



AUDIT, FINANCE & ADMINISTRATION COMMITTEE REPORT 16-016

9:30 am

Monday, November 7, 2016

Council Chambers

Hamilton City Hall

71 Main Street West

Present: Councillor A. Johnson (Chair), Councillors D. Skelly (Vice-Chair)
C. Collins, B. Johnson, and A. VanderBeek

**Absent with
Regrets:** Councillors M. Pearson – Personal and L. Ferguson - business

THE AUDIT, FINANCE & ADMINISTRATION COMMITTEE PRESENTS REPORT 16-016 AND RESPECTFULLY RECOMMENDS:

1. Tax Appeals under Sections 357 and 358 of the Municipal Act (2001) (FCS16038(d)) (Item 5.1)

- (a) That Appendix "A" to AF&A Report 16-016 respecting the Tax Appeals processed under Section 357 of the *Municipal Act*, (2001), in the amount of \$73,655 be approved; and,
- (b) That Appendix "B" to AF&A Report 16-016 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 \$24,579 be approved.

2. Former Town of Dundas Insurance Retro-Assessment Payment (FCS16086) (City Wide) (Item 5.2)

That Report FCS16086 respecting the Former Town of Dundas Insurance Retro-Assessment Payment, be received.

3. Freedom of Information Quarterly Report (July 1 to September 30) (CL16003(b)) (City Wide) (Item 5.3)

That Report CL16003(b) respecting Freedom of Information Quarterly Report (July 1 to September 30, 2016), be received.

4. Our People Survey (HUR15014(a)) (City Wide) (Item 8.1)

That Report HUR15014(a) respecting Our People Survey, be received.

5. Follow up of Audit Report 2013-10 – Corporate Services – Information Security and Identity & Access Management Review (AUD16021) (Item 8.2)

- (a) That Report AUD16021, respecting the follow up of Audit Report 2013-10, Corporate Services – Information Security and Identity & Access Management Review, be received; and,
- (b) That Report AUD16021, respecting the follow up of Audit Report 2013-10, Corporate Services – Information Security and Identity & Access Management Review, remain confidential and restricted from public disclosure.

6. Grants Sub-Committee Report 16-004, October 28, 2016 (Item 8.3)

(a) 2016 City Enrichment Fund Intake – CANUSA Games (GRA16009) (City Wide) (Grants Sub-Committee Report 16-004 – Item 1)

That an additional City Enrichment Fund grant totaling \$2,245.10 be approved for CANUSA Games, under the Sport & Active Lifestyle Program, and funded from the City Enrichment Fund Reserves.

(b) 2017 Advance – City Enrichment Fund (GRA16011) (City Wide)

- (i) That effective January 1, 2017, an advance of funds be provided to the organizations specified in the attached Appendix “C” to AF&A Report 16-016; and,
- (ii) That any outstanding arrears due to the City of Hamilton by the organizations (as shown in the attached Appendix “C” to AF&A Report 16-016) be first applied against the approved grant funding, including advances, until the debt is satisfied, prior to that organization receiving the balance of any approved payment.

FOR THE INFORMATION OF COMMITTEE:

(a) CHANGES TO THE AGENDA (Item 1)

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

1. ADDED DELEGATION REQUESTS

- 4.1 Michael Cvitkovic, 2017 North American Indigenous Games Host Society

2. ADDED NOTICE OF MOTION

- 10.1 Personnel Overtime Payments

The Agenda for the November 7, 2016 meeting of the Audit, Finance & Administration Committee was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

There were none declared.

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

(i) October 24, 2016 (Item 3.1)

The Minutes of the October 24, 2016 Audit, Finance & Administration Committee meeting were approved, as presented.

(d) DELEGATION REQUESTS (Added Item 4)

(i) Michael Cvitkovic, 2017 North American Indigenous Games Host Society (Item 4.1)

The delegation request from Michael Cvitkovic, 2017 North American Indigenous Games Host Society, to appear before the Audit, Finance & Administration Committee at a future meeting, was approved.

(e) PUBLIC HEARINGS/DELEGATIONS (Added Item 6)

(i) Julie Michal and Joanne Gibbons, GALA Planning Team, Community Safety, Respecting Current Provincial Property Tax Rebate Issue (Item 6.1)

Julie Michal, representing the GALA Planning Team, Community Safety, addressed the Committee respecting the current Provincial Property Tax Rebate Issue. Her comments included, but were not limited to, the following:

- The results of a recent survey conducted by the GALA Planning Team which focused on the GALA residents suggested the number one priority for community safety is to request the repeal of the tax rebate currently being applied to vacant commercial buildings
- Currently, Ontario property owners who have vacant buildings receive a rebate on their property tax
- This is seen by the GALA Planning Team as an incentive for neglect and speculation, therefore, removing the tax rebate would encourage stewardship and revitalization
- The City of Hamilton approved a motion in 2004 to address the taxation levels on vacant properties; the GALA Planning Committee and the Community Safety Team requested an update on those actions taken to date
- The GALA Planning Committee and Community Safety Team requested a recommitment to the original motion (2004), referenced earlier, by the end of 2016 with a report showing lost revenues over the past 10 years

The presentation provided by Julie Michal, representing the GALA Planning Team, Community Safety, respecting the current Provincial Property Tax Rebate Issue, was received.

A copy of the presentation is available through the Office of the City Clerk.

(f) MOTIONS (Item 9)

**(i) Personnel Overtime Payments (Item 9.1)
Council – November 9, 2016**

WHEREAS, the cost of 'overtime' has steadily increased since 2010;

WHEREAS, the departmental budgets related to 'overtime' have consistently exceeded the annual budgeted amounts;

WHEREAS, Employee related costs represent a forecast 2017 budget pressure of about \$15M (excluding Hamilton Police Service), which represents about a 2% municipal tax levy increase; and,

WHEREAS, the 2017 Budget process will require tens of millions of dollars in savings to reach the target of 1.8%.

THEREFORE BE IT RESOLVED:

- (a) That the Senior Leadership Team be directed to investigate the unsustainable budget increases related to overtime payments and report back to the Audit, Finance & Administration Committee with a plan of action; and,
- (b) That the plan specifically address the year-over-year budget variances and annual baseline increases, for the purposes of finding savings to assist with the 2017 budget process.

(g) NOTICES OF MOTION (Added Item 10)

Councillor Collins introduced the following Notice of Motion:

(i) Personnel Overtime Payments (Item 10.1)

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report back to the Audit, Finance & Administration Committee with a plan of action; and,

- (b) That the plan specifically address the year-over-year budget variances and annual baseline increases, for the purposes of finding savings to assist with the 2017 budget process.

That the Rules of Order be waived to allow for the introduction of a Motion respecting Personnel Overtime Payments.

For disposition of this matter, please refer to Item (f)

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

(i) Approved Delegation Request, Withdrawn (Item 11.1)

The Delegation Request, approved by the Committee at its meeting on July 6, 2016, was withdrawn.

(i) ADJOURNMENT (Item 13)

There being no further business, the Audit, Finance & Administration Committee was adjourned at 10:16 a.m.

Respectfully submitted,

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

Judy Sheppard
Legislative Coordinator
Office of the City Clerk

City of Hamilton
Corporate Services Department
Taxation Division
Section 357 Tax Appeals of the *Municipal Act, 2001*

357-12-056	1925 Rymal Rd E	Exempt Karst Feeder lands owned by the province	2012	-2,688.07
357-15-363	257 Queen St S	Demolition of 1 storey single family house	2015	-91.83
357-15-095	557 Highway 6	Exempt provincial lands for new interchange at Clappison Corners	2015	-2,822.13
357-15-099	571 Highway 6	Exempt provincial lands for new interchange at Clappison Corners	2015	-2,974.67
357-15-124	60 Kenilworth Ave N	Exempt Place of Worship - United Pentecostal Church	2015	-17,457.87
357-15-163	497 Parkside Dr	Exempt the City purchased property	2015	-1,364.66
357-15-176	436 Sunnyridge Rd	Demolition of one storey single family house	2015	-320.50
357-15-205	51 Charleswood Cres	Gross or Manifest Error consolidation missed for the roll	2015	-659.13
357-15-223	264 Raymond Rd	Tax Class Conversion model home sold now residential	2015	-8,716.75
357-15-253	1928 Powerline Rd W	Demolition of one storey single family dwelling	2015	-117.77
357-15-292	150 Hillyard St	Tax Class Conversion space reduced by tenant M&P Recycling	2015	581.49
357-15-292	150 Hillyard St	Tax Class Conversion space reduced by tenant M&P Recycling	2015	-612.20
357-15-342	557 Highway 6	Exempt provincial lands for new interchange at Clappison Corners	2015	-2,822.13
357-15-348	137 Broadway Ave	Demolition of old garage	2015	-3.28
357-15-351	488 Dundas St E	Demolition cancelled processed on PRAN	2015	0.00

City of Hamilton
Corporate Services Department
Taxation Division
Section 357 Tax Appeals of the *Municipal Act, 2001*

357-16-016	4199 Binbrook Rd	Fire the house is unliveable	2016	-1,451.65
357-16-018	70 Poulette St	Demolition of garage – already removed from the roll	2016	0.00
357-16-019	300 Stanley Ave	Demolition of garage – already removed from the roll	2016	0.00
357-16-020	354 King St W	Demolition corrected through supplementary billing	2016	0.00
357-16-036	724 Hwy 8	Demolition of one storey single family dwelling	2016	-768.76
357-16-059	290 McNeilly Rd	Demolition of old structure new home under construction	2016	-566.46
357-16-063	69 Cielo Ct	Exempt City owned property	2016	-1,558.17
357-16-064	450 Sherman Ave N	Gross or Manifest Error incorrect on tenant – Trade Link	2016	0.00
357-16-064	450 Sherman Ave N	Gross or Manifest Error incorrect on tenant – Trade Link	2016	-385.86
357-16-075	1214 Highway 8	Demolition of old house new home under construction	2016	-789.78
357-16-077	226 Barton St E	Demolition of single family dwelling	2016	-365.56
357-16-080	460 Barton S E	Exempt capital facility Hamilton Crime Prevention Centre	2016	-7,753.29
357-16-086	959 Upper James St	Fire old Water Depot building now demolished	2016	-2,033.66
357-16-114	50 Murray St W	Gross or Manifest Error processed on PRAN	2016	0.00
357-16-118	22 Connaught Ave N	Gross or Manifest Error old garage still on the roll	2016	-13.65

City of Hamilton
Corporate Services Department
Taxation Division
Section 357 Tax Appeals of the *Municipal Act, 2001*

357-16-122	192 Lloymin Ave	Major Renovations due to a second floor water pipe break	2015	-1,199.33
357-16-123	192 Lloymin Ave	Major Renovations due to a second floor water pipe break	2016	-4069.42
357-16-129	99-103 Locke St S	Demolition of old commercial building	2016	-6,349.41
357-16-135	186 Highway 52 S	Demolition of 1 storey single family dwelling	2016	-1,151.57
357-16-136	893 Lower Lions Club Rd	Demolition of single family dwelling	2016	-1,521.56
357-16-142	384 Rymal Rd W	Demolition of 2 storey single family dwelling	2016	-815.98
357-16-153	1 Old Ancaster Rd	Demolition of 2 storey single family dwelling	2016	-632.93
357-16-155	25 McNeil PI	Demolition of 1 storey single family dwelling	2016	-339.90
357-16-157	142 Orchard Dr	Demolition of structures on the property	2016	-447.69
357-16-158	59 Middle Crest St	Demolition of structures on the property	2016	-710.87
357-16-165	311 Hamilton Dr	Demolition of 1 storey single family dwelling	2016	-318.59
357-16-166	3764 Governors Rd	Demolition of original structure new home under construction	2016	-289.60
357-16-191	338 - 340 Dewitt Rd	Tax Class Conversion processed on a PRAN	2016	0.00
357-15-366	327 Jackson St W	Demolition of single family house new home under construction	2016	-51.38
		TOTAL		-73,654.57

