



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 21-020

9:30 a.m.

November 18, 2021

Council Chambers

Hamilton City Hall

Present: Councillors L. Ferguson (Chair), B. Johnson, M. Pearson, and A. VanderBeek

Absent: Councillors B. Clark – City Business, M. Wilson – City Business

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Fraud and Waste Annual Report (AUD21011) (City Wide) (Item 8.1)

(Johnson/Pearson)

- (a) That the Senior Leadership Team consider revising the process for disclosure and mitigation of Conflicts of Interest as required per the Code of Conduct for Employees and report back to the Audit, Finance and Administration Committee by June 2022;
- (b) That the Fraud and Waste Hotline pilot program be extended through to April 30, 2022 using the existing Council-approved funding allotment (Report AUD18007); and,
- (c) That Appendices “A” and “B” to Report AUD21011 be received.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

2. Tax and Rate Operating Budgets Variance Report as at August 31, 2021 – Budget Control Policy Transfers (FCS21070(a)) (City Wide) (Item 8.2)

(VanderBeek/Johnson)

- (a) That the Tax and Rate Operating Budgets Variance Report as at August 31, 2021 attached as Appendices “A” and “B”, respectively, to Report FCS21070(a), be received;

- (b) That, in accordance with the “Budgeted Complement Control Policy”, the 2021 complement transfers from one department / division to another with no impact on the levy, as outlined in Appendix “C” to Report FCS21070(a), be approved;
- (c) That, in accordance with the “Budgeted Complement Control Policy”, the 2021 extensions of temporary positions with 24-month terms or greater, with no impact on the levy, as outlined in Appendix “D” to Report FCS21070(a), be approved;
- (d) That, in accordance with the “Budget Control Policy”, the 2021 budget transfers from one department / division to another with no impact on the property tax levy, as outlined in Appendix “E” to Report FCS21070(a), be approved.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

3. Ancaster Memorial Arts Center – Fit-up Costs (Added Item 11.1)

(Ferguson/Pearson)

WHEREAS the City is the registered owner of the Lands known as the former Ancaster Memorial School and municipally as 357 Wilson Street, Ancaster, Ontario;

WHEREAS the City is pursuing a collaborative initiative with the local arts community for the redevelopment of the former Ancaster Memorial School to develop a centre for community artistic expression;

WHEREAS the Ancaster Society for the Performing Arts Corporation has been leading the collective effort of twelve (12) community arts groups on a major capital campaign to raise capital funds to assist in the development of an arts centre in the former Ancaster Memorial School;

WHEREAS in accordance with Item 9.2, General Issues Committee Report 17-015 adopted by Hamilton City Council on July 14, 2017 (the “Council Authority”), the City has agreed to lease to the Ancaster Society for the Performing Arts Corporation, the former Ancaster Memorial School;

WHEREAS the Lease agreement provides that the Ancaster Society for the Performing Arts Corporation is responsible for the Furniture and Fixtures requirements of the facility;

WHEREAS the Ancaster Society for the Performing Arts Corporation has requested that the City provide support for the purchase of furniture and fixture requirements of the facility; and,

WHEREAS the City of Hamilton has previously authorized the establishment of a forgivable loan to the Dr. Bob Kemp Hospice Foundation through Report FCS10092(a);

THEREFORE, BE IT RESOLVED:

- (a) That the General Manager, Finance and Corporate Services be authorized to enter into a Forgivable Loan Agreement with terms and conditions satisfactory to the General Manager, Finance and Corporate Services and the City Solicitor for up to a maximum of \$385,000 to support the purchase of furnishings and fixtures for the facility, to be funded from the Investment Stabilization Reserve (#112300);
- (b) That, in addition to the Terms and Conditions that the General Manager, Finance and Corporate Services may identify, the Forgivable Loan Agreement shall include:
 - (i) A condition that the Ancaster Society for the Performing Arts Corporation continue to operate the facility at 357 Wilson Street in compliance with and for the full term (10 Years) of the lease agreement between the City and Ancaster Society for the Performing Arts; and,
 - (ii) A condition that the Ancaster Society for the Performing Arts Corporation provide annual financial statements and other related financial information that demonstrates the financial capacity of the organization to the City to the satisfaction of the General Manager Finance and Corporate Services;
- (c) That the Forgivable Loan be contingent upon compliance with the terms and conditions within the Lease agreement between the City and Ancaster Society for the Performing Arts Corporation.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

4. Information Security Program - Capital Project (FCS21104) (City Wide) (Item 14.2)

(Pearson/Johnson)

That Report FCS21104, respecting Information Security Program - Capital Project, be received and remain confidential.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

12. NOTICES OF MOTION

12.1 Ancaster Memorial Arts Center – Fit-up Costs

(VanderBeek/Johnson)

That the agenda for the November 18, 2021 Audit, Finance and Administration Committee meeting be approved, as amended.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - 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) November 4, 2021 (Item 4.1)

(Pearson/Johnson)

That the Minutes of the November 4, 2021 meeting of the Audit, Finance and Administration Committee be approved, as presented.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(d) CONSENT ITEMS (Item 7)

(i) Committee Against Racism - No Quorum Notes - October 26, 2021 (Item 7.1)

(VanderBeek/Pearson)

That the Committee Against Racism - No Quorum Notes from October 26, 2021, be received.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(e) STAFF PRESENTATIONS (Item 8)

(i) Fraud and Waste Annual Report (AUD21011) (City Wide) (Item 8.1)

Charles Brown, City Auditor addressed the Committee with a staff presentation respecting Report AUD21011, the Fraud and Waste Annual Report.

(Pearson/VanderBeek)

That the Staff Presentation respecting Report AUD21011, the Fraud and Waste Annual Report, be received.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

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

(ii) Tax and Rate Operating Budgets Variance Report as at August 31, 2021 – Budget Control Policy Transfers (FCS21070(a)) (City Wide) (Item 8.2)

Mike Zegarac, General Manager of Finance and Corporate Services addressed the Committee with a staff presentation respecting Report FCS21070(a), the Tax and Rate Operating Budgets Variance Report as at August 31, 2021 - Budget Control Policy Transfers.

(VanderBeek/Pearson)

That the Staff Presentation respecting Report FCS21070(a) the Tax and Rate Operating Budgets Variance Report as at August 31, 2021 - Budget Control Policy Transfers, be received.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

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

(f) NOTICES OF MOTION (Item 12)

(i) Ancaster Memorial Arts Center – Fit-up Costs (Added Item 12.1)

Councillor Ferguson relinquished the Chair to Councillor Pearson to move the motion to Waive the Rules and the motion respecting Ancaster Memorial Arts Centre – Fit-up Costs.

(Ferguson/Pearson)

That the Rules of Order be waived to allow for the introduction of a Motion respecting the Ancaster Memorial Arts Center – Fit-up Costs.

Result: Motion CARRIED by a vote of 4 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
NOT PRESENT - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

For further disposition of this Item, refer to Item 3.

Councillor Ferguson assumed the Chair for the remainder of the meeting following the vote on the motion respecting the Ancaster Memorial Arts Center – Fit-up Costs.

(g) PRIVATE AND CONFIDENTIAL (Item 14)

Committee determined that discussion of Item 14.1 was not required in Closed Session, so the item was addressed in Open Session, as follows:

(i) Closed Minutes – November 4, 2021 (Item 14.1)

(Johnson/Pearson)

- (a) That the Closed Session Minutes of the November 4, 2021 Audit, Finance and Administration Committee meeting, be approved as presented; and,
- (b) That the Closed Session Minutes of the November 4, 2021 Audit, Finance and Administration Committee meeting, remain confidential.

Committee determined that discussion of Item 14.2 was not required in Closed Session, so the item was addressed in Open Session, as follows:

(ii) Information Security Program - Capital Project (FCS21104) (City Wide) (Item 14.2)

For disposition of this matter, please refer to Item 4.

(h) ADJOURNMENT (Item 15)

(Pearson/VanderBeek)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 10:42 a.m.

Result: Motion CARRIED by a vote of 4 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
- NOT PRESENT - Ward 9 Councillor Brad Clark
- NOT PRESENT - Ward 1 Councillor Maureen Wilson

Respectfully submitted,

Councillor Ferguson, Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk