



## AUDIT, FINANCE & ADMINISTRATION COMMITTEE REPORT 16-005

9:30 a.m.

Monday, April 11, 2016

Council Chambers

Hamilton City Hall

71 Main Street West

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

**Also Present:** Councillor D. Skelly

### AUDIT, FINANCE & ADMINISTRATION COMMITTEE PRESENTS REPORT 16-005 AND RESPECTFULLY RECOMMENDS:

1. **Occupational Injury and Illness Claims Annual Report (HUR16004) (City Wide) (Item 5.1)**

That Report HUR16004 respecting Occupational Injury and Illness Claims Annual Report, be received.

2. **Hamilton Future Fund Investment Performance Report – December 31, 2015 (FCS16030) (City Wide) (Item 5.2)**

That Report FCS16030, respecting Hamilton Future Fund Investment Performance Report – December 31, 2015, be received.

3. **2016 Property Assessment Notices for Taxation Years 2017 to 2020 (FCS16034) (City Wide) (Item 5.3)**

That Report FCS16034, respecting 2016 Property Assessment Notices for Taxation Years 2017 to 2020, be received.

4. **Reserve/Revenue Fund Investment Performance Report – December 31, 2015 (FCS16028) (City Wide) (Item 5.4)**

That Report FCS16028, respecting Reserve/Revenue Fund Investment Performance Report – December 31, 2015, be received.

5. **Cemetery Trust Accounts Investment Performance Report – December 31, 2015 (FCS16029) (City Wide) (Item 5.5)**

That Report FCS16029, respecting Cemetery Trust Accounts Investment Performance Report – December 31, 2015, be received.

6. **Tax and Rate Operating Budget Variance Report as of December 31, 2015 – Budget Control Policy Transfers - Unaudited (FCS15052(b)) (City Wide) (Item 8.1)**

- (a) That, in accordance with the "Budget Control Policy", the 2016 budget amendment, transferring budget from one department/division to another or from one cost category to another with no impact on the levy, as outlined in Appendix "A" to AF&A Report 16-005, be approved;
- (b) That, in accordance with the "Budgeted Complement Control Policy", the 2016 complement transfer, transferring complement from one department/division to another with no impact on the levy, as outlined in Appendix "B" to AF&A Report 16-005, be approved;
- (c) That, subject to final audit, the Disposition of 2015 Year-End Operating Budget Surplus/Deficit be approved as follows:

DISPOSITION / RECONCILIATION OF YEAR-END SURPLUS/ (DEFICIT)	\$	\$
<b>Corporate Surplus from Tax Supported Operations</b>		<b>\$ 10,844,830</b>
<b>Less: Disposition to Self-Supporting Programs &amp; Agencies</b>		<b>\$ (4,305,980)</b>
Police (Transfer to Police Reserve)	\$(3,680,950)	
Library (Transfer to Library Reserve)	\$ (625,030)	
<b>Balance of Corporate Surplus</b>		<b>\$ 6,538,850</b>
Less: Transfer for Ontario Summer Student Jobs Services		\$ (9,976)
Less: Transfer to Unallocated Capital Levy Reserve		\$ (841,230)
Less: Transfer to Tax Stabilization Reserve		\$ (5,687,644)
<b>Balance of Tax Supported Operations</b>		<b>\$ 0</b>
<b>Corporate Surplus from Rate Supported Operations</b>		<b>\$ 7,970,043</b>
Less: Transfer to the Rate Supported Water Reserve		\$ (4,375,593)
Less: Transfer to the Rate Supported Wastewater Reserve		\$ (4,082,066)
Add: Transfer from the Rate Supported Stormwater Reserve		\$ 487,615
<b>Balance of Rate Supported Operations</b>		<b>\$ 0</b>

\* -anomalies due to rounding

7. **Accounts Receivable Write-Offs for April 2016 (FCS16031) (City Wide) (Item 8.2)**

- (a) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible General Accounts Receivables in the amount of \$29,736.22 attached as Appendix "C" to Report AF&A 16-005;
- (b) That the Schedule of General Accounts Receivable Write-Offs less than \$1,000.00 each in the amount of \$5,618.53, attached as Appendix "D" to AF&A Report 16-005, be received for information;

- (c) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Wentworth and Macassa Lodge Receivables in the amount of \$16,207.90, attached as Appendix "E" to AF&A Report 16-005;
- (d) That the Schedule of Recreation Division Receivable Write-Offs less than \$1,000.00 each, in the amount of \$13,496.10, attached as Appendix "F" to AF&A Report 16-005, be received for information; and
- (e) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Recreation Receivables in the amount of \$3,405.99 attached as Appendix "G" to AF&A Report 16-005.

