



AUDIT, FINANCE & ADMINISTRATION COMMITTEE

MINUTES 15-013

9:30 a.m.

Tuesday, December 8, 2015

Council Chambers

Hamilton City Hall

71 Main Street West

Present: Councillors M. Pearson (Chair), A. Johnson (Vice-Chair),
C. Collins, L. Ferguson, B. Johnson, A. VanderBeek and
R. Pasuta

THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

1. Confirmation of Chair and Appointment of Vice-Chair for 2016

(B. Johnson/Collins)

- (a) That Councillor A. Johnson be appointed Chair of the Audit, Finance and Administration Committee for 2016; and
- (b) That Councillor R. Pasuta be appointed Vice-Chair of the Audit, Finance and Administration Committee for 2016.

CARRIED

2. Tax Appeals Under Sections 357 and 358 of the *Municipal Act, 2001* (FCS15021(g))(City Wide) (Item 5.1)

(Collins/VanderBeek)

- (a) That Appendix "A" attached to Report FCS15021(g) respecting the Tax Appeals processed under Section 357 of the *Municipal Act, 2001*, in the amount of \$290,995, be approved; and
- (b) That Appendix "B" attached to Report FCS15021(g) 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 \$159,931 be approved.

CARRIED

3. 2015 Third Quarter Non-Compliance with the Procurement Policy Report (FCS15015(b)) (City Wide) (Item 5.2)

(B. Johnson/Ferguson)

That Report FCS15015(b), respecting the 2015 Third Quarter Non-Compliance with the Procurement Policy Report, be received.

CARRIED

4. 2015 Third Quarter Request for Tenders and Proposals Report (FCS15013(b)) (City Wide) (Item 5.3)

(VanderBeek/Pasuta)

That Report FCS15013(b), respecting the 2015 Third Quarter Request for Tenders and Proposals Report, be received.

CARRIED

5. 2014 Audited Financial Statements for the City of Hamilton Business Improvement Areas (FCS15084) (City Wide) (Item 5.4)

(B. Johnson/A. Johnson)

That Report FCS15084, respecting the 2014 Audited Financial Statements for the City of Hamilton Business Improvement Areas, be received.

CARRIED

6. Freedom of Information Quarterly Report (April 1 to September 30, 2015) (CL15002(a)) (City Wide) (Item 5.5)

(A. Johnson/VanderBeek)

That Report CL15002a respecting the Freedom of Information Quarterly Report (April 1 to September 30, 2015), be received.

CARRIED

7. 2015 Third Quarter Emergency and Non-Competitive Procurements Report (FCS15014(b)) (City Wide) (Item 5.6)

(Collins/Ferguson)

That Report FCS15014(b) respecting the 2015 Third Quarter Emergency and Non-Competitive Procurements Report, be received.

CARRIED

8. **Master Trust Pension Investment Report – December 31, 2014 (FCS14070(a)) (City Wide) (Added as Item 5.7)**

(Ferguson/Collins)

That Report FCS14070(a) respecting the Master Trust Pension Investment Report – December 31, 2014, be received.

CARRIED

9. **Master Trust Pension Investment Report – June 30, 2015 (FCS15075) (City Wide) (Added as Item 5.8)**

(A. Johnson/Ferguson)

That Report FCS15075 respecting the Master Trust Pension Investment Report – June 30, 2015, be received.

CARRIED

10. **2015 City of Hamilton External Audit Plan (FCS15085) (City Wide) (Item 8.2)**

(B. Johnson/Ferguson)

That Report FCS15085 respecting the 2015 City of Hamilton External Audit Plan, be received.

CARRIED

11. **Performance Audit Report 2015-07 – Protective Plumbing Program (Value for Money Audit) (AUD15033) (City Wide) (Item 8.3)**

(Pasuta/Ferguson)

(a) That the Management Action Plans as detailed in Appendix “A”, **as amended**, of Report AUD15033 be approved; and

(b) That the General Manager of Public Works and the General Manager of Finance and Corporate Services be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “A”, **as amended**, to Report AUD15033) implemented.

Amendment CARRIED

Motion as Amended CARRIED

12. **Hamilton Municipal Retirement Fund – December 31, 2014 Valuation (FCS15080) (City Wide) (Added as Item 8.4)**

(B. Johnson/A. Johnson)

(a) That the December 31, 2014 actuarial valuation for the Hamilton Municipal Retirement Fund (HMRF) attached as Appendix “A” to Report FCS15080, be received; and

(b) That staff be directed to report back to Audit, Finance & Administration on the feasibility of transferring the City of Hamilton’s pension plans to OMERS under Section 80.4 of *the Pension Benefit Act, R.S.O 1990*.

CARRIED

13. 2015 Master Trust Pension Statement of Investment Policies and Procedures (FCS15083) (City Wide) (Added as Item 8.5)

(B. Johnson/VanderBeek)

- (a) That the 2014 Master Trust Statement of Investment Policies and Procedures be deleted and replaced with the 2015 Master Trust Statement of Investment Policies and Procedures (attached as Appendix "A" to Report FCS15083).
- (b) That the 2015 Master Trust Statement of Investment Policies and Procedures (attached as Appendix "A" to Report FCS15083) be forwarded to the Hamilton Street Railway Pension Advisory Committee for their information.

CARRIED

14. Interview Sub-Committee to the Audit, Finance & Administration Committee (Item 9.1)

(Ferguson/Collins)

- (a) That an Interview Sub-committee reporting to the Audit, Finance & Administration Committee be established to review and consider the applications received for the following Citizen Volunteer Committees:
 - (i) Advisory Committee for Immigrants & Refugees
 - (ii) Committee Against Racism
 - (iii) Hamilton Status of Women Committee
 - (iv) Hamilton Aboriginal Advisory Committee
 - (v) Lesbian, Gay, Bisexual, Transgender & Queer Advisory Committee
 - (vi) Hamilton Mundialization Committee
- (b) That the following Councillors be appointed to the Interview Sub-Committee to the Audit, Finance & Administration Committee for the balance of the 2014-2018 term of Council:
 - (i) A. Johnson
 - (ii) C. Collins
 - (iii) M. Pearson, alternate member
 - (iv) TBD
 - (v) TBD

CARRIED

15. Protective Plumbing Program – Funding Cap and Criteria Changes (Added as Item 9.1)

(Ferguson/B. Johnson)

- (a) That for all Residential Protective Plumbing Program grant applications received by the City on or after December 14, 2015, the grant amount be capped to a maximum of \$1,500;
- (b) That any applicant to the Residential Protective Plumbing Program be required to submit one written quote with their grant application; and,
- (c) That all required documentation with respect to the Residential Protective Plumbing Program, be adjusted to reflect subsections (a) and (b) above.

CARRIED

16. Filling a Vacancy on the HMRF-HWRF Pension Administration Sub-Committee (Added as Item 9.2)

(Ferguson/B. Johnson)

That Councillor Robert Pasuta be appointed to the HMRF-HWRF Pension Administration Sub-Committee for the remainder of the term of Council.

CARRIED

FOR THE INFORMATION OF COMMITTEE:

(a) CHANGES TO THE AGENDA (Item 1)

The Legislative Coordinator advised of the following changes to the agenda:

CONSENT ITEMS (ITEM 5)

- 5.7 Master Trust Pension Investment Report – December 31, 2014
(FCS14070(a)) (City Wide)
- 5.8 Master Trust Pension Investment Performance Report – June 30, 2015
(FCS15075) (City Wide)

DISCUSSION ITEMS (ITEM 8)

The following item was withdrawn due to a report not being available as HMRF-HWRF Pension Administration Committee did not achieve quorum:

- 8.1 HMRF-HWRF Pension Administration Committee Report 15-001, dated December 3, 2015

8.3 Performance Audit Report 2015-07 – Protective Plumbing Program (AUD15033) (City Wide)

This item was included within the Agenda and marked as Item 8.3, but it was not listed on the Agenda Face Page (this error applied to hardcopy versions of the Agenda only and not the on-line version).

The following items were added:

8.4 Hamilton Municipal Retirement Fund (HMRF) December 31, 2014 Valuation (FCS15080) (City Wide)

8.5 2015 Master Trust Pension Statement of Investment Policies and Procedures (FCS15083) (City Wide)

(B. Johnson/VanderBeek)

That the Agenda for the December 8, 2015 meeting of the Audit, Finance and Administration Committee be approved, as amended.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

None.

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

(i) November 23, 2015 (Item 3.1)

(A. Johnson/Collins)

That the Minutes of the November 23, 2015 Audit, Finance and Administration Committee meeting be approved, as presented.

CARRIED

(d) DISCUSSION ITEMS (Item 8)

(i) Performance Audit Report 2015-07 – Protective Plumbing Program (AUD15033) (Item 8.3) (City Wide)

(Ferguson/B. Johnson)

That Section 8 of Appendix “A” to Report AUD15033, respecting Management Action Plans for Performance Audit Report 2015-07 – Protective Plumbing Program, be amended by deleting the Management Response its entirety, as follows:

~~(i) Management Response – Hamilton Water:~~

~~Agreed. Hamilton Water can incorporate this recommendation when reporting back to Council based on direction received by Council. Completion date: Q1 2016.~~

CARRIED

(e) NOTICE OF MOTIONS (Item 10)

Councillor L. Ferguson introduced the following Notice of Motion:

(i) Filling a Vacancy on the HMRF-HWRF Pension Administration Sub-Committee

That Councillor Robert Pasuta be appointed to the HMRF-HWRF Pension Administration Sub-Committee for the remainder of the term of Council.

(Ferguson/B. Johnson)

That the Rules of Order be waived to allow for the Introduction of a Motion respecting Filling a Vacancy on the HMRF-HWRF Pension Administration Sub-Committee.

CARRIED

For disposition of this matter refer to Item 16.

(f) PRIVATE AND CONFIDENTIAL (Item 12)

(i) Performance Audit Report 2015-07 – Protective Plumbing Program (AUD15033) (Item 8.3) (City Wide)

(B. Johnson/Ferguson)

That Committee move into Closed Session, at 10:15 a.m. respecting Report AUD15033 - Performance Audit Report 2015-07 – Protective Plumbing Program, pursuant to Section 8.1, Sub-section (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-section (f) of the *Municipal Act*, 2001, as amended, as the subject matter pertains to the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

CARRIED

For further disposition of this matter, please refer to Items 11 and 15.

(g) ADJOURNMENT (Item 13)

(A. Johnson/VanderBeek)

That there being no further business, the Audit, Finance and Administration Committee, be adjourned at 11:05 a.m.

CARRIED

Respectfully submitted,

Councillor M. Pearson, Chair
Audit, Finance and Administration Committee

Denis Farr
Legislative Coordinator,
Office of the City Clerk