



VISION - We will be a democratically elected, vibrant, safe and clean city focused on economic growth and livability.

MISSION - To provide positive experiences for everyone through the delivery of quality initiatives and services.

## **CORPORATION OF HAMILTON**

### **FINANCE COMMITTEE**

#### **PUBLIC SESSION**

Thursday, October 13, 2022, 10:00 am  
Mayor's Parlour, City Hall, Hamilton

Present: Rt. Wor. Charles R. Gosling, JP  
Councillor John Harvey, MBE, JP  
Councillor Lawrence Scott, JP  
Councillor Jenefer Brimmer  
CEO/City Secretary - Dwayne A. Caines, JP

Apologies: Councillor Dennis Tucker, MBE, JP, Chairman  
CFO/Acting City Secretary – Tanya Iris

Staff: COO/City Engineer - Patrick Cooper  
Director of HR/Learning and Development – Lindell Foster  
Controller – Siobhan Fubler

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#### **1. Confirmation of Notice**

The CEO/City Secretary confirmed that the appropriate notices of the meeting were duly given according to the Meeting Guide.

#### **2. Role of Chairman**

Mayor Charles Gosling confirmed his role as the Chairman in the absence of Councillor D. Tucker.

#### **3. Open Meeting**

The meeting was called to order at 10.00 am.

#### **4. Apologies**

The CEO/City Secretary confirmed that apologies had been received from Councillor D. Tucker and CFO/Acting City Secretary Tanya Iris.

#### **5. Public Participation/Presentation**

There was no public participation/presentation.

**6. Correspondence**

There was no correspondence.

**7. Minutes of the Previous Finance Committee Meeting dated 15 September 2022 (Public Session)**

**Proposed:** Councillor L. Scott

**Seconded:** Councillor J. Harvey

The Minutes were accepted as read.

**8. Matters Arising from the Previous Finance Committee Meeting dated 15 September 2022 (Public Session)**

**8.1 Resolution of Affirmation for Council and Executive Members**

**Circulate the Resolution as it relates to legal support for Council and Executive Members and forward to the Staff, Legislative & Governance Committee for discussion.** The Mayor noted that the COH insurance to cover legal costs for Council and Executive Members had been refused in the case of the Affidavits, as none of the individuals requested were listed in the Court case. In this case, had the COH not paid the legal fees, the individuals would have had to pay their own legal costs. Action item completed.

**9. Resolutions Approved by the Minister**

There were no Resolutions approved by the Minister.

**10. Recommendations for Review**

There were no Recommendations for review.

**11. Status Updates**

**11.1 Monthly Financial Report - August 2022**

- Wharfage revenue was up due to an increase in imports.
- Parking revenue was up following the lifting of restrictions and the return to normal working in the City.
- Street Parking revenue had been down but was offset by parking ticket revenue. There had been a rise since August.
- Miscellaneous revenue YTD was negative due to COVID rental relief properties.
- Health Insurance was on track.
- Computer Software was under budget.
- Contracted Services was under budget due to lower spending
- Materials and equipment was under budget due to lower spending.
- Depreciation was on track.
- Interest was nil. The sewage project had been budgeted but had not commenced.

- A healthy cash balance was under budget. CDs remain the same.
- There would be an increase in Payroll next month due to the Taste of Bermuda event.
- Accounts Receivable variance - Wharfage was down in August 2022 but was paid in September 2022.
- Accounts Payable were the same as 2021.
- Capital Projects - regular meetings with the COO/City Engineer continue.

The Mayor noted comments from Councillor Tucker regarding the Accounts Receivable amount of \$650,000 which was above last year. The Controller said that this was accrued wharfage (\$639,000), demurrage and parking revenue, which had been received in September 2022.

Councillor Harvey noted legal fees paid to Morgan, Lewis & Bockius LLP for the MIF case of \$360,000. The Controller said that this was an accumulation of fees to date.

The Mayor noted from the previous Minutes, that Dock Storage Revenue had been down and how this was reflective of the economy. He suggested that wharfage would be a more accurate indicator.

## **12. Any Other Business**

### **12.1 Virement**

The Mayor said that a virement had been voted on at the Board Meeting held on 5 October 2022, however it would be presented to the Finance Committee for correct financial recording by the Finance Committee.

The COO/City Engineer said that a virement in the amount of \$150,000.00 was to create a budget for the extension of the tree farm adjacent to the land at Rose Cottage, now razed, for which planning permission had been approved. The funds would be transferred from the Willow Glade Project which had been suspended in 2022 awaiting planning permission in 2023. Other unbudgeted projects would also benefit from the fund.

#### **RECOMMENDATION:**

That the Finance Committee approve a virement in the amount of \$150,000.00 in order to resurface the land at the Rose Cottage site, now razed. The funds would be transferred from other Capital Projects which were awaiting planning permissions expected in 2023.

**Proposed:** Mayor, Charles Gosling

**Seconded:** Councillor L. Scott

**Unanimous**

## **12.2 Recovery of Rates Debts**

The Mayor sought clarification on who would be responsible for carrying out searches on properties where a sales contract was proposed and whether the seller was obligated to disclose to his lawyer whether the property was free of any incumbrances. Councillor L. Scott said that it would be the purchaser's responsibility to carry out a search for judgements against the property, which would be listed on the Supreme Court Registry.

The Mayor asked why the COH would go to the expense of obtaining a lien on a property when the Municipalities Act stated that any unpaid rates automatically created a lien on the property which would come into effect when the property was sold. The CEO/City Secretary outlined the circumstances of an outstanding rates debt, which would be paid off in full upon the signing of a new tenant lease, at the end of the year. Councillor Harvey said that it was important to have the commitment to pay in writing. The CEO/City Secretary noted that the COH was now interviewing ratepayers with outstanding rates debts, in order to secure recovery of the monies.

The Mayor said that he was concerned that this was not the only occurrence. It would seem that the COH was unaware and uninformed when a property with outstanding rates debt was sold and there was a transfer of ownership, and why the COH was not a part of the process.

### **ACTION:**

Seek legal advice from a real estate lawyer, to advise the COH of the current process to compensate debtholders such as the Government and others, upon the sale of a property. Also, whether or not the COH should be included and, if not, how can they become included, for instance, via the Bar Associate or Chamber of Commerce. **(CFO/Acting City Secretary)**

### **ACTION:**

Seek legal advice and draft a polite, helpful and firm letter template, which would be sent to rates debtors upon entering their 2nd year of failure to pay. The letter would advise them of the Lien and the impact of having a Lien on their property, as well as advising them that the COH was entitled to obtain a list of their assets and access to their bank accounts in order to do whatever is within the COH's legal remit. The template letter would be included in the Debt Collection Policy. **(CFO/Acting City Secretary)**

## **13. Motion to Move to Restricted Session**

**Proposed:** Councillor L. Scott

**Seconded:** Councillor J. Brimmer