



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REPORT 17-013

9:30 a.m.
October 5, 2017
Council Chambers
Hamilton City Hall

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

Absent with

Regrets: Councillor B. Johnson – City Business

THE AUDIT, FINANCE AND ADMINISTRATION COMMITTEE PRESENT REPORT 17-013 AND RESPECTFULLY RECOMMENDS:

1. **Tax Appeals under Sections 357 and 358 of the Municipal Act, (2001), (FCS17003(e)) (City Wide) (Item 5.2)**
 - (a) That Appendix “A” to Report 17-013 respecting the Tax Appeals processed under Section 357 of the *Municipal Act, (2001)*, in the amount of \$149,361 be approved;
 - (b) That Appendix “B” to Report 17-013 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 \$61,199 be approved.
2. **Treasurer's Apportionment of Land Taxes (FCS17017(a)) (Wards 11, 12 and 15) (Item 5.3)**
 - (a) That the 2017 land taxes in the amount of \$3,606 for 69-77 Dodman Crescent, Ancaster (Roll #2518 140 380 04808) be apportioned and split amongst the five newly created parcels as set out in Appendix “C” to Report 17-013;
 - (b) That the 2017 land taxes in the amount of \$3,935 for 59-67 Dodman Crescent, Ancaster (Roll #2518 140 380 04809) be apportioned and split amongst the five newly created parcels as set out in Appendix “C” to Report 17-013;

- (c) That the 2017 land taxes in the amount of \$5,433 for 51-57 Dodman Crescent, Ancaster (Roll #2518 140 380 04810) be apportioned and split amongst the four newly created parcels as set out in Appendix "C" to Report 17-013;
- (d) That the 2017 land taxes in the amount of \$3,521 for 33-39 Dodman Crescent, Ancaster (Roll #2518 140 380 04812) be apportioned and split amongst the four newly created parcels as set out in Appendix "C" to Report 17-013;
- (e) That the 2017 land taxes in the amount of \$3,180 for 60-66 Dodman Crescent, Ancaster (Roll #2518 140 380 04813) be apportioned and split amongst the four newly created parcels as set out in Appendix "C" to Report 17-013;
- (f) That the 2017 land taxes in the amount of \$3,825 for 68-76 Dodman Crescent, Ancaster (Roll #2518 140 380 04814) be apportioned and split amongst the five newly created parcels as set out in Appendix "C" to Report 17-013;
- (g) That the 2017 land taxes in the amount of \$4,593 for 34-42 Dodman Crescent, Ancaster (Roll #2518 140 380 04815) be apportioned and split amongst the five newly created parcels as set out in Appendix "C" to Report 17-013;
- (h) That the 2017 land taxes in the amount of \$4,605 for 61-69 John Frederick Drive, Ancaster (Roll #2518 140 380 04816) be apportioned and split amongst the five newly created parcels as set out in Appendix "C" to Report 17-013;
- (i) That the 2017 land taxes in the amount of \$6,903 for 67-79 Mcmonies Drive, Flamborough (Roll #2518 303 350 60961) be apportioned and split amongst the seven newly created parcels as set out in Appendix "C" to Report 17-013;
- (j) That the 2017 land taxes in the amount of \$5,203 for 155-163 Mcmonies Drive, Flamborough (Roll #2518 303 350 60962) be apportioned and split amongst the five newly created parcels as set out in Appendix "C" to Report 17-013;
- (k) That the 2017 land taxes in the amount of \$4,749 for 147-153 Mcmonies Drive, Flamborough (Roll #2518 303 350 60963) be apportioned and split amongst the four newly created parcels as set out in Appendix "C" to Report 17-013;
- (l) That the 2017 land taxes in the amount of \$4,061 for 98-102 Mcmonies Drive, Flamborough (Roll #2518 303 350 60970) be apportioned and split

amongst the three newly created parcels as set out in Appendix “C” to Report 17-013;

- (m) That the 2017 land taxes in the amount of \$3,751 for 104-108 Mcmonies Drive, Flamborough (Roll #2518 303 350 60971) be apportioned and split amongst the three newly created parcels as set out in Appendix “C” to Report 17-013;
- (n) That the 2017 land taxes in the amount of \$3,900 for 128-132 Mcmonies Drive, Flamborough (Roll #2518 303 350 60972) be apportioned and split amongst the three newly created parcels as set out in Appendix “C” to Report 17-013;
- (o) That the 2017 land taxes in the amount of \$4,061 for 134-138 Mcmonies Drive, Flamborough (Roll #2518 303 350 60973) be apportioned and split amongst the three newly created parcels as set out in Appendix “C” to Report 17-013;
- (p) That the 2017 land taxes in the amount of \$6,621 for 158-170 Mcmonies Drive, Flamborough (Roll #2518 303 350 60974) be apportioned and split amongst the seven newly created parcels as set out in Appendix “C” to Report 17-013;
- (q) That the 2017 land taxes in the amount of \$4,909 for 2-14 Savage Drive, Flamborough (Roll #2518 303 420 22832) be apportioned and split amongst the seven newly created parcels as set out in Appendix “C” to Report 17-013;
- (r) That the 2017 land taxes in the amount of \$4,933 for 3-15 Hiscott Drive, Flamborough (Roll #2518 303 420 22833) be apportioned and split amongst the seven newly created parcels as set out in Appendix “C” to Report 17-013;
- (s) That the 2017 land taxes in the amount of \$4,873 for 16-28 Hiscott Drive, Flamborough (Roll #2518 303 420 22835) be apportioned and split amongst the seven newly created parcels as set out in Appendix “C” to Report 17-013;
- (t) That the 2017 builder’s payment in the amount of \$68 for 16-28 Hiscott Drive, Flamborough (Roll #2518 303 420 22835) be apportioned and split amongst the four newly created parcels as set out in Appendix “C” to Report 17-013;
- (u) That the 2017 land taxes in the amount of \$6,182 for 56-66 Hugill Way, Flamborough (Roll #2518 303 420 22841) be apportioned and split amongst the six newly created parcels as set out in Appendix “C” to Report 17-013;

- (v) That the 2017 land taxes in the amount of \$7,612 for 2-14 Hugill Way, Flamborough (Roll #2518 303 420 22845) be apportioned and split amongst the seven newly created parcels as set out in Appendix “C” to Report 17-013;
- (w) That the 2017 land taxes in the amount of \$3,500 for 365-377 Glancaster Road, Glanbrook (Roll #2518 902 110 05200) be apportioned and split amongst the eleven newly created parcels as set out in Appendix “C” to Report 17-013.

3. Follow Up to Performance Audit Report 2015-03 Office of the City Clerk – Agenda Process (AUD17028) (City Wide) (Item 5.4)

That Report AUD17028, respecting the follow up of Performance Audit Report 2015-03, Office of the City Clerk – Agenda Process, be received.

4. Correspondence from Shekar Chandrashekar, respecting access to police services accounting records (Item 5.6)

That the Correspondence from Shekar Chandrashekar, respecting access to police services accounting records, be received.

