

From: Shekar Chandrashekar <shekarfamily@hotmail.com>
Sent: May-05-18 2:31 PM
To: Morin, Lois
Cc: Male, Rick; Zegarac, Mike; Brown, Charles
Subject: Simple questions per attached current PSB Chairman public statement dated November 20, 2014
Attachments: 23 APRIL 2018 A & A COMMITTEE HST POLICE SHARE.pdf; 2MAY 2018 CASH ON HAND THE BANK PER 2015 FS 2015 NOTE 2.pdf; 5 MAY 2018 HST INFORMATION FOR 10MAY 2018 HPSB MEETING.pdf

Good After noon Ms. Morin

I humbly appeal to put it in May 10,2018 HPSB Agenda.

Because it savings to Hamilton Police and Public must know.

Please find attached documents regarding HST as approved by A & A committee dated April 23, 2018. In that report, \$89,000 related to Hamilton Police Services. See page 11 of 17 and slide 9 per Mr. Zegarac. In it, Mr. Zegarac recommends to A& A Committe that the \$89,000 is to be charged to HPSB.

On May 15, 2016, I raised this very issue, ie who files the HST claim for Hamilton Police Services - the City or Police Services? On May 18, 2016, I received a confirmation from Ms. Morin that it is the City that files the HST claim.

On other occasions I had raised the question of why the line budget is not shown in Hamilton Police budget. I received a response from Hamilton Police accounting staff that they charge the HST portion directly to the City's HST Number. From this, one concludes that Hamilton Police Service do not have a separate HST remittance number unless Hamilton Police has applied to NRA as a separate entity which is unlikely now. Subsequent to my enquiries in 2016, I had correspondence with Mr. Zegarac at which point Mr. Zegarac confirmed that HST is the responsibility of the City of Hamilton.

Conclusion:

I have the following concerns regarding HST:

a) HST has never been charged to Police but has been charged to the City, why is the City is allocating \$89,000 to Police?

b) What happens when the City recovers more than the City has paid? Who gets the excess recovery? Isn't it City's general revenue? I have attached Financial Statements from 2013 to 2016 receivables as follows.

2013 HST Receivables \$14.7 millions

2014 HST Receivables \$25.2Millions

2015 HST Receivables \$16.8Millions

2016HST Receivables \$8.6Millions

c) The \$89,000 is a non-cash transaction. As such it violates fundamental accounting rules. (A copy of 2015 F/S note 2 is attached)

d) There are three members from City Council in HPSB. Chief, you have to take a leading role to eliminate this kind of "non-cash" transaction. (In my opinion it shows inadequate understanding Hamilton Police Services budget)

e) The purpose of this reassessment is City staff is understating the City portion.

f) The comfortable relationship between staff and Council members at times gets in the way of a critical analysis of staff recommendations.

g) I have no comments on Other entities.I can speak for Hamilton Police Services Budget as I am very familiar with it.My purpose is to reduce Police inflatable budget to hire more uniform officers and Detectives.

I am willing to work with new CYO

Chief, respectfully submitted for your consideration. Do not agree to this charge.

PS: I am ready to address Development Charges.I have a ruling from PSAB



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning, Administration and Policy Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 23, 2018
SUBJECT/REPORT NO:	Tax and Rate Operating Budget Variance Report as at December 31, 2017 – Budget Control Policy Transfers (FCS17060(b)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Kayla Petrovsky (905) 546-2424 Ext. 1335 Tom Hewitson (905) 546-2424 Ext. 4159
SUBMITTED BY:	Mike Zegarac General Manager Finance and Corporate Services
SIGNATURE:	

RECOMMENDATION

- (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;
- (d) That, subject to final audit, the Disposition of 2017 Year-End Operating Budget Surplus / Deficit be approved as follows:

**SUBJECT: Tax and Rate Operating Budget Variance Report as at
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))
(City Wide) – Page 11 of 17**

Further to direction from Council for the 2018 budget, the City has changed the reporting methodology and the budgeted gapping savings of -\$4.5M has been distributed to the departments within the City Manager / General Manager's budgets.

