



## **AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 21-006**

**9:30 a.m.  
April 22, 2021  
Council Chambers  
Hamilton City Hall**

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**Present:** Councillors L. Ferguson (Chair), C. Clark, C. Collins, B. Johnson, M. Pearson, A. VanderBeek, and M. Wilson

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### **THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:**

**1. Records Retention By-law Amendment (FCS21034) (City Wide) (Item 7.3)**

**(Pearson/Wilson)**

That the draft by-law, entitled "To Amend By-law No. 11-040 To Establish Retention Periods for Records of the City of Hamilton", attached as Appendix "A", be enacted by Council.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**2. Tax and Rate Operating Budget Variance Report as at December 31, 2020 and Budget Control Policy (FCS20069(b)) (City Wide) (Item 8.1)**

**(Pearson/Johnson)**

- (a) That the Tax and Rate Operating Budget Variance Report as at December 31, 2020 attached as Appendices "A" and "B", respectively, to Report FCS20069(b) be received;
- (b) That, in accordance with the "Budgeted Complement Control Policy", the 2020 complement transfer transferring complement from one department / division to another, complement additions and removals of FTE with no impact on the levy, and budget from one department / division to another or from one cost category to another with no impact on the levy as outlined in Appendix "C" to Report FCS20069(b), be approved;
- (c) That, in accordance with the "Budget Complement Control Policy", the 2020 extensions of temporary positions with 24-month terms or greater,

with no impact on the levy, as outlined in Appendix “D” to Report FCS20069(b), be approved;

- (d) That, subject to finalization of the 2020 audited financial statements, the Disposition of 2020 Year-End Operating Budget Surplus / Deficit be approved as follows:

DISPOSITION / RECONCILIATION OF YEAR-END SURPLUS/ (DEFICIT)	\$	\$
<b>Corporate Surplus from Tax Supported Operations</b>		<b>\$ 55,325,707</b>
<b>Disposition to/from Self-Supporting Programs &amp; Agencies</b>		<b>\$ (6,063,995)</b>
Less: Police (Transfer to Police Reserve)	\$ (2,690,482)	
Less: Library (Transfer to Library Reserve)	\$ (3,333,841)	
Less: Farmers Market (Transfer to Hamilton Farmers Market Reserve)	\$ (39,672)	
<b>Balance of Corporate Surplus</b>		<b>\$ 49,261,712</b>
Less: Transfer to Tax Stabilization Reserve		\$ (2,000,000)
Less: Transfer to Early Years System Reserve		\$ (3,000,000)
Add: Transfer from HEF Capital Project Reserve		\$ 903,318
Less: Transfer to fund 2021 "Rent Ready" Program		\$ (1,000,000)
Less: Transfer to fund Menstrual Products Affordability Pilot Program		\$ (121,000)
Less: Transfer to Climate Change Reserve		\$ (1,500,000)
Less: Transfer to 2022 Capital Budget - Recreation Facilities Discretionary Block (Unallocated Capital Levy Reserve)		\$ (700,000)
Less: Transfer to ATS Reserve for PRESTO Agreement		\$ (162,872)
Less: Transfer to fund Red Hill Creek Inquiry		\$ (5,000,000)
Less: Transfer to Sick Leave Liability - General Reserve		\$ (1,300,000)
Less: Transfer to fund shortfall in Development Charge Exemptions		\$ (15,100,000)
Less: Hamilton Status of Women Advisory Committee - Donation of Remaining 2020 Budget Allocation		\$ (3,996)
Less: Transfer to COVID-19 Emergency Reserve		\$ (20,277,162)
<b>Balance of Tax Supported Operations</b>		<b>\$ -</b>
<b>Corporate Deficit from Rate Supported Operations</b>		<b>\$ (4,592,662)</b>
Add: Transfer from the Rate Supported Water Reserve		\$ 10,211,949
Less: Transfer to the Rate Supported Wastewater Reserve		\$ (5,619,287)
<b>Balance of Rate Supported Operations</b>		<b>\$ -</b>

- (e) That, the Outstanding Business List Item requiring the General Manager, Finance and Corporate Services, to report back on the potential use of City reserves to address the 2020 deficit related to the financial impact of COVID-19 be considered complete, and removed from the General Issues Committee’s Outstanding Business List.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

- YES - Ward 13 Councillor Arlene VanderBeek
- YES - Ward 12 Councillor Lloyd Ferguson
- YES - Ward 11 Councillor Brenda Johnson
- YES - Ward 10 Councillor Maria Pearson
- YES - Ward 9 Councillor Brad Clark
- YES - Ward 5 Councillor Chad Collins
- YES - Ward 1 Councillor Maureen Wilson

