Audit and Administration Committee
MINUTES
9:30 a.m.
Wednesday, December 3, 2008
Committee Room 207
Hamilton Convention Centre
One Summer's Lane

Present: Chair M. Pearson
Councillors B. Bratina, C. Collins, B. Morelli, T. Whitehead

Absent with Regrets: Councillors R. Powers (Personal) and B. Clark (Personal)

Also Present: J. Rinaldo, Acting City Manager
P. Barkwell, Acting General Manager, Finance and Corporate Services
J.A. Priel, General Manager, Community Services
A. Pekaruk, City Manager’s Office
T; Tollis, Finance and Corporate Services
G. Lupton, Public Works
K. Christenson, City Clerk
M. Meyer, City Clerk’s Office

THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

1. Appointment of Chair and Vice Chair for 2009 (Item A)

(Collins/Morelli)
(a) That Councillor B. Clark be appointed Chair of the Audit and Administration Committee for 2009;

(b) That Councillor C. Collins be appointed Vice Chair of the Audit and Administration Committee for 2009.

CARRIED
2. **Apportionment of Taxes for Various Properties in Stoney Creek and Glanbrook (FCS08001(g)) (Ward 11) (Item 5.1)**

(Collins/Morelli)
(a) That the 2008 property taxes, in the amount of $6,967.10 for 118-126 Watercrest Drive, Stoney Creek, (Roll #2518 003 020 28000), be apportioned and split amongst the three newly created parcels as set out in Appendix A to report FCS08001(g);

(b) That the 2008 property taxes, in the amount of $1,971.83 for 51-55 Palacebeach Trail, Stoney Creek, (Roll #2518 003 020 35884), be apportioned and split amongst the three newly created parcels as set out in Appendix A to report FCS08001(g); and

(c) That the 2008 property taxes, in the amount of $4,867.65 for 13-31 Donald Bell Drive, Stoney Creek, (Roll #2518 901 410 71665), be apportioned and split amongst the eight newly created parcels as set out in Appendix A to report FCS08001(g).

CARRIED

3. **2008 Standard and Poor’s Credit Rating (FCS08113) (City Wide) (Item 5.2)**

(Collins/Morelli)
That Information Report FCS08113 respecting 2008 Standard and Poor’s Credit Rating be received.

CARRIED

4. **Opera Hamilton 2008 Financial Statements (Item 8.1)**

(Collins/Whitehead)
that the Opera Hamilton Financial Statements for the year ended June 30, 2008 be received.

CARRIED

5. **2008 Master Trust Statement of Investment Policies and Procedures (FCS08111) (City Wide) (Item 8.2)**

(Whitehead/Morelli)
(a) That the 2008 Master Trust Statement of Investment Policies and Procedures, (attached as Appendix A to Report FCS08111), for the City of Hamilton Defined Benefit Pension Plans Master Trust, be approved;

(b) That the 2007 Master Trust Statement of Investment Policies and Procedures, which was previously approved in report FCS07096, be rescinded and replaced with the 2008 Master Trust Statement of Investment Policies and Procedures (attached as Appendix A to Report FCS08111); and
(c) That staff be directed to forward a copy of report FCS08111 and the 2008 Master Trust Statement of Investment Policies and Procedures, (attached as Appendix A to Report FCS08111), to the Hamilton Street Railway Pension Advisory Committee for their information.

CARRIED

6. Reduction of Taxes on 50 Creighton Road (FCS08109) (Ward 13) – Item G of Audit and Administration Committee Outstanding Business List (Item 8.3)

(Morelli/Collins)
That Report FCS08109 respecting Reduction of Taxes on 50 Creighton Road be tabled until the January 21, 2009 Audit and Administration Committee meeting.

CARRIED

7. Audit Report 2008-09 - Tax Appeals and Refunds (CM08028) (City Wide) (Item 8.4)

(Morelli/Bratina)
(a) That Report CM08028 respecting Audit Report 2008-09, Tax Appeals and Refunds, be received; and

(b) That the management action plans as detailed in Appendix “A” of Report CM08028 be approved and the Acting General Manager of Finance and Corporate Services direct the appropriate staff to have the plans implemented.

CARRIED

8. Audit Report 2008-08 - Child Care Fee Subsidies (CM08029) (City Wide) (Item 8.5)

(Collins/Whitehead)
(a) That report CM08029 respecting Audit Report 2008-08, Child Care Fee Subsidies, be received; and

(b) That the management action plans as detailed in Appendix “A” of Report CM08029 be approved and the General Manager of Community Services direct the appropriate staff to have the plans implemented.

CARRIED
9. Follow Up Audit Report 2007-01 - Human Resources - Benefits Administration (CM08031) (City Wide) (Item 8.6)

(Bratina/Whitehead)
That Report CM08031 respecting the follow up of Audit Report 2007-01, Human Resources – Benefit Administration, be received.

CARRIED

10. Implementation of New Energy Commodity Policy and Proposed Amendments to Existing Commodity Price Hedging Policy (PW08144/ FCS08114) (City Wide) (Item 8.7)

(Collins/Bratina)
(a) That the Statement of Policies and Goals With Respect to the Procurement, Sale, Delivery, and Storage of Energy Commodities, Including the Use of Energy Commodity Price Hedging Agreements (“Energy Commodity Policy”), attached as Appendix ‘A’ to Report PW08144/FCS08114, be approved;

(b) That the Amended Statement of Policies and Goals With Respect to the use of Commodity Price Hedging Agreements, excluding Energy Commodities (“Commodity Price Hedging Policy”), attached as Appendix ‘B’ to Report PW08144/FCS08114, be approved;

(c) That section 4.0 Specific Policies Re: Energy Procurement of the existing City of Hamilton Corporate Energy Policy be removed and replaced with a reference to the City’s Energy Commodity Policy;

(d) That the General Manager of Finance and Corporate Services or his/her authorized delegate, on behalf of the City of Hamilton, be authorized to retain (including the execution of any and all necessary documentation) Aegent Energy Advisors Inc.’s ongoing natural gas agency advisory services on a monthly retainer basis for a period of two (2) years, with a mutual option to renew for one (1) term of two (2) years, subject to review by the City Solicitor;

(e) That the General Manager of Finance and Corporate Services or his/her authorized delegate, on behalf of the City of Hamilton, be authorized to retain (including the execution of any and all necessary documentation) Energy Advantage Inc.’s fuel advisory services on a monthly retainer basis for a period of two (2) years, with a mutual option to renew for one (1) term of two (2) years, subject to review by the City Solicitor;

(f) That the General Manager of Finance and Corporate Services or his/her authorized delegate report back to Council annually with respect to the actual cost of retaining the consultants (Contract Agents) noted in
(d) and (e) of this Report, including details of activities engaged in by said consultants (Contract Agents) on behalf of the City.

CARRIED

11. 2009 Advance Payments to External Boards and Agencies (FCS08115) (City Wide) (Item 8.8)

(Collins/Morelli)

(a) That commencing January 1, 2009, an advancement of funds be provided to the external boards and agencies, in the specified amount and on the specific dates as shown in Table One to Report FCS08115, “2009 Advance Payments to External Boards and Agencies”; and

(b) That any outstanding arrears due to the City of Hamilton, by any Boards or Agencies, be paid with approved grant funding, including advances, until the debt is satisfied, at which point the organization will receive payment.

CARRIED

12. Governance Review Sub-Committee Report 08-003 (Item 8.9)

(Collins/Morelli)

(a) Secondary Logos for Advisory/Sub-Committees of Council (CL08014) (City Wide) (Item 1)

That the use of secondary logos for promotional/educational purposes by Advisory/Sub-committees of Council be approved, subject to the following guidelines;

(i) Request for approval of a secondary logo to be presented to the Governance Review Sub-committee for consideration.

(ii) The approved City Logo (triple H symbol, with the wordmark Hamilton, with an underscoring line) as per the Identity Standards Guide, must be of appropriate size relative to the intended purpose and included in a sufficiently prominent location on the promotional/educational material.

(iii) Design costs to be funded by the Advisory/Sub-committee of Council.

(b) Use of Secondary Logo by the Clean City Liaison Committee (New Business) (No Copy) (Item 2)

That subject to Council approval of the “Secondary Logos for Advisory/Sub-Committees of Council” process (Report CL08014), the design of the logo for the Clean City Liaison Committee (attached as
Appendix “B” hereto), as presented by Ron Speranzini, Vice Chair of the Committee, be approved.

(c) Council Meeting Procedures – Walk-ons; Deadline for Motions/Notices of Motion (CL08013) (City Wide) (Item 3)

(i) That Report CL08013 (attached as Appendix “C” hereto) respecting Council Meeting Procedures – Walk-ons; Deadline for Motions/Notices of Motion, be received and circulated to all members of Council for their information;

(ii) That this issue be revisited toward the end of the 2010 term of Council with a view to include a 2/3rds majority rule to dispense with notice of a motion in the Procedural By-law;

(iii) That this item be removed from the Outstanding Business List of the Governance Review Sub-Committee.

(d) Process for Outstanding Business Items on Standing Committee Agendas (Item 4)

(i) That the verbal update provided by the Clerk, be received;

(ii) That the Clerk be directed to review the process for handling the Outstanding Business Items on Standing Committee Agendas and report back to the Governance Sub-Committee with various options.

(e) Community Councils (Item 5)

(i) That Report CL08012 respecting Community Councils – Status Update, referred to the Governance Review Sub-Committee by Council on November 12, 2008, be received;

(ii) That the City Clerk, together with Legal Services staff, be directed to report back with comments/recommendations on the recommendations tabled by the Community Councils Task Force.

CARRIED

13. Assessment of Greenhill Subdivision Flooding Liability Claims From December 1, 2006 (Ward 5) (FCS08105) (Added Item 8.10)

(Collins/Whitehead)
That Report FCS08105 respecting Assessment of Greenhill Subdivision Flooding Liability Claims From December 1, 2006 be tabled until the
January 21, 2009 Audit and Administration Committee meeting to allow staff to provide maintenance records for the culvert.

CARRIED

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Clerk advised of the following changes to the agenda:

(i) Item 8.3, Report FCS08109 respecting the Reduction of Taxes on 50 Creighton Road, tabled to the January 21, 2009 Audit and Administration Committee meeting to allow the Ward Councillor and the Dundas Lion's Club to attend (see Item 6 above).

(ii) Added as Item 8.10 is Report FCS08105 respecting Assessment of Greenhill Subdivision Flooding Liability Claims from December 1, 2006, which was referred back to the Audit & Administration Committee by Council at its meeting on November 26, 2008.

On a motion (Morelli/Collins) the agenda was approved as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) MINUTES (Item 3)

(i) Minutes of the Audit and Administration Committee meeting held on November 19, 2008 (Item 3.1)

(Collins/Bratina)
That the minutes of the Audit and Administration Committee meeting held on November 19, 2008 be approved as presented.

CARRIED

(d) 2008 Standard and Poor’s Credit Rating (FCS08113) (City Wide) (Item 5.2)

The Acting City Manager advised that the change in the City of Hamilton’s credit rating was due to the forecasted debt levels in the water/wastewater operations, and that the Public Works Department is working on ways to mitigate.
(e) Audit Report 2008-08 - Child Care Fee Subsidies (CM08029) (City Wide) (Item 8.5)

Councillor Whitehead requested that the General Manager of Community Services e-mail Committee with information with respect to the number of daycare spaces and the number of subsidized daycare spaces there are in the City of Hamilton.

(f) 2009 Advance Payments to External Boards and Agencies (FCS08115) (City Wide) (Item 8.8)

In response to questions from the Committee, the Acting City Manager advised that staff would investigate how to best obtain confirmation of financial standing, such as first quarter cash flow projections, from external boards and agencies prior to giving advance payments.

(g) Governance Review Sub-Committee Report 08-003 (Item 8.9)

In response to questions from Councillor Whitehead, the City Clerk advised that he would investigate whether sub-committee agendas are distributed to all Council members, specifically in cases where receipt of those agendas would benefit all Councillors, such as the Governance Sub-Committee and the Accountability and Transparency Sub-Committee.

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

(i) Outstanding Business List

A. Installation of surveillance cameras in “hot zones” (Item A)
   Due Date: To be reviewed upon completion of Police Service Pilot Program
   
   (Morelli/Bratina)
   That this item be considered complete and removed from the Audit and Administration Committee’s Outstanding Business List. CARRIED

   Councillor Whitehead requested an update from IT respecting the installation of wireless cameras.

B. Civil Litigation Trial Costs (Item B)
   Due Date: Q0408
   Revised Due Date: Q0409
(Collins/Morelli)
That the Outstanding Business List be amended accordingly.
CARRIED

(i) PRIVATE AND CONFIDENTIAL (Item 12)

(i) Minutes of the November 19, 2008 Closed Session Meeting (Item 12.1)

(Collins/Bratina)
(a) That the minutes of the Audit and Administration Committee closed session meeting held on November 19, 2008 be approved as presented.

(b) That the Minutes remain confidential and restricted from public disclosure in accordance with exemptions provided in the Municipal Freedom of Information and Protection of Privacy Act.
CARRIED

The minutes were approved in Open Session.

(j) ADJOURNMENT (Item 13)

(Whitehead/Morelli)
The Audit and Administration Committee adjourned at 10:08 a.m.

Respectfully submitted,

Councillor Maria Pearson, Chair
Audit and Administration Committee

Mary-Ann Meyer
Legislative Assistant
December 3, 2008