**8. Additional 2016 Funding for Wards 1 and 2 Budgets (City Wide) (Item 9.1)**

WHEREAS, in mid-October 2015, Council approved one-time funding up to \$30,000 for the Ward 1 Office and up to \$25,000 for the Ward 2 Office to assist in addressing budget insufficiencies;

WHEREAS, between the 2015 mid-October approval and year end 2015, \$9,960 of this funding was spent for the Ward 1 Office and \$160 for the Ward 2 office respectively;

WHEREAS, an unfavourable variance is expected in Ward 1 and Ward 2 budgets for the 2016 calendar year; and

WHEREAS, a more sustainable level of funding is being requested for both Ward 1 and Ward 2 Offices for the future;

THEREFORE, BE IT RESOLVED:

- (a) That one-time funding up to \$19,000 be allocated to the Ward 1 budget, to be funded from the Tax Stabilization Reserve (Account 110046), be approved to mitigate staffing and ward engagement/consultation requirements for the balance of 2016.
- (b) That one-time funding up to \$25,000 be allocated to the Ward 2 budget, to be funded from the Legislative Budget (Account 300100), be approved to mitigate staffing and ward engagement/consultation requirements for the balance of 2016.
- (c) That the Governance Review Sub-Committee be requested to review ***all ward*** budgets in regards to maintaining a sustainable level of funding in relation to current staffing resources, and ward engagement/consultation requirements.

**FOR THE INFORMATION OF COUNCIL:**

**(a) CHANGES TO THE AGENDA (Item 1)**

The Committee Clerk advised of the following change to the Agenda:

**Delegation Request (Item 4)**

4.1 – Delegation Request by Viv Saunders, respecting Consideration of Amendments and the Review of Some 2015 Expenses and Legislative Policy, to a future meeting at the request of Ms. Saunders.

The Agenda for the April 11, 2016 meeting of the Audit, Finance and Administration Committee was approved, as amended.

**(b) DECLARATIONS OF INTEREST (Item 2)**

None.

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

**(i) March 7, 2016 (Item 3.1)**

The Minutes of the March 7, 2016 Audit, Finance, and Administration Committee meeting were approved, as presented.

**(d) DELEGATION REQUESTS (Item 4)**

**(i) Delegation Request by Viv Saunders respecting Consideration of Amendments and the Review of Some 2015 Expenses and Legislative Policy (for a future meeting)**

The Delegation Request by Viv Saunders, respecting Consideration of Amendments and the Review of Some 2015 Expenses and Legislative Policy, was approved for a future meeting.

**(ii) Delegation Request by Gabi Niemczyk and Salma El-Zamel, respecting Betterment of the Circumstances Affecting Indigenous Populations in the City of Hamilton (for a future meeting)**

The Delegation Request by Gabi Niemczyk and Salma El-Zamel, respecting Betterment of the Circumstances Affecting Indigenous Populations in the City of Hamilton, was approved for a future meeting.

(e) **MOTIONS (Item 9)**

(i) **Additional 2016 Funding for Wards 1 and 2 Budgets (City Wide) (Item 9.1)**

Councillor A. Johnson relinquished the Chair to introduce his Motion.

Part (c) was amended by replacing the words Wards 1 and 2 with all wards, as shown below:

- (c) That the Governance Review Sub-Committee be requested to review ~~Wards 1 and 2~~ **all ward** budgets in regards to maintaining a sustainable level of funding in relation to current staffing resources, and ward engagement/consultation requirements.

For disposition of this matter, refer to Item 8.

(f) **NOTICES OF MOTION (Item 10)**

Councillor A. Johnson relinquished the Chair to Vice-Chair Pasuta to introduce the following Notice of Motion.

(i) **Outstanding Uncompleted Audit Recommendations**

That the Director of Audit Services be directed to investigate and report back to Audit, Finance & Administration on audit recommendations made to City management that have remained outstanding as to completion, at least every 6 months for those outstanding for 5 years or longer, and continue to follow-up and report back annually for all other recommendations.

Councillor A. Johnson assumed the Chair for the remainder of the meeting.

(g) **ADJOURNMENT (Item 13)**

There being no further business, the Audit, Finance and Administration Committee adjourned at 9:57 a.m.

