



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 January 2018
10.00am

- Present:** Councillor Dennis Tucker, JP (Chair)
Rt. Wor. Charles Gosling, JP
Councillor John Harvey, MBE, JP
Councillor Larry Scott
Councillor Henry Ming
- In Attendance:** Ed Benevides - Secretary
Tanya Iris - Treasurer
Patrick Cooper - City Engineer
Lindell Foster - Human Resource Manager
Siobhan Fubler - Deputy Treasurer
- Apologies:** Councillor Carlton Johnson
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 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 Carlton Johnson and Associate Member, Nathan Kowalski.

5. Public Participation/Presentation:

There was no public participation.

6. Correspondence:

There was no correspondence received.

7. Minutes of Previous Finance Committee Meeting dated 18 December 2017:

The minutes of the meeting held on 18 December 2017 were accepted as read.

Proposed: Councillor J. Harvey

Seconded: Councillor L. Scott

8. Matters arising from the Previous Finance Committee Meeting dated 18 December 2017:

(i) **Write a letter to Mr. Dennis Bean of Bermuda Island Entertainment (Agency) advising that the City will not be able to sponsor the proposed event:** The Secretary advised that this letter was not written as he was on vacation and by the time he returned to work, the time for the event had passed. However, Mr. Bean was advised when he put his application in that it was a late application, etc.

(ii) **Letter to be sent to Mr. Pavy referencing the letter forwarded to him dated 18 September 2017:** Action item completed.

(iii) **Write to the Director of Health indicating that the CoH was very pleased to see a senior member of the Health Department (Armell Thomas) in attendance at the sewer repair on Front Street. Also, the CoH feels that it is now appropriate for the STAC Committee to be resurrected:** The City Engineer indicated that he had not actioned this item yet. He also indicated that once he gets a particular project underway it would be better to, at that time, communicate with the Department of Health.

(iv) **Make the necessary adjustments regarding the Reserve for Potential Liability. (Acting Secretary/Treasurer)** Action item completed.

(v) **Forward the list of accrued liability to Councillor Tucker. (Acting Secretary (Treasurer)/Deputy Treasurer)** Action item completed.

(vi) **Check into the status of the delinquent accounts in a reasonable timeframe so as not to be seen as an idle threat. (Acting Secretary (Treasurer))** Legal action has commenced for those taxpayers who did not respond to the letter that was sent out in October 2018.

(vii) **Write to the Minister of Finance regarding the decriminalization of parking. (Secretary)** Ongoing discussion with persons at the Attorney General's (AG's) Chambers regarding the decriminalization of parking and now awaiting Government direction.

It was noted that the CoH's Parking Ordinance is being rewritten by the AG's Chambers. In addition, a meeting was held with Jasmine Smith from Transport Control Department. She advised that she has been tasked with identifying the legislative changes required to allow WedCo to issue parking tickets and the CoH has requested to be placed on the same list. The Mayor stated that this letter was to emphasize that CoH would be receiving a considerable amount of revenue from the parking tickets.

9. Status Updates:

(i) Draft Financial Reports - November 2017:

Highlights of the Financial Statements for November 2017:

- **Car Park Revenue** - There has been a slight increase in car park revenue in comparison to November 2016.
- **Wharfage** - continues to be higher than expected.
- **Expenses** - remains the same month to month.
- **Legal Fees** - are high.
- **Electricity** - some savings.
- **Water** - is high. The City Engineer advised that there have been some breakages in some lines. There was also a leak in one of the public bathrooms which was difficult to find. It has been located and repaired.
- **Cash** - still looking good. Most of the cash is at Clarien Bank.

The Financial Report looks good for December, no surprises are expected.

10. Recommendation Awaiting Approval from the Minister:

That the Board accept the proposal from KPMG as presented: The Secretary advised that the Recommendation was approved by the Board but has not been approved by the Minister. He further advised that he has followed up with the Permanent Secretary on two (2) separate occasions and has yet to receive a response from the Ministry as to why the Minister has not approved this Recommendation.

Councillor L. Scott reminded the Committee of Councillor Harvey's suggestion to arrange a luncheon meeting with the CoH's Minister and the Premier/Minister of Finance to get a sense of what they are doing, etc.

ACTION: Write to the Minister of Home Affairs making a request for his approval and point out that this has a significant impact on the work that has to be carried out in relation to the Waterfront. **(Secretary)**

11. Recommendation for Review:

There are no Recommendations for review.

12. Any Other Business:

(i) Bank Accounts:

- **Staff Discretionary Account:** this was set up prior to health insurance being mandatory in Bermuda. The Treasurer indicated that it was funded by CoH and staff but did not know as to what proportion each party funded the account. The request is to close the account and move the money into the general operating account or evenly split it with the staff. The Secretary proposed a 3rd option in that the monies could be used for staff loans. Staff have the opportunity of borrowing up to \$3,000 interest free from the CoH. The money for the loans would come out and be re-paid to this account.

RECOMMENDATION: That the Board resolve to have the Staff Discretionary Account closed and the monies transferred to the general account.

Proposed: Mayor, Charles Gosling
Unanimous

Seconded: Councillor J. Harvey

- **CB Tucker Trust Account:** this was seed monies used to build City Hall.

ACTION: Further research of the CB Tucker Trust so that a resolution can be ascertained whether to close this account or not. **(Treasurer)**

(ii) Project Budget - The City Engineer has a budget for the seawall of \$1.5 million in the 2018 budget. The lowest proposal from the RFP process came in at \$1.8 million so a total budget of \$1.9 million is required. It should be noted that this project would be split between the two (2) lowest bidders, giving one (1) contractor the waterfront dock project and the other contractor the seawall project. There is a limited time period in which to get this project completed by April 2018. Extensive dialogue was held with reference to increasing the budget year over year for capital projects versus listing outstanding projects as Work In Progress (WIP)

RECOMMENDATION: That the Board approve for the balance of the Works in Progress (WIP) of \$1.1 million be moved to 2018 budget.

Proposed: Secretary, Ed Benevides
Unanimous

Seconded: Mayor, Charles Gosling

Take Note Virement - The Finance Committee approved a virement of \$41K for asphaltting.

Proposed: Treasurer, Tanya Iris
Unanimous

Seconded: Councillor J. Harvey

Take Note Virement: The Finance Committee approved a virement of \$100K for the seawall project.

Proposed: Treasurer, Tanya Iris
Unanimous

Seconded: Secretary, Ed Benevides

ACTION: 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 report showing Started/Not Started and Percentage of Completion.
(Treasurer/City Engineer)

13. Motion to Move to Restricted Session:

Proposed: Councillor L. Scott

Seconded: E. Benevides - Secretary

The Public Session closed at 11:10 am

Chairman

Date