



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 18-005

9:30 a.m.
April 23, 2018
Council Chambers
Hamilton City Hall

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

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. **Whistleblower Information Update for Q1 2018 (AUD18002) (City Wide) (Item 5.1)**

(Pearson/Skelly)

That Report AUD18002, respecting Whistleblower Information Update for Q1 2018, be received.

CARRIED

2. **Hamilton Future Fund Investment Performance Report - December 31, 2017 (FCS18042) (City Wide) (Item 5.2)**

(Skelly/Pearson)

That Report FCS18042, respecting the Hamilton Future Fund Investment Performance Report - December 31, 2017, be received.

CARRIED

3. **Reserve / Revenue Fund Investment Performance Report - December 31, 2017 (FCS18043) (City Wide) (Item 5.3)**

(Skelly/B. Johnson)

That Report FCS18043, respecting the Reserve / Revenue Fund Investment Performance Report - December 31, 2017, be received.

CARRIED

4. **Cemetery Trust Accounts Investment Performance Report - December 31, 2017 (FCS18044) (City Wide) (Item 5.4)**

(Skelly/Collins)

That Report FCS18044, respecting the Cemetery Trust Accounts Investment Performance Report - December 31, 2017, be received.

CARRIED

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

(Pearson/Ferguson)

- (a) That, in accordance with the "Budget Control Policy", the 2017 budget amendment transferring budget from one department / division to another and / or from one cost category to another with no impact on the levy, as outlined in Appendix "C" to Report FCS17060(b), be approved;
- (b) 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 FCS17060(b), be approved;
- (c) That the Social Housing Stabilization Reserve (110041), with a balance of approximately \$2.1M, be repurposed from a stabilization reserve to providing development charge exemptions for affordable housing; and
- (d) That, subject to final audit, the Disposition of 2017 Year-End Operating Budget Surplus / Deficit be approved as follows:

Table 1

DISPOSITION / RECONCILIATION OF YEAR-END SURPLUS/ (DEFICIT)	\$	\$
Corporate Surplus from Tax Supported Operations		\$ 24,969,167
Less: Disposition to Self-Supporting Programs & Agencies		\$ (778,531)
Police (Transfer to Police Reserve)	\$ (611,711)	
Library (Transfer to Library Reserve)	\$ (166,820)	
Balance of Corporate Surplus		\$ 24,190,636
Less: Transfer to Unallocated Capital Levy Reserve		\$ (6,586,334)
Less: Transfer to Unallocated Capital for 2019 and 2020 Capital Financing Plan		\$ (5,000,000)
Less: Transfer to the Non-Residential Roads Development Charge Reserve		\$ (8,000,000)
Less: Transfer to Flamborough Capital Reserve		\$ (272,000)
Less: Transfer to Tax Stabilization Reserve		\$ (4,332,302)
Balance of Tax Supported Operations		\$ 0
Corporate Surplus from Rate Supported Operations		\$ 18,101,234
Less: Transfer to the Rate Supported Water Reserve		\$ (8,698,579)
Less: Transfer to the Rate Supported Wastewater Reserve		\$ (7,771,462)
Less: Transfer to the Rate Supported Stormwater Reserve		\$ (1,631,193)
Balance of Rate Supported Operations		\$ 0

CARRIED

6. Hamilton Car Share Loan Agreement Transfer (City Wide) (PED18084) (Item 8.1)

(Ferguson/Pearson)

- (a) That Community CarShare Co-Operative Inc. ("Car Share")'s request to assign its May 30, 2012 Loan Agreement with the City (the "Agreement") to Virtue Transportation Systems Incorporated ("Vrtucar") on the terms and conditions outlined in Report PED18084, including that Vrtucar assumes all of Car Share's rights, responsibilities, obligations and covenants under the Agreement, be approved; and

- (b) That the General Manager, Planning and Economic Development, be authorized, on behalf of the City, to negotiate, enter into and execute an agreement and any ancillary documents required to give effect to this assignment in a form satisfactory to the City Solicitor.

CARRIED

7. Custody Services – Authorization to Execute Agreement (FCS15006(a)) (City Wide) (Item 8.2)

(Pearson/Collins)

That the General Manager, Finance and Corporate Services, or his designate, be authorized and directed to negotiate and execute, on behalf of the City of Hamilton, Custodian and Trust Services agreements and any ancillary documents with RBC Investor Trust Services with a five-year term and an option to renew for an additional five-year period, with content satisfactory to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor.

CARRIED

8. Governance Review Sub-Committee Report 18-002 - April 5, 2018 (Item 8.3)

(Pearson/Ferguson)

(a) Memorandum of Understanding - City of Hamilton and Royal Botanical Gardens (LS18002)(City Wide)(Item 8.1(a))

That the City of Hamilton appoint a maximum of two members to the board of directors of the Royal Botanical Gardens, to be comprised of elected officials and/or citizens.

- (i) That the Mayor and City Clerk be authorized to execute a Memorandum of Understanding between the City of Hamilton and the Royal Botanical Gardens on terms satisfactory to the City Solicitor to provide for the appointment of a maximum of two members to the board of directors of the Royal Botanical Gardens by the City, subject to The Regional Municipality of Halton entering into a similar agreement with the Royal Botanical Gardens to reduce the number of representatives Halton appoints to the board of directors to a maximum of two members.

