



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 12-002

Monday, February 13, 2012

9:30 a.m.

Council Chambers

City Hall

71 Main Street West

Hamilton, Ontario

Present: Councillors B. Johnson (Chair), B. Morelli and R. Powers

Absent

with Regrets: Councillor B. Clark – Illness
Councillor M. Pearson (Vice Chair) – AGCO Pre-hearing

Also Present:

C. Murray, City Manager
T. Tollis, City Treasurer
T. McCabe, General Manager, Planning & Economic Dev. Dept.
M. McChesney, Director, Information Services
S. Paparella, Legislative Coordinator, Office of the City Clerk

THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

- 1. Freedom of Information Quarterly Report (October 1 to December 31, 2011) (CL11002(c)) (City Wide) (Item 5.1)**

(Morelli/Powers)

That Report CL11002(c), respecting the Freedom of Information Quarterly Report (October 1 to December 31, 2011), be received.

CARRIED

- 2. Treasurer's Apportionment of Land Taxes for Property in Flamborough (FCS12005(a)) (Ward 15) (Item 5.2)**

(Morelli/Powers)

That the 2010 land taxes in the amount of \$1,517 for 81–95 Nisbet Boulevard, Flamborough (Roll #2518 303 420 23045 0000) be apportioned and split amongst the eight newly created parcels as set out in Appendix A to report FCS12005 (a).

CARRIED

**3. Tax Appeals Under Section 357 and 358 of the Municipal Act (2001)
(FCS12007(a)) (City Wide) (Item 5.3)**

(Morelli/Powers)

- (a) That Appendix "A" attached to Report FCS12007(a) respecting the "Tax Write-Offs processed under Section 357 of the Municipal Act, 2001", in the amount of \$43,563 be approved;
- (b) That Appendix "B" attached to Report FCS12007(a) respecting the "Tax Appeals due to a Gross or Manifest Clerical Error, Pursuant to Section 358 of the Municipal Act, 2001", in the amount of \$20,964 be approved.

CARRIED

**4. Development Charge Exemption – Mission Services of Hamilton Inc.,
Conversion of 196 Wentworth St. N, Hamilton (from Educational Facility to
Multi-Use) (FCS12008) (City Wide) (Item 8.1)**

(Morelli/Powers)

- (a) That the Municipal Development Charge (DC) Liability of \$596,245 resulting from the conversion of 196 Wentworth St. N, Hamilton (owned by Mission Services of Hamilton Inc.), from use as a Post Secondary School academic or teaching facility (Mohawk College) to a multi use facility, be exempted;
- (b) That Development Charge Deferral Agreement #140 between the City of Hamilton and Mission Services of Hamilton Inc. (Mission Services) be amended as per Recommendation (a).

CARRIED

5. 2011 External Audit Plan (FCS12016) (City Wide) (Item 8.2)

(Powers/Morelli)

- (a) That the changes to the scope of audit work in the City of Hamilton's 2011 External Audit Plan, as listed below, be approved:
 - (i) Ontario Employment Assistance Service by the Ministry of Training, Colleges and Universities.
- (b) That the City of Hamilton's 2011 External Audit Plan in Grant Thornton's Report FCS12016, be approved.

CARRIED

6. Desktop and Mobile Computer Contract Award and Management Policies (FCS11022(a)) (City Wide) (Item 8.3)

(Morelli/Powers)

- (a) That a 5 year replacement lifecycle for standard computers and a 4 year replacement lifecycle for high capacity computers be approved.
- (b) That the lifecycle for ruggedized mobile computers be established at 4 years for a 12 month trial period, during which time performance data will be captured to determine an appropriate lifecycle for ruggedized mobile computer devices.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

7. Network Communications Standardization (FCS12019) (City Wide) (Item 8.4)

(Powers/Morelli)

- (a) That equipment manufactured by Cisco Systems be established as the Corporate Standard for networking, communications components and associated hardware including Unified Communications components providing the backbone network infrastructure of the City's Internet Protocol (IP) phone services, desktops, wireless, and application communications throughout the city's network;
- (b) That staff be authorized to deviate from this standard only when required by a specific software solution;
- (c) That this Corporate Standard be reviewed again in 2016.

