Mayor R. Bratina called the meeting to order and called upon Reverend John Mahaffey, Pastor of West Highland Baptist Church, to lead Council in prayer.

APPROVAL OF THE AGENDA

The Clerk advised of the following changes to the agenda:

2. ADDED NOTICE OF MOTION

8.1 Demolition Permit for 89 Stone Church Road, Hamilton

(Pearson/Johnson)
That the agenda for the May 8, 2013 meeting of Council be approved, as amended. CARRIED

DECLARATIONS OF INTEREST

None.
CEREMONIAL ACTIVITIES/ANNOUNCEMENTS

3.1 Festitalia Plaque Presentation

Sam Cino, Chairperson of Festitalia, and his fellow Board members Pat Mostacci and Anthony Macaluso presented a plaque to the Mayor in recognition of the City of Hamilton’s longstanding support of Festitalia over the last 38 years.

3.2 Hamilton Municipal Heritage Committee – Heritage Recognition Awards

Mayor Bratina indicated that two Heritage Recognition Award winners were unable to attend the March award presentation. He called upon Alissa Denham-Robinson, Chair of the Hamilton Municipal Heritage Committee, and Kathy Wakeman to join him for the presentation of these awards.

The “Education in Heritage Award” was presented to Mr. John Aikman, Curator and Manager, Educational Archives and Heritage Centre for Hamilton-Wentworth. The “Heritage Property Conservation Award” was previously presented to Mr. Peter Trajkovski for his efforts respecting Edgewater Manor Restaurant.

APPROVAL OF MINUTES

4.1 May 8, 2013

(Partridge/Pearson)

That the Minutes of the May 8, 2013, meeting of Council be approved, as presented.

CARRIED

COMMUNICATIONS

(Whitehead/Duvall)

That Council Communications 5.1 through 5.2 be approved, as follows:

5.1 Correspondence from the Cystic Fibrosis Canada – Hamilton Chapter, respecting a Proclamation Request for May as Cystic Fibrosis Awareness Month

(Pearson/Johnson)

Recommendation: Be received.

5.2 Correspondence from Mario Sergio, Minister Responsible for Seniors, respecting a Proclamation Request for June 15th as World Elder Abuse Awareness Day
(Farr/Whitehead)
Recommendation: Be received.

CARRIED

(Ferguson/Johnson)
That Council move into Committee of the Whole for consideration of the Committee Reports.

CARRIED

AUDIT, FINANCE & ADMINISTRATION COMMITTEE REPORT 13-005

(Pearson/Clark)
That the FIFTH Report of the Audit, Finance and Administration Committee be adopted, and the information section received. (attached hereto).

CARRIED

EMERGENCY & COMMUNITY SERVICES COMMITTEE REPORT 13-004

Item 8  Funding for the Stoney Creek Cricket Academy

(Collins/Merulla)
That subsection (b) of Item 8 of Emergency and Community Services Committee Report 13-004 respecting funding for the Stoney Creek Cricket Academy be deleted in its entirety and replaced with the following:

(b) That the grant as outlined in subsection (a) be funded from Account #108035, the Former City of Hamilton Capital reserve.

The amended Item 8 to read as follows:

(a) That the City of Hamilton provide a one-time capital grant of $2,000 to the Stoney Creek Cricket Academy to assist with the cost of replacing their damaged scoreboard, cricket mat and riding mower;

(b) That the grant as outlined in subsection (a) be funded from Account #108035, the Former City of Hamilton Capital reserve.

Amendment CARRIED
Main Motion as Amended CARRIED

(Farr/McHattie)
That the FOURTH Report of the Emergency & Community Services Committee be adopted, as amended, and the information section received. (attached hereto).

CARRIED
Item 6 Proposed Niagara Escarpment Plan Amendment No. 179 (February 21, 2013) - Pleasantview Lands (PED11052(a)) (Ward 13) (Item 8.1)  

(Powers/Pasuta)  
That Item 6 of Planning Committee Report 13-008 be amended by deleting subsection (a)(i) of in its entirety and replaced with the following in lieu thereof:  

“(a)(i) That the lands comprised of Areas 1 to 3, illustrated on Schedule “A” to Appendix “A” of Report PED11052(a), fronting on York Road, extending up Valley Road, and adjacent to the Escarpment be designated as Escarpment Rural Area and the lands comprised of Area 4 on Schedule “A” to Appendix “A” of Report PED11052(a) be designated as Escarpment Protection Area;”

Amendment CARRIED  
Main Motion as Amended CARRIED

(Farr/McHattie)  
That the EIGHTH Report of the Planning Committee be adopted, as amended, and the information section received. (attached hereto).

CARRIED

GENERAL ISSUES COMMITTEE REPORT 13-011

(Bratina/Partridge)  
That the ELEVENTH Report of the General Issues Committee be adopted, and the information section received. (attached hereto).

CARRIED

PUBLIC WORKS COMMITTEE REPORT 13-006

Item 5 Quick Wins Projects Update - King Street Bus Only Lane & A and B Line Passenger Amenities (PW11079(d)) (City Wide) (Item 7.2)  

(McHattie/Farr)  
That the motion be amended through the addition of the words, “One year pilot Program”, prior to the words, “King Street Bus Only Lane”, to sub-section (a) (ii) and the addition of a sub-section (d) to read as follows:

(d) That staff be directed to Report to the General Issues Committee at the conclusion of the one year pilot program for a Bus Only Lane on King Street.
The amendment to the amending motion CARRIED on the following vote:

Total: 13  
Nays: B. Clark, B. Johnson  
Total: 2  
Absent: B. Morelli  
Total: 1  

(McHattie/Farr)  
That Item 5 of Public Works Committee Report 13-006 be amended, as follows:

(i) Deletion of ‘the final implementation’ in sub-section (a);  
(ii) Deletion of, “as outlined in this Report”, in sub-section (a) and replacement therein of, “to be funded from Metrolinx Quick Wins Reserve Account at an estimated cost of $1.7 million”;  
(ii) Addition of a sub-section (a) (ii) to read “King Street Bus Only Lane”;  
(iii) Addition of, “and King Street Bus Only Lane”, in sub-sections (b) and (c) following, “Passenger Amenities”;  

To read as follows:  
“(a) That the General Manager, Public Works, be authorized and directed to undertake the following Quick Wins projects, to be funded from Metrolinx Quick Wins Reserve Account at an estimated cost of $1.7 million:

(i) A and B Line Passenger Amenities  
(ii) One-year pilot program King Street Bus Only Lane;  
(b) That the General Manager, Public Works be authorized and directed to modify the Traffic Bylaw as required, to implement the planned A & B Line Passenger Amenities and King Street Bus Only Lane;  
(c) That the General Manager, Planning and Economic Development, be authorized to revise the Parking Bylaw to reflect changes as part of the A & B Line Passenger Amenities and King Street Bus Only Lane;
(d) That staff be directed to Report to the General Issues Committee at the conclusion of the one-year pilot program for a Bus Only Lane on King Street.

The amendment to the item CARRIED on the following vote:

Total: 10
Nays: C. Collins, B. Clark, B. Johnson, L. Ferguson, R. Pasuta
Total: 5
Absent: B. Morelli
Total: 1

Item 6  Queen Street South at Stanley Avenue - Part-time Left Turn Restriction (PW13036) (Ward 1) (Item 8.1)

(Whitehead/Ferguson)
That Item 6 of Public Works Committee Report 13-006, be referred back to the Public Works Committee.

Amendment CARRIED

(Ferguson/Powers)
That the SIXTH Report of the Public Works Committee be adopted, as amended, and the information section received. (attached hereto).

CARRIED

<table>
<thead>
<tr>
<th>BOARD OF HEALTH REPORT 13-004</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Bratina/Partridge)</td>
</tr>
<tr>
<td>That the FOURTH Report of the Board of Health be adopted, and the information section received.</td>
</tr>
<tr>
<td>CARRIED</td>
</tr>
</tbody>
</table>

(Ferguson/Johnson)
That the Committee of the Whole Rise and Report.

CARRIED

<table>
<thead>
<tr>
<th>MOTIONS</th>
</tr>
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<tbody>
<tr>
<td>The following motion was deferred to the June 12, 2013 meeting of Council:</td>
</tr>
</tbody>
</table>

7.1 Hamilton Police Service Board Governance
WHEREAS under the *Police Services Act*, the City of Hamilton is mandated to provide for adequate and effective police services;

AND WHEREAS the standards for Police operations and Police behaviour are established by the Province, and there are legislative protections ensuring oversight by the Province and recourse to Ontario Police Services Commission;

AND WHEREAS the Police Services budget constitutes a significant component of the City’s annual operating budget, for which the public holds Hamilton City Council accountable;

AND WHEREAS following the model used for public health and emergency services (fire and ambulance), Hamilton City Council believes that the governance of the Police Service Hamilton should align to more accurately reflect this accountability;

AND WHEREAS under the current statutory regime, the Hamilton Police Service is governed by a 7-member Police Services Board comprised 3 members of Council, one Council-appointed citizen, and 3 Provincially-appointed citizens;

AND WHEREAS Council believes that a change in the governance of the Police Service is fair, appropriate, accountable and transparent;

AND WHEREAS Council accepts and supports the key principles for Police Service governance; namely accountability and independence; in particular, accountability, financially, and operationally to the citizens served, and independence in the carrying out of law enforcement;

AND WHEREAS Council supports a model where the Hamilton Police Service is governed directly by Council, as is the case with a number of Cities in Canada such as Quebec City, Quebec; Fredericton, New Brunswick; and, Charlottetown, Prince Edward Island;

AND WHEREAS Council could, alternatively, support a model where the Police Services Board is comprised exclusively of members of Council (like the Hamilton Board of Health) or, alternatively, some combination of Councillors and citizens appointed by City Council, as is the case with several Cities in Canada such as with the Edmonton, Alberta Police Commission (9 Commissioners, all appointed by City Council; a combination of Councillors and citizens); the Regina, Saskatchewan Board of Police Commissioners (5 Commissioners all appointed by City Council; a combination of Councillors and citizens); and, the St. John, New Brunswick Board of Police Commissioners (7 Commissioners; 6 appointed by Council and a combination of Councillors and citizens and 1 by the Province, a citizen);

AND WHEREAS governance directly by Council or by a Police Services Board comprised of members of Council and/or citizens appointed by Council must, according to law, abide by and not interfere with the principle of independence for the Police Service in terms of law enforcement;
AND WHEREAS in terms of accountability, both financially and operationally, a Police Service should be prepared to answer to Council and to the community in that there are protections for the Police Service beyond a municipal council; namely to the Province and its Ontario Police Services Commission such that any direct governance by City Council or indirect governance by a Police Services Board comprised of members of Council and/or citizens appointed by Council would itself still have oversight from the Province;

AND WHEREAS the amalgamation of the municipalities in the former Region of Hamilton-Wentworth into one City of Hamilton was in part recognition of the maturity and commitment to responsibility that an amalgamated City would have through its City Council;

AND WHEREAS the Province should respect that maturity and sense of responsibility, and allow City Council to provide governance to the Police Service directly through Council or by way of a Police Services Board made up entirely of Council-appointed citizens, or a combination thereof, with such governance to be pursuant to the principles of accountability and independence and pursuant to any provincial regulations regarding the financing and operation of a Police Service.

THEREFORE, BE IT RESOLVED:

(a) That the Province of Ontario be requested to amend the *Municipal Act* and/or the *Police Services Act*, and/or enact special legislation to either:

(i) Enable the Hamilton Police Services Board to be governed directly by Hamilton City Council, or

(ii) Enable the Hamilton Police Services Board to be appointed by Council and comprised entirely of City Councillors, or a combination of Councillors and citizens, as Council may determine;

(b) That a copy of this resolution be forwarded to the Hamilton Police Chief and the Hamilton Police Service, assuring them that City Council will continue to respect and strongly support the Police Service under any form of governance, including abiding by the key principle of independence in law enforcement.

(c) That a copy of this resolution be forwarded to the Premier, The Honourable Kathleen Wynne, and the Minister of Community Safety and Correctional Services, the Honourable Madeleine Meilleur for consideration.

(d) That a copy of this resolution be forwarded to the Leader of the Opposition, Tim Hudak, the Leader of the NDP, Andrea Horwath, all Hamilton area M.P.P.s, and the Association of Municipalities of Ontario (AMO) seeking their endorsement.
7.2 Special Occasion Permit – Mountain Equipment Co-op. – Bikefest

(Pasuta/Partridge)
WHEREAS, City Council has received Notice (attached as Appendix “A” to the Motion) from Mountain Equipment Co-op. that they wish to obtain a Special Occasion Permit to sell alcohol;

AND WHEREAS, the Alcohol & Gaming Commission of Ontario requires that if a permit holder is not a registered charity or non-profit organization or association, that a resolution of the Council is required to designate the event as one of municipal significance;

THEREFORE, BE IT RESOLVED:

(a) That the City of Hamilton hereby deems Bikefest being held on June 8, 2013 at Christie Lake Conservation Area, 1000 Hwy. 5 West, Flamborough, as municipally significant and alcohol may be sold from 11:00 a.m. to 5:00 p.m.

(b) That once all compliance letters have been received from Fire, Health, Police and Building, the Applicant be provided a copy of this resolution for inclusion with their application to the Alcohol & Gaming Commission of Ontario.

CARRIED

7.3 Special Occasion Permit – Sandbox Sports Inc. – Summer Beach Volleyball Tournament

(Collins/Merulla)
WHEREAS, City Council has received Notice (attached as Appendix “A” to the Motion) from Sandbox Sports Inc. that they wish to obtain a Special Occasion Permit to sell alcohol;

AND WHEREAS, the Alcohol & Gaming Commission of Ontario requires that if a permit holder is not a registered charity or non-profit organization or association, that a resolution of the Council is required to designate the event as one of municipal significance;

THEREFORE, BE IT RESOLVED:

(a) That the City of Hamilton hereby deems the Summer Beach Volleyball Tournament, being held at Confederation Park, 680 Van Wagners Beach Boulevard, Hamilton, Ontario as municipally significant, and alcohol may be sold on the following dates and times:

(i) June 8, 22, 2013 from 11:00 a.m. to 6:00 p.m.
(ii) July 7, 27, 2013 from 11:00 a.m. to 6:00 p.m.
(iii) August 10, 11, 2013 from 11:00 a.m. to 6:00 p.m.
(iv) August 21, 2013 from 3:00 p.m. to 11:00 p.m.
(v) August 22 -24, 2013 from 11:00 a.m. to 11:00 p.m.
(vi) August 25, 2013 from 11:00 a.m. to 6:00 p.m.
(vii) September 7, 2013 from 11:00 a.m. to 6:00 p.m.

(b) That once all compliance letters have been received from Fire, Health, Police and Building, the Applicant be provided a copy of this resolution for inclusion with their application to the Alcohol & Gaming Commission of Ontario.

CARRIED

7.4 Amendment to the Business Appreciation Program

(Merulla/Collins)

(a) That sub-section (b) of Item 9 of General Issues Committee Report 12-007 respecting Business Appreciation Program (PED12042) approved by Council on March 25, 2012 be amended by deleting the following words from Section C Appreciation of Businesses in the attached Appendix C:

(c)(i) Recognized at commencement of General Issues Committee by Committee

(c)(iii) …or until next General Issues Committee meeting

And replacing with the following words in Section (C) (c) (i):

(c)(i) Recognized at City Council as a formal ceremonial activity

(b) That Appendix “C” as amended and attached to the Motion, be approved.

CARRIED

7.5 22nd Canadian International Military Tattoo – June 8 and 9, 2013

(Powers/Pasuta)

That the Canadian International Military Tattoo be provided a 50% ($17,500) advance of their 2013 Community Partnership Program grant, at the 2012 approved grant amount ($35,000), for the 22nd Canadian International Military Tattoo, which takes place on June 8 and 9, 2013.

CARRIED

7.6 Demolition Permit for 89 Stone Church Road, Hamilton
That the Director of Building Services be authorized and directed to issue a demolition permit for 89 Stone Church Road West in accordance with By-Law 09-208, pursuant to Section 33 of the Planning Act, as amended.

CARRIED

NOTICES OF MOTION

Councillor Whitehead introduced the following Notice of Motion:

8.1 Demolition Permit for 89 Stone Church Road, Hamilton

That the Director of Building Services be authorized and directed to issue a demolition permit for 89 Stone Church Road West in accordance with By-Law 09-208, pursuant to Section 33 of the Planning Act, as amended.

(Whitehead/Duvall)

That the rules of order be waived to allow for the introduction of a Motion respecting a Demolition Permit for 89 Stone Church Road, Hamilton.

CARRIED

For disposition on this matter refer to Item 7.6

STATEMENT BY MEMBERS

Members of Council used this opportunity to discuss matters of general interest.

PRIVATE AND CONFIDENTIAL

None.

BY-LAWS

(Whitehead/Duvall)

That Bills No. 13-131 to 13-150 be passed, and that the Corporate Seal be affixed thereto, and that the By-laws be numbered and signed by the Mayor and the City Clerk to read as follows:

By-law No.

131 A By-law To Set Optional Property Classes For The Year 2013
132 A By-law To Establish Tax Ratios and Tax Reductions for the Year 2013
133 A By-law To Set and Levy The Rates Of Taxation For The Year 2013
A B-law To Adopt Municipal Options For Tax Capping For The Year 2013

A By-law To Levy A Special Charge Upon The Rateable Property In The Business Improvement Areas For The Year 2013

A By-law to Impose Late Payment Charges for the Non-Payment of Taxes

To Incorporate City Land Designated as Part 1 on Plan 62R-19479 Into St. Joseph's Drive

To Amend By-law No. 01-215 Being a By-law To Regulate Traffic Schedule 6 – One Way Streets Schedule 10 – No Left Turns

To Amend By-Law No. 06-147 Being a By-law to Authorize the City to Enter into Extension Agreements

To Adopt: Official Plan Amendment No. 176 to the former City of Stoney Creek Official Plan Respecting: Lands Located at 1361 Barton Street, Stoney Creek

To Amend Zoning By-law No. 05-200 Respecting Lands Located at 1361 Barton Street, Stoney Creek

To Adopt Official Plan Amendment No. 128 to the Former Town of Flamborough Official Plan Respecting: 257-267 Parkside Drive

To Amend Zoning By-law No. 90-145-Z (Flamborough), Respecting Lands Located at 257-267 Parkside Drive, Part of Lot 8, Concession 4 (Flamborough)

To Amend By-law No. 10-209, a by-law to Regulate the Hamilton Farmers' Market

To Incorporate City Land Designated as Block 173 on Plan 62M-1159 into Irwin Avenue

To Amend Zoning By-law 6593 (Hamilton), Respecting Lands Located at 149 Young Street (Hamilton)

To Amend Zoning By-law No. 6593 (Hamilton) Respecting Lands Located at 158 and 162 Locke Street, Hamilton

To Amend By-law No. 01-215 Being a By-law To Regulate Traffic Schedule 5 – Stop Control Schedule 4- Yield Sign Locations

To Amend By-law No. 01-218, as amended, Being a By-law To Regulate On-Street Parking Schedule 8 – No Parking Zones Schedule 12 – Permit Parking Zones
Schedule 13 – No Stopping Zones
Schedule 14 – Wheelchair loading zones

To Confirm Proceedings of Council

CARRIED

(Johnson/Pearson)
That, there being no further business, the City Council meeting be adjourned at 8:05 p.m.

CARRIED

Respectfully submitted,

Mayor B. Bratina

M. Gallagher
Acting City Clerk
Office of the City Clerk
present: Councillors M. Pearson (Chair), R. Powers (Vice Chair), B. Clark

absent with regrets: Councillor B. Johnson – Other City Business
Councillor B. Morelli – Personal

THE AUDIT, FINANCE & ADMINISTRATION COMMITTEE PRESENTS REPORT 13-005 AND RESPECTFULLY RECOMMENDS:

1. Freedom of Information Quarterly Report (January 1 to March 31, 2013) (CL13001) (City Wide) (Item 5.1)
   

2. Monthly Status Report of Tenders and Requests for Proposals for March 9, 2013 to April 5, 2013 (FCS13016(b)) (City Wide) (Item 5.2)
   
   That Report FCS13016(b), respecting the Monthly Status Report of Tenders and Requests for Proposals for March 9, 2013 to April 5, 2013, be received.

3. Information Services – Divisional Name Change (FCS13042) (City Wide) (Item 5.3)
   
   That Report FCS13042, respecting Information Services Divisional Name Change, be received.
4. Development Charges Reserves Status Report as of December 31, 2012 (FCS13035) (City Wide) (Item 8.1)

(a) That the “Development Charges Reserves Policy”, attached as Appendix “A” to Report 13-005, be approved to replace the existing policies for Development Charges Reserves; and,

(b) That Report FCS13035 “Development Charges Reserves Status Report as of December 31, 2012” be forwarded to the Ministry of Municipal Affairs and Housing.

5. Audit Report 2012-08 - Procurement Card Usage (AUD13014) (City Wide) (Item 8.2)

(a) That the Management Action Plans as detailed in Appendix “B” (Part C only) of Report 13-005 be approved; and

(b) That the Acting General Manager of Finance and Corporate Services be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “B” - Part B (not completed) and Part C (new) to Report 13-005) implemented.

(c) That a copy of Report AUD13014, respecting Procurement Card Usage, be forwarded to the Senior Management Team (SMT) with the direction that SMT follow up with the respective staff to ensure future compliance with the Procurement Card Policy.

6. Audit Report 2012-09 - City Vehicle Use, Allowances & Mileage Claims (AUD13018) (City Wide) (Item 8.3)

(a) That the Management Action Plans as detailed in Appendix “C” of Report 13-005 be approved; and,

(b) That the Executive Director of Human Resources and Organizational Development, the General Manager of Public Works, and Acting General Manager of Finance and Corporate Services be directed to instruct the appropriate staff to have the Management Action Plans (as indicated in Appendix “C” to Report 13-005) implemented.

7. Audit Report 2012-12 - Housing Services Rent Supplement Programs (AUD13016) (City Wide) (Item 8.4)

(a) That the Management Action Plans as detailed in Appendix “D” of Report 13-005 be approved; and,
(b) That the General Manager of Community Services and be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “D” to Report 13-005) implemented.

8. **External Validation of the 2012 Self-Assessment Review (AUD13017) (City Wide) (Item 8.5)**

(a) That the “External Validation of the 2012 Self-Assessment Review” report, attached as Appendix “A” to Report AUD13017, be received;

(b) That the Management Action Plans, as detailed in Appendix “E” of Report 13-005, be approved; and,

9. **Audit Report 2012-07 - Community Partnership Program Grants (AUD13019) (City Wide) (Item 8.6)**

(a) That the Management Action Plans as detailed in Appendix “F” of Report 13-005 be approved; and,

(b) That the Acting General Manager of Finance and Corporate Services be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix “F” to Report 13-005) implemented.

10. **Amendments to the Outstanding Business List (Item 11.2)**

That, as the Economic Development Division is now the lead for these matters, the following two Items be referred to the General Issues Committee:

(i) Item “P” – Provincial Offences Administration Court House Part-time, Temporary Location Options

(ii) Item “Q” – Provincial Offences Administration Court House, Long-term Location Options

11. **Commercial Relationship between City of Hamilton and M. J. Dixon Construction Limited (LS13018/FCS13041) (City Wide) (Item 12.1)**

(a) That, due to the impairment of the commercial relationship between the City of Hamilton and M.J. Dixon Construction Limited (“M.J. Dixon”) that has resulted from litigation, staff be directed to reject any current and future bids, proposals or quotations received from M.J. Dixon Limited or any of its related corporate or individual entities, until May 22, 2015;
(b) That the contents of Report LS13018/ FCS13041 remain confidential.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

There were no changes to the agenda.

The agenda for the May 13, 2013 Audit, Finance & Administration Committee meeting was approved, as presented.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

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

(i) April 15, 2013 (Item 3.1)

The Minutes of the April 15, 2013 meeting of the Audit, Finance and Administration Committee were approved, as presented.

(d) A By-Law to Set a Minimum Property Tax Levy Amount (FCS13043) (City Wide) (Item 5.4)

Report FCS13043, respecting a By-Law to Set a Minimum Property Tax Levy Amount“ under Section 355 of the Municipal Act, 2001, was tabled.

(e) External Validation of the 2012 Self-Assessment Review (AUD13017) (City Wide) (Item 8.5)

That staff be directed to report back to the Audit, Finance and Administration Committee in one year’s time with respect to the status of the implementation of the agreed to recommendations.

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

(i) Various Advisory Committee Minutes (Item 11.1):

The following Advisory Committee minutes were received:

Council – May 22, 2013
11.1(a) Aboriginal Advisory Committee Minutes, March 7, 2013
11.1(b) LGBTQ Advisory Committee Minutes, March 14, 2013
11.1(c) Hamilton Mundialization Committee Minutes, March 20, 2013
11.1(d) Committee Against Racism, March 26, 2013
11.1(e) Status of Women Committee, March 28, 2013

(ii) Amendments to the Outstanding Business List (Item 11.2)

Item “S”, respecting the amendment to the Social Media Policy, was removed from the Audit, Finance & Administration Committee’s Outstanding Business List.

(g) ADJOURNMENT (Item 13)

There being no further business, the Audit, Finance & Administration Committee adjourned at 10:03 a.m.

Respectfully submitted,

Councillor M. Pearson, Chair
Audit, Finance & Administration Committee

Stephanie Paparella
Legislative Coordinator
Office of the City Clerk
## Development Charges Reserves Policy

<table>
<thead>
<tr>
<th>POLICY STATEMENT</th>
<th>This Policy sets out the guidelines for the use of Development Charges (DC) reserves funds.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PURPOSE</td>
<td>The objective of the DC reserve funds is to provide for the financing of growth related capital costs as provided for in the DC Background Study and By-Laws.</td>
</tr>
<tr>
<td>SCOPE</td>
<td>This Policy applies to the individual DC reserves created as per the Development Charges Act, 1997, and the consolidated DC Reserves, as outlined in this Policy.</td>
</tr>
<tr>
<td>DEFINITIONS</td>
<td>The following terms referenced in this Policy are defined as:</td>
</tr>
<tr>
<td>“Capital Financing”</td>
<td>Funding transferred from DC reserves to a growth-related Capital project.</td>
</tr>
<tr>
<td>“Consolidated DC Reserves”</td>
<td>The consolidated balance of all Individual DC Reserves.</td>
</tr>
<tr>
<td>“DC Debt”</td>
<td>Debt issued to cover the DC funding of a project rather than funding by a DC reserve.</td>
</tr>
<tr>
<td>“Deferral Agreement”</td>
<td>An agreement entered into between the City and a developer allowing the payment to occur up to 5 years later (or longer under certain conditions).</td>
</tr>
<tr>
<td>“Development Charges (DCs)”</td>
<td>Amounts collected from developers prior to building permit issuance in order to cover the growth related capital costs as detailed in the DC Background Study.</td>
</tr>
<tr>
<td>“Individual DC Reserve”</td>
<td>Separate and distinct residential and non-residential DC reserves exist for specific DC services</td>
</tr>
<tr>
<td>RULES OF USAGE</td>
<td>DCs are used to fund hard and soft services detailed in the DC Background Study and By-Laws, and as approved in the capital budget and long-term forecast.</td>
</tr>
<tr>
<td>SOURCE OF FUNDING</td>
<td>Developer Contributions – this includes amounts paid at building permit issuance, as well as deferred contributions (deferral agreements and associated interest on outstanding balance). Interest Income – interest earned on the unused actual cash balance held in the DC reserves.</td>
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<tr>
<td>Rates Budget – funding for exemptions to Rates services.</td>
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<td>-----------------------------------------------------------------</td>
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<tr>
<td><strong>FUNDING TARGETS</strong></td>
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<tr>
<td>No target set as balance is a function of development activity and</td>
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<tr>
<td>capital financing</td>
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<td><strong>MINIMUM BALANCE</strong></td>
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<tr>
<td>Individual DC Reserves:</td>
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<tr>
<td>There shall be no minimum balance for individual DC reserves,</td>
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<td>however, when the reserve balance reaches a deficit position,</td>
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<tr>
<td>the forecast revenues should exceed the forecast capital financing and debt costs over the 10-year forecast.</td>
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<tr>
<td>Consolidated DC Reserves:</td>
<td></td>
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<tr>
<td>The consolidated DC Reserves balance should exceed the balance of outstanding Deferral Agreements. Should the consolidated DC Reserve balance fall below the balance of the outstanding Deferral Agreements, no further funding for capital financing shall be transferred from any DC Reserve until the consolidated balance exceeds the deferral agreement balance.</td>
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<tr>
<td><strong>PROJECT FUNDING</strong></td>
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<tr>
<td>Projects identified in the DC Background Study must be funded in accordance with the study, subject to indexing and changes to the scope of the projects.</td>
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<tr>
<td>Growth related capital projects not identified in the DC Background Study must have a defendable rationale for the portion of funding to come from DCs, and be included in future DC Background Studies.</td>
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</tr>
<tr>
<td><strong>FUNDING FROM DC RESERVES</strong></td>
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<tr>
<td>Projects to be funded by DC reserves should have the funding transferred once the project has been approved by Council, subject to the Minimum Balance requirements outlined in this Policy.</td>
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<tr>
<td><strong>FUNDING FROM DC DEBT</strong></td>
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<tr>
<td>Projects to be funded from DC Debt will be funded after the project has been completed and the submission for closing approved by Council. Projects to be funded by DC Debt should be identified that way on the Capital Detail Sheet when seeking Council approval for the project.</td>
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<tr>
<td>DC Debt funding should not jeopardize the sustainability of the individual DC Reserve, in accordance with the Minimum Balance section for individual DC Reserves.</td>
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<tr>
<td>CHANGING FUNDING FROM/TO DC DEBT TO/FROM DC RESERVES</td>
<td>With the approval of the General Manager of Finance &amp; Corporate Services, funding for DC projects may be changed to DC Debt funding from DC Reserve funding, or from DC Reserve funding to DC Debt funding, as required, in order to maintain the sustainability of the individual DC reserves.</td>
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<tr>
<td>APPROPRIATIONS OF FUNDING</td>
<td>Appropriations of DC funding from one growth related project to another shall only be allowed in situations where both projects are funded from the same individual DC reserves and DC funding of both projects remains in accordance with the DC Background Study. Any such appropriations are still subject to the Appropriations policy, and/or any other policy which may be applicable.</td>
</tr>
<tr>
<td>BORROWING FROM DC RESERVES</td>
<td>The City may borrow from an individual DC reserve, for non-DC purposes, as long as the individual DC reserve does not go into a deficit position at the time the funds are borrowed. The City shall repay the amount borrowed, plus interest at a rate not less that the prescribed minimum interest rate.</td>
</tr>
</tbody>
</table>
# OBSERVATIONS OF EXISTING SYSTEM | RECOMMENDATION FOR STRENGTHENING SYSTEM | MANAGEMENT ACTION PLAN | COMMENTS (OCTOBER 2012)
---|---|---|---
1. Infrequently Used Cards | That GMs regularly review cardholders’ continued eligibility for P-cards based on the level of use. The DCCs should ensure this review process occurs and appropriate actions are taken. | Agreed. An annual report will be sent to GMs listing all cardholders who have not used their cards in the past year. They will be strongly urged to have these cards cancelled. Stringent rules cannot be built into the program with respect to canceling all inactive cards as each business unit has unique situations. | Completed. The report was generated and cardholders without usage in 2011 were identified and investigated. |

There were 56 cardholders in the 2009 calendar year who did not incur any transactions. Of these cardholders, 54% (30) were still active as at April 27, 2010. There were 5 cardholders in the 2011 calendar year who did not incur any transactions. This is a 91% reduction from the original observation. Appropriate action has been taken by management to address this item.
### Observations of Existing System

<table>
<thead>
<tr>
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<th>Management Action Plan</th>
<th>Comments (October 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Infrequently Used Cards (Continued)</td>
<td>That the PCA investigate a way to produce a report annually to note P-cards which have not been used in the 12 month period.</td>
<td>Agreed. The report noted above and an explanation letter will be sent out in February 2011 for the 2010 year by the PCA.</td>
<td>Completed. The PCA provided a yearly report to identify active cardholders with no usage for the 2011 calendar year. The percentage of low usage cardholders with fewer than three transactions between July 2011 and July 2012 was approximately 5% of active cardholders. This percentage is considered low and the residual risk with low card usage has been sufficiently mitigated.</td>
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</table>
### Observations of Existing System

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<tr>
<td>2.</td>
<td>Delinquencies and Policy Infractions&lt;br&gt;&lt;br&gt;a) Cardholders are expected to remit approved P-card statements and supporting documentation by established month end deadlines. Many cardholders are consistently delinquent in providing these items on time. Over 30% of the P-card statements sampled were delinquent with approximately 31% of these delinquent cardholders missing the monthly deadline four or more times in 2009. In a few cases, the cardholder’s remote location or seasonal work load were acceptable reasons for being late. As clearing accounts are not reviewed on a regular basis, disputed charges and fraudulent activity may not be identified in a timely manner to seek out insurance claims, cardholder reimbursement or card provider reversal.</td>
<td>That Accounts Payable formalize a policy assigning responsibility to track cardholder delinquencies and P-card policy infractions to DCCs and outline what action will be taken by the DCC and General Manager (GM) when a set number of delinquencies or infractions have been reached. Such actions may include training, a formal reprimand or revocation of P-card privileges.</td>
<td>Agreed. During the next Purchasing Policy review, the P-card policy will be changed to include consequences of not following the policy. Changes will be communicated to users. This review is expected to be undertaken in the first quarter of 2011.</td>
<td>Completed. The P-card policy was revised in Q1 2011. The Purchasing By-law was updated in Q4 2011. The section relating to non-compliance (Policy #19) had significant revisions. Based on the testing performed, the incidence of delinquent cardholders was 7% of the sample that was tested (4 of 61 cardholders). This is a significant reduction in delinquencies from the original audit observation. The residual risk associated with this item has been reduced to an acceptably low level by management.</td>
</tr>
</tbody>
</table>
## Observations of Existing System

### Delinquencies and Policy Infractions (Continued)

2. a) In addition, expenses will not show against individual budget lines possibly resulting in overspending. For expenses not charged to a clearing account, there is a risk that the Departmental Card Co-ordinator (DCC) will not follow up on the outstanding information.

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<tbody>
<tr>
<td>2. a)</td>
<td>Delinquencies and Policy Infractions (Continued)</td>
<td></td>
<td><strong>Management Response (2011):</strong> Non-compliance to purchasing policies is an employee performance issue. These are handled by the operations Director/GM through Human Resources. The “Comments” column on the compliance summaries (where the delinquency is outlined) will be completed by the Director/GM at a high level to maintain confidentiality.</td>
<td>Completed. Based on the testing that was performed, there were no reportable observations related to P-card clearing accounts.</td>
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</table>
## PROCUREMENT CARD USAGE
### PART A – COMPLETED PRIOR RECOMMENDATIONS
#### OCTOBER 2012

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<tr>
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<th>MANAGEMENT ACTION PLAN</th>
<th>COMMENTS (OCTOBER 2012)</th>
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</thead>
</table>
| 2. | Delinquencies and Policy Infractions (Continued) | That when GMs (or designates) and DCCs review and process P-card transactions, they ensure that:  
- Adequate information is provided to allow for a complete understanding of the nature and purpose of the expenditure; and  
- Entertainment expense information required under the P-card procedures is documented. | Agreed. Included in the communication above, an explanation of what supporting documentation and information is required and why it is important to both cardholders and approvers will be provided. | Completed. Detailed testing was completed by Audit Services. 301 transactions were reviewed. There was one instance (0.3%) where adequate supporting documentation was not provided. The residual risk associated with this item has been reduced to an acceptably low level by management. |

In five instances, additional information was requested by Internal Audit in order to understand the nature or validity of the expenditure. In 17 instances, entertainment transactions did not note the purpose, nature and/or date of the event and/or attendees, contrary to the policy.

In five instances, no receipts or supporting documentation were present. Without an adequate explanation of an expenditure’s purpose or the names of individuals attending an event, it is difficult to determine whether expenditures were incurred for business or personal purposes.

There is a high degree of public interest in City entertainment and other P-card expenditures and filed documents should contain adequate detail to stand on their own and support the expenses.
### PROCUREMENT CARD USAGE
**PART A – COMPLETED PRIOR RECOMMENDATIONS**
**OCTOBER 2012**

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<tr>
<td>3</td>
<td>Policy Infractions</td>
<td>That consistent cardholder policy non-compliance be addressed as noted in recommendation 2. a) above.</td>
<td>See management response to #2. a) above. The City employee referenced no longer has P-card privileges.</td>
<td>Completed. The employee identified in the 2010 audit no longer has P-Card privileges. There were no other instances identified of persistent non-compliance. Management is taking action when non-compliance is identified. This includes reviewing the applicable procedure or corporate contract with the employee or providing additional training on the use of P-Cards. The section of the Purchasing By-law relating to non-compliance (Policy #19) had significant revisions. Based on the audit testing that was performed, the actions taken by management have reduced the residual risk to an acceptably low level.</td>
</tr>
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</table>

3. Over a three-month period, one cardholder from one department incurred 21 transactions on the City’s P-card. Of those transactions, the following deficiencies were noted:

- 11 instances where additional information was required to assess the nature or validity of the expenditure;
- nine instances where GST was recorded incorrectly;
- eight instances where the purpose of an entertainment expense or the attendees were not recorded;
- six instances where an inappropriate account number was used;
- four instances where no receipts were present to support credit card charges; and
- two instances where pre-approval in writing was not sought by the cardholder to purchase items for which a corporate contract existed.

**Management Response (2011):** Non-compliance to purchasing policies is an employee performance issue. These are handled by the operations Director/GM through Human Resources. The “Comments” column on the compliance summaries (where the delinquency is outlined) will be completed by the Director/GM at a high level to maintain confidentiality.
### OBSERVATIONS OF EXISTING SYSTEM

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<tr>
<th>#</th>
<th>POLICY INFRACTIONS (CONTINUED)</th>
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<tbody>
<tr>
<td>3.</td>
<td>There were no indications as to the action (or inaction) taken by the DCC or GM to correct this cardholder's behavior. All statements had been approved by the cardholder's supervisor. Although this cardholder's total transactions represent a minimal percentage of total credit card purchases, the lack of adequate management oversight could draw a substantial amount of negative media or public scrutiny. Lack of oversight also creates an opportunity to use the cards inappropriately and may encourage other employees to not follow policies and procedures.</td>
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### RECOMMENDATION FOR STRENGTHENING SYSTEM

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## PROCUREMENT CARD USAGE
### PART A – COMPLETED PRIOR RECOMMENDATIONS
#### OCTOBER 2012

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<tr>
<td>5.</td>
<td>Procedures Discrepancies (Continued)</td>
<td>That incomplete Procurement Card Approval Forms be returned to cardholders.</td>
<td>Agreed.</td>
<td>Completed. No testing exceptions were identified relating to this item.</td>
</tr>
<tr>
<td>5.</td>
<td>The majority of cardholders complete a Procurement Card Approval Form at the request of the DCC. These forms capture transaction information, such as the vendor, transaction and HST amounts, account allocation and transaction description. These Approval Forms are not completed in all sections and there is no requirement stipulated in the P-card procedures. Procurement Card Department Co-ordinator Procedures are currently in draft form and have not been distributed to staff. As a result, DCCs continue to rely on past experiences which lead to inconsistencies in the P-card process.</td>
<td>That management finalize the Department Co-ordinator Procedures and distribute the document to all DCCs.</td>
<td>Agreed.</td>
<td>Completed. DCC Procedures were finalized in 2011.</td>
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<tr>
<td>6</td>
<td>Computer Hardware and Software Purchases</td>
<td>That Procurement consult with Information Services to determine if approval is required for all computer hardware and software purchases. Changes should be made to the P-card policy, as necessary, and distributed appropriately.</td>
<td>Agreed. The Manager of Accounts Payable will complete this task by the end of the 1st quarter, 2012.</td>
<td>Completed. A meeting was held with Accounts Payable, F&amp;A and Information Services to discuss this issue. It was decided that the current policy’s approval requirements will remain so no change in the P-card policy was necessary.</td>
</tr>
</tbody>
</table>
### Observations of Existing System

**Delinquencies and Policy Infractions**

Two incidents in the sample were noted where cardholders used their P-cards for personal purchases. Even though the cardholders reimbursed the City, use of a City's P-card for personal transactions is strictly prohibited.

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<tr>
<td>7</td>
<td>Delinquencies and Policy Infractions</td>
<td>That Accounts Payable (AP) reinforce the policy regarding the prohibition of the use of P-cards for personal expenses to all cardholders. Reimbursement after personal use should not be considered as a means to override this restriction.</td>
<td>Agreed. A communication will be sent by the AP section in the 4th quarter of 2010 to all cardholders and approvers reminding them of the policy. <strong>Management Response (2011):</strong> The communication referred to under the original Management Action Plan was issued November 10, 2011.</td>
<td>Not completed. Two cardholders from the Library used their P-cards for personal purchases. The expenditures were reimbursed to the City. Neither of the statements associated with these purchases were marked as being non-compliant.</td>
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</table>
### PROCUREMENT CARD USAGE
**PART B – PRIOR RECOMMENDATIONS NOT COMPLETED**
**OCTOBER 2012**

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<tr>
<td>8.</td>
<td>P-cards are not to be used when a corporate contract is in effect for an item purchased, unless pre-authorized in writing by the Manager of Purchasing. Of the 174 transactions tested, seven transactions were identified as products available under a corporate contract for which cardholders did not obtain approval to purchase elsewhere when using a P-card. For example, office supplies were purchased amounting to approximately $16,000 on 11 P-cards. However, the City has established a contract to order office supplies online at deeply discounted prices. By not following purchase agreements, the City is paying more for items as discounts are not realized.</td>
<td>That DCCs be charged with the responsibility of identifying P-card purchases that include any items for which there are corporate contracts and for which there is no evidence of pre-approval. In situations where such purchases occur, the DCC should inform the cardholder and monitor any future infractions as per the terms under recommendation 2. a) above</td>
<td>Agreed. The DCC procedures will be reviewed with emphasis placed on identifying non-compliance and the actions that should be taken - to be performed by F&amp;A Managers by end of 2010.</td>
<td>In Progress. Fewer than 2% of transactions tested were identified as being non-compliant due to a corporate contract (6 out of 301). The percentage of non-compliant items identified is low but the internal control to detect and report non-compliance is not functioning effectively. Five of six non-compliant transactions were not identified by either management or DCCs.</td>
</tr>
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</table>
## 5. OBSERVATIONS OF EXISTING SYSTEM

### GST (HST) Allocation

9. In the detailed testing of 174 individual transactions, the following was identified:

- In 11 cases, receipts were not present or there was not enough information on the receipt provided to assess whether GST was recorded accurately.
- In 11 cases, enough information was present to calculate the correct amount of GST and errors were noted.

In two cases, GST was incorrectly allocated when clearing items from clearing accounts.

Also, GST errors were identified in four of ten process walk-throughs performed. Many of the errors are a result of the reviewing and correcting, where necessary, of the statements in the P-card system which automatically stipulates GST (sometimes erroneously). Similar issues will continue with the introduction of HST, if not addressed.

### RECOMMENDATION FOR STRENGTHENING SYSTEM

That DCCs ensure that invoices and receipts are analyzed thoroughly and corrections made to GST/HST allocations in the credit card system by the month end deadline.

### MANAGEMENT ACTION PLAN

See management response to #3 above.

### COMMENTS (OCTOBER 2012)

Not Completed. HST allocation issues were identified. Incorrect HST amounts were recorded for 8% (25 out of 301) of transactions tested (7% in 2011). There has been no improvement when compared to the prior year.

HST misallocations typically related to items that did not have the standard HST rate charged.
## OBSERVATIONS OF EXISTING SYSTEM

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<tbody>
<tr>
<td>9.</td>
<td>GST (HST) Allocation (Continued) Canada Revenue Agency requires adequate documentation to support rebates paid. As well, documentation provided to GST audit consultants should be concise and complete in order to fully realize the benefits of their work.</td>
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</table>
## Procurement Card Usage
### Part B - Prior Recommendations Not Completed

**October 2012**

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<tr>
<td>10.</td>
<td><strong>Account and Department ID Allocations</strong>&lt;br&gt;Department Card Co-ordinators (DCCs) have approximately ten (10) days after P-card statements are available from the US Bank to allocate transactions to the appropriate account and department ID numbers online with US Bank. Transactions that are not reallocated online are charged to the cardholder's default clearing account and department ID numbers when the P-card information is imported into PeopleSoft. Journal entries are prepared to allocate transactions from the clearing account to their appropriate account and department ID numbers.</td>
<td>That HECFI and the Library allocate transactions to their correct account and department ID numbers in the ‘US Bank’ P-card system before the month end deadline.</td>
<td>Library – Agreed. The Library has distributed notice to all holders of P-cards (June 7, 2011 and again on November 8, 2011) that should they continue to not have their statements submitted by the deadline, they will lose their P-card privileges.</td>
<td>Library - In Progress. 75% of statements reviewed during testing (6 of 8) were found to have been entered by the US Bank deadline.</td>
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<td></td>
<td>HECFI – Disagreed. HECFI puts great emphasis on internal controls surrounding P-card purchases and insists all transactions are properly documented by the cardholder and approved by the relevant Director before submission to Business Services. These procedures can seldom be prepared by the cut-off date. Time spent on preparing subsequent journal entries is a good tradeoff from strong internal control procedures.</td>
<td>HECFI - Disagreed. No further audit work is required.</td>
</tr>
</tbody>
</table>
## Observations of Existing System

10. **Account and Department ID Allocations (Continued)**

   Internal Audit observed that HECFI does not specify account allocation changes in the P-card system before the month end deadline. Thirty-four P-cards were utilized by HECFI for 657 transactions for the six month period ending June 30, 2011. Transactions captured on the procurement statements required journal entries to reallocate charges from the clearing account.

   This practice also occurred for a period of time at the Library.

   The amount of time associated with preparing and processing P-card journal entries may be significantly reduced if HECFI and the Library used transaction allocation online with ‘US Bank’ before the month end deadline.

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<td>10.</td>
<td>Account and Department ID Allocations (Continued)</td>
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PROCUREMENT CARD USAGE
PART B – PRIOR RECOMMENDATIONS NOT COMPLETED
OCTOBER 2012

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<tr>
<td>11.</td>
<td>Computer Hardware and Software Purchases</td>
<td>That P-card approvers ensure written approvals from Information Services are attached to the P-card statements for computer hardware and software purchases.</td>
<td>Agreed. Staff will be informed by the Manager of Accounts Payable by the end of 2011.</td>
<td>Not Completed. Four out of 18 (22%) transactions reviewed related to unapproved computer hardware or software purchases.</td>
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### OBSERVATIONS OF EXISTING SYSTEM

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<th>#</th>
<th>Procedures Discrepancies</th>
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<tbody>
<tr>
<td>12.</td>
<td>A Procurement Card Processing Procedure was approved by Council on April 13, 2011. The procedures require the Business Administrators and Directors to review six reports each month containing P-card transactions and compliance information. Of the 23 cardholders selected for testing, one or more reports were not prepared and/or reviewed for 74% (17) of cardholders. HECFI and the Library were unaware of these requirements as the revised procedures were not distributed to them until after the audit commenced. Discrepancies exist between the P-card policies and procedures. For example, the policy states that the purchase of computer hardware and software must be pre-authorized in writing by the Manager of Purchasing but the procedure states these purchases must be authorized by Information Services.</td>
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### RECOMMENDATION FOR STRENGTHENING SYSTEM

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<th>That management verify that BAs and Directors are preparing and reviewing the six reports each month as per the procedure.</th>
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<tr>
<td>12.</td>
<td>That inconsistencies between the P-card policy and procedures be reviewed and corrected. Amendments should be communicated to cardholders, P-card approvers, DCCs, BAs, Directors and GMs.</td>
</tr>
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### MANAGEMENT ACTION PLAN

<table>
<thead>
<tr>
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<th>Agreed. The Finance and Administration (FA) Managers will ensure that there is compliance with what is outlined.</th>
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<tbody>
<tr>
<td>12.</td>
<td>Agreed. Policies and procedures will be reviewed for inconsistencies by the Manager of Accounts Payable by the end of the 1st quarter, 2012.</td>
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### COMMENTS (OCTOBER 2012)

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<tr>
<th>#</th>
<th>In Progress. The percentage of cardholders sampled by Audit and found without appropriate reports prepared has improved to 45% (25 out of 56) excluding HECFI, down from 74% in 2011. The compliance level for this item requires further improvement. HECFI - No Longer Applicable. HECFI does not prepare the monthly reports due to the separate reporting cycle that they utilize in order to generate monthly accrual-based financial statements.</th>
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<tbody>
<tr>
<td>12.</td>
<td>Not Completed. Revisions were made to the Procurement Policy in December 2011, but not to the section for P-cards (Policy #15). The related procedure has not been updated since the 2011 audit, therefore the discrepancies still exist.</td>
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## OBSERVATIONS OF EXISTING SYSTEM

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<td>12</td>
<td>Procedures Discrepancies (Continued)</td>
<td>The majority of cardholders complete a Procurement Card Approval Form at the request of the DCC. These forms capture transaction information, such as the vendor, transaction and HST amounts, account allocation and transaction description. These Approval Forms are not completed in all sections and there is no requirement stipulated in the P-card procedures. Procurement Card Department Co-ordinator Procedures are currently in draft form and have not been distributed to staff. As a result, DCCs continue to rely on past experiences which lead to inconsistencies in the P-card process.</td>
<td>That the P-card procedures stipulate all the information that is required on the Approval Form.</td>
<td>Agreed. The FA Manager (Corporate) will review this by the end of the 1st quarter, 2012.</td>
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### OBSERVATIONS OF EXISTING SYSTEM

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<tr>
<td>13.</td>
<td>Policy #19 (Non-compliance with the Procurement Policy) requires that all violations of the Procurement Policy be reported on a “Procurement Policy Non-Compliance Form” (to be completed by each Department) and that the use of these forms be reported to Council on a quarterly basis by the Procurement Manager.</td>
</tr>
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<td></td>
<td>Five statements were identified as “non-compliant” by F&amp;A staff. Of these five items, none were reported to Council via the Policy #19 quarterly reporting process.</td>
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</tbody>
</table>

### RECOMMENDATION FOR STRENGTHENING SYSTEM

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<tr>
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<th>Recommendation for Strengthening System</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.</td>
<td>Policy #19 Reporting</td>
<td>That instances of non-compliance in P-card usage be reported as part of the quarterly reporting process for Policy #19.</td>
</tr>
</tbody>
</table>

### MANAGEMENT ACTION PLAN

Agreed. Non-compliant P-card purchases will be reported under Policy #19. The Procurement Policy Review Group will review Policy #19 in 2013 as part of the annual Procurement Policy Review. A recommendation may be brought forward to Council to amend Policy #19 to take into consideration the materiality and cause of the non-compliancy.
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<th>COMMENTS (OCTOBER 2012)</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Infrequently Used Cards</td>
<td>That GMs regularly review cardholders’ eligibility for P-cards based on the level of use. The DCCs should ensure this review process occurs and appropriate actions are taken.</td>
<td>Agreed. An annual report will be sent to GMs listing all cardholders who have not used their cards in the past year. They will be strongly urged to have these cards cancelled. Stringent rules cannot be built into the program with respect to canceling all inactive cards as each business unit has unique situations.</td>
<td>Completed. The report was generated and cardholders without usage in 2011 were identified and investigated.</td>
</tr>
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</table>
# PROCUREMENT CARD USAGE
## PART A – COMPLETED PRIOR RECOMMENDATIONS
### OCTOBER 2012

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<tbody>
<tr>
<td>1</td>
<td>Infrequently Used Cards (Continued)</td>
<td>Another 50 cardholders used their P-cards less than three times in all of 2009, spending a total of only $26,597. On one occasion, the single transaction incurred by one cardholder was for personal use and no other transactions were incurred on behalf of the City. Approximately 76% of these cardholders were still active as at April 27, 2010. The administrative cost of issuing and monitoring under-utilized cards, as well as the increased risk of fraudulent and inappropriate charges, can be avoided if P-cards are only issued to employees whose duties and usage warrant them.</td>
<td>That the PCA investigate a way to produce a report annually to note P-cards which have not been used in the 12 month period.</td>
<td>Agreed. The report noted above and an explanation letter will be sent out in February 2011 for the 2010 year by the PCA.</td>
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<tr>
<td>2.</td>
<td>Delinquencies and Policy Infractions</td>
<td>That Accounts Payable formalize a policy assigning responsibility to track cardholder delinquencies and P-card policy infractions to DCCs and outline what action will be taken by the DCC and General Manager (GM) when a set number of delinquencies or infractions have been reached. Such actions may include training, a formal reprimand or revocation of P-card privileges.</td>
<td>Agreed. During the next Purchasing Policy review, the P-card policy will be changed to include consequences of not following the policy. Changes will be communicated to users. This review is expected to be undertaken in the first quarter of 2011.</td>
<td>Completed. The P-card policy was revised in Q1 2011. The Purchasing By-law was updated in Q4 2011. The section relating to non-compliance (Policy #19) had significant revisions. Based on the testing performed, the incidence of delinquent cardholders was 7% of the sample that was tested (4 of 61 cardholders). This is a significant reduction in delinquencies from the original audit observation. The residual risk associated with this item has been reduced to an acceptably low level by management.</td>
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</table>
## Observations of Existing System

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<tr>
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<th>Comments (October 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Delinquencies and Policy Infractions (Continued)</td>
<td>Management Response (2011): Non-compliance to purchasing policies is an employee performance issue. These are handled by the operations Director/GM through Human Resources. The “Comments” column on the compliance summaries (where the delinquency is outlined) will be completed by the Director/GM at a high level to maintain confidentiality.</td>
<td>Completed. Based on the testing that was performed, there were no reportable observations related to P-card clearing accounts.</td>
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## PROCUREMENT CARD USAGE

### PART A – COMPLETED PRIOR RECOMMENDATIONS

#### OCTOBER 2012

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<tr>
<td>2.</td>
<td>Delinquencies and Policy Infractions (Continued)</td>
<td>That when GMs (or designates) and DCCs review and process P-card transactions, they ensure that:</td>
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- Adequate information is provided to allow for a complete understanding of the nature and purpose of the expenditure; and
- Entertainment expense information required under the P-card procedures is documented. |

Agreed. Included in the communication above, an explanation of what supporting documentation and information is required and why it is important to both cardholders and approvers will be provided. | Completed. Detailed testing was completed by Audit Services. 301 transactions were reviewed. There was one instance (0.3%) where adequate supporting documentation was not provided. The residual risk associated with this item has been reduced to an acceptably low level by management. |

In five instances, no receipts or supporting documentation were present. Without an adequate explanation of an expenditure’s purpose or the names of individuals attending an event, it is difficult to determine whether expenditures were incurred for business or personal purposes.

There is a high degree of public interest in City entertainment and other P-card expenditures and filed documents should contain adequate detail to stand on their own and support the expenses.
## Observations of Existing System

### Policy Infractions

3. Over a three-month period, one cardholder from one department incurred 21 transactions on the City's P-card. Of those transactions, the following deficiencies were noted:

- 11 instances where additional information was required to assess the nature or validity of the expenditure;
- nine instances where GST was recorded incorrectly;
- eight instances where the purpose of an entertainment expense or the attendees were not recorded;
- six instances where an inappropriate account number was used;
- four instances where no receipts were present to support credit card charges; and
- two instances where pre-approval in writing was not sought by the cardholder to purchase items for which a corporate contract existed.

### Recommendation for Strengthening System

That consistent cardholder policy non-compliance be addressed as noted in recommendation 2. a) above.

### Management Action Plan

See management response to #2. a) above. The City employee referenced no longer has P-card privileges.

### Comments (October 2012)

Completed. The employee identified in the 2010 audit no longer has P-Card privileges. There were no other instances identified of persistent non-compliance.

### Management Response (2011)

Non-compliance to purchasing policies is an employee performance issue. These are handled by the operations Director/GM through Human Resources. The “Comments” column on the compliance summaries (where the delinquency is outlined) will be completed by the Director/GM at a high level to maintain confidentiality.

Management is taking action when non-compliance is identified. This includes reviewing the applicable procedure or corporate contract with the employee or providing additional training on the use of P-Cards.

The section of the Purchasing By-law relating to non-compliance (Policy #19) had significant revisions.

Based on the audit testing that was performed, the actions taken by management have reduced the residual risk to an acceptably low level.
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<tr>
<td>3.</td>
<td>Policy Infractions (Continued) There were no indications as to the action (or inaction) taken by the DCC or GM to correct this cardholder's behavior. All statements had been approved by the cardholder's supervisor. Although this cardholder's total transactions represent a minimal percentage of total credit card purchases, the lack of adequate management oversight could draw a substantial amount of negative media or public scrutiny. Lack of oversight also creates an opportunity to use the cards inappropriately and may encourage other employees to not follow policies and procedures.</td>
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## Appendix “C” to Item 6 of AF&A Report 13-005

**PROCUREMENT CARD USAGE**  
**PART A – COMPLETED PRIOR RECOMMENDATIONS**  
**OCTOBER 2012**

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| 4. | Clearing Accounts  
Clearing accounts used for P-card expenditures are meant to segregate those transactions requiring additional information or follow up. The accounts should be cleared to expenses, at year end at a minimum, but ideally on a regular month-to-month basis. On the average, it took 2-3 months to clear the transactions examined, with approximately 20% of the items cleared within 5-12 months. Although the accumulated amounts are not significant, the fact that the month end processing procedure and management review did not resolve the uncleared amounts undermines this control. | That Accounts Payable formalize a procedure assigning the responsibility of clearing the P-card clearing accounts at least quarterly to the DCCs. The corresponding BAs should ensure this occurs with a documented sign-off. | See management response to #3 above.  
**Management Response (2011):** Clearing accounts are cleared as the information is made available. The monthly reports noted in #2. a) will show non-compliance against those cardholders who have not forwarded their information. It should be noted that the amounts are charged against the operating budget (just not the specific line budget) so that expenses are not being understated while additional information is being sought. | Completed. Based on the testing performed, an improvement in the Q1 and Q2 clearing account balances was observed.  
Given that the level of annual P-card spending is approximately $3 million, having Q1 2012 and Q2 2012 clearing account balances of $15,000 and $27,000 respectively, is relatively low. The residual risk associated with this item has been reduced to an acceptable level by management. |
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<td>5</td>
<td>Discrepancies exist between the documented Procedure for Procurement Card Section 5 Procedure #PR-15, approved on May 26, 2004 and actual practices. It was noted on the Maintenance Form located on the S drive that account code changes do not require GM approval. However, P-card procedures dictate that any changes must be approved by a GM. Internal Audit noted on numerous occasions that DCC approval signatures were missing from Application and Maintenance Forms, which contradicts the procedures specifying that these documents must originate from the DCC level. In addition, although DCCs or cardholders may call or email the PCA when cards are lost or stolen, procedures specify that a Maintenance Form must be completed. This currently does not occur. A lack of consistency between written procedures and actual practices can lead to inefficiencies and errors in the P-card process, as well as confusion for cardholders, DCCs and GMs.</td>
<td>That the P-card procedure be reviewed and changes made to reflect actual practices, where appropriate. Any changes should be communicated to cardholders, DCCs and GMs.</td>
<td>Agreed. Accounts Payable will make appropriate changes to the procedure to reflect the current practices. This will be done by the end of 2010. <strong>Management Response (2011):</strong> The procedures referred to above are now complete.</td>
<td>Completed. The issue regarding account code changes not requiring GM approval has been resolved. A copy of the maintenance form (including the account code exception) is included in the approved procedure. DCC approval signatures were not identified as an issue during the current year’s audit testing that was performed. When a P-card is lost or stolen, the current procedures specify that the cardholder must immediately notify the DCC. A maintenance form is no longer mentioned in these procedures.</td>
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## PROCUREMENT CARD USAGE
### PART A – COMPLETED PRIOR RECOMMENDATIONS
#### OCTOBER 2012

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</table>
| 5 | Procedures Discrepancies (Continued) | The majority of cardholders complete a Procurement Card Approval Form at the request of the DCC. These forms capture transaction information, such as the vendor, transaction and HST amounts, account allocation and transaction description. These Approval Forms are not completed in all sections and there is no requirement stipulated in the P-card procedures.  
Procurement Card Department Co-ordinator Procedures are currently in draft form and have not been distributed to staff. As a result, DCCs continue to rely on past experiences which lead to inconsistencies in the P-card process. | That incomplete Procurement Card Approval Forms be returned to cardholders. | Agreed. | Completed. No testing exceptions were identified relating to this item. |
|   |                                  | That management finalize the Department Co-ordinator Procedures and distribute the document to all DCCs. | Agreed. | Completed. DCC Procedures were finalized in 2011. |
## PROCUREMENT CARD USAGE
### PART A – COMPLETED PRIOR RECOMMENDATIONS
### OCTOBER 2012

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<tr>
<td>6.</td>
<td>Computer Hardware and Software Purchases</td>
<td>That Procurement consult with Information Services to determine if approval is required for all computer hardware and software purchases. Changes should be made to the P-card policy, as necessary, and distributed appropriately.</td>
<td>Agreed. The Manager of Accounts Payable will complete this task by the end of the 1st quarter, 2012.</td>
<td>Completed. A meeting was held with Accounts Payable, F&amp;A and Information Services to discuss this issue. It was decided that the current policy's approval requirements will remain so no change in the P-card policy was necessary.</td>
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| 7. | Delinquencies and Policy Infractions
Two incidents in the sample were noted where cardholders used their P-cards for personal purchases. Even though the cardholders reimbursed the City, use of a City's P-card for personal transactions is strictly prohibited. | That Accounts Payable (AP) reinforce the policy regarding the prohibition of the use of P-cards for personal expenses to all cardholders. Reimbursement after personal use should not be considered as a means to override this restriction. | Agreed. A communication will be sent by the AP section in the 4th quarter of 2010 to all cardholders and approvers reminding them of the policy.
**Management Response (2011):** The communication referred to under the original Management Action Plan was issued November 10, 2011. | Not completed. Two cardholders from the Library used their P-cards for personal purchases. The expenditures were reimbursed to the City. Neither of the statements associated with these purchases were marked as being non-compliant. |
## PROCUREMENT CARD USAGE
### PART B – PRIOR RECOMMENDATIONS NOT COMPLETED
#### OCTOBER 2012

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<tr>
<td>8</td>
<td>Contracted Goods and Services</td>
<td>That DCCs be charged with the responsibility of identifying P-card purchases that include any items for which there are corporate contracts and for which there is no evidence of pre-approval. In situations where such purchases occur, the DCC should inform the cardholder and monitor any future infractions as per the terms under recommendation 2. a) above</td>
<td>Agreed. The DCC procedures will be reviewed with emphasis placed on identifying non-compliance and the actions that should be taken - to be performed by F&amp;A Managers by end of 2010.</td>
<td>In Progress. Fewer than 2% of transactions tested were identified as being non-compliant due to a corporate contract (6 out of 301).</td>
</tr>
</tbody>
</table>

### Observations of Existing System

#### Contracted Goods and Services

P-cards are not to be used when a corporate contract is in effect for an item purchased, unless pre-authorized in writing by the Manager of Purchasing. Of the 174 transactions tested, seven transactions were identified as products available under a corporate contract for which cardholders did not obtain approval to purchase elsewhere when using a P-card. For example, office supplies were purchased amounting to approximately $16,000 on 11 P-cards. However, the City has established a contract to order office supplies online at deeply discounted prices. By not following purchase agreements, the City is paying more for items as discounts are not realized.

#### Management Response (2011):

The original Management Action Plan was completed. The shortcoming here is that employees must keep up to date on all corporate contracts. Efforts will be made to ensure a list of corporate contracts is circulated regularly.

#### Comments (OCTOBER 2012)

The percentage of non-compliant items identified is low but the internal control to detect and report non-compliance is not functioning effectively. Five of six non-compliant transactions were not identified by either management or DCCs.
PROCUREMENT CARD USAGE
PART B – PRIOR RECOMMENDATIONS NOT COMPLETED
OCTOBER 2012

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<td>9</td>
<td>GST (HST) Allocation</td>
<td>That DCCs ensure that invoices and receipts are analyzed thoroughly and corrections made to GST/HST allocations in the credit card system by the month end deadline.</td>
<td>See management response to #3 above.</td>
<td>Not Completed. HST allocation issues were identified. Incorrect HST amounts were recorded for 8% (25 out of 301) of transactions tested (7% in 2011). There has been no improvement when compared to the prior year. HST misallocations typically related to items that did not have the standard HST rate charged.</td>
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<td>In the detailed testing of 174 individual transactions, the following was identified:</td>
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<td>• In 11 cases, receipts were not present or there was not enough information on the receipt provided to assess whether GST was recorded accurately.</td>
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<td>• In 11 cases, enough information was present to calculate the correct amount of GST and errors were noted.</td>
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<td>In two cases, GST was incorrectly allocated when clearing items from clearing accounts.</td>
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<td>Also, GST errors were identified in four of ten process walk-throughs performed. Many of the errors are a result of the reviewing and correcting, where necessary, of the statements in the P-card system which automatically stipulates GST (sometimes erroneously). Similar issues will continue with the introduction of HST, if not addressed.</td>
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<tr>
<td>9.</td>
<td>GST (HST) Allocation (Continued) Canada Revenue Agency requires adequate documentation to support rebates paid. As well, documentation provided to GST audit consultants should be concise and complete in order to fully realize the benefits of their work.</td>
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### Observations of Existing System

10. **Account and Department ID Allocations**  
   Department Card Co-ordinators (DCCs) have approximately ten (10) days after P-card statements are available from the US Bank to allocate transactions to the appropriate account and department ID numbers online with US Bank. Transactions that are not reallocated online are charged to the cardholder's default clearing account and department ID numbers when the P-card information is imported into PeopleSoft. Journal entries are prepared to allocate transactions from the clearing account to their appropriate account and department ID numbers.

### Recommendation for Strengthening System

That HECFI and the Library allocate transactions to their correct account and department ID numbers in the 'US Bank' P-card system before the month end deadline.

### Management Action Plan

Library – Agreed. The Library has distributed notice to all holders of P-cards (June 7, 2011 and again on November 8, 2011) that should they continue to not have their statements submitted by the deadline, they will lose their P-card privileges.

HECFI – Disagreed. HECFI puts great emphasis on internal controls surrounding P-card purchases and insists all transactions are properly documented by the cardholder and approved by the relevant Director before submission to Business Services. These procedures can seldom be prepared by the cut-off date. Time spent on preparing subsequent journal entries is a good tradeoff from strong internal control procedures.

### Comments (October 2012)

Library - In Progress. 75% of statements reviewed during testing (6 of 8) were found to have been entered by the US Bank deadline.

HECFI - Disagreed. No further audit work is required.
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<td>10</td>
<td>Account and Department ID Allocations (Continued) Internal Audit observed that HECFI does not specify account allocation changes in the P-card system before the month end deadline. Thirty-four P-cards were utilized by HECFI for 657 transactions for the six month period ending June 30, 2011. Transactions captured on the procurement statements required journal entries to reallocate charges from the clearing account. This practice also occurred for a period of time at the Library. The amount of time associated with preparing and processing P-card journal entries may be significantly reduced if HECFI and the Library used transaction allocation online with 'US Bank' before the month end deadline.</td>
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<tr>
<td>11.</td>
<td>Computer Hardware and Software Purchases</td>
<td>That P-card approvers ensure written approvals from Information Services are attached to the P-card statements for computer hardware and software purchases.</td>
<td>Agreed. Staff will be informed by the Manager of Accounts Payable by the end of 2011.</td>
<td>Not Completed. Four out of 18 (22%) transactions reviewed related to unapproved computer hardware or software purchases.</td>
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</table>
## Procurement Card Usage

### Part B – Prior Recommendations Not Completed

**October 2012**

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<td>12</td>
<td>Procedures Discrepancies</td>
<td>That management verify that BAs and Directors are preparing and reviewing the six reports each month as per the procedure.</td>
<td>Agreed. The Finance and Administration (FA) Managers will ensure that there is compliance with what is outlined.</td>
<td>In Progress. The percentage of cardholders sampled by Audit and found without appropriate reports prepared has improved to 45% (25 out of 56) excluding HECFI, down from 74% in 2011. The compliance level for this item requires further improvement.</td>
</tr>
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</table>

Discrepancies exist between the P-card policies and procedures. For example, the policy states that the purchase of computer hardware and software must be pre-authorized in writing by the Manager of Purchasing but the procedure states these purchases must be authorized by Information Services.

That inconsistencies between the P-card policy and procedures be reviewed and corrected. Amendments should be communicated to cardholders, P-card approvers, DCCs, BAs, Directors and GMs.

Agreed. Policies and procedures will be reviewed for inconsistencies by the Manager of Accounts Payable by the end of the 1st quarter, 2012.

HECFI - No Longer Applicable. HECFI does not prepare the monthly reports due to the separate reporting cycle that they utilize in order to generate monthly accrual-based financial statements.

Not Completed. Revisions were made to the Procurement Policy in December 2011, but not to the section for P-cards (Policy #15). The related procedure has not been updated since the 2011 audit, therefore the discrepancies still exist.
### PROCUREMENT CARD USAGE

**PART B – PRIOR RECOMMENDATIONS NOT COMPLETED**

**OCTOBER 2012**

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<td>12.</td>
<td>Procedures Discrepancies (Continued)</td>
<td>That the P-card procedures stipulate all the information that is required on the Approval Form.</td>
<td>Agreed. The FA Manager (Corporate) will review this by the end of the 1st quarter, 2012.</td>
<td>Not Completed. Changes have not been made to the P-card procedures since the 2011 audit.</td>
</tr>
</tbody>
</table>

The majority of cardholders complete a Procurement Card Approval Form at the request of the DCC. These forms capture transaction information, such as the vendor, transaction and HST amounts, account allocation and transaction description. These Approval Forms are not completed in all sections and there is no requirement stipulated in the P-card procedures.

Procurement Card Department Co-ordinator Procedures are currently in draft form and have not been distributed to staff. As a result, DCCs continue to rely on past experiences which lead to inconsistencies in the P-card process.
<table>
<thead>
<tr>
<th>#</th>
<th>OBSERVATIONS OF EXISTING SYSTEM</th>
<th>RECOMMENDATION FOR STRENGTHENING SYSTEM</th>
<th>MANAGEMENT ACTION PLAN</th>
</tr>
</thead>
</table>
| 13. | Policy #19 Reporting  
Policy #19 (Non-compliance with the Procurement Policy) requires that all violations of the Procurement Policy be reported on a “Procurement Policy Non-Compliance Form” (to be completed by each Department) and that the use of these forms be reported to Council on a quarterly basis by the Procurement Manager.  
Five statements were identified as “non-compliant” by F&A staff. Of these five items, none were reported to Council via the Policy #19 quarterly reporting process. | That instances of non-compliance in P-card usage be reported as part of the quarterly reporting process for Policy #19. | Agreed. Non-compliant P-card purchases will be reported under Policy #19. The Procurement Policy Review Group will review Policy #19 in 2013 as part of the annual Procurement Policy Review. A recommendation may be brought forward to Council to amend Policy #19 to take into consideration the materiality and cause of the non-compliancy. |
### Observations of Existing System

<table>
<thead>
<tr>
<th>#</th>
<th>Business Procedures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>There is no business procedure manual for Rent Supplement Programs. Without appropriate guidelines and expectations, it may be difficult for management to evaluate staff performance effectively. If there is staff turnover, new staff do not have consistent, written guidelines to reference.</td>
</tr>
</tbody>
</table>

### Recommendation for Strengthening System

That management develop, approve and implement a business manual for administrative procedures in the Rent Supplement Programs. These documents should be reviewed on a regular basis (annually) and be revised, as required. Key areas that need to be addressed include:

- Tenant placement
- Income verification and rent calculation
- Payment processing
- Operational reviews
- Tenant file documentation requirements

### Management Action Plan

Agreed. Management has started the process of developing an operations manual. Thus far, the sections for Program Guidelines, Tenant Placement and Income Verification and Rent Calculation are complete. The rest of the operations manual will progress toward a completion date of December 31, 2013.
### Observations of Existing System

<table>
<thead>
<tr>
<th>#</th>
<th>Tenant Rent Calculation Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Rent-geared-to-income (RGI) calculations are complex due to the many regulations for income inclusions and exclusions per the Housing Services Act (HSA). The current method used to document income inclusions and exclusions was found not to provide adequate rationale to support the RGI calculations. A manual, unstructured form is used for documenting tenant RGI calculations. Many rental calculations include additional charges or reductions due to utilities and services as required by the HSA. All files reviewed (15) did not provide adequate support for amounts that increased or reduced tenant rents.</td>
</tr>
</tbody>
</table>

### Recommendation for Strengthening System

<table>
<thead>
<tr>
<th>#</th>
<th>Recommendation for Strengthening System</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>That standards for documenting income inclusions and exclusions and utility charges be developed, approved and implemented.</td>
</tr>
</tbody>
</table>

### Management Action Plan

<table>
<thead>
<tr>
<th>#</th>
<th>Management Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Agreed. As part of the operations manual development, there is a section on RGI calculation. This section has now been completed and includes sections on income verification, RGI calculation and step-by-step checklist on the process.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>#</th>
<th>Management Action Plan</th>
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</thead>
<tbody>
<tr>
<td>2.</td>
<td>Agreed. A standardized electronic form or template be developed and used for RGI calculations.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>#</th>
<th>Management Action Plan</th>
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</thead>
<tbody>
<tr>
<td>2.</td>
<td>Agreed. A standardized electronic form (Excel spreadsheet) has been developed in-house using the &quot;Household Income and Asset Review&quot; template developed by the Ontario Non-Profit Housing Association. This template is now being used by the supplement clerks to calculate RGI rents. A template and file path will be included in the operations manual noted above.</td>
</tr>
</tbody>
</table>
### Observations of Existing System

<table>
<thead>
<tr>
<th>#</th>
<th>Observations of Existing System</th>
<th>Recommendation for Strengthening System</th>
<th>Management Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Tenant Follow Up&lt;br&gt;Three of 15 files reviewed had a situation in which an enforcement letter (reminder) should have been sent to the tenant to obtain information required for the tenant’s file (e.g. proof of income or signed consent form). This information was needed by staff to complete the annual income review and RGI calculations.&lt;br&gt;For five files that had a reminder letter sent, the requested documentation was not evident in the tenant file.&lt;br&gt;Reminder letters are not tracked in a central location by program staff.</td>
<td>That enforcement letters (reminders) be sent for all situations in which additional information needs to be provided.</td>
<td>Agreed. Of the three situations, one tenant has moved out and is no longer a client. The other two have been issued enforcement letters with a one month respond deadline. They have been entered into the task management area of Outlook to ensure follow up in the case of non-compliance.&lt;br&gt;A policy will be developed and included in the manual detailing when enforcement letters are required along with templates for use by the clerks. This section of the manual will be developed by May 31, 2013.</td>
</tr>
</tbody>
</table>
|   | That a method of tracking tenant enforcement letters (reminders) be developed and implemented. | Agreed. A system utilizing the task function of Outlook will be developed and included in the procedure manual currently being developed. The task function in Outlook will be utilized immediately and the procedure will be incorporated in the operations manual by April 30, 2013. | }
<table>
<thead>
<tr>
<th>#</th>
<th>OBSERVATIONS OF EXISTING SYSTEM</th>
<th>RECOMMENDATION FOR STRENGTHENING SYSTEM</th>
<th>MANAGEMENT ACTION PLAN</th>
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<tbody>
<tr>
<td>3.</td>
<td>Tenant Follow Up (Cont’d)</td>
<td>That additional follow up action be taken if the required documentation is not provided by the tenant.</td>
<td>Agreed. A procedure will be developed to include remedies available to the Service Manager where there is a failure to comply. This will be included in the operations manual by May 31, 2013.</td>
</tr>
<tr>
<td>4.</td>
<td>Building Information</td>
<td>That a centralized listing be created (and updated regularly) to detail the utilities and services offered at individual housing units in the rent supplement programs.</td>
<td>Agreed. A centralized listing of all current housing providers which would include unit size, market rent, other amenities and the utilities included in the rent will be prepared. This list will be updated as new landlords enter the program. It will also be updated on an annual basis. It will be completed and included in the operations manual by April 30, 2013.</td>
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</table>

Housing units vary widely as to which utilities and services are included in their basic market rent. There is currently no centralized listing for program staff to use as a reference tool which details the utilities and services that are provided in each unit. Such a listing should be used by staff during the RGI rental calculation process to ensure that calculations are being completed accurately.

That such a listing be used by staff to support the RGI calculation process. | Agreed. The listing will be utilized to support the RGI calculations. |
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<tr>
<th>#</th>
<th>OBSERVATIONS OF EXISTING SYSTEM</th>
<th>RECOMMENDATION FOR STRENGTHENING SYSTEM</th>
<th>MANAGEMENT ACTION PLAN</th>
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</thead>
<tbody>
<tr>
<td>5</td>
<td>Housing Provider Contract</td>
<td>That all housing providers under OCHAP be required to sign a SMDA and a RSA (and comply with all requirements in the agreements) in order to continue receiving rent supplement funding.</td>
<td>Alternative to be considered. This particular facility offers all levels of care. There is no signed contract as its management feels it would infringe upon its mandate to house a specific client group and it would have to use the centralized wait list for social housing for its applicants. Under the former SHRA and now the RSA, the City of Hamilton can use exceptional circumstances to opt out of the centralized wait list. For historical purposes (the contract was originally signed by the Province of Ontario in the 1990’s), this has been deemed an exceptional circumstance. An amended contract will be scripted and signed by both parties by June 30, 2013 (an extra month has been given to ensure time for a Board meeting).</td>
</tr>
</tbody>
</table>

Ontario Community Housing Assistance Program (OCHAP) is a rent supplement program that provides RGI assistance. Funds are given to the non-profit housing providers that administer the program under the authority of a Service Manager Delegation Agreement (SMDA).

One housing provider has not signed a (SMDA) or a Rent Supplement Agreement (RSA) with the City. This housing provider has never entered into a signed agreement with the City since the City became the Service Manager in 2001. Per City staff, this housing provider has indicated that no agreement will be signed because the agreement’s requirements restrict the ability to fulfill its mandate of serving its specific client community.

Per the most recent operational review completed by the City, this Housing Provider was not in compliance with Provincial legislation for the placement of tenants. The Access to Housing waitlist is not utilized by this Housing Provider.
## RENT SUPPLEMENT PROGRAMS
### JANUARY 2013

<table>
<thead>
<tr>
<th>#</th>
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<th>RECOMMENDATION FOR STRENGTHENING SYSTEM</th>
<th>MANAGEMENT ACTION PLAN</th>
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<tbody>
<tr>
<td>6.</td>
<td>Rent Supplement Agreements (All Programs)</td>
<td>That the City work collaboratively with housing providers and landlords to sign RSAs in a timely manner, within a specified timeframe that is determined by management.</td>
<td>Agreed. A policy and procedure will be developed that states that the renewal process will begin 60 days prior to the expiration of the current agreement and stored as part of the manual. The renewal schedule will be compiled by June 30, 2013 and kept in a central location with a follow-up protocol which will make use of the task function in Outlook. Term length for each agreement will vary so that, in the future, all agreements will expire on the same date, at which time and going forward, the agreements will have a standard 5 year term. All OCHAP agreements are now current and there is only 1 Strong Communities agreement outstanding. It is anticipated to be signed and on file by March 31, 2013.</td>
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<tr>
<td></td>
<td>Four of ten OCHAP RSAs and nine of ten Commercial &amp; Strong Communities RSAs were found to have time lags of at least one month between the effective date of the agreement and the date that the agreement was signed. Two of the Commercial and Strong Communities RSAs noted above expired in December 2011 and still had not been renewed when testing was completed December 2012. The City has increased its legal risk and financial exposure without valid agreements in place.</td>
<td>That, after working collaboratively with a housing provider, the City withhold payments if a RSA is not signed.</td>
<td>Agreed. The policy above will include any remedies available to the Service Manager with regards to non-compliance.</td>
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</table>
### OBSERVATIONS OF EXISTING SYSTEM

<table>
<thead>
<tr>
<th>#</th>
<th>ODSP Shelter Allowances and RGI Amounts</th>
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| 7. | The Housing Services Act specifies the monthly tenant rent amount based on the size of the benefit unit (a benefit unit is a person and all of his/her dependents that receive financial assistance). Staff complete annual RGI calculations that determine the rent that should be paid by the tenant as per the Act.  
Some rent supplement tenants have an income source from ODSP (Ontario Disability Support Program) that includes an amount for shelter. In 10 of 11 ODSP files reviewed, the shelter allowance received under ODSP was more than the rent actually paid by the rent supplement tenant. ODSP clients are required to report their actual shelter costs to their ODSP caseworkers.  
Management was not able to explain why the ODSP shelter amounts were more than the rent actually paid by RGI tenants. |}

### RECOMMENDATION FOR STRENGTHENING SYSTEM

That the Housing Services Division and the Employment and Income Support Division work together to investigate why ODSP shelter allowances vary from the rent actually paid by RGI tenants who are ODSP clients. Any errors or discrepancies should be corrected.

### MANAGEMENT ACTION PLAN

Not applicable/Alternative to be considered. The current provincial system has restricted the ability to share tenant information with the Ontario Works and ODSP Programs. Housing Services staff were informed that accessing tenant information through the provincial information system for social assistance (SDMT) was in contravention of Privacy Legislation.

As an alternative, the Housing Services Division and the Employment and Income Support Division will work together to investigate a solution to this issue through possibly a signed consent on the tenant’s file. A resolution to this issue will be in place by March 31, 2014.
### OBSERVATIONS OF EXISTING SYSTEM

8. **Operational Review Follow Up**  
   When the City delegates Service Manager responsibilities to a housing provider (via a SMDA), operational reviews are performed periodically by the Housing Services Division staff to verify that the housing provider is fulfilling the requirements of the agreement and is properly administering the rent supplement programs (i.e. tenant income verification, RGI calculations, filling vacancies appropriately).

Two out of the eight instances examined identified situations in which appropriate follow up actions were not taken by the Housing Services Division after deficiencies were noted during an operational review of a housing provider (i.e. evidence of corrective actions taken were not included in the operational review file).

### RECOMMENDATION FOR STRENGTHENING SYSTEM

That staff create a tracking spreadsheet for outstanding operational review deficiencies, perform regular follow up procedures and document the actions taken.

### MANAGEMENT ACTION PLAN

Agreed. A standard spreadsheet will be developed by April 30, 2013 and kept at a central location, detailing the results of the reviews along with any anticipated remedial actions and due dates. This file will be reviewed on a monthly basis to ensure compliance and remedial actions are taken, where appropriate.
## Review of Rental Adjustments

Rental adjustments can occur when a tenant’s rent has increased or decreased and an adjustment for prior applicable periods is required or when a unit becomes vacant.

Adjustments are not currently reviewed as part of the monthly payment process. Given that these payments are not for regular rent supplement payments, monthly review of rental adjustments is a good internal control. A report identifying adjustments cannot be generated from the Yardi computer application but this data is available by modifying a report that is currently utilized by staff.

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<thead>
<tr>
<th>#</th>
<th>OBSERVATIONS OF EXISTING SYSTEM</th>
<th>RECOMMENDATION FOR STRENGTHENING SYSTEM</th>
<th>MANAGEMENT ACTION PLAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.</td>
<td>Rental adjustments can occur when a tenant’s rent has increased or decreased and an adjustment for prior applicable periods is required or when a unit becomes vacant.</td>
<td>That a monthly summary of rental adjustments be prepared from existing data.</td>
<td>Agreed. A file is currently being created during the monthly payment process. It details the landlord, tenant and adjustment amount.</td>
</tr>
<tr>
<td></td>
<td>That management review the listing of adjustments as part of the monthly payment process. A review of supporting documentation (i.e. the tenant file) should be performed for unusual items.</td>
<td></td>
<td>Agreed. The file note above is being reviewed and signed by the Rent Supplement/Tenant Relations Officer. It will be included as part of the monthly supplement payment authorization file.</td>
</tr>
</tbody>
</table>
Lal Balkaran
MBA, CIA, FCGA, FCMA, CGMA
Internal Audit, Risk, and Corporate Governance Consultant

City of Hamilton
Audit Services Division
City Manager’s Office

External Validation of the 2012 Self-Assessment Review

Summary and Observations Report

March 2013
# Table of Contents

I. Overview ........................................................................................................................................ 3  
   Background ................................................................................................................................... 3  
   Opinion ......................................................................................................................................... 3  
   Scope .......................................................................................................................................... 3  
   Project Methodology ................................................................................................................... 4  
II. Executive Summary .................................................................................................................... 5  
    General ......................................................................................................................................... 5  
    Positive Attributes ..................................................................................................................... 5  
    Summary of Observations and Recommendations ..................................................................... 6  
III. Appendix A – IIA Standards Compliance Evaluation Summary .............................................. 7  
IV. Appendix B - Independent Validator Statement ................................................................. 9  
V. Appendix C - Observations and Recommendations Summary – IIA Standards ................. 10  
VI. Appendix D - Observations and Recommendations Summary – Leading Practices ........... 12
I. Overview

Background
I was engaged by the City of Hamilton Audit Services Division ("ASD") to perform an external validation of their self-assessment. The principal objective of my engagement was to assess the ASD’s conformance to The Institute of Internal Auditors ("IIA")'s *International Standards for the Professional Practice of Internal Auditing* (IIA Standards) and compare their audit practices against leading practices in other select municipalities. As a result, information from the audit departments of the Cities of Oshawa, Calgary and Mississauga, was used for this comparison.

Opinion
It is my overall opinion that the ASD activity generally conforms to the IIA *Standards and Code of Ethics*. For a detailed list of conformance to individual standards, please see Appendix A.

The IIA *Quality Assessment Manual* suggests a scale of three ratings, “generally conforms,” “partially conforms,” and “does not conform.” “Generally Conforms” is the top rating and means that an IA activity has a charter, policies, and processes that are judged to be in conformance with the Standards. “Partially Conforms” means deficiencies in practice are noted that are judged to deviate from the Standards, but these deficiencies did not preclude the ASD’s activity from performing its responsibilities in an acceptable manner. “Does Not Conform” means deficiencies in practice are judged to be so significant as to seriously impair or preclude the IA activity from performing adequately in all or in significant areas of its responsibilities.

There were six “Partially Conformed” key areas on which I focused and my observations and recommendations are contained in Appendix C.

Scope
As part of the preparation for this validation, the ASD prepared a self-assessment report with detailed information against each IIA *Standard* which was the basis for my validation. In addition, seven City of Hamilton staff members were selected for interview. They included the City Manager; Chair of the Audit, Finance, and Administration (A, F & A) committee plus one additional committee member; Director, Audit Services Division and one Senior Auditor; Director, Information Services; and General Manager, Finance and Corporate Services. A summary of the interview results has been provided to the Director, Audit Services. I also reviewed a range of information including the ASD’s risk assessment and audit planning processes, audit policies and procedures, tools and methodologies, engagement and staff management processes, two sample reports to the A, F & A committee and two working paper files for 2012.

The scope of the project included:

- Assessment of the quality of the risk assessment methodology;
- Evaluation of the efficiency and effectiveness of the audit methodology used to conduct internal audits;
- Evaluation and effectiveness of the quality of reporting by the ASD;
- Analysis of audit tools that support the internal audit processes;
- Evaluation of the ASD’s training and personnel review process; and
- Analysis of the ASD’s mission and practices to ensure they are inline with the A,F&A committee members, senior management and auditees’ expectations.
Project Methodology

My project approach consisted of:

- Conducting structured interviews with the seven staff members mentioned above. The interviews were held to gain an understanding of the needs, expectations and views regarding the ASD’s structure and general performance;

- Reviewing documentation including internal audit policies and procedures, the risk assessment and related methodology documentation, the internal audit plan, a sample of two audit working paper files, staff profiles, quality assurance program, budgets, audit tools, and any other information I felt relevant to meeting the project objectives;

- Comparing how the ASD compares against internal audit leading practices at other select municipalities (Calgary, Oshawa, and Mississauga);

- Preparing an “Independent Validator Statement” (see Appendix B) to conform with the IIA Quality Assessment Manual; and

- Preparing a report that summarizes my findings and recommendations in conformance with Tool #21 of the above manual.
II. Executive Summary

General
Included in Appendix C is a matrix which summarizes my detailed observations and recommendations. The observations were assigned a rating which is based on three levels of descending priority. The recommendations are presented for management consideration and represent a suggested approach to enhance the related process. Implementation decisions regarding which observations and recommended course of action to implement are the responsibility of ASD management.

Positive Attributes
The City of Hamilton's Audit Services Division is well-structured and progressive, where the IIA Standards are understood and management is endeavoring to provide useful audit tools and implement appropriate practices. Some successful practices in place are:

- The ASD is well-respected and is considered a valued business adviser to many throughout the City;
- Reports to the Audit, Finance and Administration Committee (A, F & A) are comprehensive;
- The Director, Audit Services works effectively with the AF & A and has ongoing communication with the respective members. An open communication channel generally leads to better corporate governance;
- All five staff members who perform internal audit engagements are certified internal auditors and hold other recognized accounting certifications;
- There is an established risk methodology for determining the 2012 audit plan;
- There is a comprehensive audit policies and procedures manual;
- Knowledge Management is encouraged and practiced as there is a Library with some good books, research reports, and specialized publications;
- There is active participation in professional associations;
- Staff morale is high;
- The Planning, Fieldwork, and Reporting aspects of audit engagements are aligned with leading practices;
- Key performance measures and metrics are used to monitor audits and manage the audit effort; and
- An Audit Effectiveness Questionnaire is done after each audit.

As with any function within an organization, there are opportunities to improve existing practices that should further strengthen the overall effectiveness of the ASD. I have summarized my recommendations by key process below. These recommendations are based on my detailed observations and recommendations included in Appendix C.
Summary of Observations and Recommendations

The observations and recommendations are divided into two groups:

A. Those on which the IIA Standards have an impact;

There are six key areas where there is partial deviation from the Standards but from an overall perspective, these do not impact the overall rating for that particular standard. These six areas are summarized as follows:

- Audit reports do not contain the term that the internal audit activity conforms with the International Standards for the Professional Practice of Internal Auditing;
- The risk universe is not updated annually;
- The ethics-related objectives, programs, and activities are not reviewed;
- The information technology governance is not reviewed;
- Fraud risk management has not been an area of focus; and
- Consulting engagements are not performed.

See Appendix C for detail observations and recommendations that support each of the above issue.

B. Those that are based on leading practices at other municipalities and at other organizations.

There are eleven areas for improvement summarized as follows:

- There is a need to revise the Audit Committee charter;
- The internal audit charter needs to include a reference to information technology (IT) standards;
- The annual risk assessment does not include IT risks;
- Automated tools like Audit Command Language (ACL) and computer assisted audit techniques (CAATs) are not used in ASD;
- Working paper files are not automated;
- An annual City management and ASD staff surveys are not done;
- The Audit Effectiveness Questionnaire needs to be expanded;
- A File Completion Checklist is not used in working paper files;
- No ASD staff member holds the certified information systems auditor (CISA) certification or membership to the Information Systems Audit and Control Association (ISACA);
- There is a need to revise the Audit Policies and Procedures Manual; and
- ASD needs to have its own site within the City's website.

See Appendix D for detail observations and recommendations that support each of the above issue.
### III. Appendix A – IIA Standards Compliance Evaluation Summary

<table>
<thead>
<tr>
<th>Standard Number</th>
<th>IIA Standard</th>
<th>Generally Conforms</th>
<th>Partially Conforms</th>
<th>Does Not Conform</th>
</tr>
</thead>
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<td>1000</td>
<td>Purpose, Authority, and Responsibility</td>
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<tr>
<td>1010</td>
<td>Recognition of the Definition of Internal Auditing, the Code of Ethics, and the Standards in the Internal Audit Charter</td>
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<td>Independence and Objectivity</td>
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<td>Organizational Independence</td>
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<td>Use of “Conforms with the International Standards for the Professional Practice of Internal Auditing”</td>
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<td>Disclosure of Nonconformance</td>
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<td>Planning</td>
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<tr>
<td>2100</td>
<td>Nature of Work</td>
<td>✓</td>
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<tr>
<td>2110</td>
<td>Governance</td>
<td>✓</td>
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<tr>
<td>2120</td>
<td>Risk Management</td>
<td>✓</td>
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<tr>
<td>2130</td>
<td>Control</td>
<td>✓</td>
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<tr>
<td>2200</td>
<td>Engagement Planning</td>
<td>✓</td>
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<tr>
<td>2201</td>
<td>Planning Considerations</td>
<td>✓</td>
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<tr>
<td>2210</td>
<td>Engagement Objectives</td>
<td>✓</td>
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<td>2220</td>
<td>Engagement Scope</td>
<td>✓</td>
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<tr>
<td>2230</td>
<td>Engagement Resource Allocation</td>
<td>✓</td>
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<tr>
<td>2240</td>
<td>Engagement Work Program</td>
<td>✓</td>
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<tr>
<td>2300</td>
<td>Performing the Engagement</td>
<td>✓</td>
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<tr>
<td>2310</td>
<td>Identifying Information</td>
<td>✓</td>
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<tr>
<td>2320</td>
<td>Analysis and Evaluation</td>
<td>✓</td>
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<tr>
<td>2330</td>
<td>Documenting Information</td>
<td>✓</td>
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<tr>
<td>2340</td>
<td>Engagement Supervision</td>
<td>✓</td>
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<tr>
<td>2400</td>
<td>Communicating Results</td>
<td>✓</td>
<td></td>
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</tr>
<tr>
<td>2410</td>
<td>Criteria for Communicating</td>
<td>✓</td>
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<tr>
<td>2420</td>
<td>Quality of Communications</td>
<td>✓</td>
<td></td>
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</tr>
<tr>
<td>2421</td>
<td>Errors and Omissions</td>
<td>✓</td>
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<tr>
<td>2430</td>
<td>Use of “Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing”</td>
<td>✓</td>
<td></td>
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</tr>
<tr>
<td>2431</td>
<td>Engagement Disclosure of Nonconformance</td>
<td>✓</td>
<td></td>
<td></td>
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<tr>
<td>2440</td>
<td>Disseminating Results</td>
<td>✓</td>
<td></td>
<td></td>
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<tr>
<td>2450</td>
<td>Overall Opinions</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2500</td>
<td>Monitoring Progress</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2600</td>
<td>Resolution of Senior Management’s Acceptance of Risks</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IIA Code of Ethics</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Definition of Internal Auditing</td>
<td>✓</td>
<td></td>
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</tr>
</tbody>
</table>
IV. Appendix B - Independent Validator Statement

I was engaged to conduct an independent validation of the City of Hamilton Audit Services Division (ASD) activity’s self-assessment. The primary objective of the validation was to verify the assertions made in the quality self-assessment report concerning adequate fulfillment of the organization’s basic expectations of the internal audit activity and its conformity to The Institute of Internal Auditors’ (The IIA’s) International Standards for the Professional Practice of Internal Auditing (Standards).

In acting as validator, I am fully independent of the City of Hamilton and have the necessary knowledge and skills to undertake this engagement. The validation, conducted during the period September 17th – October 5th, 2012 consisted primarily of a review and testing of the procedures and results of the self-assessment. In addition, interviews were conducted with seven select staff members.

I concur fully with the ASD’s activity’s conclusions in the self-assessment report.

Implementation of my recommendations will further improve the effectiveness and enhance the value of the IA activity and ensure its full conformity to the Standards.

Lal Balkaran
Independent Validator

March 2013
## Appendix C - Observations and Recommendations Summary – IIA Standards

<table>
<thead>
<tr>
<th>IIA Standard</th>
<th>Observation and Recommendation</th>
<th>Management Response</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 1321 – Use of “Conforms with the International Standards for the Professional Practice of Internal Auditing”&lt;br&gt;The chief audit executive may state that the internal audit activity conforms with the International Standards for the Professional Practice of Internal Auditing only if the results of the quality assurance and improvement program support this statement.</td>
<td>The term is not currently used in audit reports.&lt;br&gt;Since the ASD processes conform with the IIA Standards, it is recommended that the phrase be used in audit reports on a go-forward basis.</td>
<td>Agreed. Audit reports to Committee and Council will include the conformity with the International Standards for the Professional Practice of Internal Auditing beginning Quarter 2, 2013, where supported.</td>
<td>Moderate</td>
</tr>
<tr>
<td>2 2110.A1 – The internal audit activity’s plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.</td>
<td>The Director, Audit Services prepares the annual audit plan based on the audit universe. Inputs are obtained from senior management and Council and an assessment of risks is carried out.&lt;br&gt;However, the audit universe is not updated annually to reflect the most current strategies and direction of the organization.</td>
<td>Agreed. A risk assessment was carried out in 2012 and used for the 2013 work plan. Due to the amount of resources required to carry out such an assessment, it cannot be undertaken annually. Attempts will be made to update key factors and strategic changes before preparing the annual work plan, as time and resources allow.</td>
<td>High</td>
</tr>
<tr>
<td>3 2110.A2 – The internal audit activity must assess whether the information technology governance of the organization supports the organization’s strategies and objectives.</td>
<td>Consideration should be given to including aspects of the City’s Code in some audits or a full-fledged audit of the Code be done.</td>
<td>Agreed. The 2013 Audit Work Plan includes a review of Ethics and Ethical Processes.&lt;br&gt;Expected Completion – June, 2013.</td>
<td>Moderate</td>
</tr>
<tr>
<td>4 2110.A2 – The internal audit activity must assess whether the information technology governance of the organization supports the organization’s strategies and objectives.</td>
<td>A review of the City’s information technology governance must be done to conform to this standard.</td>
<td>Agreed. Audit Services’ review of IS governance is being delayed until this issue has been dealt with by a corporate study being considered. Once the recommendations of the study have been implemented, this audit will be placed on the Work Plan.</td>
<td>High</td>
</tr>
<tr>
<td>IIA Standard</td>
<td>Observation and Recommendation</td>
<td>Management Response</td>
<td>Rating</td>
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</tr>
<tr>
<td>2120.A2</td>
<td>A fraud risk assessment must be an integral component of the overall risk management initiative which is now being considered.</td>
<td>Agreed. A fraud factor will be rated and evaluated in the risk assessment carried out for each audit beginning in/after Quarter 2, 2013. Management’s assessment of areas of potential fraud will also be used in the development of the annual work plan.</td>
<td>High</td>
</tr>
<tr>
<td>2120.C1</td>
<td>Consulting engagements have not been an area of focus for the ASD. However, whenever these are being undertaken, audit staff must be alert to the risks associated with the consulting engagement.</td>
<td>Not Applicable. Due to resource constraints, consulting engagements have not been considered as an area of focus.</td>
<td>High</td>
</tr>
</tbody>
</table>

1. Legend of Rating:

- **High** – Recommended action should be implemented immediately.
- **Moderate** – Recommended action requires management attention and should be implemented within a reasonable time period (180 days).
- **Low** – Recommended action presented for management consideration but not critical to overall process.
### Appendix D - Observations and Recommendations Summary – Leading Practices

<table>
<thead>
<tr>
<th>Current State of ASD</th>
<th>Observation and Recommendation</th>
<th>Management Response</th>
<th>Rating</th>
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<tbody>
<tr>
<td>1 The current Audit Committee Charter is basically divided into three broad categories: composition, mandate, and specific duties. There is a high level reference made to the internal audit and external audit. However, it is deficient in some ways, e.g., it is not fully structured to show its range of responsibility and it does not mention of other responsibilities.</td>
<td>Use the Model Audit Committee charter in the IIA’s QA Manual as a guide to revise the Audit Committee Charter to show: - Purpose - Authority - Meetings - Reporting responsibility The specific duties should be categorized into: - Financial Reporting - Internal Control - Internal Audit - External audit - Compliance - Other Responsibilities</td>
<td>Agreed. This recommendation and supporting documentation will be referred to the City Clerk who is responsible for Committee Terms of Reference.</td>
<td>Low</td>
</tr>
<tr>
<td>2 The Internal Audit charter is comprehensive but it lacks mention of information technology standards (ISACA Standards) under which IT audits are conducted.</td>
<td>Under the “Professional Standards” section of the charter, consider inserting ISACA Standards as well.</td>
<td>Disagreed. As there are no ISACA professionals on staff and few IS specific audits are carried out, these standards, although they may be considered, are not mentioned in the charter. Other sources of “standards” may be also considered.</td>
<td>Low</td>
</tr>
<tr>
<td>3 The annual risk assessment process is well-documented. While appropriate risk assessment practices have been established for ASD to obtain management’s input and address high risk areas during audits, the methodology has not been tailored to address information technology (IT) risks for IT audits. One audit out of 18 or 5% of audits planned for</td>
<td>The City uses Peoplesoft financial systems (Procurement; HR; Payroll; General Ledger; Financial Reporting). There are key risks that need to be identified in these applications and overall general information technology areas. A formal risk assessment methodology relating to information technology audits should be</td>
<td>Agreed. IS risk, where appropriate, will be factored into the risk assessment carried out for each audit beginning quarter 3, 2013. In developing the annual work plan, management’s views on general information technology areas and associated risks will be considered. Agreed. In the case of a direct IS audit, various methodologies (including GTAG #4)</td>
<td>High</td>
</tr>
</tbody>
</table>
Critical automated audit tools like ACL and CAATs are not being used by the department. In today’s technological era where every aspect of business is driven by technology, risks and controls need to be evaluated. Automated audit tools enable many areas to be audited that would not otherwise be reviewed.

The City is not getting the full value of its investment in internal audit when such tools are lacking.

Benchmarking information shows that over 65 percent of public sector organizations use automated audit tools in their audit departments.

ACL is recognized worldwide as the leading stand-alone data analysis software for audit and financial professionals. Providing a unique and powerful combination of built-in audit analysis commands, ad-hoc data access and a simple scripting language, ACL enables auditors to:

• Analyze entire data populations for complete assurance;
• Identify trends, pinpoint exceptions and highlight potential areas of concern;
• Locate errors and potential fraud;
• Identify control issues and ensure compliance with organizational and regulatory standards;
• Age and analyze financial or any other time-sensitive transactions; and
• Cleanse and normalize data to ensure consistency and accurate results.

ACL can be used to do so much with so little. E.g., in data mining and data analytics to detect unusual fluctuations on data, unauthorized purchases, persons breaching their signing authority limits, duplicate payments, fraudulent
<table>
<thead>
<tr>
<th>Current State of ASD</th>
<th>Observation and Recommendation</th>
<th>Management Response</th>
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<tbody>
<tr>
<td></td>
<td>invoices, etc. In two documented cases, a company spent $800 buying ACL and used it to examine all sales transactions for an entire year. Over $3 million of unbilled customers were detected within four months. In another instance, ACL was used to detect two purchasing staff circumventing controls by approving a series of purchase orders just below their authority limits (approving a series of transactions for $495 each when their limit was $500) to buy an item for $15,000. Spending on ACL should be considered. In addition, have someone from the Information Services work closely with an ASD staff member to develop specific queries in Peoplesoft to review specific transactions. E.g., a query to check for duplicate payments.</td>
<td>further investigation. These queries will be used as an alternative to commercial data analysis software.</td>
</tr>
<tr>
<td>Working paper files are not automated. With the thrust of a paperless environment, and the proliferation of technology, many audit shops are opting for the use of an established working paper software. More and more organizations are moving towards automating their working papers which offer effective audit and management trails and conformance with established standards and frameworks. The audit departments at Calgary and Oshawa use an established automated working paper software while Mississauga is currently in the process of selecting one.</td>
<td>An automated working paper system should be introduced. With the focus on a green economy, the thrust of the audit effort should be towards using less paper. Paperless systems can improve the quality and efficiency of internal audits and foster new and creative approaches to auditing. Auditors can review and share audit files even if they are all at different locations. E.g., data can be retrieved from data bases stored on a USB key. The internal audit effort can become more efficient and effective. In fact, many audit departments report that new technologies are enabling them to meet or exceed their annual</td>
<td>Disagreed. Many automated working paper systems are geared more to external audit working paper preparation. Inquiries made to other municipalities resulted in few confirmations that paperless systems were in consistent use. Cost for such a software package cannot be accommodated in the current budget.</td>
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</table>

<p>| Rating | Moderate |</p>
<table>
<thead>
<tr>
<th>Current State of ASD</th>
<th>Observation and Recommendation</th>
<th>Management Response</th>
<th>Rating</th>
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<tbody>
<tr>
<td>Audit plans at less cost. Working paper software conforms to both IIA and ISACA standards and addresses all elements of the end-to-end audit process including quality assurance (QA) and follow-up activities. Moreover, it saves on paper and files are retained electronically. There is also provision for items to be scanned and attached as audit evidence.</td>
<td>Consider introducing an annual management survey to obtain management feedback on their perception of ASD and the audit effort. Even though the ASD is small, introduce an annual staff satisfaction survey.</td>
<td>Alternatives implemented. Audit Effectiveness Questionnaires are sent out to auditees' management and staff upon the completion of every audit, seeking feedback re: the quality of the audit work carried out and the recommendations, the quality of auditor interaction and knowledge and any other comments that they wish to make. As for staff satisfaction, performance appraisals are conducted annually and within this review, staff are given the opportunity to voice and note their concerns regarding their positions, supervision and general satisfaction.</td>
<td>Low</td>
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<tr>
<td>There is no annual survey of management nor audit staff satisfaction survey. These are quality assurance measures to determine how audit is perceived and how satisfied are staff members. The results obtained can be used to improve the audit effort. Staff satisfaction surveys are used in audit departments at Mississauga, Calgary, and Oshawa.</td>
<td>Consider adding the following elements to the Audit Effectiveness Questionnaire: <strong>Audit Planning</strong> - Suitability of audit scope; Appropriateness of audit objectives; and Communication of scope and objectives.</td>
<td>Alternative Implemented/Disagreed. For the item under Audit Planning, the scope, objectives and approach are developed and shared with management as a standard audit procedure. For all of the items under Reporting and for the Engagement of Management under Fieldwork, these items are already included on the questionnaire. As to the research done and the extent of the</td>
<td>Low</td>
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<td>Current State of ASD</td>
<td>Observation and Recommendation</td>
<td>Management Response</td>
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<tr>
<td><strong>Fieldwork</strong></td>
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<td>testing performed, the auditee would have a difficult time gauging these without an audit techniques background.</td>
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<tr>
<td>Extent of testing performed by auditor; Depth of analyses and research done; Engagement of management on audit findings; and Flexibility of audit.</td>
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<td><strong>Reporting</strong></td>
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<tr>
<td>Practicality of audit findings; Clarity of report; and Timeliness of report.</td>
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<td><strong>Introduce a file completion checklist to include the following:</strong></td>
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<tr>
<td><strong>Audit Planning</strong></td>
<td></td>
<td>Agreed. Seven of the 11 bullets presented are already included on a single page checklist entitled “Audit Planning Schedule” where the timing for each of the elements is compared between the planned completion date and the actual completion date. This schedule will be redrafted to include the specific missing elements indicated by the “*”.</td>
<td>Low</td>
</tr>
<tr>
<td>Scope and Objectives determined; Risk/Control matrix done; and Entrance conference held.</td>
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<tr>
<td><strong>Audit Fieldwork</strong></td>
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<tr>
<td>Audit program executed; Findings are documented and supported; and Test are properly carried out.</td>
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<tr>
<td><strong>Reporting</strong></td>
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<tr>
<td>Draft report discussed with management; Issues in report are properly supported; and Report has been issued within a reasonable time frame.</td>
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<tr>
<td><strong>Quality Assurance</strong></td>
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<td>Review Notes have been cleared All working papers have been properly signed off.</td>
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Elements of a file completion checklist are contained in each audit working. However, a single checklist needs to be contained on one document and inserted in the file to ensure all elements of each phase of the audit – planning, fieldwork, and reporting – were indeed completed.

Agreed. Seven of the 11 bullets presented are already included on a single page checklist entitled “Audit Planning Schedule” where the timing for each of the elements is compared between the planned completion date and the actual completion date. This schedule will be redrafted to include the specific missing elements indicated by the “*”.
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<tr>
<td>Although all ASD staff members are professionally qualified, no one holds a certification in information technology auditing. The generally accepted designation in this field is the certified information systems auditor or CISA administered by the Information Systems and Audit Control Association (ISACA). Also, no one is a member of ISACA. There is at least one staff member in the audit department at the Cities of Mississauga, Calgary, and Oshawa with such a designation and membership. The greater risk here is that key risks and controls in an IT environment are not adequately addressed which could lead to potential losses.</td>
<td>There are three categories of IT Knowledge that all audit staff should be made aware of: Category 1 — Required by all audit staff. It entails an understanding of: • Differences in software used in applications; • Operating Systems; • Systems Software; • Networks; • IT Security and Control Components; • The Business itself and its key risks; and • Impact of technology on business operations. Category 2 — Required by supervisory staff. In addition to Category 1, this requires an understanding of the following: • IT issues and elements to be addressed in: • Audit Planning; • Testing; • Analysis; • Reporting; • Follow-up; and • Assigning auditor skills to elements of audit projects. For an IT specialist in an audit department, the knowledge required will be, in addition to Category 2, the following: • An understanding of the underlying technologies supporting business components; and • Familiarity with the threats and</td>
<td>Agreed. The current staffing complement does not include a CISA or a member of ISACA. However, current staff have adequate IS knowledge to carry out basic key IS audits where they are planned. They are able to carry out proper risk and controls assessments in an IS environment (either as an individual audit or as part of an application/software used in the area of audit).</td>
<td>Moderate</td>
</tr>
<tr>
<td>Current State of ASD</td>
<td>Observation and Recommendation</td>
<td>Management Response</td>
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</table>
| There is a comprehensive Audit Policy Manual that has a wealth of information. However, it can even be made better if it is expanded to cover additional internal audit-related material to help guide audit staff members. | The following should be included in the manual which it currently lacks:  
- IT audit methodology and standards including the use of computer assisted audit techniques or CAATs;  
- CoBIT 5 Framework;  
- COSO Framework; and  
- COSO-ERM Framework.  
Also, some phrases need to be changed for consistency. E.g., "Audit & Administration Committee" to "Audit, Finance, and Administration Committee" and "IIA Professional Practices Framework" to "IIA International Professional Practices Framework (IPPF)". | Agreed. The Audit Services and Procedures Manual will be updated to reference additional sources of information. However, no references to CAATs will be made as this methodology is not available at the City. Implementation date — end of Quarter 2, 2013. | High |
| The ASD does not currently have its own intranet on the company’s website which is being revamped. However, when it is developed, the ASD should populate its site with some critical information that will help communicate and lift the profile of the audit effort throughout. | The ASD site on the company’s intranet should be used as the principal method to communicate developments and changes in the profession and related areas to include the following:  
- Audit Charter;  
- Audit Committee Charter; | Agreed. The Director of Audit Services has already spoken to the web author who will be responsible for Audit’s material in the web re-development. The noted items will be considered for possible inclusion in Phase 2 of the work. Expected Implementation — late 2014 | Low |
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<tr>
<th>Current State of ASD</th>
<th>Observation and Recommendation</th>
<th>Management Response</th>
<th>Rating</th>
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<tr>
<td>the City.</td>
<td>• IIA Standards;</td>
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<td></td>
<td>• Audit process;</td>
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<td></td>
<td>• Types of audit;</td>
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<td></td>
<td>• Whistle-blowing effort;</td>
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<td>• Staff profiles;</td>
<td></td>
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<tr>
<td></td>
<td>• Links to other sites (IIA, Audit Net, ISACA); and</td>
<td></td>
<td>2013.</td>
</tr>
<tr>
<td></td>
<td>• Developments and pronouncements.</td>
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<td></td>
<td>Soft copies of any relevant seminar handouts, ideas, and journal articles should all be shared by posting these on the site.</td>
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</tbody>
</table>
### OBSERVATIONS OF EXISTING SYSTEM

<table>
<thead>
<tr>
<th>#</th>
<th><strong>Eligibility Criteria</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Community Partnership Program (CPP) Grant Guidelines &amp; Procedures Manual lists specific eligibility criteria applicants must meet in order to be considered for funding. Internal Audit identified several successful applicants who may not have been eligible to receive grant funding due to:</td>
</tr>
<tr>
<td></td>
<td>• Holding a portion of their program / event outside the City or providing community services to residents from other municipalities;</td>
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<td>• Receiving funding from another City department; or</td>
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<td>• Submitting an incomplete application.</td>
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<td></td>
<td>These eligibility criteria were not documented in the grant file or captured in the evaluation tools used to adjudicate applications. Omission of these criteria from the evaluation process increases the risk that funds are awarded to applicants who did not meet the eligibility criteria.</td>
</tr>
</tbody>
</table>

### RECOMMENDATION FOR STRENGTHENING SYSTEM

That staff develop and use a checklist to assess if applicants meet the general eligibility criteria set out in the Guidelines. Applications that do not meet these criteria should not proceed in the adjudication process.

### MANAGEMENT ACTION PLAN

Agreed. Staff will be assessing the potential to automate the CPP application in-take process which may validate the action of requiring applicants to meet the general eligibility criteria.

Exclusive of the above, staff will undertake the development of a checklist as recommended for the purpose of eliminating the advancement of incomplete application to the adjudication phase.

NOTE: The recommendation will significantly impact the number of applicants proceeding to the adjudication phase. Implementation Date: 2017 CPP cycle.
2. Grant applications are evaluated by staff volunteers, Arts Advisory Commission members or Hamilton Historical Board representatives. Marks are awarded based on the achievement of criteria defined in the evaluation tool. An applicant's score is to be used to phase out program participation, assess multi-year funding eligibility and, in most streams, allocate grant monies.

Internal Audit reviewed the 2011 CPP evaluation tools and identified the following characteristics that may jeopardize an evaluator's ability to adjudicate applications in a consistent, fair and equitable manner.

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<td>Evaluation Tools</td>
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|   | 2. Grant applications are evaluated by staff volunteers, Arts Advisory Commission members or Hamilton Historical Board representatives. Marks are awarded based on the achievement of criteria defined in the evaluation tool. An applicant's score is to be used to phase out program participation, assess multi-year funding eligibility and, in most streams, allocate grant monies. | That the following be performed to improve the evaluation process:  
a) Define subjective terms or provide examples in the evaluation tool to illustrate what is needed to meet different levels of criteria requirements;  
b) Revise the application form to clearly reflect all required information and documentation;  
c) Provide evaluators with training and guidance with respect to assessing financial stability/controls or reallocate these assessments to staff with financial expertise; and  
d) Eliminate the use of part marks or incorporate additional criteria and mark levels in the evaluation tools. | Agreed. Corporate Services will lead in co-ordinating a strategy for review with:  
- P. Tombs, Manager, Cultural Planning and Marketing  
- S. Sevor, Manager, Sport & Community Development  
- C. Bian, Sr. Policy Analyst  
Implementation Date: 2016 CPP cycle. |
<p>|   | a) Criteria contained subjective terms which were open to interpretation. Examples include poor, satisfactory, good, sufficient and comprehensive. |                                        |                        |
|   | b) Marks were awarded for information or documentation that was not requested in the application form. |                                        |                        |
|   | c) The subject matter surpassed an evaluator's level of expertise. Examples included the assessment of financial stability and controls. |                                        |                        |
|   | d) Evaluators awarded part marks at their discretion outside the evaluation tool's marking scheme. |                                        |                        |</p>
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<td>3.</td>
<td>Funding Recommendations</td>
<td>That the Community Services funding stream incorporate the applicant’s score into their funding strategy.</td>
<td>Agreed. The recommendation is the current practice and in 2011, applicant scores and priority categories were both used to determine 2011 monetary recommendations.</td>
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<td>The Grant Sub-Committee approves a base budget for each CPP funding stream (Community Services, Special Events, Culture). Departments use their discretion to create a funding strategy that outlines how the budget is distributed amongst the grant applicants. Staff document their funding recommendation on a sheet for each applicant. Not all funding recommendations appear transparent or well supported. For example,</td>
<td>That staff include the department’s funding recommendations to the Sub-Committee in addition to the actual Grant Sub-Committee funding approvals in minutes (communications) sent to the Audit, Finance and Administration Committee.</td>
<td>Agreed. The recommendation is in place and available. Minutes of meetings are to be completed without note or comment reflecting all resolutions and decisions taken by Council. (CLERK’S OFFICE)</td>
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<td>Community Services funding stream’s approach to the distribution of their base budget was based on the prior year’s grant amount rather than linking the applicant’s resulting current year’s score to a monetary amount;</td>
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<td>Grant funding recommendations made outside the department’s funding strategy were not documented; and</td>
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<td>Funding Recommendations (Cont’d)</td>
<td>That staff document their funding rationale, multi-year funding assessment and 30% threshold calculation on the recommendation sheet.</td>
<td>Agreed. The 2014 program information summary form will include the 30% threshold calculations. The 2015 CPP cycle for multi-year funding assessment will be amended to facilitate the identification of 30% threshold calculations to coincide with the next term of Council.</td>
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<td>• Staff did not document the rationale for awarding multi-year funding.</td>
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<td>Agreed. At the Council Meeting of October 10, 2012, Report GRA12011, respecting the Terms of Reference for the Evaluation of City of Hamilton Community Partnership Program, was tabled until such time as the internal audit of the Community Partnership Program had been completed. Implementation Date: 2015 CPP cycle.</td>
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<td>In addition, grant funding as a percentage of program expenses differed significantly on the staff’s recommendation sheet as compared to that calculated by Internal Audit. Although all calculations were below the 30% threshold for Council approval, staff did not outline the amount of program expenses used in their calculations.</td>
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<td>Grant Guidelines</td>
<td>That staff review and update the Guidelines to reflect current practices and define terms for consistent interpretation. Revised Guidelines should be approved by the Grant Sub-Committee and Council.</td>
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<td>4. The CPP Grant Guidelines &amp; Procedures Manual lists eligibility and funding criteria, policies and instructions regarding the administration of applications, evaluations and payments. Differences exist between actual and documented grant processes. For example,</td>
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<td>• The Grant Sub-Committee approved funding to organizations which did not submit applications or for which staff did not evaluate the applications;</td>
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<td>• Late applications were considered with on-time applications rather than during the appeal process;</td>
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<td>• The payment schedule did not include instructions for the distribution of $10,000 - $60,000 grants; and</td>
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<td>Grant Guidelines (Cont'd)</td>
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<td>• Organizational capacity and community impact were weighted at 30% and 40% of available marks respectively, which did not match the percentages in the Guidelines.</td>
<td>That staff update the grant applications to identify what types of financial statements are acceptable and the time period that should be covered by these statements.</td>
<td>Agreed. Staff will assess the potential of requiring compiled, reviewed or audited financial statements relative to financial support or risk. Implementation Date: 2015 CPP cycle.</td>
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<td>5</td>
<td>In addition, the Guidelines contained terms such as “deficit funding” and “market requests” which may be interpreted differently by applicants, staff and Council without an adequate definition.</td>
<td>That evaluation tools include an assessment of the applicant’s financial statements and program information as part of the evaluation process.</td>
<td>Agreed. As per the Management Action Plan in response to observation 2 (c). Implementation Date: 2015 CPP cycle.</td>
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<td>Written procedures capture Council’s expectations, provide guidance to staff and keep applicants informed. Inconsistent guidelines and procedures may confuse applicants or result in grant applications being adjudicated and awarded on an inconsistent or inequitable basis.</td>
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<td>Financial Information</td>
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<td>Applicants submit financial statements and complete organization- and program-specific revenue and expense schedules as part of the grant application process.</td>
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<td>Application forms do not clearly state whether compiled, reviewed or audited financial statements are required and what time period should be covered by the financial information provided.</td>
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<td>In addition, evaluation tools used to adjudicate grant applications do not contain criteria to assess the applicant’s financial statements or need for grant funding.</td>
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<td>Financial information should be used to effectively assess an applicant’s financial capacity.</td>
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<td>Financial Independence</td>
<td>That staff develop a plan limiting the length of time an agency or program can receive grant monies and the related phase out period. Programs which are not phased out during a reasonable period of time should be funded and administered through an operating department rather than grants from the Community Partnership Program.</td>
<td>Agreed. At the Council Meeting of October 10, 2012, Report GRA12011, respecting the Terms of Reference for the Evaluation of City of Hamilton Community Partnership Program, was tabled until such time as the internal audit of the Community Partnership Program had been completed. Implementation Date: 2015 CPP cycle.</td>
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| 6  | Per the CPP Grant Guidelines & Procedures Manual, one program objective is “to promote the self-sufficiency of community groups and programs by encouraging those in receipt of funding...to become self-supporting”. To promote financial independence, the Guidelines contain a phase out policy where funding is reduced and eliminated to re-applying programs who score less than 60% on their application. However, the evaluation tools do not include scoring criteria which take into consideration applicants’ progressive self-sufficiency. Of the 25 grant recipients selected for testing, 20 applicants received either the same or a 2-4% increase in CPP grant funding each year from 2007 – 2011. Several of these programs have come to rely on the City’s grants as sources of guaranteed funds as they have been receiving grants for over ten years. This is in part due to:  
• Using last year’s grant amount as the base for the current year’s funding recommendation; and  
• Requiring applicants to have at least a three year history of consecutive grants to be eligible for multi-year funding. Lack of financial independence creates a sense of ongoing financial obligation which limits new applicants’ access to grant funding. |
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<td>7.</td>
<td>Follow Up Efforts</td>
<td>That staff develop a system to assess whether grant monies provided during the year were used for intended purposes. This system should be approved by the Grant Sub-Committee and Council.</td>
<td>Agreed. At the Council Meeting of October 10, 2012, Report GRA12011, respecting the Terms of Reference for the Evaluation of City of Hamilton Community Partnership Program, was tabled until such time as the internal audit of the Community Partnership Program had been completed. Implementation Date: 2015 CPP cycle.</td>
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All successful grant applicants must sign an agreement prior to funds being released. This agreement binds the applicant to submit financial statements for the fiscal year that the funds were received and to return unused funds to the City. Grant recipients may also be requested to:

- Submit a brief report identifying how the program / activity met its goals and objectives;
- Submit quarterly reports;
- Make available for audit the books of account and supporting documentation for at least three years to show the receipt and disbursement of funds; and
- Be available for an on-site meeting.

Although grant recipients submitted financial information, staff either did not review this information due to lack of expertise or could not elaborate what steps were taken as part of the review process. Further, staff did not request grant recipients to submit any of the additional information listed above. No other evidence was found to support efforts taken by staff.

Without proper follow up, the City is not aware whether grant monies were used for intended purposes, if any funds should be returned or if programs should be supported in the future.
EMERGENCY & COMMUNITY SERVICES COMMITTEE
REPORT 13-004

AS AMENDED BY COUNCIL ON MAY 22, 2013

1:30 p.m.
Monday, May 13, 2013
Council Chambers
Hamilton City Hall
71 Main Street West

Present:
Councillor T. Whitehead, Chair
Councillor J. Farr, Vice-Chair
Councillors S. Duvall, B. McHattie, S. Merulla, and J. Partridge

Also Present: Councillor C. Collins

Absent with
Regrets: Councillor T. Jackson, vacation
Councillor B. Morelli

THE EMERGENCY AND COMMUNITY SERVICES COMMITTEE PRESENTS
REPORT 13-004 AND RESPECTFULLY RECOMMENDS:

1. Investigation of Lands Suitable for the Development of Recreation
Facilities and Seniors Centres (CS10060(a)) (Wards 3,6,7,8,9,11 and 15)
(Item 5.2)

That Report CS10060(a) respecting Investigation of Lands Suitable for the
Development of Recreation Facilities and Seniors Centres be received.

2. Hamilton Farmers’ Market Sub-Committee Report 13-001 (Item 8.1)

(a) Hamilton Farmers’ Market By-law Amendments (Ward 2) (CS13026)

(i) That the Sections 6(5), 6(5a), and 6(5b) of the Market By-law No.
10-209, be amended to permit the Market Supervisor to allocate up
to 20 stalls at any given time;

(1) having a frontage of more than 24-feet and no more than
30-feet, where the Market Supervisor determines there are
sound business or logistical reasons which make it

Council – May 22, 2013
necessary for a stallholder to occupy a stall of more than 24-feet; and/or,

(2) having a frontage of more than 30-feet, where the Market Supervisor determines that the best use of the frontage in excess of 30-feet is to allocate it to the adjoining stallholder and it is not feasible or desirable to allocate the space for a different purpose;

(ii) That the definition of “Director of Culture” in the Market By-law No. 10-209, be deleted;

(iii) That a definition for “Director” be added to the Market By-law No. 10-209, to mean the Director to whom the Market Supervisor shall report, as designated by the General Manager, Community Services;

(iv) That all references to the “Director of Culture” in the Market By-law No. 10-209, be substituted with “Director”;

(v) That all references to the “Culture Division” in the Market By-law No. 10-209, be deleted;

(vi) That the amending By-law, prepared in a form satisfactory to the City Solicitor, be introduced and enacted by Council to reflect the resolutions in Subsections (i), (ii), (iii), (iv), and (v).

3. Hamilton Municipal Senior of the Year Awards Ceremony (CS13023) (City Wide) (Item 8.2)

(a) That the Hamilton Municipal Senior of the Year Awards ceremony be broadened to a large scale event to recognize seniors across all sectors of the community;

(b) That the 2013 Hamilton Municipal Senior of the Year Awards ceremony be postponed until June 2014 to provide adequate time for staff and senior community representatives to plan and organize a more prestigious ceremony.

4. YWCA Transitional Living Program and YWCA Senior Centre Operating Agreement (CS13024) (City Wide) (Item 8.3)

(a) That the General Manager of the Community Services Department be authorized and directed to provide $250,000 in one-time funding to the
YWCA Transitional Living Program from the approved Community Homelessness Prevention Initiative budget;

(b) That the General Manager of the Community Services Department be authorized and directed to provide one-time funding in the amount of $55,000 to the YWCA for the operation of two seniors centres in Hamilton, from City of Hamilton’s unallocated Capital Reserve # 108020.

5. 2013 Pressures Related to Discretionary Benefits (CS13009(a)) (City Wide) (Item 8.4)

(a) That one-time municipal funding in the amount of up to $258,138 be provided from the Community Services departmental surplus, Social Services Initiative reserve, or any combination thereof to maintain the current levels for Discretionary Benefits for the period of July 1 to December 31, 2013;

(b) That the General Manager of Community Services, or designate, continue to be authorized to implement spending caps, benefit frequency limits or other controls necessary to ensure costs are contained within the approved budget amounts.

6. Extension of Housing Stability Benefit to December 31, 2013 (CS13027) (City Wide) (Item 8.5)

That the provision of Housing Stability Benefits continue to December 31, 2013, to be funded from the one-time Provincial Transition Grant ($3,190,278) and the 2013 Community Homelessness Prevention Initiative approved budget ($3,875,000).

7. Proposal for Partnership with Not for Profit Agency to Operate Recreation Facility (Item 9.3)

WHEREAS the City of Hamilton’s Strategic Priority # 2 is to deliver high quality services that meet citizen needs and expectations in a cost effective and responsible manner;

WHEREAS the City of Hamilton remains cost conscious and will ensure value for taxpayer dollars spent;

WHEREAS a partnership to operate a recreation facility owned by the City of Hamilton will realize savings to the operating budget:
Therefore be it resolved:

(a) That staff be directed to initiate a process to identify a recreation centre in south Hamilton suitable to be operated by a not for profit agency;

(b) That upon confirmation of a recreation centre in south Hamilton, that staff initiate a Request for Proposal to identify the terms and conditions necessary to enter into a partnership with the goal of operational savings and enhanced program delivery.

The following Item 8 was amended by deleting and replacing subsection (b) as follows:

8. Funding for the Stoney Creek Cricket Academy (New Item)

(a) That the City of Hamilton provide a one-time capital grant of $2,000 to the Stoney Creek Cricket Academy to assist with the cost of replacing their damaged scoreboard, cricket mat and riding mower;

(b) That Finance staff be directed to identify the appropriate funding source prior to the May 22, 2013 Council meeting.

(b) That the grant as outlined in subsection (a) be funded from Account #108035, the Former City of Hamilton Capital reserve.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

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

(i) Added Item 4.3, a delegation request from Greg Tedesco, respecting research for the reinstatement of Provincial funding for Discretionary Health Benefits for Ontario Works recipients. (See Item 8.4)

(ii) Added Item 4.4, a delegation request from Peter Hutton, Hamilton Roundtable for Poverty Reduction respecting funding for Discretionary Health Benefits. (See Item 8.4)

(iii) Added Item 4.5, a delegation request from Laura Cattari of the Hamilton Poverty Roundtable for Reduction wishing to speak to the Housing Stability Benefit which is Item 8.5 on the agenda.
(iv) Added Notice of Motion Item 10.1 respecting Ensuring Access to Services for Immigrants without Full Status

The agenda was approved as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

There were none declared.

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

The Minutes of the March 25, 2013 meeting were approved as presented.

(d) DELEGATION REQUESTS (Item 4)

(i) The following delegation requests were approved:

1. Tammy Francoeur, Turning Point Detox, wishing to initiate a “Recovery Day” in the City of Hamilton on September 8, 2013. (Item 4.1)

2. Evelyn Myrie and Milé Komlen, Hamilton Centre for Civic Inclusion respecting the Centre’s progress report. (Item 4.2)

(ii) The following delegation requests were approved and the Rules of Order waived in order to hear the delegations at today’s meeting:

1. Greg Tedesco, respecting research for the reinstatement of Provincial funding for Discretionary Health Benefits for Ontario Works recipients. (Added Item 4.3)

2. Peter Hutton, Hamilton Roundtable for Poverty Reduction respecting funding for Discretionary Health Benefits (Added Item 4.4)

3. Laura Cattari, Hamilton Roundtable for Poverty Reduction, to provide an update respecting the Roundtable’s activity regarding the Housing Stability Benefit. (Added Item 4.5)

(e) CONSENT (Item 5)

(i) VARIOUS ADVISORY COMMITTEE MEETING MINUTES (Item 5.1):

The following Advisory Committee Meeting Minutes were received:

1. Hamilton Veterans Committee meeting, February 12, 2013
(f) PUBLIC HEARINGS DELEGATIONS

(i) **Greg Tedesco**, respecting research for the reinstatement of Provincial funding for Discretionary Health Benefits for Ontario Works recipients. (Added Item 4.3)

Greg Tedesco addressed Committee and provided a hand-out which was distributed. A copy has been uploaded onto the City’s website and has been retained for the Clerk’s record. He indicated that he is a second year social work student at McMaster University. He outlined his findings on a project he undertook at university in partnership with the Poverty Roundtable to assess the impact and importance of the Discretionary Benefits.

His comments included but were not limited to the following:

- Who is impacted?
- Why are the Discretionary Benefits important?
- What is the long term impact if the funding is not brought back to previous levels?
- The research showed that cutting the Discretionary Benefits affected community health, wellness and social inclusion.

On a motion, Committee received the delegation.

(ii) **Peter Hutton**, Hamilton Roundtable for Poverty Reduction respecting funding for Discretionary Health Benefits (Added Item 4.4)

Peter Hutton was unable to attend and Tom Cooper, Director of the Hamilton Roundtable for Poverty Reduction, addressed Committee on his behalf.

Tom Cooper’s comments included but were not limited to the following:

- It is the position of the Hamilton Roundtable for Poverty Reduction that the Discretionary Benefits should be funded by the Province;
- The Roundtable for Poverty Reduction is in negotiations with McMaster University to do more research and advise further;
- There has been a good analysis done to date;
- The goal is to determine an evidence based social service rate;
- These health benefits save money in the long run as they are an investment in the community’s future;
• Although the benefits are labelled discretionary, they are truly essential to the health of the community;
• The roundtable will continue to strongly advocate to the Province for the benefits.

Tom Cooper responded to questions from Committee.

On a motion, Committee received the delegation. Committee also approved Item 8.4.

(iii) Laura Cattari, Hamilton Roundtable for Poverty Reduction, to provide an update respecting the Roundtable’s activity regarding the Housing Stability Benefit. (Added Item 4.5)

Laura Cattari addressed Committee.

Her comments included but were not limited to the following:

• As an update from her last delegation to Committee, she advised that the Hamilton Roundtable for Poverty Reduction has been in contact with various Provincial Ministers respecting the housing benefits;
• They will begin talks with the Minister of Municipal Affairs and Housing to discuss the need for increasing the funding which has been decimated;
• The Roundtable hopes to have the Ministry recognize that there is a burden on the City and that the Province should provide the funding.

On a motion, Committee received the delegation. Committee also approved Item 8.5.

(g) DISCUSSION ITEMS

(i) Hamilton Municipal Senior of the Year Awards Ceremony (CS13023) (City Wide) (Item 8.2)

Staff were directed to report back on the financial implications of the Hamilton Municipal Senior of the Year Awards ceremony by October 2013.

(ii) 2013 Pressures Related to Discretionary Benefits (CS13009(a)) (City Wide) (Item 8.4)

Staff were directed to report to the Emergency & Community Services Committee on October 8, 2013, with an update regarding measures taken
to contain discretionary benefit costs in 2013 and recommendations for the 2014 budget.

(iii) Extension of Housing Stability Benefit to December 31, 2013 (CS13027) (City Wide) (Item 8.5)

Staff were directed to provide an update to the Emergency and Community Services Committee in September 2013 regarding the ongoing status of the funding of the Housing Stability Benefits.

(iv) Proposal for Partnership with Not for Profit Agency to Operate Recreation Facility (Item 9.3)

Staff were directed to report back to the Emergency and Community Services Committee with the results of the Request for Proposal and a recommendation for a not for profit provider to operate the identified facility.

(h) MOTIONS (Item 9)

(i) Coronation Minor Hockey Association Ice Allocation for 2013/2014 (Item 9.2)

Councillor McHattie withdrew his motion respecting the Coronation Minor Hockey Association Ice Allocation for 2013/2014.

(ii) Hamilton Farmers’ Market Sign (Item 9.2)

On a motion, Committee approved the following:

(a) That staff be directed to report back with the results of their efforts in locating the previous Hamilton Farmers’ Market sign and the feasibility of reusing it at the renovated Market site;

(b) That staff provide the update outlined in subsection (a) at the next Emergency and Community Services Committee meeting scheduled on June 10, 2013.
(iii) Proposal for Partnership with Not for Profit Agency to Operate Recreation Facility (Item 9.3)

Chair Whitehead relinquished the Chair to Councillor Partridge in order to move this Item.

(i) NOTICES OF MOTION (Item 9)

Councillor McHattie presented the following Notice of Motion:

(i) Ensuring Access to Services for Immigrants without Full Status (Added Item 10.1)

Whereas, the City of Toronto passed a resolution on February 21 2013, re-affirming its commitment to ensuring access to services without fear to immigrants without full status or without full status documents, with direction to staff to review opportunities and strategies on how the City can assist;

Whereas, the Public Health Department has been active with others in Hamilton ensuring service is provided to undocumented individuals;

Whereas, several Hamilton agencies have also been active in assisting undocumented workers and are interested in working with the City of Hamilton in developing policy on this issue, with a workshop being planned by the Hamilton Community Legal Clinic / Clinique juridique communautaire de Hamilton;

Therefore, that the Community and Emergency Services Department engage with the Public Health Department and local agencies to investigate how undocumented individuals are treated in Hamilton, and report to the Emergency & Community Services Committee.

Councillor Merulla presented the following Notice of Motion:

(ii) One time Funding for the Stoney Creek Cricket Academy (New Item)

(a) That the City of Hamilton provide a one-time capital grant of $2,000 to the Stoney Creek Cricket Academy to assist with the cost of replacing their damaged scoreboard, cricket mat and riding mower;

(b) That Finance staff be directed to identify the appropriate funding source prior to the May 22, 2013 Council meeting.
On a motion, Committee waived the Rules of Order to permit the introduction of a motion respecting One Time Funding for the Stoney Creek Cricket Academy.

For disposition of this matter, see Item 8 of this Report.

(j) GENERAL INFORMATION (Item 11)

Outstanding Business List

The following Items were identified as completed and removed from the Outstanding Business List:

(i) Item “A” – Investigation of Lands Suitable for the Development of Recreation Facilities and Seniors Centres
(See Item 5.2 on this agenda.)

(ii) Item “J” – That staff report back re: providing one-time funding to the YWCA Transitional Housing Program in 2013 of up to $250,000 from the 2013 Community Services departmental surplus, the 2013 Corporate surplus and/or the Tax Stabilization Reserve subject to staff approval of a business case to support the funding. (See Item 8.3 on this agenda.)

(k) ADJOURNMENT

There being no further business the Emergency & Community Services Committee meeting adjourned at 2:15 p.m.

Respectfully submitted,

Councillor T. Whitehead, Chair
Emergency & Community Services Committee

Ida Bedioui
Legislative Co-ordinator
Office of the City Clerk
PLANNING COMMITTEE
REPORT 13-008
As Amended by Council on May 22, 2013
9:30 am
Tuesday, May 14, 2013
Council Chambers
Hamilton City Hall
71 Main Street West

Present:
Councillors J. Farr (Chair), B. Johnson (1st Vice Chair), J. Partridge (2nd Vice Chair), B. Clark, C. Collins, L. Ferguson, M. Pearson and T. Whitehead

Absent with Regrets: Councillor R. Pasuta - personal

THE PLANNING COMMITTEE PRESENTS REPORT 13-008 AND RESPECTFULLY RECOMMENDS:

1. Hamilton Municipal Heritage Committee Report 12-006 (Proactive Heritage Building Protection Strategy) (Ward 2) (PED13088) (Item 5.1)


2. Annual Report on Building Permit Fees (PED13090) (City Wide) (Item 5.2)

   That Report PED13090, Annual Report on Building Permit Fees (PED13090) (City Wide), be received.

3. Application for a Change in Zoning for 158 and 162 Locke Street South (Hamilton) (PED13081) (Ward 1) (Item 6.1)

   That approval be given to Amended Zoning Application ZAR-12-061, by 1521061 Ontario Inc., Owner, for changes in zoning from the “D” (Urban Protected
Residential - One and Two Family Dwellings, Etc.) District to the “G-3 - ‘H’/S-1666” (Public Parking Lot - Holding) District, Modified, with a Special Exception and a Holding provision (Block 1), and from the “H” (Community Shopping & Commercial, Etc.) District to the “H/S-1666” (Community Shopping & Commercial, Etc.) District, Modified, with a Special Exemption, to permit a private commercial parking lot on portions of the subject lands to the rear of the existing buildings, on lands municipally known as 158 and 162 Locke Street within Part of Lot 18, Concession 3, Former Township of Barton, now in the City of Hamilton, as shown on Appendix “A” to Report PED13081, on the following basis:

(a) That the draft By-law, attached as Appendix “C” to Report PED13081, which has been prepared in a form satisfactory to the City Solicitor, be enacted by City Council;

(b) That the amending By-law be added to Section 19B of Zoning By-law No. 6593 as Schedule S-1666, and that the subject lands on Zoning District Maps W-13 and W-14 be notated as S-1666;

(c) That the proposed changes in zoning are in conformity with the Hamilton-Wentworth Official Plan and the Official Plan for the City of Hamilton.

4. Application for an Amendment to the City of Hamilton Zoning By-law 6593 for Lands Located at 149 Young Street (Hamilton) (PED13079) (Ward 2) (Item 6.2)

That approval be given to Zoning By-law Amendment Application ZAC-12-045, by GS Maher Property Holdings Ltd., Owner, for a change in Zoning from the “E/S-357” (Multiple Dwellings, Lodges, Clubs, etc.) District, Modified, to the “RT-30/S-1668” (Street - Townhouse) District, Modified, with a Special Exception, to permit 7 street townhouse dwellings, on lands located at 149 Young Street (Hamilton), as shown on Appendix “A” to Report PED13079, on the following basis:

(a) That the draft By-law, attached as Appendix “B” to Report PED13079, which has been prepared in a form satisfactory to the City Solicitor, be enacted by City Council;

(b) That the amending By-law be added to Schedule 19B of Zoning By-law No. 6593 as “RT-30/S-1668”;

(c) That the proposed change in zoning is consistent with the Provincial Policy Statement, and conforms to the Places To Grow Growth Plan, the Hamilton-Wentworth Official Plan, and City of Hamilton Official Plan;
(d) That the Ward Councillor be involved with discussions and in the site plan process.

5. **Pan Am Stadium – Update and Follow-up to Report PED12218 (no copy) (Item 7.1)**

That Report PED12218, Pan Am Stadium – Update and Follow-up, be received.

6. **Proposed Niagara Escarpment Plan Amendment No. 179 (February 21, 2013) - Pleasantview Lands (PED11052(a)) (Ward 13) (Item 8.1)**

(a) That the City of Hamilton supports the policies and mapping contained in the second draft of proposed Niagara Escarpment Plan Amendment (NEPA) 179, dated February 21, 2013, attached as Appendix “A” to Report PED11052(a), for the Pleasantview lands, generally bounded by Valley Road, Patterson Road, Highway 6, and the Canadian National Railway (CNR Line)/Royal Botanical Gardens and Highway 403, with the exception of the following matters:

(i) That the lands comprised of Areas 1 to 3, illustrated on Schedule “A” to Appendix “A” of Report PED11052(a), fronting on York Road, extending up Valley Road, and adjacent to the Escarpment be designated as Escarpment Rural Area and the lands comprised of Area 4 on Schedule “A” to Appendix “A” of Report PED11052(a) be designated as Escarpment Protection Area;

(b) That the City of Hamilton objects to the wording contained in Clause 4.c) in the second draft of proposed Niagara Escarpment Plan Amendment (NEPA) 179, dated February 21, 2013, attached as Appendix “A” to Report PED11052(a), for the following reasons and requests:

(i) That Clause 4.c) in NEPA 179 be amended by deleting the words “an existing” and “of record” so the Policy reads as follows: “Notwithstanding the provision set out in a) ii) above, a single detached dwelling may be permitted on a lot with a minimum size of 10 hectares (25 acres) in accordance with the Development Criteria of the Plan” so the clause reflects the 1995 Ontario Municipal Board decision and the current Dundas Official Plan (OP);

(c) That the City of Hamilton objects to the following site-specific uses contained in the second draft of proposed Niagara Escarpment Plan Amendment (NEPA) 179, dated February 21, 2013, attached as Appendix “A” to Report PED11052(a), for the property located at Nos. 154 and 574 Northcliffe Road (Sisters of St. Joseph) since they do not
conform to the City’s planning documents and, therefore, are inappropriate for inclusion within the NEPA:

(i) Children’s Day Nursery;
(ii) Educational Establishment;
(iii) School and School Lodging;
(iv) Retirement Home, including a Long Term Seniors Care Facility;
(v) Hospital, Health Care Centre, including Medical Clinic and Offices; and,
(vi) Residential Care Facility, including a Group Home without restrictions.

(d) That the City of Hamilton does not object to the following site specific uses for the property located at No.154 Northcliffe Avenue (Sisters of the Precious Blood), provided the uses are contained with the existing building only:

(i) Place of Worship; and,
(ii) Convent.

(e) That the City of Hamilton does not object to the following site specific uses for the property located at No.574 Northcliffe Avenue (Sisters of St. Josephs), provided the uses are contained with the existing building only:

(i) Place of Worship;
(ii) Convent;
(iii) Residential care facility for a maximum of 35 residents; and,
(iv) a dormitory with a maximum of 36 students and accessory uses for an educational establishment provided it is located in conjunction with the convent of the Sisters of St. Josephs.

(d) That the City Clerk be directed to forward a copy of staff Report PED11052(a) to the Niagara Escarpment Commission.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

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

1. DELEGATION REQUESTS

4.1 Delegation request from Matt Johnson respecting Item 8.1, Proposed Niagara Escarpment Plan Amendment (PED11052(a)), on today’s agenda
The Agenda for the May 14, 2013 meeting of the Planning Committee was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

None.

(c) APPROVAL OF MINUTES (Item 3)

(i) April 30, 2013

The Minutes of the April 30, 2013 Planning Committee meeting were approved.

(d) DELEGATION REQUESTS (Item 4)

(i) Delegation request from Matt Johnson respecting Item 8.1, Proposed Niagara Escarpment Plan Amendment (PED11052(a)), on today’s agenda (Item 4.1)

The delegation request from Matt Johnson respecting Item 8.1, Proposed Niagara Escarpment Plan Amendment (PED11052(a)), was approved for today’s agenda.

(e) PUBLIC HEARINGS AND DELEGATIONS (Item 6)

(i) Application for a Change in Zoning for 158 and 162 Locke Street South (Hamilton) (PED13081) (Ward 1) (Item 6.1)

In accordance with the provision of the Planning Act, Chair J. Farr advised those in attendance that if a person or public body does not make oral submissions at a public meeting or make written submissions to the Council of the City of Hamilton before Council approves the change in zoning, the person or public body is not entitled to appeal the decision of the Council of the City of Hamilton to the Ontario Municipal Board, and the person or public body may not be added as a party to the hearing of an appeal before the Ontario Municipal Board unless, in the opinion of the Board, there are reasonable grounds to do so.
The staff presentation respecting Report PED13081, Application for a Change in Zoning for 158 and 162 Locke Street South (Hamilton), was waived.

Public Speakers:

1. Sergio Manchia, IBI Group

   Mr. Manchia, on behalf of his client, requested that the by-law be amended in section 7(a), by adding reference to Poulette Dr.

The public presentation respecting Report PED13081, Application for a Change in Zoning for 158 and 162 Locke Street South (Hamilton), was received.

The public hearing respecting Report PED13081, Application for a Change in Zoning for 158 and 162 Locke Street South (Hamilton), was closed.

James Webb, agent, indicated that he does not agree that the amendment requested by Mr. Manchia is necessary.

The agent’s presentation respecting Report PED13081, Application for a Change in Zoning for 158 and 162 Locke Street South (Hamilton), was received.

For disposition on this Item, refer to item 3.

(ii) Application for an Amendment to the City of Hamilton Zoning By-law 6593 for Lands Located at 149 Young Street (Hamilton) (PED13079) (Ward 2) (Item 6.2)

In accordance with the provision of the Planning Act, Chair J. Farr advised those in attendance that if a person or public body does not make oral submissions at a public meeting or make written submissions to the Council of the City of Hamilton before Council approves the zoning by-law amendments, the person or public body is not entitled to appeal the decision of the Council of the City of Hamilton to the Ontario Municipal Board, and the person or public body may not be added as a party to the hearing of an appeal before the Ontario Municipal Board unless, in the opinion of the Board, there are reasonable grounds to do so.
Timothy Lee, Planner, provided an overview of the report with the aid of a PowerPoint presentation. A copy of the presentation has been included in the public record.

The staff presentation respecting Report PED13079, Application for an Amendment to the City of Hamilton Zoning By-law 6593 for Lands Located at 149 Young Street (Hamilton), was received.

Public Speakers:

1. Pat Wilson – 161 Young St., Hamilton, ON L8N 1U2

   Ms. Wilson expressed concern for traffic and the young children in the area.

The public presentation respecting Report PED13079, Application for an Amendment to the City of Hamilton Zoning By-law 6593 for Lands Located at 149 Young Street (Hamilton), was received.

The public hearing respecting Report PED13079, Application for an Amendment to the City of Hamilton Zoning By-law 6593 for Lands Located at 149 Young Street (Hamilton), was closed.

The recommendations to report PED13079, Application for an Amendment to the City of Hamilton Zoning By-law 6593 for Lands Located at 149 Young Street (Hamilton), were amended by adding a new sub-section (d), to read as follows:

“(d) That the Ward Councillor be involved with discussions and in the site plan process.”

For disposition on this Item, refer to item 4.

(f) PRESENTATIONS (Item 7)

(i) Pan Am Stadium – Update and Follow-up to Report PED12218 (no copy) (Item 7.1)

   Heather Travis, Senior Planner, provided an overview of the report with the aid of a PowerPoint presentation. A copy of the presentation was included in the public record.

   For disposition on this Item, refer to item 5.
(g) DISCUSSION ITEMS (Item 8)

(i) Proposed Niagara Escarpment Plan Amendment No. 179 (February 21, 2013) - Pleasantview Lands (PED11052(a)) (Ward 13) (Item 8.1)

Report PED11052(a), Proposed Niagara Escarpment Plan Amendment No. 179 (February 21, 2013) - Pleasantview Lands, was lifted from table.

Joanne Hickey-Evans, Manager, Planning Policy and Zoning By-Law Reform, indicated that the amendment is supported by staff.

Matt Johnston, on behalf of his client’s Sisters of Saint Joseph, indicated that they are in agreement with the amendments.

The delegation from Matt Johnson, respecting Report PED11052(a), Proposed Niagara Escarpment Plan Amendment No. 179 (February 21, 2013) - Pleasantview Lands, was received.

The recommendations contained in Report PED11052(a), Proposed Niagara Escarpment Plan Amendment No. 179 (February 21, 2013) - Pleasantview Lands, was amended by:

(a) Deleting sub-section (c) in its entirety and replacing it with a new sub-section (c) as follows:

“(c) That the City of Hamilton objects to the following site-specific uses contained in the second draft of proposed Niagara Escarpment Plan Amendment (NEPA) 179, dated February 21, 2013, attached as Appendix “A” to Report PED11052(a), for the property located at Nos. 154 and 574 Northcliffe Road (Sisters of St. Joseph) since they do not conform to the City’s planning documents and, therefore, are inappropriate for inclusion within the NEPA:

(i) Children’s Day Nursery;
(ii) Educational Establishment;
(iii) School and School Lodging;
(iv) Retirement Home, including a Long Term Seniors Care Facility;
(v) Hospital, Health Care Centre, including Medical Clinic and Offices; and,
(vi) Residential Care Facility, including a Group Home without restrictions.”
(b) That new sub-sections (d) and (e) be added to read as follows and that the remaining recommendations be re-numbered accordingly:

“(d) That the City of Hamilton does not object to the following site specific uses for the property located at No.154 Northcliffe Avenue (Sisters of the Precious Blood), provided the uses are contained with the existing building only:

(i) Place of Worship; and,
(ii) Convent.

(e) That the City of Hamilton does not object to the following site specific uses for the property located at No.574 Northcliffe Avenue (Sisters of St. Josephs), provided the uses are contained with the existing building only:

(i) Place of Worship;
(ii) Convent;
(iii) Residential care facility for a maximum of 35 residents; and,
(iv) a dormitory with a maximum of 36 students and accessory uses for an educational establishment provided it is located in conjunction with the convent of the Sisters of St. Josephs.”

For disposition on this Item, refer to item 6.

(h) MOTIONS (Item 9)

(i) Discarded Cigarette Butts around Hamilton Hospitals (Item 9.1)

Councillor Farr withdrew his motion respecting Discarded Cigarette Butts around Hamilton Hospitals.

(i) GENERAL INFORMATION AND OTHER BUSINESS (Item 11)

(i) Outstanding Business List Amendments (Item 11.1)

The following Outstanding Business List due dates were revised:

(aa) Item H: Municipal Services and Property Taxation on Condo Properties
    Current Due Date: May 14, 2013
    Proposed Due Date: TBD
The following items were removed from the Outstanding Business List:

(aa) Item E: Hess Village Paid Duty Program

(bb) Item Q: Pan Am Stadium (PED12218)

(cc) Item S: Hamilton Municipal Heritage Committee Report 12-006 (Proactive Heritage Building Protection Strategy) (b) only

(ii) News from the General Manager (Item 11.2)

The General Manager provided updates of current events and initiatives within the department.

(j) PRIVATE AND CONFIDENTIAL (Item 12)

(i) Closed Session Minutes – April 30, 2013 (Item 12.1)

The Closed Session Minutes of April 30, 2013 were approved as presented and remain confidential.

(ii) Settlement of claims made under the Expropriations Act arising from the expropriation of part of 1496 Upper Gage Avenue being Parts 3 and 4 on Expropriation Plan LT494229 – OMB File No. LC110037, and Settlement of the Appeal before the OMB, being OMB File No. PL070019 relating to the Consent/Land Severance of 1496 Upper Gage Avenue by Applications B169/06; B170/06; B171/06; and B172/06 Consent/Land Severance - OMB Case No.PL070019 (LS13017) (City Wide) (Item 12.2)

Report LS13017, Settlement of claims made under the Expropriations Act arising from the expropriation of part of 1496 Upper Gage Avenue being Parts 3 and 4 on Expropriation Plan LT494229 – OMB File No. LC110037, and Settlement of the Appeal before the OMB, being OMB File No. PL070019 relating to the Consent/Land Severance of 1496 Upper Gage Avenue by Applications B169/06; B170/06; B171/06; and B172/06 Consent/Land Severance - OMB Case No.PL070019 (City Wide), was referred to the June 18, 2013 meeting of the Planning Committee.
(k) ADJOURNMENT

There being no further business, the Planning Committee adjourn at 11:23 a.m.

Respectfully submitted,

Councillor J. Farr
Chair, Planning Committee

Vanessa Robicheau
Legislative Coordinator
Office of the City Clerk
GENERAL ISSUES COMMITTEE
REPORT 13-011
9:30 a.m.
Wednesday, May 15, 2013
Council Chambers
Hamilton City Hall
71 Main Street West

Present: Deputy Mayor T. Whitehead (Chair)
Mayor R. Bratina
Councillors B. Clark, C. Collins, S. Duvall, J. Farr,
L. Ferguson, B. Johnson, B. McHattie, S. Merulla,
J. Partridge, R. Pasuta, M. Pearson, R. Powers

Absent with Regrets: Councillor T. Jackson – Vacation
Councillor B. Morelli – Personal

THE GENERAL ISSUES COMMITTEE PRESENTS REPORT 13-011 AND RESPECTFULLY RECOMMENDS:

1. Hamilton Police Service Monthly Report (PSB 13-050) (Item 5.1)

   That Hamilton Police Service Monthly Report PSB13-050 be received.

2. Agreement of Purchase and Sale between the City of Hamilton and Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure, being Part of Lots 14 and 15, Concession 1, Hamilton (Formerly Township of Glanford) for the Dartnall Road Extension (PED13089) (Ward 11) (Item 5.3)

   (a) That an Agreement of Purchase and Sale between the City of Hamilton and Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure, to purchase Part of Lots 14 and 15, Concession 1, City of Hamilton (formerly Township of Glanford), described as Parts 1, 2, 3, 14, 15, 16, 17, 18 and 19, Plan 62R-17987, to facilitate the extension of Dartnall Road South to intersect with Twenty Road, as shown on Appendix “A” attached to Report PED13089, be approved and completed at the purchase price of $576,250;

Council – May 22, 2013
(b) That the purchase price of $576,250 be charged to Capital Project No. 59259-3620707003 (Dartnall Road Extension);

(c) That the City of Hamilton compensate Hydro One Networks Inc. (HONI) an administration fee of $1,250 for the preparation of documents in connection with this transaction and that said fee be charged to Capital Project No. 59259-3620707003 (Dartnall Road Extension);

(d) That the costs incurred for Real Estate (inclusive of an appraisal) and legal expenses in the amount of $27,084 be funded from Capital Project No. 3620707003 (Dartnall Road Extension) and credited to Account No. 45408-3560150200 (Property Purchases and Sales);

(e) That should HST be applicable it be collected by the City, and credited to Account No. 22835-009000 (HST Payable);

(f) That the Mayor and Clerk be authorized and directed to execute any necessary documents in a form satisfactory to the City Solicitor.

3. McMaster Institute for Transportation & Logistics (MITL) Advisory Board Membership (PED13093) (City Wide) (Item 5.4)

(a) That the City of Hamilton renew its membership status on the McMaster Institute for Transportation & Logistics (MITL) Advisory Board for a three year period at a cost of $25,000 per year to be funded from account “Transfer to Partnership” 55992-811010;

(b) That the McMaster Institute for Transportation & Logistics (MITL) undertake projects mutually agreed upon between the City of Hamilton and MITL in return for the City of Hamilton's annual contribution to the Institute;

(c) That the Director of Economic Development retain his seat on the McMaster Institute for Transportation & Logistics (MITL) Advisory Board as the City of Hamilton’s representative.

4. City of Hamilton Corporate Annual Report 2012 (PED13074) (City Wide) (Item 7.1)

That Report PED13074 respecting the “City of Hamilton Corporate Annual Report 2012” be received.
5. **Labour Relations Grievance Activity Reporting and Analysis (2007-2012) (HUR13006) (City Wide) (Item 8.1)**


Whereas the City of Hamilton is participating in the provincial music industry working group;

And Whereas the City of Toronto is in the final stages of establishing a music office, branded on “Toronto connects you to a world of music” and “music as the currency of cool”;

And Whereas Hamilton has a unique and vibrant music scene with clear advantages such as scale and affordability;

And Whereas it is important that Hamilton establish itself as a key music destination for musicians, music industry players, and music tourists.

Therefore Be It Resolved:

(a) That the Economic Development Department establish a Hamilton Music Working Group and report back on a Hamilton music strategy and the possibility of establishing a Hamilton Music Office;

(b) That the appropriate staff be requested to connect with the Canadian Academy of Recording Arts and Sciences (CARAS), Global Spectrum Hamilton and CTV in an effort to host the next available Juno Awards at Copps Coliseum.

7. **Request for Balance of Start-up Grant for Locke Street Farmers’ Market (Item 10.2)**

Whereas the Locke Street Farmers’ Market had requested a $10,000 start-up grant in May 2011;

And Whereas on May 25, 2011, City Council approved a grant of $5,000 (Item 5 of General Issues Committee Report 11-013(a)) with a recommendation included that the group come back to City Council for the second $5,000 once the Market had advanced further;
And Whereas the Locke Street Farmers’ Market has now been in place for two years and is expanding, growing from five vendors in 2012 to eight vendors in 2013.

Therefore Be It Resolved:

That the outstanding balance of the start-up costs in the amount of $5,000 be approved for the Locke Street Farmers’ Market, to be funded from the Economic Development Investment Fund Account No. 3620908900.

8. Thomson Court/ Helga Court/ Imelda Court Reconstruction (Ward 7)

(a) That Thomson Court, Helga Court and Imelda Court be reconstructed at a total estimated cost of $810,000;

(b) That the estimated reconstruction cost of the road, in the amount of $350,000, be funded from the Ward 7 Area Rating Special Capital Re-Investment Reserve No. 108057;

(c) That the estimated cost of the watermain replacement and sewer investigation, in the amount of $460,000, be funded from Project ID 5141371301 – Replace Program – Roads 2013;

(d) That the General Manager of Public Works be authorized to prepare, advertise and award tenders as required for the above-noted works.

FOR THE INFORMATION OF COUNCIL:

A. CEREMONIAL PRESENTATIONS

(i) Redeemer University College – Presentation of Winning Proposal from the “Gifted Outreach Conference”

Mayor Bratina presented Certificates of Appreciation to the following students:

   Daniella Benincasa
   Genna Holmes
   Matthew Joseph
   Armaan Krishnar
   Gabriel Lazarte
   Tim Laouinger
   Jamie Li
These students were part of the approximately 100 Grades 7 and 8 students who participated in the 2nd Annual Gifted Outreach Conference which took place at Redeemer University College on April 29, 2013. The theme of this year’s Conference was, “Democracy in Action”. The entry submitted by the students noted above dealt with the issue of Urban Chickens and was selected as the winning entry. The students provided their presentation to the Committee.

(ii) Business Appreciation Awards – Wards 4, 8, 9, 10, 12 and 14/City Wide

The Annual Business Appreciation Awards Program officially acknowledges the commitment and contribution of both a small and large business in each of the City’s fifteen Wards. Businesses in eight of the City’s Wards were recognized in October, 2012, and today, businesses in six Wards will be recognized, as well as a small and large business selected by the Mayor on a City-wide basis.

Each business received a Certificate of Appreciation from the City of Hamilton, signed by Mayor Bratina and the respective Ward Councillor. In addition, the company profiles will be posted on the City’s “Invest in Hamilton” website and the recipients’ photos will be published in the Spectator.

The following businesses were recognized:

Ward 4
- Large Business – Columbian Chemicals Canada
  - Small Business – East Hamilton Radio

Ward 8
- Large Business – Johnston Chrysler Dodge Jeep Fiat
  - Small Business – Sweet Paradise

Ward 9
- Large Business – The Home Depot Canada
- Small Business – The Village Restaurant

Ward 10
- Large Business – Taylor Steel
- Small Business – Colonial Pillars

Ward 12
- Large Business – Stackpole International
- Small Business – Westbrooke of Ancaster
Mayor Bratina and Councillor Whitehead also recognized Pongetti Musical Instruments, a family-owned business which has operated in the City of Hamilton for more than 55 years.

(a) CHANGES TO THE AGENDA (Item 1)

The Clerk advised of the following changes:

ADDED DELEGATION REQUEST

(i) Delegation request from Gregg Taylor, Theatre Aquarius, to attend General Issues Committee meeting at which Arts Funding Task Force will be presenting recommendations (Added Item 4.3)

ADDED NOTICES OF MOTION

(ii) Resolution respecting “Thomson Court/Helga Court/Imelda Court Reconstruction (Ward 7)” (Added Item 10.3)

(iii) Resolution respecting “Implementation of Rapid Ready – Local Transit Service Improvements and Financial Strategy”

The agenda was approved as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

None.

(c) APPROVAL OF PREVIOUS MINUTES (Item 3.1)

The Minutes of the General Issues Committee Meeting held on May 1, 2013 were approved as presented.
(d) **DELEGATION REQUESTS**

The following delegation requests were approved:

(i) Joey Coleman respecting the City’s Accountability and Transparency Policy;

(ii) Wayne Lewchuk, McMaster University, to provide a briefing on the “It’s More than Poverty” Report by the Precarious Employment and Poverty in Southern Ontario Research Group – Mr. Lewchuk will be invited to attend the meeting when a report on this issue is presented to the Committee;

(iii) Gregg Taylor, on behalf of Theatre Aquarius, respecting recommendations of the Arts Funding Task Force – Mr. Taylor will be invited to attend the meeting when a report on this issue is presented to the Committee.

(e) **CONSENT AGENDA**

(i) **Centre Mall Crime Prevention Centre Relocation (PSB 13-048) (Item 5.2)**

PSB Report 13-048 respecting “Centre Mall Crime Prevention Centre Relocation” was referred back to the Hamilton Police Services Board for further discussion with respect to sub-section (e) of Hamilton Police Services Board Report 13-048 dated April 15, 2013 from Chief Glenn De Caire, which reads as follows:

“(e) That the Hamilton Police Services Board not renew the lease for the Concession Street Community Policing Centre on Concession Street when it expires on October 31, 2014, and reallocate the funds toward 460 Barton Street East, Hamilton.”

(f) **PUBLIC HEARINGS/DELEGATIONS**

(i) **Canadian Ballet Youth Ensemble (Item 6.1)**

Gina Gentili, volunteer Board member with the Canadian Ballet Youth Ensemble, appeared on behalf of CBYE to speak to the following issues:

- Reconsideration of one-time grant request
- Nature of indebtedness
- CBYE’s contribution to the community.
Belma Diamante, Director of CBYE, was also in attendance to respond to questions of the Committee.

A copy of Ms. Gentili’s comments were submitted to the Clerk for the public record and is attached hereto as Appendix “A”.

The presentation from the Canadian Ballet Youth Ensemble was received.

The financial issues brought forward by the Canadian Ballet Youth Ensemble were referred to the City Solicitor with the direction that dialogue take place with all appropriate parties, including staff and stakeholders, to potentially resolve the issues, and provide a report back to the General Issues Committee.

(g) PRESENTATIONS

(i) Corporate Culture Initiatives – Update (No Copy) (Item 7.2)

Chris Murray provided a PowerPoint presentation with respect to Corporate Culture Initiatives and acknowledged the attendance of many of the staff and representatives from the Union who are participating in this initiative. Mr. Murray spoke to the following:

- Council is shaping culture
- Strategic Plan 2012-2015
- What is organizational culture?
- Why are we looking at this?
- Getting started
- Culture journey
- Culture pillars
- Return on Investment
- Culture in Action: Forestry Case Study/Results
- Actions matter most
- Culture journey next steps

A copy of the PowerPoint presentation was submitted to the Clerk for the public record and can be viewed on the City of Hamilton website.

The presentation respecting “Corporate Culture Initiatives” was received.
(ii) City of Hamilton Corporate Annual Report 2012 (PED13074) (City Wide)

Chris Murray provided a PowerPoint presentation with respect to the City of Hamilton Corporate Annual Report 2012 and spoke to the following:

- 2012 Corporate Annual Review combines and replaces Economic Development Annual Review
- Highlights the City’s successes and initiatives in 2012 and beyond
- Purpose: Information and marketing piece for internal (Council and staff) and external (businesses, investment, residents) groups
- 3 sections that mirror the City’s strategic priority areas
- will also be available on line at www.hamilton.ca and www.investinhamilton.ca

A copy of the PowerPoint presentation was submitted to the Clerk for the public record and can be viewed on the City of Hamilton website.

Committee members requested that copies of the Annual Report be distributed to all sectors of the City, including Community Councils, all media, etc.

The presentation respecting “City of Hamilton Corporate Annual Report 2012” was received.

(h) NOTICES OF MOTION

Councillor B. McHattie introduced the following Notice of Motion:

(i) Establishment of a Music Working Group (Item 10.1)

Whereas, the City of Hamilton is participating in the provincial music industry working group;

And Whereas, the City of Toronto is in the final stages of establishing a music office, branded on “Toronto connects you to a world of music” and “music as the currency of cool”; 

And Whereas, Hamilton has a unique and vibrant music scene with clear advantages such as scale and affordability;

And Whereas, it is important that Hamilton establish itself as a key music destination for musicians, music industry players, and music tourists.
Therefore be it resolved:

That the Economic Development Department establish a Hamilton Music Working Group and report back on a Hamilton music strategy and the possibility of establishing a Hamilton Music Office.

The rules of order were suspended in order to allow for the introduction of a motion respecting “Establishment of a Hamilton Music Working Group”.

The following was added as sub-section (b):

(b) That the appropriate staff be requested to connect with the Canadian Academy of Recording Arts and Sciences (CARAS), Global Spectrum Hamilton and CTV in an effort to host the next available Juno Awards at Copps Coliseum.

See Item 6 for the disposition of this item.

Councillor B. McHattie introduced the following Notice of Motion:

(ii) **Request for Balance of Start-up Grant for Locke Street Farmers’ Market (Added Item 10.2)**

Whereas, the Locke Street Farmers’ Market had requested a $10,000 start-up grant in May 2011;

And Whereas on May 25, 2011, City Council approved a grant of $5,000 (Item 5 of General Issues Committee Report 11-013(a)) with a recommendation included that the group come back to City Council for the second $5,000 once the Market had advanced further;

And Whereas, the Locke Street Farmers’ Market has now been in place for two years and is expanding, growing from five vendors in 2012 to eight vendors in 2013.

Therefore Be It Resolved:

That the outstanding balance of the start-up costs in the amount of $5,000 be approved for the Locke Street Farmers’ Market, to be funded from the Economic Development Investment Fund Account No. 3620908900.

The rules of order were suspended in order to allow for the introduction of a motion respecting “Request for Balance of Start-up Grant for Locke Street Farmers’ Market”.

Council – May 22, 2013
See Item 7 for the disposition of this item.

Councillor S. Duvall introduced the following Notice of Motion:

(iii) Thomson Court/Helga Court/Imelda Court Reconstruction (Ward 7)

(a) That Thomson Court, Helga Court and Imelda Court be reconstructed at a total estimated cost of $810,000;

(b) That the estimated reconstruction cost of the road, in the amount of $350,000, be funded from the Ward 7 Area Rating Special Capital Re-Investment Reserve No. 108057;

(c) That the estimated cost of the watermain replacement and sewer investigation, in the amount of $460,000, be funded from Project ID 5141371301 – Replace Program – Roads 2013;

(d) That the General Manager of Public Works be authorized to prepare, advertise and award tenders as required for the above-noted works.

The rules of order were suspended in order to allow for the introduction of a motion respecting “Thomson Court/Helga Court/Imelda Court Reconstruction”.

See Item 8 for the disposition of this item.

Councillor B. McHattie introduced the following Notice of Motion:

(iv) Implementation of Rapid Ready – Local Transit Service Improvements and Financial Strategy

Whereas, the Rapid Ready report addresses the need for a $45M investment in local public transit in order to serve the needs of Hamiltonians, and to serve the rapid transit routes;

And Whereas the Rapid Ready report, building on earlier recommendations in Council’s Transportation Master Plan (TMP) (2007), calls for transit ridership in Hamilton to increase to 80-100 rides per capita from its current level of 45 rides per capita;

And Whereas the TMP also calls for a doubling of public transit use over the next 15 years from a daily modal split of 6% today to 12% in the 2021 to 2031 long term time frame;
And Whereas the 2010 Operational Review of transit identifies specific priority service level improvements, emphasizing the need for more buses on Hamilton Mountain, and in the former area municipalities;

And Whereas, notwithstanding local transit service improvements made with Provincial Gas Tax funding, there has been no City investment in transit service improvements over the past decade;

And Whereas it is important to consider all sources of funding to improve local transit service levels including but not limited to parking revenues, fare increases, resolution of the transit area rating plan, City operating budget, and funding from the Provincial and Federal governments;

And Whereas the economic, environmental, health and social benefits of public transit are well-known.

Therefore Be It Resolved:

(a) That staff come forward with recommendations for consideration during the 2014 operating and capital budget process with the first priorities for local transit service improvements to begin implementing Rapid Ready;

(b) That staff report back in time for the 2015 budget process with a 2015-2017 local transit service level strategy, including specific route recommendations and a financial strategy, to continue the implementation of Rapid Ready;

(c) That following the completion of the Transportation Master Plan Five-Year Review, staff report back with a local transit service level strategy, including specific route recommendations and a financial strategy for the 2018 – 2022 period.

(i) GENERAL INFORMATION/OTHER BUSINESS (Item 11.1)

(i) Outstanding Business Items List

(a) The following items were deemed complete and removed from the Outstanding Business List:

Item B: Implications of AODA (2013 Budgets OBL) (GIC – March 21)

Item G: Metrolinx Investment Strategy Consultation and Regional Transportation Funding Option (Item 7.1)

Council – May 22, 2013
Item FF: Tourism Gateway Centre (Item 8.1)

(b) The proposed new due dates for the following Outstanding Business List Items were approved:

Item F: HWCDSB Surplus Land at 161 Meadowlands Blvd.
Due Date: March 20, 2013
Revised Due Date: June 19, 2013

Item J: 2012 Ontario Municipal Partnership Fund Allocations
Due Date: June 19, 2013
Revised Due Date: September 18, 2013

Item R: Residential Water/Wastewater Warranty Protection Plan
Due Date: Q1, 2013
Revised Due Date: September 18, 2013

Item W: Economic Development Advisory Committee
Due Date: Q1 2014
Revised Due Date: Q1 2015

Item BB: Expansion of Community Improvement Initiatives
Due Date: May 15, 2013
Revised Due Date: July 8, 2013

(j) PRIVATE & CONFIDENTIAL

(i) Closed Session Minutes – May 1, 2013 (Item 12.1)

The Minutes of the Closed Session Meeting of the General Issues Committee held on May 1, 2013 were approved and will remain confidential and restricted from public disclosure.

(ii) Performance Review – Senior Management Team (Item 12.3)

As this matter has been deferred a number of times from previous Committee agendas, the Legislative Co-ordinator was directed to schedule this item for discussion at the beginning of the June 5, 2013 General Issues Committee meeting.
(k) ADJOURNMENT

There being no further business, the Committee adjourned at 3:20 p.m.

Respectfully submitted

Councillor T. Whitehead
Deputy Mayor

Carolyn Biggs
Legislative Co-ordinator
My name is Gina Gentili and I am a volunteer Board member with the Canadian Ballet Youth Ensemble (the “CBYE”). I am here this morning to request a reconsideration of our one time grant request by the Canadian Ballet Youth Ensemble for the 2011 Nutcracker Performance to hire Hamilton Philharmonic Orchestra musicians, which was denied by Council, as well the re-instatement of our Community Partnership Program Grants requests for the years 2011 and 2012.

By way of letter to the Mayor, and City Council October 7, 2011, the CBYE presented its concern to Council about the Burlington Performance Hall and the booked competing production of Nutcracker in Burlington; we had very deep concerns that the Burlington production would have a negative impact on our Nutcracker ticket sales. We knew that including a live orchestra in our various Nutcracker performances would increase our ticket sales and enhance our critically acclaimed performances, therefore retaining our core audience and expanding to a new audience. As our financial situation precluded us from hiring a live orchestra for the previous two years, we were very hesitant about moving forward with a live orchestra. We requested that City Council approve a one-time grant of $35,000 to permit the CBYE to hire the HPO musicians for the 2011 performances.

Working with then, Chief Administrative Officer and Interim CEO of HECFI, John Hertel, who assisted the CBYE with the necessary documentation for the one-time grant, we worked closely with HECFI to maximize our ticket sales and marketing of the Nutcracker performances. We were assured by John Hertel that we met the necessary requirements and that the funding would be approved. CBYE had no intention of incurring this additional liability without grant approval. As a result, HECFI retained the orchestra directly. CBYE was not a party to that agreement. It was our understanding that once the grant was approved, the funds would be directed to HECFI, not to CBYE.

HECFI signed the contract with the Hamilton Philharmonic Orchestra musicians and the agreement stipulated that HECFI would pay the Hamilton Philharmonic Orchestra musicians and the one-time grant would replace the funds, when it arrived. The CBYE was assured that the one-time grant request met all requirements and would be approved, without incident. From November to February, the CBYE followed up regularly about the status of the one-time grant, with no indication of any issues or any requests for clarification. To our shock, in February 2012 we discovered that the one-time grant request was denied due to the property tax issue and the HECFI indebtedness that was incorrectly assigned to CBYE. John Hertel signed the contract with the musicians and when the grant was denied he removed the funds from our Box Office Revenue to pay them, resulting in CBYE incurring a deficit.
Briefly, the confusion that follows is the reason that I am here before you today requesting a reconsideration of our one time grant request:

As a charitable organization, that rents its space, the CBYE was assessed with property taxes! The property tax owing was, in actuality, a liability of the landlord and not the CBYE, a charity. The ramification of this assessment meant that as debtors to the CITY the CBYE was ineligible for the otherwise approved grant. We were perplexed by this assessment as the CBYE did not own the property and therefore could not be liable in any way for property taxes. Given the dire implications for the CBYE, we worked diligently with the City Tax Department to clarify the confusion, yet still CBYE, a renter, is being held accountable for a property tax liability that simply does not apply to the organization. Since then the matter has be cleared by the landlord.

The CBYE is a volunteer organization that has often been funded by the volunteer board members, people that are community members that have family financial responsibilities but have exhausted their personal family income to ensure that our youth programs continue. Our programs engage over forty schools and children across the region; we continue to deliver the high quality production of Nutcracker in collaboration with the Cuban Ballet, a privilege that no other organization in the world has access to--- a family tradition for thousands of families.

We have tracked revenue of approximately $1.2 million dollars for HECFI from 2006 -2011. The major line items during that period: Rent $102,400.00; $ Front of House $34,000.00; and IATSE Stage Hands $250,000.00.

Using HECFI’s own calculations on Economic Impact, CBYE productions of The Nutcracker and our other productions and activities have, in the last 15 years, created $18,000,000.00 of benefit to the City of Hamilton.

In addition, we are cultivating a relationship with Cuba whereby we brought 60 Hamiltonians to Cuba for a cultural tourist experience, a program that we are working on that has great potential for Hamilton’s future economic development.

Our request is not unusual as we know that on January 14, 2013 that the Geritol Folies received approval of a grant for $48,000. to pay their indebtedness to HECFI, an amount that was funded from Reserve #104005, the Special Events Subsidy Fund and the remaining amount (approximately $3000) be funded from Reserve #100025 Capital Projects – HECFI. Opera Hamilton is carrying a significant debt to HECFI and has not been adversely affected in the receipt of its grant.
Additionally, in 2010 HECFI subsidized the following events from the Special Events Subsidies City Budget line of $100,000:

Food & Drink Festival -- $19,910  
Sports Distributers of Canada -- $7,587  
SX Marketing Inc. Sexapalooza -- $8000  
Lulu lemon Athetica Inc., -- $8400  
Prestige Bridal Show Inc., -- $13,910  
Scotchtoberfest -- $10,000  
Rocktoberfest -- $10,000

While we were not included in the seven arts groups approved for $1.9 million for arts groups in Hamilton, we did meet the requirements for the 2011 one-time grant and would request reconsideration. I hope that I have clarified the confusion, that we have met the one-time grant requirements and Community Partnership Program Grants requests, for the years 2011 and 2012 and appeal to you to accordingly release the funds.

On a number of occasions City Council has articulated that the approach that Council needs to take is to make an “apples to apples” comparison and to “look at the return on investment”. We are in agreement with this approach “it is about fairness and equity”.

Thank you
PUBLIC WORKS COMMITTEE
REPORT 13-006 As Amended by Council May 22, 2013
9:30 a.m.
Thursday, May 16, 2013
Council Chambers
Hamilton City Hall
71 Main Street West

Present: Councillors L. Ferguson (Chair)
C. Collins, S. Merulla, B. McHattie, S. Duvall

Also in Attendance: Councillor J. Farr

Absent with Regrets: Councillors R. Powers – City Business
T. Jackson – Vacation
T. Whitehead (Vice-Chair), R. Pasuta - Personal

THE PUBLIC WORKS COMMITTEE PRESENTS REPORT 13-006 AND RESPECTFULLY RECOMMENDS:

1. Intersection Control List (PW13001(a)) (Wards 8, 11 & 15) (Item 5.4)

That the appropriate By-law be passed to provide traffic control as follows:

<table>
<thead>
<tr>
<th>Intersection</th>
<th>Street 1</th>
<th>Street 2</th>
<th>Stop Direction</th>
<th>Class</th>
<th>Location/ Comments/ Petition</th>
<th>Ward</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Dyment Crt.</td>
<td>John Frederick Dr.</td>
<td>NC</td>
<td>EB</td>
<td>B</td>
<td>N. of Garner Rd., E. of Southcote Rd.</td>
<td>12</td>
</tr>
<tr>
<td>(b) Gregorio Ave.</td>
<td>John Frederick Dr.</td>
<td>NC</td>
<td>WB</td>
<td>B</td>
<td>N. of Garner Rd., E. of Southcote Rd.</td>
<td>12</td>
</tr>
<tr>
<td>(c) Sexton Cres.</td>
<td>John Frederick Dr.</td>
<td>NC</td>
<td>EB</td>
<td>B</td>
<td>N. of Garner Rd., E. of Southcote Rd.</td>
<td>12</td>
</tr>
<tr>
<td>(d) Stiles St.</td>
<td>Gregorio Ave.</td>
<td>NC</td>
<td>SB</td>
<td>B</td>
<td>N. of Garner Rd., E. of Southcote Rd.</td>
<td>12</td>
</tr>
<tr>
<td>(e) Stiles St.</td>
<td>John Frederick Dr.</td>
<td>NC</td>
<td>WB</td>
<td>B</td>
<td>N. of Garner Rd., E. of Southcote Rd.</td>
<td>12</td>
</tr>
<tr>
<td>(f) Fellowes Cres. (East int.)</td>
<td>Niska Dr.</td>
<td>EB/WB</td>
<td>NB/SB</td>
<td>A</td>
<td>S. of Parkside, E. of Main St.</td>
<td>15</td>
</tr>
<tr>
<td>(g) Milburough Line</td>
<td>6th Concession E.</td>
<td>EB</td>
<td>NB</td>
<td>A</td>
<td>East Flamborough</td>
<td>15</td>
</tr>
</tbody>
</table>
2. **Knights of Columbus Soapbox Derby (PW13019(a)) (Ward 1) (Item 5.3)**

That Report PW13019(a) respecting, Knights of Columbus Soapbox Derby, be received.

3. **Longwood Road Transportation Review (PW13035) (Ward 1) (Item 5.4)**

That Report PW13035 respecting, Longwood Road Transportation Review, be received.

4. **2012 Annual Energy Report (City Wide) (PW13033) (Item 7.1)**


5. **Quick Wins Projects Update - King Street Bus Only Lane & A and B Line Passenger Amenities (PW11079(d)) (City Wide) (Item 7.2)**

   (a) That the General Manager, Public Works, be authorized and directed to undertake the final implementation of the following Quick Wins projects, as outlined in this report, to be funded from Metrolinx Quick Wins Reserve Account at an estimated cost of $1.7 million:

   (i) A and B Line Passenger Amenities

   (ii) One year Pilot Program King Street Bus Only Lane

   (b) That the General Manager, Public Works, be authorized and directed to modify the Traffic Bylaw, as required, to implement the planned A and B Line Passenger Amenities and King Street Bus Only Lane;

   (c) That the General Manager, Planning and Economic Development, be authorized to revise the Parking Bylaw to reflect changes as part of the A and B Line Passenger Amenities and King Street Bus Only Lane.
(d) That staff be directed to Report to the General Issues Committee at the conclusion of the one year pilot program for a Bus Only Lane on King Street.

6. Queen Street South at Stanley Avenue - Part-time Left Turn Restriction (PW13036) (Ward 1) (Item 8.1)

That Report PW13036 respecting, Queen Street South at Stanley Avenue - Part-time Left Turn Restriction, be referred back to the Public Works Committee.

7. Recycling Council of Ontario Municipality Reimbursement Agreement for the Funding of Phase 2 Municipal Hazardous or Special Waste (PW13037) (City Wide) (Item 8.2)

(a) That the City of Hamilton enter into the Municipality Reimbursement Agreement with the Recycling Council of Ontario for the funding of Phase 2 material collected under the City of Hamilton's Municipal Hazardous or Special Waste program;

(b) That the Mayor and City Clerk be authorized to execute all necessary documents, including a Municipality Reimbursement Agreement with the Recycling Council of Ontario, to implement recommendation (a) of Report PW13037 with content satisfactory to the General Manager of Public Works and in a form satisfactory to the City Solicitor.

8. Source Separated Organic Waste Contract for the Regional Municipality of Halton (PW13038) (City Wide) (Item 8.3)

(a) That the City of Hamilton authorize AIM Waste Inc., acting as the City of Hamilton's agent, to enter into a new contract with the Regional Municipality of Halton for the processing of The Regional Municipality of Halton's source separated organic waste at the City of Hamilton's Central Composting Facility provided that:

(i) the term shall be for the period of April 7, 2014 to April 6, 2018, with the potential for one, two year or eight month renewal to December 31, 2020 upon the mutual agreement of the City of Hamilton and The Regional Municipality of Halton;

(ii) the content of the contract shall be satisfactory to the General Manager of Public Works or designate and the form shall be satisfactory to the City Solicitor;

(b) That fifty percent (50%) of the revenues generated from the new source separated organic waste processing contract with The Regional
Municipality of Halton be placed into Reserve Account #112271 (WM Facilities - Replace - Upgrade) and that the remaining fifty percent (50%) of the revenue generated from the contract be used to reduce the operating budget in the Environmental Services Division of the Public Works Department;

(c) That the Mayor and City Clerk be authorized and directed to execute all required documents as a result of subsection (a), including but not limited to any amendments to the Operations and Maintenance Agreement between the City of Hamilton and Maple Reinders Constructors Ltd. for the City of Hamilton’s Central Composting Facility, all in a form satisfactory to the City Solicitor.

9. **Installation of Stop Control on Mud Street at Pritchard Street (Added Item 10.1 & 9.1)**

   (a) That staff be directed to install a stop control, West bound on Mud Street at the Intersection of Pritchard Street;

   (b) That the appropriate amending By-law be passed.

10. **Speed Reduction on Charlton Avenue West Between Queen Street and Locke Street (Added Item 10.2 & 9.2)**

    (a) That the speed limit on Charlton Avenue West between Queen Street and Locke Street be changed to 40 km/hr from the current 50 km/hr;

    (b) That the appropriate amending By-law be passed.

11. **Installation of Stop Control at Bow Valley Drive and Honeywell Drive (Added Item 10.3 & 9.3)**

    (a) That staff be directed to install an all-way stop control at the intersection of Bow Valley Drive and Honeywell Drive;

    (b) That the appropriate amending By-law be passed.

12. **Referral of Outstanding Business List Item to the Planning Committee (Item 11.1)**

    That Item “Q” on the Public Works Outstanding Business List respecting, Synergies between Infrastructure Development and New School Openings, be referred to the Outstanding Business List of the Planning Committee.
13. Referral of Outstanding Business List Item to the General Issues Committee (Item 11.1)


FOR THE INFORMATION OF COUNCIL:

(a) CEREMONIAL ACTIVITIES (Item A)

(i) Cheque Presentation – World Water Day Walkathon (March 22nd)

Chair Ferguson recognized the efforts of Public Works staff along with the Ancaster Rotary in hosting the 9th Annual World Water Day Walkathon to help raise funds for Haiti Water for Life project. Over the last nine years, this Walkathon has raised over $170,000. Chair Ferguson presented Roy Sheldrick of the Ancaster Rotary with the proceeds from this year’s Walkathon. Hamilton students, community members and City staff raised $23,131 for this project. Chair Ferguson recognized the efforts of Dan McKinnon, Shane McCauley and of all Public Works staff involved in making the Walkathon possible.

(b) CHANGES TO THE AGENDA (Item 1)

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

(i) ADDED DELEGATION REQUESTS

4.1 Delegation Request from Nicholas Schwetz respecting tree health in downtown Hamilton

4.2 Delegation Request from Bruce Panagapko respecting the addition of more bike lanes

(ii) ADDED NOTICES OF MOTION

10.1 Installation of Stop Control Mud Street at Pritchard Street

10.2 Speed Reduction Charlton Avenue West Between Queen Street and Locke Street

The May 16, 2013 Public Works Committee Agenda was approved, as amended.
(c) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(d) MINUTES (Item 3)

(i) April 22, 2013 (Item 3.1)

The Minutes of the April 22, 2013 Public Works Committee meeting were approved as presented.

(e) DELEGATION REQUESTS (Item 4)

(i) Delegation Request from Nicholas Schwetz respecting tree health in downtown Hamilton (Item 4.1)

The Delegation Request from Nicholas Schwetz respecting tree health in downtown Hamilton, was approved.

(ii) Delegation Request from Bruce Panagapko respecting the addition of more bike lanes (Item 4.2)

The Delegation Request from Bruce Panagapko respecting the addition of more bike lanes, was approved.

(f) CONSENT ITEMS (Item 5)

(i) Minutes of Various Sub-Committee (FOR INFORMATION PURPOSES ONLY) (Item 5.1)

The following Advisory and Sub-committee Minutes were received for information:

(a) Clean City Liaison Committee – March 19, 2013 (Item 5.1.1)

(g) PRESENTATIONS (Item 7)

(i) 2012 Annual Energy Report (City Wide) (PW13033) (Item 7.1)
Tom Chessman, Manager of Energy Initiatives addressed the Committee with the aid of a PowerPoint Presentation. A copy of the presentation has been included in the official record.

Mr. Chessman described the $27 million in cumulative savings and avoided costs that the City has enjoyed since 2006. He described the key cost drivers of the energy market and outlined the future projects and initiatives of the Office of Energy Initiatives.

The presentation, respecting the 2012 Annual Energy Report, was received.

For disposition on this matter refer to Item 4.

(ii) Quick Wins Projects Update - King Street Bus Only Lane Pilot and A & B Line Passenger Amenities (PW11079d) (City Wide) (Item 7.2)

Christine Lee-Morrison, Manager, Mobility Programs and Special Projects addressed the Committee with the aid of a PowerPoint Presentation. A copy of the presentation has been included in the official record.

Ms. Lee-Morrison provided an overview of the Quick Wins Project respecting the pilot program for a bus only lane on King Street as well as passenger amenities on the A & B line.

The presentation, respecting the Quick Wins Projects Update - King Street Bus Only Lane and A & B Line Passenger Amenities, was received.

(a) That the General Manager, Public Works, be authorized and directed to undertake the final implementation of Quick Wins projects, as outlined in this report, including

   (i) King Street Bus Only Lane Pilot
   (ii) A and B Line Passenger Amenities;

(b) That the General Manager, Public Works, be authorized and directed to modify the Traffic Bylaw, as required, to implement the planned King Street Bus Only Lanes;

(c) That the General Manager, Planning and Economic Development, be authorized to revise the Parking Bylaw to reflect changes as part of the King Street Bus Only Lane implementation.

The Motion was split for voting purposes.

Sub-section (a)(ii) CARRIED on the Following Recorded Vote:
Yeas: L. Ferguson, S. Duvall, S. Merulla, C. Collins, B. McHattie
Total: 5
Nays:
Total: 0
Total: 4

Sub-sections (a)(i),(b) and (c) were DEFEATED on the following Recorded Vote:

Yeas: B. McHattie, S. Merulla
Total: 2
Nays: C. Collins, S. Duvall, L. Ferguson
Total: 3
Total: 4

The Motion was amended through the addition of new sub-sections (b) and (c) to read as follows:

(b) That the General Manager, Public Works, be authorized and directed to modify the Traffic Bylaw, as required, to implement the planned A and B Line Passenger Amenities;

(c) That the General Manager, Planning and Economic Development, be authorized to revise the Parking Bylaw to reflect changes as part of the A and B Line Passenger Amenities.

For disposition on this matter refer to item 5.

(iii) Blue Box Commodity Markets and Trends Affecting Revenues (No Copy) (Item 7.3)

Emil Prpic, Manager of Recycling and Waste Disposal, addressed the Committee with the aid of a PowerPoint Presentation. A copy of the presentation has been included in the official record.

Mr. Prpic provided an overview of the pressures and changes within the Blue Box Commodity Markets. He indicated that the expectation is that the markets will remain weak for the remainder of the year due to stricter legislation in China respecting higher standards around the acceptance of contaminated materials.

The presentation respecting, Blue Box Commodity Markets and Trends Affecting Revenues, was received.
(h)  NOTICES OF MOTION (Item 10)

Councillor Duvall introduced the following Notice of Motion

(i)  Installation of Stop Control on Mud Street at Pritchard Street (Added Item 10.1)

  (a)  That staff be directed to install a stop control, West bound on Mud Street at the Intersection of Pritchard Street;
  
  (b)  That the appropriate amending By-law be passed.

The rules of order were waived to allow for the introduction of a Motion respecting the installation of Stop Control Mud Street at Pritchard Street.

For disposition on this matter refer to Item 9.

Councillor McHattie introduced the following Notice of Motion

(ii)  Speed Reduction on Charlton Avenue West Between Queen Street and Locke Street (Added Item 10.2)

Whereas, vehicles are speeding along Charlton Avenue West between Queen Street and Locke Street, and;

Whereas, both the HAAA park grounds and Ryerson School are adjacent to Charlton Avenue West, resulting in children crossing at Kent Street.

Therefore, be it resolved;

  (a)  That the speed limit on Charlton Avenue West between Queen Street and Locke Street be changed to 40 km/hr from the current 50 km/hr;
  
  (b)  That the appropriate amending By-law be passed.

The rules of order were waived to allow for the introduction of a Motion respecting a Speed Reduction on Charlton Avenue West Between Queen Street and Locke Street.

For disposition on this matter refer to Item 10.
Councillor Collins introduced the following Notice of Motion

(iii) **Installation of Stop Control at Bow Valley Drive and Honeywell Drive**  
(Added Item 10.3)  
(a) That staff be directed to install an all-way stop control at the intersection of Bow Valley Drive and Honeywell Drive;  
(b) That the appropriate amending By-law be passed.

The rules of order were waived to allow for the introduction of a Motion respecting the installation of Stop Control at Bow Valley Drive and Honeywell Drive.

For disposition on this matter refer to Item 11.

(i) **GENERAL INFORMATION/OTHER BUSINESS (Item 11)**  
(i) **Outstanding Business List (Item 11.1)**  
(a) Items Requiring Approval For Removal:  

The following items were approved for removal from the Outstanding Business List:

Item B - Left-hand Prohibition Sign at Queen Street South and Stanley Avenue

Item D - Region of Halton Discussions for Processing of Source Separated Organics

(b) Items Requiring Revised Due Dates:  

The following Due Dates were revised:

Item J - Delegation by Alex Sears respecting improvements and changes  
Due Date: June 3, 2013  
Revised Due Date: June 17, 2013

Item L - Advisory Committee for People with Disabilities Report 13-002  
Due Date: September 16, 2013  
Revised Due Date: October 7, 2013

(c) Item for Referral to the Planning Committee:
Item Q - Synergies between infrastructure Development and New School Openings

For disposition on this matter refer to Item 12.

(d) Item for Referral to the General Issues Committee:

Item R - Proactive Reporting Incentive Program

For disposition on this matter refer to Item 13.

(j) ADJOURNMENT (Item 13)

There being no further business, the Public Works Committee be adjourned at 12:38 p.m.

Respectfully submitted,

Councillor L. Ferguson Chair
Public Works Committee

Andy Grozelle
Legislative Coordinator
Office of the City Clerk
Council - May 22, 2013

BOARD OF HEALTH
REPORT 13-004
1:30 p.m.
Thursday May 16, 2013
Council Chambers
Hamilton City Hall

Present: Mayor B. Bratina, Chair
Councillors C. Collins, S. Duvall, J. Farr, L. Ferguson, B. Johnson,
B. McHattie, S. Merulla, M. Pearson, T. Whitehead

Absent with regrets: B. Clark – Personal Business
T. Jackson – Vacation
B. Morelli – City Business
J. Partridge – City Business
R. Pasuta – Personal Business
R. Powers – City Business

THE BOARD OF HEALTH PRESENTS REPORT 13-004 AND RESPECTFULLY RECOMMENDS:

1. Correspondence (Item 11)

   (a) Correspondence from the Corporation of the Township of Killaleo – Hagarty – Richards respecting their support for the Ontario Convenience Stores Association resolution respecting the stopping of the sale of contraband tobacco

      Recommendation: Be received

   (b) Correspondence from the Peterborough County-City Health Unit Respecting The Potential Health Impacts of a Casino in Peterborough

      Recommendation: Be received

Council - May 22, 2013
(c) Correspondence from the Ministry of Health and Long-Term Care respecting the 2013 Performance Targets for the Health Protection Indicators under the 2011-2013 Public Health Accountability Agreement

Recommendation: Be received

FOR THE INFORMATION OF THE COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

1. ADDED NOTICES OF MOTION (Item 10)
   (i) Epinephrine Auto Injectors (ERA) – Rotary Club of Ancaster A.M. (Item 10.1)

2. ADDED GENERAL INFORMATION (Item 11)
   (i) Added Correspondence (Item 11.1)

   (c) Correspondence from the Ministry of Health and Long-Term Care respecting the 2013 Performance Targets for the Health Protection Indicators under the 2011-2013 Public Health Accountability Agreement (Item 11.1 (c))

   Recommendation: Be received

The agenda was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

None

(c) MINUTES (Item 3)

(i) April 22, 2013 (Item 3.1)

The minutes from the April 22, 2013 Board of Health meeting, were approved.

Council - May 22, 2013
(d) DELEGATION REQUESTS (Item 4)

(i) Christopher Savard representing the Academy of Nurse Practitioners Association, respecting the use of Nurse Practitioner led clinics to alleviate the primary care crisis (Item 4.1)

The delegation request by Christopher Savard representing the Academy of Nurse Practitioners Association, respecting the use of Nurse Practitioner led clinics to alleviate the primary care crisis, was approved to speak at the June 17, 2013 meeting of the Board of Health.

(ii) Renee Wetselaar and Kerry Cranston representing the City of Hamilton Lesbian Gay Bisexual Transgender Queer Advisory Committee (LGBTQ), respecting the need for a suicide prevention strategy (Item 4.2)

The delegation request by Renee Wetselaar and Kerry Cranston representing the City of Hamilton Lesbian Gay Bisexual Transgender Queer Advisory Committee (LGBTQ), respecting the need for a suicide prevention strategy, was approved to speak at the June 17, 2013 meeting of the Board of Health.

(e) PRESENTATION (Item 7)

(i) Organizational Standards for Ontario Public Health (no copy) (Item 7.1)

A copy of the PowerPoint presentation was retained by the Clerk for the record.

Dr. Richardson introduced Joyce Locke to present on the Review of Ontario Public Health Organizational Standards. Ms. Locke proceeded to provide the Board of Health with a presentation on organizational standards, leadership, best practices, accountability, transparency, continuous improvement and the need for self evaluation.

The Board asked questions of the presenter respecting issues surrounding governance as well as the need to work towards self-evaluation.

The presentation respecting Organizational Standards for Ontario Public Health, was received.
(f) MOTIONS (Item 9)

(i) Epinephrine Auto Injectors (EAI) – Rotary Club of Ancaster A.M. (item 9.1)

WHEREAS A 12 year old, was unaware she had a food allergy, recently lost her life at the food court at Mapleview Mall;

AND WHEREAS she went into anaphylactic shock which restricts breathing and can cause death in two to three minutes;

AND WHEREAS in people with severe allergies, certain foods are the cause of anaphylaxis, a potentially fatal reaction;

AND WHEREAS over the past 15 years, Anaphylaxis Canada estimates are that the occurrence of anaphylaxis from food allergies increases by 18 percent each year;

AND WHEREAS emergency rooms in Canada handle many cases of allergic reactions each year;

AND WHEREAS in the recent years, an increasing number of people have lost their lives in Canada as a result of anaphylactic shock;

AND WHEREAS there are more than 120 foods that can cause allergic reactions, and they come from 8 food categories (shellfish, fish, wheat, soy, milk, eggs, tree nuts including walnuts, almonds, & cashews, and peanuts);

AND WHEREAS about 90 percent of food-related allergic reactions result from these eight food groups;

AND WHEREAS food allergy is a common potentially life-threatening disorder that affects about 6%-8% of children;

AND WHEREAS studies also show that of Canadian children with life-threatening food allergies, more than 30 percent are allergic to more than one food category;

AND WHEREAS a simple quick cure, an injection of epinephrine, (a natural product of the adrenal glands in all humans) can reverse the symptoms within seconds, saving lives;

AND WHEREAS Epinephrine Auto-Injector (EAI) products are readily available on the commercial pharmaceutical marketplace;
AND WHEREAS the Rotary Club of Ancaster A.M. has set a goal to have an Epinephrine Auto-Injector (EAI) in every food court, restaurant, snack bar and fast food facility in Hamilton;

AND WHEREAS Hamilton would be a pilot for other cities across Canada;

AND WHEREAS it is necessary to understand how we can achieve this goal;

THEREFORE BE IT RESOLVED:

(a) That the Medical Officer of Health be directed to prepare a report for the Board of Health outlining the following.

(i) How we can get the Epinephrine Auto-Injector (EAI) into every food service outlet in Hamilton;

(ii) How employees of every food service outlet can be trained to do the auto injections for people suffering from the symptoms;

(iii) How EAI kits can be maintained & monitored in every facility;

(iv) Provide an approximate cost for full implementation;

(b) That the Medical Officer of Health report back in September 2013.

(g) NOTICES OF MOTION (Item 10)

Councillor Ferguson introduced the following notices of motion.

(i) Epinephrine Auto Injectors (EAI) – Rotary Club of Ancaster A.M. (item 10.1)

WHEREAS A 12 year old, was unaware she had a food allergy, recently lost her life at the food court at Mapleview Mall;

AND WHEREAS she went into anaphylactic shock which restricts breathing and can cause death in two to three minutes;

AND WHEREAS in people with severe allergies, certain foods are the cause of anaphylaxis, a potentially fatal reaction;

AND WHEREAS over the past 15 years, Anaphylaxis Canada estimates
are that the occurrence of anaphylaxis from food allergies increases by 18 percent each year;

AND WHEREAS emergency rooms in Canada handle many cases of allergic reactions each year;

AND WHEREAS in the recent years, an increasing number of people have lost their lives in Canada as a result of anaphylactic shock;

AND WHEREAS there are more than 120 foods that can cause allergic reactions, and they come from 8 food categories (shellfish, fish, wheat, soy, milk, eggs, tree nuts including walnuts, almonds, & cashews, and peanuts);

AND WHEREAS about 90 percent of food-related allergic reactions result from these eight food groups;

AND WHEREAS food allergy is a common potentially life-threatening disorder that affects about 6%-8% of children;

AND WHEREAS studies also show that of Canadian children with life-threatening food allergies, more than 30 percent are allergic to more than one food category;

AND WHEREAS a simple quick cure, an injection of epinephrine, (a natural product of the adrenal glands in all humans) can reverse the symptoms within seconds, saving lives;

AND WHEREAS Epinephrine Auto-Injector (EAI) products are readily available on the commercial pharmaceutical marketplace;

AND WHEREAS the Rotary Club of Ancaster A.M. has set a goal to have an Epinephrine Auto-Injector (EAI) in every food court, restaurant, snack bar and fast food facility in Hamilton;

AND WHEREAS Hamilton would be a pilot for other cities across Canada;

AND WHEREAS it is necessary to understand how we can achieve this goal;

THEREFORE BE IT RESOLVED:

(a) That the Medical Officer of Health be directed to prepare a report for the Board of Health outlining the following.
(i) How we can get the Epinephrine Auto-Injector (EAI) into every food service outlet in Hamilton;

(ii) How employees of every food service outlet can be trained to do the auto injections for people suffering from the symptoms;

(iii) How EAI kits can be maintained & monitored in every facility;

(iv) Provide an approximate cost for full implementation;

(b) That the Medical Officer of Health report back in September 2013.

The rules of order were waved to introduce a motion respecting epinephrine auto injectors

Please refer to item (f)(i) for disposition.

(h) ADJOURNMENT (Item 13)

The Board of Health adjourned at 3:00 p.m.

Respectfully submitted,

Mayor R. Bratina  
Chair, Board of Health

Christopher Newman  
Legislative Coordinator