During the 2017 budget, a number of restructuring initiatives were approved that reduced the budget but also had one-time costs required. These costs were accommodated within each of the departments overall surplus and did not require reserve funding. The restructuring costs are not included in the gapping totals above.

Corporate Initiatives

A deficit of \$1.6 M in Corporate Initiatives is mainly due to higher insurance costs of \$951K, an unexpected HST liability payment of \$784K (see below), offset by lower spending for Area Rated Levy Parkland Purchases (\$166K).

HST Audit

On January 10, 2018, the City received the results of a Canada Revenue Agency (CRA) audit on Harmonized Sales Tax (HST). The audit covered the period from January 1, 2014 through June 30, 2016 and took 14 months to complete. The audit resulted in a reassessment of approximately \$1.4M including interest charges. Of this amount, \$89K pertained to Hamilton Police Services and \$2K pertained to Hamilton Public Library and these amounts were charged back to Police and Library. The remainder of \$1.3M is the responsibility of the City. However, \$481K can be recovered from various vendors.

The vendors have been asked to provide revised invoices where their HST number was missing or incorrect and staff will be submitting revised HST claims. The reassessment also includes disallowable portion of an HST claim for overhead submitted by Deloitte on behalf of the City in 2016. The City's share of the claim was \$1.3M and the City share of the disallowed portion was \$154K. The City's share of the Deloitte claim was transferred to the Tax Stabilization Reserve as part of the 2016 year end surplus distribution. The majority of the remainder of the reassessment pertains to HST the City had not collected on City services, such as inspection fees that were provided prior to staff conducting a review of City user fees for HST applicability in 2015. The user fees were amended in 2015 to make them HST applicable where previously they had been deemed HST exempt. It was not viable to try to retroactively collect the HST for the user fees collected prior to the fees being amended in 2015. The remaining amount of the HST reassessment has been funded from the 2017 surplus through Corporate Financials.

OUR Vision: To be the best place to raise a child and age successfully.

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OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

DEPARTMENT VARIANCES EXPLANATION SUMMARY

Corporate Financials / Non Program Revenues:

- \$3.8 M unfavourable variance (Corporate Financials)
 - Budget savings of \$4.5 M - Gapping
- \$7.9 M favourable variance (Non Program Revenues)
 - Hamilton Utilities Corporation/Alectra dividends \$5.0 M favourable
 - Supplementary taxes of \$2.1 M
 - Other tax revenues of \$1.4 M

- HST Audit

- On January 10, 2018, the City received the results of a Canada Revenue Agency (CRA) audit (Jan 2014 – June 2016) on Harmonized Sales Tax (HST).
- The HST audit resulted in a reassessment of approximately \$1.4 M. The obligation to the City was \$0.9 M.



From: Morin, Lois <Lois.Morin@hamilton.ca>
Sent: May 18, 2016 3:25 PM
To: Shekar Chandrashekar
Cc: Ferguson, Lloyd; Whitehead, Terry; juchniewicz@juch-tech.com;
EGirt@hamiltonpolice.on.ca; Office of the Mayor; Omazic, Drina; Wicken, Colleen; Atwood-
Petkovski, Janice; lbordeleau@perlaw.ca; don.macvicar@arcelormittal.com;
kweatherill@hamiltonpolice.on.ca
Subject: RE: Simple questions per attached current PSB Chairman public statement dated
November 20, 2014

Good afternoon Mr. Chandrashekar.

In answer to questions 1 – 3 – these relate to in-camera item(s) and I am not able to provide an
answer.

In answer to question 4, the City files the HST claim.

Thank you.

Lois Morin

Lois Morin

Administrator
Hamilton Police Services Board
155 King William Street
Hamilton, ON L8N 4C1
Phone: 905-546-2727
Fax: 905-546-4720
E-mail: lois.morin@hamilton.ca / www.hamiltonpolice.on.ca

From: Shekar Chandrashekar [mailto:shekarfamily@hotmail.com]
Sent: May-15-16 10:01 AM
To: Morin, Lois
Cc: Ferguson, Lloyd; Whitehead, Terry; juchniewicz@juch-tech.com; EGirt@hamiltonpolice.on.ca;
Office of the Mayor; Omazic, Drina; Wicken, Colleen; Atwood-Petkovski, Janice;
lbordeleau@perlaw.ca; don.macvicar@arcelormittal.com; kweatherill@hamiltonpolice.on.ca
Subject: Simple questions per attached current PSB Chairman public statement dated November
20, 2014

Good Morning Ms. Morin

Simple questions

There is a perception that all Hamilton services Police Board Members approved the
former Police Chief's retirement package dated January 25, 2016. It should be noted

that one of the members was ill and as such that member missed the January 21, 2016 meeting and the entire month.

1) Therefore, please confirm how many members of the PSB approved the former Police Chief's retirement package?

2) Please also provide me with the name of the legal Counsel who drafted that retirement package contract, and

3) Since the City charges a charge back fee for legal services annually, what kind of legal services does the Hamilton Police Services receive from the City? and

4) Who files the HST claim for Hamilton Police services? the City, or Police Services?

Ms. Morin..always thankful

Private Citizen

City of Hamilton Notes to Consolidated Financial Statements

For the year ended December 31, 2015 (all numbers in columns are in thousands of dollars)

2. Cash and portfolio investments

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents are comprised of:		
Cash on hand	\$ 165	\$ 166
Cash held in banks	86,716	177,196
Temporary investments	6,128	6,114
	<u>\$ 93,009</u>	<u>\$ 183,476</u>
Portfolio investments are comprised of:		
Unrestricted investments	\$ 526,265	\$ 589,209
Designated investments (obligatory reserve funds)	226,744	194,868
Designated investments (Hamilton Future Fund)	37,711	46,436
	<u>\$ 790,720</u>	<u>\$ 830,513</u>

Portfolio investments have a market value of \$827,987,000 (2014 - \$864,665,000) and include investments in the City's own debentures - unrestricted investments of \$11,629,000 (2014 - \$14,896,000).

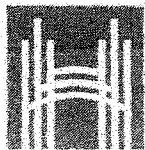
3. Long term receivables

The City has long-term receivables in the amount of \$53,737,000 (2013 - \$48,995,000). The long term receivables are comprised of:

	<u>2015</u>	<u>2014</u>
Development charge deferral agreements	\$ 17,847	\$ 18,990
Mortgages receivable:		
Downtown convert to rent program	18,428	19,250
Hamilton Utilities Corporation	7,776	-
Hamilton Renewable Power Inc.	2,649	2,649
Sheraton Hotel loan	1,192	1,296
Other City loan programs	4,836	5,656
Loans to other agencies and organizations	4,931	5,469
Less: Provision for loans with concessionary terms	(3,922)	(4,315)
	<u>\$ 53,737</u>	<u>\$ 48,995</u>

Development charge deferral agreements and mortgage receivables are loans which are secured by property, with interest rates varying from 0% to 4.75% and terms of one year to thirty years.

Loans to other agencies and organizations include loans to the Hamilton Conservation Authority, Wentworth Minor Football Association, Catholic Children's Aid Society, Winona Peach Festival, Redeemer University College, the Bob Kemp Hospice, Canadian Football Hall of Fame, Rosedale Tennis Club with interest rates varying from 0% to 6.75% for terms of up to thirty years.



Hamilton

FINANCIAL REPORT

2013

**City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5**

Accounts Receivable \$101.5M (2013) \$104.1M (2012)

Accounts receivable represents revenues earned by the City but not received at year end net of estimates of allowances for uncollectible accounts. The 2013 balance primarily consists of water and wastewater receivables (\$36M), general receivables & accruals (\$35.2M), HST receivables (\$14.7M), provincial and federal grants receivable (\$11.3M), and interest receivable (\$4.5M).

Long Term Receivables \$51.4M (2013) \$49.2M (2012)

Long Term Receivables represent the balance of loans and deferral agreements with agencies and organizations net of the provision for loans with concessionary terms. The long term receivables include:

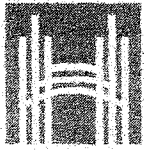
	<u>2013</u> \$000's	<u>2012</u> \$000's
Development charge deferral agreements	\$ 21,482	\$ 20,104
Mortgages receivable:		
Downtown convert to rent program	15,026	12,568
Hamilton Renewable Power Inc.	3,460	3,966
Sheraton Hotel loan	1,308	1,380
Other City loan programs	6,398	6,781
Loans to other agencies and organizations	7,786	8,459
Less: Provision for loans with concessionary terms	<u>(4,050)</u>	<u>(4,042)</u>
	\$ 51,410	\$ 49,216

Portfolio investments \$816.2M (2013) \$817.1M (2012)

Portfolio investments represent the City's holdings, as prescribed by the Municipal Act, in short and long term fixed income securities. The investments earn various interest rates with different premiums, discounts and maturities. Portfolio investments have a market value of \$819.4 million.

Investment in Government Business Enterprises \$235.4M (2013) \$230.6M (2012)

Investment in Government Business Enterprises represents net equity of the consolidation of the City's subsidiary corporations, Hamilton Utilities Corp. (H.U.C.) and Hamilton Renewable Power Inc. (H.R.P.I.). The consolidation of subsidiary corporations under the modified equity basis of accounting is required by the generally accepted accounting principles of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). This PSAB recommendation was instituted in 2000 and also affects the reporting of the accumulated surplus and net municipal position in the consolidated financial statements. The increase in the investment in the government business enterprises is reported as net income of \$4.8 million (2012 - \$8.6 million) in the Consolidated Statement of Operations. The net income excludes the dividend income received during 2013 of \$11.4 million from H.U.C. and \$306,000 from H.R.P.I.



Hamilton

FINANCIAL REPORT

2014

City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

2014 City of Hamilton Consolidated Financial Statements Analysis

Accounts Receivable \$117.4M (2014) \$101.5M (2013)

Accounts receivable represents revenues earned by the City but not received at year end net of estimates of allowances for uncollectible accounts. The 2014 balance consists of water and wastewater receivables (\$38M), general receivables & accruals (\$35.9M), HST receivables (\$25.2M), provincial and federal grants receivable (\$14M), and interest receivable (\$4.3M).

Long Term Receivables \$49.0M (2014) \$49.4M (2013)

Long Term Receivables represent the balance of loans and deferral agreements with agencies and organizations net of the provision for loans with concessionary terms. The long term receivables include:

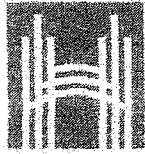
	<u>2014</u> \$000's	<u>2013</u> \$000's
Development charge deferral agreements	\$ 18,990	\$ 21,482
Mortgages receivable:		
Downtown convert to rent program	19,250	15,026
Hamilton Renewable Power Inc.	2,649	3,460
Sheraton Hotel loan	1,296	1,308
Other City loan programs	5,656	6,398
Loans to other agencies and organizations	5,469	5,759
Less: Provision for loans with concessionary terms	<u>(4,315)</u>	<u>(4,050)</u>
	\$ 48,995	\$ 49,383

Portfolio investments \$830.5M (2014) \$816.2M (2013)

Portfolio investments represent the City's holdings, as prescribed by the Municipal Act, in short and long term fixed income securities. The investments earn various interest rates with different premiums, discounts and maturities. Portfolio investments have a market value of \$864.7 million.

Investment in Government Business Enterprises \$223.7M (2014) \$235.4M (2013)

Investment in Government Business Enterprises represents net equity of the consolidation of the City's subsidiary corporations, Hamilton Utilities Corp. (HUC) and Hamilton Renewable Power Inc. (HRPI). The consolidation of subsidiary corporations under the modified equity basis of accounting is required by the generally accepted accounting principles of the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA). This PSAB recommendation was instituted in 2000 and also affects the reporting of the accumulated surplus and net municipal position in the consolidated financial statements. Dividends received in 2014 consisted of \$11.4 million from HUC and \$296,000 from HRPI.



Hamilton

FINANCIAL REPORT

2015

City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

2015 City of Hamilton Consolidated Financial Statements Analysis

Taxes Receivable \$85.4M (2015) \$83.0M (2014)

Taxes receivable represent unpaid property tax bills net of estimates for allowances for uncollectible accounts. Taxes Receivable represent 8.7% of current year's tax levies (2014 – 8.7%). The 2015 balance includes an allowance for doubtful accounts of \$5.2M (2014 - \$3.7M).

Accounts Receivable \$117.7M (2015) \$117.4M (2014)

Accounts receivable represents revenues earned by the City but not received at year end net of estimates of allowances for uncollectible accounts. The 2015 balance consists of water and wastewater receivables (\$38.0M), general receivables & accruals (\$30.6M), HST receivables (\$16.8M), provincial and federal grants receivable (\$16.2M), and interest receivable (\$4.1M).

Long Term Receivables \$53.7M (2015) \$49.0M (2014)

Long Term Receivables represent the balance of loans and deferral agreements with agencies and organizations net of the provision for loans with concessionary terms. The long term receivables include:

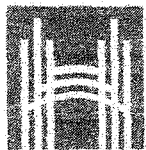
	<u>2015</u> \$000's	<u>2014</u> \$000's
Development charge deferral agreements	\$ 17,847	\$ 18,990
Mortgages receivable:		
Downtown convert to rent program	18,428	19,250
Hamilton Utilities Corporation	7,776	-
Hamilton Renewable Power Inc.	2,649	2,649
Sheraton Hotel loan	1,192	1,296
Other City loan programs	4,836	5,656
Loans to other agencies and organizations	4,931	5,469
Less: Provision for loans with concessionary terms	<u>(3,922)</u>	<u>(4,315)</u>
	\$ 53,737	\$ 48,995

Portfolio investments \$790.7M (2015) \$830.5M (2014)

Portfolio investments represent the City's holdings, as prescribed by the Municipal Act, in short and long term fixed income securities. The investments earn various interest rates with different premiums, discounts and maturities. Portfolio investments have a market value of \$828M.

Investment in Government Business Enterprises \$232.8M (2015) \$223.7M (2014)

Investment in Government Business Enterprises represents net equity of the consolidation of the City's subsidiary corporations, Hamilton Utilities Corp. (HUC) and Hamilton Renewable Power Inc. (HRPI). The consolidation of subsidiary corporations under the modified equity basis of accounting is required by the generally accepted accounting principles of the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA). This PSAB



Hamilton

FINANCIAL REPORT

2016

City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

2016 City of Hamilton Consolidated Financial Statements Analysis

CityHousing Hamilton bank. The balance increased in 2016 from 2015 as more money was held in the bank at year end. Of note, debenture proceeds were received in 2016 for \$128.4M (2015 - \$0.0M).

Taxes Receivable \$83.7M (2016) \$85.4M (2015)

Taxes receivable represent unpaid property tax bills net of estimates for allowances for uncollectible accounts. Taxes Receivable represent 8.0% of current year's tax levies (2015 – 8.7%). The 2016 balance includes an allowance for doubtful accounts of \$5.4M (2015 - \$5.2M).

Accounts Receivable \$108.0M (2016) \$117.7M (2015)

Accounts receivable represents revenues earned by the City but not received at year end net of estimates of allowances for uncollectible accounts. The 2016 balance consists of water and wastewater receivables (\$45.9M), general receivables & accruals (\$20.0M), HST receivables (\$8.6M), provincial and federal grants receivable (\$14.9M), and interest receivable (\$4.3M).

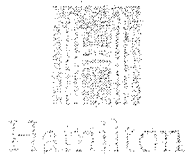
Long Term Receivables \$48.3M (2016) \$53.7M (2015)

Long Term Receivables represent the balance of loans and deferral agreements with agencies and organizations net of the provision for loans with concessionary terms. The long term receivables include:

	<u>2016</u> \$000's	<u>2015</u> \$000's
Development charge deferral agreements	\$22,117	\$ 17,847
Mortgages receivable:		
Downtown convert to rent program	10,470	18,428
Hamilton Utilities Corporation	8,100	7,776
Hamilton Renewable Power Inc.	1,304	2,649
Sheraton Hotel loan	1,086	1,192
Other City loan programs	3,719	4,836
Loans to other agencies and organizations	4,357	4,931
Less: Provision for loans with concessionary terms	<u>(2,841)</u>	<u>(3,922)</u>
	\$48,312	\$ 53,737

Portfolio Investments \$900.0M (2016) \$790.7M (2015)

Portfolio investments represent the City's holdings, as prescribed by the Municipal Act, in short and long term fixed income securities. The investments earn various interest rates with different premiums, discounts and maturities. Portfolio investments have a market value of \$927.6M.



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning, Administration and Policy Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 23, 2018
SUBJECT/REPORT NO:	Tax and Rate Operating Budget Variance Report as at December 31, 2017 – Budget Control Policy Transfers (FCS17060(b)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Kayla Petrovsky (905) 546-2424 Ext. 1335 Tom Hewitson (905) 546-2424 Ext. 4159
SUBMITTED BY:	Mike Zegarac General Manager Finance and Corporate Services
SIGNATURE:	

RECOMMENDATION

- (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;
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- (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;
- (d) That, subject to final audit, the Disposition of 2017 Year-End Operating Budget Surplus / Deficit be approved as follows:

**SUBJECT: Tax and Rate Operating Budget Variance Report as at
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))
(City Wide) – Page 11 of 17**

Further to direction from Council for the 2018 budget, the City has changed the reporting methodology and the budgeted gapping savings of -\$4.5M has been distributed to the departments within the City Manager / General Manager's budgets.

During the 2017 budget, a number of restructuring initiatives were approved that reduced the budget but also had one-time costs required. These costs were accommodated within each of the departments overall surplus and did not require reserve funding. The restructuring costs are not included in the gapping totals above.

Corporate Initiatives

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HST Audit

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The vendors have been asked to provide revised invoices where their HST number was missing or incorrect and staff will be submitting revised HST claims. The reassessment also includes disallowable portion of an HST claim for overhead submitted by Deloitte on behalf of the City in 2016. The City's share of the claim was \$1.3M and the City share of the disallowed portion was \$154K. The City's share of the Deloitte claim was transferred to the Tax Stabilization Reserve as part of the 2016 year end surplus distribution. The majority of the remainder of the reassessment pertains to HST the City had not collected on City services, such as inspection fees that were provided prior to staff conducting a review of City user fees for HST applicability in 2015. The user fees were amended in 2015 to make them HST applicable where previously they had been deemed HST exempt. It was not viable to try to retroactively collect the HST for the user fees collected prior to the fees being amended in 2015. The remaining amount of the HST reassessment has been funded from the 2017 surplus through Corporate Financials.

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DEPARTMENT VARIANCES EXPLANATION SUMMARY

Corporate Financials / Non Program Revenues:

- \$3.8 M unfavourable variance (Corporate Financials)
 - Budget savings of \$4.5 M - Gapping
- \$7.9 M favourable variance (Non Program Revenues)
 - Hamilton Utilities Corporation/Alectra dividends \$5.0 M favourable
 - Supplementary taxes of \$2.1 M
 - Other tax revenues of \$1.4 M

• HST Audit

- On January 10, 2018, the City received the results of a Canada Revenue Agency (CRA) audit (Jan 2014 – June 2016) on Harmonized Sales Tax (HST).
- The HST audit resulted in a reassessment of approximately \$1.4 M. The obligation to the City was \$0.9 M.



Hamilton

CORPORATE SERVICES
FINANCIAL PLANNING, ADMIN & POLICY

From: Morin, Lois <Lois.Morin@hamilton.ca>
Sent: May 18, 2016 3:25 PM
To: Shekar Chandrashekar
Cc: Ferguson, Lloyd; Whitehead, Terry; juchniewicz@juch-tech.com;
EGirt@hamiltonpolice.on.ca; Office of the Mayor; Omazic, Drina; Wicken, Colleen; Atwood-Petkovski, Janice; lbordeleau@perlaw.ca; don.macvicar@arcelormittal.com;
kweatherill@hamiltonpolice.on.ca
Subject: RE: Simple questions per attached current PSB Chairman public statement dated November 20, 2014

Good afternoon Mr. Chandrashekar.

In answer to questions 1 – 3 – these relate to in-camera item(s) and I am not able to provide an answer.

In answer to question 4, the City files the HST claim.

Thank you.

Lois Morin

Lois Morin

Administrator
Hamilton Police Services Board
155 King William Street
Hamilton, ON L8N 4C1
Phone: 905-546-2727
Fax: 905-546-4720
E-mail: lois.morin@hamilton.ca / www.hamiltonpolice.on.ca

From: Shekar Chandrashekar [mailto:shekarfamily@hotmail.com]
Sent: May-15-16 10:01 AM
To: Morin, Lois
Cc: Ferguson, Lloyd; Whitehead, Terry; juchniewicz@juch-tech.com; EGirt@hamiltonpolice.on.ca; Office of the Mayor; Omazic, Drina; Wicken, Colleen; Atwood-Petkovski, Janice; lbordeleau@perlaw.ca; don.macvicar@arcelormittal.com; kweatherill@hamiltonpolice.on.ca
Subject: Simple questions per attached current PSB Chairman public statement dated November 20, 2014

Good Morning Ms. Morin

Simple questions

There is a perception that all Hamilton services Police Board Members approved the former Police Chief's retirement package dated January 25, 2016. It should be noted

that one of the members was ill and as such that member missed the January 21, 2016 meeting and the entire month.

1) Therefore, please confirm how many members of the PSB approved the former Police Chief's retirement package?

2) Please also provide me with the name of the legal Counsel who drafted that retirement package contract, and

3) Since the City charges a charge back fee for legal services annually, what kind of legal services does the Hamilton Police Services receive from the City? and

4) Who files the HST claim for Hamilton Police services? the City, or Police Services?

Ms. Morin..always thankful

Private Citizen

City of Hamilton

Notes to Consolidated Financial Statements

For the year ended December 31, 2015 (all numbers in columns are in thousands of dollars)

2. Cash and portfolio investments

	2015	2014
Cash and cash equivalents are comprised of:		
Cash on hand	\$ 165	\$ 166
Cash held in banks	86,716	177,196
Temporary investments	6,128	6,114
	<u>\$ 93,009</u>	<u>\$ 183,476</u>
Portfolio investments are comprised of:		
Unrestricted investments	\$ 526,265	\$ 589,209
Designated investments (obligatory reserve funds)	226,744	194,868
Designated investments (Hamilton Future Fund)	37,711	46,436
	<u>\$ 790,720</u>	<u>\$ 830,513</u>

Portfolio investments have a market value of \$827,987,000 (2014 - \$864,665,000) and include investments in the City's own debentures - unrestricted investments of \$11,629,000 (2014 - \$14,896,000).

3. Long term receivables

The City has long-term receivables in the amount of \$53,737,000 (2013 - \$48,995,000). The long term receivables are comprised of:

	2015	2014
Development charge deferral agreements	\$ 17,847	\$ 18,990
Mortgages receivable:		
Downtown convert to rent program	18,428	19,250
Hamilton Utilities Corporation	7,776	-
Hamilton Renewable Power Inc.	2,649	2,649
Sheraton Hotel loan	1,192	1,296
Other City loan programs	4,836	5,656
Loans to other agencies and organizations	4,931	5,469
Less: Provision for loans with concessionary terms	(3,922)	(4,315)
	<u>\$ 53,737</u>	<u>\$ 48,995</u>

Development charge deferral agreements and mortgage receivables are loans which are secured by property, with interest rates varying from 0% to 4.75% and terms of one year to thirty years.

Loans to other agencies and organizations include loans to the Hamilton Conservation Authority, Wentworth Minor Football Association, Catholic Children's Aid Society, Winona Peach Festival, Redeemer University College, the Bob Kemp Hospice, Canadian Football Hall of Fame, Rosedale Tennis Club with interest rates varying from 0% to 6.75% for terms of up to thirty years.