



**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.

City Hall, Hamilton  
Finance Committee  
11 October 2018  
10.00am

**Present:** Councillor Dennis Tucker, JP (Chair)  
Rt. Wor. Charles Gosling, JP  
Councillor John Harvey, MBE, JP  
Councillor Lawrence Scott  
Councillor Carlton Johnson

**In Attendance:** Tanya Iris - Acting Secretary/Treasurer  
Patrick Cooper - City Engineer  
Lindell Foster - HR Manager

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**1. Confirmation of Notice:**

The Acting 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 Dennis Tucker confirmed his role as the Chairman.

**3. Open Meeting:**

The Chairman called the meeting to order at 10:00 am.

**4. Apologies:**

The Acting Secretary confirmed that no apologies had been received. It was noted that Councillor Carlton Johnson would be tardy attending the meeting.

**5. Public Participation/Presentation:**

There was no public participation/presentation.

**6. Correspondence:**

There was no correspondence received.

**7. Minutes of Previous Finance Committee Meeting dated 13 September 2018:**

**Proposed: Councillor J. Harvey**

**Seconded: Councillor L. Scott**

The Minutes of the meeting were accepted as read.

**8. Matters arising from the Previous Finance Committee Meeting dated 13 September 2018**

- (i) **The report from Polaris Holding Company Ltd would be forwarded to the Finance Committee for review and comments:** Action item completed.
- (ii) **Research other jurisdictions to ascertain whether Traffic Wardens have "Power of Arrest":** Action item completed.

Councillor C. Johnson joined the meeting at 10.05 am.

- (iii) **Contact Clarien Bank with regards to paying off some of the loan. Also, check into the financials to see how much could be paid off:** Action item completed.

The Acting Secretary/Treasurer circulated a memorandum outlining the Clarien Bank loan and noted that the three (3) month CD would be maturing in November 2018 in the amount of \$2,550,286.00. She recommended that the Board approve the payment of the maturity amount against the Clarien Bank loan in November 2018. The CD could be rolled over for a further three (3) months. The Chairman asked if the Acting Secretary/Treasurer would consider paying off more than the CD maturity amount to which she responded that it would not be prudent to do so at this time. The Mayor agreed as legal costs may be incurred following the upcoming court cases in the UK and New York. The Acting Secretary/Treasurer said the Clarien Bank Loan Agreement requires thirty (30) days' notice of any early payments. The Chairman asked whether there would be an early payment penalty before notice was given, and Councillor Ming asked whether there would be an early payment penalty after notice was given. The Acting Secretary/Treasurer said the Loan Agreement did not state that any early payments would incur a penalty, however, after thirty (30) days' notice had been given, she would advise the Committee whether or not a penalty fee was required. She advised that the mortgage on the Works Depot building was through Clarien Bank and that the documentation incorrectly stated that the mortgage was against the Fenchurch building. Clarien Bank had asked if this error could be corrected through a lawyer. If the loan was paid off entirely, this would not be necessary.

**ACTION:** Advise whether there would be an early payment penalty for the Clarien Bank loan and if so, whether the penalty cost would make paying off the loan early more viable for the COH. The Loan is to be reviewed in January/February with a view to paying off the outstanding amount. **(Acting Secretary/Treasurer)**

**RECOMMENDATION:** That the Board approve a payment of \$2,550,286.00 against the Clarien Bank Loan in November 2018, subject to thirty (30) days' notice and after notice has been given, that no early payment penalty would be charged by Clarien Bank.

**Proposed:** Finance Committee  
**Unanimous**

**9. Status Updates:**

**Financial Report – August 2018:**

**Car Park Revenue:** Revenue had increased by \$750,000 over 2017. This may be due to an increase in the sale of car parking passes. It is possible that this may have caused the reduction in the Elliott Street Car Park revenue. The Chairman commented that revenue from this car park at the current rate could pay for its re-development within a year.

**Expenses:** The Chairman said that expenses were being controlled well. The City Engineer advised that three (3) underground leaks had been found at the #7 shed complex at the old H.M. Customs building.

**Events:** As the revenue for the Fashion Festival would not be determined until after the event, the Events budget currently shows a shortfall which would correct itself once funds were received.

**Health Insurance:** The Chairman queried the increase in Health Insurance costs. The Acting Secretary/Treasurer said that the increases were usually at 5% per annum.

**Capital:** The City Engineer said that around 80% of the projects would be completed this year. Those projects which would be carried over were the sewage treatment plant and the Cedar Avenue/Dundonald Street intersection.

**10. Recommendations for Review:**

**RECOMMENDATION:** That the Board approve a Tariff Rate Increase of 1.8% for Polaris Holding Company Limited, subject to the comments of the Finance Committee. **(Approved in Corporation Board meeting dated 5 September 2018 and awaiting approval from the Minister)**

The Acting Secretary/Treasurer advised that Polaris had been informed of the approved increase. The City Engineer said that he had quarterly-minuted meetings with the Port Superintendent, Warren Jones, and an Operations Manager of Stevedoring Services Limited (SSL), with their Secretary taking minutes. Previous misunderstandings were addressed in a letter from the COH Secretary reassuring Polaris that should there be any major issues, they should contact the City Engineer by telephone immediately. The City Engineer said that he attends a weekly Berthing Meeting with all shipping industry representatives and these have recently begun being recorded. Councillor L. Scott commented that the CoH had agreed to this increase without knowing how Polaris and SSL interact. The Mayor said that minimal increases regularly were a preferable way of providing for the cost of living increases.

**11. Any Other Business:**

There was no further business.

**12. Motion to Move to a Restricted Session**

**Proposed:** Mayor, Charles Gosling

**Seconded:** Councillor H. Ming

The Public Session closed at 10.29 am.