



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
21 February 2019
10.00am

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

In Attendance: Tanya Iris - Acting Secretary/Treasurer
Patrick Cooper - City Engineer
Lindell Foster - HR Manager
Siobhan Fubler - Deputy Treasurer

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:

The Chairman called the meeting to order at 10:00 am.

4. Apologies:

The Acting Secretary confirmed that no apologies had been received.

5. Public Participation/Presentation:

There was no public participation/presentation.

6. Correspondence:

There was no correspondence to review.

7. Minutes of Previous Finance Committee Meeting dated 24 January 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 24 January 2019:

(i) **Write a letter to Nathan Kowalski accepting his resignation, thanking him for his input over many years and hoping that he would continue to be available to COH should the need arise.** Action item completed.

(ii) Write a letter to the Traffic Court, signed by the Mayor, to suggest the Court would consider a dedicated Magistrate for the COH periodically to keep the amount of outstanding parking ticket revenue to a minimum. **(Acting Secretary)** No letter had been written. The Acting Secretary recently met with the Permanent Secretary and discussed the matter of a dedicated Magistrate to process a larger quantity of COH parking tickets in a given period. The PS said that the COH could not pay for a dedicated Magistrate as it would be construed as bribery. The Acting Secretary said the PS understood the issues as it related to the outstanding parking ticket revenue and would forward the concerns to the appropriate Government Committee. The Acting Secretary had a recent meeting with Inspector Garity of the Bermuda Police Service. He had agreed the quantity of parking tickets processed in a given period, with the Senior Magistrate and was unwilling to make any changes until the system issues were resolved. The Acting Secretary said that Martin Walsh had hired two (2) business analysts. One would document the process and identify issues; the other would work on setting up an automated payment system. The Chairman said that processes in other jurisdictions could be looked at for guidance. The City Engineer said that Martin Walsh's report would still be valid and that all the issues lie with Government processes. The Chairman said that this matter must be pursued until there was a satisfactory outcome.

ACTION: Write a letter to the Hon. E. David Burt, JP, MP, Premier, signed by the Mayor, stating that we were aware that he had an interest in the parking ticket issue. State that we were addressing the outstanding parking ticket revenue. The delays in payment were attributed to the Government process and enclose a report on the problems the COH faces. Apologise if we had not kept the correct protocol but we needed his help in resolving this issue. Enclose a report on the workflow process of a parking ticket, define the problems with the Government processes and offer Smart City Traffic Management suggestions. **(Acting Secretary)**

9. Status Updates:

Financial Report – December 2018: The Chairman said it was a good report.

The Deputy Treasurer said that December's Financial Report was in draft as there would be year-end adjustments to be made, as follows:

Pension Adjustment - the actuaries would provide the figures.

Accounts Receivable credits - needed to be taken out.

Parking Tickets - summonses needed to be accrued

Further accruals needed to be made before closing the year-end Financial Statement.

Councillor L. Scott joined the meeting at 10.24am.

The Acting Secretary said that street parking revenue continued to decline whilst car parks with barriers had increased. Barriers would be installed at Cavendish and King Street car parks.

Lindell Foster - HR Manager left the meeting at 10.29am.

The Chairman said that cash flow was good. He hoped that the COH would be in a position to pay off the Clarien loan soon.

The tax bills were sent out in January 2019.

The Accounts receivable provision for bad debt figure was high.

The audit would start in the first week of March. The year-end inventory had been done.

The Mayor noted that it had been agreed to show the Sewage Tax as a separate item, in regard to expenses. The Acting Secretary said that the Sewage Tax revenue is shown as a 6 month CD. The Chairman said that Sewage items should be accounted separately and the CD should be clearly defined as Sewage Tax Revenue. The City Engineer said these funds and accrual funds would be used for capital refurbishments of the Sewerage System only.

10. Recommendations Approved by the Minister:

That the Board approve the Total Research Associates Limited proposal to carry out a Residential Satisfaction Survey.

11. Recommendations for Review:

RECOMMENDATION: That the Board approve the removal of Edward Benevides as a signatory on all bank accounts for the Corporation of Hamilton.

Proposed: Mayor, Charles Gosling

Seconded: Councillor L. Scott

Unanimous

The City Engineer suggested that the Senior Engineer - Ian Hind, could replace Edward Benevides as a signatory, until his retirement at the end December 2019. It was hoped that a new Secretary/COO would be in position by then.

AMENDED RECOMMENDATION: That the Board approve the removal of Edward Benevides and the addition of Ian Hind as signatory on all bank accounts for the Corporation of Hamilton.

Proposed: Mayor, Charles Gosling
Unanimous

Seconded: Councillor L. Scott

With the agreed amendments, the Signatories would now be:

A Signatories:

Tanya Iris
Siobhan Fubler

B Signatories:

Patrick Cooper
Ian Hind
Charles Gosling (no online access)
John Harvey (no online access)

TAKE NOTE: The Secretary/COO, the Acting Secretary/COO, the Treasurer and the Acting Treasurer, would be entitled to vote on Recommendations at the Finance Committee Meetings in accordance with Section 1.4 of the Financial Instructions.

RECOMMENDATION: That the Board approve a virement of \$350,000 be added to the Scoot Project.

The City Engineer said that the Scoot Project was a traffic light optimization project. It is the Smart City intelligent traffic lights that learn traffic patterns and learn to optimize how to get the most vehicles through a network. The virement represents the additional cost of connectivity, either wirelessly or direct cable, from each traffic junction back to a computer. The agreed budget proposal for this item was advised from the UK where the cost of equipment was much cheaper. The additional amount requested is needed to meet the cost of the same type of equipment, which was more expensive and more suited for Bermuda. It would also expand the area in which wifi would be received. There would also be added benefits for other City projects including CCTV cameras which monitor traffic junctions. There would also be the capability to sell wifi connections to businesses.

The City Engineer, the Mayor and Decisions Limited met with TBI to ascertain the extent of the current wifi coverage throughout the City and discuss the City's future expectations. The current Agreement between TBI and the COH would be revised to include those expectations. Councillor Harvey suggested that the requested virement could be increased to ensure Smart City coverage of the whole of the City.

The Mayor was concerned that the contract between the COH and TBI had recently been renewed without the City Engineer's knowledge. The City Engineer explained that the wifi serves two (2) functions; firstly, COH operational matters and, secondly, the sale of wifi connectivity to the public. The COH own the wifi equipment and network, and would be able to change wifi providers to purchase the needed internet connection. The requested virement would cover one area of the City; to cover the whole city with wifi connectivity would require approximately \$1m. The Chairman suggested that if one area of the City could be covered while saving for the next area, this would be favourable as technology advances continuously.

Councillor L. Scott said that the public needed to be informed of the opportunities that City-wide wifi would give them personally.

The Mayor said that it must be noted that the City would be providing limited wifi access for the public's convenience and not 24/7 access for streaming media.

The Chairman asked the Deputy Treasurer how the virement would be funded. She said that the fund would be taken from the Customs House renovation budget. The Acting Secretary said that the Financial Instructions require the COH to obtain three (3) quotes to purchase the Scoot Project equipment. Only one quote from Decisions Limited had been obtained.

The City Engineer said this would be an addition to an existing system with a known vendor. The Acting Secretary said in that case it would need to be explained. The Deputy Treasurer was concerned that the COH had so far invested heavily into Decisions Limited and how that would be affected should the COH change providers. The City Engineer said he is working towards a position whereby change of providers could be made if needed. He was currently sourcing a wifi consultant to verify the actions and intentions of the COH, as this was a very specialized field.

Councillor Harvey asked who owned Decisions. The Acting Secretary said that the East End Group owned TBI and Decisions, among others.

Proposed: Mayor, Charles Gosling
Unanimous

Seconded: Councillor L. Scott

12. Any Other Business:

13. Motion to Move to a Restricted Session

Proposed: Mayor, Charles Gosling

Seconded: Councillor J. Harvey

The Public Session closed at 11.13 am.