



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 23-006

**9:30 a.m.
April 20, 2023
Council Chambers
Hamilton City Hall**

Present: Councillors C. Kroetsch (Chair), T. Hwang (Vice-Chair), J. Beattie, B. Clark, M. Spadafora M. Tadeson, A. Wilson, and M. Wilson

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Tax and Rate Operating Budget Variance Report as at December 31, 2022 – Budget Control Policy Transfers (FCS22042(b)) (City Wide) (Item 8.1)

(Spadafora/Tadeson)

- (a) That the Tax and Rate Operating Budget Variance Report as at December 31, 2022 attached as Appendices “A” and “B”, respectively, to Report FCS22042(b) be received;
- (b) That, in accordance with the “Budgeted Complement Control Policy”, the 2022 complement transfers from one department / division to another with no impact on the levy, as outlined in Appendix “C” to Report FCS22042(b), be approved;
- (c) That, in accordance with the “Budget Complement Control Policy”, the 2022 extensions of temporary positions with 24-month terms or greater, with no impact on the levy, as outlined in Appendix “D” to Report FCS22042(b), be approved;
- (d) That, subject to finalization of the 2022 audited financial statements, the disposition of the 2022 year-end operating budget surplus be approved as detailed in Table 1:

Table 1

DISPOSITION / RECONCILIATION OF YEAR-END SURPLUS/(DEFICIT)	\$	\$
Corporate Surplus from Tax Supported Operations		\$ 22,938,340
Disposition to/from Self-Supporting Programs & Agencies		\$ (3,159,224)
Less: Police (Transfer to Police Reserve)	\$ (1,020,546)	
Less: Library (Transfer to Library Reserve)	\$ (2,139,741)	
Add: Farmers Market (Transfer from COVID-19 Emergency Reserve)	\$ 1,063	
Balance of Corporate Surplus		\$ 19,779,116
Less: Transfer to Flamborough Capital Reserve		\$ (262,944)
Less: Transfer to fund Mission Services one-time capital (Council Aug 2022; HSC20020(f))		\$ (3,040,000)
Less: Transfer to Hamilton Entertainment Facilities (HEF) Capital Project Reserve		\$ (544,658)
Less: Transfer to fund shortfall in Development Charge Exemptions		\$ (7,708,933)
Less: Transfer to fund Cold Alert Response		\$ (109,000)
Less: Transfer of Hamilton Utilities Corporation (HUC) dividends surplus to the Housing Project ID #6732341301 (Council Aug 2019; HSC19048)		\$ (2,792,304)
Less: Transfer remaining balance to Tax Stabilization Reserve		\$ (5,321,277)
Balance of Tax Supported Operations		\$ (0)
Corporate Surplus from Rate Supported Operations		\$ 1,173,485
Less: Transfer Rate Supported Waster Surplus to fund Development Charge Exemptions		\$ (770,107)
Less: Transfer Rate Supported Wastewater/Stormwater Surplus to fund Development Charge Exemptions		\$ (403,378)
Balance of Rate Supported Operations		\$ 0

Result: Motion CARRIED by a vote of 6 to 0, as follows:

- YES - Ward 1 Councillor Maureen Wilson
- YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
- ABSENT - Ward 4 Councillor Tammy Hwang
- YES - Ward 9 Councillor Brad Clark
- ABSENT - Ward 10 Councillor Jeff Beattie
- YES - Ward 11 Councillor Mark Tadeson
- YES - Ward 13 Councillor Alex Wilson
- YES - Ward 14 Councillor Mike Spadafora

2. Development Charges Stakeholders Sub-Committee Report 23-001, April 13, 2023 (Added Item 10.1)

(M. Wilson/Tadeson)

(a) Appointment of Chair and Vice-Chair for 2023 (Item 1.1)

(i) Appointment of Chair

That Councillor C. Cassar be appointed as Chair of the Development Charges Stakeholders Sub-committee for 2023.

(ii) Appointment of Vice-Chair

That P. Szachlewicz be appointed as Vice-Chair of the Development Charges Stakeholders Sub-committee for 2023.

(b) Corporate Strategic Growth Initiatives (CSGI) – Master Plan Updates and Development Charge By-law Approach (PED23084) (City Wide) (Item 11.1)

- (i) That the City's new 2024 Development Charges (DC) By-law be prepared based on the 2031 growth forecast; and,
- (ii) That, notwithstanding (i) above, the City's new 2024 Development Charges (DC) By-law may include growth allocations to facilitate DC considerations to 2041 and, if necessary, 2051 based on timing of completed Master Plan updates.

(c) 2024 Development Charges Background Study and By-law Update (FCS23040) (City Wide) (Item 11.2)

- (i) That Report FCS23040 respecting 2024 Development Charges Background Study and By-law Update, be received.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

4. APPROVAL OF MINUTES OF PREVIOUS MEETING

4.2 February 16, 2023 – REVISED

5. CONSENT ITEMS

9.1 Business Improvement Area Sub-Committee Minutes - March 21, 2023

9.2 Various Advisory Committee Minutes

(a) Advisory Committee for Immigrants and Refugees

- (i) December 8, 2022
 - (ii) No-Quorum Report - January 12, 2023
 - (iii) February 9, 2023
 - (iv) March 9, 2023
- (b) Committee Against Racism
- (i) February 28, 2023
- (c) Mundialization Committee
- (i) June 15, 2022
 - (ii) December 21, 2022

10. DISCUSSION ITEMS

- 10.1 Development Charges Stakeholders Sub-Committee Report
23-001, April 13, 2023

12. NOTICES OF MOTION

- 12.1 Area Specific Development Charges

(A. Wilson/Hwang)

That the agenda for the April 20, 2023 Audit, Finance and Administration Committee meeting, be approved, as amended.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) April 6, 2023 (Item 4.1)

(Tadeson/Spadafora)

That the Minutes of the April 6, 2023 meeting of the Audit, Finance and Administration Committee, be approved, as presented.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(ii) February 16, 2023 (Item 4.2)

(Beattie/Tadeson)

WHEREAS, the Communications Items considered at the February 16, 2023 meeting of the Audit, Finance and Administration Committee were inadvertently omitted from the February 16, 2023 Audit, Finance and Administration Committee minutes;

THEREFORE, BE IT RESOLVED:

- (a) That the Minutes of the February 16, 2023 meeting of the Audit, Finance and Administration Committee, be **amended** by including the following:

(d) COMMUNICATIONS (Item 5)

The following Communications Items, were approved, as presented:

- (i) Julie Turner, respecting her resignation from the Hamilton Women and Gender Equity Committee**

Recommendation: Be received.

- (ii) Gabriel Nicholson, respecting motion 11.2 Council Access to and Copies of Confidential Records**

Recommendation: Be received and referred to consideration of Item 11.2, Council Access to and Copies of Confidential Records.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang

YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(d) STAFF PRESENTATIONS / PRESENTATIONS (Item 8)

(i) Tax and Rate Operating Budget Variance Report as at December 31, 2022 – Budget Control Policy Transfers (FCS22042(b)) (City Wide) (Item 8.1)

Mike Zegarac, General Manager, Corporate Services, addressed Committee respecting the Tax and Rate Operating Budget Variance Report as at December 31, 2022 – Budget Control Policy Transfers (Report FCS22042(b)), with the aid of a presentation.

(Tadeson/A. Wilson)

That the presentation from Mike Zegarac, General Manager, Corporate Services, respecting the Tax and Rate Operating Budget Variance Report as at December 31, 2022 – Budget Control Policy Transfers (Report FCS22042(b)), be received.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
ABSENT - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

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

(e) CONSENT ITEMS (Item 9)

(A. Wilson/Tadeson)

That the following Consent Items, be received:

(i) Business Improvement Area Sub-Committee Minutes - March 21, 2023 (Added Item 9.1)

(ii) Various Advisory Committee Minutes (Added Item 9.2)

1. Advisory Committee for Immigrants and Refugees
 - (aa) December 8, 2022
 - (ab) No-Quorum Report - January 12, 2023

- (ac) February 9, 2023
- (ad) March 9, 2023

- 2. Committee Against Racism
 - (aa) February 28, 2023
- 3. Mundialization Committee
 - (aa) June 15, 2022
 - (ab) December 21, 2022

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(f) NOTICES OF MOTION

Councillor M. Wilson introduced the following Notice of Motion:

(i) Area Specific Development Charges (Added Item 12.1)

WHEREAS, the City is in the process of undertaking a Development Charges Background Study;

WHEREAS, Section 10 (2) (c.1) of the Development Charges Act, 1997, requires consideration of the use of more than one Development Charge by-law to reflect different needs for services in different areas;

WHEREAS, the Masterplan teams have been directed to consider area specific (variable) Development Charges in the completion of their Masterplans;

WHEREAS, the City currently uses average persons per unit as the basis for determining the Development Charge applicable for low, medium, and high density residential development which results in low density being charged a higher per-unit rate than medium or high density developments; and

WHEREAS, the City of Hamilton is committed to building a range and mix of housing types and tenures, including affordable housing, to meet the needs of the current and growing population;

THEREFORE, BE IT RESOLVED:

- (a) That staff be directed to consider alternative Development Charges which may include variation of the Development Charges based upon factors such as location, type of development, density and unit size/lot size; and
- (b) That consideration also be given to defensible charges which are higher for larger residential units than smaller residential units

(g) PRIVATE AND CONFIDENTIAL (Item 14)

(i) Closed Minutes – April 6, 2023 (Item 14.1)

(T. Wilson/Spadafora)

- (a) That the Closed Session Minutes of the April 6, 2023 Audit, Finance and Administration Committee meeting, be approved as presented; and
- (b) That the Closed Session Minutes of the April 6, 2023 Audit, Finance and Administration Committee meeting, remain confidential.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(h) ADJOURNMENT (Item 15)

(Spadafora/A. Wilson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 11:03 a.m.

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

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

Respectfully submitted,

Councillor Cameron Kroetsch, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk