AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
REPORT 18-013
9:30 a.m.
September 24, 2018
Council Chambers
Hamilton City Hall

Present: Councillors A. VanderBeek (Chair), B. Johnson, M. Pearson, L. Ferguson, C. Collins, and T. Anderson
Absent with Regrets: Councillor A. Johnson – Personal

THE AUDIT, FINANCE AND ADMINISTRATION COMMITTEE PRESENTS REPORT 18-013 AND RESPECTFULLY RECOMMENDS:

1. **Performance and Learning Strategy (HUR18016) (City Wide) (Item 7.1)**
   
   That Report HUR18016, respecting the Performance and Learning Strategy, be received.

2. **Tax and Rate Operating Budget Variance Report as at June 30, 2018 - Budget Control Policy Transfers (FCS18067(a)) (City Wide) (Item 7.2)**
   
   That, in accordance with the “Budgeted Complement Control Policy”, the 2018 complement transfers from one department / division to another with no impact on the levy, as outlined in Appendix “A” to Audit, Finance & Administration Report 18-013, be approved.

3. **Records Retention By-law Amendments (CL18009) (City Wide) (Item 8.1)**
   
   That the draft by-law, entitled “To Amend By-law No. 11-040 To Establish Retention Periods for Records of the City of Hamilton”, substantially attached as Appendix “A”, be enacted by Council.

4. **Standardization of Hardware and Software for Corporate Information Technology - Ruggedized Computing Devices (FCS18085 / HSC18048) (City Wide) (Item 8.2)**
   
   (a) That Panasonic Toughbook, with Gamber-Johnson mounts for vehicle installations, be approved as the Corporate Standard for Ruggedized Computing Devices;
(b) That ruggedized computing devices and mounts, as required, be acquired pursuant to the provisions of Procurement Policy By-law No. 17-064, and that the General Manager of Finance and Corporate Services or their designate be authorized and directed to enter into and sign, on behalf of the City of Hamilton, all negotiated agreements and all necessary associated documents with vendors in a form satisfactory to the City Solicitor.

5. **Request for Extension, Development Charge Deferral Agreement #156, 170 Rockhaven Lane (FCS18081) (City Wide) (Outstanding Business List Item) (Item 8.4)**

   (a) That the General Manager of Finance and Corporate Services be authorized, in a form satisfactory to the City Solicitor, to extend Development Charge (DC) Deferral Agreement #156 for one year until October 1, 2019 according to the terms outlined in Appendix “B” to Audit, Finance & Administration Report 18-013;

   (b) That “Request for Extension, Development Charge (DC) Deferral Agreement #156, 170 Rockhaven Lane”, be considered complete and removed from the Audit, Finance and Administration Committee Outstanding Business List.

6. **Temporary Delegation of Authority to Impose Vendor Ban of Up to One Year (Item 9.1)**

WHEREAS, Policy #1, subsection 4.1(10) of the Procurement Policy By-law permits the Procurement Sub-Committee to impose an interim ban upon a vendor from competing or being awarded a City Contract for a period of up to 12 months under certain circumstances;

WHEREAS, a municipal election will be held October 22, 2018, and it may not be possible to convene a meeting of the Procurement Sub-Committee in the months of October and November;

WHEREAS, the Procurement Sub-Committee reports to the Audit, Finance & Administration Committee; and,

WHEREAS, the new term of Council will commence December 3, 2018;

THEREFORE, BE IT RESOLVED:

   (a) That the General Managers of Public Works and Finance & Corporate Services be provided delegated authority to impose an interim ban upon a vendor from competing or being awarded any City contract, under the circumstances described in Policy #1, subsection 4.1(10) of the Procurement Policy By-law, where the Manager of Procurement has
demonstrated and the General Managers of Public Works and Finance & Corporate Services are satisfied that there is sufficient evidence of act(s) or omission(s) described in Policy #1 of the Procurement Policy By-law on the part of a vendor;

(b) That an interim ban may be imposed on a vendor, pursuant to Policy #1, subsection 4.1(10) of the Procurement Policy By-law, for a period of up to 12 months;

(c) That the decision of the General Managers of Public Works and Finance & Corporate Services shall be final with respect to any interim ban on a vendor, pursuant to Policy #1, subsection 4.1(10) of the Procurement Policy By-law; and,

(d) That the authority delegated to the General Managers of Public Works and Finance & Corporate Services respecting the authority to impose a vendor ban(s) for up to a 12 month period, shall only apply from October 1, 2018 to November 30, 2018, before and after which time the delegated authority shall be void and of no force or effect.

7. **Wentworth Condominium Corporation (WCC) #204 and Excess Wastewater/Storm Charges at 266 Limeridge Road East (Ward 7) (Item 9.2)**

That staff be directed to provide a credit adjustment in the amount of $14,892.50 to the Wentworth Condominium Corporation (WCC) #204 for excess wastewater/storm sewer charges located at 266 Limeridge Road East, for the billing period from February 2, 2018 to April 2, 2018.

8. **Protocol for Gender Identity & Gender Expression, Transgender & Gender Non-Conforming Update (HUR17002(b)) (City Wide) (Item 12.2)**

That Report HUR17002(b) Protocol for Gender Identity & Gender Expression, Transgender & Gender Non-Conforming Update including the recommendations remain confidential.

9. **Protocol for Gender Identity & Gender Expression, Transgender & Gender Non-Conforming Update (HUR17002(c)) (City Wide) (Item 12.2(a))**

That Report HUR17002(c) Protocol for Gender Identity & Gender Expression, Transgender & Gender Non-Conforming Update including the recommendations remain confidential.
10. Commercial Relationship Between the City of Hamilton and Transform Van and Truck, Division of Burncrest Industries Ltd. (FCS18082 / LS18055) (City Wide) (Item 12.3)

(c) That recommendations (a) and (b) be released publicly following approval by Council; and

(d) That the contents of Report FCS18082 / LS18055 remain confidential.

11. Commercial Relationship Between the City of Hamilton and Allan Fyfe Equipment Limited and Related Entities (FCS18089 / LS18056) (City Wide) (Item 12.4)

(c) That recommendations (a) and (b) be released publicly following approval by Council; and

(d) That the contents of Report FCS18089 / LS18056 remain confidential.

12. Commercial Relationship Between the City of Hamilton and Canada Fibers Ltd. (LS18047(a) / FCS18088) (City Wide) (Item 12.5)

(c) That recommendations (a) and (b) be released publicly following approval by Council; and

(e) That Report LS18047(a) / FCS18088, respecting the Commercial Relationship Between the City of Hamilton and Canada Fibers Ltd., including recommendation (d), remain confidential.

13. Impact of Bill 148 on Service Contracts (LS18009(b) / FCS18001(b)) (City Wide) (Item 12.6)

That Report LS18009(b)/FCS18001(b), including the recommendations remain confidential.

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 1)

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

1. DELEGATION REQUESTS

4.2 Mike Canal, GFL Environmental Inc., respecting GFL’s Proposed Rate Increase (For today's meeting)
4.3 Scott Hutchison, Canada Fibers Ltd., respecting Item 12.5 – Commercial Relationship between the City of Hamilton and Canada Fibers Ltd. (For today’s meeting)

The agenda for the September 24, 2018 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)

September 10, 2018 (Item 3.1)

The Minutes of the September 10, 2018 meeting of the Audit, Finance and Administration Committee were approved, as presented.

(d) DELEGATION REQUESTS (Item 4)

The following Delegation Requests were approved for today’s meeting:

(i) Don Thompson, Commissionaires Hamilton, respecting the new minimum wage and unpaid monies (Item 4.1)

(ii) Mike Canal, GFL Environmental Inc., respecting GFL’s Proposed Rate Increase (Added Item 4.2)

(iii) Scott Hutchison, Canada Fibers Ltd., respecting Item 12.5 – Commercial Relationship between the City of Hamilton and Canada Fibers Ltd. (Added Item 4.3)

(e) CONSENT ITEMS (Item 5)

(i) Hamilton Mundialization Committee Minutes – June 20, 2018 (Item 5.1)

The Hamilton Mundialization Committee Minutes from June 20, 2018, were received.

(f) PUBLIC HEARINGS/DELEGATIONS (Item 6)

(i) Martin Maretzki, respecting pot hole damage to vehicle (Approved September 10, 2018) (Item 6.1)

Council – September 26, 2018
Martin Maretzki, addressed the Committee respecting pot hole damage to his vehicle. A copy of the speaking notes have been included in the official record.

The delegation from Martin Maretzki, respecting pot hole damage to his vehicle, was received.

A copy of the speaking notes are available on the City’s website or through the Office of the City Clerk.

(ii) Don Thompson, Commissionaires Hamilton, respecting the new minimum wage and unpaid monies (Added Item 6.2)

Don Thompson from Commissionaires Hamilton, addressed the Committee respecting the new minimum wage and unpaid monies. A copy of the speaking notes have been included in the official record.

The delegation from Don Thompson, Commissionaires, respecting the new minimum wage and unpaid monies, was received.

A copy of the speaking notes are available on the City’s website or through the Office of the City Clerk.

(iii) Mike Canal, GFL Environmental Inc., respecting GFL’s Proposed Rate Increase (Added Item 6.3)

Mike Canal from GFL Environmental Inc., addressed the Committee respecting GFL’s proposed rate increase.

The delegation from Mike Canal, GFL Environmental Inc., respecting GFL’s proposed rate increase, was received.

(iv) Scott Hutchison, Canada Fibers Ltd., respecting Item 12.5 – Commercial Relationship between the City of Hamilton and Canada Fibers Ltd. (Added Item 6.4)

Scott Hutchison from Canada Fibers Ltd., addressed the Committee respecting Item 12.5 – Commercial Relationship between the City of Hamilton and Canada Fibers Ltd.

The delegation from Scott Hutchison, Canada Fibers Ltd., respecting Item 12.5 – Commercial Relationship between the City of Hamilton and Canada Fibers Ltd., was received.
(g) **STAFF PRESENTATIONS (Item 7)**

(i) **Performance and Learning Strategy (HUR18016) (City Wide) (Item 7.1)**

Nenzi Cocca & Dawn Hannemann, addressed the Committee respecting the Performance and Learning Strategy, with the aid of a presentation. A copy of the presentation has been included in the official record.

The staff presentation respecting the Performance and Learning Strategy, was received.

A copy of the presentation is available on the City’s website or through the Office of the City Clerk.

For further disposition of this matter, refer to Item 1.

(ii) **Tax and Rate Operating Budget Variance Report as at June 30, 2018 - Budget Control Policy Transfers (FCS18067(a)) (City Wide) (Item 7.2)**

Brian McMullen, addressed the Committee respecting Tax and Rate Operating Budget Variance Report as at June 30, 2018 - Budget Control Policy Transfers, with the aid of a presentation. A copy of the presentation has been included in the official record.

The staff presentation respecting Tax and Rate Operating Budget Variance Report as at June 30, 2018 - Budget Control Policy Transfers, was received.

A copy of the presentation is available on the City’s website or through the Office of the City Clerk.

For further disposition of this matter, refer to Item 2.

(h) **DISCUSSION ITEMS (Item 8)**

(i) **2018 United Way Funding Review (CM18020) (City Wide) (Item 8.3)**

   (a) Report CM18020, respecting the 2018 United Way Funding Review was DEFERRED to a future Audit, Finance and Administration Committee meeting; and

   (b) Report CM18020, respecting the 2018 United Way Funding Review, was left on the Outstanding Business List for the 2018 - 2022 term of Council.
(i) MOTIONS (Item 9)

(i) United Way of Halton and Hamilton Reduced Funding (Item 9.2)

Councillor B. Johnson introduced the following motion, which was subsequently withdrawn:

WHEREAS, the United Way of Halton and Hamilton reduced the funding for Hamilton based social services programs by $676,701;

WHEREAS, the City of Hamilton Community Enrichment Fund Subsidized $141,000 for the above shortfall due to the United Way of Halton and Hamilton;
WHEREAS, the City of Hamilton staff have organized and implemented fundraising including payroll deductions in the amount of $145,000 for the United Way of Halton and Hamilton;

WHEREAS, the City of Hamilton supply approximately 1.5 FTE to organize and implement fundraising activities as well as salary contribution for the United Way of Halton and Hamilton; and

WHEREAS, the City of Hamilton can issue Charitable Receipts;

THEREFORE BE IT RESOLVED:

(a) That the City of Hamilton cease their association with the United Way of Halton and Hamilton on a transitional basis to direct fundraising activities and payroll deductions on behalf of the City of Hamilton Staff to the Community Enrichment Fund Social Services Sector; and

(b) That staff report back in the first quarter of 2019 with a strategy plan for transitioning after meeting with the United Way of Halton and Hamilton.

Staff was directed to report back to the Audit, Finance and Administration Committee in the new term of Council respecting the feasibility of City staff payroll deductions being donated to the Committee Enrichment Fund Social Services Sector.

For further disposition of this matter, refer to Item (h)(i).

(j) NOTICES OF MOTION (Item 10)

(i) Wentworth Condominium Corporation (WCC) #204 and Excess Wastewater/Storm Charges at 266 Limeridge Road East (Ward 7) (Added Item 10.1)
Councillor Anderson introduced a Notice of Motion respecting the Wentworth Condominium Corporation (WCC) #204 and excess wastewater/storm charges at 266 Limeridge Road East.

The Rules of Order were waived to allow for the introduction of a Motion respecting the Wentworth Condominium Corporation (WCC) #204 and excess wastewater/storm charges at 266 Limeridge Road East.

For disposition of this matter please refer to Item 7.

(k) GENERAL INFORMATION / OTHER BUSINESS (Item 11)
(i) Outstanding Business List (Item 11.1)

The following amendments to the Outstanding Business List, were approved, as presented:

11.1(a) Items considered complete and needing to be removed:

- Extension for Development Charge (DC) Deferral Agreement #156, located at 170 Rockhaven Lane
- Item 8.4 on today’s agenda
- OBL Item: M

(ii) Staff Update on 270 Sherman Avenue North (Added Item 11.2)

Staff provided an update on their findings at 270 Sherman Avenue North respecting Mr. Zeidler’s water billing concerns.

(l) PRIVATE & CONFIDENTIAL (Item 12)
(i) Closed Session Minutes – September 10, 2018 (Item 12.1)

(a) The Closed Session Minutes of the September 10, 2018 Audit, Finance and Administration meeting, were approved as presented; and

(b) The Closed Session Minutes of the September 10, 2018 Audit, Finance and Administration meeting, remain confidential.

Committee moved into Closed Session respecting Items 12.2 through 12.6, pursuant to Section 8.1, Sub-sections (e), (f), (i) and (k) of the City’s Procedural By-law 14-300, and Section 239(2), Sub-sections (e), (f), (i) and (k) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to litigation or...
potential litigation, including matters before administrative tribunals, affecting the municipality or local board; advice that is subject to solicitor/client privileges, including communications necessary for that purpose; a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization; 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 municipality or local board.

(ii) **Protocol for Gender Identity & Gender Expression, Transgender & Gender Non-Conforming Update (HUR17002(b)) (City Wide) (Item 12.2)**

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 8.

(iii) **Protocol for Gender Identity & Gender Expression, Transgender & Gender Non-Conforming Update (HUR17002(c)) (City Wide) (Item 12.2(a))**

Staff were provided with direction in Closed Session.

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

(iv) **Commercial Relationship Between the City of Hamilton and Transform Van and Truck, Division of Burncrest Industries Ltd. (FCS18082 / LS18055) (City Wide) (Item 12.3)**

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 10.

(v) **Commercial Relationship Between the City of Hamilton and Allan Fyfe Equipment Limited and Related Entities (FCS18089 / LS18056) (City Wide) (Item 12.4)**

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 11.
(vi) **Commercial Relationship Between the City of Hamilton and Canada Fibers Ltd. (LS18047(a) / FCS18088) (City Wide) (Item 12.5)**

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 12.

(vii) **Impact of Bill 148 on Service Contracts (LS18009(b) / FCS18001(b)) (City Wide) (Item 12.6)**

Staff were provided with direction in Closed Session.

For further disposition of this matter, refer to Item 13.

(m) **ADJOURNMENT (Item 13)**

There being no further business, the Audit, Finance and Administration Committee adjourned at 12:57 p.m.

Respectfully submitted,

Councillor VanderBeek, Chair
Audit, Finance and Administration Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk
## CITY OF HAMILTON

### BUDGETED COMPLEMENT TRANSFER SCHEDULE

#### STAFF COMPLEMENT CHANGE

**Complement Transfer to another division or department**

<table>
<thead>
<tr>
<th>ITEM #</th>
<th>TRANSFER FROM</th>
<th>TRANSFER TO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department</td>
<td>Division</td>
</tr>
<tr>
<td>1.1</td>
<td>Planning &amp; Economic Development</td>
<td>Licensing By Law Services</td>
</tr>
<tr>
<td></td>
<td><strong>Explanation:</strong> As agreed to by the Union, LR and GM the Licence Clerk position is eliminated and replaced through attrition. The position change is in response to the change in industries we support. The financial impact is an increase of $15,600 for 2 FTE, funded from Divisional efficiencies.</td>
<td></td>
</tr>
<tr>
<td>1.2</td>
<td>Planning &amp; Economic Development</td>
<td>Licensing By Law Services</td>
</tr>
<tr>
<td></td>
<td><strong>Explanation:</strong> To support a continuous improvement program for all Planning and Economic Development divisions. No financial impact on levy</td>
<td></td>
</tr>
<tr>
<td>1.3</td>
<td>Planning &amp; Economic Development</td>
<td>Licensing By Law Services</td>
</tr>
<tr>
<td></td>
<td><strong>Explanation:</strong> To support the growing Licensing initiatives, respond to increased customer requests for new business types and meet the changing needs of the industries we support. The financial impact is an increase of $7K funded from Divisional efficiencies.</td>
<td></td>
</tr>
<tr>
<td>1.4</td>
<td>Planning &amp; Economic Development</td>
<td>Licensing By Law Services</td>
</tr>
<tr>
<td></td>
<td><strong>Explanation:</strong> To support a continuous improvement program for all Planning and Economic Development divisions. No financial impact on levy</td>
<td></td>
</tr>
<tr>
<td>1.5</td>
<td>Corporate Services</td>
<td>Financial Services</td>
</tr>
<tr>
<td></td>
<td><strong>Explanation:</strong> Convert Receptionist - Procurement (Grade E) position to a Procurement Contract Coordinator (Grade G). Financial impact of $3,570 will be absorbed by the division with no impact to the net levy.</td>
<td></td>
</tr>
<tr>
<td>1.6</td>
<td>Public Works</td>
<td>Roads &amp; Traffic</td>
</tr>
<tr>
<td></td>
<td><strong>Explanation:</strong> Requesting approval to transfer and convert a vacant Community Program Analyst position (C1 Grade J, budget $88,300) in Roads &amp; Traffic to a Quality Support position under the General Administration Division at the same level. There will be no impact to the operating budget as a result of this transfer.</td>
<td></td>
</tr>
</tbody>
</table>

**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.
Recommended Extension Terms and Sample Payment Illustration:
Deferral Agreement #156, 170 Rockhaven Lane

Staff Recommendation: Provide a DC Deferral Agreement Extension \[1\] for a one-year term from October 1, 2018 to October 1, 2019 with full payment due on or before October 1, 2019 according to the following terms.

The DC Deferral Agreement will be extended for one year to October 1, 2019 using the City’s five-year serial debenture rate plus 5.25% (which is comprised of 3.25% for the new DC Deferral Policy Rate plus 2.00% for the Extended Agreement Rate).

This sample schedule uses the August 2018, five-year serial debenture rate for illustration only. The actual October 2018, five-year serial debenture rate would be used in the actual calculation.

Amount: $53,287.70
This is the balance owing on DC Deferral Agreement #156 at expiration on October 1, 2018.

Interest Rate Applied: Five-year serial debenture rate plus 5.25%
(August 2018 rate used in illustration)

<table>
<thead>
<tr>
<th>Month</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>2.85%</td>
</tr>
<tr>
<td>New DC Deferral Policy Rate:</td>
<td>3.25%</td>
</tr>
<tr>
<td>Extended Agreement Rate:</td>
<td>2.00%</td>
</tr>
<tr>
<td><strong>Total Interest Rate</strong></td>
<td><strong>8.10%</strong></td>
</tr>
</tbody>
</table>

Compound Period: Monthly

Payments: Payments ad hoc as the remaining units close for sale. Illustration shows sample payment dates.

Total Payments: $56,607.59
(Total payments will vary depending on closing date of units.)

Total Interest: $3,319.89
(Total interest will vary depending on closing date of units and the actual interest rate the agreement is entered into.)

Note [1]: As a condition of the staff recommendation, the Agreement holder will be responsible for bringing any property taxes in arrears up to date, maintaining the property taxes in good standing, registering the Agreement on title as a mortgage, providing a personal guarantee, providing proof of insurance satisfactory to the City’s risk management division, and other standard terms of DC Deferral Agreements including provisions which, in the event of default, would transfer any balance outstanding to the property tax roll.
Appendix “B” of Item 5 to AF&A Report 18-013
Page 2 of 2

Past payment history of existing DC Deferral - expires October 1, 2018:

<table>
<thead>
<tr>
<th>Date From</th>
<th>Date To</th>
<th>Interest Rate (%)</th>
<th>Beginning Balance ($)</th>
<th>Payments / Adjustments ($)</th>
<th>Period Interest</th>
<th>Closing Balance Outstanding ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-Oct-13</td>
<td>31-Dec-13</td>
<td>2.66%</td>
<td>824,213.92</td>
<td></td>
<td>5,466.01</td>
<td>829,679.93</td>
</tr>
<tr>
<td>01-Jan-14</td>
<td>31-Dec-14</td>
<td>2.66%</td>
<td>829,679.93</td>
<td></td>
<td>22,216.24</td>
<td>851,896.16</td>
</tr>
<tr>
<td>01-Jan-15</td>
<td>31-Dec-15</td>
<td>2.66%</td>
<td>851,896.16</td>
<td>(700,900.00)</td>
<td>14,232.59</td>
<td>165,228.76</td>
</tr>
<tr>
<td>01-Jan-16</td>
<td>31-Dec-16</td>
<td>2.66%</td>
<td>165,228.76</td>
<td>(32,600.00)</td>
<td>3,870.40</td>
<td>136,499.15</td>
</tr>
<tr>
<td>01-Jan-17</td>
<td>31-Dec-17</td>
<td>2.66%</td>
<td>136,499.15</td>
<td>(69,150.00)</td>
<td>2,480.92</td>
<td>69,722.60</td>
</tr>
<tr>
<td>01-Jan-18</td>
<td>01-Oct-18</td>
<td>2.66%</td>
<td>69,722.60</td>
<td></td>
<td>1,115.10</td>
<td>53,287.70</td>
</tr>
</tbody>
</table>

Illustration of potential payment schedule for one-year extension to October 1, 2019:

<table>
<thead>
<tr>
<th>Date From</th>
<th>Date To</th>
<th>Sample Interest Rate (%)</th>
<th>Beginning Balance ($)</th>
<th>Sample Payments ($)</th>
<th>Period Interest</th>
<th>Closing Balance Outstanding ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-Oct-18</td>
<td>31-Oct-18</td>
<td>8.10%</td>
<td>53,287.70</td>
<td></td>
<td>354.76</td>
<td>53,642.46</td>
</tr>
<tr>
<td>01-Nov-18</td>
<td>30-Nov-18</td>
<td>8.10%</td>
<td>53,642.46</td>
<td></td>
<td>357.13</td>
<td>53,999.59</td>
</tr>
<tr>
<td>01-Dec-18</td>
<td>31-Dec-18</td>
<td>8.10%</td>
<td>53,999.59</td>
<td></td>
<td>371.49</td>
<td>54,371.07</td>
</tr>
<tr>
<td>01-Jan-19</td>
<td>31-Jan-19</td>
<td>8.10%</td>
<td>54,371.07</td>
<td></td>
<td>374.04</td>
<td>54,745.12</td>
</tr>
<tr>
<td>01-Feb-19</td>
<td>28-Feb-19</td>
<td>8.10%</td>
<td>54,745.12</td>
<td></td>
<td>340.17</td>
<td>55,085.29</td>
</tr>
<tr>
<td>01-Mar-19</td>
<td>31-Mar-19</td>
<td>8.10%</td>
<td>55,085.29</td>
<td></td>
<td>378.96</td>
<td>55,464.24</td>
</tr>
<tr>
<td>01-Apr-19</td>
<td>30-Apr-19</td>
<td>8.10%</td>
<td>55,464.24</td>
<td>(18,500.00)</td>
<td>246.09</td>
<td>37,210.34</td>
</tr>
<tr>
<td>01-May-19</td>
<td>31-May-19</td>
<td>8.10%</td>
<td>37,210.34</td>
<td></td>
<td>255.99</td>
<td>37,466.32</td>
</tr>
<tr>
<td>01-Jun-19</td>
<td>30-Jun-19</td>
<td>8.10%</td>
<td>37,466.32</td>
<td></td>
<td>249.43</td>
<td>37,715.76</td>
</tr>
<tr>
<td>01-Jul-19</td>
<td>31-Jul-19</td>
<td>8.10%</td>
<td>37,715.76</td>
<td>(18,860.00)</td>
<td>129.72</td>
<td>18,985.47</td>
</tr>
<tr>
<td>01-Aug-19</td>
<td>31-Aug-19</td>
<td>8.10%</td>
<td>18,985.47</td>
<td></td>
<td>130.61</td>
<td>19,116.08</td>
</tr>
<tr>
<td>01-Sep-19</td>
<td>01-Oct-19</td>
<td>8.10%</td>
<td>19,116.08</td>
<td></td>
<td>131.51</td>
<td>19,247.59</td>
</tr>
<tr>
<td>Final Payment</td>
<td></td>
<td></td>
<td>19,247.59</td>
<td>(19,247.59)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note that the above schedule is for illustration purposes. The interest rate and timing of actual payments will be dependent on the October 2018 five-year serial debenture interest rate and the closing dates of the remaining units.