5. Tax and Rate Operating Budget Variance Report as at July 31, 2017 – Budget Control Policy Transfers (FCS17060(a)) (City Wide) (Item 7.1)

That, in accordance with the “Budgeted Complement Control Policy”, the 2017 complement transfer, transferring complement from one department / division to another with no impact on the levy, as outlined in Appendix “D” to Report 17-013, be approved.

6. Audit Report 2017-03 CityHousing Hamilton Review - Purchasing & Payment System (AUD17024) (City Wide) (Item 8.1)

- (a) That the Management Action Plans as detailed in Appendix “E” of Report 17-013 be approved; and,
- (b) That the Chief Executive Officer (CEO) of CityHousing Hamilton be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “A” to Report AUD17024) be implemented.

7. Follow Up to Audit Report 2015-06 Public Health Services – Encryption Audit (AUD17027) (City Wide) (Item 8.2)

- (a) That Report AUD17027, respecting the follow up of Audit Report 2015-06, Public Health Services – Encryption Audit, be received; and

- (b) That the Appendix “A” to Report AUD17027, respecting Audit Report 2015-06, Public Health Services – Encryption Audit, remain confidential and restricted from public disclosure.

8. Development Charges Demolition Credit, Request for Extension, McMaster Innovation Park, 175 Longwood Road South (FCS10051(b)) (City Wide) (Outstanding Business List Item) (Item 8.3)

- (a) That the request to extend the City Development Charges (DC) demolition credits (394,483.55 square feet) for McMaster Innovation Park (175 Longwood Road South) be denied;
- (b) That the subject matter respecting “Development Charges Credit, Request for Extension, McMaster Innovation Park (175 Longwood Road South)” be identified as complete and removed from the Audit, Finance and Administration Committee Outstanding Business List.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

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

1. ADDED NOTICE OF MOTION (Item 10.1)

10.1 Amending Ward Office Budgets with Respect to the Population Factor

The agenda for the October 5, 2017 Audit, Finance and Administration Committee meeting was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

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

(i) September 11, 2017 (Item 3.1)

The Minutes of the September 11 2017 meeting of the Audit, Finance and Administration Committee were approved, as presented.

(d) DELEGATION REQUESTS (Item 4)

- (i) **Jason Quehl, respecting an exception and consideration of changing the rules for the water forgiveness policy (for a future meeting) (Item 4.1)**

The delegation request submitted by Jason Quehl, respecting an exception and consideration of changing the rules for the water forgiveness policy, was approved for a future meeting.

(e) CONSENT ITEMS (Item 5)

(i) Hamilton Aboriginal Advisory Committee – January 16, 2017 (Item 5.1(a))

The minutes of the January 16, 2017 Hamilton Aboriginal Advisory Committee, were received.

(ii) Committee Against Racism – November 22, 2016 (Item 5.1(b))

The minutes of the November 22, 2016 Committee Against Racism, were received.

(iii) Lesbian, Gay, Bisexual, Transgender and Queer Committee – December 8, 2016 (Item 5.1(c))

The minutes of the December 8, 2016 Lesbian, Gay, Bisexual, Transgender and Queer Committee, were received.

(iv) Hamilton Mundialization Advisory Committee – February 15, 2017 (Item 5.1(d))

The minutes of the February 15, 2017 Hamilton Mundialization Advisory Committee, were received.

(f) Student Accommodation Benefit Factor - Ward Budgets (FCS17089) (City Wide) (Outstanding Business List Item) (Item 5.5)

Report FCS17089, respecting Student Accommodation Benefit Factor – Ward Budgets, was referred back to staff to develop a calculation for student adjustments in Wards affected by post-secondary institutions, considering some full-time attendees live in particular Wards and some are transient, and that staff report back to the next Audit, Finance and Administration meeting.

(g) Paul & Susan Roth, respecting tax relief for 164 King St. East, Hamilton (approved at the July 12, 2017 meeting) (Item 6.1)

Paul & Susan Roth addressed Committee and requested tax relief for 164 King St. East, Hamilton.

The delegation was received.

(h) PRESENTATIONS (Item 7)

(i) Tax and Rate Operating Budget Variance Report as at July 31, 2017 – Budget Control Policy Transfers (FCS17060(a)) (City Wide) (Item 7.1)

Mike Zegarac, General Manager of Finance and Corporate Services, addressed Committee and provided a PowerPoint presentation respecting Tax and Rate Operating Budget Variance Report as at July 31, 2017 – Budget Control Policy Transfers.

The presentation, Tax and Rate Operating Budget Variance Report as at July 31, 2017 – Budget Control Policy Transfers, was received.

A copy of the presentation is available on the City's website at www.hamilton.ca or through the Office of the City Clerk.

For disposition of this matter please refer to Item 5.

(i) NOTICES OF MOTION (Item 10)

Amending Ward Office Budgets with Respect to the Population Factor (Item 10.1)

Councillor A. Johnson withdrew his notice of motion, respecting Amending Ward Office Budgets with Respect to the Population Factor.

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

(i) Amendments to the Outstanding Business List (Item 11.1)

The following amendment to the Audit, Finance and Administration Committee's Outstanding Business List, was approved:

(a) Item requiring a new due date:

Item "M" – Splash Pad Costs
Due: Third Quarter, 2017
New due date: November 6, 2017

(k) PRIVATE AND CONFIDENTIAL (Item 12)

(i) Closed Session Minutes – September 11, 2017 (Item 12.1)

- (a) The Closed Session Minutes of the September 11, 2017 Audit, Finance and Administration meeting, were approved as presented; and,
- (b) The Closed Session Minutes of the September 11 2017 Audit, Finance and Administration meeting, are to remain confidential.

(I) ADJOURNMENT (Item 13)

There being no further business, the Audit, Finance and Administration Committee, was adjourned at 11:57 a.m.

Respectfully submitted,

Councillor Donna Skelly
Chair, Audit, Finance and
Administration Committee

Kirsten Stevenson
Legislative Co-ordinator
Office of the City Clerk

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

357-13-285	18-22 King St E	Demolition of interior of building not services connected	2013	-5,344.88
357-16-054	944 Barton St E	Demolition of all structures not commercial vacant land	2016	-495.35
357-16-083	100-140 Burland Cres	Tax Class Conversion new owners using the building as a showroom	2016	-19,143.87
357-16-084	100-140 Burland Cres	Tax Class Conversion new owners using the building as a showroom	2015	-5,553.81
357-16-119	103-105 Parkdale Ave N	Tax Class Conversion no longer manufacturing a product	2016	-3,133.95
357-16-151	173 Grace Ave	Demolition of 1 storey single family dwelling	2016	-719.71
357-16-163	857 Millgrove Side Rd	Demolition of Library - no \$\$ value assessment adjustment	2016	0.00
357-16-168	150 Chatham St	Demolition of buildings 9, 10, 11 and 12	2016	-1,344.93
357-16-230	125 Rifle Range Rd	Demolition of school buildings no \$\$ value assessment adjustment	2016	0.00
357-16-282	605 James St N	Tax Class Conversion – Walter Fedy lease was cancelled	2016	-617.53
357-16-282a	605 James St N	Tax Class Conversion – Walter Fedy lease was cancelled	2016	617.53
357-16-301	804 Beach Blvd	Gross or Manifest Error to correct area lease to RNR Patient transfer Services	2016	-188.18
357-16-301a	804 Beach Blvd	Gross or Manifest Error to correct area lease to RNR Patient transfer Services	2016	188.18
357-16-308	120 Nebo Rd	Tax Class Conversion on Unit 4 as at February 01 2016	2016	-1,612.20

