.04% for bonds and 1.57% for money market. If the City's Policy had been used in these funds (i.e. 90% bonds and 10% money market), the overall return would have been -3.48% or 172 basis points higher than the overall return of -5.20%. Using an average portfolio market value of \$44,784,335 for the past 12 months, an increase of 1.72% in overall return would have resulted in a revenue increase of approximately \$770,291. The FTSE TMX Short Government Index returned -3.88% and the FTSE TMX Mid Government Index returned -10.33%.

Table 1 below summarizes the investment return indicators.

**Table 1: Investment Return Indicators
(for information purposes only)**

	12 Months ended 12/31/2022	12 Months ended 12/31/2021	12 Months ended 12/31/2020	12 Months ended 12/31/2019	12 Months ended 12/31/2018
Policy Target	-5.70%	-1.49%	5.51%	3.42%	1.79%
Hamilton Future Fund Portfolio	-5.20%	-1.25%	7.75%	5.47%	1.95%
One Fund – Bonds	-4.04%	-1.44%	5.29%	1.68%	1.51%
One Fund – Money Mkt.	1.57%	0.04%	0.85%	2.61%	1.43%
FTSE TMX – Short Government	-3.88%	-1.12%	4.85%	2.40%	1.96%
FTSE TMX – Mid Government	-10.33%	-3.07%	9.69%	4.92%	2.12%
Bond Lending Revenue	\$15,059	\$13,623	\$10,738	\$18,094	\$14,128
Earnings Rate (Excludes Capital Gains / Losses)	2.73%	2.60%	2.43%	2.58%	2.62%

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**SUBJECT: Hamilton Future Fund Investment Performance Report –
December 31, 2022 (FCS23050) (City Wide) – Page 3 of 3**

Table 2 below summarizes the changes in Canadian interest rates over the past 24 months.

Table 2 – Canadian Interest Rates

Canada Benchmark Bond	Interest Rate January 3, 2023	Interest Rate January 4, 2022	Interest Rate January 4, 2021
One Month (T-Bill)	4.10%	0.08%	0.04%
2 year	4.02%	1.01%	0.20%
5 year	3.34%	1.39%	0.39%
10 year	3.21%	1.59%	0.68%

As can be seen in Table 2, interest rates increased through 2022 for all terms up to 10 years. The increase in rates from the previous year ranged from 1.62% in the 10-year bond to 4.02% in the one month (T-bill).

The Canadian Dollar and US Dollar exchange rate started at approximately \$1.26 and increased to \$1.35 at year end. Oil started the year at \$77 US per barrel and finished the year at \$83 US per barrel. The GDP rate growth forecast of 1.6% was not achieved for the year. It has been confirmed as an actual -6.8% for 2022. The actual was rectified in the last half of 2022 ending with a +3.4% real GDP growth number.

The Bank of Canada, through 2022, increased the Bank of rate six times starting in April to 4.25% at year end to dampen inflation due to global COVID-19 and variants, supply and price stability, coupled with increasing wage demands. The expectation is for rates to remain at the +4.25%, more or less, for an extended period. The expectation is for inflation to decline and real Growth GDP to be in the 2% to 3% range.

The Future Fund portfolio has significant holdings of high-quality securities. The Fund out-performed its benchmark by 50bps (0.50%) by returning -5.20% through 2022 versus a benchmark of -5.70%. As a strategy going forward, the assumptions are that the economy will recover, COVID-19 will be controlled, a new normal will arrive but not immediately and interest rates will vary only marginally for this coming year.

GB/BT/dt

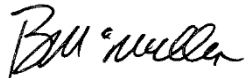
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INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Cemetery Trust Accounts Investment Performance Report – December 31, 2022 (FCS23053) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Gerald T. Boychuk (905) 546-2424 Ext. 4321 Brandon A. Teglas (905) 546-2424 Ext. 4363
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

Not Applicable.

INFORMATION

Over the 12-month period ending December 31, 2022, the earnings rates are 3.01% for the Cemetery Care and Maintenance Trust, 3.32% for the Cemetery Monument Care Trust and 3.09% for the Cemetery Pre-Need Assurance Trust. These earning rates include interest income and bond lending revenue but exclude realized and unrealized capital gains / losses.

Over the same period, the overall returns based on market value (which include interest, lending revenue, realized and unrealized capital gains / losses) are -8.35% for the Cemetery Care and Maintenance, -8.77% for the Cemetery Monument Care and -9.33% for the Cemetery Pre-Need Assurance. The overall return for the benchmark (or Policy return) is -11.69%. As a result, the Cemetery Care and Maintenance out-performed the benchmark by 334 basis points, the Cemetery Monument Care out-performed the benchmark by 292 basis points and the Cemetery Pre-Need Assurance out-performed the benchmark by 236 basis points.

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**SUBJECT: Cemetery Trust Accounts Investment Performance Report –
December 31, 2022 (FCS23053) (City Wide) – Page 2 of 3**

As of December 31, 2022, the total portfolio market values are \$16,101,842 (with \$1,018,870 of net unrealized capital losses) for the Cemetery Care and Maintenance Trust, \$1,324,943 (with \$46,409 of net unrealized capital losses) for the Cemetery Monument Care Trust and \$3,336,127 (with \$213,794 of net unrealized capital losses) for the Cemetery Pre-Need Assurance Trust.

Table 1 shows the investment return indicators.

Table 1 – Investment Return Indicators
(for information purposes only)

	12 Months ended 12/31/2022	12 Months ended 12/31/2021	12 Months ended 12/31/2020
Earnings Rate (Excluding Unrealized Capital Gains or Loss)			
Cemetery Care and Maintenance	3.01%	2.93%	2.98%
Cemetery Monument Care	3.32%	3.17%	3.17%
Cemetery Pre-Need Assurance	3.09%	2.98%	3.01%
Total Return			
Cemetery Care and Maintenance	-8.35%	-1.54%	8.25%
Cemetery Monument Care	-8.77%	-2.26%	9.55%
Cemetery Pre-Need Assurance	-9.33%	-1.98%	9.03%
Policy Target (FTSE TMX Canada Universe Bond)	-11.69%	-2.54%	8.68%
Bond Lending Revenue			
Cemetery Care and Maintenance	\$ 5,461.51	\$ 4,006.38	\$ 3,397.26
Cemetery Monument Care	\$ 695.56	\$ 207.97	\$ 209.69
Cemetery Pre-Need Assurance	\$ 1,451.78	\$ 1,070.98	\$ 712.69
Income Earned*			
Cemetery Care and Maintenance	\$ 436,867	\$ 405,786	\$ 394,102
Cemetery Monument Care	\$ 45,403	\$ 41,374	\$ 39,365
Cemetery Pre-Need Assurance	\$ 107,782	\$ 99,860	\$ 98,499
Ending Portfolio Market Value			
Cemetery Care and Maintenance	\$ 16,101,842	\$ 16,280,578	\$ 13,552,078
Cemetery Monument Care	\$ 1,324,943	\$ 1,501,744	\$ 1,303,879
Cemetery Pre-Need Assurance	\$ 3,366,127	\$ 3,829,992	\$ 3,441,730

*Does not include interest earned in the bank account on balances.

**SUBJECT: Cemetery Trust Accounts Investment Performance Report –
December 31, 2022 (FCS23053) (City Wide) – Page 3 of 3**

The year 2022 started with stable short-term interest rates which remained stable through 2021. The Canadian Bank Rate remained at 0.25% and the United States Bank Rate holding at 0.0% to March 2, 2022. The previous year, 2021, had ended with strengthening growth and inflation which was deemed to be transitory due to international and domestic relief from COVID-19 and the massive financial stimulus of historically low administered rates the Bank of Canada stayed at a rate of 0.25%. By year end 2022, both Canada and the United States showed growth and inflation well beyond 7.0% and interest rates started to rise strongly.

In 2022, a new problem arose. COVID-19 was considered as being under control but the invasion of Ukraine by Russia with trade relations, travel and inter-actions amongst countries increased costs and decreased availability of goods, services, materials and labour. The stimulating actions of both countries had advanced both economies to exceed levels of prior inflationary growth and had caught up to and eclipsed the expected targets of growth reaching double digits in some countries; reaching a high of about +7% in Canada.

The Bank of Canada realized that problems with slowing trade, income and economic growth accompanied by significantly increasing market rates and GDP growth reflects increased inflation as well. They responded March 2 by raising the Bank Rate by 0.25% to 0.50% and continued increasing market rates six times into 2023. This action left the bank rate of 4.25% at year end 2022 accompanied by Quantitative Tightening. Market rates rose to a level closer to normal with unprecedented rapid price changes. This affected all bond and short-term securities, depreciating their values in the short term and impacted all the Cemetery accounts at year end.


The Canada Universe Index benchmark rate for all three Cemetery accounts in 2022 was -11.69%. All funds bettered their benchmarks. The Cemetery Care returned -8.35%, 335 bps bettering the bench mark while the Cemetery Monument returned -8.77%, 292 bps better than the benchmark. The Cemetery Pre-Need returned -9.33%, 236 bps better than the benchmark. As can be seen in the table above the earning rate is positive ranging from 3.01% to 3.32% based on cash income / amortized cost.

Going forward, rates are expected to move up or down depending upon the level of inflation in the GDP movement going forward. The frequency and level that will be required to reach equilibrium rates is expected to move as needed to reduce inflationary aspects and regain a lower, less inflationary growing economy. With COVID-19 and variants acting as a block to recovering lost growth, the strategy will be to slowly add five to 10-year terms depending upon conditions and outlook. Cash holdings as well are likely to be kept at a fairly high level.

GB/BT/dt



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Customer Service and POA Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Proposed Write-off for Provincial Offences (FCS23058) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Francesca Angheloni (905) 546-2424 Ext. 5718
SUBMITTED BY:	Cindy Mercanti Director, Customer Service, POA and Financial Integration Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

That staff be authorized to write-off the following outstanding Provincial Offences fines deemed uncollectible, in the total amount of \$1,162,409.32:

- (a) \$729,194.11 in uncollectible fines with a default date of December 31, 2015 and prior;
- (b) \$2,542.33 in underpayments from April 1, 2022 through March 31, 2023;
- (c) \$430,672.88 in fines held by persons deceased in 2022.

EXECUTIVE SUMMARY

In accordance with the Provincial Offences Administration (POA) Write-off Procedure and the Memorandum of Understanding, POA is requesting that 5,258 records amounting to \$1,162,409.32 be written off. Fines are written off based on the age of the accounts receivable and ability to collect. Files which are seven years or older are identified for write-off consideration. If a fine is written off, it does not absolve a convicted offender from the requirement to pay the fine as debts to the Crown are not forgiven.

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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: Proposed Write-off for Provincial Offences (FCS23058) (City Wide) –
Page 2 of 4**

Reasons that accounts become uncollectible include debtor cannot be located and bankruptcy or business closure.

The approval to write-off these fines will reduce the accounts receivables owing to the City of Hamilton and allow our collection staff to concentrate their efforts in pursuing more recent fines for which there is a higher probable rate of collection.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Accounts Receivable write-offs are reflected as a decrease in Accounts Receivable and an increase in Bad Debt.

Staffing: None

Legal: If approved by Council, staff will advise the Ministry of the Attorney General of this recommendation and request that they be authorized to purge these records from the Ministry database (ICON).

HISTORICAL BACKGROUND

POA utilizes several collection methods which include: internal collection efforts, external collection agencies, tax rolling, garnishment and writs. The value of the receivable falls rapidly as a function of time and the longer the debt has been owed, the less likely POA is to collect.

In 2018, the Province introduced legislation to improve collection efforts (inability to renew plates and drivers' licences for driving-based offences) that has helped encourage payment.

Internal collections were responsible for collecting \$3,554,756 and the external collection agencies collected \$1,052,225 in 2022. This represents an increase in overall collections by the internal staff and the collection agencies of \$126,404 over the 2021 total.

The year-end outstanding receivables balance, including the 2022 proposed write-offs, totalled \$71,312,259.94. Outstanding receivables include new charges (convicted fines) plus defaulted fines.

**SUBJECT: Proposed Write-off for Provincial Offences (FCS23058) (City Wide) –
Page 3 of 4**

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The recommendation follows existing corporate, provincial policies, procedures and standard accounting practices respecting the write-off of uncollectible monies.

RELEVANT CONSULTATION

Internal stakeholders consulted include staff in the departments of Corporate Services and Planning and Economic Development.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

Staff anticipates the amount of the write-offs to be \$729,194.11 in uncollectible fines with a default date of December 31, 2015 and prior and underpayments (pay less than is due) of \$2,542.33 from April 1, 2022 through March 31, 2023. An example of an underpayment would be the fee associated with the Fail to Respond docket. The \$5 fee is added to the balance, however, in the meantime, the fine was paid. There is an additional amount of \$430,672.88 representing persons that were deceased in 2022 that held unpaid fines. The total amount of \$1,162,409.32 includes the Victim Fine Surcharge which is payable to the Province of Ontario.

All offences filed with POA are pursued by way of enforcement if they are not paid by their due date. Enforcement includes suspension of a driver's licence, denial of licence plate renewal, referral to our external collection agency and civil enforcement. Outstanding fines are tracked through our collections database, wherein chronic offenders can be identified, based upon criteria that anyone with more than three offences in a one-year period is classified as chronic.

The approval to write-off these fines will reduce the accounts receivables owing to the City of Hamilton and allow our collection staff to concentrate their efforts in pursuing more recent fines for which there is a higher probable rate of collection. After writing off the proposed amount of \$1,162,409.32, the remaining outstanding accounts receivables balance will be \$70,149,850.62.

POA is requesting that 5,258 records amounting to \$1,162,409.32 be written off. Fines are written off based on the age of the accounts receivable and ability to collect. If a fine is written off, it does not absolve a convicted offender from the requirement to pay the fine, as debts to the Crown are not forgiven. Files can be re-activated in ICON if a payment is received.

**SUBJECT: Proposed Write-off for Provincial Offences (FCS23058) (City Wide) –
Page 4 of 4**

Write Off History

	# of Files	\$ Written Off	Year End Outstanding Balance
2018	5,581	\$1,173,573	\$69,937,030
2019	5,739	\$1,385,639	\$71,744,079
2020	6,068	\$1,626,850	\$68,854,632
2021	8,815	\$2,889,903	\$69,938,054
2022	5,258	\$1,162,409	\$70,149,851

ALTERNATIVES FOR CONSIDERATION

The Ministry of the Attorney General has issued a directive to all POA offices in the Province to establish and maintain write-off policies and procedures. Given the Council approved write-off procedure, there are no alternatives for consideration.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Our People and Performance

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


APPENDICES AND SCHEDULES ATTACHED

None.

FA/dt



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning, Administration and Policy Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Capital Project Closing Report as of December 31, 2022 (FCS22079(b)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Marcin Zukowski (905) 546-2424 Ext. 2162 Duncan Robertson (905) 546-2424 Ext. 4744
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the General Manager, Finance and Corporate Services, be authorized to transfer a net amount of \$205,636.16 to the Unallocated Capital Levy Reserve (108020) and a net amount of \$13,933,760.30 to other reserves as outlined in Appendix "A" to Report FCS22079(b);
- (b) That the General Manager, Finance and Corporate Services, be directed to close the completed and / or cancelled capital projects listed in Appendix "B" to Report FCS22079(b) in accordance with the Capital Projects Closing and Monitoring Policy;
- (c) That Appendix "C" to Report FCS22079(b), Capital Projects Budget Appropriations for the period covering October 1, 2022 through December 31, 2022, be received as information;
- (d) That Appendix "D" to Report FCS22079(b) Capital Projects Budget Appropriations of \$250,000 or greater and Capital Project Reserve Funding Requiring Council Approval, be approved;
- (e) That the financing plan amendments recommending exchanges of municipal levy funding and Canada Community-Building Fund due to eligibility constraints, outlined in Appendix "E" to Report FCS22079(b) Capital Projects Budget Appropriations between Current Contributions and Canada Community-Building Fund resulting in a net zero budget adjustment, be approved.

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**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 2 of 9**

EXECUTIVE SUMMARY

Report FCS22079(b) presents the capital projects that have been completed or cancelled as of December 31, 2022. In addition, Report FCS22079(b) provides historical information and recommendations for capital budget appropriations in accordance with the Capital Projects Monitoring Policy and Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy (Report FCS14031).

Appendix “A” to Report FCS22079(b) summarizes net transfers to and from reserves as a result of completed or cancelled projects for the period covering October 1, 2022 through December 31, 2022, as well as, highlights the net impact on the Unallocated Capital Levy Reserve and other capital reserves.

Appendix “B” to Report FCS22079(b) lists the individual projects to be closed. A total of 166 projects with a combined budget of \$144,264,487.20 are being recommended for closure and are summarized as follows:

- \$11,646,215.61 relating to 13 completed projects funded from the Capital Levy which result in a net surplus amount of \$205,636.16 to be returned to the Unallocated Capital Levy Reserve (108020);
- \$48,025,057.53 relating to 57 completed projects funded from other program specific reserves in a net position, which require a net amount of \$13,933,760.30 being returned to reserves;
- \$740,000 relating to one cancelled or delayed projects; and
- \$83,853,214.06 relating to 95 projects completed on or under budget that do not impact reserves.

All capital projects listed for closure in Appendix “B” to Report FCS22079(b) have been reviewed and determined to be complete, with all revenue and expenditure transactions relating to these projects having been processed. Any funding adjustments necessary to close the projects in accordance with the Capital Projects Closing and Monitoring Policy (Report FCS05044, Report FCS07081(a) and Report FCS14031) are reflected in the amounts presented.

Appendix “C” to Report FCS22079(b) lists the appropriation of funds between capital projects, totalling \$720,712 for the period covering October 1, 2022 through December 31, 2022 in accordance with the Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy (Report FCS14031).

Appendix “D” to Report FCS22079(b) lists all the capital project(s) budget appropriations of \$250,000 or greater and work-in-progress capital projects requiring funding from reserves that require Council approval.

**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 3 of 9**

Appendix “E” to Report FCS22079(b) lists recommended budget adjustments that require Council’s approval in order to exchange Canada Community-Building Fund revenues with municipal funding due to eligibility restrictions on expenditures under the Canada Community-Building Fund Agreement. The net impact of the budget transfers is zero. Destination projects have sufficient expenditures to fit the eligibility requirements under the Canada Community-Building Fund program.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: As outlined in Appendix “A” to Report FCS22079(b) and summarized in Table 1, a total of \$205,636.16 to be transferred to the Unallocated Capital Levy Reserve. The Unallocated Capital Levy Reserve (108020) will have a projected year-end 2023 uncommitted balance of \$23.2M once the transfers are completed.

Table 1
City of Hamilton
Capital Project Closings
As of December 31, 2022
Unallocated Capital Levy Reserve (108020)

Year Approved	ProjectID	Description	Surplus/ (Deficit)
Projects returning funds			
2015	7101554510	Dundas J.L.Grightmire Arena Renovation	\$ 33,136.21
2018	5301885804	Bus Stop Shelter Rehabilitation	\$ 5,299.92
2019	3501957909	IT Strategy - Strategic Theme Integrated & Conne	\$ 48,781.58
2019	3541959100	FA1901	\$ 24,320.19
2019	4031911019	Asset Preservation - Buchanan Neighbourhood	\$ 17.78
2019	4401955600	Parks Testing and Reporting	\$ 3,876.34
2020	3382055001	Community Benefits Strategy & By-law	\$ 48,366.43
2020	4662020020	New Traffic Signal - Rymal Road at Arrowhead Dr	\$ 3,277.83
2020	5302084003	Renaming the MacNab Terminal	\$ 4,742.02
2021	3542141001	Farmers' Market Security Enhancements and Infra:	\$ 15,087.56
2021	3722141805	Program HCC, FOCH & FOC Lifecycle Renewal	\$ 9,816.05
2021	4662141105	Repaving of 1375 Upper Ottawa rear lot	\$ 3,327.81
2021	5122151101	Waste Collection Packer DriveCam Camera Upgr:	\$ 5,586.44
Net impact to the Unallocated Capital Levy Reserve			\$ 205,636.16

As outlined in Appendix “A” to Report FCS22079(b) and summarized in Table 2, a net total of \$13,933,760.30 in funding will be returned to other reserves for projects that were submitted for closure in a surplus position.

**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 4 of 9**

Table 2
City of Hamilton
Capital Project Closings
As of December 31, 2022
Impacting Reserves and Capital Projects

	Reserve	Surplus/ (Deficit)
Required funding		
	110046 - Tax Stabilization	(80,260.09)
	108010 - Storm Sewer Capital Reserve	(59,575.65)
	108045 - Public Transit Capital Funds	(2,200.25)
		\$ (142,035.99)
Funds returning		
	100035 - Property Purchases	1,733,711.10
	108005 - Sanitary Sewer Capital Reserve	8,751,048.85
	108010 - Storm Sewer Capital Reserve	298,628.05
	108015 - Waterworks Capital Reserve	1,090,480.54
	108051 - Ward 1 Special Capital Re-investment	155,246.33
	108052 - Ward 2 Special Capital Re-investment	232,004.14
	108053 - Ward 3 Special Capital Re-investment	141,539.94
	108055 - Ward 5 Special Capital Re-investment	201,128.04
	108056 - Ward 6 Special Capital Re-investment	542.32
	108057 - Ward 7 Special Capital Re-investment	276,081.17
	108058 - Ward 8 Special Capital Re-investment	161,524.23
	108064 - Ward 14 Special Capital Re-investment	142,680.72
	110046 - Tax Stabilization	310,763.46
	112271 - WM Facilities-Replace-Upgrade	370,722.20
	112272 - Energy Conservation Initiatives	47,250.10
	117036 - Scr Compens Royalties	20,900.85
	DC Reserves	141,544.25
		\$ 14,075,796.29
Net impact to Other Program Specific Reserves		\$ 13,933,760.30

Appendix "C" to Report FCS22079(b) details the appropriations between capital projects that have been processed during the period covering October 1, 2022 through December 31, 2022. The list includes transfers that are below \$250,000 and have been approved by either the General Manager (up to \$100,000) or the City Manager (up to \$250,000). A total of \$720,712 was moved between capital projects in compliance with the Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy, as summarized in Table 3.

**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 5 of 9**

Table 3
City of Hamilton
Capital Project Appropriations
As of December 31, 2022
Transfers by Department

Department	Amount
Tax Supported Capital Budget	
Planning & Economic Development	\$ 317,000.00
Public Works - Tax Funded	\$ 403,712.37
Total	<u>\$ 720,712.37</u>

Appendix “D” to Report FCS22079(b) lists all the capital projects requiring Council approval to transfer funds from other capital projects of \$250,000 or greater. The number of projects and the requested transfer amounts are summarized in Table 4.

Table 4
City of Hamilton
Capital Projects Budget Appropriation Transfers
of \$250,000 or greater requiring approval and Reserve Funding

Description	Projects/ Transfers From	Projects/ Transfers To	Amount
Public Works-Tax Funded	1	1	\$ 359,509.50
Total			<u>\$ 359,509.50</u>

Appendix “E” to Report FCS22079(b) lists recommended budget adjustments that require Council’s approval in order to exchange Canada Community-Building Fund revenues with municipal funding due to eligibility restrictions on expenditures under the Canada Community-Building Fund Agreement. The net impact of the budget transfers is zero – destination projects have sufficient expenditures to fit the eligibility requirements under the Canada Community-Building Fund program.

Staffing: N/A

Legal: N/A

**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 6 of 9**

HISTORICAL BACKGROUND

The Capital Status and Capital Project Closing reports are submitted to City Council three times a year at June 30, September 30 and December 31.

On July 8, 2022, Council approved the Governance Review Sub-Committee recommendation to disband Capital Projects Work In-Progress Review Sub-Committee (Report FCS22056) and that future status updates on capital works in progress be communicated through Information Updates to Council and that Capital Closing Reports be submitted through the Audit, Finance and Administration Committee.

Preparation of the Capital Projects Closing Report is the responsibility of the Financial Planning, Administration and Policy Division with the objective of ensuring suitable controls are maintained, projects are appropriately closed and to centralize the function.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The submission of the Capital Projects Closing Report is a requirement of the City's Capital Closing Policy Reports (Reports FCS05044 and FCS07081(a)) and Capital Projects Monitoring Policy Report (Report FCS14031).

The City's Capital Closing Policy (Reports FCS05044 / FCS07081(a)) states:

- i) That any approved Capital project, whose construction stage has not begun after three years, be closed and be re-submitted to Council for approval.
- ii) That any closing surplus or deficit be distributed as follows:
 1. Surplus:
 - a) If funded from a specific reserve, return funds to that reserve.
 - b) If funded from debentures, apply to reduce future debenture requirements.
 - c) If funded from current contribution, apply to the Unallocated Capital Levy Reserve or apply to reduce Outstanding Debt.
 2. Deficit:
 - a) If funded from a specific reserve, fund from that reserve.
 - b) If funded from debentures, increase future debenture requirements only if no other source of financing is available.
 - c) If funded from current contribution, fund from the Unallocated Capital Levy Reserve.

The City's Capital Projects Monitoring Policy and Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy (Report FCS14031), as amended by Council on May 14, 2014, states:

**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 7 of 9**

- i) That a Capital Projects Status Report be submitted by departments three times a year as of June 30, September 30 and December 31.
- ii) That a Capital Projects Closing Report be compiled by Corporate Services Department and submitted to the Audit, Finance and Administration Committee three times a year as of June 30, September 30 and December 31.
- iii) That unfavourable project variances be funded according to the Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy. If available funding cannot be found within the limits of the Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy, a report explaining the variance and recommending a source of funding be submitted to the appropriate Committee of Council for approval.
- iv) Approval authority for the re-appropriation of funds in each financial year be at the same levels as the City's Procurement Policy:
 1. Council must approve appropriations of \$250,000 or greater
 2. City Manager or designate must approve appropriations greater than \$100,000 and less than \$250,000
 3. General Managers or delegated staff be authorized to approve appropriations up to \$100,000

RELEVANT CONSULTATION

Staff from the following departments, boards and / or agencies submitted the included capital projects for closure:

- Public Works Department
- Planning and Economic Development Department
- Corporate Services Department
- Healthy and Safe Communities Department

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

For each Capital Project Status Report, staff determines if projects can be closed (inactivated) and monitors the financial activity to ensure that Council is aware of any capital projects that deviate significantly from the approved budgeted amounts. In Table 2, the return of \$8.7 M to the Sanitary Sewer Capital Reserve (108005) includes a surplus of \$7.8 M in Pier 25 Dredging – Windermere Project 5162068851. Through collaborative work with The Hamilton-Oshawa Port Authority (HOPA), a significant disposal cost was avoided by repurposing of the landfill material in the Randle Reef project.

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**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 8 of 9**

Once projects have been determined to be complete or cancelled, they are submitted by departments to Financial Planning, Administration and Policy for inclusion in the Capital Projects Closing Report. These submissions are reviewed by Financial Planning, Administration and Policy to ensure transactions are finalized, all purchase orders are closed, and a funding source is identified, where necessary.

Inactivating completed projects helps to keep the number of capital projects in the financial system to a manageable size and eliminates redundant data from reports. More importantly, it ensures that projects which are complete and / or no longer required do not unnecessarily tie up budget resources that could be re-directed to other needs / capital projects.

Appendix “D” to Report FCS22079(b) includes capital project budget appropriation requests to transfer funds of \$250,000 or greater from other projects and funding from reserves requiring Council approval as per the Capital Projects’ Budget Appropriation and Work-in-Progress Transfer Policy and Reserve Policies. The requests total \$359,509.50.

Appendix “E” to Report FCS22079(b) lists recommended capital project budget adjustments that require Council’s approval in order to exchange Canada Community-Building Fund revenues with municipal funding due to eligibility restrictions on specific expenditures under the Canada Community-Building Fund Agreement. The net impact of the budget transfers is zero. Destination projects have sufficient expenditures to fit the eligibility requirements under the Canada Community-Building Fund program.

ALTERNATIVES FOR CONSIDERATION

Not applicable.

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.

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.

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**SUBJECT: Capital Project Closing Report as of December 31, 2022 (FCS22079(b))
(City Wide) – Page 9 of 9**

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS22079(b) – Capital Project Closings as of December 31, 2022 - Projects Impacting the Unallocated Capital Levy Reserve and Other Sources

Appendix “B” to Report FCS22079(b) – Capital Projects Closing Schedule as of December 31, 2022

Appendix “C” to Report FCS22079(b) – Capital Projects Budget Appropriation Schedule for the Period Covering October 1, 2022 through December 31, 2022

Appendix “D” to Report FCS22079(b) – Capital Projects Budget Appropriations of \$250,000 or greater and Capital Project Reserve Funding Requiring Council Approval

Appendix “E” to Report FCS22079(b) – Capital Projects Budget Appropriations between Current Contributions and Canada Community-Building Fund Requiring Council Approval

MZ/dt

CITY OF HAMILTON CAPITAL PROJECT CLOSINGS AS OF DECEMBER 31, 2022						
Projects impacting the Unallocated Capital Levy Reserve and Other Sources						
Year	ProjectID	Description	Surplus/ (Deficit) (\$)	Reserve	Description	
Approved						

Projects impacting the Unallocated Capital Levy Reserve

Projects returning funds

2015	7101554510	Dundas J.L.Grightmire Arena Renovation	33,136.21	108020	Unalloc Capital Levy
2018	5301885804	Bus Stop Shelter Rehabilitation	5,299.92	108020	Unalloc Capital Levy
2019	3501957909	IT Strategy - Strategic Theme Integrated & Connected	48,781.58	108020	Unalloc Capital Levy
2019	3541959100	FA1901	24,320.19	108020	Unalloc Capital Levy
2019	4031911019	Asset Preservation - Buchanan Neighbourhood	17.78	108020	Unalloc Capital Levy
2019	4401955600	Parks Testing and Reporting	3,876.34	108020	Unalloc Capital Levy
2020	3382055001	Community Benefits Strategy & By-law	48,366.43	108020	Unalloc Capital Levy
2020	4662020020	New Traffic Signal - Rymal Road at Arrowhead Drive	3,277.83	108020	Unalloc Capital Levy
2020	5302084003	Renaming the MacNab Terminal	4,742.02	108020	Unalloc Capital Levy
2021	3542141001	Farmers' Market Security Enhancements and Infrastructure	15,087.56	108020	Unalloc Capital Levy
2021	3722141805	Program HCC, FOCH & FOC Lifecycle Renewal	9,816.05	108020	Unalloc Capital Levy
2021	4662141105	Repaving of 1375 Upper Ottawa rear lot	3,327.81	108020	Unalloc Capital Levy
2021	5122151101	Waste Collection Packer DriveCam Camera Upgrade	5,586.44	108020	Unalloc Capital Levy

Net impact to the Unallocated Capital Levy Reserve

205,636.16

Projects impacting Other Reserves

Projects requiring funds

2016	4401656620	RE1600	(80,260.09)	110046	Tax Stabilization
2016	5181655421	SERG - Stormwater System Planning	(59,575.65)	108010	Storm Sewer Capital Reserve
2018	5301985804	Bus Stop Shelter Rehabilitation	(2,200.25)	108045	Public Transit Capital Funds

(142,035.99)

Projects returning funds

2012	3301909100	Ward 1 Capital Reinvestment	7,000.00	108051	Ward 1 Special Capital Re-investment
2012	3301809100	Ward 1 Capital Reinvestment	77,541.25	108051	Ward 1 Special Capital Re-investment
2012	3301709100	Ward 1 Capital Reinvestment	43,075.18	108051	Ward 1 Special Capital Re-investment
2016	4241609111	Kirkendall Neighbourhood Plan	10,442.64	108051	Ward 1 Special Capital Re-investment
2021	4242109103	Victoria Park Play Equipment	17,187.26	108051	Ward 1 Special Capital Re-investment
2012	3301809200	Ward 2 Capital Reinvestment	47,540.85	108052	Ward 2 Special Capital Re-investment
2016	7101854810	Durand Washroom Facility	73,577.28	108052	Ward 2 Special Capital Re-investment