(b) Correspondence from George Rust-D'Eye, Integrity Commissioner and Lobbyist Registrar to the City of Hamilton, respecting the Code of Conduct for Members of Council - Proposed Amendment (Item 8.2)

- (i) That the Council amend its By-law No. 16-290, to delete sections 8(2), 8(3)(a), (b), and (c) and 8(4), there from;

- (ii) That the appropriate form of draft By-law Amendment be introduced in Council to give effect thereto;
- (iii) That the City Solicitor examine the background information on the current Accountability and Transparency Policy;
- (iv) That the Integrity Commissioner and the City Solicitor work together to bring a written report back to GIC; and
- (v) That staff provide Councillors two weeks advanced notice of the presentation of the report, to allow Councillors to prepare questions related to the Accountability and Transparency Policy addressed by the report.

(c) 2019 Committee / Council Calendar (Item 8.3)

That the 2019 Council / Committee Calendar, as attached in Appendix "A" to Governance Review Sub-Committee Report 18-002 be approved as amended, as follows:

- (i) That the December 11, 2019 Council meeting be held at 9:30 a.m.; and
- (ii) That staff refrain from booking Committee Meetings during the week of March 4, 2019.

(d) Electronic Participation at Council and/or Committee Meetings (CL18002) (City Wide) (Item 8.4)

That staff be directed to prepare the necessary provision in the Procedural By-law to prohibit electronic participation at Council and/or Committee Meetings at this time.

CARRIED

9. Negotiation for the Continued Supply of Raw Water to 690 Strathearne Avenue North (FCS18049/LS18014) (Ward 4) (Item 12.2)

(Pearson/Collins)

- (c) That the Mayor and City Clerk be authorized and directed to execute, on behalf of the City, all necessary documentation to implement recommendations (a) and (b) in Report FCS18049 / LS18014, all with content acceptable to the General Manager of Finance and Corporate Services, General Manager of Public Works, and General Manager of Planning and Economic Development, as applicable, and in a form satisfactory to the City Solicitor;

- (d) That the General Manager of Finance and Corporate Services be directed to bring an Information Report to Audit, Finance and Administration Committee after the recommendations contained in Report FCS18049 / LS18014 have been implemented;
- (e) That Recommendations (a) and (b) contained in Report FCS18049 / LS18014 remain confidential; and
- (f) That Report FCS18049 / LS18014, respecting contractual negotiations carried on by the City, remains confidential and not be released as a public document.

CARRIED

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised there were no changes to the agenda.

(B. Johnson/A. Johnson)

That the agenda for the April 23, 2018 Audit, Finance and Administration Committee meeting be approved, as presented.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

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

(i) April 9, 2018 (Item 3.1)

(B. Johnson/Pearson)

That the Minutes of the April 9, 2018 meeting of the Audit, Finance and Administration Committee be approved, as presented.

CARRIED

(d) PUBLIC HEARINGS/DELEGATIONS (Item 6)

- (i) **Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre (Approved at the April 9, 2018 AF&A Meeting) (Item 6.1)**

Kyra Kozole and Jocelyn Heaton, addressed the Committee respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre, with the aid of a presentation.

(Ferguson/A. Johnson)

That the delegation from Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre, be received.

CARRIED

A copy of the presentation is available at www.hamilton.ca.

(e) STAFF PRESENTATIONS (Item 7)

(i) Tax and Rate Operating Budget Variance Report as at December 31, 2017 - Budget Control Policy Transfers (FCS17060(b)) (City Wide) (Item 7.1)

Mike Zegarac, addressed the Committee respecting the Tax and Rate Operating Budget Variance Report as at December 31, 2017 - Budget Control Policy Transfers, with the aid of a presentation.

(B. Johnson/Pearson)

That the presentation from staff respecting the Tax and Rate Operating Budget Variance Report as at December 31, 2017 - Budget Control Policy Transfers, be received.

CARRIED

A copy of the presentation is available at www.hamilton.ca.

(Ferguson/B. Johnson)

That staff be directed to report back to the General Issues Committee on trends on the Rate Budget Surpluses with recommendations on the potential to soften further water rate increases.

CARRIED

For further disposition of this matter, refer to Item 5.

(f) GENERAL INFORMATION / OTHER BUSINESS (ITEM 11)

That the following amendments to the Outstanding Business List, be approved:

(Pearson/Collins)

11.1.a Items requiring a new due date:

Limit Agricultural Use Development
Item On OBL: C
Due Date: April 9, 2018
Revised Due Date: January 2019

Staff Reports Respecting Supplement Taxes and Assessment
Complaints Respecting 500 Eastport Blvd
Item On OBL: N
Due Date: TBD
Revised Due Date: June 11, 2018

CARRIED

(g) PRIVATE AND CONFIDENTIAL (ITEM 12)

(i) Closed Session Minutes – April 9, 2018 (Item 12.1)

(Collins/Pearson)

(a) That the Closed Session Minutes of the April 9, 2018 Audit, Finance and Administration meeting, be approved as presented; and

(b) That the Closed Session Minutes of the April 9, 2018 Audit, Finance and Administration meeting, remain confidential.

CARRIED

(A. Johnson/Pearson)

That Committee move into Closed Session respecting Item 12.2 pursuant to Section 8.1, Sub-section (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (f) and (k) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to advice that is subject to solicitor/client privileges, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City.

CARRIED

(ii) Negotiation for the Continued Supply of Raw Water to 690 Strathearne Avenue North (FCS18049/LS18014) (Ward 4) (Item 12.2)

For disposition of this matter, please refer to Item 9.

(h) ADJOURNMENT (Item 13)

(Pearson/Collins)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 11:42 a.m.

CARRIED

Respectfully submitted,

Councillor VanderBeek, Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk