



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
15 June 2017
10.00am

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

In Attendance: Edwards Benevides - Secretary
Tanya Iris - Treasurer
Patrick Cooper - City Engineer
Siobhan Fubler - Deputy Treasurer
Nathan Kowalski, CA, CFA, CIM - Associate Member

Apologies: 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. There is an amendment to the agenda under **Any Other Business:** (i) A virement for the Hamilton Hall Fire Alarm System and (ii) SSL's request for more share of the demurrage fee.

2. Role of the Chairman:

Councillor Tucker confirmed his role as the Chairman.

3. Open Meeting:

Councillor Tucker called the meeting to order at 10:00am.

4. Apologies:

The Secretary confirmed apologies from the Human Resources Manager.

5. Public Participation/Presentation:

There is no public participation/presentation.

6. Correspondence:

(i) **Letter from the Department of Community and Cultural Affairs (DCCA) re: Bermuda Day:** For years, the CoH has provided services to the Government for Bermuda Day for which there were charges incurred. Their request for a partnership is indicating that there would be no charges from the CoH for services. The approximate total costs for services is \$35K.

N. Kowalski joined the meeting at 10:05am.

There was discussion on the protocol procedures as it relates to the Mayor and activities held in the City where he is called upon to participate. It was suggested that a letter be written to DCCA making them aware of the CoH's concern regarding the lack of protocol.

RECOMMENDATION: That the Board approve to accept the partnership with the Department of Community and Cultural Affairs (DCCA) for Bermuda Day in the waiving of the rental of the streets but not for the direct costs incurred for services provided by the Corporation of Hamilton.

Proposed: Secretary, Ed Benevides
Unanimous

Seconded: Councillor L. Scott

The Mayor then commented on a meeting that was had with Minister Cannonier and Minister Fahy regarding the fees and free services for the Bus Terminal. He said there is a list of items where the CoH is either giving the Government free lease holding, subsidising well-below market rents, collecting garbage without costs, etc. He suggested responding to DCCA stating that the CoH would like to partner with them and the Government as a whole. The Council would like to sit down with senior Members of Parliament and work through the various services that are currently being rendered by the CoH to the Government and find some way of being able to recognise that partnership through a proper set of fees and services. Councillor Harvey suggested that if a letter is going to be sent, that it be forwarded after the next general election.

After a lengthy discussion, the Secretary formally withdrew the previous motion to accept the partnership.

ACTION: The Secretary to respond to the Department of Community and Cultural Affairs on behalf of the Mayor thanking them for their suggestion of a partnership. Also advise them that the CoH cannot look at this request in isolation regardless of how valid their points might be. There are a series of outstanding issues and services already offered. The Council has been elected for their fiduciary duties and prudence, etc. and need to meet with Government and reveal the entire package.

7. **Minutes of Previous Finance Committee Meeting dated 11 May 2017:**

Proposed: Councillor J. Harvey

Seconded: Councillor H. Ming

The Minutes were accepted as read.

8. **Matters arising from the previous Finance Committee Meeting dated 11 May 2017:**

Move \$2 million of the money from the Bank of Butterfield account to a Clarien Bank interest-bearing account: The Treasurer advised that this movement would be done sometime in June. There was continued discussion on how the funds should be moved as well as the timeframe in which they should be moved. If the loan is dropped by a $\frac{1}{4}$ million, the benefit in terms of reducing costs would be more than investing a \$1 million in a CD.

ACTION: the Finance Department to put together some data for further discussion.

9. **Status Updates:**

Draft Financial Report - April 2017:

Councillor Johnson joined the meeting at 10:30am.

Councillor Tucker commented on the challenge of legal fees. The Treasurer commented on: **Page 6 of 14 - Fuel.** The expense amount is showing \$272.00 year-to-date, that expense line would have to be adjusted and the correction will show in the May Financial report.

There have been two (2) or three (3) areas with issues as it relates to water expenses: (i) there was a problem with the Front Street pump station, there was a broken piece of equipment and needed to use more water than usual. That issue has been rectified. (ii) it has been an extremely dry month and there are charges for purchasing water, etc. which has compounded the increase of costs for water.

MIF - \$18 million - waiting for the auditors to come up with a decision. It has been taken out of the Financial Statements but will remain as a note in the Financial Statements. In the May Financial Report, it will show as being removed.

10. Confirmation of Recommendations for Review:

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

Rather than the Finance Committee agreeing to the \$5,000.00 for the picnic/gathering, it was suggested that the Residents Advisory Committee should determine what they are able to contribute.

In the past, there have been various events taking place in North East Hamilton and the CoH had been asked to sponsor whether in terms of financial or services such as planters, barricades for the streets, etc.

RECOMMENDATION: That the Finance Committee provide 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 of Hamilton will be reviewed individually. **(Take Note - Finance Committee to meet with the Residents Advisory Committee to discuss further)**

The Secretary said there have been no real guidelines on how the Residents Advisory Committee should spend the funds. A strategy/programme should be set out for the coming year or for the next six (6) months.

ACTION: The Secretary to work with the Chairman of the Residents Advisory Committee and the Events Department to develop a programme/strategy with some budgets attached for next year.

11. Recommendation Approved by the Minister:

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

12. Recommendations for Review:

There are no Recommendations for review.

13. Any Other Business:

(i) **Request from the Department of Community and Cultural Affairs re: Formalisation of Partnership - Bermuda Day:** Discussed earlier in the meeting Item 6 (i).

(ii) **Installation of a Fire Alarm System in Hamilton Hall (SSL building):** This is a health and safety requirement and was not a part of the budget process for this year. In the Infrastructure Committee meeting of 14 June 2017, there was discussion of a virement of \$50K being needed for this project. SSL has been doing some renovations to their interior office space and Building Control has flagged this matter as an issue. SSL looked at the lease and discovered that it is the responsibility of the CoH as landlords. There was a lengthy discussion on where the funds should be taken from.

TAKE NOTE: That the Finance Committee approve to move \$50,000.00 from the Fire Service budget.

Proposed: Secretary, Ed Benevides

Seconded: Mayor, Charles Gosling

No Vote: Treasurer, Tanya Iris

Passed.

Note: The Fire Service should not be a budgeted item or be in the Financial Statements, it should possibly be placed in the notes.

(ii) **Stevedoring Services Limited (SSL):** As part of the Terminal Operator's License (TOL), SSL took on the duties of administering demurrage on behalf of the CoH for which there was an agreement of a split of 80/20. They have put forward that the 80/20 split does not cover the labour intensiveness and have put forward a minimum payment of either 20% or no less than \$3,500.00. They are asking for the CoH's consideration in that regard. The last time this matter was discussed, SSL advised that they would be putting in an automated system which would save them time and effort. It was noted that the amount of demurrage collected is currently quite low and the dock is not being used for storage. Discussion continued.

The Secretary suggested that the CoH respond that there is no justification at this time as it relates to their request but would review at the end of the year and make a decision then.

RECOMMENDATION: That the Board approve for a letter to be written to Stevedoring Services Limited (SSL) stating that since revenues are well above their requested minimum, to continue as is and then the CoH can review the efficiencies that their new system has in place in terms of their collection of demurrage.

Proposed: Mayor, Charles Gosling
Unanimous

Seconded: Secretary, Ed Benevides

14. Motion to Move to Restricted Session:

Proposed: Secretary, Ed Benevides

Seconded: Councillor L. Scott

The Public Session closed at 11.05am.

Chairman

Date