



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

17 August 2017

10.00am

Present: Councillor Dennis Tucker, JP (Chair)
Councillor John Harvey, MBE, JP
Councillor Larry Scott
Councillor Henry Ming

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

Apologies: Rt. Wor. Charles Gosling, JP
Councillor Carlton Johnson
Lindell Foster - Human Resources Manager
Nathan Kowalski, CA, CFA, CIM - Associate Member

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 10:10am.

4. Apologies:

The Secretary confirmed apologies from Councillor C. Johnson, Associate Member N. Kowalski and the Human Resources Manager.

5. Public Participation/Presentation:

There is no public participation/presentation.

6. Correspondence:

There is no correspondence.

7. Minutes of Previous Finance Committee Meeting dated 15 June 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 15 June 2017:

(i) **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:** The Secretary advised that the letter has not been written. He commented that he would write the letter and copy in the Permanent Secretary (PS). This matter is ongoing.

(ii) **Work with the Chairman of the Residents Advisory Committee and the Events Department to develop a programme/strategy for events with some budgets attached for next year:** The Secretary confirmed that a budget was received from the Residents Advisory Committee and he received clarity of that budget in the last Resident Advisory Committee meeting held 10 August 2017. It will be part of the budget discussions.

9. Status Updates:

Draft Financial Reports - May and June 2017:

May 2017: No discussion required.

June 2017:

- **Car Parks Revenue** - Revenue is still lower than budget and last year. Last year, the CoH made \$1.6million and this year to date down to \$1.4million. Progress has been made with the Traffic Offenses and Procedure Amendment and Validation Act 2015 (TOPA). There are over 3,500 tickets to get keyed into the system. Once keyed in, summonses will be sent out, etc. The revenue from the parking tickets issued on the streets of Hamilton should be sent to the CoH. Two (2) staff members were hired in July 2017 to specifically process the parking tickets. Councillor Tucker queried who would be monitoring this process and overseeing what is being done.

There should be an update on a weekly or bi-weekly basis regarding the keying in of the tickets and documented. No. 1 Car Park barrier system came online in July 2017. Par-la-Ville Car Park's barrier system (PLV) just came online 14 August 2017.

- **Wharfage and Dock Storage:** Continues to exceed budget and is helping to offset some of the decline in car park revenue.
- **Asphalting:** The projections under Contracted Services are done linearly, evenly across the months. Included in Contracted Services are costs for projects which have not started yet.
- **Electricity:** There is some savings in a few areas, i.e. the use of LED lights. Within the last year, replaced the big chillers for City Hall and replaced the air conditioning unit down at the Works Depot.
- **Materials and Equipment:** The end of year budget (\$1million) and spent \$660,000. With any project, it is front-loaded where the materials are bought beforehand.
- **Water:** There was a huge drought period this year, did not have a water truck and had to rent one. Since which, have replaced the water truck and spent a lot time watering hanging baskets, etc.
- **Temporary Staff:** Executive Assistant to the Mayor and COO/Secretary, another at the Front Office Reception and the Summer student at the Works Depot.

Councillor Tucker commented on the capital budgets. There were comments made on the projects being done at the intersections of Court and Victoria Streets and Parliament and Victoria Streets. Councillor Tucker also mentioned the area around People's Pharmacy. It was noted that a crossing will be put there sometime this year. Dialogue continued.

- **Cash Flow:** Compared to December 2016, the cash balances are significantly higher primarily due to the receipt of taxes. It was noted that at the end of July 2017, the loan at the Bank of Butterfield was paid off. At the end of August, a lump sum payment will be made to Clarien Bank. This is one (1) payment per year.

10. 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.

11. Recommendation for Review:

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 the direct costs incurred for services provided by the Corporation of Hamilton. **(This was discussed earlier in the meeting, a letter is going to be written to DCCA by the Secretary and the PS will be copied in).**

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. **(Matter was discussed earlier in the meeting. A budget was received from the Residents Advisory Committee)**

TAKE NOTE 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.

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 can review the efficiencies that their new system has in place in terms of their collection of demurrage.

A discussion was held with both entities (SSL & CoH) regarding the CoH having a review on the split of the demurrage charging that is in the licensing agreement where SSL gets 20% for processing. SSL has complained that their costs have exceeded the amount they would receive as the 20% and have asked for a fixed minimum amount. It is recommended not to agree with that because they have put in a new system and they do not know how that new system is going to affect the charging process. SSL has breached the license twice this year.

Proposed: Finance Committee

If there is Board approval, then a letter will be forwarded to SSL.

12. Any Other Business:

(i) **Personal Guarantee Amendment to Property Leases:** The Finance Committee has been asked to possibly review the recently installed change in policy. The Chamber of Commerce has made it very clear that they will not provide a personal guarantee for the lease. Either the policy is changed to say that the CoH does not require a guarantee or focus only on limited liability companies. There was discussion on companies providing audited financial statements or management accounts.

Councillor Tucker suggested that in every lease with the CoH, there should be a clause where the CoH is indemnified by their insurers, a personal indemnification saying that the CoH will be held harmless of any suit that may occur on their leased premises as a result of negligence, etc. This will protect the CoH to a degree. Further discussion ensued.

RECOMMENDATION: That the Board approve for a period of review to re-focus the amendment to the Corporation of Hamilton's leases limited to limited liability companies.

Proposed: Secretary, Ed Benevides
Unanimous

Seconded: Councillor H. Ming

(iii) **Request for Table at BIU Labour Day Banquet:** There were no objections to this request. The Treasurer commented that the tickets are usually offered to the Board Members first. Councillor Tucker said the Board Members should be given the opportunity to attend and if they desire to bring a guest. Councillor Harvey suggested that the Executive Team be given the opportunity as well to attend.

RECOMMENDATION: That the Board approve the purchase of one (1) table at the Annual BIU Banquet held on Friday September 1st, 2017 at the Fairmont Southampton Resort and Spa.

Proposed: Finance Committee

13. Motion to Move to Restricted Session:

Proposed: Councillor L. Scott

Seconded: Councillor L. Scott

The Event Project Manager left the meeting at 10:50am.

The Public Session closed at 10.50am.

Chairman

Date