**3. Cyber Security Audit (AUD21004) (City Wide) (Item 10.1)**

**(Wilson/Clark)**

- (a) That Confidential Appendices “A” and “C” to Report AUD21004, respecting the Cyber Security Audit be received;
- (b) That the Management Responses, as detailed in Confidential Appendices “B” and “D” of Report AUD21004 be approved;
- (c) That the General Manager of Finance and Corporate Services be directed to instruct the appropriate staff to have the Management Responses (attached as Confidential Appendix “B” to Report AUD21004) implemented;
- (d) That the General Manager of Public Works be directed to instruct the appropriate staff to have the Management Responses (attached as Confidential Appendix “D” to Report AUD21004) implemented; and,
- (e) That the Appendices “A”, “B”, “C”, “D” and “E” to Report AUD21004, respecting Cyber Security Audit Report, and Cyber Security Recommendations and Management Responses, remain confidential and restricted from public disclosure.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**4. Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Community Survey (Added Item 10.2)**

**(Wilson/VanderBeek)**

- (a) That the City of Hamilton approve the attached Community Survey and distribute it through the Engage Hamilton platform or, if there is something that unexpectedly prevents the timely use of that platform, that it be distributed using SurveyMonkey by the members of the LGBTQ Advisory Committee themselves; and;
- (b) That the survey be released no later than April 29, 2021 and that it be up for no less than 2 weeks, until May 13, 2021, with results sent to the LGBTQ Advisory Committee no later than May 14, 2021 so that members of the Committee, and the public, will have time to review them before the next meeting of the LGBTQ Advisory Committee on May 18, 2021.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**5. Appointments to the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee for the remainder of the 2018 – 2022 Term (Item 14.3)**

**(Wilson/Collins)**

That the appointments to the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee for the remainder of the 2018-2022 Term be approved and released publicly following approval by Council.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**FOR INFORMATION:**

**(a) CHANGES TO THE AGENDA (Item 2)**

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

**9. PUBLIC HEARINGS / DELEGATIONS**

9.1 Public Meeting Respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study

9.1(a) Added Presentation from Watson and Associates

9.1(b) Registered Delegations:  
(i) Karl Andrus, HCBN

9.1(c) Written Submissions:  
(i) Lakewood Beach Community Council  
(ii) Robert D. Aburto, Gowling WLG

**10. DISCUSSION ITEMS**

- 10.2 Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Community Survey

**(Johnson/Pearson)**

That the agenda for the April 22, 2021 Audit, Finance and Administration Committee meeting be approved, as amended.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(b) DECLARATIONS OF INTEREST (Item 3)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 4)**

**(i) April 8, 2021 (Item 4.1)**

**(VanderBeek/Pearson)**

That the Minutes of the April 8, 2021 meeting of the Audit, Finance and Administration Committee be approved, as presented.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(d) CONSENT ITEMS (Item 7)**

**(Pearson/Wilson)**

That the following Consent Items (Item 7), be received:

- (i) Interview Sub-Committee to the Audit, Finance and Administration Committee Minutes: (Item 7.1)

- (1) April 6, 2021 (Item 7.1(a))
- (2) April 13, 2021 (Item 7.1(b))
- (ii) Various Advisory Committee Minutes: (Item 7.2)
  - (1) Immigrant and Refugee Advisory Committee - January 14, 2021 (Item 7.2(a))
  - (2) Immigrant and Refugee Advisory Committee - February 11, 2021 (Item 7.2(b))
  - (3) Hamilton Mundialization Committee - January 20, 2021 (Item 7.2(c))
  - (4) Aboriginal Advisory Committee - December 3, 2020 (Item 7.2(d))
  - (5) Aboriginal Advisory Committee - No Quorum Notes - January 7, 2021 (Item 7.2(e))
  - (6) Aboriginal Advisory Committee - No Quorum Notes - April 1, 2021 (Item 7.2(f))
  - (7) Hamilton Status of Women Committee - November 26, 2020 (Item 7.2(g))
  - (8) Hamilton Status of Women Committee - January 28, 2021 (Item 7.2(h))
  - (9) Hamilton Status of Women Committee - February 25, 2021 (Item 7.2(i))

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(iii) Records Retention By-law Amendment (FCS21034) (City Wide) (Item 7.3)**

**(Clark/Wilson)**

That staff be directed to report back to the Audit, Finance & Administration Committee on May 6, 2021, outlining the City's current practice for the retention of the video recordings of Council, Sub-Committee, and Advisory Committee meetings.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(e) STAFF PRESENTATIONS (Item 8)**

**(i) Tax and Rate Operating Budget Variance Report as at December 31, 2020 and Budget Control Policy (FCS20069(b)) (City Wide) (Item 8.1)**

Mike Zegarac, General Manager of Finance and Corporate Services addressed the Committee with a staff presentation respecting Report FCS20069(b), the Tax and Rate Operating Budget Variance Report as at December 31, 2020 and Budget Control Policy.

**(Pearson/Clark)**

That the Staff Presentation respecting Report FCS20069(b), the Tax and Rate Operating Budget Variance Report as at December 31, 2020 and Budget Control Policy, be received.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

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

**(f) PUBLIC HEARINGS / DELEGATIONS (Item 9)**

**(i) Public Meeting Respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study (Item 9.1)**

The Chair advised that Item 9.1 was a public meeting pursuant to Section 12 of the *Development Charges Act, 1997*, to present and obtain public input respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study. The Chair further advised that notice of the public meeting was provided and posted on the City of Hamilton's website. Additionally, notice was published in the Hamilton Spectator on March 25th, 2021 and the Hamilton Community

News on March 26th, 2021, inviting interested parties to pre-register to be a virtual delegate.

Gary Scandlan, from Watson & Associates, addressed the Committee respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study, with the aid of a presentation.

Councillor Ferguson relinquished the Chair to Councillor Pearson in order to introduce the following motion.

**(Ferguson/Johnson)**

That staff be directed to exempt Agricultural Societies (Binbrook, Rockton, and Ancaster) from Development Charges.

Councillor Ferguson withdrew his motion and assumed the Chair.

**(Pearson/Johnson)**

That the presentation from Gary Scandlan, Watson & Associates respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study, be received.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

- YES - Ward 1 Councillor Maureen Wilson
- YES - Ward 13 Councillor Arlene VanderBeek
- YES - Ward 12 Councillor Lloyd Ferguson
- YES - Ward 11 Councillor Brenda Johnson
- YES - Ward 10 Councillor Maria Pearson
- YES - Ward 9 Councillor Brad Clark
- YES - Ward 5 Councillor Chad Collins

**Registered Speaker**

The following Registered Speaker addressed the Committee respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study:

9.1(b) Karl Andrus, HCBN

**(Pearson/VanderBeek)**

That the registered speaker's delegation respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study, be received.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

- YES - Ward 1 Councillor Maureen Wilson
- YES - Ward 13 Councillor Arlene VanderBeek
- YES - Ward 12 Councillor Lloyd Ferguson

YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**Written Submissions**

**(Pearson/Johnson)**

That the following Written Submissions respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study, be received:

9.1(c) Lakewood Beach Community Council  
9.1(d) Roberto D. Aburto, Gowling WLG

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(Pearson/Johnson)**

That the public meeting respecting the 2019 Development Charge By-law Amendment and the 2021 Development Charges Background Study, be closed.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

**(g) DISCUSSION ITEMS (Item 10)**

**(i) Cyber Security Audit (AUD21004) (City Wide) (Item 10.1)**

**(Pearson/Johnson)**

That consideration of Report AUD21004, respecting the Cyber Security Audit, be deferred until after Closed Session.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 13 Councillor Arlene VanderBeek

YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins

For disposition of this matter, please refer to Item 3.

**(h) GENERAL INFORMATION / OTHER BUSINESS (Item 13)**

**(i) Amendment to the Outstanding Business List (Item 13.1)**

**(Pearson/VanderBeek)**

That the following amendment to the Audit, Finance & Administration Committee's Outstanding Business List, be approved:

**(a) Item Considered Complete and Needing to be Removed:**

Citizen Committee Report - Hamilton Status of Women Advisory  
Committee - Donation of Remaining 2020 Budget Allocation  
Added: February 4, 2021 at AF&A - Item 9.1  
Completed: April 22, 2021 at AF&A - Item 8.1 (FCS20069(b))  
OBL Item: 21-A

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(i) PRIVATE AND CONFIDENTIAL (Item 14)**

**(i) Closed Minutes – April 8, 2021**

**(Wilson/Johnson)**

- (a) That the Closed Session Minutes of the April 8, 2021 Audit, Finance and Administration Committee meeting, be approved as presented; and,
- (b) That the Closed Session Minutes of the April 8, 2021 Audit, Finance and Administration Committee meeting, remain confidential.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek

YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(ii) Attendance in Closed Session respecting Appendices 'A', 'B', 'C', 'D', and 'E' to Cyber Security Audit (AUD21004) (City Wide) (Item 14.2)**

**(Wilson/Clark)**

That Aron Feuer, Managing Director Cybersecurity, Valencia IIP Advisors Limited be permitted to attend the Closed Session portion of the meeting with respect to Confidential Appendices "A" through "E" to Report AUD21004, respecting the Cyber Security Audit.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(Pearson/Johnson)**

That Committee move into Closed Session respecting Item 14.2, pursuant to Section 9.1, Sub-section (a) of the City's Procedural By-law 21-021, and Section 239(2), Sub-section (a) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to the security of the property of the municipality or local board.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

**(iii) Appendices 'A', 'B', 'C', 'D', and 'E' to Cyber Security Audit (AUD21004) (City Wide) (Item 14.2)**

For disposition of this matter, please refer to Item 3.

Committee determined that discussion of Item 14.3 was not required in Closed Session, so the item was addressed in Open Session, as follows:

**(iv) Appointments to the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee for the remainder of the 2018 – 2022 Term (Item 14.3)**

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

**(j) ADJOURNMENT (Item 15)**

**(Pearson/Johnson)**

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 1:04 p.m.

**Result: Motion CARRIED by a vote of 7 to 0, as follows:**

YES - Ward 13 Councillor Arlene VanderBeek  
YES - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 1 Councillor Maureen Wilson

Respectfully submitted,

Councillor Ferguson, Chair  
Audit, Finance and Administration  
Committee

Angela McRae  
Legislative Coordinator  
Office of the City Clerk