



VISION: We will be a vibrant, dependable and clean city where services are delivered innovatively and effectively.
MISSION: To provide effective operations of the city through collaboration of members, management and staff.

**Works Depot
Laffan Street, Hamilton
Finance Committee
11 May 2017
11.15am**

Present: Councillor Dennis Tucker, JP (Chair)
Rt. Wor. Charles Gosling, JP
Councillor John Harvey, MBE, JP
Councillor Larry Scott
Councillor Henry Ming

In Attendance: Edwards Benevides - Secretary
Tanya Iris - Treasurer
Siobhan Fubler - Deputy Treasurer
Patrick Cooper - City Engineer
Danilee Trott - Event Project Manager

Apologies: Councillor RoseAnn Edwards
Nathan Kowalski, CA, CFA, CIM - Associate Member
Lindell Foster - Human Resources Manager

1. Confirmation of Notice:

The Secretary confirmed that the appropriate notices of the meeting and agenda were duly given according to the meeting guide.

2. Role of the Chairman:

Councillor Tucker confirmed his role as the Chairman.

3. Open Meeting:

Councillor Tucker called the meeting to order at 11.15am.

4. Apologies:

The Secretary confirmed apologies for Associate Member Nathan Kowalski and the Human Resources Manager.

5. **Public Participation/Presentation:**

- (i) **KPMG - 2016 Audited Financial Statements.** Moved to Restricted Session.
- (ii) **KPMG - Report on Agreed Upon Procedures.** Moved to Restricted Session.

6. **Correspondence:**

- (i) There was no correspondence.

7. **Minutes of Previous Finance Committee Meeting dated 13 April 2017:**

Proposed: Councillor Harvey

Seconded: Councillor Larry Scott

The Minutes were accepted as read.

8. **Matters arising from the previous Finance Committee Meeting dated 13 April 2017:**

(i) **Check with the City Engineer as it relates to the design and installation timelines of the barrier systems in the remainder of the car parks:** It was confirmed the City Engineer had distributed a schedule relating to the design and installation timelines of the barrier systems in the remainder of the car parks. A CoH Press Release was also issued yesterday informing the public of the intended barrier system schedule.

(ii) **Contact Clarien Bank with regards to paying off the loan:** The Treasurer had contacted Clarien Bank with regards to paying off the loan but they have not formally responded yet. Councillor Tucker said the Committee needs to decide what to do with the \$2.79 million which is currently sitting in a Bank of Butterfield current account. The Mayor asked whether anyone has gone through the exercise of reviewing the best interest rates available and the Secretary said the intention was to use the money towards paying off the loan. It was agreed that in the interim, the money could be moved to Clarien Bank because they are offering a higher interest rate.

ACTION: The Treasurer to move \$2 million of the money from Bank of Butterfield account to a Clarien Bank interest bearing account.

(iii) **Check on the increase in expenses on the items raised by the Committee, i.e. water, travel, security and temporary staff:** Councillor Tucker had raised a concern with the increases in expenses in the March 2017 Treasurer's Report. The Treasurer said that the water bill had increased due to an issue with a water meter on Front Street and this has now been rectified. The bill for water for May could also be quite high because there is currently a drought more water is being used than average. The Treasurer also explained that the rise in temporary staff expenditure was due to the cost of employing the Secretary's Executive Assistant who is currently on a contract. The CoH will be advertising shortly for a full-time employee to fill this position. The Secretary said that a Parking Attendant will also need to be hired once the barrier systems are up and running.

- (iv) **Raise the Cavendish Car Park barrier system design issues at the next Infrastructure Committee Meeting:** It was confirmed that the Cavendish Car Park barrier system design issues / challenges had been raised at yesterday's Infrastructure Committee Meeting.
- (v) **Check further with the AG regarding the pilot scheme of having funds paid to the CoH as it relates to traffic tickets:** Discussions with the AG are ongoing regarding the pilot scheme.
- (vi) **Get an update on the Parking Ordinance from the Minister:** The Secretary advised that there is no further update to report from the Minister.
- (vii) **Anglican Cathedral Window Project:** The Mayor said he had spoken to The Revd. Canon Norman Lynas after April's Committee Meeting and he gave his apologies for not attending. He had said that he was under the impression that because he had provided the Mayor with the appropriate paperwork regarding the stained-glass window funding request that there was no need for him to attend the meeting. It was confirmed that the Canon is aware of the recommendation passed by the Committee and he is very thankful for the Corporation's support towards the windows.

9. Status Updates:

Draft Financial Report – March 2017:

Car Park Revenue: Councillor Tucker noted that car park revenues are down \$100,000 for the first three (3) months and the Treasurer said they are taking steps to rectify this.

Tax Revenue: This is down \$136,000 for the first three (3) months.

Wharfage: This area of revenue is up by \$235,000 mainly due to America's Cup and the Committee is aware that this growth is not sustainable. The Mayor said that although wharfage will decrease once the AC event is over, in theory the Corporation should then receive on an ongoing basis more revenue than it has in previous years. This is due to the fact that the right to charge wharfage was taken away from the Corporation a few years ago by the previous Government and they created an amendment to the Customs Tariff Act and increased the wharfage fee to 1.25%. The right to charge wharfage subsequently returned to the Corporation along with the increase in fees.

Contracted Services: The Treasurer said that the item for street resurfacing on her March 2017 report was showing up as a large budget variance so she has moved the budget for this from the beginning of the year to the end because the resurfacing will not happen until later in the year and definitely after America's Cup.

Balance Sheet: The Treasurer said has moved the MIF line on the balance sheet as requested by the Committee at their last meeting.

10. Confirmation of Recommendations:

Recommendation update: That the Board approve to amend the Resolution of 2 December 2015 as presented. Resolution: That the Board approve that any projects estimated to be over \$500,000.00 over the life of the contract, to be sent to the auditors before contracts are signed to ensure that Financial Instructions and policies are upheld. **(Approved in Corporation Board meeting 5 April 2017 and approved by the Minister).**

Recommendation update: That the Board accept the bid in the amount of \$296,304 from Argus Insurance for a three-year contract for Property Insurance for the Corporation of Hamilton. **(Approved in Corporation Board meeting dated 1 March 2017 and approved by the Minister).**

Recommendation update: That the Board approve to add Councillor Larry Scott to the Finance Committee. **(Approved in Corporation Board meeting dated 5 April 2017 and approved by the Minister).**

Recommendation update: That the Board approve the Recommendation from the Residents Advisory Committee for the financing of a "picnic/gathering" for the residents in the City. **(Recommendation deferred).**

The Mayor said he has no issue with the Corporation supporting residential groups if they wish to get together but he said he does not think that the Corporation should be seen as the sole form of financial support. The Corporation is happy to give in-kind support or possibly match another donation. He went on to say that instead of items such as the picnic request being pushed back and forward between various Committees that perhaps the Finance Committee should be giving the Residents Advisory Committee some direction on funding requests. The Committee agreed.

Recommendation: That the Finance Committee provides the Residents Advisory Committee with guidance on funding requests. Whilst there will be no upper limit applied to the amount of money requested, each request submitted to the Corporation will be reviewed individually.

Proposed: Councillor D. Tucker
Unanimous

Seconded: Councillor H. Ming

Recommendation update: That the Board agree to a forward Resolution in terms of supporting the Anglican Cathedral Window Project to the amount of £20,000 or the equivalent of and that donation would be incorporated in the 2018 Budget and would be made at that time. **(Approved in Corporation Board meeting dated 3 May 2017 and approved by the Minister).**

Recommendation update: That the Board approve Option 2 of \$100,000 for the New Year's Eve event from the three budget options that were presented. **(Approved in Corporation Board meeting dated 3 May 2017 and approved by the Minister).**

Councillor Tucker said he thought this item was going to be reverted back to the Finance Committee from the Board for further review. The Secretary confirmed the item is listed on today's agenda under AOB as a virement.

The Treasurer said that \$1.2 million had originally been set aside for the interest for MIF and there is still some of this money left which could be used towards the NYE event. Councillor Tucker said he is not in favour of the Corporation giving a considerable amount of money towards the event but he recognises we have a responsibility towards their constituents.

The Mayor said that one of the reasons the Corporation took on the organisation of the NYE event was to ensure it was organised correctly. Councillor Ming said that everyone needs to understand that if the Corporation is going to organise an event then it is going to have to be something of quality.

Recommendation: That the Finance approve the virement of \$100K to fund the 2017 Front Street New Year's Eve Event.

Proposed: The Secretary
Unanimous

Seconded: Councillor J. Harvey

11. Any Other Business:

(i) **Proposal:** Provide a free parking pass/sticker to all past Premiers as a good will gesture. Councillor Tucker asked how this proposal had come about. The Secretary said that a member of the public put forward the proposal. The Secretary was therefore bringing the item to the Committee for their consideration. The Mayor said the request had been for free parking city-wide.

Recommendation: That the Board approve for all past Premiers are provided with the same car park access passes as those given to past and present Members of the Council of the Corporation. These passes will be issued once the car park barrier systems are in place.

Proposed: Mayor, Charles Gosling
Unanimous

Seconded: Councillor H. Ming

(ii) **Virement: New Year's Eve Event:** This item was discussed earlier in the meeting And is minuted in item 10 above.

12. Motion to Move to Restricted Session:

Proposed: Councillor L. Scott

Seconded: Councillor J. Harvey

The Public Session closed at 12.55am.

Chairman

Date