



## City of Hamilton

# AUDIT, FINANCE AND ADMINISTRATION COMMITTEE

**Meeting #:** 18-005  
**Date:** April 23, 2018  
**Time:** 9:30 a.m.  
**Location:** Council Chambers, Hamilton City Hall  
71 Main Street West

Angela McRae, Legislative Coordinator (905) 546-2424 ext. 5987

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	<b>Pages</b>
<b>1. APPROVAL OF AGENDA</b>	
(Added Items, if applicable, will be noted with *)	
<b>2. DECLARATIONS OF INTEREST</b>	
<b>3. APPROVAL OF MINUTES OF PREVIOUS MEETING</b>	
3.1 April 9, 2018	5
<b>4. DELEGATION REQUESTS</b>	
<b>5. CONSENT ITEMS</b>	
5.1 Whistleblower Information Update for Q1 2018 (AUD18002) (City Wide)	15
5.2 Hamilton Future Fund Investment Performance Report - December 31, 2017 (FCS18042) (City Wide)	17
5.3 Reserve / Revenue Fund Investment Performance Report - December 31, 2017 (FCS18043) (City Wide)	21
5.4 Cemetery Trust Accounts Investment Performance Report - December 31, 2017 (FCS18044) (City Wide)	25

**6. PUBLIC HEARINGS / DELEGATIONS**

- 6.1 Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre (Approved at the April 9, 2018 AF&A Meeting) (No copy) 29

**7. STAFF PRESENTATIONS**

- 7.1 Tax and Rate Operating Budget Variance Report as at December 31, 2017 - Budget Control Policy Transfers (FCS17060(b)) (City Wide) 43

**8. DISCUSSION ITEMS**

- 8.1 Hamilton Car Share Loan Agreement Transfer (PED18084) (City Wide) 93
- 8.2 Custody Services - Authorization to Execute Agreement (FCS15006(a)) (City Wide) 103
- 8.3 Governance Review Sub-Committee Report 18-002 - April 5, 2018 107

**9. MOTIONS****10. NOTICES OF MOTION****11. GENERAL INFORMATION / OTHER BUSINESS**

- 11.1 Outstanding Business List

- 11.1.a Items requiring a new due date:

Limit Agricultural Use Development

Item On OBL: C

Due Date: April 9, 2018

Revised Due Date: January 2019

Staff Reports Respecting Supplement Taxes and Assessment

Complaints Respecting 500 Eastport Blvd

Item On OBL: N

Due Date: TBD

Revised Due Date: June 11, 2018

## 12. PRIVATE AND CONFIDENTIAL

### 12.1 April 9, 2018 - Closed Minutes (Distributed under separate cover)

Pursuant to Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (e) and (f) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the City; and advice that is subject to solicitor/client privileges, including communications necessary for that purpose.

### 12.2 Negotiation for the Continued Supply of Raw Water to 690 Strathearne Avenue North (FCS18049/LS18014) (Ward 4) (Distributed under separate cover)

Pursuant to Section 8.1, Sub-section (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (f) and (k) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to advice that is subject to solicitor/client privileges, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City.

## 13. ADJOURNMENT





## **AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 18-004**

**9:30 a.m.  
April 9, 2018  
Council Chambers  
Hamilton City Hall**

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**Present:** Councillors A. VanderBeek (Chair), Councillor B. Johnson, M. Pearson, D. Skelly, L. Ferguson, C. Collins, and A. Johnson

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### **THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:**

- 1. 2017 Fourth Quarter Request for Tenders and Proposals Report (FCS17010(c)) (City Wide) (Item 5.2)**

**(Pearson/B. Johnson)**

That Report FCS17010(c), respecting the 2017 Fourth Quarter Request for Tenders and Proposals Report, be received.

**CARRIED**

- 2. 2017 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS17011(c)) (City Wide) (Item 5.3)**

**(B. Johnson/Pearson)**

That Report FCS17011(c), respecting the 2017 Fourth Quarter Emergency and Non-competitive Procurements Report, be received.

**CARRIED**

- 3. 2017 Fourth Quarter Non-compliance with the Procurement Policy Report (FCS17012(d)) (City Wide) (Item 5.4)**

**(B. Johnson/Pearson)**

That Report FCS17012(d), respecting the 2017 Fourth Quarter Non-compliance with the Procurement Policy Report, be received.

**CARRIED**

**4. Fair Wage Policy and Schedule Complaints Annual Report (FCS18036) (City Wide) (Item 5.5)**

**(Ferguson/Skelly)**

That Report FCS18036, respecting the Fair Wage Policy and Schedule Complaints Annual Report, be received.