CITY OF HAMILTON CAPITAL PROJECT CLOSINGS AS OF DECEMBER 31, 2022					
Projects impacting the Unallocated Capital Levy Reserve and Other Sources					
Year	ProjectID	Description	Surplus/ (Deficit) (\$)	Reserve	Description
Approved					
2018	4241809213	James Art Crawl Sidewalk	54,201.03	108052	Ward 2 Special Capital Re-investment
2019	4241909223	James St Conductor	2,158.04	108052	Ward 2 Special Capital Re-investment
2019	4241909211	Central Corktown Duran Solar	54,526.94	108052	Ward 2 Special Capital Re-investment
2012	3301809300	Ward 3 Capital Reinvestment	45,000.00	108053	Ward 3 Special Capital Re-investment
2012	3301709300	Ward 3 Capital Reinvestment	79,031.29	108053	Ward 3 Special Capital Re-investment
2021	4242109302	Haywood Park play structure	17,508.65	108053	Ward 3 Special Capital Re-investment
2012	3301909500	Ward 5 Capital Reinvestment	49,868.40	108055	Ward 5 Special Capital Re-investment
2012	3302009500	Ward 5 Capital Reinvestment	100,000.00	108055	Ward 5 Special Capital Re-investment
2012	3301809500	Ward 5 Capital Reinvestment	50,736.74	108055	Ward 5 Special Capital Re-investment
2012	3301709500	Ward 5 Capital Reinvestment	522.90	108055	Ward 5 Special Capital Re-investment
2017	3301709600	Ward 6 Capital Reinvestment	542.32	108056	Ward 6 Special Capital Re-investment
2012	3302009700	Ward 7 Capital Reinvestment	74,712.94	108057	Ward 7 Special Capital Re-investment
2012	3301809700	Ward 7 Capital Reinvestment	12,793.79	108057	Ward 7 Special Capital Re-investment
2012	3301509700	Ward 7 Capital Reinvestment	85,410.42	108057	Ward 7 Special Capital Re-investment
2012	3301709700	Ward 7 Capital Reinvestment	54,004.78	108057	Ward 7 Special Capital Re-investment
2021	4242009702	Speed cushions	41,175.72	108057	Ward 7 Special Capital Re-investment
2022	4242209703	W7 Speed Cushions - Berko Ave	7,983.52	108057	Ward 7 Special Capital Re-investment
2012	3301909800	Ward 8 Capital Reinvestment	44,718.37	108058	Ward 8 Special Capital Re-investment
2012	3301709800	Ward 8 Capital Reinvestment	16,805.86	108058	Ward 8 Special Capital Re-investment
2022	4242209805	Rolston Dr - Road and Sidewalk	100,000.00	108058	Ward 8 Special Capital Re-investment
2019	3302009014	Ward 14 Capital Reinvestment	100,000.00	108064	Ward 14 Special Capital Re-investment
2019	3301909014	Ward 14 Capital Reinvestment	42,680.72	108064	Ward 14 Special Capital Re-investment
2022	3562250201	Confidential - RE2201-2021050	1,733,711.10	100035	Property Purchases
2012	3501357302	Common Address Database	276,239.53	110046	Tax Stabilization
2018	3501957903	IT Strategy - Strategic Theme Mobility	21,731.15	110046	Tax Stabilization
2021	3502157103	Dispatch Software Fire - CAD	12,792.78	110046	Tax Stabilization
2014	5121449002	CCF Air Handling-Odour Control	370,722.20	112271	WM Facilities-Replace-Upgrade
2020	7902049002	2020 Hamilton City Hall Lighting Upgrade to LEDs	47,250.10	112272	Energy Conservation Initiatives
2022	4662220212	Speed Bump Fletcher & Mistywood	20,900.85	117036	Scr Compens Royalties
2015	5161567564	HC005 - Schedule C EA	666,622.91	108005	Sanitary Sewer Capital Reserve
2018	5162068851	Pier 25 Dredging - Windermere	7,834,440.16	108005	Sanitary Sewer Capital Reserve
2019	5161960942	Ancaster Sewage Pipeline Rehab	509.30	108005	Sanitary Sewer Capital Reserve
2020	5162060044	Battlefield Crk Trunk Cleaning	248,976.48	108005	Sanitary Sewer Capital Reserve
2022	5162280280	Dewitt Road Sanitary Sewer	500.00	108005	Sanitary Sewer Capital Reserve
2019	5181917152	Roadside Drainage Improvements	796.65	108010	Storm Sewer Capital Reserve
2020	5182049555	QA-QC Service Contract 2020	195,000.00	108010	Storm Sewer Capital Reserve
2021	5182168651	Windermere Basin Shore Rehab	102,831.40	108010	Storm Sewer Capital Reserve
2014	5141455425	Concrete Pipe Condition Assess	198,877.15	108015	Waterworks Capital Reserve
2015	5141555010	Water Systems Planning	41,842.61	108015	Waterworks Capital Reserve

CITY OF HAMILTON CAPITAL PROJECT CLOSINGS AS OF DECEMBER 31, 2022						
Projects impacting the Unallocated Capital Levy Reserve and Other Sources						
Year Approved	ProjectID	Description	Surplus/ (Deficit) (\$)	Reserve	Description	
2016	5141667422	Osler Road HD011 WPS	131,428.64	108015	Waterworks Capital Reserve	
2021	5142160074	CIPP Urgent&Sensitive Crossing	5,782.10	108015	Waterworks Capital Reserve	
2021	5142166578	Waterdown Private Well Study	72,301.46	108015	Waterworks Capital Reserve	
2021	5142155122	Woodward-Greenhill Inspection	4,638.47	108015	Waterworks Capital Reserve	
2021	5142155022	Engineering Consultants	635,610.11	108015	Waterworks Capital Reserve	
2011	4401256126	Shaver Estates Trail	108,350.82	DC Allocation		
2015	4401856812	Spencer Creek Estates (13)	20,664.39	DC Allocation		
2016	4031780180	Mohawk – McNiven to Hwy 403	12,529.04	DC Allocation		
			14,075,796.29			
Net impact to Other Reserves			13,933,760.30			
Total Net impact to the Unallocated Capital Levy Reserve & Other Reserves			14,139,396.46			

CITY OF HAMILTON
CAPITAL PROJECTS' CLOSING SCHEDULE
AS OF DECEMBER 31, 2022

YEAR APPROVED	PROJECT ID	DESCRIPTION	APPROVED BUDGET (\$)	REVENUES (\$)	EXPENDITURES (\$)	PROJECT SURPLUS/ (DEFICIT) (\$)	%
			a	b	c	d = b - c	e=c/a
UNALLOCATED CAPITAL LEVY RESERVE							
2019	4031911019	Asset Preservation - Buchanan Neighbourhood	1,706,000.00	1,705,958.93	1,705,941.15	17.78	100.0%
2020	4662020020	New Traffic Signal - Rymal Road at Arrowhead Drive	180,000.00	163,577.56	160,299.73	3,277.83	89.1%
2021	4662141105	Repaving of 1375 Upper Ottawa rear lot	100,000.00	100,000.00	96,672.19	3,327.81	96.7%
2019	4401955600	Parks Testing and Reporting	46,636.78	46,636.78	42,760.44	3,876.34	91.7%
2020	5302084003	Renaming the MacNab Terminal	37,000.00	37,000.00	32,257.98	4,742.02	87.2%
2018	5301885804	Bus Stop Shelter Rehabilitation	125,000.00	125,000.00	119,700.08	5,299.92	95.8%
2021	5122151101	Waste Collection Packer DriveCam Camera Upgrade	44,128.83	44,128.83	38,542.39	5,586.44	87.3%
2021	3722141805	Program HCC, FOCH & FOC Lifecycle Renewal	120,000.00	120,000.00	110,183.95	9,816.05	91.8%
2021	3542141001	Farmers' Market Security Enhancements and Infrastructure	98,450.00	98,450.00	83,362.44	15,087.56	84.7%
2019	3541959100	FA1901	1,669,000.00	1,669,000.00	1,644,679.81	24,320.19	98.5%
2015	7101554510	Dundas J.L.Grightmire Arena Renovation	7,000,000.00	7,047,900.00	7,014,763.79	33,136.21	100.2%
2020	3382055001	Community Benefits Strategy & By-law	225,000.00	225,000.00	176,633.57	48,366.43	78.5%
2019	3501957909	IT Strategy - Strategic Theme Integrated & Connected	295,000.00	295,000.00	246,218.42	48,781.58	83.5%
TOTAL FUNDS FROM UNALLOCATED CAPITAL LEVY (13)			11,646,215.61	11,677,652.10	11,472,015.94	205,636.16	98.5%
OTHER PROGRAM SPECIFIC RESERVES							
2018	5301985804	Bus Stop Shelter Rehabilitation	125,000.00	125,000.00	127,200.25	(2,200.25)	101.8%
2016	4401656620	RE1600	356,725.16	356,725.16	436,985.25	(80,260.09)	122.5%
2016	5181655421	SERG - Stormwater System Planning	280,000.00	280,000.00	339,575.65	(59,575.65)	121.3%
2012	3301909100	Ward 1 Capital Reinvestment	14,888.80	14,888.80	7,888.80	7,000.00	53.0%
2012	3301809100	Ward 1 Capital Reinvestment	100,000.00	100,000.00	22,458.75	77,541.25	22.5%
2012	3301709100	Ward 1 Capital Reinvestment	100,000.00	100,000.00	56,924.82	43,075.18	56.9%
2016	4241609111	Kirkendall Neighbourhood Plan	125,000.00	125,000.00	114,557.36	10,442.64	91.6%
2021	4242109103	Victoria Park Play Equipment	65,000.00	65,000.00	47,812.74	17,187.26	73.6%
2012	3301809200	Ward 2 Capital Reinvestment	100,000.00	100,000.00	52,459.15	47,540.85	52.5%
2016	7101854810	Durand Washroom Facility	333,000.00	333,000.00	259,422.72	73,577.28	77.9%
2018	4241809213	James Art Crawl Sidewalk	57,504.00	57,504.00	3,302.97	54,201.03	5.7%
2019	4241909223	James St Conductor	21,696.00	21,696.00	19,537.96	2,158.04	90.1%
2019	4241909211	Central Corktown Duran Solar	105,000.00	105,000.00	50,473.06	54,526.94	48.1%
2012	3301809300	Ward 3 Capital Reinvestment	100,000.00	50,000.00	5,000.00	45,000.00	5.0%
2012	3301709300	Ward 3 Capital Reinvestment	100,000.00	100,000.00	20,968.71	79,031.29	21.0%
2021	4242109302	Haywood Park play structure	65,000.00	65,000.00	47,491.35	17,508.65	73.1%
2012	3301909500	Ward 5 Capital Reinvestment	100,000.00	100,000.00	50,131.60	49,868.40	50.1%
2012	3302009500	Ward 5 Capital Reinvestment	100,000.00	100,000.00	-	100,000.00	0.0%
2012	3301809500	Ward 5 Capital Reinvestment	100,000.00	100,000.00	49,263.26	50,736.74	49.3%
2012	3301709500	Ward 5 Capital Reinvestment	100,000.00	100,000.00	99,477.10	522.90	99.5%
2017	3301709600	Ward 6 Capital Reinvestment	100,000.00	99,914.87	99,372.55	542.32	99.4%
2012	3302009700	Ward 7 Capital Reinvestment	100,000.00	100,000.00	25,287.06	74,712.94	25.3%
2012	3301809700	Ward 7 Capital Reinvestment	85,318.00	35,496.00	22,702.21	12,793.79	48.3%
2012	3301509700	Ward 7 Capital Reinvestment	100,000.00	100,000.00	14,589.58	85,410.42	14.6%
2012	3301709700	Ward 7 Capital Reinvestment	100,000.00	100,000.00	45,995.22	54,004.78	46.0%
2021	4242009702	Speed cushions	50,500.00	50,500.00	9,324.28	41,175.72	18.5%
2022	4242209703	W7 Speed Cushions - Berko Ave	14,000.00	14,000.00	6,016.48	7,983.52	43.0%
2012	3301909800	Ward 8 Capital Reinvestment	61,358.69	61,358.69	16,640.32	44,718.37	27.1%
2012	3301709800	Ward 8 Capital Reinvestment	100,000.00	50,000.00	33,194.14	16,805.86	33.2%
2022	4242209805	Rolston Dr - Road and Sidewalk	100,000.00	100,000.00	0.00	100,000.00	0.0%
2019	3302009014	Ward 14 Capital Reinvestment	100,000.00	100,000.00	0.00	100,000.00	0.0%
2019	3301909014	Ward 14 Capital Reinvestment	100,000.00	100,000.00	57,319.28	42,680.72	57.3%
2022	3562250201	Confidential - RE2201-2021050	7,591,443.00	7,591,443.00	5,857,731.90	1,733,711.10	77.2%
2012	3501357302	Common Address Database	1,555,000.00	1,555,000.00	1,278,760.47	276,239.53	82.2%
2018	3501957903	IT Strategy - Strategic Theme Mobility	100,000.00	100,000.00	78,268.85	21,731.15	78.3%
2021	3502157103	Dispatch Software Fire - CAD	250,000.00	250,000.00	237,207.22	12,792.78	94.9%
2014	5121449002	CCF Air Handling-Odour Control	1,151,000.00	721,676.50	350,954.30	370,722.20	30.5%

CITY OF HAMILTON
CAPITAL PROJECTS' CLOSING SCHEDULE
AS OF DECEMBER 31, 2022

YEAR APPROVED	PROJECT ID	DESCRIPTION	APPROVED BUDGET (\$)	REVENUES (\$)	EXPENDITURES (\$)	PROJECT SURPLUS/ (DEFICIT) (\$)	%
			a	b	c	d = b - c	e=c/a
2020	7902049002	2020 Hamilton City Hall Lighting Upgrade to LEDs	499,000.00	496,128.00	448,877.90	47,250.10	90.0%
2022	4662220212	Speed Bump Fletcher & Mistywood	36,000.00	36,000.00	15,099.15	20,900.85	41.9%
2015	5161567564	HC005 - Schedule C EA	990,000.00	990,000.00	323,377.09	666,622.91	32.7%
2018	5162068851	Pier 25 Dredging - Windermere	13,700,000.00	13,700,000.00	5,865,559.84	7,834,440.16	42.8%
2019	5161960942	Ancaster Sewage Pipeline Rehab	6,372,000.00	6,372,000.00	6,371,490.70	509.30	100.0%
2020	5162060044	Battlefield Crk Trunk Cleaning	250,000.00	250,000.00	1,023.52	248,976.48	0.4%
2022	5162280280	Dewitt Road Sanitary Sewer	500,500.00	500.00	0.00	500.00	0.0%
2019	5181917152	Roadside Drainage Improvements	1,192,754.00	1,193,550.65	1,192,754.00	796.65	100.0%
2020	5182049555	QA-QC Service Contract 2020	195,000.00	195,000.00	0.00	195,000.00	0.0%
2021	5182168651	Windermere Basin Shore Rehab	170,000.00	170,000.00	67,168.60	102,831.40	39.5%
2014	5141455425	Concrete Pipe Condition Assess	2,771,302.88	2,771,302.88	2,572,425.73	198,877.15	92.8%
2015	5141555010	Water Systems Planning	450,000.00	450,000.00	408,157.39	41,842.61	90.7%
2016	5141667422	Osler Road HD011 WPS	2,569,000.00	2,568,999.92	2,437,571.29	131,428.63	94.9%
2021	5142160074	CIPP Urgent&Sensitive Crossing	800,000.00	800,000.00	794,217.90	5,782.10	99.3%
2021	5142166578	Waterdown Private Well Study	100,000.00	100,000.00	27,698.54	72,301.46	27.7%
2021	5142155122	Woodward-Greenhill Inspection	350,000.00	350,000.00	345,361.53	4,638.47	98.7%
2021	5142155022	Engineering Consultants	700,000.00	700,000.00	64,389.89	635,610.11	9.2%
2012	4401256126	Shaver Estates Trail	1,832,067.00	1,832,051.82	1,723,701.00	108,350.82	94.1%
2018	4401856812	Spencer Creek Estates (13)	290,000.00	290,000.00	269,335.61	20,664.39	92.9%
2017	4031780180	Mohawk - McNiven to Hwy 403	150,000.00	150,000.00	137,470.96	12,529.05	91.6%
TOTAL FUNDS TO PROGRAM SPECIFIC RESERVES (57)			48,025,057.53	46,943,736.29	33,009,976.00	13,933,760.30	68.7%
DELAYED/CANCELLED PROJECTS							
2017	5301785702	Express Bus (L-A-S-T Lines) Enhanced Passenger Amenities	740,000.00	0.00	0.00	0.00	0.0%
TOTAL DELAYED/CANCELLED PROJECTS (1)			740,000.00	0.00	0.00	0.00	0.0%
COMPLETED PROJECTS							
CORPORATE SERVICES DEPARTMENT(Tax Budget)							
Councillor Infrastructure Program							
2012	3302009400	Ward 4 Capital Reinvestment	0.00	0.00	0.00	0.00	0.0%
2012	3301809600	Ward 6 Capital Reinvestment	100,000.00	100,085.13	100,085.13	0.00	100.1%
2012	3301909700	Ward 7 Capital Reinvestment	100,000.00	103,126.51	103,126.51	0.00	103.1%
2012	3301809800	Ward 8 Capital Reinvestment	100,000.00	51,550.00	51,550.00	0.00	51.6%
2019	4241909227	125 Barton Accessible Door	70,000.00	70,000.00	70,000.00	0.00	100.0%
2019	4241909224	String Light John James	5,500.00	5,500.00	5,500.00	0.00	100.0%
2021	4242009405	Kenilworth-Roxborough - Barton	550,000.00	552,439.02	552,439.02	0.00	100.4%
OUTSIDE BOARDS AND AGENCIES (Tax Budget)							
City Housing							
2016	4241609210	185 Jackson Hallway Reno	20,000.00	20,000.00	20,000.00	0.00	100.0%
2022	4242209208	CHH Key Cards	7,945.04	7,945.04	7,945.04	0.00	100.0%
2015	6182041602	City Housing Contribution	500,000.00	500,000.00	500,000.00	0.00	100.0%
Healthy & Safe Communities (Tax Budget)							
Housing Services							
2019	6731941114	COCHI - New Build Yr 3	846,414.00	846,414.00	846,414.00	0.00	100.0%
2020	6732141102	COVID19-CHPI SSRF Holdback	6,204,023.00	5,000,000.00	5,000,000.00	0.00	80.6%
2019	6731941921	OPHI - Rental Housing	5,088,575.00	5,088,575.00	5,088,575.00	0.00	100.0%
2019	6731941021	OPHI-Rental Housing Yr 2	297,770.00	297,770.55	297,770.55	0.00	100.0%
2019	6731941116	COCHI - Yr 3 Residual Admin	51,400.00	51,400.00	51,400.00	0.00	100.0%
Planning & Economic Development (Tax Budget)							
Growth Management & Economic Development							
2021	4142146101	630 Trinity City Share	98,140.00	88,378.73	88,378.73	0.00	90.1%
2006	4141246100	City Share of Servicing Costs under Subdivision Agreements	37,853.76	0.00	0.00	0.00	0.0%

CITY OF HAMILTON CAPITAL PROJECTS' CLOSING SCHEDULE AS OF DECEMBER 31, 2022								
YEAR APPROVED	PROJECT ID	DESCRIPTION	APPROVED BUDGET (\$)	REVENUES (\$)	EXPENDITURES (\$)	PROJECT SURPLUS/ (DEFICIT) (\$)	%	
			a	b	c	d = b - c	e=c/a	
2006	4141346100	City Share of Servicing Costs under Subdivision Agreements	1,692,814.86	0.00	0.00	0.00	0.0%	
2006	4141446100	City Share of Servicing Costs under Subdivision Agreements	2,253,555.97	0.00	0.00	0.00	0.0%	
2006	4141546100	City Share of Servicing Costs under Subdivision Agreements	1,274,492.26	0.00	0.00	0.00	0.0%	
Tourism & Culture								
2020	7202241201	Dundurn Balcony Restoration	95,000.00	57,200.00	57,200.00	0.00	60.2%	
2016	7201641603	Fieldcote Addition FNL Design	136,200.00	118,525.30	118,525.30	0.00	87.0%	
2019	7202141105	Hamilton Steam Museum Exterior Improvements	15,000.00	11,786.53	11,786.53	0.00	78.6%	
2019	7202041202	Steam Museum Keefer Steps Restoration	342,514.71	327,087.09	327,087.09	0.00	95.5%	
Economic Development								
2012	2112056401	Confidential - Parkland Acquisition	2,500,000.00	2,500,000.00	2,500,000.00	0.00	100.0%	
2017	8201703201	Education Campuses Dwntrn	488,500.00	488,505.00	488,505.00	0.00	100.0%	
2014	4141446108	Paramount Subdivision	19,507.74	19,507.74	19,507.74	0.00	100.0%	
Public Works (Tax Budget)								
Parks Division								
2019	4401956910	Ancaster Soccer Improvements	396,589.48	396,589.48	396,589.48	0.00	100.0%	
2017	4401856813	Chedoke Falls Viewing Feasibility Study	55,312.41	55,312.41	55,312.41	0.00	100.0%	
2019	4402051903	Confederation Beach Park - Capital Maintenance Program	179,929.18	178,080.35	178,080.35	0.00	99.0%	
2021	4242109504	Dover Park Play Structure	103,974.11	103,974.11	103,974.11	0.00	100.0%	
2019	4241909214	Hanging Baskets	6,000.00	6,000.00	6,000.00	0.00	100.0%	
2018	4401849801	Monitoring and Repairs of the Escarpment and Waterfront (Parks and Cemeteries)	58,712.73	58,712.73	58,712.73	0.00	100.0%	
2021	4242109401	Montgomery Park Lighting	197,222.40	197,222.40	197,222.40	0.00	100.0%	
2022	4242209701	Natural Burial Section at Mount Hamilton Cemetery	100,000.00	101,760.20	101,760.20	0.00	101.8%	
2021	4242109301	Play structure & fountains - Dofasco Park	70,655.29	70,655.29	70,655.29	0.00	100.0%	
2021	4242109305	Play structure & fountains - Keith Park	98,416.40	98,416.40	98,416.40	0.00	100.0%	
2012	4402256112	Rennie Street Works Yard - Proposed Park	100,000.00	-1,331.66	-1,331.66	0.00	-1.3%	
2019	4401954699	Tennis and Multi -use Court Rehabilitation Program	171,263.35	180,263.35	180,263.35	0.00	105.3%	
2020	4402051601	Equipment Acquisition (DC) Program	247,000.00	247,000.00	247,000.00	0.00	100.0%	
2021	4242109807	W8 Park Pathway Improvements	91,000.00	97,812.29	97,812.29	0.00	107.5%	
Recreation Facilities								
2008	7101558501	Parkdale Outdoor Pool Redevelopment & Expansion	4,113,799.79	4,218,371.59	4,218,371.59	0.00	102.5%	
2016	7102145215	Program - Parking Lot Management	300,000.00	295,110.64	295,110.64	0.00	98.4%	
2016	7102155101	Program - Recreation Facilities Audit	202,000.00	211,370.42	211,370.42	0.00	104.6%	
2017	7102154703	Program - Senior Centre Retrofits	105,570.38	22,177.20	22,177.20	0.00	21.0%	
2016	7101854508	Public Use Feasibility Needs & Study	150,000.00	137,150.86	137,150.86	0.00	91.4%	
2016	7102054508	Public Use Feasibility Needs & Study	50,000.00	12,296.91	12,296.91	0.00	24.6%	
Transit Division								
2015	5302084010	PRESTO Equipment Replacement	4,500,000.00	3,874,260.78	3,874,260.78	0.00	86.1%	
2015	5302085902	Transit Shelter and Landing Pad Expansion Program	150,000.00	149,821.54	149,821.54	0.00	99.9%	
Waste Management								
2010	5122194029	SWMMP - Recommendation 6: Alternative Disposal Facility	0.00	0.00	0.00	0.00	0.0%	
2021	5122251103	Waste Packers Reversing Safety Sensors	48,000.00	48,000.00	48,000.00	0.00	100.0%	
Energy, Fleet & Facilities								
2020	7902049003	2020 Libraries LED Upgrade Project	255,000.00	257,871.50	257,871.50	0.00	101.1%	
2018	3541841802	CHH CLEARING - 500 MacNab	0.00	94,454.43	94,454.43	0.00	0.0%	
2016	3542155100	Corporate Facilities Audit Program	481,134.35	454,212.06	454,212.06	0.00	94.4%	

CITY OF HAMILTON
CAPITAL PROJECTS' CLOSING SCHEDULE
AS OF DECEMBER 31, 2022

YEAR APPROVED	PROJECT ID	DESCRIPTION	APPROVED BUDGET (\$)	REVENUES (\$)	EXPENDITURES (\$)	PROJECT SURPLUS/ (DEFICIT) (\$)	%
			a	b	c	d = b - c	e = c/a
2019	3721949902	Expansion Joint Replacement Commonwealth Square	250,000.00	156,807.40	156,807.40	0.00	62.7%
2018	3721851803	Hamilton Convention Centre Exterior Restoration Program of Courtyard, Stairwells	2,061,290.29	1,815,019.94	1,815,019.94	0.00	88.1%
2016	3542141409	Program - Facilities Code & Legislative Compliance	401,288.46	324,358.30	324,358.30	0.00	80.8%
2016	3542141532	Program - Facility Capital Maintenance	844,324.35	484,814.85	484,814.85	0.00	57.4%
2016	3721941805	Program HCC, FOCH & FOC Lifecycle Renewal	471,729.03	348,647.12	348,647.12	0.00	73.9%
2020	3722015110	Tim Horton's Field End Guards	1,160,127.43	1,186,456.94	1,186,456.94	0.00	102.3%
2021	3722141100	Tim Horton's Field Turf Replacement	1,000,000.00	962,099.01	962,099.01	0.00	96.2%
Roads Division							
2014	4031420425	Hamilton Wentworth District School Board – Upper Wentworth & Fieldway Traffic	250,000.00	412,800.82	412,800.82	0.00	165.1%
2017	4031711016	Asset Preservation 2017	10,595,580.33	10,566,661.91	10,566,661.91	0.00	99.7%
2018	4031818219	Structural Investigations and Reports	370,000.00	370,000.00	370,000.00	0.00	100.0%
2018	4031818313	Bridge 313 - Arkledun Ave (Jolley Cut), over Claremont Access	350,000.00	313,831.36	313,831.36	0.00	89.7%
2018	4031811016	Asset Preservation 2018	3,718,000.00	3,698,344.43	3,698,344.43	0.00	99.5%
2019	4041910417	Retaining Wall Rehabilitation Program	850,000.00	850,000.00	850,000.00	0.00	100.0%
2019	4031911018	Asset Preservation - Balfour Neighbourhood	1,659,000.00	1,658,099.47	1,658,099.47	0.00	99.9%
2020	4042010417	Retaining Wall Rehabilitation Program - AM	490,000.00	490,000.00	490,000.00	0.00	100.0%
2020	4662020531	APS - Accessible Pedestrian Signals	50,000.00	50,000.00	50,000.00	0.00	100.0%
2020	4032018216	Bridge and Culvert Maintenance - T.O.M.	150,000.00	150,000.00	150,000.00	0.00	100.0%
2020	4662020051	Education Priorities - Vision Zero	400,000.00	400,000.00	400,000.00	0.00	100.0%
2020	4662020721	Pedestrian Crossovers	300,000.00	300,000.00	300,000.00	0.00	100.0%
2020	4042011351	Roads - Alleyway Rehabilitation	60,000.00	60,000.00	60,000.00	0.00	100.0%
2018	4661820008	New Traffic Signal Installation Program	584,344.77	448,909.94	448,909.94	0.00	76.8%
2020	4662020019	Traffic Controller Replacement Program	250,000.00	250,000.00	250,000.00	0.00	100.0%
2021	4662120017	Traffic Signal LED Lighting Upgrade Program	420,000.00	388,165.30	388,165.30	0.00	92.4%
2020	4662120011	Traffic Signal Upgrades	450,000.00	528,253.52	528,253.52	0.00	117.4%
2021	4242110555	2021 Chargebacks - Area Rating	0.00	1,081,863.65	1,081,863.65	0.00	0.0%
2021	4032111021	Brock - Concession 4 W to Safari	1,430,000.00	1,429,604.12	1,429,604.12	0.00	100.0%
2021	4032111028	Stone Church - Golf Links to Omni	1,105,000.00	1,104,375.64	1,104,375.64	0.00	99.9%
Waterfront Program							
2021	4412110555	2021 Chargebacks - W Harbour	0.00	0.00	0.00	0.00	0.0%
Public Works (Rate Budget)							
Waterworks Regular Program							
2015	5141666608	Lynden Additional Water Supply	7,765,000.00	7,604,316.32	7,604,316.32	0.00	97.9%
2020	5142055022	Engineering Consultant Watermain Projects	300,000.00	300,000.00	300,000.00	0.00	100.0%
Wastewater Regular Program							
2017	5161766745	Woodward WWTP - Operational Readiness	2,475,000.00	1,724,629.68	1,724,629.68	0.00	69.7%
2017	5161996011	Intensification Infrastructure Upgrades Program - Wastewater	200,000.00	106,238.33	106,238.33	0.00	53.1%
2010	5161096011	Annual Intensification Infrastructure Upgrades - Wastewater	924,436.19	1,111,783.26	1,111,783.26	0.00	120.3%
2021	5162060999	Closed Projects - WasteWater	0.00	0.00	0.00	0.00	0.0%
2021	5162111101	Road Cut Restoration Program	4,115,000.00	4,115,000.00	4,115,000.00	0.00	100.0%
Storm Sewers Regular Program							
2011	5181159150	Res Drainage Assistance Prog	509,000.00	510,781.26	510,781.26	0.00	100.3%
2011	5181155369	Annual Specific Area Stormwater MP	150,000.00	102,498.35	102,498.35	0.00	68.3%
2013	5181355369	Specific Area Stormwater Management Program	100,000.00	11,603.31	11,603.31	0.00	11.6%
2021	5182271226	Mud St (Phase 02) - Isaac Brock Dr to Upper Centennial Pkwy	0.00	0.00	0.00	0.00	0.0%
2020	5182017152	Right of Way Drainage Program	817,307.00	817,307.00	817,307.00	0.00	100.0%
2020	5182060622	SWM Facility Maintenance Program	1,700,000.00	1,700,000.00	1,700,000.00	0.00	100.0%
TOTAL COMPLETED PROJECTS (95)			83,853,214.06	75,804,632.15	75,804,632.15	0.00	90.4%
GRAND TOTAL (166)			144,264,487.20	134,426,020.54	120,286,624.09	14,139,396.46	83.4%

**CITY OF HAMILTON
CAPITAL PROJECTS BUDGET APPROPRIATION SCHEDULE
FOR THE PERIOD COVERING OCTOBER 1, 2022 THROUGH DECEMBER 31, 2022**

Appropriated From	Description	Appropriated To	Description	Amount(\$)
PLANNING & ECONOMIC DEVELOPMENT				
<i>Growth Management Division</i>				
4032111020	Paramount - Atlas to Old Mud	4032211018	Hghlnd - Glenhllw to Frst Rd W	236,000.00
4032111020	Paramount - Atlas to Old Mud	4032211020	Highland Rd W - Winterberry	81,000.00
				317,000.00
Planning & Economic Development (2)				317,000.00
PUBLIC WORKS - TAX FUNDED				
<i>Roads</i>				
4031911613	CP Minor Maintenance Ward 13	4032119111	HWY 8 - Bond to Woodleys Lane	39,600.00
4031118126	Bridge 163-Centennial N	4032218050	Bridge 050 - Third Rd E	75,000.00
4031118126	Bridge 163-Centennial N	4032218105	Bridge 105 - Book Rd W	75,000.00
				189,600.00
<i>Parks</i>				
4401849801	MonitorRepair-Escrpmnt&Wtrfrnt	4402149101	Prk Pthwy Resurfacing Prgrm	6,287.27
4401954699	Tennis & Multi-use Ct Rehab	4402154699	Tennis&Multi-useCrt RehabPrgrm	6,000.00
4402051903	ConfederationBeach Pk-CapMntnce	4402151903	ConfedBeach-Cap Mntnce Prgrm	1,848.83
4402149101	Prk Pthwy Resurfacing Prgrm	4242109401	Montgomery Park Lighting	2,645.40
4402152600	Plygrnd Life Replace Prgrm	4242109301	Play structure & fountains	655.29
4402152600	Plygrnd Life Replace Prgrm	4242109305	Play structure & fountains	3,416.40
4402152600	Plygrnd Life Replace Prgrm	4242109504	Dover Park Play Structure	3,974.11
4400756755	Joe Sams Park Phase 2 Develop	4401956910	Ancaster Soccer Improvements	6,589.48
4401856813	Chedoke Falls Viewing Study	4401956934	Chedoke Falls Viewing Implmntn	4,687.59
4401955600	Parks Testing and Reporting	4401756710	Valley Prk-Skateboard Prk	3,363.22
				39,467.59
<i>Energy Fleet and Facilities</i>				
3542141010	Prgrm - Fac Upgrades to HPL	3542141412	Program - Roof Management	174,644.78
				174,644.78
Public Works Tax Funded (14)				403,712.37
BUDGET APPROPRIATION (16)				720,712.37

CITY OF HAMILTON
CAPITAL PROJECTS BUDGET APPROPRIATIONS OF \$250,000 OR GREATER AND CAPITAL PROJECT RESERVE FUNDING REQUIRING COUNCIL APPROVAL
FOR THE PERIOD COVERING OCTOBER 1, 2022 THROUGH DECEMBER 31, 2022

Appropriated/ Transferred From	Description	Appropriated/ Transferred To	Description	Amount (\$)	Council Approval / Comments	Comments
Public Works-Tax Funded						
3542141532 Acct 49300	Program - Facility Capital Maintenance	3540041532 Acct 49300	Program Facilities Capital Maintenance	359,509.50		Surplus funds to be appropriated to current year PID Facility Capital Maintenance Program
Public Works (Tax) Total				\$ 359,509.50		
Project Totals				\$ 359,509.50		

CITY OF HAMILTON
Capital Projects Budget Appropriations between Current Contribution and Canada Community-Building Fund Requiring Council Approval

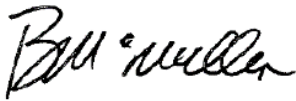
Project ID	Description	Proposed appropriations	
		Current Contributions (\$) (Account # 49300)	Canada Community-Building Fund (\$) (Account # 42020)
4031911021	Asset Preservation - Westdale South Neighbourhood (North Section)	-1,000,000	1,000,000
4031919110	Barton - Parkdale to Talbot	-950,000	950,000
4031819104	Hewitson - Dupont to Barton	-593,000	593,000
4032011026	Mud - Paramount to Upper Centennial	-570,000	570,000
4032018248	Bridge 248 - King St W	-500,000	500,000
4031118126	Bridge 163 - Centennial Parkway North, 540m n/o Barton	-447,000	447,000
4032218294	Bridge 294 - Rousseaux St, 120m e/o Academy Dr	-420,000	420,000
4032211029	King - Stoney Brook to Highway No. 8	-345,000	345,000
4032319109	Wilson - Victoria to Sherman	-300,000	300,000
4032111029	Wilson - Rousseaux to Filman	-242,000	242,000
4031218526	Bridge 451 - Hwy 5 E, 120m e/o Mill St S	-238,000	238,000
4032211018	Highland - Glenhollow to First Rd W	-224,000	224,000
4031919119	Sheaffe / Park / Mulberry (Central Nbhd (North))	-220,000	220,000
4031911028	Strachan - James to east end	-200,000	200,000
4031818437	Bridge 437 - Miles Rd	-185,000	185,000
4032018414	Bridge 414 - Miles Road	-180,000	180,000
4031618090	Bridge 090 - McMurray	-155,000	155,000
4032111026	Stone Church - Upper James to Upper Wellington	4,000	-4,000
4032111022	Kenilworth-Barton-Roxborough	5,000	-5,000
4032111024	Southcote - Book to Garner	5,000	-5,000
4032118282	Bridge 282-Longwood Hwy 403	5,000	-5,000
4032119111	Highway 8 - Bond to Woodleys Lane	9,000	-9,000
4032255222	Corridor Infrastructure Condition and Programming	11,000	-11,000
4032149555	QA-QC Service Contract 2021	90,000	-90,000
4032311601	Council Priority - Ward 1 Minor Rehabilitation	135,000	-135,000
4032311602	Council Priority - Ward 2 Minor Rehabilitation	135,000	-135,000
4032311603	Council Priority - Ward 3 Minor Rehabilitation	135,000	-135,000
4032311604	Council Priority - Ward 4 Minor Rehabilitation	135,000	-135,000
4032311605	Council Priority - Ward 5 Minor Rehabilitation	135,000	-135,000
4032311606	Council Priority - Ward 6 Minor Rehabilitation	135,000	-135,000
4032311607	Council Priority - Ward 7 Minor Rehabilitation	135,000	-135,000
4032311608	Council Priority - Ward 8 Minor Rehabilitation	135,000	-135,000
4032311609	Council Priority - Ward 9 Minor Rehabilitation	135,000	-135,000
4032311610	Council Priority - Ward 10 Minor Rehabilitation	135,000	-135,000

CITY OF HAMILTON
Capital Projects Budget Appropriations between Current Contribution and Canada Community-Building Fund Requiring Council Approval

Project ID	Description	Proposed appropriations	
		Current Contributions (\$) (Account # 49300)	Canada Community-Building Fund (\$) (Account # 42020)
4032311611	Council Priority - Ward 11 Minor Rehabilitation	135,000	-135,000
4032311612	Council Priority - Ward 12 Minor Rehabilitation	135,000	-135,000
4032311613	Council Priority - Ward 13 Minor Rehabilitation	135,000	-135,000
4032311614	Council Priority - Ward 14 Minor Rehabilitation	135,000	-135,000
4032311615	Council Priority - Ward 15 Minor Rehabilitation	135,000	-135,000
4032155145	Escarpment Erosion Study	350,000	-350,000
4032110005	Major Road Maintenance Program - 2021/22	425,000	-425,000
4032310005	Major Road Mill & Pave Program	490,000	-490,000
4032311224	Sidewalk Rehabilitation Program	1,000,000	-1,000,000
4032317677	Preventative Asphalt Road Maintenance Program	2,350,000	-2,350,000
		0	0
4031118126	Bridge 163 - Centennial Parkway North, 540m n/o Barton	-332,735.25	332,735.25
4031818313	Bridge 313 - Arkledun Ave	11,357.10	-11,357.10
4032111028	Stone Church - Golf Links to Omni	3,900.34	-3,900.34
4031911018	Asset Preservation - Balfour Neighbourhood	27,563.74	-27,563.74
4031811016	Asset Preservation - Local Roads - 2018	177,220.39	-177,220.39
4031711016	Asset Preservation - Local Roads - 2017	58,294.31	-58,294.31
4032111021	Brock - Concession 4 W to Safari	36,234.37	-36,234.37
4662120017	Traffic Signal LED Upgrades - 2021/22	18,165.30	-18,165.30
		0	-0
4031911608	Council Priority - Ward 8 Minor Rehabilitation - CCBF	-600,000	600,000
4032111108	Council Priority - Ward 8 Minor Rehabilitation - CCBF	600,000	-600,000
		0	0



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning, Administration and Policy Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Rosaria Morelli (905) 546-2424 Ext. 1390
SUBMITTED BY:	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
SIGNATURE:	 Brian McMullen, Acting GM

RECOMMENDATION(S)

That Report FCS23042 "Treasurer's Investment Report 2022 Fiscal Year by Aon", as provided to Council, be forwarded to the Hamilton Future Fund Board of Governors for information.

EXECUTIVE SUMMARY

In accordance with the *Municipal Act, 2001*, the regulations thereunder and the City of Hamilton's Statement of Investment Policies and Procedures (the "City's SIPP"), the Treasurer of the City of Hamilton (General Manager, Corporate Services) is presenting to Council the City of Hamilton Reserve Funds Treasurer's Investment Report 2022 Fiscal Year (the "Treasurer's Report"), attached as Appendix "A" to Report FCS23042.

The Treasurer's Report is an investment report for the City of Hamilton Reserve Fund and the Hamilton Future Fund (the "Funds") for the City's fiscal year ending December 31, 2022 and is prepared by Aon on behalf of the Treasurer of the City of Hamilton. Market value at December 31, 2022 for the City Reserve Fund was \$1.098 B and Hamilton Future Fund was \$50.3 M.

All investments met the eligibility requirements as prescribed by Ontario Regulation 438/97 ("O. Reg. 438/97") and were made in accordance with the investment policies and goals, the City's SIPP, adopted by the City of Hamilton.

**SUBJECT: Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042)
(City Wide) – Page 2 of 8**

Investment Performance of the Funds

Report FCS23001 provides details of the investment performance of the Reserve Fund as at December 31, 2022. Report FCS23050 provides details of the investment performance of the Hamilton Future Fund as at December 31, 2022.

The market rates of return for the 12-month period ending December 31, 2022 were -7.09% for the Reserve Fund and -5.20% for the Hamilton Future Fund. The Reserve Fund underperformed the benchmark rate of return of -5.70% by 1.39%, attributed mostly to its underweight position in shorter-maturity bonds, which outperformed bonds with longer maturities during the year 2022. The Hamilton Future Fund outperformed the benchmark rate of return of -5.70% by 0.50%, attributed mostly to its greater position in shorter maturity bonds versus longer-maturity bonds.

Market rate of return is based on security market value and includes net unrealized gains and losses, net realized gains and losses and income. The market rate of return is provided by RBC Investor & Treasury Services ("RBCITS"), which is also the City's custodian.

The annual rates of return on average cost for the 12-month period ending December 31, 2022 were 2.61% for the Reserve Fund and 2.77% for the Hamilton Future Fund. The rate of return on average cost uses original cost to value the securities and includes both income and net realized gains and losses but excludes net unrealized gains and losses.

Investment in City of Hamilton Securities

During the fiscal year 2022, the City was invested in its own long-term securities, which had a market value of \$2.7 M or a proportion of 0.25% of the total market value of the Reserve Fund as at December 31, 2022. As at December 31, 2021, the proportion was 0.30%.

Other than this transaction, the City had no other transactions in or disposals of its own securities during the fiscal year 2022 and the City was not invested in its own short-term securities, as was the case during fiscal year 2021.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Not Applicable.

Staffing: Not Applicable.

Legal: Not Applicable.

**SUBJECT: Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042)
(City Wide) – Page 3 of 8**

HISTORICAL BACKGROUND

In accordance with O. Reg. 438/97 and the City's SIPP, the Treasurer of the City shall prepare and present to Council each year, an investment report on the management of the City's Funds during the prior fiscal year that complies with section 8 (Investment report) of O. Reg. 438/97 and shall contain, but not be limited to, the following information:

- a statement about the performance of the investments for the Funds;
- a listing of the types of securities in which the portfolio invested during the period covered by the report;
- a listing of the securities and their credit ratings held by the portfolio at the date of the report;
- a description of the estimated proportion of the total investments of the City that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year's report;
- a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale of each security;
- a statement by the Treasurer as to whether or not, in his opinion, all investments are consistent with the investment policies and goals (the City's SIPP) adopted by the City;
- a statement by the Chief Investments Officer as to whether or not, in his or her opinion all investments are consistent with the investment policies and goals (the City's SIPP) adopted by the City;
- such other information that Council may require or that, in the opinion of the Treasurer, should be included.

The investment report, prepared by Aon on behalf of the Treasurer, is the Treasurer's Report and is attached as Appendix "A" to Report FCS23042.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

In accordance with the *Municipal Act, 2001* and the City's SIPP, the Treasurer shall prepare and present to Council each year an investment report on the management of the City's Funds during the prior fiscal year.

RELEVANT CONSULTATION

On behalf of the Treasurer, Aon prepared the Treasurer's Report, attached as Appendix "A" to Report FCS23042.

**SUBJECT: Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042)
(City Wide) – Page 4 of 8**

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

Funds' Performance (Page 4 of the Treasurer's Report)

The market rates of return for the Reserve Fund and the Hamilton Future Fund are provided by RBCITS. Table 1 includes these performance returns of the Funds along with the benchmark return over each of the quarters of 2022 and over the one-year and three-year periods ending December 31, 2022, as follows:

**Table 1
Funds' Performance (%) and Comparison with Benchmark**

	Q1 2022 %	Q2 2022 %	Q3 2022 %	Q4 2022 %	1 Year %	3 Year %
Benchmark	-3.71	-2.42	0.03	0.33	-5.70	-0.67
Reserve Fund	-4.32	-3.93	0.26	0.82	-7.09	-0.34
Hamilton Future Fund	-3.38	-2.77	0.21	0.70	-5.20	0.29
Reserve Fund Minus Benchmark	-0.61	-1.51	0.23	0.49	-1.39	0.33
Hamilton Future Fund Minus Benchmark	0.33	-0.35	0.18	0.37	0.50	0.96

The benchmark for the Funds is composed of 10% of the FTSE Canada 91-day Treasury Bill Index, 62.5% of the FTSE Canada Short-Term All-Government Bond Index and 27.5% of the FTSE Canada All-Government Bond Index.

For the one-year period ending December 31, 2022, the Reserve Fund underperformed the benchmark by 1.39% and the Hamilton Future Fund outperformed the benchmark by 0.50%. The underperformance of the Reserve Fund is attributed to its underweight position in shorter-term bonds and the outperformance of the Hydro Fund is attributed to its overweight position in shorter-term bonds, which out-performed bonds with longer maturities during 2022.

Interest rates increased dramatically in 2022 in response to the Bank of Canada's effort to fight inflationary pressures. For instance, on December 31, 2022, the yield on the Government of Canada bond with a term to maturity of 10 years was 3.30%, up 1.87% from its yield of 1.43% at December 31, 2021.

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: Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042)
(City Wide) – Page 5 of 8**

Types of Securities (Pages 5 and 6 of the Treasurer's Report)

The types of securities (and the entities who issue them) which municipalities are permitted to invest in are prescribed by legislation and regulations, including O. Reg. 438/97. Most of these securities and their issuers have been included by the City in its approved list of issuers, which is set out in the Sector and Issuer Limitations in the City's SIPP and is given on Page 5 of the Treasurer's Report. The types of securities held during 2022 by the Reserve Fund and the Hamilton Future Fund are given on Page 6 of the Treasurer's Report.

Portfolio Securities (Pages 7, 8, 9 and 10 of the Treasurer's Report)

As at December 31, 2022, the total market value (including cash but not including accrued income) of the securities in the Reserve Fund was \$1,097,740,022 of which \$77,349,905 consists of investments in the One Investment Program.

One Investment Program is jointly run by CHUMS (a subsidiary of the Municipal Finance Officers' Association of Ontario) and Local Authority Services (a corporation of the Association of Municipalities of Ontario).

As at December 31, 2022, the City held shares with a market value of \$72,262,834 in the One Investment Program Canadian Equity Portfolio and held shares with a market value of \$5,087,071 in the One Investment Program Canadian Corporate Bond Portfolio.

As at December 31, 2022, the total market value (not including accrued income) of the securities in the Hamilton Future Fund was \$50,309,473 of which \$2,141,281 consists of investments in the One Investment Program Canadian Equity Portfolio.

During the fiscal year 2022, the City was invested in its own long-term securities, which had a market value of \$2.7 M or a proportion of 0.25% of the total market value of the Reserve Fund as at December 31, 2022. As at December 31, 2021, the proportion was 0.30%.

The decrease in proportion from 0.30% to 0.25% is primarily attributed to market fluctuation. Other than this holding, the City had no other transactions in or disposals of its own securities during the fiscal year 2022 and the City was not invested in its own short-term securities, as was the case during fiscal year 2021.

Restrictions (Pages 11 and 12 of the Treasurer's Report)

Table 2, taken from the Treasurer's Report, shows that as at December 31, 2022, on a combined basis, the Funds were being managed in accordance with the minimum quality requirements, maximum quantity restrictions and all other imposed restrictions.

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**Table 2
Restrictions**

		Policy Complied With Yes / No
Constraints		
The City shall not invest more than 25% of the portfolio in short-term debt issued or guaranteed by the City		Yes
Total investment in "A" or equivalent rated debt on purchase must not exceed 35% of the market value of the City's bond portfolio		Yes
The City shall not invest in a security that is expressed or payable in any currency other than Canadian dollars with exception of investments specified in Section 4.07 and footnote 6 of Appendix "A" of the SIPP.		Yes
The City shall not invest in a security issued or guaranteed by a school board or similar entity unless the money raised by issuing the security is to be used for school purposes		Yes
	(%)	Policy Complied With Yes / No
Permitted Ranges		
Federal issues	0-100	Yes
Provincial holdings in aggregate	0-100	Yes
Single province exposure	0-50	Yes
Individual non-federal / non-provincial holdings*	0-10	Yes
Non-federal / non-provincial holdings in aggregate	0-50	Yes
Municipal issues*		
Individual muni issue rated "AAA"	0-10	Yes
Individual muni issue rated "AA"	0-10	Yes
Individual muni issue rated "A"	0-5	Yes
Municipal holdings in aggregate	0-30	Yes
Banks and Credit Unions in aggregate	0-50	Yes
Short-term securities	0-50	Yes
Portfolio duration	1-6 Years	Yes

* Except for City of Hamilton issues which have an upper limit of 25%

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Table 3, which is not contained in the Treasurer's Report, shows the Funds' credit exposure with respect to the approved issuers given in the City's SIPP.

**Table 3
Credit Exposure¹ (%) – As at December 31, 2022**

Issuer or Sector	Reserve Fund	Hamilton Future Fund ²	Combined Funds	Maximum Limit %
STIF	N/A	0.9%	0.0%	N/A
Canada				
Direct	2.6%	0.0%	2.5%	100%
Guarantee	7.8%	5.4%	7.7%	25%
Provinces				
Ontario	13.3%	21.8 %	13.7%	50%
Other (rated AA or higher)	27.5%	31.1%	27.6%	100%
Other (rated A)	6.4%	6.2%	6.4%	20%
Municipalities				
Hamilton	0.3%	0.0%	0.3%	25%
Other	18.7%	22.1%	18.8%	30%
Banks and Credit Union				50%
Schedule I	17.3%	8.8%	17.0%	50%
Credit Union	0.0%	0.0%	0.0%	8%
Asset Backed Securities	0.0%	0.0%	0.0%	25%
Corporate Bonds	0.0%	0.0%	0.0%	15%
Commercial Paper and Asset Backed Commercial Paper (ABCP)	0.0%	0.0%	0.0%	20%
One Investment Program				15%
Canadian Equity Portfolio	5.6%	3.7%	5.5%	10%
Canadian Corporate Bond Portfolio	0.5%	0.0%	0.5%	10%
Total	100.0%	100.0%	100.0%	

Notes to Table 3:

¹ Credit Exposure refers to the par value of holdings in individual issuers or sectors as a percentage of the total par value of holdings in the fund.

² For the Hamilton Future Fund, Credit Exposure does not reflect the shares of the Hamilton Utilities Corporation, which are held in the Hamilton Future Fund custodial account with RBCITS.

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Activity and Transactions (Page 13 of the Treasurer's Report)

During the fiscal year 2022, the total dollar amount of cash inflows for the Reserve Fund was \$386.2 M, consisting of \$130.0 M in sales and maturities, \$26.8 M in investment income and \$229.4 M in contributions / transfers. Cash outflows were also \$386.2 M and consisted of \$249.0M in purchases and \$137.2 M in distributions.

During the fiscal year 2022, the total dollar amount of cash inflows for the Hamilton Future Fund were \$21.4 M, consisting of \$20.2 M in sales and maturities, \$1.25 M in investment income. Cash outflows were also \$21.4 M and consisted of \$21.4 M in purchases.

Certificate by Chief Investments Officer (Page 14 of the Treasurer's Report)

The Chief Investments Officer has certified on page 14 of the Treasurer's Report that the Funds were managed in compliance with the *Municipal Act, 2001* and in accordance with the terms, conditions and guidelines stipulated in the City's SIPP.

ALTERNATIVES FOR CONSIDERATION

None.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

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 FCS23042 – City of Hamilton – Reserve Funds Treasurer's Investment Report 2022 Fiscal Year

City of Hamilton—Reserve Funds Treasurer's Investment Report 2022 Fiscal Year

March 2023

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Introduction

As the acting Investment Consultant, Aon is engaged to prepare, on behalf of the Treasurer of the City of Hamilton ("City"), an investment report, referred to as the Treasurer's Report ("the report"), relating to the activities of the City of Hamilton Reserve Fund and the Hamilton Future Fund ("the Funds") during the prior fiscal year. The report will be presented to City Council in the second quarter of every calendar year.

The report is part of a broader governance oversight of the Funds, which includes financial audits, used to evaluate and monitor the various responsibilities that have been delegated by the Treasurer of the City of Hamilton ("City Treasurer") and City Council. More specifically, the overall objective of the report is to ensure that the Funds are managed in accordance with existing legislation that was in effect in 2022 and the guidelines set out in the Statement of Investment Policies and Procedures for the City of Hamilton Reserve/Revenue Funds and Trust Accounts ("SIP&P").

The report has been written in accordance with Section 1.11 of the SIP&P and shall contain:

- A statement about the performance of the portfolio of investments of the City during the period covered by the report;
- A listing of the types of securities in which the portfolio invested during the period covered by the report;
- A listing of the securities and their credit ratings held by the portfolio as at the date of the report;
- A description of the estimated proportion of the total investments of a municipality that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year's report;
- A record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale of each security;
- A statement by the Chief Investments Officer ("CIO") as to whether or not, in his or her opinion, all investments are consistent with the SIP&P adopted by the City;
- A statement by the treasurer as to whether or not, in his or her opinion, all investments are consistent with the SIP&P adopted by the City¹; and
- Any other information that the council may require or that, in the opinion of the City Treasurer, should be included.

This report addresses only the activities of the City of Hamilton Reserve Fund and the Hamilton Future Fund. The Trust Accounts are not covered by this report.

¹ In the executive summary of the staff report, Treasurer's Investment Report 2022 Fiscal Year by Aon (FCS23042) (City Wide), to which this report is attached as Appendix "A", the City treasurer states whether all investments met the eligibility requirements as prescribed by the Ontario Regulation 438/97 ("O. Reg. 438/97") and were made in accordance with the investment policies and goals adopted by the City of Hamilton's SIP&P.

Reserve Fund Performance and Future Fund Performance

The returns of the Funds are determined by RBC Investor & Treasury Services (“RBC”), who is also the City’s custodian, on a daily basis for the City of Hamilton Reserve Fund and on a monthly basis for the Hamilton Future Fund.

The Funds’ performance objective, as outlined in Section 4.10 of the SIP&P, is to outperform a benchmark portfolio constructed from a blend of returns composed of 62.5% of the FTSE Canada All-Government Short-Term Bond Index, 27.5% of the FTSE Canada All-Government Bond Index and 10.0% of FTSE Canada 91-Day Treasury Bill Index.

Benchmark	%
FTSE Canada All-Government Short-Term Bond Index	62.5
FTSE Canada All-Government Bond Index	27.5
FTSE Canada 91-Day Treasury Bill Index	10.0
	100.0

The performance returns of the Funds over each of the quarters of 2022, and over the one-, two-, three- and four-year periods ending December 31, 2022 are as follows:

City of Hamilton Reserve Fund—Performance^{2%}

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	One Year	Two Years (annualized)	Three Years (annualized)	Four Years (annualized)
Reserve Fund	-4.32	-3.93	0.26	0.82	-7.09	-3.89	-0.34	0.97
Benchmark	-3.71	-2.42	0.03	0.33	-5.70	-3.62	-0.67	0.34
Value Added	-0.61	-1.51	0.23	0.49	-1.39	-0.27	0.33	0.63

Over a one-year period, the City of Hamilton Reserve Fund’s return of -7.09% underperformed the benchmark return of -5.70% by 139 basis points.

Hamilton Future Fund—Performance^{2%}

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	One Year	Two Years (annualized)	Three Years (annualized)	Four Years (annualized)
Future Fund	-3.38	-2.77	0.21	0.70	-5.20	-3.25	0.29	1.56
Benchmark	-3.71	-2.42	0.03	0.33	-5.70	-3.62	-0.67	0.34
Value Added	0.33	-0.35	0.18	0.37	0.50	0.37	0.96	1.22

Over a one-year period, the Hamilton Future Fund’s return of -5.20% outperformed the benchmark return of -5.70% by 50 basis points.

² One Investment Program performances are included. The Reserve Fund has approximately 6.6% and 0.5% of the total Reserve Fund invested in the One Canadian Equity Portfolio and One Corporate Bond Portfolio respectively. The Hamilton Future Fund has approximately 4.3% of the total Future Fund invested in the One Canadian Equity Portfolio.

Types of Securities

The City is only allowed to invest in securities permitted under Ontario Regulation 438/97: Eligible Investments, Related Financial Agreements and Prudent Investment under the Municipal Act, 2001, S.O. 2001, c. 25, that was in effect during 2022. As per Section 4.02 of the SIP&P, an Approved List of Investments ("Approved List") has been established by the City Treasurer and the CIO. All investments on the Approved List meet the eligibility requirements as prescribed by Ontario Regulation 438/97. The Approved List is as follows:

Bonds, Debentures, Promissory Notes, Other Evidence of Indebtedness Issued by or Guaranteed by

Government of Canada
Canadian Provincial Government
Government of Canada Agency
Canadian Provincial Agency
Country other than Canada
Canadian Municipality, including City of Hamilton
School Board in Canada
Municipal Finance Authority of British Columbia
Canadian Corporation
Banks in Canada
Infrastructure Ontario
International Bank for Reconstruction and Development
Inter-American Development Bank
Supranational Financial Institution
Supranational Governmental Organization

Deposit Receipts, Deposit Notes, Certificate of Deposits, Acceptances Issued by or Guaranteed by

Banks in Canada
Credit Union with Guarantee

Asset Backed Securities (ABS)

Asset Backed Securities
Asset Backed Commercial Paper (ABCP)

Negotiable Promissory Notes or Commercial Paper (other than ABS)

Forward Rate Agreements

One Investment Program³

Security – gift in a will or non-charitable donation, and Shares of a Corporation as per footnotes 13 and 14 in Appendix A of the SIP&P.

³ The One Investment Program is jointly run by CHUMS (a subsidiary of the Municipal Finance Officers' Association of Ontario) and Local Authority Services (a corporation of the Association of Municipalities of Ontario).

We have reviewed the custodian statements as well as the transactions that have occurred to determine the types of securities that were held by the Funds during the 2022 period. We can confirm that the types of securities that were held in the City of Hamilton Reserve Fund and the Hamilton Future Fund during 2022 are as listed as follows:

The types of securities held by the City of Hamilton Reserve Fund were as follows:

City of Hamilton Reserve Fund—Types of Securities

Bonds, Debentures, Promissory Notes, Other Evidence of Indebtedness Issued by or Guaranteed by

- Government of Canada
- Canadian Provincial Government
- Government of Canada Agency
- Canadian Municipality, including City of Hamilton
- Municipal Finance Authority of British Columbia

Deposit receipts, Deposit Notes, Certificate of Deposits, Acceptances Issued by or Guaranteed by

- Banks in Canada

One Investment Program

- Canadian Equity Portfolio
- Canadian Corporate Bond Portfolio

The types of securities held by the Hamilton Future Fund were as follows:

Hamilton Future Fund—Types of Securities

Bonds, Debentures, Promissory Notes, Other Evidence of Indebtedness Issued by or Guaranteed by

- Canadian Provincial Government
- Government of Canada Agency
- Canadian Municipality
- Municipal Finance Authority of British Columbia

Deposit Receipts, Deposit Notes, Certificate of Deposits, Acceptances Issued by or Guaranteed by

- Banks in Canada

One Investment Program

- Canadian Equity Portfolio

In addition to the above list of securities, the Hamilton Future Fund has some monies invested in a private placement of 2,000 common shares of the Hamilton Utilities Corporation. As well, as at December 31, 2022, approximately 9.23% of funds were invested in a Short-Term Investment Fund (“STIF”) of RBC.⁴ All securities were expressed or payable in Canadian dollars. The types of securities held by the City of Hamilton Reserve Fund and the Hamilton Future Fund during 2022 were all part of the Approved List.

⁴ STIFs are an allowed investment vehicle as per section: 6.02 Permitted Investment, sub section: 3, on page 21 of the SIP&P.

Portfolio Securities as at December 31, 2022

City of Hamilton Reserve Fund

Below are The City of Hamilton Reserve Fund securities and credit ratings⁵ as at December 31, 2022. As shown in the list below, the City of Hamilton Reserve Fund also held equity and fixed income investments through the One Investment Program. The City's Reserve Fund investment in the One Investment Program Canadian Equity Portfolio had a market value of \$72.3 million and book value of \$65.4 million; the City's investment in the One Investment Program Canadian Corporate Bond Portfolio had a market value of \$5.1 million and book value of \$5.8 million.

As at December 31, 2022, City of Hamilton Reserve Fund held a market value of \$2.7 million or 0.25% of the Fund in City of Hamilton securities. Over the last year, the market value of City of Hamilton securities decreased by \$0.5 million from \$3.2 million as at December 31, 2021.

Date	Issuer Name	Coupon Rate	Maturity Date	Market Price	Credit Rating	Portfolio Market Value (\$)	(%)
Federal and Federal Guarantee Bonds							
31-Dec-22	Government of Canada	3.00%	01-Nov-24	98.16	AAA	29,447,294.70	2.68%
31-Dec-22	Canada Housing Trust	2.35%	15-Jun-23	99.02	AAA	19,803,251.80	1.80%
31-Dec-22	Canada Housing Trust	2.55%	15-Mar-25	96.80	AAA	9,680,479.20	0.88%
31-Dec-22	Canada Housing Trust	1.90%	15-Sep-26	93.46	AAA	10,280,251.08	0.94%
31-Dec-22	Canada Housing Trust	2.35%	15-Jun-27	94.40	AAA	4,720,185.80	0.43%
31-Dec-22	Canada Housing	1.40%	15-Mar-31	83.63	AAA	12,544,221.00	1.14%
31-Dec-22	Canada Housing	1.90%	15-Mar-31	87.13	AAA	17,426,106.60	1.59%
31-Dec-22	Canada Housing	2.15%	15-Dec-31	88.02	AAA	8,801,517.40	0.80%
Provincial and Provincial Guarantee Bonds							
31-Dec-22	Province of Alberta	2.65%	01-Sep-23	98.73	AA	5,923,855.80	0.54%
31-Dec-22	Province of Alberta	2.35%	01-Jun-25	96.09	AA	7,206,731.10	0.66%
31-Dec-22	Province of Alberta	2.20%	01-Jun-26	94.51	AA	5,670,766.62	0.52%
31-Dec-22	Province of Alberta	2.55%	01-Jun-27	94.88	AA	7,590,375.52	0.69%
31-Dec-22	Province of Alberta	2.90%	01-Dec-28	94.87	AA	3,794,682.80	0.35%
31-Dec-22	Province of Alberta	2.90%	20-Sep-29	94.00	AA	13,630,246.21	1.24%
31-Dec-22	Province of Alberta	1.65%	01-Jun-31	83.28	AA	8,327,702.20	0.76%
31-Dec-22	Province of Alberta	3.05%	01-Dec-48	80.35	AA	8,034,749.30	0.73%
31-Dec-22	Province of British Columbia	2.30%	18-Jun-26	94.85	AAA	9,484,571.70	0.86%
31-Dec-22	Province of British Columbia	2.55%	18-Jun-27	94.92	AAA	7,593,988.64	0.69%
31-Dec-22	Province of British Columbia	1.55%	18-Jun-31	82.63	AAA	8,262,847.50	0.75%
31-Dec-22	Province of British Columbia	3.20%	18-Jun-32	93.65	AAA	4,682,285.25	0.43%
31-Dec-22	Province of Manitoba	2.55%	02-Jun-23	99.16	AA	16,361,406.60	1.49%
31-Dec-22	Province of Manitoba	2.45%	02-Jun-25	96.28	AA	11,072,290.62	1.01%
31-Dec-22	Province of Manitoba	2.55%	02-Jun-26	95.57	AA	13,857,942.76	1.26%
31-Dec-22	Province of Manitoba	2.60%	02-Jun-27	95.00	AA	2,850,125.43	0.26%
31-Dec-22	Province of Manitoba	2.75%	02-Jun-29	93.34	AA	4,666,940.20	0.43%
31-Dec-22	Province of Manitoba	2.05%	02-Jun-31	85.82	AA	9,011,590.35	0.82%
31-Dec-22	Province of New Brunswick	2.85%	02-Jun-23	99.28	AA	13,079,784.14	1.19%
31-Dec-22	Province of New Brunswick	2.60%	14-Aug-26	95.56	AA	4,777,780.10	0.44%
31-Dec-22	Province of New Brunswick	2.35%	14-Aug-27	93.67	AA	6,088,331.99	0.55%
31-Dec-22	Province of Newfoundland	2.35%	02-Jun-25	95.83	A	4,791,382.40	0.44%
31-Dec-22	Province of Newfoundland	2.30%	02-Jun-26	96.82	A	14,522,568.00	1.32%
31-Dec-22	Province of Newfoundland	3.00%	02-Jun-28	94.58	A	17,970,198.67	1.64%
31-Dec-22	Province of Newfoundland	2.85%	02-Jun-29	93.34	A	4,666,891.20	0.43%
31-Dec-22	Province of Newfoundland	1.75%	02-Jun-30	85.04	A	6,803,428.32	0.62%
31-Dec-22	Province of Newfoundland	2.05%	02-Jun-31	84.88	A	8,487,987.30	0.77%
31-Dec-22	Province of Newfoundland	3.30%	17-Oct-46	80.21	A	10,426,668.72	0.95%

⁵ Credit ratings are provided by RBC. Credit rating data is collected from 3 major rating agencies (S&P, Moody's and DBRS) if available. "AA" includes AA-, AA, AA+ or an equivalent rating. "A" includes A-, A, A+ or an equivalent rating. Rating field will be blank if no rating is available. All results are based on highest available rating.

31-Dec-22 Province of Nova Scotia	2.15%	01-Jun-25	95.61	AA	2,868,410.13	0.26%
31-Dec-22 Province of Nova Scotia	2.10%	01-Jun-27	93.03	AA	6,511,904.07	0.59%
31-Dec-22 Province of Ontario	2.85%	02-Jun-23	99.28	AA	19,856,391.40	1.81%
31-Dec-22 Province of Ontario	2.60%	02-Jun-27	95.07	AA	19,964,448.84	1.82%
31-Dec-22 Province of Ontario	2.90%	02-Jun-28	95.38	AA	14,307,525.00	1.30%
31-Dec-22 Province of Ontario	3.60%	08-Mar-28	98.98	AA	19,796,146.80	1.80%
31-Dec-22 Province of Ontario	1.55%	01-Nov-29	85.90	AA	7,730,626.41	0.70%
31-Dec-22 Province of Ontario	2.15%	02-Jun-31	86.77	AA	8,677,268.60	0.79%
31-Dec-22 Province of Ontario	3.75%	02-Jun-32	97.74	AA	58,641,343.20	5.34%
31-Dec-22 Province of Prince Edward Island	1.85%	27-Jul-31	83.69	AA	14,226,598.07	1.30%
31-Dec-22 Province of Quebec	3.00%	01-Sep-23	98.96	AA	1,979,177.62	0.18%
31-Dec-22 Province of Quebec	3.75%	01-Sep-24	99.20	AA	4,959,790.60	0.45%
31-Dec-22 Province of Quebec	2.60%	06-Jul-25	96.67	AA	2,088,088.39	0.19%
31-Dec-22 Province of Quebec	2.50%	01-Sep-26	95.37	AA	19,074,728.40	1.74%
31-Dec-22 Province of Quebec	2.75%	01-Sep-27	95.52	AA	9,552,034.40	0.87%
31-Dec-22 Province of Quebec	2.75%	01-Sep-28	94.49	AA	5,669,200.50	0.52%
31-Dec-22 Province of Saskatchewan	3.20%	03-Jun-24	98.40	AA	13,776,518.70	1.25%
31-Dec-22 Province of Saskatchewan	2.65%	02-Jun-27	95.23	AA	15,237,472.64	1.39%
31-Dec-22 Province of Saskatchewan	2.12%	02-Jun-31	86.71	AA	21,678,355.00	1.97%
31-Dec-22 New Brunswick Municipal Financial Corp	3.30%	15-May-23	99.47	A	3,439,558.49	0.31%
31-Dec-22 New Brunswick Municipal Financial Corp	2.95%	08-Dec-23	98.30	A	4,530,849.80	0.41%

Municipal Bonds

31-Dec-22 City of Hamilton	1.75%	03-Nov-32	79.52	AAA	2,741,102.66	0.25%
31-Dec-22 City of Barrie	2.40%	20-Jun-29	90.01	AA	2,972,282.09	0.27%
31-Dec-22 Regional Municipality of Halton	3.30%	02-Jun-23	99.61	AAA	6,325,133.40	0.58%
31-Dec-22 City of London	2.10%	16-Mar-24	97.09	AAA	970,904.00	0.09%
31-Dec-22 City of London	2.65%	02-Apr-27	94.69	AAA	4,942,619.64	0.45%
31-Dec-22 City of Montreal	3.50%	01-Sep-23	99.23	AA	7,640,744.50	0.70%
31-Dec-22 City of Montreal	3.00%	01-Sep-25	97.07	AA	5,824,247.52	0.53%
31-Dec-22 City of Montreal	2.75%	01-Sep-26	95.66	AA	3,826,318.48	0.35%
31-Dec-22 City of Montreal	3.00%	01-Sep-27	95.80	AA	3,832,142.08	0.35%
31-Dec-22 City of Montreal	2.30%	01-Sep-29	89.65	AA	8,965,425.50	0.82%
31-Dec-22 City of Montreal	3.15%	01-Dec-36	85.66	AA	3,426,529.80	0.31%
31-Dec-22 City of Montreal	3.50%	01-Dec-38	87.41	AA	8,740,629.70	0.80%
31-Dec-22 City of Montreal	2.40%	01-Dec-41	71.84	AA	7,183,921.60	0.65%
31-Dec-22 Municipal Finance Authority of BC	2.15%	03-Jun-24	96.93	AAA	5,079,106.01	0.46%
31-Dec-22 Municipal Finance Authority of BC	3.35%	01-Jun-27	97.92	AAA	20,367,762.48	1.86%
31-Dec-22 Municipal Finance Authority of BC	3.05%	23-Oct-28	95.53	AAA	9,123,550.96	0.83%
31-Dec-22 Municipal Finance Authority of BC	2.55%	09-Oct-29	91.64	AAA	9,072,782.53	0.83%
31-Dec-22 Municipal Finance Authority of BC	2.30%	15-Apr-31	87.77	AAA	6,143,576.81	0.56%
31-Dec-22 Municipal Finance Authority of BC	3.30%	08-Apr-32	94.00	AAA	1,410,069.09	0.13%
31-Dec-22 Niagara Regional Municipality	3.00%	03-Jul-25	97.21	AA	2,916,426.00	0.27%
31-Dec-22 City of Ottawa	2.00%	23-Apr-23	99.24	AAA	5,122,650.07	0.47%
31-Dec-22 City of Ottawa	3.05%	23-Apr-46	77.84	AAA	2,724,360.38	0.25%
31-Dec-22 Regional Municipality of Peel	2.30%	02-Nov-26	94.10	AAA	5,175,389.67	0.47%
31-Dec-22 Regional Municipality of Peel	2.60%	07-Mar-30	90.56	AAA	4,528,130.00	0.41%
31-Dec-22 Quebec City	3.15%	08-Dec-25	96.87	AA	2,421,686.03	0.22%
31-Dec-22 City of Toronto	3.40%	21-May-24	98.66	AA	12,825,638.28	1.17%
31-Dec-22 City of Toronto	2.40%	07-Jun-27	94.03	AA	9,402,808.10	0.86%
31-Dec-22 City of Toronto	3.25%	20-Apr-32	93.51	AA	4,675,314.05	0.43%
31-Dec-22 City of Toronto	3.50%	02-Jun-36	89.80	AA	2,694,114.99	0.25%
31-Dec-22 City of Toronto	2.15%	25-Aug-40	70.14	AA	12,450,583.25	1.13%
31-Dec-22 City of Vancouver	3.75%	24-Oct-23	99.27	AAA	3,970,737.24	0.36%
31-Dec-22 City of Vancouver	2.85%	03-Nov-27	95.44	AAA	9,543,950.50	0.87%
31-Dec-22 City of Vancouver	2.30%	05-Nov-31	86.96	AAA	869,584.08	0.08%
31-Dec-22 City of Winnipeg	4.10%	01-Jun-45	92.15	AA	2,948,929.02	0.27%

Schedule I Banks

31-Dec-22 Bank of Montreal	2.89%	20-Jun-23	99.09	AA	6,936,230.35	0.63%
31-Dec-22 Bank of Montreal	2.70%	11-Sep-24	96.40	AA	4,819,941.50	0.44%
31-Dec-22 Bank of Montreal	4.61%	10-Sep-25	99.72	AA	3,490,119.96	0.32%
31-Dec-22 Bank of Montreal	3.19%	01-Mar-28	93.46	AA	38,786,090.49	3.53%
31-Dec-22 Bank of Nova Scotia	2.98%	17-Apr-23	99.46	AA	6,962,153.59	0.63%
31-Dec-22 Bank of Nova Scotia	2.29%	28-Jun-24	96.22	AA	3,848,730.88	0.35%
31-Dec-22 Bank of Nova Scotia	2.62%	02-Dec-26	92.70	AA	14,832,324.80	1.35%
31-Dec-22 Bank of Nova Scotia	3.10%	02-Feb-28	93.16	AA	45,440,616.56	4.14%

31-Dec-22 Canadian Imperial Bank	2.97%	11-Jul-23	98.97	AA	2,969,104.77	0.27%
31-Dec-22 Canadian Imperial Bank	3.30%	26-May-25	96.86	AA	19,372,924.80	1.76%
31-Dec-22 Royal Bank of Canada	2.95%	01-May-23	99.40	AA	9,939,922.60	0.91%
31-Dec-22 Royal Bank of Canada	4.93%	16-Jul-25	100.51	AA	5,025,746.30	0.46%
31-Dec-22 Toronto Dominion Bank	3.23%	24-Jul-24	97.42	AA	30,198,653.10	2.75%
One Investment Program						
31-Dec-22 Canadian Equity Portfolio					72,262,833.96	6.58%
31-Dec-22 Canadian Corporate Bond Portfolio					5,087,071.09	0.46%
Total Fund					\$ 1,097,740,022.03	100.00%

Hamilton Future Fund

Below are the Hamilton Future Fund securities and credit ratings⁶ as at December 31, 2022. As shown in the list below, the Hamilton Future Fund also held equity investments through the One Investment Program. The Hamilton Future Fund investment in the One Investment Program Canadian Equity Portfolio had a market value of \$2.1 million and book value of \$1.8 million.

Date	Issuer Name	Coupon Rate	Maturity Date	Market Price	Credit Rating	Portfolio Market Value (\$)	Market Value (%)
Federal and Federal Guarantee Bonds							
31-Dec-22	Canada Housing	1.25%	15-Jun-26	91.69	AAA	2,383,941.59	4.74%
Provincial and Provincial Guarantee Bonds							
31-Dec-22	Province of Alberta	2.35%	01-Jun-25	96.09	AA	1,921,794.96	3.82%
31-Dec-22	Province of Alberta	2.20%	01-Jun-26	94.51	AA	1,890,255.54	3.76%
31-Dec-22	Province of Manitoba	2.60%	02-Jun-27	95.00	AA	1,900,083.62	3.78%
31-Dec-22	Province of Manitoba	3.00%	02-Jun-28	95.77	A	957,667.24	1.90%
31-Dec-22	Province of Manitoba	2.05%	02-Jun-31	85.82	AA	1,287,370.05	2.56%
31-Dec-22	Province of Newfoundland	3.00%	02-Jun-26	96.82	A	1,936,342.40	3.85%
31-Dec-22	Province of Newfoundland	3.30%	17-Oct-46	80.21	A	802,051.44	1.59%
31-Dec-22	Province of Nova Scotia	2.15%	01-Jun-25	95.61	AA	1,912,273.42	3.80%
31-Dec-22	Province of Nova Scotia	2.00%	01-Sep-30	86.96	AA	1,739,133.82	3.46%
31-Dec-22	Province of Ontario	2.85%	02-Jun-23	99.28	AA	3,971,278.28	7.89%
31-Dec-22	Province of Ontario	2.65%	05-Feb-25	97.04	AA	2,037,743.55	4.05%
31-Dec-22	Province of Ontario	2.60%	02-Jun-27	95.07	AA	1,901,376.08	3.78%
31-Dec-22	Province of Ontario	3.75%	02-Jun-32	97.74	AA	2,345,653.73	4.66%
31-Dec-22	Province of Quebec	2.75%	01-Sep-27	95.52	AA	2,388,008.60	4.75%
Municipal Bonds							
31-Dec-22	Regional Municipality of Durham	4.10%	05-Jul-29	100.10	AAA	2,001,948.00	3.98%
31-Dec-22	City of London	2.55%	07-Mar-25	96.89	AAA	290,662.50	0.58%
31-Dec-22	City of Montreal	3.00%	01-Sep-25	97.07	AA	2,014,218.93	4.00%
31-Dec-22	City of Montreal	3.00%	01-Sep-27	95.80	AA	958,035.52	1.90%
31-Dec-22	City of Montreal	3.15%	01-Dec-36	85.66	AA	856,632.45	1.70%
31-Dec-22	City of Toronto	2.40%	24-Jun-26	94.90	AA	1,708,245.83	3.40%
31-Dec-22	City of Toronto	2.40%	07-Jun-27	94.03	AA	940,280.81	1.87%
31-Dec-22	Municipal Finance Authority of BC	3.30%	08-Apr-32	94.00	AAA	1,410,069.09	2.80%
Schedule I Banks							
31-Dec-22	Bank of Nova Scotia	3.10%	02-Feb-28	93.16	AA	1,863,160.30	3.70%
31-Dec-22	Bank of Montreal	3.19%	01-Mar-28	93.46	AA	1,620,604.36	3.22%
31-Dec-22	Canadian Imperial Bank	3.30%	26-May-25	96.86	AA	484,323.12	0.96%
Cash and Cash Equivalents							
31-Dec-22	Royal Bank of Canada STIF I			10.00		4,643,023.47	9.23%
31-Dec-22	Cash					-	0.00%
One Investment Program							
31-Dec-22	Canadian Equity Portfolio					2,141,281.21	4.26%
Other Equity							
31-Dec-22	Hamilton Utilities Corp					2,000.00	0.00%
Total Fund						\$50,309,473.45	100.00%

⁶ Credit ratings are provided by RBC. Credit rating data is collected from 3 major rating agencies (S&P, Moody's and DBRS) if available. "AA" includes AA-, AA, AA+ or an equivalent rating. "A" includes A-, A, A+ or an equivalent rating. Rating field will be blank if no rating is available. All results are based on highest available rating.

Restrictions		
Constraints		Policy Complied with Yes/No
The City shall not invest more than 25% of the portfolio in short-term debt issued or guaranteed by the City.		Yes
Total Investment in 'A' or equivalent rated debt on purchase most not exceed 35% of the market value of the City's bond portfolio.		Yes
The City shall not invest in a security that is expressed or payable in any currency other than Canadian dollars with exception of investments specified in Section 4.07 and footnote 6 of Appendix "A" of the SIP&P.		Yes
The City shall not invest in a security issued or guaranteed by a school board or similar entity unless the money raised by issuing the security is to be used for school purposes.		Yes
Permitted ranges	(%)	
Federal issues	0-100	Yes
Provincial holdings in aggregate	0-100	Yes
Single province exposure	0-50	Yes
Individual non-federal/non provincial holdings *	0-10	Yes
Non-federal/non provincial holdings in aggregate	0-50	Yes
Municipal issues *		
- individual muni issue rated "AAA"	0-10	Yes
- individual muni issue rated "AA"	0-10	Yes
- individual muni issue rated "A"	0-5	Yes
Municipal holdings in aggregate	0-30	Yes
Banks and Credit Unions in aggregate	0-50	Yes
Short-term securities	0-50	Yes
Portfolio duration	1-6 Years	Yes

* Except for City of Hamilton issues which have a limit of 25%

As at December 31, 2022 on a combined basis, the Funds were being managed in a manner that is consistent with the minimum quality requirements, maximum quantity restrictions and all other restrictions imposed on the Funds. Securities lending is allowed, and as such, monies were loaned during the year for the purpose of generating revenues for the Funds. In managing the securities lending program, RBC complied with the constraints described in the Securities Lending Letter Agreement dated as of January 6, 2003, as amended. The ratings were assumed to be the same for all issues of an issuer. Throughout the

year, reports are provided by RBC to the CIO on a weekly basis, showing the securities that the City invested in for the Reserve Fund and the Hydro Fund together with each security's market value.

In addition, on monthly basis, RBC provides CIO with compliance reports⁷, indicating whether or not the Funds were consistent with terms, conditions and guidelines stipulated in the SIP&P. Securities that not consistent with the terms, conditions and guidelines stipulated in the SIP&P are reviewed and action is taken to remedy the situation as soon as possible.

Aon has reviewed these compliance reports for 2022 and confirms the compliance reports indicate the Funds were consistent with the terms, condition and guidelines stipulated in the SIP&P at each month end throughout 2022.

⁷ Starting in 2019, the City engaged RBC as an independent third party to provide monthly compliance reports as part of their overall engagement with RBC. These reports assist the City to identify any potential deviations from a compliance perspective.

Activity and Transactions

Activity every month consists of:

- 1) Cash Inflows: Proceeds from bond maturities and sales, contributions/transfers and investment income; and
- 2) Cash Outflows: Funds for bond purchases, distributions and other required outflows.

For the City of Hamilton Reserve Fund, cash inflows were \$386.2 million, consisting of \$130.0 million in sales and maturities, \$26.8 million in investment income and \$229.4 million in contributions/transfers. Cash outflows were also \$386.2 million and consisted of \$249.0 million in purchases and \$137.2 million in distributions.

For the Hamilton Future Fund, cash inflows were \$21.4 million, consisting of \$20.2 million in sales and maturities and \$1.25 million in investment income. Cash outflows were also \$21.4 million and consisted of \$21.4 million in purchases.

The records of each activity are summarized in the custodial statements of RBC on a monthly basis. Aon uses these monthly statements to record and reconcile all of the transactions noted above.

Certificate by Chief Investments Officer

This Certificate by the Chief Investments Officer applies to the City of Hamilton Reserve Fund and the Hamilton Future Fund ("the Funds").

The undersigned hereby confirms that throughout the reporting period of 2022:

1. The management of the Funds was in accordance with all the terms, conditions and guidelines stipulated in the SIP&P in effect during 2022.
2. The Funds were managed in compliance with the Municipal Act, 2001, S.O. 2001, c. 25, and Ontario Regulation 438/97 that was in effect in 2022.
3. The Chief Investments Officer, who manages the Funds, complied at all times and in all respects with the Code of Ethics and Standard of Professional Conduct as promulgated by the CFA Institute.
4. The Chief Investments Officer managed the Funds' assets with the care, diligence and skill that an investment manager of ordinary prudence would use in dealing with the assets of these types of Funds.

Certified by,





Gerald T. Boychuk
Chief Investments Officer
City of Hamilton



CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Financial Services and Taxation Division
and
PUBLIC WORKS DEPARTMENT
Corporate Facilities & Energy Management Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 18, 2023
SUBJECT/REPORT NO:	Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Tina Iacoe (905) 546-2424 Ext. 2796 Janet Warner (905) 546-2424 Ext. 7041
SUBMITTED BY: SIGNATURE:	Mike Zegarac General Manager Corporate Services Department 
SUBMITTED BY: SIGNATURE:	Carlyle Khan General Manager Public Works Department 

Discussion of Private & Confidential Appendix "A" FCS22071(a)/PW22065(a) would be pursuant to Section 9.3, Sub-section (i) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (i) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to

RATIONALE FOR CONFIDENTIALITY

- a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization

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: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 2 of 8

RATIONALE FOR MAINTAINING CONFIDENTIALITY

- This Report includes negotiated pricing and contract terms and conditions negotiated and proposed by staff with Teknion for the City’s Systems Furniture Contract; therefore, it is appropriate to address in-camera, pursuant to the *Ontario Municipal Act, 2001, SO 2001, c25 (Municipal Act, 2001)*.

RECOMMENDATION

- That Council approve the standardization of Systems Furniture manufactured and procured from Teknion Limited, pursuant to Policy #11 Non-Competitive Procurements and Procurement Policy #14 – Standardization, until December 31, 2027 and that the General Manager, Public Works Department be authorized to enter into and execute any required Contract and any ancillary documents required to give effect thereto with Teknion Limited, in a form satisfactory to the City Solicitor and Director of Financial Services and Taxation.
- That Appendix “A” to Report FCS22071(a)/PW22065(a) remain confidential as it contains proprietary and sensitive competitive financial information of Teknion Limited, which was provided to the City of Hamilton in confidence for the negotiation of the Contract.
- The purpose of this report is to update Council on the actions taken by staff to address this outstanding item. As a result of this report, the item representing continued standardization and request to negotiate a contract for systems furniture for the City of Hamilton will be considered complete and removed from the Audit, Finance and Administration Committee Outstanding Business List.

EXECUTIVE SUMMARY

On August 12, 2022 Council approved Report PW22065/FCS22071 which included the following recommendations:

- That the General Manager of the Public Works Department, or their designate, be authorized and directed to negotiate a single source contract, for a term of 5 years, ending December 31, 2027, for the standardization and procurement of Systems Furniture with Teknion Limited;
- That staff be directed to report back with the results of the negotiations for the standardization and procurement of Systems Furniture with Teknion

SUBJECT: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 3 of 8

Limited to the Audit, Finance and Administration Committee for consideration."

The negotiations between City staff and Teknion have now concluded and the intent of the Report FCS22071(a)/PW22065(a) is to advise on the results of those negotiations and request approval to enter into the proposed contract and standardization.

Alternatives for Consideration – See Page 7

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Capital budgets and annual operating budgets, as applicable, will incur additional expenses as a direct result of any price increases throughout the term of the contract to standardize and single source with Teknion.

Pre-COVID19, the City was spending over \$1.5M per year on new and reconfigured systems furniture, excluding large, capital accommodations' projects. Post-COVID, the City has spent over \$1M in the past year.

Staffing: N/A

Legal: Legal Services has provided guidance with respect to the negotiations conducted to date and their continued assistance will be required in the finalization of the contract.

HISTORICAL BACKGROUND

Teknion's Systems Furniture has been incorporated into the City of Hamilton offices since before amalgamation. For reference purposes, "Systems Furniture" is modular furniture pieces that are configured to create workstations or cubicles and usually include privacy panels, desktops, cabinets and other equipment that can be configured or reconfigured as needed. Most of these components would be connected to each other to form the workstation. Case goods ("Case Goods") is office furniture that is completely stand alone and not part of or attached to a workstation or Systems Furniture, for example, office chairs, standalone file cabinets or meeting tables and is not included and has been issued as a competitive bid separate from this contract. Teknion has been supported as an acceptable manufacturer since 2003 when Council endorsed staff to extend vendor discount agreements with select furniture vendors (PW03032 May 14, 2003). The initial agreement with Teknion resulted in a savings of 17% savings. The house agreements were extended two additional times with Council approval: Report PW06117 dated on August 22, 2006, at which time over 50% of the

SUBJECT: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 4 of 8

City's Systems Furniture was procured from Teknion and Report PW09014 dated February 20, 2009 when over 60% of the City's System Furniture was also procured from Teknion and resulted in an additional 10% savings for the City.

The continued utilization of Teknion throughout the City of Hamilton was based on its durability, Canadian content and manufacturing, limited lifetime warranty as well as the amount of product already in use throughout the City.

In 2010, Facilities Management Division, with the assistance of Procurement, undertook an open, competitive Request for Proposal ("RFP") C11-19-09 for a Corporate Contract To Supply And Deliver The City's Furniture Requirements for both Systems Furniture and Case Goods for a potential maximum of twelve years.

On March 10, 2010, Council approved Report FCS10005 recommending the award of Contract C11-19-09 be made to Teknion Furniture Systems Co. Limited (now operating as Teknion Limited).

Since March 2010 Teknion manufactured Systems Furniture and Case Goods have been the standard used for all the City's office and workstation requirements. Furthermore, and more recently, new furniture guidelines based primarily on the Teknion Systems Furniture were recently adopted as part of the Downtown Office Accommodation Strategy (GIC – August 8, 2016, PED16175 / PW16060)

On August 12, 2022, Council approved Report PW22065/FCS22071, directing staff to negotiate a contract for the continued standardization of Systems Furniture manufactured by Teknion Limited ("Teknion") until December 31, 2027. Through that Report, staff were also directed to report back with the results of the negotiations to the Audit, Finance and Administration Committee for approval, in accordance with Procurement Policy #11 Non-Competitive Procurement and Policy #14 Standardization.

Since staff received this direction from Council, multiple meetings have been held with Teknion to negotiate and finalize a contract for Council's consideration. As per Report PW22065/FCS22071, negotiations with Teknion have only pertained to Systems Furniture.

At the time of this Report, staff have issued and closed a Request for Proposals ("RFP") for the Supply and Installation of Case Goods and the evaluation of proposals has begun. The results of this RFP will be reported as applicable in the Procurement Section's quarterly *Request for Tenders and Proposals Report*.

SUBJECT: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 5 of 8

Committee and Council are also advised that the City's corporate contract, C11-19-09, Supply And Deliver The City's Furniture Requirements with Teknion, has expired as of December 31, 2022.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

This Report is in accordance with Procurement Policy 20-205 as amended, Policy #4.11 – Non-Competitive Procurement and Policy #4.14 – Standardization.

RELEVANT CONSULTATION

Legal Services has provided comment with respect to the confidentiality of this report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

As previously stated in Report PW22065/FCS22071, Corporate Facilities & Energy Management Division within Public Works has been satisfied with the reliability and quality of the Systems Furniture acquired to date from Teknion. A standardization of the City's Systems Furniture ensures continuity and continued, seamless interconnection of panel furniture used within the City and allows space and workstations to be maximized, collectively resulting in a decreased floorplan (space optimization) and ultimately less requirement of leased or owned space.

Systems Furniture:

From 2012 to 2021, the City has spent more than \$12 million on Systems Furniture for small departmental moves, reconfigurations as well as larger corporate-wide space management projects.

The significant benefit to Systems Furniture is its versatility to be dismantled and reconfigured into various workstations and components. As a result of the experience in working with the Teknion brand of Systems Furniture for several years, staff is confident that the Teknion's design and construction is both reliable and extremely durable in order to achieve multiple reconfigurations.

Since the City has been purchasing Teknion Systems Furniture for many years, the City has been able to establish a limited amount of inventory resulting from workstations or projects that have been dismantled from its original use and deemed surplus. Wherever possible, surplus inventory is considered for reuse within the City before any new product has been ordered which, in turn, has created significant cost savings to the respective departments and the City as a whole. The inventory is regularly updated,

SUBJECT: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 6 of 8

allowing space requirement changes to utilize readily accessible systems components and, in many cases, reduces timelines in certain situations. This also allows for the ability to adjust workstations at a potentially lesser cost due to ongoing ergonomically changes, i.e. new/approved space and accommodation standard.

The Teknion manufactured products meet all ergonomic and health and safety standards and comes with a limited lifetime warranty for repair to replacement of furniture for any product failure. Teknion is also making strides in the office furniture industry regarding sustainability and environmental impacts. They were the first manufacturer to become WELL v1 certified as well as ISO certified 9001.

Approval to standardize the Teknion Systems Furniture provides increased versatility in reconfiguring space with existing product with minimal impact to floor space. Establishing Teknion as the City's standard for Systems Furniture ensures that the City continues to use the current inventory and maintains the ability to capitalize on its versatility going forward.

Negotiations:

As indicated in Report FCS21103/LS21045 "Amendment to Procurement Policy to Allow for Negotiation of Contracts in Extenuating Circumstances", staff is cognizant of many events within the world creating price fluctuations well beyond anything that the vendor community or the City could control or possibly predict. Staff has received correspondence from Teknion that the furniture commodity market has been affected by this price increases and the cost of various goods and services needs to increase. Early in the Covid-19 pandemic, Teknion approached the City for a price increase however, Teknion agreed to hold off on passing any increases until Council made their decision regarding the negotiation of a standardization contract.

As mentioned early in this Report, after receiving Council's direction to proceed, staff has held multiple meetings with Teknion to negotiate and finalize a contract for Council's consideration. Initial negotiations were based on the previous Contract C11-19-09 and included updates to current contact information and refining the City's expectations for customer service as well as delivery and installation of the goods.

Staff and Teknion have agreed to include in the negotiation contract's scope of work Teknion's "Divert Program", which offers a turnkey, environmentally sound solution to disassemble and remove any disposed Systems Furniture components. Under the Divert Program, Teknion will transfer title of goods to be disposed and either donate or

SUBJECT: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 7 of 8

resell any reusable existing components or alternatively, recycle the product by stripping the furniture down to recycle as much as the materials as possible, thereby ensuring the minimalist amount of waste to the landfill.

Operationally, the Divert Program will support and allow the City to maintain reusable systems furniture within the limited storage space available with the redundant furniture being re-used or recycled. The Divert Program also minimizes additional costs associated with moves and changes related to costs incurred by hiring other vendors to move, store and dispose of the furniture as well as minimizes risk with one entity overseeing all work.

Environmentally, the Divert Program supports one of the guiding principles of Hamilton's Solid Waste Management Master Plan (SWMMP), in that "The City must lead and encourage the changes necessary to adopt the principle of Waste Minimization". The program is also in alignment with Hamilton's Climate Action Strategy which proposes to achieve community-wide net-zero greenhouse gas (GHG) emissions by 2050, with an interim reduction target of 50% by 2030. The Divert program works to support the waste diversion targets increase, reduce the solid waste generation and avoid as many GHG emissions from landfills as possible.

Appendix A to this Report sets out the specifics with respect to pricing and any applicable discounts being offered under the negotiated contract for Council consideration.

ALTERNATIVES FOR CONSIDERATION

Rather than approve the recommendations in this Report, Council could direct staff to issue a competitive RFP for Systems Furniture. This alternative is not recommended. If staff conducted a competitive procurement process for Systems Furniture and a vendor other than Teknion was successful, many of the synergies and cost benefits resulting from standardization would be lost. Should the City carry more than one manufacturer's product, the City would lose the significant economies of scale from the volume discounts proposed by Teknion and lose much of the ability and flexibility to configure and reconfigure the furniture pieces for workstations and cubicles. In addition, the City would incur an increase in its cost of carrying inventory for two lines of Systems Furniture and the storage needs for a second product line.

Financial: Since the Teknion Systems Furniture is proprietary to Teknion and not compatible with other manufacturer Systems Furniture, it would be ineffective and cost prohibitive to utilize another vendor. As the City is almost 100%

SUBJECT: Continued Standardization Contract for Systems Furniture for the City of Hamilton (FCS22071(a)/PW22065(a)) (City Wide) - Outstanding Business Item – Page 8 of 8

Teknion product-based, trying to integrate another system would not only impact the furniture footprint due to panels not interconnecting and thus doubling the size of panel depth and floor space requirements as the panels would have to be adjacent versus connected, it will also be costly carrying two propriety systems in inventory, while phasing out the Teknion brand over a multitude of years. Should Council proceed with this alternative, staff will require an additional eight (8) month extension to Contract C11-19-09 in order to develop a scope of work for an RFP for the Supply and Delivery of Systems Furniture and for the award of a new contract.

Staffing: N/A

Legal: Legal Services will be requested to assist in the formation and finalization of both the RFP document as well as the contract.

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

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

Confidential Appendix “A” to Report FCS22071(a)/PW22065(a) – Systems Furniture Contract Pricing Details