



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 12-008

9:30 a.m.

Thursday, October 4, 2012

Council Chambers

Hamilton City Hall

71 Main Street West

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

**Absent
with Regrets:** Councillor R. Powers – Other City Business
Councillor M. Pearson – Vacation

Also Present: Councillor C. Collins

THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

- 1. Employee Attendance Performance Measures Q2 2012 (HUR12013) (City Wide) (Item 5.1)**

(Morelli/Clark)

That Report HUR12013, respecting Employee Attendance Performance Measures Q2 2012, be received.

CARRIED

- 2. Municipal Service Centres – Customer Service Feedback (FCS12071) (City Wide) (Item 5.2)**

(Morelli/Clark)

That Report FCS12071, respecting Municipal Service Centres – Customer Service Feedback, be received.

CARRIED

- 3. Monthly Status Report of Tenders and Requests for Proposals for August 2, 2012 to August 31, 2012 (FCS12018(f)) (City Wide) (Item 5.3)**

(Morelli/Clark)

That Report FCS12018(f), respecting the Monthly Status Report of Tenders and Requests for Proposals for August 2, 2012 to August 31, 2012, be received.

CARRIED

4. Wastewater User Fee Billing Verification Initiative (FCS12075) (City Wide) (Item 5.4)

(Morelli/Clark)

That Report FCS12075, respecting the Wastewater User Fee Billing Verification Initiative, be received.

CARRIED

5. 2011 Standard & Poor's Credit Rating (FCS12078) (City Wide) (Item 7.1)

(Morelli/Clark)

That Report FCS12078, respecting the 2011 Standard & Poor's Credit Rating, be received.

CARRIED

6. Wentworth Condominium Corporation #38 Water/Wastewater Billing Issue (FCS12056) (Ward 5) (Item 8.1)

(Clark/Morelli)

That staff be directed to provide a 50% credit adjustment to Wentworth Condominium Corporation (WCC) #38 for the \$48,935.93 combined water/wastewater billing experienced by Wentworth Condominium Corporation (WCC) #38 in August 2011.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

7. Committee Against Racism Report (CAR12001) respecting the UNESCO Coalition of Municipalities (Item 8.2)

(Clark/Morelli)

That the Committee Against Racism Report CAR12001, respecting the UNESCO Coalition of Municipalities, be received.

CARRIED

8. UNESCO Declaration Required to Join the Canadian Coalition of Municipalities Against Racism and Discrimination (Item 8.2(a))

(Clark/Morelli)

Whereas, the Canadian Commission for UNESCO (United Nations Educational, Scientific and Cultural Organization) is calling on municipalities to join a Canadian Coalition of Municipalities Against Racism and Discrimination and to be part of UNESCO's international Coalition launched in 2004; and,

Whereas the Federation of Canadian Municipalities (FCM) endorses the Call for a Canadian Coalition of Municipalities Against Racism and Discrimination and encourages its members to join; and,

Whereas Municipal governments in Canada, along with other levels of government, have responsibilities under Canada's Charter of Rights and Freedoms as well as federal, provincial and territorial human rights codes, and therefore have an important role to play in combating racism and discrimination and fostering equality and respect for all citizens;

THEREFORE BE IT RESOLVED:

- (a) That the City of Hamilton agrees to join the Coalition of Canadian Municipalities Against Racism and Discrimination and, in joining the Coalition, endorses the Common Commitments and agrees to develop or adapt its own unique Plan of Action accordingly.
- (b) That these Common Commitments and the Municipality's unique Plan of Action will be an integral part of the Municipality's vision, strategies and policies.
- (c) That in developing or adapting and implementing its own unique Plan of Action toward progressive realization of the Common Commitments, the Municipality will cooperate with other organizations and jurisdictions, including other levels of government, Aboriginal peoples, public and private sector institutions, and civil society organizations, all of whom have responsibilities in the area of human rights.
- (d) That the Municipality will set its priorities, actions and timelines and allocate resources according to its unique circumstances, and within its means and jurisdiction. The Municipality will exchange its expertise and share best practices with other municipalities involved in the Coalition and will report publicly on an annual basis on actions undertaken toward the realization of these Common Commitments.

CARRIED

9. Follow Up of Audit Report 2010-08 – Human Resources – Recruitment and Selection (AUD12016) (City Wide) (Item 8.3)

(Morelli/Clark)

- (a) That Report AUD12016, respecting the follow up of Audit Report 2010-08, Human Resources – Recruitment and Selection, be received.
- (b) That staff be directed to ensure that the written Employment Services Policies and Procedures, as outlined in recommendation #2 of Appendix A to Report AUD12016, respecting the follow up of Audit Report 2010-08 – Human Resources Recruitment and Selection, be made a priority.
- (c) That staff be directed to report back to the Audit, Finance & Administration Committee with a time frame of when they expect each of the recommendations, outlined in Appendix A to Report AUD12016,

respecting the follow up of Audit Report 2010-08 – Human Resources Recruitment and Selection, will be completed.

CARRIED

**10. Annual Follow Up of Outstanding Audit Recommendations (AUD12018)
(City Wide) (Item 8.4)**

(Morelli/Clark)

(a) That Report AUD12018, respecting the 2012 Annual Follow up of Outstanding Audit Recommendations, be received.

(Morelli/Clark)

(b) That staff be directed to provide an update, respecting the outstanding recommendations, outlined in Appendix A to Report AUD12081, regarding the Annual follow up of Outstanding Audit Recommendations, along with a compliance percentage target, to the Audit, Finance & Administration Committee within three (3) months.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

**11. Comparison Chart to Support Item 8.4 – Report AUD12018, respecting the
Annual Follow up of Outstanding Recommendations (Item 8.4(a))**

(Clark/Morelli)

That the Comparison Chart to Support Item 8.4 – Report AUD12018, respecting the Annual Follow up of Outstanding Recommendations, be received.

CARRIED

**12. Follow Up of Audit Report 2010-09 – Facilities Maintenance and
Administrative Controls (AUD12015) (City Wide) (Item 8.5)**

(Clark/Morelli)

That Report AUD12015, respecting the Follow up of Audit Report 2010-09 – Facilities Maintenance and Administrative Controls, be received.

CARRIED

**13. Follow Up of Audit Report 2010-07 – Information Services (IS) – Business
Process Management (AUD12013) (City Wide) (Item 8.6)**

(Morelli/Clark)

That Report AUD12013, respecting the follow up of Audit Report 2010-07, Information Services (IS) Business Process Management, be received.

CARRIED

14. Audit Report 2012-03 – Construction Contracts Review (AUD12014) (City Wide) (Item 8.7)

(Clark/Morelli)

That Report AUD12014, respecting Audit Report 2012-03 – Construction Contracts Review, be referred to the General Issues Committee for discussion during the 2013 budget process.

CARRIED

15. Audit Report 2012-05 – Long Term Contract Review - Recycling Collection Services (Blue Box Collection) (AUD12017) (City Wide) (Item 8.8)

(Clark/Morelli)

(a) That Report AUD12017 respecting Audit Report 2012-05, Long Term Contract Review - Recycling Collection Services (Blue Box Collection), be received;

(b) That the Management Action Plan, attached as Appendix “A” to Report AUD12017, be approved; and,

(c) That the General Manager of Public Works be directed to instruct the appropriate staff to have the Management Action Plan (attached as Appendix “A” to Report AUD12017) implemented.

CARRIED

16. Value for Money Audit Program (AUD12019) (City Wide) (Item 8.9)

(Clark/Morelli)

(a) That Report AUD12019, respecting the Value for Money Audit Program, be received;

(b) That the City retain a search firm to provide suitable candidates for hire for the Value for Money Audit Program and that its fee be paid first from salary gapping in the Audit Services’ budget and then, if needed, from the initial reserve funding previously provided for by Council in the 2012 Audit Services’ budget;

(c) That an additional amount of up to a maximum of \$177,790 from the Tax Stabilization Reserve to run the program through the 2013 fiscal year, be approved; and,

(d) That the Director of Audit Services report back, to the Audit, Finance and Administration Committee, once the appropriate staff have been hired and a work plan has been developed.

CARRIED

17. 2011 Reserve Report (FCS12072) (City Wide) (Item 8.10)

(Morelli/Clark)

That the 2011 Reserve Report and the 2011 Reserves Detail Report, with 2010 Comparative figures and 2012 Projections, attached as Appendix "A" to Report FCS12072, be received.

CARRIED

18. Governance Review Sub-Committee Report 12-003 (Item 8.11)

(Clark/Morelli)

(a) Office Staffing for Ward Councillors 7 and 8 (Item 4.1)

- (i) That the hiring of 1.0 contract FTE Administrative Assistant I retroactive from September 1, 2012 until May 31, 2013 for each of Ward 7 and 8 Councillors Offices, be funded from the Tax Stabilization Reserve, and divided equally for the remainder of 2012 fiscal year, to assist the respective Councillors with their larger constituency workloads;
- (ii) That full funding for the 2.0 FTE Administrative Assistant I positions for both Ward 7 and 8 Councillors offices be forwarded on to the 2013 budget process;
- (iii) That staff be directed to further explore options to assist with inequities of staffing in the individual wards and report back to Governance review Sub-Committee.

(b) Delegated Authority of Council during a Municipal Election

That Report LS12016, respecting Delegated Authority during an Election, be received.

(c) Update to Staff Report Document Formatter template to reflect 2012 – 2015 Strategic Plan (CM12012) (City Wide)

That no changes be made to the position of the City's Strategic Plan in the Document Formatter Template.

CARRIED

19. Grants Sub-Committee Report 12-003 (Item 8.12)

(Clark/Morelli)

(a) Convention and Sport Grants Review (GRA12012) (City Wide) (Item 4.1)

That Report GRA12012, respecting the Convention and Sports Grants Review, be received.

(b) Appeals for Special Events – 2012 Community Partnership Program (GRA12010) (City Wide) (Item 5.3)

(i) That funding in the amount of \$3,000 for the St. John Ambulance's 100th Anniversary Celebration, to be funded from the Community Partnership Program – Special Events budget, be approved.

(ii) That funding in the amount of \$3,000 for the Hamilton Signals Association's 100 Years of Military Communication in Hamilton, to be funded from the Community Partnership Program – Special Events budget, be approved.

(iii) That funding in the amount of \$2,000 for the Paris to Ancaster Bicycle Race's Race & Tour, to be funded from the Community Partnership Program – Special Events budget, be approved.

(iv) That the funding request in the amount of \$10,000 for the Church of St. Anthony of Padua's St. Gabriel Feast, to be funded from the Community Partnership Program – Special Events budget, be denied.

(c) Binbrook Fair (Item 6.1)

That one-time funding in the amount of \$3,333.77 for bleachers at the 2012 Binbrook Fair, to be funded from the Community Partnership Program uncommitted reserve, be approved.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

20. Hamilton Status of Women Advisory Committee Resignation (Item 11.3)

(Clark/Morelli)

That the resignation from the Hamilton Status of Women Advisory Committee, submitted by Catherine M. Pead, be received.

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 4.1 – a delegation request from Matthew Sweet, Open Streets Hamilton, respecting Green Venture's Community Partnership Program grant application for Open Streets Hamilton
- (ii) Added as Item 4.2 – a delegation request from Pete Wobschall, Director, Green Venture, respecting Green Venture's Community Partnership Program grant application for Open Streets Hamilton
- (iii) Added as Item 8.2(a) – UNESCO Declaration Required to Join the Canadian Coalition of Municipalities Against Racism and Discrimination
- (iv) Added as Item 8.4(a) – a Comparison Chart to support Item 8.4 – Report AUD12018, respecting the Annual Follow up of Outstanding Recommendations

(Morelli/Clark)

That the agenda for the October 4, 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) September 10, 2012 (Item 3.1)

(Clark/Morelli)

That the Minutes of the September 10, 2012 meeting of the Audit, Finance and Administration Committee be approved, as presented.

CARRIED

(d) DELEGATION REQUESTS

- (i) **Matthew Sweet, respecting Green Venture's Community Partnership Program grant application for Open Streets Hamilton (Item 4.1)**

(Clark/Morelli)

That consideration of the delegation request from Matthew Sweet, respecting Green Venture's Community Partnership Program grant application for Open Streets Hamilton, be tabled until such time as the Chair of the Grants Sub-committee and the City Treasurer have had an opportunity to further review the matter.

CARRIED

- (ii) Pete Wobschall, Director, Green Venture, respecting Green Venture's Community Partnership Program grant application for Open Streets Hamilton**

(Clark/Morelli)

That consideration of the delegation request from Pete Wobschall, Director, Green Venture, respecting Green Venture's Community Partnership Program grant application for Open Streets Hamilton, be tabled until such time as the Chair of the Grants Sub-committee and the City Treasurer have had an opportunity to further review the matter.

CARRIED

- (e) 2011 Standard & Poor's Credit Rating (FCS12078) (City Wide) (Item 7.1)**

Adam Gillespie and Bhavini Patel, of Standard & Poor's were in attendance to speak to the S&P Report. Adam Gillespie provided a PowerPoint presentation and a detailed handout respecting the City of Hamilton's credit rating.

The presentation provided details respecting the ratings process, which in essence is the gathering of information, both public and confidential; S&P's interactions with management; their internal analysis; the rating committee; and the publishing process. The following areas were also highlighted in the presentation:

- The credit rating process
- Analytical framework for rating international local and regional government (LRG) ratings
- Assessing the Individual Credit Profile (ICP)
- Examining Hamilton's credit rating
- Peer comparison

A full copy of the presentation and handout are available on line or through the Office of the City Clerk.

(Morelli/Clark)

That the presentation provided by Adam Gillespie and Bhavini Patel, of Standard & Poor's, respecting the City of Hamilton's credit rating, be received. **CARRIED**

(f) Grants Sub-Committee Report 12-003 (Item 8.12)

(Clark/Morelli)

That Item 2 of the Grants Sub-Committee Report 12-003, respecting Green Venture for Open Streets Hamilton (SE-9) (GRA12006(a)), which reads as follows, be tabled until such time as the Chair of the Grants Sub-committee and the City Treasurer have had an opportunity to further review the matter.

2. Green Venture for Open Streets Hamilton (SE-9) (GRA12006(a)) (City Wide) (Item 4.2)

- (a) That Report GRA12006(a), respecting Green Venture for Open Streets Hamilton (SE-9), be received.
- (b) That the funding request in the amount of \$4,000 for the Green Venture Open Streets Hamilton, to be funded from the 2012 Community Partnership Program, be denied.

**AMENDMENT CARRIED
MOTION AS AMENDED CARRIED**

(g) Benefit Plan Payouts

(Clark/Morelli)

- (a) That staff be directed to provide a report to the Audit, Finance & Administration Committee that provides detailed information regarding the following:
 - (i) Defined Benefit Plans;
 - (ii) How much is accruing annually;
 - (iii) What the current assessment is;
 - (iv) What is the total projected payment of any unused vacation, sick days or any other royalty that the City is required to pay out at the time of an employee's retirement; and,
- (b) That the General Manager of Finance & Corporate Services be directed to consult with Councillors Johnson, Clark and Morelli, respecting the contents of the report, in order to ensure that it addresses all the information required.

CARRIED

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

(i) Amendments to the Outstanding Business List (Items 11.1 and 11.2)

(Clark/Morelli)

- (a) That the proposed new due date for the following Outstanding Business List item, be approved:

1. KPMG - Evaluation of the City of Hamilton Accounts Payable Program
Current Due Date: October 4, 2012
Proposed New Due Date: November 12, 2012

- (b) That the following item be considered complete and removed from the Audit, Finance & Administration Committee's Outstanding Business List:

1. Item "N" - Wentworth Condominium Corporation #38, respecting a High Water Bill (Item 8.1, Report FCS12056)

CARRIED

(i) ADJOURNMENT (Item 13)

(Morelli/Clark)

That, there being no further business, the Audit, Finance and Administration Committee be adjourned at 11:22 a.m.

CARRIED

Respectfully submitted,

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

Stephanie Paparella
Legislative Coordinator
Office of the City Clerk