Respectfully submitted,

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

Denis Farr  
Legislative Coordinator,  
Office of the City Clerk

**Budget Transfer to another division or department**

**Note -** Above budget transfers remain in the same cost category.

ITEM #	DEPARTMENT/DIVISION			TRANSFER FROM		TRANSFER TO	
	Department	Division	Dept ID	Cost Category	Amount	Cost Category	Amount
1.02	Community & Emergency Services	Housing Services	Various	Grants and Subsidies	(\$370,070)	Material & Supply	\$370,070
	<b>Explanation:</b> Available Ontario Works Cost of Administration funding utilized for CHPI staffing costs allowing corresponding savings be directed to CHPI program costs.						
1.03	Planning & Economic Development	Parking & Bylaw Services	806130	Contractual	(\$650,000)	Fees and General	\$650,000
			806131	Contractual	(\$150,000)	Fees and General	\$150,000
	<b>Explanation:</b> Net \$0 levy effect. Budget to be removed due to change in program.						

**Complement Transfer to another division or department <sup>(1)</sup>**

Item #	TRANSFER FROM				TRANSFER TO			
	Department	Division	Position Title (2)	FTE	Department	Division	Position Title (2)	FTE
1.01	Planning & Economic Development	Parking & Bylaw Services	Supervisor 4	1.0	Planning & Economic Development	Parking & Bylaw Services	Senior Project Manager 6	1.0
	Explanation: Change from Grade 4 to Grade 6							
1.02	Planning & Economic Development	Parking & Bylaw Services	Manager 8	1.0	Planning & Economic Development	Parking & Bylaw Services	Supervisor 6	1.0
	Explanation: Change from a Grade 8 to Grade 6							
1.03	Planning & Economic Development	Parking & Bylaw Services	Parking Planning Tech	1.0	Planning & Economic Development	Planning	Parking Planning Tech	1.0
	Explanation: Development comments transferred to Planning for a more efficient and effective parking/planning communication process							
1.04	Planning & Economic Development	Growth Management	Support Analyst	1.0	Planning & Economic Development	GM Office	Manager	1.0
	Explanation: Amanda Support Analyst job grade O being transferred to GM Office as Manager Grade 7 to coordinate the Amanda team							
1.05	Community & Emergency Services	Finance & Administration & Revenue Generation	Financial Assistant I	0.6	Corporate Services	Finance & Administration & Revenue Generation	Senior Financial Analyst	0.6
	Explanation: Reallocation of FTE from Finance & Administration & Revenue Generation (FARG) CES to FARG CS to align with divisional goals and priorities							
1.06	Community & Emergency Services	Recreation	Project Manager	1.0	Community & Emergency Services	Neighbourhood & Community Initiatives	Project Manager	1.0
	Explanation: To create a permanent Project Manager position within the Neighbourhood Action Strategy.							
1.07	Community & Emergency Services	Recreation	Various PT Positions	1.0	Community & Emergency Services	Housing Services	Rent Supp/Leasing Clk/Housing Admin Clk	1.0
	Explanation: Position to assist with administration of the approved Housing Allowances enhancement as per the Housing & Homelessness Action Plan (CS11017(c)).							



## STAFF COMPLEMENT CHANGE

### Complement Transfer to another division or department <sup>(1)</sup>

ITEM #	TRANSFER FROM				TRANSFER TO			
	Department	Division	Position Title (2)	FTE	Department	Division	Position Title (2)	FTE
1.08	Public Health Services	Office of the Medical Officer of Health	Project Manager Mental Health	1.0	Public Health Services	Planning & Business Improvement	Health Strategy Specialist	1.0
	Explanation: Transfer of 1.0 FTE Project Manager to Health Strategy specialist to align with allocation of work							
1.09	City Manager	City Managers Office	Business Change Process Specialist	1.0	City Manager	Legal Services	Solicitor	1.0
	Explanation: Transfer of FTE from Corp Initiatives Grade 6 to Legal Services Solicitor, Grade 8							
1.10	Corporate Services	Customer Service	Service Channel Specialist	1.0	City Manager	City Managers Office	Digital Comms Officer	1.0
	Explanation: Transfer of FTE from Customer Service (Grade P) to CMO-Communications (Grade 5)							
1.11	Public Works	PW General Admin	Info & Business Advisor	1.0	City Manager	City Managers Office	Internal Communications Officer	1.0
	Explanation: Transfer of FTE from Public Works to CMO-Communications (Grade 5)							

(1) - All other budgeted complement changes that require Council approval per Budgeted Complement Control Policy must be done through either separate report or the budget process (i.e. Increasing/decreasing budgeted complement).

(2) - If a position is changing, the impact of the change is within 1 pay band unless specified.