City of Hamilton
Corporate Services Department
Taxation Division
Section 358 Tax Appeals of the *Municipal Act, 2001*

358-15-099	0 Highway 403	Gross or Manifest Error lease expired revert back to correct tax class	2013	-3,787.95
358-16-003	714 Central Ave	Gross or Manifest Error incorrect frontage recorded on the roll	2015	-20.75
358-16-004	714 Central Ave	Gross or Manifest Error incorrect frontage recorded on the roll	2014	-13.87
358-16-013	12 Stelle Lane	Gross or Manifest Error incorrect tax class on the roll	2015	-2,364.54
358-16-016	450 Sherman Ave N	Gross or Manifest Error incorrect valuation for tenant Trade Link	2015	0.00
358-16-016	450 Sherman Ave N	Gross or Manifest Error incorrect valuation for tenant Trade Link	2015	-378.25
358-16-017	450 Sherman Ave N	Gross or Manifest Error incorrect valuation for tenant Trade Link	2014	0.00
358-16-017	450 Sherman Ave N	Gross or Manifest Error incorrect valuation for tenant Trade Link	2014	-367.77
358-16-018	69 Cielo Ct	Exempt owned by the Municipality	2015	-1,532.99
358-16-022	460 Barton St E	Exempt capital facility Hamilton Police Crime Prevention Centre	2015	-7,859.18
358-16-023	460 Barton St E	Exempt capital facility Hamilton Police Crime Prevention Centre	2014	-7,910.87
358-16-035	7 Hillcrest Ct	Gross or Manifest Error incorrect sq ftg and incorrect number of bathrooms	2015	-51.87
358-16-036	7 Hillcrest Ct	Gross or Manifest Error incorrect sq ftg and incorrect number of bathrooms	2014	-34.69
358-16-037	50 Murray St W	Gross or Manifest Error duplicate billing of parking spaces	2015	-121.04
358-16-038	50 Murray St W	Gross or Manifest Error duplicate billing of parking spaces	2014	-117.89

City of Hamilton
Corporate Services Department
Taxation Division
Section 358 Tax Appeals of the *Municipal Act, 2001*

358-16-039	22 Connaught Ave N	Gross or Manifest Error old garage still on the roll	2015	-10.37
358-16-040	22 Connaught Ave N	Gross or Manifest Error old garage still on the roll	2014	-6.94
			TOTAL	-24,578.97

City Enrichment Fund
Requiring Advance Payments in 2017

Agency	Advance Payment Schedule for 2017	# of Payments (advance)	2016 Approved Annual Budget	2017 Advance Payment Amount (Monthly)	2017 Advance Payment Amount (\$ Payments)
Art Gallery of Hamilton	1st of each month	5	\$ 1,000,000	\$ 83,333.33	\$ 416,666.67
Theatre Aquarius	1st of each month	5	\$ 210,000	\$ 17,500.00	\$ 87,500.00
Festival of Friends (Hamilton- Wentworth)	1st of each month	5	\$ 90,000	\$ 7,500.00	\$ 37,500.00
Hamilton Philharmonic Orchestra	1st of each month	5	\$ 150,000	\$ 12,500.00	\$ 62,500.00
Brott Music Festival	1st of each month	5	\$ 125,000	\$ 10,416.67	\$ 52,083.33
91st Highlanders	1st of each month	5	\$ 32,500	\$ 2,708.33	\$ 13,541.67
Total			\$ 1,607,500	\$ 133,958.33	\$ 669,791.67