Audit and Administration Committee
MINUTES
9:30 a.m.
Wednesday, May 23, 2007
Council Chambers
Hamilton City Hall
71 Main Street West, Hamilton

Present: Chair C. Collins
Vice-Chair M. Pearson
Councillors B. Bratina, B. Clark, B. Morelli, R. Powers and T. Whitehead

Also Present: Councillor T. Jackson, S. Merulla

J. Rinaldo, General Manager, Finance & Corporate Services
G. Boychuck, B. McMullen, Finance and Corporate Services
R. Sabo, Legal Services
I. Sturgeon, City Clerk’s

THE FOLLOWING ITEMS WERE REPORTED TO CITY COUNCIL FOR CONSIDERATION:

1. GLBT Advisory Committee Minutes of their meeting held on March 14, 2007 (FOR INFORMATION PURPOSES ONLY) (Item 5.1)

(Pearson/Clark)
That the March 14, 2007 minutes of the GLBT Advisory Committee be received.
CARRIED

2. Monthly Status Report of Tenders and Requests for Proposals for March 23, 2007 to April 26, 2007 – (FCS07030(b)) (City Wide) (Item 5.2)

(Pearson/Clark)
That Report FCS07030(b)) respecting the Monthly Status report of Tenders and Requests for Proposals for March 23, 2007 to April 26, 2007 be received.
CARRIED
3. Red Hill Valley Project Financial Status Report – January to March 2007 (FCS07003a/PW07003a) (City Wide) (Item 5.3)

(Pearson/Clark)
That Report (FCS07003a/PW07003a) respecting the Red Hill Valley Project Financial Status – January to March 2007 be received

CARRIED

4. Treasurer's Report 2006 Fiscal Year by Hewitt Associates - FCS07059 (City Wide) (Item 7.1)

(Whitehead/Pearson)
a) That Report FCS07059 “Treasurer’s Report 2006 Fiscal Year by Hewitt Associates” be received.


CARRIED

5. Grant Thornton, External Auditors presenting the 2006 City of Hamilton Audit Concluding Memorandum (Item 7.2)

(Pearson/Morelli)
That the 2006 City of Hamilton Audit Concluding Memorandum as presented by Grant Thornton, External Auditors, be received.

CARRIED

6. 2006 City of Hamilton Consolidated Financial Statements (FCS07062) (City Wide) (Item 7.3)

(Pearson/Bratina)
That the 2006 Financial Report and Audited Financial Statements for the City of Hamilton attached as Appendix “B’ to FCS07062 be approved.

CARRIED

7. Grant Thornton, External Auditors Presenting the 2006 City of Hamilton Internal Controls Letter (Item 7.4)

(Powers/Morelli)
That the 2006 City of Hamilton Internal Controls Letter as presented by Grant Thornton, External Auditors, be received.

CARRIED
8. **Judicial Resources to Appropriately Staff the Hamilton Court System**

(Powers/Clark)
(a) That the Attorney General of Ontario be requested to immediately provide sufficient judicial resources to appropriately staff the Hamilton court system.

(b) And that the Area M.P.P.’s be so advised. CARRIED

9. **POA Annual Report (City Wide) (FCS07055) (Item 7.5)**

(Powers/Clark)
That Report FCS07055 respecting the POA Annual Report be received. CARRIED

10. **Proposed Write-Off of Outstanding Fines to Provincial Offences and Parking Violations (FCS07033/PED07107) (City Wide) (Item 7.6)**

(Pearson/Powers)
That staff be authorized to write-off all outstanding Provincial Offences, By-Law Offences and Parking Fines deemed uncollectible with a due date of December 31, 1998. CARRIED

11. **Connect Hamilton – Create Community (“CHCC”) Project myhamilton.ca Community Convenience Fee Review (FCS03057(f)) (City Wide) (Item 8.1)**

(Powers/Pearson)
(a) That the convenience fee of $1.50 including applicable taxes, continue to be imposed per the following e-commerce transactions on the myhamilton.ca Community Portal:

- Restaurant and Personal Service Licence Renewals
- Zoning Verification Application
- Dog Licence new and renewal

(b) That Report FCS03057(f), an outcome of the 2006 review of City e-commerce convenience fees collected, be received for information; and

(c) That outstanding Item E referred from the Committee of the Whole meeting of August 10, 2005, be removed from the Outstanding Business List. CARRIED
12. Grants Sub-Committee Report 07-002

(Powers/Whitehead)

(a) Fee Waiver Request for Girl Guides of Canada – Hamilton Escarpment (GRA07001(i)) (Ward 9)

That the fee waiver request, in the amount of $583.50, for the Girl Guides of Canada – Hamilton Escarpment Area to utilize the meeting room and pools at the Valley Park Recreation Complex, for their Brownie Splash Swim Program on Sunday, April 29, 2007, be approved.

(b) Fee Waiver Request - Binbrook Little Theatre (GRA07001(j)) (Ward 11)

That the fee waiver request, in the amount of $288.25, for the Binbrook Little Theatre, who utilized the lower level of the Binbrook Memorial Hall on November 18 & 19, 2006, to conduct a silent auction and variety show fundraising event, be approved.

(c) Fee Waiver Request for Royal Hamilton Light Infantry (GRA07001(k)) (City Wide)

That the fee waiver request, in the amount of $325.00, for the Royal Hamilton Light Infantry (RHLI) to conduct their Military Drill Exercises at Mohawk Sports Park and various east mountain parks, during November 23-24, 2006, be approved.

(d) Industry Education Council of Hamilton

(a) That the request for funding in the amount of $25,000, made by the Industry Education Council of Hamilton, be received.

(b) That the request for funding in the amount of $25,000, made by the Industry Education Council of Hamilton, be referred to Committee of the Whole for consideration.

(c) That a representative, from the Industry Education Council of Hamilton, be invited to attend the appropriate Committee of the Whole Committee meeting to speak, as a delegation, respecting their request for funding.

CARRIED
FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Clerk advised of the following changes to the agenda:

(i) Added Grants Sub-Committee Report 07-02 (Item 8.2)

(ii) Added Private & Confidential Matter regarding the Litigation of a Tax Appeal (Item 12.1)

(b) DECLARATIONS OF INTEREST (Item 2)

None

(c) APPROVAL OF MINUTES (Item 3)

The Minutes of the May 9 2007 meeting of the Audit and Administration Committee were approved as presented.

(d) DELEGATION REQUESTS (Item 4)

Committee approved the delegation request by Elaine Marion (Item 4.1)

(e) Treasurer’s Report 2006 Fiscal Year by Hewitt Associates - FCS07059 (City Wide) (Item 7.1)

Mr. Gerry Boychuck, Chief Investment Officer advised Committee that the objective of the Treasurer’s report is to report on performance of the Reserve Funds and to ensure compliance with the Municipal Act.

Mr. Roderick Gomez of Hewitt Associates made a PowerPoint presentation to members of Committee highlighting the following areas of their audit:

- Market Values
- Reserve Funds Asset Mix
- Reserve Fund Performance
- Compliance

A copy of Mr. Gomez’s PowerPoint presentation was provided to members of Committee.

Members of Committee approved the staff recommendation as presented.
(f) Grant Thornton, External Auditors presenting the 2006 City of Hamilton Audit Concluding Memorandum (Item 7.2)

Mr. Evan McDade, Grant Thornton, advised Committee that it is the responsibility of the External Auditor to provide an opinion of the audit, communicate the results and provide the City with an Internal Controls Letter.

Melanie Dugard made a PowerPoint presentation to members of Committee and outlined the following areas of their audit:

- Liabilities for employee benefits
- Pension benefits
- Liabilities for solid waste landfill liabilities
- Allowance for doubtful accounts
- Contingent liabilities and public liability claims

A copy of Mr. McDade and Ms. Dugard's PowerPoint presentation was provided to members of Committee.

On a motion, the Committee received the Audit Concluding Memorandum and the 2006 City of Hamilton Internal Controls Letter submitted by Grant Thornton.

(g) 2006 City of Hamilton Consolidated Financial Statements (FCS07062) (City Wide) (Item 7.3)

Joe Rinaldo, General Manager and Brian McMullen, Manager of Accounting Services made a PowerPoint presentation to members of Committee regarding the 2006 Financial Report. They highlighted the following areas of the report:

- Six Year Financial and Statistical Review
- Consolidated Financial Statements
- Homes for the Aged Trust Funds
- City Trust Funds (Library, Cemetery & General)
- Pension Funds (HMRF, HWRF & HSR)

A copy of the PowerPoint presentation was provided to members of Committee.

Committee approved the recommendation of the staff report.

(h) POA Annual Report (City Wide) (FCS07055) (Item 7.5) (Item 7.6)

Wendy Mason, Supervisor Court Administration, made a PowerPoint presentation to members of Committee regarding the Provincial Offences Administration. She provided an overview of the following aspects of the administration:
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- Services provided by POA
- Staffing
- Prosecution
- POA Court Process
- Enforcement
- Accounts Receivable
- Collections
- Judicial Resources
- Advancing Technology

A copy of Ms. Mason’s presentation was circulated to members of Committee.

A discussion ensued and members of Committee provided the following comments and/or questions:

- Staff are doing a good job with the resources they have
- Confirmation regarding the net revenue & operational expenses
- External collections
- Staff support
- Opportunity for the City to generate more income
- Do we have an adequate number of Justices of the Peace?
- What is the success rate on our collections?
- Municipality should pursue all avenues to collect fines
- Can staff provide members of Committee with a copy of the comparative information that the City of Mississauga is compiling?

Chair Collins thanked staff for their presentation and for all their efforts over the years.

On a motion (Powers/Pearson), Committee approved a motion requesting the Attorney General of Ontario to provide sufficient judicial resources to appropriately staff the Hamilton court system.

Committee approved the staff recommendations in both reports.

(i) GENERAL INFORMATION (Item 11)

On a motion (Powers/Pearson), Committee removed the following two items from the Outstanding Business List:

(i) Outstanding Business Item O: Pier Diem Travel Days

(ii) Outstanding Business Item N: Water & Wastewater Arrears Policy

CARRIED
(j) **PRIVATE & CONFIDENTIAL (Added Item 12)**

Committee moved into closed session in order to receive a verbal update regarding the Litigation of a Tax Appeal and reconvened in Open Session with no report.

(k) **ADJOURNMENT**

On a motion, the Audit and Administration Committee adjourned at 11:55 a.m.

Respectfully submitted,

Councillor C. Collins, Chair  
Audit and Administration Committee

Irene Sturgeon  
Legislative Assistant  
May 23, 2007