**General Accounts Receivable Greater than \$1,000**

<b>Customer ID</b>	<b>Customer Name</b>	<b>Amount</b>	<b>Description</b>
105138	Speakeasy	\$2,432.22	Special Duty
117433	Social Bar and Grill, Nightclub	13,679.99	Special Duty
118061	Big Texas	1,023.64	Special Duty
117670	***	1,948.20	Exhausted collections
117723	***	1,558.05	Exhausted collections
117284	***	9,094.12	Bankruptcy filed- City rec'd \$119.18 - claim closed
<b>TOTAL</b>		<b><u>\$29,736.22</u></b>	

\*\*\* Identifiable Individual, name left off at request of Council.

**Note:** Amounts listed above have been allowed for in the December 2015 year end allowance, these write-offs will not affect the 2016 budget.

# General Accounts Receivable Less than \$1,000

Customer ID	Customer Name	Amount	Description
116371	VISO	89.02	Special Duty
116444	Konoba	899.46	Special Duty
100081	African Lion Safari	\$23.28	Finance Charges
100553	Ham Wentworth Dist School Boar	21.17	"
102010	Super 8 Motel (Upper James)	29.17	"
102572	RBC Royal Bank	46.70	"
117894	Reprodux	22.52	"
117859	Greater Toronto Marketing Alli	23.77	"
104184	Carmen's Banquet Centre	39.60	"
111360	Hamilton Tiger-Cats Football C	143.57	"
115168	Sonic Unyon	25.24	"
106325	AllStream	38.56	"
111266	Defaveri Construction	103.88	"
115776	Hydro One	73.33	"
117538	2210942 Ontario Ltd	29.25	"
117487	Maplecon Group Inc.	607.57	" (invoice paid through insurance bond)
116757	Frittersons Mobile	293.88	Exhausted collections
116992	1340649 Ontario Ltd.	72.49	Exhausted collections
116997	Queenston Lodge	74.69	Exhausted collections
117186	12463333 Ontario Inc.	72.75	Exhausted collections
117429	134069 Ontario Ltd.	73.98	Exhausted collections
117463	Tourbillon (150 Sanford) Facil	631.93	Exhausted collections
118067	Mount Cross Pharmacy	65.82	Exhausted collections
104165	Baltic Bread Products Lts	240.32	Bankrupt
117789	Phoenix Place Stage	45.20	Exhausted collections
117943	***	958.46	Exhausted collections
117338	***	159.14	Exhausted collections
117302	***	357.62	Exhausted collections
117743	***	72.06	Deceased
L01226	***	284.10	Exhausted collections
<b>Total under \$1000.00</b>		<b><u>\$5,618.53</u></b>	

\*\*\* Individual's names have not been provided as per Council's request.

**Note:** Amounts listed above have been allowed for in the December 2015 year end allowance, these write-offs will not affect the 2016 budget.

**MACASSA AND WENTWORTH LODGE ACCOUNT RECEIVABLE WRITE OFFS**

	<b>CUSTOMER #</b>	<b>AMOUNT</b>	<b>STATUS</b>	
Macassa Lodge	973***	\$2,455.23	Deceased 8/2/15	Collections exhausted - No funds in Estate
Wentworth Lodge	75***	\$13,752.67	Deceased 9/27/11	Collections exhausted - No funds in Estate
<b>TOTAL</b>		<u><u>\$16,207.90</u></u>		

\*\*\* Resident's names have not been provided as per Council's request.

**Note:** Amounts listed have been allowed for in the December 2015 year end doubtful account and will not impact the 2016 budget.

**Recreation Division - Summary of Write-Offs Less than \$1,000**

Year	Amount	Description
2003 Total	\$ 67.50	Exhausted Collection Efforts
2006 Total	\$ 112.00	"
2007 Total	\$ 507.63	"
2008 Total	\$ 204.00	"
2009 Total	\$ 441.75	"
2010 Total *	\$ 2,687.56	"
2011 Total *	\$ 1,187.62	"
2012 Total *	\$ 3,513.77	"
2013 Total *	\$ 4,628.87	"
2014 Total	\$ 145.40	"
	<u><b>\$ 13,496.10</b></u>	<b>TOTAL</b>

**Note:** Detailed list of individual names has not been provided as per Council's request  
Amounts listed have been allowed for in the December 2015 year end doubtful account  
and will not impact the 2016 budget.

\* Total comprised of multiple items, each under \$1,000.00

**Recreation Division - Summary of Write-Offs over \$1,000.00**

<b>Year</b>	<b>Amount</b>	<b>Description</b>
2011	\$ 1,492.58	Exhausted Collection Efforts
2012	\$ 1,913.41	"
	<u>\$ 3,405.99</u>	<b>TOTAL</b>

**Note:** Detailed list of individual names has not been provided as per Council's request  
Amounts listed have been allowed for in the December 2015 year end doubtful account  
and will not impact the 2016 budget.