



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
22 February 2018
10.00am

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

In Attendance: Ed Benevides - Secretary
Tanya Iris - Treasurer
Siobhan Fubler - Deputy Treasurer
Ian Hind - Senior Engineer
Nathan Kowalski, CA, CFA, CIM - Associate Member

Apologies: Councillor John Harvey, MBE, JP
Councillor Carlton Johnson
Patrick Cooper - City Engineer
Lindell Foster - Human Resource 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 Dennis Tucker confirmed his role as the Chairman.

3. Open Meeting:

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

4. Apologies:

The Secretary confirmed that apologies were received from Councillor John Harvey and HR Manager, Lindell Foster. City Engineer is off-island, Senior Engineer Ian Hind attended in his stead.

5. Public Participation/Presentation:

There was no public participation.

6. Correspondence:

There was no correspondence received.

7. Minutes of Previous Finance Committee Meeting dated 22 January 2018:

The minutes of the meeting were accepted as read.

Proposed: Councillor L. Scott

Seconded: Councillor H. Ming

8. Matters arising from the Previous Finance Committee Meeting dated 22 January 2018

(i) **Write to the Minister of Home Affairs making a request for his approval of the KPMG proposal and point out that this has a significant impact on the work that has to be carried out in relation to the Waterfront:** The Secretary advised that this letter was sent to the Minister who responded requesting a meeting, that the Mayor and the Secretary attended. Following the meeting the Secretary sent the Minister an email which resulted in the Minister approving the Resolution. The contract with KPMG has now been signed. The Mayor added that whilst the Minister has approved the Resolution there are some stipulations. The Secretary clarified stating that in the meeting with the Minister, the Minister expressed some concern about two major projects that being the Sewage Plant and the Waterfront and stated that the Government considered these to be National projects and that they would be driven by the Government. The Mayor added that he advised the Minister that the CoH wanted to use KPMG's services to vet anyone who would wish to present an RFP or RFI or a request of any kind. KPMG would do the due diligence on them to see if business should be done with them.

(ii) **Councillor Tucker requested a quarterly accounting of the projects showing the comparison versus actual budget. The City Engineer to add two (2) columns to the Project Charters:** There was extensive conversation about this matter at the previous meeting. It was agreed that the Treasurer and the City Engineer would work together to produce the quarterly report that would show the Committee where the CoH is with the various projects being worked on during 2018.

9. Status Updates:

There is no status update.

10. Recommendation approved by the Minister:

That the Board accept the proposal from KPMG as presented.

Take Note: The Minister approved the Virements that were approved by the Finance Committee: \$41K for asphaltting and \$100K for the seawall project.

11. Recommendation for Review:

RECOMMENDATION: That the Board resolve to have the Staff Discretionary Account closed and the monies transferred to the general operating account of the Corporation of Hamilton. **(Approved in Corporation Board meeting dated 7 February 2018)**

RECOMMENDATION: That the Board approve for the balance of the Works in Progress (WIP) of \$1.1 million be moved to 2018 budget. **(Approved in Corporation Board meeting dated 7 February 2018)**

Councillor Tucker indicated that he would like to learn more about the finance policy about having to get approval to carry over WIP over into the next year.

12. Any Other Business:

(i) Financial Statements:

The Treasurer submitted draft financial statements to the Committee. Highlights/Concerns of the draft financial statements are as follows:

- a. **Materials, Equipment & Tools:** was over budget by \$260,000. The Treasurer explained that this overage was due to inventory, i.e. light poles.
- b. **Derecognition of Liability:** The CoH received an email from the Permanent Secretary with the proposal.
- c. **Parking Ticket Revenue:** The CoH received some numbers from the Government for parking tickets but it was not as high as was expected. The Secretary reported that there is about \$200,000 in revenue for tickets that has not been received. Summonses are being issued slowly and persons have been paying the tickets upon receipt. Penalty fee of \$100.00 is being paid instead of \$150.00 if they had to appear in court.
- d. **Wharfage:** up \$800,000 which is tied to America's Cup and it continues to be relatively high.
- e. **Accounts Receivable:** The Treasurer advised that the other accounts receivable balance is mostly made up of the tipping fees which had not been paid in a while.
- f. **Cash Flow:** The cash balance is looking good for the start of 2018. There was an extensive conversation about the borrowing that will be required to start and complete the sewage plant project which is estimated to be upwards of \$15-\$20 million. The CoH is not looking to foot the entire bill; in negotiations with Government.

g. **Donations re: Jay Bluck** - The Treasurer advised that there is \$1,475.00 on the balance sheet that was a donation for former Mayor, Jay Bluck for the City to do something in his honour. The Mayor advised that a statue was created in his honour and placed in the park. He suggested that the funds be allocated to the cost of that statue.

13. Motion to Move to Restricted Session:

Proposed: Secretary, Ed Benevides

Seconded: Mayor, Charles Gosling

The Public Session closed at 10:35am.

Chairman

Date