Audit and Administration Committee
MINUTES
9:30 a.m.
Wednesday, December 2, 2009
Albion Room
Hamilton Convention Centre
One Summer’s Lane

Present: Chair B. Clark
Vice-Chair R. Powers
Mayor Eisenberger
Councillors B. Bratina, C. Collins, B. Morelli, M. Pearson,

Absent with Regrets: T. Whitehead (Personal)

Also Present: C. Murray, City Manager
H. Tomasik
T. Tollis, Treasurer– Finance and Corporate Services
P. Barkwell
K. Christenson, City Clerk; M. Meyer, Legislative Assistant
– City Clerk’s Office

THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

1. Appointment of Chair and Vice-Chair

(Bratina/Pearson)
(a) That Councillor R. Powers be appointed Chair of the Audit and Administration Committee for 2010;

CARRIED

(Powers/Pearson)
(b) That Councillor B. Morelli be appointed Vice Chair of the Audit and Administration Committee for 2010.

CARRIED
2. Tax Appeals Under Section 357 and 358 of the Municipal Act 2001 (FCS09006(h)) (City Wide) (Item 5.2)

(Pearson/Powers)
(a) That the tax write-offs processed under Section 357 of the Municipal Act, 2001, in the amount of $39,888 be approved as set out in Appendix A to report FCS09006(h); and

(b) That the tax appeals, due to a gross or manifest clerical error, pursuant to Section 358 of the Municipal Act, 2001, in the amount of $2,760 be approved as set out in Appendix B to report FCS09006(h).

CARRIED

3. Monthly Status Report of Tenders and Requests for Proposals for October 14, 2009 to November 12, 2009 (FCS09027(g)) (Item 5.3)

(Pearson/Powers)
That Information Report FCS09027(g) respecting Monthly Status Report of Tenders and Requests for Proposals for October 14, 2009 to November 12, 2009 be received.

CARRIED

4. Accounts Receivable Write-Offs for December 2009 (FCS09122) (City Wide) (Item 5.4)

(Pearson/Powers)
(a) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible accounts receivables in the amount of $164,043.79, attached as Appendix ‘A’ to report FCS09122; and

(b) That the Schedule of Accounts Receivable Write-Offs (under $1,000), attached as Appendix ‘B’ to report FCS09122, be received for information.

CARRIED

5. Innovative Workplace Practices (HUR09021) (City Wide) (Item 5.5)

(Pearson/Powers)
That Information Report HUR09021 respecting Innovative Workplace Practices be received.

CARRIED
6. Municipal Health and Safety Association Audits (HUR09023) (City Wide) (Item 5.6)

(Pearson/Powers)
That Information Report HUR09023 respecting Municipal Health and Safety Association Audits be received.

CARRIED

7. Louise Dompierre, Art Gallery of Hamilton, Respecting Outstanding Loan (Item 6.1)

(Bratina/Pearson)
That the presentation from Louise Dompierre, Art Gallery of Hamilton, respecting the Art Gallery of Hamilton’s outstanding loan to the City of Hamilton be received.

CARRIED

8. Award of Tender C12-10-09 Short Term Rental Vehicles (FCS09116) (City Wide) (Item 8.1)

(Pearson/Collins)
That the Corporate Tender C12-10-09 Short Term Rental Vehicles be awarded as follows:

(a) Part One, Cars - to Avis Car Inc. with an estimated total three year contract price of $53,550.00;

(b) Part Two, Vans and Pickup Trucks - to Avis Car Inc. with an estimated total three year contract price of $100,105.00;

(c) Part Two, Full Size Cargo Van - to 2064973 Ontario Inc. o/a Dollar Thrifty with an estimated total three year contract price of $6,113.00;

(d) Part Three, Special Vans - to Avis Car Inc. with an estimated total three year contract price of $21,580.00;

(e) Part Four, Hourly Rentals for various vehicles to Carter Lease & Rental with an estimated total three year contract price of $1,380.00;
(f) Part Four, Hourly Rentals for full size passenger van to 2064973 Ontario Inc. o/a Dollar Thrifty with an estimated total three year contract price of $250.00; and

(g) Part Four, Hourly Rentals for full size pick-up truck to Enterprise Rent-A-Car Canada Ltd. with an estimated total three year contract price of $217.00.

CARRIED

9. Hamilton Ballet Youth Ensemble Tax Appeal Under Section 357 and 358 of the Municipal Act, 2001 (FCS09118) (Ward 2) (Item 8.2)

(Collins/Morelli)
(a) That City Council approve a tax classification change from Commercial Taxable to Exempt for the Hamilton Ballet Youth Ensemble (HBYE) regarding 108–112 James Street North (Tivoli Theatre) under Section 357 of the Municipal Act, 2001;

(b) That the 2006 to 2008 tax classification also be changed from Commercial Taxable to Exempt under Section 358 of the Municipal Act, 2001; and

(c) That full tax exemption remains in force until such time as the property is sold or the intended use of live ballet is discontinued.

CARRIED

10. Policy for Business Travel, Seminars and Conferences - Amendments (FCS04065(c)) (City Wide) (Item 8.3)

(Collins/Powers)
That the Policy for Business Travel, Seminars and Conferences as amended – attached hereto as Appendix “A” to report FCS04065(c) be approved.

CARRIED

11. Corporate Standard for Ruggedized Mobile Computer Devices (FCS09119) (City Wide) (Item 8.4)

(Collins/Morelli)
(a) That the City of Hamilton establish the Panasonic ToughBook Notebook Computer as the Corporate Standard for all City staff requiring a fully ruggedized mobile computer.

(b) That the Corporate Standard be reviewed in 2013 when the Desktop and Mobile Computer contract will be reviewed.
(c) That the Panasonic Toughbook be acquired directly from the Manufacturer.

CARRIED

12. Reserve/Revenue Funds and Trust Accounts Statement of Investment Policies and Procedures Review (FCS09110) (City Wide) (Item 8.5)

(Pearson/Bratina)
(a) That the revised “Statement of Investment Policies and Procedures” City of Hamilton – Reserve/Revenue Funds and Trust Accounts (SIP&P) attached as Appendix “B” to Report FCS09110 be approved; and

(b) That the previous “Statement of Investment Policies and Procedures” approved in Report FCS07005 be rescinded.

CARRIED

13. Hamilton Street Railway Plan (1994) Actuarial Valuation as at January 1, 2009 (FCS09113) (City Wide) (Item 8.6)

(Powers/Pearson)
(a) That the January 1, 2009, actuarial valuation for the Hamilton Street Railway Plan (1994) per Appendix 'A' to report FCS09113 be received for information;

(b) That the Treasurer be authorized to file the January 1, 2009, actuarial valuation with the Financial Services Commission of Ontario (FSCO) and Canada Revenue Agency (CRA);

(c) That the method for valuing assets, on a solvency basis, be changed from market value of assets to the smoothing of asset technique for deficit funding purposes; and

(d) That the current budgeted amount of $3.87 million be maintained and used to fund both the Hamilton Wentworth Retirement Fund (HWRF) and the Hamilton Street Railway (HSR) special payments for the years 2009 to 2011 with any shortfall funded from the Hamilton Wentworth Retirement Fund (HWRF) Actuarial Deficiency Provision (112065).

CARRIED
14. Personnel Matter (HUR09020) (City Wide) (Item 12.1)

   (Bratina/Pearson)
   (a) That a complaint against an elected official and Report HUR09020 be referred to Council in order for Council to consider whether to proceed under the Integrity Commissioner Bylaw; and
   (b) That the contents of Report HUR09020 remain confidential as the subject-matter pertains to a personnel matter.

CARRIED

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised the following change to the agenda:

   Deleted from the agenda is Item 8.7, Governance Review Subcommittee Report 09-004.

On a motion (Pearson/Powers), 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 meeting held on November 18, 2009 (Item 3.1)

      (Bratina/Pearson)
      That the minutes of the Audit and Administration Committee meeting held on November 18, 2009 be approved as presented.

      CARRIED

(e) Minutes of Various Sub-Committees (FOR INFORMATION PURPOSES ONLY) (Item 5.1)

      (Pearson/Powers)
      That the following minutes of various sub-committees be received:
      (a) Hamilton Mundialization Committee – May 20, 2009
      (b) Hamilton Mundialization Committee – September 16, 2009

      CARRIED
(f) Louise Dompierre, Art Gallery of Hamilton, Respecting Outstanding Loan (Item 6.1)

Louise Dompierre, Art Gallery of Hamilton, made a presentation to Committee respecting the Art Gallery’s outstanding balance on a line of credit owed to the City of Hamilton. A handout was distributed to the Committee and a copy was submitted for the record. Highlights of the presentation included, but were not limited to:

- History and circumstances leading to the line of credit
- The AGH would like to propose full payment of the loan by year-end based on the following considerations
  - Reversal of interest charges by City of Hamilton in the amount of $91,428
  - City contribution towards City Property upgrades in the amount of $311,909

The Committee discussed the matter and asked for additional information from staff respecting the funding/grant programs available to the AGH. Tony Tollis, Treasurer, advised that one option would be to review the capital works accounts to see if there are surpluses in other projects that could be applied here. Mr. Tollis further advised that, in terms of waiving the interest, there is an interest-free loan program available to those who do upgrades to City properties.

Committee asked whether staff could report back by year-end. Tony Tollis, Treasurer advised that staff could get back to the Committee Chair and work on a motion to be presented at Council.

(Bratina/Pearson)
That Finance staff be directed to report back with possible solution respecting the request for a reversal of interest charges on the line of credit and the request for a City contribution towards City property upgrades.

CARRIED

(g) Policy for Business Travel, Seminars and Conferences - Amendments (FCS04065(c)) (City Wide) (Item 8.3)

Councillor Powers requested clarification respecting per diems paid on the first and last day of business travel. Tony Tollis, Treasurer, advised that the policy has changed so that per diems are paid based on overnight stays and the last day of travel is paid based on the submission of receipts. Councillor Powers suggested that he and Mr. Tollis discuss this further prior to Council.
(h) Outstanding Business List Items requiring Approval for Proposed New Due Dates (Item 11.1)

(Pearson/Powers)
That the proposed new due dates for the following Audit and Administration Committee Outstanding Business List items be approved:

(i) Item “A” – Civil Litigation Trial Costs
Current Due Date: Q0409
Proposed New Due Date: Q0210 (June 2010)

(ii) Item “B” – Improvements within the City of Hamilton Procurement Process
Current Due Date: Dec 09
Proposed New Due Date: Q0210 (to coincide with Purchasing Section Operational Review Report)

(Pearson/Powers)
That staff be directed to include performance evaluation in the tendering process as part of the Purchasing Review.

CARRIED

(iii) Item “I” – Alcohol-related events in City-owned facilities
Current Due Date: Dec. 2/09
Proposed New Due Date: March 2010

Councillor Powers advised staff that the report must come back to Committee no later than March and include facilities, parks, and other City-owned venues.

CARRIED

(i) Outstanding Business List Items to be Removed (Item 11.2)

(Pearson/Powers)
That the removal of the following Audit and Administration Committee Outstanding Business List items be approved:

(i) Item “E” – Innovative Work Environment
(ii) Item “J” – Health, Safety and Wellness Policy

CARRIED

(j) Personnel Matter (HUR09020) (City Wide) (Item 12.1)

(Pearson/Morelli)
That Committee move into Closed Session at 10:01 a.m. pursuant to Section 8.1, subsections (b) and (f) of the City's Procedural By-Law and Section 239 of the Ontario Municipal Act, as the subject matter pertains to personal matters respecting identifiable individuals and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

CARRIED

(Powers/Pearson)
That Committee reconvene in Open Session at 10:40 a.m.

CARRIED

Committee passed a motion as outlined in Item 14 above.

(i) ADJOURNMENT (Item 13)

(Collins/Pearson)
The Audit and Administration Committee adjourned at 10:45 a.m.

Respectfully submitted,

Councillor Brad Clark, Chair
Audit and Administration Committee

Mary-Ann Meyer
Legislative Assistant
December 2, 2009