CARRIED

8. Governance Sub-Committee Report 12-001, February 6, 2012 (Item 8.5)

(Powers/Morelli)

(a) Ward Budgets (Item 4.1)

That the following recommendations be forwarded to the General Issues Committee 2012 operating budget process for further deliberations:

- (i) That all Ward Councillor's office budget be increased by \$2600 to assist with administration coverage from sick leave and vacation;
- (ii) That all Ward Councillor's office budget be increased by \$6000 per ward to provide for 2 seasonal information mailings;

- (iii) That the annual "Inner City Fund" remain at the current level of funding;
- (iv) That the annual "Geographic Factor" be increased to \$2500;
- (v) That a new "Population Factor" of \$.50 for each of the first 15,000 thence \$.75 for each of the remaining population in each ward as outlined in Appendix "A" to Governance Review Report 12-001.

(b) Ward Boundary Review – (CL11004(a)) (City Wide) (Outstanding Business List Item) (Item 4.2)

That Report CL11004(a) respecting Ward Boundary Review, be forwarded to the General Issues Committee for further deliberations.

(c) Reinstatement of the French Advisory Committee – Correspondence from the ACFO (Item 4.3)

That the correspondence from the ACFO respecting the reinstatement of the French Advisory Committee, be received.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

9. Grants Sub-Committee Report 12-001, February 9, 2012 (Item 8.6)

(Powers/Morelli)

(a) Convention and Sports Grants Review (GRA11017) (City Wide) (Item 4.1)

That Report GRA11017, respecting the Convention and Sports Grants Review, be received.

(b) Community Partnership Program Event Road Closure Services – Dundas Cactus Festival and Dundas Cactus Parade Grant Review (GRA12004) (Ward 13) (Item 5.1)

- (i) That the 2010 Community Partnership Program funding request for the Dundas Cactus Festival, in the amount of \$715.11, for traffic equipment and services costs, be approved.
- (ii) That the 2010 Community Partnership Program grant for the Dundas Cactus Festival, in the amount of \$715.11, for traffic equipment and services costs, be released to the organization.

(iii) That staff be directed to adjust the Community Partnership Program base funding, for the years 2010 and onward, for the Dundas Cactus Festival and the Dundas Cactus Parade, for the costs of traffic equipment and services, as follows:

1. Dundas Cactus Festival (\$715.11)
2. Dundas Cactus Parade (\$238.37)

(c) Community Partnership Program Event Road Closure Services – 2011 Event Funding Update (GRA11016) (City Wide) (Item 5.2)

(i) That funding in the amount of \$160.15 (exclusive of 13% HST), for Shalom Village's annual Hanukkah Hustle, to cover the cost of Roads services of November 20, 2011, to be funded from the 2011 Community Partnership Program, be approved.

(ii) That funding in the amount of \$282.43 (exclusive of 13% HST), for Hamilton Wentworth Catholic District School Board's Pilgrimage, to cover the cost of Roads services of October 23, 2011, to be funded from the 2011 Community Partnership Program, be approved.

(iii) That the following groups receive an annual grant within the Special Events Category of the Community Partnership Program, to be transferred from the Event Road Closure Services budget to the Special Events budget base for the total amount of \$442.58, in lieu of Event Road Closure Services to cover the cost of Roads services:

1. Hanukkah Hustle (Shalom Village) in the amount of \$160.15, exclusive of 13% HST
2. Pilgrimage (Hamilton Wentworth Catholic District School Board) in the amount of \$282.43, exclusive of 13% HST.

(d) The Canadian Ballet Youth Ensemble Grant Request (Item 5.3)

That the correspondence, respecting the one time funding request from the Canadian Ballet Youth Ensemble, for \$35,000 to hire the Hamilton Philharmonic Orchestra from the 2011 Hamilton Nutcracker, be referred to staff for a report back to the Grants Sub-committee.

(e) 2011 Community Partnership Program – Culture Stream Late Applications from Dundas Pipes and Drums (GRA11012) (City Wide) (Item 5.4)

That the funding request in the amount of \$3,000, from Dundas Pipes & Drums, for its Continuous Learning, Improvement and Growth program, be received.

(f) 2011 Final Community Partnership Program Budget Update (GRA12002) (City Wide) (Item 5.5)

(i) That the additional Event Road Closure Services (ERCS) billings for 2011 in the amount of \$98,301, be approved and funded from the remaining 2011 Community Partnership Program Surpluses.

(ii) That the overall 2011 Community Partnership Program (CPP) Surplus, in the amount of \$44,355, be transferred to the Grants Reserve Account #112230.

(g) Requests for Advance 2012 Community Partnership Program Payments (GRA12001) (City Wide) (Item 5.6)

(i) That staff be authorized and directed to provide advance monthly payments, to 2012 Community Partnership Program applicants, as shown in Appendix A to Report GRA12001, based upon 2011 funding levels, prior to final approval of the 2012 Community Partnership Program budget.

(ii) That any outstanding arrears due to the City of Hamilton, by any of the organizations, listed in Appendix A to Report GRA12001, be paid in full utilizing the approved advance funding, prior to the organization receiving any Community Partnership Program funding.

(h) 2011 Special Events funding for Ottawa Street BIA for Traffic Services (GRA12005) (City Wide) (Item 5.7)

That funding in the amount of \$246.35 (pro-rated), for the Traffic Services request submitted by the Ottawa Street BIA for the Street Sale, which took place on September 24, 2011, to be funded from the 2011 Community Partnership Program – Special Events budget, be approved.

(i) Requests for Complimentary Shuttle Service by HSR or Alternate Suppliers (Item 6.1)

That the motion respecting Requests for Complimentary Shuttle Service by HSR or Alternate Suppliers, be tabled.

(j) Mardi Gras Festival Base Funding (Item 6.2)

(i) That the Hamilton Mardi Gras Festival's base funding status remain at its current 2011 approved amount of \$32,796.05 for 2012; providing that the Mardi Gras Festival continues to qualify under the Council approved Community Partnership Program (CPP), maintains its 2011 ranking (score) on their 2013 application, and that funding is available through the CPP budget, at that time.

(ii) That the Hamilton Mardi Gras Festival's base transfer from Event Road Closure Services to cash funding approved, as shown below, be maintained for 2012; providing that the Mardi Gras Festival continues to qualify under the Council approved Community Partnership Program (CPP), maintains its 2011 ranking (score) on their 2013 application, and that funding is available through the CPP budget, at that time:

1. Police Services \$6,303.29

(k) Emergency Funding Request – Flamborough Women's Resource Centre (Item 7.1)

(i) That the Emergency Funding request in the amount of \$33,134.29, submitted by Interval House for the Flamborough Women's Resource Centre; be approved, contingent upon the receipt and review/rating of a Community Partnership Program application.

(ii) That emergency funding, in the amount of \$33,134.29, for the Flamborough Women's Resource Centre, be immediately released upon review/rating of their Community Partnership Program application.

(iii) That, if approved, the \$33,134.29 in emergency funding paid to the Flamborough Women's Resource Centre, be repaid to the Community Partnership Program through the Housing Services Division's Operating budget, once approved through the 2012 Operating budget process.

(l) Compassion Ministries – Additional 2011 Tipping Fees (Item 7.2)

That Compassion Ministries, be provided \$411.00 to cover 2011 tipping fees for additional tonnage, to be funded from the 2011 Community Partnership Program.

(m) Ancaster Heritage Days

(i) That Police Service ERCS, in the amount of \$6,641.11, for the Ancaster Heritage Days Parade, be suspended for 2012 and reinstated for 2013.

(ii) That's the Roads and Traffic costs, in the amount of \$735.42 for roads and \$638.00 for traffic, for the Ancaster Heritage Days Parade, be suspended for 2012 and reinstated for 2013.

(n) Erland Lee Museum

That Community Partnership Program Funding, in the amount of \$2,943, be provided to the Erland Lee Museum for 2012, contingent upon staff receiving additional information.

CARRIED

10. Citizen Appointment to the Hamilton Status of Women Committee (Item 9.1)

(Morelli/Powers)

That Katherine Kalinowski be appointed to the Hamilton Status of Women Committee for the balance of the 2010 to 2014 term of Council or until such time as a successor is appointed by Council.

CARRIED

FOR THE INFORMATION OF COMMITTEE:

(a) CHANGES TO THE AGENDA (Item 1)

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

(i) Added as Item 8.5, Governance Sub-Committee Report 12-001, February 6, 2012.

(ii) Added as Item 8.6 – Grants Sub-committee Report 12-001, February 9, 2012

(Powers/Morelli)

That the agenda for the February 13, 2012 Audit, Finance & Administration Committee meeting be approved, as amended.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

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

(i) January 18, 2012 (Item 3.1)

(Morelli/Powers)

That the Minutes of the January 18, 2012 meeting of the Audit, Finance and Administration Committee be approved, as presented.

CARRIED

(d) DELEGATIONS (Item 6)

(i) Mark McMaster, respecting a Request for Exemption from Development Charges at 168 West Avenue North, Hamilton (Item 6.1)

Mr. McMaster addressed Committee respecting his Request for Exemption from Development Charges at 168 West Avenue North, Hamilton. Mr. McMaster's comments included, but were not limited to, the following:

- West Avenue North (at Cannon) in a residential neighbourhood zoned I1.
- Formerly used as a place of worship, was deemed to have a Development Charge Liability in excess of \$26,000 (same as new single-family home) by the City's Finance Department.
- Borders the previous Downtown Community Improvement Plan area.
- Included in the recently expanded area, but is still subject to Development Charges.
- Since requesting to appear before this committee, I have heard that the Finance Department will soon recommend that the expanded area be exempt from DC.
- Took possession of the property on April 1, 2011.
- The congregation had folded and the property had been listed for sale for almost two years.
- The religious organization renting the property twice attempted to purchase it, but was unable to raise the money.

- Potential buyers passed after realizing that the expense of development charges added to the cost of repair and renovations would put the effective purchase price far beyond market value.
- Intends to live there and to run a recording studio there.
- Does not make sense that a property, initially developed long before development charges existed, becomes subject to them now.
- Application of DC, in such cases, discourages owners from applying for permits and so effectively prevents the City from collecting taxes on higher assessed value.
- collecting a development charge in this case contradicts the stated aim of the Development Charges By-law -- "...to pay for increased capital costs required because of increased needs for services arising from development of the area to which said By-law applies." as no expansion of existing services and no capital costs would be incurred by the City as a result of the renovation.
- Future business use of the proposed development is not expected to generate profit.
- Property is already much improved since the transfer of ownership (roof, windows, paving).
- Other necessary improvements (fencing, landscaping, facade) will be compromised or delayed if subject to DC.

(Morelli/Powers)

That the presentation by Mark McMaster, respecting a Request for Exemption from Development Charges at 168 West Avenue North, Hamilton, be received.

CARRIED

(e) 2011 External Audit Plan (FCS12016) (City Wide) (Item 8.2)

Melanie Dugard, Grant Thornton LLP, provided an overview of the 2011 External Audit Plan.

(Morelli/Powers)

That the presentation by Melanie Dugard, Grant Thornton LLP, respecting the 2011 External Audit Plan, be received.

CARRIED

(f) Desktop and Mobile Computer Contract Award and Management Policies (FCS11022(a)), subsections (c) and (d) (Item 8.3)

(Powers/Morelli)

That Report FCS11022(a), respecting the Desktop and Mobile Computer Contract Award and Management Policies (FCS11022(a)), subsections (c) and (d), be lifted from the table.

CARRIED

(g) Governance Sub-Committee Report 12-001, February 6, 2012 (Item 8.5)

(Powers/Morelli)

That sub-section (d) of the Governance Sub-committee Report 12-001, as amended, which reads as follows, be tabled to the March 19, 2012 Audit, Finance & Administration Committee meeting:

(d) Review of the City's Procedural By-law – Standing Committee Mandates as it relates to recent department reporting structure changes (City Wide) (CL12001) (Item 4.4)

- (i) That the Culture *and Tourism* Division cease reporting to the Emergency and Community Services Committee, and report to the General Issues Committee for a one year trial period commencing in *April* 2012;
- (ii) *That Culture and Tourism Division's reports pertaining to museums and heritage preservation matters, report to the Planning Committee;*
- (iii) That the Hamilton Veterans Committee continue to report to the Emergency & Community Services Committee;
- (iv) That the Arts Advisory Commission report to the General Issues Committee;
- (v) That the Hamilton Historical Board report to the Planning Committee;
- (v) That staff be directed to report back to the Governance Review Sub-Committee prior to the end of the one year term with results of the one year trial.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

(h) GENERAL INFORMATION/OTHER BUSINESS (Item 11)

11.1 Amendments to the Outstanding Business List

(Powers/Morelli)

- (a) That the following proposed new due date, be approved:
 - (i) Item "E" – Annual Performance Reporting – Savings Generated from the Management of Information Services Contracts
Current Due Date: February 13, 2012
Proposed New Due Date: March 19, 2012

- (b) That the Item respecting the Desktop and Computer Contract Award and Management Policies be considered complete and removed from the Audit, Finance & Administration Committee's outstanding Business List.

CARRIED

(i) ADJOURNMENT (Item 13)

(Morelli/Pearson)

That, there being no further business, the Audit, Finance and Administration Committee be adjourned at 10:35 a.m.

CARRIED

Respectfully submitted,

Councillor B. Johnson, Chair
Audit, Finance and Administration Committee

Stephanie Paparella
Legislative Coordinator
February 13, 2012