



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
13 September 2018
10.00am

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

In Attendance: Tanya Iris - Acting Secretary/Treasurer
Patrick Cooper - City Engineer

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:

Councillor Dennis Tucker called the meeting to order at 10:04am.

4. Apologies:

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

Note: HR Manager, Lindell Foster and Deputy Treasurer, Siobhan Fubler were on vacation.

5. Public Participation/Presentation:

There was no public participation/presentation.

6. Correspondence:

There was no correspondence received.

The City Engineer queried whether the report received by Councillor Harvey from Polaris Holding Company Ltd. should be recorded. It is a requirement that they give a report as per the operating license.

ACTION: The report would be forwarded to the Finance Committee for review and comments. **(Councillor J. Harvey)**

7. Minutes of Previous Finance Committee Meeting dated 16 August 2018:

Proposed: Councillor J. Harvey

Seconded: Councillor H. Ming

The Minutes of the meeting were accepted as read.

8. Matters arising from the Previous Finance Committee Meeting dated 16 August 2018

(i) Share the understanding of the CoH that the Traffic Wardens would be coming under the supervision of the CoH effective 1 September 2018: The City Engineer advised that this process would not be occurring 1 September 2018. Working on the Memorandum of Understanding (MOU) between the Bermuda Police Service (BPS) and the CoH to ensure that there was a complete document and that there was an understanding regarding the roles and responsibilities of each party before any dates could be communicated. For the first year, the salaries would continue to be paid by the BPS. The costs to the CoH would be to house the Traffic Wardens and probably pay to fuel their vehicles.

The City Engineer would be working along with the CoH's Enforcement Supervisor, Fred Richardson who would be working with his counterpart at the BPS. The day-to-day operation would be handled by the CoH who would be able to direct the Traffic Wardens to areas that needed to be focused on. Also, would be able to collect data to understand the amount of tickets being written and the areas. The disciplinary matters of the Traffic Wardens would have to be worked through, e.g. they have a Collective Bargaining Unit (CBA) through the BPSU and would want to ensure that BPSU would be on board with anything that the CoH decided to do. The BPS was satisfied with the arrangement but there had been some resistance from the Traffic Wardens. There was continued dialogue.

ACTION: Research other jurisdictions to ascertain whether Traffic Wardens have "Power of Arrest". **(City Engineer)**

The City Engineer said the question should be whether the BPS' Traffic Wardens could have "Power of Arrest". He further commented that other Municipalities have their own police force.

Councillor Tucker said a lot would depend on the relationship that the CoH would garner with the Traffic Wardens and to make them feel like a part of the team.

It was noted that the Communications Manager would be working on a Press Release as it relates to the Traffic Wardens and the ticketing process.

(ii) Arrange follow-up meetings with Mr. Walsh to discuss next steps going forward. Turn the project over to the Infrastructure Committee to spearhead with a view of making comments/recommendations. Circulate presentation documents to Infrastructure Committee Members: A meeting was arranged for next week Tuesday 18 September 2018 at 11:00am. There were issues with the entire process from writing tickets to collecting monies to processing. Mr. Walsh had gone through each one of those issues in his report. The CoH would need to be cognizant that the Government would be looking for a share in the revenue.

(iii) Letter to be written to the Minister thanking the Government for writing off the \$6million for the Fire Service costs: Action item completed.

9. Status Updates:

Financial Report - July 2018:

Car Park Revenue: Revenue has increased, over budget and over what was received in 2017. Par-la-Ville Car Park was giving the most revenue, then #1 Car Park. The City Engineer said City Hall was higher than #1 Car Park. The actual increase over last year was more noticeable in # 1 Car Park. But in terms of monthly revenue, City Hall provided a larger monthly revenue than #1 Car Park.

Councillor Tucker commented on the building being knocked down on Church Street and his understanding was that a car park would be going there. This would be in direct competition with the City's car parks in the area. The City Engineer said a planning consultation was done on that site and the CoH does allow for private parking to be installed in the City. The CoH did not agree because it was a bad place for private parking and close to all the other City lots where there was ample parking. Planning did not agree with the CoH's position or did not agree enough to hold up or stop the project and gave approval. The entrance & exit would be through Trott Road. Now there would be three (3) car parks off of Trott Road.

Wharfage: Revenue is up.

Deferred Revenue: Every six (6) months, the CoH invoices the taxpayers. In July, the CoH would have sent out the bills to the taxpayers and would have had \$4million in revenue.

