



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 23-010

9:30 a.m.
June 15, 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

Also Present: Councillors J.P. Danko and N. Nann

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. 2022 City of Hamilton Financial Report and Audited Financial Statements (FCS23059) (City Wide) (Item 8.1)

(Hwang/Spadafora)

That the 2022 City of Hamilton Financial Report and Audited Financial Statements, attached as Appendix "B" to Report FCS23059, be approved.

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

2. Consent Items (Item 9)

(A. Wilson/Tadeson)

That the following Consent Items be received:

- (a) Ward Specific Funding Initiatives Update as of December 31, 2022 (FCS23052) (City Wide) (Item 9.2)
- (b) Community Benefits Charges Reserve Status Report as of December 31, 2022 (FCS23054) (City Wide) (Item 9.3)

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

3. Governance Review Sub-Committee Report 23-002, May 25, 2023 (Item 10.1)

(Hwang/Spadafora)

(a) Feedback from the Advisory Committees on the Code of Conduct for Local Boards (FCS23032(a)) (Item 9.1)

That Report FCS23032(a), respecting Feedback from the Advisory Committees on the Code of Code of Conduct for Local Boards, be received.

(b) Procedural Handbook for Citizen Appointees to City of Hamilton Local Boards (FCS23034(a)) (Item 10.1)

That the Procedural Handbook for Citizen Appointees to City of Hamilton Local Boards, attached hereto as Appendix 'A', be approved.

(c) Use of Electronic Devices During Closed Meetings (Item 11.1)

WHEREAS, the City's Procedural By-law 21-021, as amended, at this time strictly prohibits the use of all electronic devices during closed session meetings;

WHEREAS, members of Committee and Council are required to use their computers/laptops during closed meetings, to review reports and add their names to the speaker list; and

WHEREAS, members of Committee and Council from time to time are required to respond to email and text inquiries during a closed meeting;

THEREFORE, BE IT RESOLVED:

That Section 8.7 of the City's Procedural By-law 21-021, as amended, be amended to allow the use of computers/laptops during Closed Meetings, and that notice of the proposed amendment be given pursuant to the City's Public Notice Policy By-law 07-351:

8.7 Electronic devices at IN-PERSON / VIRTUAL / HYBRID meetings:

- (a) Every person shall have all electronic devices, including but not limited to phone, computers, and similar electronic devices, etc. switched to a non-audible function during Council and Committee meetings.
- (b) The use of personal electronic devices at IN-PERSON / VIRTUAL / HYBRID Closed Meetings be strictly prohibited;
- (c) The use of City electronic devices at IN-PERSON / VIRTUAL / HYBRID Closed Meetings be limited to text communications;
- (d) The use of all electronic devices at IN-PERSON / VIRTUAL / HYBRID Closed Meetings are not to be used as a telephone, recording device or camera;
- (e) Staff from the Office of the City Clerk are exempted from 8.7(c) when using electronic devices for record-keeping purposes.

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

4. 2022 Reserve Report (FCS23027) (City Wide) (Item 10.2)

(Spadafora/Hwang)

- (a) That the 2022 Reserve Report and the 2022 Reserve Details Report with 2021 Comparative Figures and 2023 to 2025 Projections attached as Appendix "A" to Report FCS23027, be received;
- (b) That reserve Working Fund-General (112400) be closed and the balance be allocated to the Tax Stabilization Reserve (110046);
- (c) That \$1,980,213.10 be allocated from the Safe Restart Agreement Reserve (110054) to the COVID-19 Emergency Reserve (110053);
- (d) That the following reserves be closed:
 - (i) Development Charges service component reserve Stormwater – Residential (110304);
 - (ii) Development Charges service component reserve Stormwater – Non-Residential (110305);

- (iii) Development charges service component reserve Administrative Studies Community Based – Residential (110354);
- (iv) Development Charges service component reserve Administrative Studies Community Based – Non-Residential (110355);
- (v) Development Charges service component reserve Parking Services – Residential (110344);
- (vi) Development Charges service component reserve Parking Services – Non-Residential (110345);
- (vii) Development Charges service component reserve Airport Services – Residential (110342);
- (viii) Development Charges service component reserve Airport Services – Non-Residential (110343);
- (e) That reserve Federal Gas Tax Reserve (112213) be renamed to Canada Community-Building Fund Reserve;
- (f) That reserve Building Permit Fees Revolving Fund (104050) be renamed to Building Permit Revenue Stabilization;
- (g) That Hamilton Public Library reserve Accessibility, Renewal and Health & Safety Reserve (106013) be renamed to Capital Enhancement Reserve in accordance with the approved recommendation by the Hamilton Public Library Board on December 18, 2019.

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

5. Development Charges Reserves Status Report as of December 31, 2022 (FCS23035) (City Wide) (Item 10.3)

(Spadafora/Clark)

That Report FCS23035, "Development Charges Reserves Status Report as of December 31, 2022", be forwarded, if requested, to the Ministry of Municipal Affairs and Housing.

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

6. Offsetting Parking Revenue for the City's Business Improvement Areas (PED23112) (Wards 1, 2, 3, 4, 7, 12 and 13) (Item 10.4)

(a) (Clark/Spadafora)

- (i) That each of the City's 11 Business Improvement Areas (BIAs) that participate annually in the Parking Revenue Sharing Program (PRSP) be provided a grant in 2023 that is equal to the amount they received in 2022 through the PRSP, with the exception of the Locke Street BIA which would receive an amount equivalent to their 2019 Parking Revenue Sharing Grant;
- (ii) That the total Grant amount of \$124,563.09 be funded from the Economic Development Capital Initiatives Budget (Account No. 3621708900).

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) (A. Wilson/M. Wilson)

- (i) That Corporate Services staff report back to the Audit, Finance and Administration Committee on options to wind up and wind down the Former Municipalities - Capital Reserves coincidentally with the 2023 Reserve Report; and
- (ii) That staff review the Business Improvement Area Parking Revenue Sharing Program and report back coincident with the 2024 allocation report with recommendations:
 - 1. To ensure equitable and predictable funding for participating Business Improvement Areas;

2. To ensure alignment with the City of Hamilton's Climate Action Strategy and active transportation goals; and
3. To ensure the future sustainability and structure of the funding agreement given the recent lack of surpluses in the Hamilton Municipal Parking System.

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

7. Shoreline Protection Consulting Assignments (PW23046) (Wards 1, 2, 5 and 10) (Item 10.5)

(Beattie/Clark)

- (a) That in accordance with By-law 20-205 Procurement Policy as amended, Procurement Policy #5.4 section 2(d), that staff be directed to proceed with a new Request for Proposals for a roster of multiple consultancy firms specializing in coastal engineering for implementation of the Disaster Mitigation and Adaptation Funding project for Shoreline Protection Measures; and
- (b) That the General Manager, Public Works Department be authorized to negotiate, enter into and execute a Contract, and any ancillary documents required to give effect thereto, in a form satisfactory to the City Solicitor.

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

8. Grants Sub-Committee Report 23-003 (June 13, 2023) (Added Item 10.6)

(Spadafora/Hwang)

- (a) **City Enrichment Fund – Appeal Process Update (GRA23003(a)) (City Wide) (Item 9.1)**

- (i) That Report GRA23003(a), respecting City Enrichment Fund – Appeal Process Update, be received.
- (ii) WHEREAS, as an annual funding program, City Enrichment Fund (CEF) staff were directed to bring forward a funding formula and rationale that does not exceed the approved and allocated overall budget amount;

WHEREAS, during the 2023 budget process Council approved of \$6,575,410 (8% enhancement included which was approved through the 2023 budget deliberations);

WHEREAS, at the May 16, Grants Sub-Committee, staff recommended that all City Enrichment Fund applicants who received a passing score be recommended for funding;

WHEREAS, at the May 24, 2023 Council meeting, Council approved a one-time appeal process for all applicants of the 2023 City Enrichment Fund;

WHEREAS, the appeal process was open to all 2023 CEF grant applicants; applicants must demonstrate need and clearly articulate the adverse impacts hindering operational capacity with the original recommended amount;

WHEREAS, the Grants Sub-Committee will review the list of appeals and identify additional funding amounts;

THEREFORE, BE IT RESOLVED:

1. That the appeal requests from applicants in all categories in the amount of \$673,742 be approved, and funded from the City Enrichment Fund Reserve # 112230;
2. That the Sexual Assault Center (Hamilton and Area) funding request for CS-B5 for \$26,000, CS-B7 for \$25,000, and CS-B8 for \$16,000, be topped up to the full amount by further funding \$6,500 to CS-B5, \$2,000 to CS-B7, and \$4,000 to CS-B8, to be funded from the City Enrichment Fund Reserve # 112230;
3. That the Binbrook Santa Clause Parade funding request be topped up by \$1,250 to be funded from the City Enrichment Fund Reserve # 112230;
4. That any funds allocated and distributed through the City Enrichment Fund appeal process be exempt on a one-time basis and not be counted toward any formula that restricts

regular funding from the City, based on the 30% guideline and threshold; and,

5. That staff be directed to consult with community organizations in order to develop a further equitable City Enrichment Fund process and report back to the Grants Sub-Committee.

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

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

10. DISCUSSION ITEMS

10.6 Grants Sub-Committee Report 23-003 (June 13, 2023)

12. NOTICES OF MOTION

12.1 Review of the City of Hamilton Volunteer Advisory Committees

(Spadafora/Tadeson)

That the agenda for the June 15, 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) June 1, 2023 (Item 4.1)

(Tadeson/Spadafora)

That the Minutes of the June 1, 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

(d) STAFF PRESENTATIONS / PRESENTATIONS (Item 8)

(i) 2022 City of Hamilton Financial Report and Audited Financial Statements (FCS23059) (City Wide) (Item 8.1)

Paul Ciapanna, KPMG, addressed Committee respecting the 2022 City of Hamilton Financial Report and Audited Financial Statements (FCS23059) (City Wide), with the aid of a presentation.

(Hwang/Spadafora)

That the presentation from Paul Ciapanna, KPMG, respecting the 2022 City of Hamilton Financial Report and Audited Financial Statements (FCS23059) (City Wide), be received.

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

(e) CONSENT ITEMS (Item 9)

(A. Wilson/Tadeson)

That the following Consent Items, be received:

(i) Various Advisory Committee Minutes (Item 9.1)

1. Committee Against Racism (Item 9.1(a))
 - (aa) Minutes – March 28, 2023 (Item 9.1(a)(a))
 - (ab) No-Quorum Report – April 25, 2023 (Item 9.1(a)(b))
 - (ac) No-Quorum Report – May 10, 2023 (Item 9.1(a)(c))
2. Hamilton Mundialization Committee Minutes – April 19, 2023 (Item 9.1(b))

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

(f) DISCUSSION ITEMS (Item 10)

(i) Grants Sub-Committee Report 23-003 (June 13, 2023) (Item 10.6)

(Spadafora/Hwang)

(a) City Enrichment Fund – Appeal Process Update (GRA23003(a)) (City Wide) (Item 9.1)

- (i) That Report GRA23003(a), respecting City Enrichment Fund – Appeal Process Update, be received.
- (ii) WHEREAS, as an annual funding program, City Enrichment Fund (CEF) staff were directed to bring forward a funding formula and rationale that does not exceed the approved and allocated overall budget amount;

WHEREAS, during the 2023 budget process Council approved of \$6,575,410 (8% enhancement included which was approved through the 2023 budget deliberations);

WHEREAS, at the May 16, Grants Sub-Committee, staff recommended that all City Enrichment Fund applicants who received a passing score be recommended for funding;

WHEREAS, at the May 24, 2023 Council meeting, Council approved a one-time appeal process for all applicants of the 2023 City Enrichment Fund;

WHEREAS, the appeal process was open to all 2023 CEF grant applicants; applicants must demonstrate need and clearly articulate the adverse impacts hindering operational capacity with the original recommended amount;

WHEREAS, the Grants Sub-Committee will review the list of appeals and identify additional funding amounts;

THEREFORE, BE IT RESOLVED:

1. That the appeal requests from applicants in all categories in the amount of \$673,742 be approved, and funded from the City Enrichment Fund Reserve # 112230;
2. That the Sexual Assault Center (Hamilton and Area) funding request for CS-B5 for \$26,000, CS-B7 for \$25,000, and CS-B8 for \$16,000, be topped up to the full amount by further funding \$6,500 to CS-B5, \$2,000 to CS-B7, and \$4,000 to CS-B8, to be funded from the City Enrichment Fund Reserve # 112230;
3. That the Binbrook Santa Clause Parade funding request be topped up by \$1,250 to be funded from the City Enrichment Fund Reserve # 112230;
4. That any funds allocated and distributed through the City Enrichment Fund appeal process be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City, based on the 30% guideline and threshold; and,
5. That staff be directed to consult with community organizations in order to develop a further equitable City Enrichment Fund process and report back to the Grants Sub-Committee.

Councillor Kroetsch relinquished the Chair to Councillor Hwang to introduce the following amendment.

Councillor Kroetsch put the following amendment on the floor, which was later withdrawn:

(Kroetsch/M. Wilson)

That Item 1 (ii)(a) of the Grants Sub-Committee report be **amended** as follows:

- (a) That the appeal requests from applicants ~~**in all categories in the amount of \$673,742**~~ be approved, and funded from the City Enrichment Fund Reserve #112230, **as follows:**
 - (i) **Funding of A appeals at 45 applications**
 - (ii) **Funding of B appeals at 21 applications**

(g) NOTICES OF MOTION (Item 12)

Councillor M. Wilson introduced the following Notice of Motion:

(i) Review of the City of Hamilton Volunteer Advisory Committees (Added Item 12.1)

WHEREAS, the City of Hamilton is dedicated to advancing and articulating City decision-making efforts by ensuring the process by which participants are provided information and are engaged is meaningful, clear, convenient, and accessible to all residents;

WHEREAS, the City of Hamilton supports community engagement as it empowers individuals and groups to give them a voice and a platform to express their opinions, concerns, and ideas, which encourages active participation, enabling community members an opportunity to shape the decisions that affect them directly;

WHEREAS, engagement in the community fosters a sense of ownership and responsibility, leading to increased community pride and motivation to work towards common goals and provides policy makers and elected officials with meaningful feedback that can inform decision making;

WHEREAS, Community engagement promotes collaboration and cooperation among stakeholders, including residents, local businesses, community-based organizations, multiple levels of government and non-profits, thereby, bringing people together and facilitating the exchange of knowledge, resources, and expertise, leading to innovative solutions and shared idea generation;

WHEREAS, the Advisory Committee with Persons with Disabilities and the Hamilton Municipal Heritage Committee are Sub-Committees of Council and are required by Provincial legislation, they are outside the scope of this proposed review

WHEREAS, the City of Hamilton is currently creating a robust public engagement policy and administrative framework; and

WHEREAS, enhancing engagement throughout civic participation processes can inherently support high-level Term of Council Priorities including (1) Equity, Diversity and Inclusion; and (2) Trust and Confidence in City Government;

THEREFORE, BE IT RESOLVED:

- (a) That the City of Hamilton pause all Volunteer Advisory Committees, with the exception of the Climate Change Advisory Committee, for which recruitment for the current Council term is underway; and
- (b) That City Manager's Office and Corporate Services staff be directed to report back to the Audit, Finance and Administration Committee with recommendations on the following:
 - (i) best practices that prioritizes resident engagement including access to, understanding of and participation in community engagement;
 - (ii) review and provide recommendations to Council as informed by existing partnerships with local community-based organizations and networks to help shape and advise decision-making efforts on City initiatives, programs, services, policies, and by-laws;
 - (iii) existing community-based engagement methods inclusive of the Volunteer Advisory Committees to fulfil the priorities of Council aligned with the Term of Council priorities 2022 – 2026; and
 - (iv) a resource list of local equity-deserving groups doing community and grassroots organizing that can be contacted for engagement and feedback on City Wide processes and policies.

(h) ADJOURNMENT (Item 15)

(Hwang/A. Wilson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 1:05 p.m.

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

Respectfully submitted,

Councillor Cameron Kroetsch, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk