THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

1. Professional and Consultant Services Roster 2011-2012 (PW12044) (City Wide) (Item 5.1)

(Pearson/Powers)
That Report PW12044, respecting the Professional and Consultant Services Roster 2011-2012, be received.

CARRIED
2. 2011 Annual Energy Report on Commodity Price Hedging (FCS12032/PW12032) (City Wide) (Item 5.2)

(Pearson/Powers)

CARRIED

3. Placement of $52,740,000 in Variable Rate Loans and $42,000,000 in Debentures (FCS12047) (City Wide) (Item 5.3)

(Pearson/Powers)
That Report FCS12047, respecting Placement of $52,740,000 in Variable Rate Loans and $42,000,000 in Debentures, be received.

CARRIED

4. Monthly Status Report of Tenders and Requests for Proposals for April 14, 2012 to May 11, 2012 (FCS12018(c)) (City Wide) (Item 5.4)

(Pearson/Powers)
That Report FCS12018(c), respecting the Monthly Status Report of Tenders and Requests for Proposals for April 14, 2012 to May 11, 2012, be received.

CARRIED

5. Treasurer's Apportionment of Land Taxes for Property in Stoney Creek (FCS12005(c)) (Ward 10) (Item 5.5)

(Pearson/Morelli)
That the 2011 land taxes in the amount of $2,322 for 568 Highway 8, Stoney Creek (Roll #2518 003 310 58000 0000) be apportioned and split amongst the eleven newly created parcels as set out in Appendix A to Report FCS12005(c).

CARRIED

6. Follow Up of Audit Report 2010-12 – Provincial Offences Administration (POA) - Revenue and Cash Handling (AUD12012) (City Wide) (Item 5.6)

(Pearson/Powers)
That Report AUD12012, respecting the follow up of Audit Report 2010-12, Provincial Offences Administration (POA) – Revenue & Cash Handling, be received.

CARRIED
7. Follow Up of Audit Report 2010-06 – Tools (AUD12009) (City Wide) (Item 5.7)

(Powers/Pearson)
That Report AUD12009, respecting the follow up of Audit Report 2010-6 – Tools, be received.
CARRIED

8. Follow Up of Audit Report 2010-10 - Development Charges (AUD12010) (City Wide) (Item 5.8)

(Powers/Pearson)
That Report AUD12010, respecting the Follow Up of Audit Report 2010-10 – Development Charges, be received.
CARRIED

9. Word Recognition Software Recommendation from Audit Report 2010-08 - Human Resources - Recruitment and Selection (HUR12003(a)) (City Wide) (Item 5.9)

(Pearson/Powers)
That Report HUR12003(a), respecting the Word Recognition Software Recommendation from Audit Report 2010-08 - Human Resources - Recruitment and Selection, be received.
CARRIED

10. Addendums to Construction Contracts in a One Year Period (FCS12025) (City Wide) (Item 5.10)

(Powers/Pearson)
That Report FCS12025, respecting Addendums to Construction Contracts in a One Year Period, be received.
CARRIED

11. Quarterly Status Report on the Use of Policy 10 – Emergency Purchasing; and, Policy 11 – Negotiations for the 4th Quarter of 2011 (FCS11005(c)) (City Wide) (Item 5.11)

(Powers/Pearson)
That Report FCS11005(c), respecting the Quarterly Status Report on the Use of Policy 10 – Emergency Purchasing; and, Policy 11 – Negotiations for the 4th Quarter of 2011, be received.
CARRIED
12. **KPMG - Final Report - Evaluation of the City of Hamilton Accounts Payable Program (FCS11051(a)) (City Wide) (Item 7.1)**

(Morelli/Powers)

(a) That the Evaluation of the City of Hamilton's Accounts Payable Program report and presentation from KPMG be received;

(b) That staff be directed to implement process related changes, which do not require additional Operating or Capital Funding; and,

(c) That staff report back to Audit, Finance and Administration Committee with a work plan outlining timeframes and costs associated with the implementation of the recommendations by the end of October 2012.

**CARRIED**

13. **Employee Attendance Performance Measures (HUR12008) (City Wide) (Item 7.2)**

(Powers/Morelli)

(a) That the direction outlined under the Management Action Plan, attached as Appendix G to Report HUR12008, to achieve a targeted reduction of not less than 10% in average sick days per employee by the end of 2014, an average of 1 day per employee, be supported;

(b) That staff provide members of Audit, Finance and Administration Committee with quarterly Information Reports on corporate and departmental employee absence performance measures;

(c) That staff provide a comprehensive annual report to Audit, Finance and Administration Committee on the status of employee absence performance measures, including an analysis of trends and comparisons with comparable municipalities, and mitigation strategies that encourage and support an attendance-oriented and healthy workplace culture; and

(d) That the subject matter be identified as complete and removed from the Outstanding Business List.

**CARRIED**

14. **Request for 5-year Extension of Development Charges and Parkland Dedication Demolition Credits – 6 Falcon Road (FCS12045) (Ward 11) (Item 8.1)**

(Johnson/Powers)

(a) That a two (2) year extension of both Development Charges and Parkland Dedication Demolition Credits be granted to the property located at 6 Falcon Road.
(b) The owners would have until July 9, 2014 to have a building permit issued (subject to transition policies in effect at the time).

(c) That staff be directed to develop a formal policy and process for the allocation of Development Charge Credits and Exemptions and report to the Audit, Finance & Administration Committee.

**AMENDMENT CARRIED**

**MOTION AS AMENDED CARRIED**

15. **Amendment - 2012 Internal Audit Work Plan (AUD11037(a)) (City Wide) (Item 8.2)**

(Pearson/Morelli)

(a) That Report AUD11037(a), respecting the amendment to the 2012 Internal Audit Work Plan, be received; and,

(b) That the deferral of the Information Systems (IS) - Asset Management (Hardware) audit until 2013 and its replacement with an audit of the Use of City Vehicles and Vehicle Allowances and Mileage Claims, be approved.

**CARRIED**

16. **Audit Report 2012-02 - Bridge Maintenance Program (AUD12011) (City Wide) (Item 8.3)**

(Pearson/Powers)

(a) That Report AUD12011 respecting Audit Report 2012-02, Bridge Maintenance Program, be received;

(b) That the Management Action Plans as detailed in Appendix “A” of Report AUD12011 be approved; and,

(c) That the General Managers of Public Works and Community Services be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “A” to Report AUD12011) implemented.

**CARRIED**

17. **Audit Report 2012-01 - Recreation Facilities and Arenas - Cash Handling (AUD12008) (City Wide) (Item 8.4)**

(Powers/Pearson)

(a) That Report AUD12008 respecting Audit Report 2012-01, Recreation Facilities and Arenas – Cash Handling, be received;

(b) That the Management Action Plans as detailed in Appendix “A” of Report AUD12008 be approved; and,
(c) That the General Manager of Community Services be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “A” to Report AUD12008) implemented.  

CARRIED

18. 2011 City of Hamilton Financial Report and Audited Financial Statements (FCS12042) (City Wide) (Item 8.5)  

(Pearson/Powers)  

CARRIED

19. Evaluation of the City of Hamilton Purchasing Program Update (FCS09109(d)) (City Wide) (Item 8.6)  

(Powers/Pearson)  
(a) That the City of Hamilton not adopt any specific procurement policy with respect to applying a preference, or penalty, based on the following:  

(i) the geographical location of any vendor/supplier, or potential vendor/supplier, of goods and services to the City of Hamilton; or  

(ii) the Canadian, Ontario and/or Hamilton/local content of any goods and services provided, or to be provided, to the City of Hamilton;  

(b) That Item A, respecting Buy Local recommendation (b) of FCS09020, be considered complete and removed from the General Issues Committee Outstanding Business – Corporate Services:  

(c) That the Vendor Selection Guidelines, attached as Appendix ‘C’ to report FCS09109(d), be posted to the Procurement Home Page on ENET as a reference tool to be used by staff when selecting vendors;  

(d) That Item B, respecting Buy Local – recommendation (b) of FCS09020, be considered complete and removed from the General Issues Committee’s Outstanding Business List.  

CARRIED

20. Correspondence from the Hamilton and District Labour Council, respecting Report FCS09109(d) – Evaluation of the City of Hamilton Purchasing Program Update (Item 8.6(b))  

(Pearson/Morelli)  
That the correspondence from the Hamilton and District Labour Council, respecting Report FCS09109(d) – Evaluation of the City of Hamilton Purchasing Program Update, be received.  

CARRIED
21. Employee Attendance Performance Measures – Q1 2012 (HUR12009) (City Wide) (Item 8.7)

(Powers/Morelli)
That Report HUR12009, respecting Employee Attendance Performance Measures – Q1 2012, be received.

CARRIED

FOR THE INFORMATION OF COMMITTEE:

(a) CHANGES TO THE AGENDA (Item 1)

(i) Added as Item 8.6(b) Correspondence from the Hamilton and District Labour Council C.L.C. respecting Item 8.6 – Report FCS09109(d), Evaluation of the City of Hamilton's Purchasing Program Update

(Pearson/Morelli)
That the agenda for the June 11, 2012 Audit, Finance & Administration Committee meeting be approved, as amended.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

Councillor B. Morelli declared an interest to Item 4.1, and Item 6.1, should the delegation request be approved, as he is a condominium owner.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) May 14, 2012 (Item 3.1)

(Pearson/Powers)
That the Minutes of the May 14, 2012 meeting of the Audit, Finance and Administration Committee be approved, as presented.

CARRIED
(d) **DELEGATION REQUEST (Item 4)**

(i) **Dianne Gordon, Wentworth Condominium Corporation #38, respecting a High Water Bill (Item 4.1)**

(Pearson/Powers)
(a) That the delegation request, submitted by Dianne Gordon, of the Wentworth Condominium Corporation #38, respecting a High Water Bill, be approved.

(b) That the Rules of Order be waived to permit Dianne Gordon, of the Wentworth Condominium Corporation #38, to appear before the Audit, Finance & Administration Committee on June 11, 2012, respecting a High Water Bill, be approved.

CARRIED

(ii) **Mario and Marissa Marrazzo, respecting Report FCS12045 – Request for 5-year Extension of Development Charges and Parkland Dedication Demolition Credits – 6 Falcon Road (Item 4.2)**

(Powers/Pearson)
(a) That the delegation request, submitted by Mario and Marissa Marrazzo, respecting Report FCS12045 – Request for 5-year Extension of Development Charges and Parkland Dedication Demolition Credits – 6 Falcon Road, be approved.

(b) That the Rules of Order be waived to permit Mario and Marissa Marrazzo to appear before the Audit, Finance & Administration Committee on June 11, 2012, respecting their request for 5-year Extension of Development Charges and Parkland Dedication Demolition Credits – 6 Falcon Road.

CARRIED

(e) **Addendums to Construction Contracts in a One Year Period (FCS12025) (City Wide) (Item 5.10)**

(Pearson/Morelli)
That Report FCS12025, respecting Addendums to Construction Contracts in a One Year Period, be lifted from the table.

CARRIED
(f) Quarterly Status Report on the Use of Policy 10 – Emergency Purchasing; and, Policy 11 – Negotiations for the 4th Quarter of 2011 (FCS11005(c)) (City Wide) (Item 5.11)

(Pearson/Morelli)
That Report FCS11005(c), respecting the Quarterly Status Report on the Use of Policy 10 – Emergency Purchasing; and, Policy 11 – Negotiations for the 4th Quarter of 2011, be lifted from the table.

CARRIED

(g) PUBLIC HEARINGS/DELEGATIONS (Item 6)

(i) Dianne Gordon, Wentworth Condominium Corporation #38, respecting a High Water Bill (Item 6.1)

Diane Gordon, Wilson Blanchard Management Inc., addressed the Committee. Ms. Gordon's comments included, but were not limited to, the following:

- Wilson Blanchard was advised by Horizon Utilities, after receiving a water bill with a prior balance of $48,935.93, that the reading for the billing date of April 22 to June 29 (2011) was noted as being excessively high an Horizon had assumed that the meter had been read incorrectly so they had estimated the bill.
- The June 29 to August 26 (2011) reading was high again, so it was once again estimated. Wilson Blanchard was told by Horizon that after that reading, someone checked the meter to see if it was working correctly.
- It is Wilson Blanchard's opinion that Horizon Utilities has an obligation to provide its customers with accurate readings.
- It was discovered that water was running underground and Wilson Blanchard immediately called for repair.
- Wilson Blanchard believes that if Horizon Utilities had done their due diligence, the underground leak would have been discovered much sooner. Had the meter been read properly the first time, the problem would have been detected.
- Asking for a fair compromise on the reading/outstanding costs.

(Pearson/Powers)
(a) That the presentation provided by Dianne Gordon, of the Wentworth Condominium Corporation #38, respecting a high water bill, be received.

(b) That the matter, respecting the high water bill for the Wentworth Condominium Corporation #38, be referred to staff for a report to
the Audit, Finance & Administration Committee, with the intent that staff come forward a reasonable compromise with regard to this issue.

CARRIED

(ii) Mario and Marissa Marrazzo, respecting Report FCS12045 – Request for 5-year Extension of Development Charges and Parkland Dedication Demolition Credits – 6 Falcon Road (Item 6.2)

Committee was advised that Mario Marra zzo did not necessarily need to speak before Committee, but was available for questions, if required.

(h) PRESENTATIONS (Item 7)

(i) KPMG - Final Report - Evaluation of the City of Hamilton Accounts Payable Program (FCS11051(a)) (City Wide) (Item 7.1)

The Committee did not require the presentation.

(ii) Employee Attendance Performance Measures (HUR12008) (City Wide) (Item 7.2)

Chris Murray, City Manager, provided an introduction to Report HUR12008. Mr. Murray’s comments included, but were not limited to, the following:

- Senior Management Team is very serious about the absentee issue and is committed to achieving the target outlined in the report.
- Council through strategic plan wants to see greater efficiencies achieved within Corporation
- Sick day index – compared to other municipalities we are in the middle of the pack.
- Important to strive to do a bit better with regard to the number of days on average that people are sick in this organization.
- Human Resources is responsible for the creation of policy and programs to assist with education and to monitor absenteeism. Not entirely in HR’s domain. All of us have a responsibility to be here when we should be here.
- Have a great organization and a lot of people that work very hard.
- A while years back WSIB numbers were going in the wrong direction. The numbers have been dropping in the last 5 years.
- Important as a community to get those numbers down.
Helen Hale Tomasik, Executive Director of Human Resources and Organizational Development, addressed Committee. Ms. Tomasik’s presentation outlined, but was not limited to, the following:

- An overview of absenteeism;
- 2011 Employee Attendance Performance Measures for the City of Hamilton;
- Comparisons within the City and with external organizations;
- A review of the Management Action Plan and highlights of some 2012 actions taken to-date.

A full copy of the presentation is available on the City’s web site or in the Office of the City Clerk.

(Pearson/Powers)
That the staff presentation, respecting Report HUR12008 – Employee Attendance Performance Measures, be received.  
CARRIED

(i) 2011 City of Hamilton Financial Report and Audited Financial Statements (FCS12042) (City Wide) (Item 8.5)
Melanie Dugard and Barb Carnegie, of Grant Thornton, provided a brief verbal overview of Grant Thornton’s audit results for 2011.

(Powers/Pearson)
That the presentation provided by Melanie Dugard and Barb Carnegie of Grant Thornton, respecting Grant Thornton’s 2011 audit results, be received.  
CARRIED

(j) Evaluation of the City of Hamilton Purchasing Program Update (FCS09109(d)) (City Wide) (Item 8.6)
Councillor B. Johnson wished to be recorded as OPPOSED to Item 8.6.

(k) GENERAL INFORMATION/OTHER BUSINESS (Item 11)

11.1 Amendments to the Outstanding Business List

(Powers/Pearson)
That the following Items be considered complete and removed from the Audit, Finance & Administration Committee’s Outstanding Business List:
(i) Item “B” – Word Recognition Software (HUR12003 and HUR12003(a))

(ii) Item “I” – Procurement Policy Stakeholder Consultation (FCS09109(d))

(iii) Items “G” and “L” – Addendums to Construction Contracts in a One Year Period (FCS12025 and FCS12025(a))

(iv) Item “M” – Quarterly Status Report on the Use of Policy 10 – Emergency Purchasing; and, Policy 11 – Negotiations for the 4th Quarter of 2011 (FCS11005(c) and FCS11005(d))

CARRIED

(I) ADJOURNMENT (Item 13)

(Powers/Pearson)
That, there being no further business, the Audit, Finance and Administration Committee be adjourned at 11:20 a.m.

CARRIED

Respectfully submitted,

Councillor B. Johnson, Chair
Audit, Finance and Administration Committee

Stephanie Paparella
Legislative Coordinator
June 11, 2012