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357-16-309	120 Nebo Rd	Tax Class Conversion on Unit 3 as at March 01, 2016	2016	-3,345.68
357-16-310	120 Nebo Rd	Tax Class Conversion on Unit 6 as at September 01, 2016	2016	-588.95
357-16-311	120 Nebo Rd	Tax Class Conversion on Units 2 & 5 as at September 15, 2016	2016	-2,429.02
357-16-335	211 Mill St N	Demolition of six portables no \$\$ value assessment adjustment	2016	0.00
357-16-352	427 Aberdeen Ave	Gross or Manifest Error value for lockers in the condo duplicated	2016	-369.06
357-16-353	427 Aberdeen Ave	Gross or Manifest Error value for parking spaces in condo duplicated	2016	-328.04
357-16-373	968 Trinity Rd S	Exempt - Ancaster Agricultural Society	2016	-2,230.02
357-16-378	293 Wellington St N	Exempt Hamilton Health Sciences occupies 91% of property	2016	-6,421.04
357-16-379	688 Concession St	Exempt Hamilton Health Sciences occupies 76% of the property	2016	-585.89
357-16-384	0 Upper Mount Albion	Gross or Manifest Error no change MPAC states there is no error	2016	0.00
357-16-387	103 MacNab St N	Exempt a place of worship	2016	-1,599.60
357-16-395	31 Glover Rd	Exemption denied land used in connection with a place of worship	2016	0.00
357-16-396	688 Queensdale Ave E	Exempt unit B1 occupied by Hamilton Health Sciences	2016	-12,086.33
357-17-001	72 Centennial Pkwy S	Demolition of original house	2017	-1,020.28
357-17-005	56 Charlton Ave W	Major Renovations of heritage property	2017	-5,530.51

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357-17-012	601 Burlington St E	Tax Class Conversion tenant Crazy Craving vacated	2017	7,828.55
357-17-012a	601 Burlington St E	Tax Class Conversion tenant Crazy Craving vacated	2017	-7,828.56
357-17-013	601 Burlington St E	Tax Class Conversion tenant Hamilton Police vacated they were exempt	2017	5,661.02
357-17-013a	601 Burlington St E	Tax Class Conversion tenant Hamilton Police vacated they were exempt	2017	0.00
357-17-014	148 Belmont Ave	Fire in August 2016 the house was destroyed	2017	-1,131.76
357-17-018	35 Fielding Cres	Fire in December 2016 the house is vacant and being renovated	2017	-705.29
357-17-030	1280 Main St W	Demolition of 1 storey lecture hall no \$\$ value assessment adjustment	2017	0.00
357-17-032	14 Lakeview Dr	Demolition of single family dwelling	2017	-989.34
357-17-033	23 Cameron Dr	Demolition of 1 storey single family dwelling	2017	-751.95
357-17-034	254 Herkimer St	Demolition of 2 storey single family dwelling	2017	-1,000.13
357-17-037	307 Fiddlers Green Rd	Demolition of 1 storey single family dwelling	2017	-1,052.15
357-17-038	269 Robina Rd	Demolition of 2 storey single family dwelling	2017	-896.58
357-17-040	39 Deerhurst Dr	Demolition of existing single family dwelling	2017	-2,414.09
357-17-041	89 Lloyminn Ave	Demolition of 1 storey single family dwelling	2017	-285.31
357-17-042	88 Lakeview Dr	Demolition of 1 storey single family dwelling	2017	-520.17

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357-17-043	90 Lakeview Dr	Demolition of 1 storey single family dwelling	2017	-221.95
357-17-044	516 Lynda Ave	Demolition of 1 storey single family dwelling	2017	-581.58
357-17-045	71 Lloyminn Ave	Demolition of 1 storey single family dwelling	2017	-396.76
357-17-046	305 Green Mountain Rd E	Demolition of 1 storey single family dwelling	2017	-1,206.12
357-17-050	9300 Airport Rd	Tax Class Conversion Hamilton Air Cargo lease ended	2017	0.00
357-17-050a	9300 Airport Rd	Tax Class Conversion Hamilton Air Cargo lease ended	2017	-4,280.46
357-17-052	0 Powerline Rd	Gross or Manifest Error mobile home & shed assessed in error	2017	-11.14
357-17-053	118 First Rd W	Fire the house is under repair	2017	-2,526.58
357-17-055	48 Chedoke Ave	Fire in the basement spread to the first floor	2017	-1,682.86
357-17-056	52 Charlton Ave W	Major Renovations of heritage property	2017	-4,290.99
357-17-058	325 Cannon St E	Fire in December 2016 back portion of building severely damaged	2017	-426.47
357-17-059	156 Sanford Ave S	Fire in 2015 the house is still under repair	2017	-1,692.70
357-17-062	10 Grafton Ave	Exempt the City re-purchased pursuant to Court order	2017	-1,698.35
357-17-063	12 Grafton Ave	Exempt the City re-purchased pursuant to Court order	2017	-1,698.35
357-17-064	1264 Upper Gage Ave	Fire causing 200,00 in damages	2017	-556.28

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357-17-065	41 Eleanor Ave	Major Renovations leaking roof made the house unlivable	2017	-2,520.23
357-17-066	20 Fassett Ave	Fire in the basement	2017	-920.07
357-17-069	501 Wellington St N	Demolition of single family dwelling	2017	-444.02
357-17-070	5 Grandview Ct	Demolition of single family dwelling	2017	-1,660.61
357-17-071	751 Highway 52	Demolition of single family dwelling as unsafe order to comply	2017	-1,299.64
357-17-075	1338 Upper Gage	Demolition of a single family townhouse due to fire	2017	-1,673.43
357-17-076	261 Millen Rd	Demolition of 1 storey single family dwelling	2017	-741.91
357-17-077	259 Millen Rd	Demolition of 1 storey single family dwelling	2017	-803.94
357-17-078	231 Millen Rd	Demolition of 1 storey single family dwelling	2017	-338.04
357-17-079	52 Millcreek Ct	Demolition of 2 storey single family dwelling	2017	-4,167.79
357-17-081	2075 Nebo Rd	Demolition of 2 storey single family dwelling	2017	-628.47
357-17-082	1077-1079 Kirkwall Rd	Demolition / removal of mobile dwelling a condition of the land severance	2017	-303.84
357-17-083	34 Cameron Dr	Demolition of 1 storey single family dwelling	2017	-197.37
357-17-084	65 Guise St	Demolition of 1 storey boat storage building	2017	0.00
357-17-084a	65 Guise St	Demolition of 1 storey boat storage building	2017	-14,507.12

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357-17-085	81 Edinburgh Ave	Demolition of 1 storey single family dwelling	2017	-684.96
357-17-086	228 Glenholme Ave	Demolition of 1 storey single family dwelling	2017	-1,431.30
357-17-087	292 Fruitland Rd	Demolition of 1 storey single family dwelling no \$\$ value assessment adjusted	2017	0.00
357-17-089	1378 Butter Rd W	Demolition of 2 storey single family dwelling	2017	-982.38
357-17-090	288 Fruitland Rd	Demolition of 1 storey single family dwelling	2017	-434.94
357-17-091	76 Miller Dr	Demolition of 1 storey single family dwelling	2017	-44.01
357-17-096	74 Margaret St	Demolition of structures	2017	-1,072.17
357-17-097	50 Norway Ave	Fire in 2014 main floor of house not livable and garage damaged	2017	-490.99
357-17-107	208 Hillyard St	Tax Class Conversion tenant Trade Link International vacated	2017	5,386.84
357-17-107a	208 Hillyard St	Tax Class Conversion tenant Trade Link International vacated	2017	-5,386.84
357-17-108	208 Hillyard St	Tax Class Conversion Mckeil Marine Ltd vacated	2017	547.88
357-17-108a	208 Hillyard St	Tax Class Conversion Mckeil Marine Ltd vacated	2017	-547.88
357-17-109	450 Sherman Ave N	Gross or Manifest Error correct of tax class from CYN to CVN	2017	-12,224.91
357-17-110	385 Burlington St E	Gross or Manifest Error correct of tax class from CYN to CVN	2017	-1,791.66
357-17-111	70-95 Hobson Rd	Tax Class Conversion tenant Kinsdale vacated	2017	2,273.77

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357-17-111a	70-95 Hobson Rd	Tax Class Conversion tenant Kinsdale vacated	2017	-2,351.30
357-17-143	1414 Concession 4 Rd W	Demolition / removal or mobile home	2017	-679.99
357-17-009	423-429 Barton St E	Tax Class Conversion denied still under renovations	2017	0.00
			TOTAL	-149,360.79

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358-16-059	120 Nebo Rd	Gross or Manifest Error denied the units were not separated	2015	0.00
358-16-073	427 Aberdeen Ave	Gross or Manifest Error the lockers were sold and double billed	2015	-363.09
358-16-074	427 Aberdeen Ave	Gross or Manifest Error the lockers were sold and double billed	2014	-353.64
358-16-075	427 Aberdeen Ave	Gross or Manifest Error the parking spaces were sold and double billed	2015	-322.74
358-16-076	427 Aberdeen Ave	Gross or Manifest Error the parking spaces were sold and double billed	2014	-314.33
358-16-077	1685 Main St W	Gross or Manifest Error 2015 demolition of Crabby Joes carried forward	2016	-26,475.55
358-16-078	1685 Main St W	Gross or Manifest Error 2015 demolition of Crabby Joes carried forward	2015	-26,155.17
358-16-081	968 Trinity Rd S	Exempt Ancaster Agricultural Society	2015	-2,150.81
358-16-082	968 Trinity Rd S	Exempt Ancaster Agricultural Society	2014	-2,046.20
358-16-087	0 Upper Mount Albion Rd	Gross or Manifest Error denied no change in valuation	2014	0.00
358-16-088	0 Upper Mount Albion Rd	Gross or Manifest Error denied no change in valuation	2015	0.00
358-17-006	9300 Airport Rd	Gross or Manifest Error demolition of Hangar 3 (formerly 13) was missed	2016	0.00
358-17-006a	9300 Airport Rd	Gross or Manifest Error demolition of Hangar 3 (formerly 13) was missed	2016	-2,509.78
358-17-009	1470 Fletcher Rd	Gross or Manifest Error business ceased when property sold	2016	-116.28
358-17-010	1470 Fletcher Rd	Gross or Manifest Error business ceased when property sold	2015	-114.45
358-17-015	0 Sunnycroft Ct S/S	Gross or Manifest Error in valuation of the property	2016	-153.76
358-17-016	0 Sunnycroft Ct S/S	Gross or Manifest Error in valuation of the property	2015	-123.49
			TOTAL	-61,199.29

APPORTIONMENT OF TAXES

That the original land taxes recorded against:

- (a) Roll #2518 140 380 04808 0000** – (69-77 Dodman Crescent, Ancaster) in the amount of \$3,606 be split amongst the five newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	77 Dodman Crescent	2518 140 380 04808 0000	61,175	\$ 745
2017	75 Dodman Crescent	2518 140 380 04821 0000	58,213	709
2017	73 Dodman Crescent	2518 140 380 04822 0000	58,213	709
2017	71 Dodman Crescent	2518 140 380 04823 0000	58,213	709
2017	69 Dodman Crescent	2518 140 380 04824 0000	60,186	734
		Total	296,000	\$3,606

- (b) Roll #2518 140 380 04809 0000** – (59-67 Dodman Crescent, Ancaster) in the amount of \$3,935 be split amongst the five newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	67 Dodman Crescent	2518 140 380 04809 0000	64,263	\$ 783
2017	65 Dodman Crescent	2518 140 380 04826 0000	61,953	755
2017	63 Dodman Crescent	2518 140 380 04827 0000	61,953	755
2017	61 Dodman Crescent	2518 140 380 04828 0000	61,953	755
2017	59 Dodman Crescent	2518 140 380 04829 0000	72,878	887
		Total	323,000	\$3,935

- (c) **Roll #2518 140 380 04810 0000** – (51-57 Dodman Crescent, Ancaster) in the amount of \$5,433 be split amongst the four newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	57 Dodman Crescent	2518 140 380 04810 0000	120,225	\$ 1,465
2017	55 Dodman Crescent	2518 140 380 04831 0000	104,362	1,271
2017	53 Dodman Crescent	2518 140 380 04832 0000	103,093	1,256
2017	51 Dodman Crescent	2518 140 380 04833 0000	118,320	1,441
		Total	446,000	\$5,433

- (d) **Roll #2518 140 380 04812 0000** – (33-39 Dodman Crescent, Ancaster) in the amount of \$3,521 be split amongst the four newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	PAYMENT AMOUNT
2017	39 Dodman Crescent	2518 140 380 04812 0000	73,182	\$ 892
2017	37 Dodman Crescent	2518 140 380 04840 0000	70,851	863
2017	35 Dodman Crescent	2518 140 380 04841 0000	70,618	860
2017	33 Dodman Crescent	2518 140 380 04842 0000	74,349	906
		Total	289,000	\$3,521

- (e) **Roll #2518 140 380 04813 0000** – (60-66 Dodman Crescent, Ancaster) in the amount of \$3,180 be split amongst the four newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	60 Dodman Crescent	2518 140 380 04813 0000	67,468	\$ 822
2017	62 Dodman Crescent	2518 140 380 04844 0000	63,790	777
2017	64 Dodman Crescent	2518 140 380 04845 0000	63,790	777
2017	66 Dodman Crescent	2518 140 380 04846 0000	65,952	804
		Total	261,000	\$3,180

- (f) **Roll #2518 140 380 04814 0000** – (68-76 Dodman Crescent, Ancaster) in the amount of \$3,825 be split amongst the five newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	68 Dodman Crescent	2518 140 380 04814 0000	62,923	\$ 767
2017	70 Dodman Crescent	2518 140 380 04848 0000	60,860	741
2017	72 Dodman Crescent	2518 140 380 04849 0000	60,860	741
2017	74 Dodman Crescent	2518 140 380 04850 0000	60,860	741
2017	76 Dodman Crescent	2518 140 380 04851 0000	68,497	835
		Total	314,000	\$3,825

- (g) **Roll #2518 140 380 04815 0000** – (34-42 Dodman Crescent, Ancaster) in the amount of \$4,593 be split amongst the five newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	34 Dodman Crescent	2518 140 380 04815 0000	77,968	\$ 949
2017	36 Dodman Crescent	2518 140 380 04854 0000	73,926	901
2017	38 Dodman Crescent	2518 140 380 04855 0000	73,926	901
2017	40 Dodman Crescent	2518 140 380 04856 0000	73,926	901
2017	42 Dodman Crescent	2518 140 380 04857 0000	77,254	941
		Total	377,000	\$4,593

- (h) **Roll #2518 140 380 04816 0000** – (61-69 John Frederick Drive, Ancaster) in the amount of \$4,605 be split amongst the five newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	69 John Frederick Dr	2518 140 380 04816 0000	77,118	\$ 939
2017	67 John Frederick Dr	2518 140 380 04859 0000	74,033	902
2017	65 John Frederick Dr	2518 140 380 04860 0000	74,033	902
2017	63 John Frederick Dr	2518 140 380 04861 0000	74,745	911
2017	61 John Frederick Dr	2518 140 380 04862 0000	78,071	951
		Total	378,000	\$4,605

- (i) **Roll #2518 303 350 60961 0000** – (67-79 Mcmonies Drive, Flamborough) in the amount of \$6,903 be split amongst the seven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	67 Mcmonies Drive	2518 303 350 60961 0000	86,639	\$ 1,049
2017	69 Mcmonies Drive	2518 303 350 61002 0000	79,245	961
2017	71 Mcmonies Drive	2518 303 350 61003 0000	79,245	961
2017	73 Mcmonies Drive	2518 303 350 61004 0000	79,245	961
2017	75 Mcmonies Drive	2518 303 350 61005 0000	79,245	961
2017	77 Mcmonies Drive	2518 303 350 61006 0000	79,245	961
2017	79 Mcmonies Drive	2518 303 350 61007 0000	86,636	1,049
		Total	569,500	\$6,903

- (j) **Roll #2518 303 350 60962 0000** – (155-163 Mcmonies Drive, Flamborough) in the amount of \$5,203 be split amongst the five newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	163 Mcmonies Drive	2518 303 350 60962 0000	87,682	\$ 1,062
2017	161 Mcmonies Drive	2518 303 350 61009 0000	84,192	1,021
2017	159 Mcmonies Drive	2518 303 350 61010 0000	84,192	1,021
2017	157 Mcmonies Drive	2518 303 350 61011 0000	84,192	1,021
2017	155 Mcmonies Drive	2518 303 350 61012 0000	88,992	1,078
		Total	429,250	\$5,203

- (k) **Roll #2518 303 350 60963 0000** – (147-153 Mcmonies Drive, Flamborough) in the amount of \$4,749 be split amongst the four newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	153 Mcmonies Drive	2518 303 350 60963 0000	100,875	\$ 1,223
2017	151 Mcmonies Drive	2518 303 350 60997 0000	94,509	1,146
2017	149 Mcmonies Drive	2518 303 350 60998 0000	94,509	1,146
2017	147 Mcmonies Drive	2518 303 350 60999 0000	101,857	1,234
		Total	391,750	\$4,749

- (l) **Roll #2518 303 350 60970 0000** – (98-102 Mcmonies Drive, Flamborough) in the amount of \$4,061 be split amongst the three newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	98 Mcmonies Drive	2518 303 350 60970 0000	118,463	\$ 1,436
2017	100 Mcmonies Drive	2518 303 350 60978 0000	106,340	1,289
2017	102 Mcmonies Drive	2518 303 350 60979 0000	110,197	1,336
		Total	335,000	\$4,061

- (m) **Roll #2518 303 350 60971 0000** – (104-108 Mcmonies Drive, Flamborough) in the amount of \$3,751 be split amongst the three newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	104 Mcmonies Drive	2518 303 350 60971 0000	100,254	\$ 1,265
2017	106 Mcmonies Drive	2518 303 350 60980 0000	96,744	1,221
2017	108 Mcmonies Drive	2518 303 350 60981 0000	100,252	1,265
		Total	297,250	\$3,751

- (n) **Roll #2518 303 350 60972 0000** – (128-132 Mcmonies Drive, Flamborough) in the amount of \$3,900 be split amongst the three newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	128 Mcmonies Drive	2518 303 350 60972 0000	112,053	\$ 1,358
2017	130 Mcmonies Drive	2518 303 350 60983 0000	102,981	1,248
2017	132 Mcmonies Drive	2518 303 350 60984 0000	106,716	1,294
		Total	321,750	\$3,900

- (o) **Roll #2518 303 350 60973 0000** – (134-138 Mcmonies Drive, Flamborough) in the amount of \$4,061 be split amongst the three newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	134 Mcmonies Drive	2518 303 350 60973 0000	110,561	\$ 1,340
2017	136 Mcmonies Drive	2518 303 350 60986 0000	106,691	1,293
2017	138 Mcmonies Drive	2518 303 350 60987 0000	117,748	1,428
		Total	335,000	\$4,061

(p) Roll #2518 303 350 60974 0000 – (158-170 Mcmonies Drive, Flamborough) in the amount of \$6,621 be split amongst the seven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	158 Mcmonies Drive	2518 303 350 60974 0000	79,744	\$ 966
2017	160 Mcmonies Drive	2518 303 350 60990 0000	76,953	933
2017	162 Mcmonies Drive	2518 303 350 60991 0000	76,953	933
2017	164 Mcmonies Drive	2518 303 350 60992 0000	76,953	933
2017	166 Mcmonies Drive	2518 303 350 60993 0000	76,953	933
2017	168 Mcmonies Drive	2518 303 350 60994 0000	76,953	933
2017	170 Mcmonies Drive	2518 303 350 60995 0000	81,741	990
		Total	546,250	\$6,621

(q) Roll #2518 303 420 22832 0000 – (2-14 Savage Drive, Flamborough) in the amount of \$4,909 be split amongst the seven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	14 Savage Drive	2518 303 420 22832 0000	58,891	\$ 714
2017	12 Savage Drive	2518 303 420 22878 0000	56,687	687
2017	10 Savage Drive	2518 303 420 22879 0000	56,687	687
2017	8 Savage Drive	2518 303 420 22880 0000	56,687	687
2017	6 Savage Drive	2518 303 420 22881 0000	56,687	687
2017	4 Savage Drive	2518 303 420 22882 0000	56,687	687
2017	2 Savage Drive	2518 303 420 22883 0000	62,674	760
		Total	405,000	\$4,909

(r) Roll #2518 303 420 22833 0000 – (3-15 Hiscott Drive, Flamborough) in the amount of \$4,933 be split amongst the seven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	3 Hiscott Drive	2518 303 420 22833 0000	63,520	\$ 771
2017	5 Hiscott Drive	2518 303 420 22884 0000	56,878	689
2017	7 Hiscott Drive	2518 303 420 22885 0000	56,878	689
2017	9 Hiscott Drive	2518 303 420 22886 0000	56,878	689
2017	11 Hiscott Drive	2518 303 420 22887 0000	56,878	689
2017	13 Hiscott Drive	2518 303 420 22888 0000	56,878	689
2017	15 Hiscott Drive	2518 303 420 22889 0000	59,090	717
		Total	407,000	\$4,933

(s) Roll #2518 303 420 22835 0000 – (16-28 Hiscott Drive, Flamborough) in the amount of \$4,873 be split amongst the seven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	28 Hiscott Drive	2518 303 420 22835 0000	61,147	\$ 742
2017	26 Hiscott Drive	2518 303 420 22931 0000	56,443	684
2017	24 Hiscott Drive	2518 303 420 22932 0000	56,443	684
2017	22 Hiscott Drive	2518 303 420 22933 0000	56,443	684
2017	20 Hiscott Drive	2518 303 420 22934 0000	56,443	684
2017	18 Hiscott Drive	2518 303 420 22935 0000	56,443	684
2017	16 Hiscott Drive	2518 303 420 22936 0000	58,638	711
		Total	402,000	\$4,873

- (t) **Roll #2518 303 420 22835 0000** – (16-28 Hiscott Drive, Flamborough) that the payment in the amount of \$68 be split amongst the four newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	22 Hiscott Drive	2518 303 420 22933 0000	56,443	\$9
2017	20 Hiscott Drive	2518 303 420 22934 0000	56,443	22
2017	18 Hiscott Drive	2518 303 420 22935 0000	56,443	17
2017	16 Hiscott Drive	2518 303 420 22936 0000	58,638	20
		Total	227,967	\$68

- (u) **Roll #2518 303 420 22841 0000** – (56-66 Hugill Way, Flamborough) in the amount of \$6,182 be split amongst the six newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	66 Hugill Way	2518 303 420 22841 0000	86,098	\$ 1,044
2017	64 Hugill Way	2518 303 420 22945 0000	83,023	1,006
2017	62 Hugill Way	2518 303 420 22946 0000	83,023	1,006
2017	60 Hugill Way	2518 303 420 22947 0000	83,023	1,006
2017	58 Hugill Way	2518 303 420 22948 0000	83,023	1,006
2017	56 Hugill Way	2518 303 420 22949 0000	91,810	1,114
		Total	510,000	\$6,182

(v) Roll #2518 303 420 22845 0000 – (2-14 Hugill Way, Flamborough) in the amount of \$7,612 be split amongst the seven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	2 Hugill Way	2518 303 420 22841 0000	92,002	\$ 1,115
2017	4 Hugill Way	2518 303 420 22924 0000	87,883	1,065
2017	6 Hugill Way	2518 303 420 22925 0000	87,883	1,065
2017	8 Hugill Way	2518 303 420 22926 0000	87,883	1,065
2017	10 Hugill Way	2518 303 420 22927 0000	88,341	1,071
2017	12 Hugill Way	2518 303 420 22928 0000	88,341	1,071
2017	14 Hugill Way	2518 303 420 22929 0000	95,667	1,160
		Total	628,000	\$7,612

(w) Roll #2518 902 110 05200 0000 – (365-377 Glancaster Road, Glanbrook) in the amount of \$3,500 be split amongst the eleven newly created lots listed below:

YEAR	ADDRESS	ROLL NUMBER	APPORTIONED ASSESSMENT	TAX AMOUNT
2017	365-377 Glancaster Rd	2518 902 110 05200 0000	34,932	\$ 430
2017	1 Kopperfield Lane	2518 902 110 05210 0000	25,138	309
2017	5 Kopperfield Lane	2518 902 110 05215 0000	24,915	306
2017	7 Kopperfield Lane	2518 902 110 05220 0000	24,915	306
2017	11 Kopperfield Lane	2518 902 110 05225 0000	25,026	308
2017	15 Kopperfield Lane	2518 902 110 05230 0000	25,026	308
2017	19 Kopperfield Lane	2518 902 110 05235 0000	24,915	306
2017	21 Kopperfield Lane	2518 902 110 05240 0000	24,915	306
2017	25 Kopperfield Lane	2518 902 110 05245 0000	24,915	306
2017	27 Kopperfield Lane	2518 902 110 05250 0000	24,915	306
2017	31 Kopperfield Lane	2518 902 110 05255 0000	25,138	309
		Total	284,750	\$3,500

CITY OF HAMILTON BUDGETED COMPLEMENT TRANSFER SCHEDULE

STAFF COMPLEMENT CHANGE

Complement Transfer to another division or department ⁽¹⁾

ITEM #	TRANSFER FROM				TRANSFER TO			
	Department	Division	Position Title (2)	FTE	Department	Division	Position Title (2)	FTE
1.1	Public Works	Environmental Services	Waste Collection Opr	1.00	Public Works	Environmental Services	Sr Proj Mgr Environmental Srvc	1.00
	Explanation: The Waste Collection Opr is currently vacant, requesting approval that it be converted into a Senior Project Manager - Environmental Services position, from a C5 Grade F to a CA Grade 6. The cost differential between the two positions of \$46,100 will be absorbed within the operating budget. The budget impact will be zero.							
1.2	Public Works	Environmental Services	Waste Collection Opr	1.00	Public Works	Environmental Services	Landscape Architect	1.00
	Explanation: The Waste Collection Opr is currently vacant, requesting approval that it be converted into a Landscape Architect position, from a C5 Grade F to a C1 Grade R. The cost differential between the two positions is an increase of \$38,400. The increase will be recovered from Capital projects.							
1.3	Public Works	Transportation - Traffic	Sr Prog Mgr	1.00	Public Works	Transportation - Director & Associate GM	Sr Prog Mgr	1.00
	Explanation: Realignment of staff for Transportation from the Traffic Section to the Directors Section- Zero impact.							
1.4	Public Works	Hamilton Water	Capital Works Administrative Coordinator (C1 I)	1.00	Public Works	Hamilton Water	Contracts Coordinator (C1 M)	1.00
	Explanation: To convert a Capital Works Administrative Coordinator to a Contracts Coordinator to support the increased workload associated with the Project Management Office. This will result in an annual budget increase of \$9,850 and is subject to agreement from Labour Relations and CUPE 5167.							
1.5	Public Works	Transportation - Transportation Planning	Administrative Secretary	1.00	Public Works	Transportation - Transportation Planning	Transportation Management Coordinator	1.00
	Explanation: In reviewing the ongoing workload needs for Transportation Planning it was determined that it would be more efficient and effective to add a Transportation Coordinator position. This new position will replace the vacant Administrative Secretary position and will have different and more responsibilities. This change has been reviewed with Human Resources and there are no issues with this change. As well the Transportation Coordinator will be able to assist the Policy and Program Section as they do not have any support available to them. This will increase the budget by approximately \$15,000 gross but Capital Funding at 100% is available due to the projects handled by this section.							
1.6	Public Works	Energy, Fleet & Facilities	Application Developer	1.00	Public Works	Energy, Fleet & Facilities	Sr Prog Mgr Continuous Impr.	1.00
	Explanation: The Sr Project Manager of Continuous Improvement will focus on process improvements and cost saving measures in the Division. This change will have net zero impact as the savings through the implementation of continuous improvement project will fund the cost differential. Cost saving Assignments already in the works are Safe Drinking Water Systems (wells) Rationalization Study with direct savings; outsourcing vs in-house work on high technical activities (HVAC; plumbing); workshop process improvements through Kaizen methodologies. All projects will have a direct impact on division functionality and operational improvements with direct savings and cost avoidances.							
1.7	Community & Emergency Services	General Manager's Office	Sr Proj Mgr Continuous Improvement	1.0	Community & Emergency Services	Neighbourhood & Community Initiatives	Sr Proj Mgr Urban Indigenous Strategy	1.0
	Explanation: Transfer vacant Sr. Project Mgr Continuous Improvement from CES-GM's Office to Neighbourhood and Community Initiatives division to support currently unfunded Sr. Project Manager position for the Urban Indigenous Strategy.							

Note - Complement transfers include the transfer of corresponding budget.

(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.

**CITY OF HAMILTON
INTERNAL AUDIT REPORT 2017-03
CITYHOUSING HAMILTON REVIEW – PURCHASING & PAYMENT SYSTEM**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Policies & Procedures</u> CityHousing Hamilton's (CHH's) Procurement Policies were developed and last updated in 2011. Current procurement procedures followed by staff for a variety of processes are not documented. When policies are not up-to-date and written procedures are not documented, staff rely on their own experience and judgement in carrying out their responsibilities. This often results in incorrect, incomplete or inconsistent practices and makes it difficult for a successor to commence his/her duties quickly.</p> <p>Many examples were found of staff not following CHH procurement policies. These include:</p> <ul style="list-style-type: none"> • The required three quotations were not obtained for procurements valued up to \$25K; • The required informal/formal quotations or tenders were not obtained when acquiring technical consulting services; • The awarded quotes were either not signed or signed by someone without the proper authority; and, • The fee stipulated in the policy for Short Form Tenders was not collected. 	<p>1. That management update the procurement policies and develop related procedures. The policies and procedures should then be reviewed and updated annually and signed off by management.</p> <p>2. That management implement measures to evaluate staff compliance with the procurement policies and procedures and address instances of non-compliance.</p>	<p>Agreed. The procurement policies are currently being updated to meet the 2016 Operational Review recommendations. CHH will ensure that its procurement practice is streamlined, consistent and adhered to. The City of Hamilton's policies are being used as a reference guide in the development of the procurement policies. Anticipated completion of all procurement policies will be Q2 2018.</p> <p>Agreed. A Compliance Policy and relevant Standard Operating Procedures for each department will be completed by Q4 2018. Formal quotes will be validated through sign off and completion of a Formal Quotations Form The changes in process related to formal quotes and administrative fees will be completed in Q4 2017.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Awarding of Work</u> In order to ensure proper management oversight and to be consistent with CHH's Procurement Policy, work should be approved by a manager before it is awarded. The review showed that agreements are not dated appropriately on a consistent basis. Therefore, Audit Services was unable to determine whether the work was approved before it was awarded.</p> <p>The General Conditions (GCs) applicable to Short Form Tenders and Public Tenders inform the prospective bidder of their legal obligations should he/she be awarded the contract. The GCs were not always included with the solicitation documents at the time of tendering. In addition, outdated GCs identified as part of an operational review completed in 2016 have not yet been updated.</p>	<p>3. That management develop a procedure directing staff to obtain approval from the appropriate authority prior to extending a contract award. The procedure should address how approvals and contract awards are to be documented, including signatures and dates.</p> <p>4. That management update all General Conditions in the solicitation documents.</p> <p>5. That management develop and use a checklist to ensure that all necessary documents are available to prospective bidders.</p>	<p>Agreed. A Standard Operating Procedure outlining the approval process prior to awarding a contract will be developed by the end of Q2 2018.</p> <p>Agreed. Tender templates are being updated to ensure consistency with the General Conditions in the solicitation documents. Expected completion Q4 2018.</p> <p>Agreed. Asset Renewal staff will develop templates, including a checklist, to ensure all documents are available to prospective bidders. Completion timeline for this item is Q4 2018.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Authorization Limits</u> Authorization Limits are outlined in the procurement policy and Board approved CHH Approval Authorization Limits report to ensure that more expensive procurements are reviewed and approved by senior management. Actual authorization limits are not reflective of current business practices. For example, under the procurement policy some staff have the same authorization limit as their manager. This makes it difficult to validate whether the invoices were properly approved.</p>	<p>6. That management simplify and streamline approval authorization limits, and implement measures to validate compliance.</p>	<p>Agreed. The Authorization Limits for the Procurement Policy have recently been updated to create a process that is simplified and streamlined. Measures to validate compliance will be assessed and implemented by Q2 2018.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Northgate System – User Set Up</u> The Northgate system is used by CHH to track its various contracts. The Northgate system user set-up for the authorization of work orders does not accurately reflect staff members position's or board approved authorization limits, and it is not up to date. Examples include:</p> <ul style="list-style-type: none"> • Job roles have been set up in Northgate for which there are no users; • Job roles are set-up with authorization limits that do not match CHH board approved authorization limits for the roles; • Job roles exist where there is no corresponding CHH board approved authorization limits; • Active profiles exist in Northgate for individuals that have not worked for CHH for up to two years. <p>Inadequate control over system authorization limits increases the risk that work orders are inappropriately approved and paid.</p>	<p>7. That management review and update all job roles and authorization limits in the Northgate system.</p> <p>8. That management develop and implement a policy and procedure to address changes to job roles and authorization limits in the Northgate system.</p>	<p>Agreed. The Authorization Limits for the Procurement Policy will be updated to include job roles that have authorization to request and complete work orders to ensure the policy is followed. The timeline for completion is Q4 2017.</p> <p>Agreed. CHH will create a Governance Policy by Q4 2017 to ensure a streamlined process for change requests to job roles and authorization limits within Northgate.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Northgate - Contract Records Management</u> Contract information is first summarized on a log sheet prior to being entered into the Northgate system. Of the 18 contracts sampled:</p> <ul style="list-style-type: none"> Dates and contract amounts for six were not consistent between the Northgate system and the manual log sheet; Fourteen records in the system and logs had insufficient documentation and/or incomplete information (e.g. missing WSIB and insurance certificates, etc.); and, Two of the contracts entered into CHH's Northgate system have the same contract date as the date on the first invoice. Work could have started before the contracts were finalized. <p>Also, the Northgate system does not have a standard method to readily identify extra work (i.e. Change Orders) made to a contract.</p> <p>Inadequate documentation and poor record keeping makes it difficult to manage contracts and to determine whether fraudulent activity is occurring.</p>	<p>9. That management eliminate the use of the log sheet and enters contract information directly into the Northgate system.</p> <p>10. That management develop and implement a checklist outlining the documents and information required and measures to ensure compliance.</p> <p>11. That management implement measures to evaluate staff compliance</p> <p>12. That management revise the Northgate system regarding the reporting of extra work (i.e. Change Orders).</p> <p>13. That management set a standard outlining what information is to be entered into the Northgate system and develop a procedure for staff to follow.</p>	<p>Disagreed. Staff in the Asset Management section of CHH use the log sheet for internal purposes only. There is no alternative.</p> <p>Agreed. A checklist will be developed outlining the documents to be included in contract files to ensure there is no insufficient and/or incomplete information by Q4 2018.</p> <p>Agreed. Measures to validate compliance will be developed and implemented in Q2 2018.</p> <p>Agreed. CHH staff will investigate Northgate functionality for reporting extra work (i.e. change orders) and the required changes to design by Q2 2018.</p> <p>Agreed. A Standard Operating Procedure will be developed to outline what information is to be entered into Northgate as it relates to contract file management. Anticipated timeline for this is Q1 2019.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Change Orders</u> Work that is in addition to or differs from that specified in the contract is often referred to as a change order. To ensure that change orders are reasonable and that the work is warranted, a Change Order Form must be completed and approved prior to the start of the extra work. The samples tested showed that Change Order Forms were not always used when extra work was needed. Also the proper authorization was not obtained in all cases. This means that Change Orders may have been paid for without the appropriate oversight.</p>	<p>14. That Finance staff pay for additional work only if accompanied by an appropriately authorized Change Order Form and supporting documentation.</p> <p>15. That management implement measures to evaluate staff compliance.</p>	<p>Agreed. Finance staff will review the payments of capital invoices to ensure that payments are properly authorized and have supporting documentation. Completion and implementation will be for Q1 2019.</p> <p>Agreed. One month of capital invoices will be audited yearly to validate authorization and supporting documents. Other measures will be assessed in Q2 2018.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Segregation of Duties</u> For some contracts the same person is responsible for the following functions:</p> <ul style="list-style-type: none"> • Selecting vendors invited to submit a quote or bid; • Awarding or recommending to whom the work should be awarded; • Entering the contract into the Northgate system; • Supervising the work performed; and • Approving invoices for payment. <p>The above reflects an inadequate segregation of duties. There is no independent check for errors and/or irregularities. Fraudulent activities could remain undetected for long periods.</p>	<p>16. That management revise and segregate staff duties and implement controls to check for errors and/or irregularities.</p>	<p>Agreed. CHH will continue to complete contract work as per the current process, while ensuring staff duties are aligned with current and future procurement policies. CHH will implement controls to ensure procurement practices are being followed with the development of a Compliance Policy and relevant Standard Operating Procedures. Completion timeline for this item is in Q4 2018.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Payments to Vendors</u> CHH uses the Arcori system to track payments issued to vendors. Vendor information is entered into Arcori using three different forms depending on whether payment is to external suppliers, tenants or staff. These forms must be approved prior to payment being issued from Arcori. Audit Services was unable to determine whether payment was issued before approval was granted as the approved date did not appear on the vendor information form. Therefore, a risk exists that payments were issued to unauthorized external suppliers, tenants or staff.</p>	<p>17. That management develops procedures to approve and enter vendors into Arcori before funds are paid.</p> <p>18. That management implement measures to ensure staff compliance.</p>	<p>Agreed. The Northgate Tenant Refund Form has been amended to include a line to authorize the set-up of a vendor for tenant invoices and will be used for any direct entries. The recommendation will be implemented in Q3 2018.</p> <p>Agreed. The newly updated Northgate Tenant Refund Form will assist in the reduction of the number of set ups for direct entry which can be monitored through a manual process. Completion timeline for the recommendation will be completed in Q3 2018.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Arcori System Limitations</u> Under the current Arcori system it was not possible to generate a report of paid invoices showing the vendor, invoice number, invoice date, invoice amount, the amount paid and the date on which it was paid. Regular analysis of such a report would help determine if payment for the same invoice has been issued more than once.</p>	<p>19. That management implement a process to identify duplicate payments and work with representatives from Arcori systems to develop the necessary reports or exception texts.</p>	<p>Agreed. CHH is working with representatives from Arcori in developing a report to help monitor duplicate payments. The anticipated implementation is Q1 2019.</p>

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AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Cash Handling</u> CHH charges vendors a fee to obtain a paper copy of the bidding documents. The cash generated from these sales is not properly controlled. For example:</p> <ul style="list-style-type: none"> • There is no record of the number of bidding documents printed or sold at the main office or at off-site meetings; • Receipts are not issued for sales or payments; • Access to bidding documents and the cash box is not limited to designated staff; and, • Reconciliations are not performed. <p>The lack of controls on cash and items with monetary value (i.e. bidding documents) could result in fraudulent activity that remains undiscovered for long periods.</p>	<p>20. That management adopt the City of Hamilton's Cash Handling Policy.</p>	<p>Agreed in principle. As an alternative CHH proposes to no longer accept cash, rather a debit machine will be used to accept administrative cost payments. Anticipated implementation will be in Q4 2017.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
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OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Cash Handling (Cont'd.)</u> Bid and performance securities are a means to protect the City respectively from vendors who refuse to sign an awarded contract, and those that fail to live up to the contract terms. Bid and performance securities are usually tendered as bonds or letters of credit. However, CHH's Procurement Policy permits the use of cash as an acceptable security. Based on the dollar value of some contracts, the amount of cash collected for security may be sizeable. This increases the risk of kiting, theft or fraud.</p>	<p>21. That management no longer accept cash as bid and performance securities.</p>	<p>Agreed. CHH has removed cash as an acceptable form of payment for bid and performance securities in its recent updated procurement policies. Tender documents will be updated to reflect the change in Q4 2017.</p>

**CITYHOUSING HAMILTON – 2017-03 PURCHASING & PAYMENT SYSTEM
AUGUST 2017**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN
<p><u>Efficiency, Effectiveness and Economy</u> In 2016, CHH purchased more than \$800K of goods and services from vendors that have been "grandfathered"; procured from vendors dating back to when CHH was under the province (prior to 2006); or procured from vendors engaged through the Ontario Non-Profit Housing Association. Potential cost savings may be overlooked by not periodically tendering competitively or by not using contracts already established by the City of Hamilton.</p> <p>The manner in which CHH selects the procurement process required is based on the value of work per site. This overlooks opportunities for efficiencies, potential cost savings and ensuring adequate protection through the use of appropriate general contract conditions for all work sites.</p> <p>CHH is meeting its policy obligations by advertising public tenders on the CHH website and in the Hamilton Spectator classifieds. However, there are electronic tendering services that are dedicated to advertising public tenders. These services could be a more efficient tool to reach CHH's intended audience, eliminate the multiple efforts taken to notify bidders and achieve savings in advertising fees.</p>	<p>22. That management review significant spending and follow the appropriate competitive process required by the policy.</p> <p>23. That management investigates the feasibility of procuring similar goods/services in a combined effort.</p> <p>24. That management investigate the implementation of an on-line tendering system similar to the City of Hamilton's Biddingo.</p>	<p>Agreed. CHH will move towards a tender process for a maintenance supply contract and subsequently will review spending for Q4 2019.</p> <p>Agreed. CHH will evaluate the tender process for goods/services that require a single contract (e.g. Sewers and Overhead Doors) in Q4 2018.</p> <p>Agreed. On-line tendering via Biddingo was implemented in June 2017.</p>