Health Insurance: Councillor Tucker asked the Acting Secretary/Treasurer to have a look at those numbers. It was suggested to put through a virement to make up the difference.

Councillor Tucker commented on the cash flow, i.e. cash in the bank. The Mayor said the CoH does not need to have excess cash in the bank. There was still the remaining debt in terms of the Works Depot and there were monies that would be needed to put towards the building of the sewerage treatment plant.

The Acting Secretary/Treasurer said she would like to take the excess and pay down some of the loan. When Clarien Bank was previously approached in this regard, they said there was not anything that could stop the CoH from paying down on the loan. There was no reference to any penalties involved.

Councillor Ming suggested taking some of the funds and put into escrow and assign it to future projects. Councillor Tucker suggested doing another line in the report and put in Escrow Capital Budget 2018 for a specific amount. The Mayor said placing the monies into an escrow account would not protect it. The City Engineer said if the CoH was carrying debt that they were paying interest on, why not get rid of the debt. There was a general consensus to get rid of the excess debt by paying off some of the loan. Discussion continued.

ACTION: 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. **(Acting Secretary/Treasurer)**

Cavendish Car Park: The design had been completed and was in the budget to be done for next year. Plans have been drawn up for there and King Street making it two (2) more barrier car parks for next year.

The Mayor commented that when the Traffic Wardens came under the CoH's remit, a PR blitz could be done on the E.F. Gordon and the BIU car parks due to the lack of revenue received. The City Engineer said all the small car parks were completely abused. The figures for on-street parking were way down. All of the bad behaviour had been pushed out of the car parks and into unmonitored areas. Discussion continued on not being able to charge a fee in a car park that was not listed in the current Ordinance as a paid car park. Currently waiting for the Parking Ordinance through the Government. Then there was discussion on the ticketing in those areas because the Traffic Wardens always had issues trying to determine the time the car parked.

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)**

11. **Any Other Business:**

(i) Corporation of Hamilton Credit Cards: Currently there are two (2) cards: (i) for the Treasurer, Tanya Iris and (ii) Ed Benevides with a limit of \$50K. There are a lot of requests from other departments to use the credit cards. She queried the Board's feeling on having credit cards issued to department heads, i.e. Engineering, HR and Events based on their Purchase Order limit. The Acting Secretary would provide a formal Recommendation for the next Finance meeting in October. Councillor Tucker said there had to be proper monitoring in this regard.

The Mayor suggested that a policy be written that would be signed off by the Manager and set out a "No Personal Use" and what the card should be used for. He commented that the majority of transactions could be done through a bank transfer. The card would be great for immediate transactions.

(ii) **Signatories:** At the moment, it is written that one (1) "A" signatory would be from either the Treasurer or the Deputy Treasurer, the "B" signatories are the Secretary, the City Engineer, the Mayor or Councillor Harvey. There had been issues in the past getting the two (2) signatories. The Acting Secretary suggested that it could be any two (2) signatories. The Mayor commented that it would be better to have a signatory that does not work in the immediate section, to eliminating any transaction going awry.

Councillor L. Scott joined the meeting at 10:55am.

The Mayor continued that there should be a conversation along with the proper back-up information before signing off on cheques, etc. He suggested including the Chair of the Finance Committee, Councillor Tucker as a "B" signatory instead of allowing two (2) people that essentially work in the same section acting as the signatories. Extensive discussion continued. The Acting Secretary said the current process was becoming inefficient, having to wait for a signature. Currently, the City Engineer is the only signatory in the "B" group that could sign on into the bank. Councillor Tucker suggested setting up a process to make the process more efficient and offered his assistance.

Councillor L. Scott asked if the CoH was still using cheques to which the Acting Secretary advised that she instructs her staff that when a cheque comes across their desk, encourage the vendor, etc. to use online banking. There are some instances where cheques have to be used, e.g. child support payments which were paid to the Accountant General. Every week the cheque has to be taken by hand. Also, there were five (5) staff members who insist on being paid by cheque. The Mayor said in order to cash those cheques, those staff members would have to have a bank account. He queried whether a Recommendation to the Board stating that all salaried employees must be paid by bank transfer rather than by cheque would push this along.

The City Engineer said it had been tried on many occasions to make the change but with no success. The staff members were extremely resistant, and this would become a major Union issue. There was continued dialogue.

(iii) **Easy Park:** The Acting Secretary advised that a meeting with the lawyers was scheduled for Friday 14 September 2018.

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

Proposed: Councillor J. Harvey

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Seconded: Councillor H. Ming

The Public Session closed at 11:16am.