**CARRIED**

**5. Zachary Waxman, respecting interest on property tax bill unable to be credited (Item 6.2)**

**(Ferguson/B. Johnson)**

That staff be directed to waive 50% of the Property Tax interest on Zachary Waxman's outstanding Property Tax owing.

**CARRIED**

**6. 2018 Property and Liability Insurance Renewal Report (FCS18032) (City Wide) (Item 8.1)**

**(Ferguson/Pearson)**

(a) That the Liability and Property Insurance coverage for the term January 1, 2018, to January 1, 2019, be renewed through Jardine Lloyd Thompson Canada Inc. (JLT) at a cost of \$4,665,402 (net of applicable taxes) and be funded through the 2018 Risk Management Services Budget, in accordance with Appendix "A", attached to Report FCS18032;

(b) That the General Manager, Finance and Corporate Services, be authorized and directed to execute all associated documents related to the renewal of the Liability and Property Insurance coverage for the term January 1, 2018, to January 1, 2019, through Jardine Lloyd Thompson Canada Inc., on behalf of the City;

(c) That the 2018 budget shortfall of \$276,884 be funded from the Tax Stabilization Reserve (110046)

**CARRIED**

**7. Authority to Negotiate and Place a Debenture Issue(s) (FCS18011) (City Wide) (Item 8.2)**

**(Collins/Pearson)**

(a) That the General Manager, Finance and Corporate Services, be authorized to negotiate the terms and placement of a debenture issue(s), and / or private placement debenture issue(s), in either a public or private market and / or bank loan agreement and debenture issue(s) and / or variable interest rate bank loan agreement and debenture issue(s), in an amount not to exceed \$543,881,942 Canadian currency, as attached in Appendix "A" to Report FCS18011, which includes \$148,065,409 in Tax Supported

municipal debt, \$39,168,831 in Development Charges Tax Supported municipal debt, \$137,243,479 in Rate Supported municipal debt and \$219,404,223 in Development Charges Rate Supported municipal debt;

- (b) That the General Manager, Finance and Corporate Services, be authorized to negotiate the terms and placement of a debenture issue(s), and / or private placement debenture issue(s) in either a public or private market and / or bank loan agreement and debenture issue(s) and / or variable interest rate bank loan agreement and debenture issue(s), in an amount not to exceed \$24,539,000 Canadian currency of CityHousing Hamilton debt, as attached in Appendix "A" to Report FCS18011;
- (c)
  - (i) That the General Manager, Finance and Corporate Services, be authorized to engage the services of all required professionals to secure the terms and issuance of the debenture issue(s) described in subsections (a) and (b), including but not limited to: external legal counsel, fiscal agents and Infrastructure Ontario's Loan Program;
  - (ii) That the General Manager, Finance and Corporate Services, Mayor and City Clerk are each authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents requiring their respective signatures to secure the terms and issuance of the debenture issue(s) described in subsections (a), (b) and (c), in a form satisfactory to the City Solicitor;
- (d) That all necessary By-Law(s) be passed to authorize the debenture issue(s) negotiated, placed and secured in accordance with subsections (a), (b) and (c).

**CARRIED**

**8. Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017 (FCS18014) (City Wide) (Outstanding Business List Item) (Item 8.3)**

**(B. Johnson/Skelly)**

- (a) That Project 3301809602 be created for the Hydro One contract under the Ward-Specific Non-Property Tax Revenues;
- (b) That annual reporting to Council of the balances and activities in the ward-specific funding initiatives including Wards 1 to 8 Area Rating Special Capital Re-investment Reserves, Ward-Specific Non-Property Tax Revenues, Cell Tower Revenues, Hydro One Contract Revenues and Minor Maintenance Council Priority Capital Projects, be approved;
- (c) That all grant contribution and sponsorship requests to utilize discretionary funding from Wards 1 to 8 Area Rating Special Capital Re-investment Fund above \$350 per named organization be approved by Council;

- (d) That the necessary Council approved policies, guidelines and procedures related to Ward-Specific Funding initiatives be amended as per recommendation (b);
- (e) That Appendix “A” to Report FCS18014, detailing the balance and projects funded from the Wards 1 to 8 Area Rating Special Capital Re-investment Reserves as of December 31, 2017, be received;
- (f) That Appendix “B” to Report FCS18014 detailing the Wards 1 to 8 Area Rating Special Capital Re-investment Discretionary Spending as of December 31, 2017, be received;
- (g) That Appendix “C” to Report FCS18014, detailing the sponsorships, community events and office expenses from the Wards 1 to 8 Area Rating Discretionary Spending from the Area Rating Special Capital Re-investment Fund as of December 31, 2017, be received;
- (h) That Appendix “D” to Report FCS18014, detailing the Ward-Specific Non-Property Tax Revenues and Cellular Tower Revenues spending as of December 31, 2017, be received;
- (i) That Appendix “E” to Report FCS18014, detailing the Ward-Specific Minor Maintenance Capital project balance from Public Works as of December 31, 2017, be received;
- (j) ***That staff report back to the Audit, Finance & Administration Committee to provide clear criteria for each of the following:***
  - (i) ***Area Rating***
  - (ii) ***Discretionary Funding***
  - (iii) ***Cell Tower and Minor Maintenance***
- (k) ***That staff report back to the Audit, Finance & Administration Committee on the history behind using social infrastructure as a criteria for Area Rating and Discretionary Funding approval.***

**Main Motion as Amended CARRIED**

**9. Commercial Relationship Between City of Hamilton and M.J. Dixon Construction Limited (LS13018(b) / FCS13041(b)) (City Wide) (Item 12.1)**

**(Collins/Ferguson)**

That the recommendations of Report LS13018(b) / FCS13041(b), respecting “Commercial Relationship Between City of Hamilton and M.J. Dixon Construction Limited” be approved and the recommendations remain private and confidential until approved by Council.

**CARRIED**



**FOR INFORMATION:**

**(a) CHANGES TO THE AGENDA (Item 1)**

The Committee Clerk advised of the following changes to the agenda:

**1. DELEGATION REQUESTS**

- 4.1 Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre (For a future meeting)
- 4.2 Shekar Chandrashekar, respecting Report FCS18030 - Response to Mr. Shekar Chandrashekar, Respecting a FOI Request. Report was received at AF&A on March 26, 2018 and Mr. Chandrashekar was unable to delegate at that meeting (For a future meeting)
- 4.3 Viv Saunders, respecting Area Rating Spending, Item 8.3 on today's agenda (For today's meeting)

**2. PRIVATE AND CONFIDENTIAL**

- 12.2 M.J. Dixon Construction Limited - Delegation Submissions
  - 12.2.a Correspondence from the City of Hamilton to M.J. Dixon Construction Limited

**(B. Johnson/Pearson)**

That the agenda for the April 9, 2018 Audit, Finance and Administration Committee meeting be approved, as amended.

**CARRIED**

**(b) DECLARATIONS OF INTEREST (Item 2)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)**

**(i) March 26, 2018 (Item 3.1)**

**(Pearson/Ferguson)**

That the Minutes of the March 26, 2018 meeting of the Audit, Finance and Administration Committee be approved, as presented.

**CARRIED**

**(d) DELEGATION REQUESTS (Item 4)**

- (i) Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre (For a future meeting) (Added Item 4.1)**

**(Ferguson/B. Johnson)**

That the delegation request from Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre, be approved for a future meeting.

**CARRIED**

- (ii) Shekar Chandrashekar, respecting Report FCS18030 - Response to Mr. Shekar Chandrashekar, Respecting a FOI Request. Report was received at AF&A on March 26, 2018 and Mr. Chandrashekar was unable to delegate at that meeting (For a future meeting) (Added Item 4.2)**

**(Ferguson/Pearson)**

That the delegation request from Shekar Chandrashekar, respecting Report FCS18030 - Response to Mr. Shekar Chandrashekar, Respecting a FOI Request, be received.

**CARRIED**

- (iii) Viv Saunders, respecting Area Rating Spending, Item 8.3 on today's agenda (For today's meeting) (Added Item 4.3)**

**(Pearson/Skelly)**

That the delegation request from Viv Saunders, respecting Area Rating Spending, Item 8.3 on today's agenda, be approved for today's meeting.

**CARRIED**

**(e) CONSENT ITEMS (Item 5)**

- (i) Minutes of Various Advisory Committees (Item 5.1)**

**(Pearson/B. Johnson)**

That the following minutes from various advisory committee meetings, be received as presented:

- (1) Hamilton Status of Women Advisory Committee – January 25, 2018 (Item 5.1.a)
- (2) Hamilton Mundialization Advisory Committee – February 21, 2018 (Item 5.1.b)

- (3) Immigrant & Refugee Advisory Committee – February 8, 2018  
(Item 5.1.c)

**CARRIED**

**(f) PUBLIC HEARINGS/DELEGATIONS (Item 6)**

- (i) Gregory Hersen, M.J. Dixon Construction Company Limited, respecting the commercial relationship between the City and M.J. Dixon, and the City's potential prohibition against M.J. Dixon bidding or entering into contracts on City projects (Item 6.1)**

Gregory Hersen, representing M.J. Dixon Construction Company Limited, addressed the Committee respecting the commercial relationship between the City and M.J. Dixon, and the City's potential prohibition against M.J. Dixon bidding or entering into contracts on City projects.

**(Pearson/B. Johnson)**

That the delegation from Gregory Hersen, M.J. Dixon Construction Company Limited, respecting the commercial relationship between the City and M.J. Dixon, and the City's potential prohibition against M.J. Dixon bidding or entering into contracts on City projects, be received.

**CARRIED**

For further disposition of this matter, refer to Item 9.

- (ii) Zachary Waxman, respecting Property Tax Bill (Item 6.2)**

Zachary Waxman, addressed the Committee respecting interest on his property tax bill that was unable to be credited.

**(Ferguson/Pearson)**

That the delegation from Zachary Waxman, respecting interest on his property tax bill that was unable to be credited, be received.

**CARRIED**

For further disposition of this matter, refer to Item 5.

- (iii) Viv Saunders, respecting Area Rating Spending (Added Item 6.3)**

Viv Saunders addressed the Committee respecting Area Rating Spending, with the aid of speaking notes.

**(Pearson/B. Johnson)**

That the delegation from Viv Saunders, respecting Area Rating Spending, be received.

**CARRIED**

A copy of the presentation is available at [www.hamilton.ca](http://www.hamilton.ca).

For further disposition of this matter, refer to Item 8.

**(Skelly/Ferguson)**

That Item 8.3, respecting Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017 be moved up on the agenda to be considered immediately following Item 6.3.

**CARRIED**

**(g) DISCUSSION ITEMS (Item 8)**

- (i) Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017 (FCS18014) (City Wide) (Outstanding Business List Item) (Item 8.3)**

That Report FCS18014, respecting Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017, be amended to add the following sub-sections:

**(B. Johnson/Skelly)**

- (j) That staff report back to the Audit, Finance & Administration Committee to provide clear criteria for each of the following:**

- (i) Area Rating**
- (ii) Discretionary Funding**
- (iii) Cell Tower and Minor Maintenance**

- (k) That staff report back to the Audit, Finance & Administration Committee on the history behind using social infrastructure and as a criteria for Area Rating and Discretionary Funding approval.**

**Amendment CARRIED**

For further disposition of this matter, refer to Item 8.

Councillor VanderBeek relinquished the chair.

Councillor B. Johnson assumed the chair.

**(h) GENERAL INFORMATION / OTHER BUSINESS (ITEM 11)**

That the following amendments to the Outstanding Business List, be approved:

**(Pearson/Ferguson)**

11.1.a Items requiring a new due date:

Live Streaming of Audio and Video at City Hall Upper and Lower  
Lobby Areas

Item on OBL: B

Due Date: January 16, 2018

Revised Due Date: May 7, 2018

Request for approval of the urgent work and HVAC repairs  
required for the Dundas Library

Item on OBL: K

Due Date: February 12, 2018

Revised Due Date: May 7, 2018

**CARRIED**

**(i) PRIVATE AND CONFIDENTIAL (ITEM 12)**

- (i) Commercial Relationship Between City of Hamilton and M.J. Dixon Construction Limited (LS13018(b) / FCS13041(b)) (City Wide) (Items 12.1, 12.2 & 12.2(a))**

**(Ferguson/Collins)**

That Committee move into Closed Session respecting Items 12.1, 12.2 & 12.2(a) pursuant to Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (e) and (f) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the City; advice that is subject to solicitor/client privilege, including communications necessary for that purpose.

**CARRIED**

For further disposition of this matter, please refer to Item 9.

- (ii) M.J. Dixon Construction Limited - Delegation Submissions (Item 12.2)**

**(Collins/Pearson)**

That the submission by M.J. Dixon Construction Limited, be received and remain confidential.

**CARRIED**

**(iii) Correspondence from the City of Hamilton to M.J. Dixon Construction  
(Item 12.2.a)**

**(Collins/Pearson)**

That the correspondence from the City of Hamilton to M.J. Dixon Construction Limited, be received and remain confidential.

**CARRIED**

**(j) ADJOURNMENT (Item 13)**

**(Pearson/Skelly)**

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 12:42 p.m.

**CARRIED**

Respectfully submitted,

Councillor VanderBeek, Chair  
Audit, Finance and Administration  
Committee

Councillor B. Johnson, Vice-Chair  
Audit, Finance and Administration  
Committee

Angela McRae  
Legislative Coordinator  
Office of the City Clerk



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Whistleblower Information Update for Q1 2018 (AUD18002) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Charles Brown CPA, CA, CPA (Illinois) 905-546-2424 x4469
<b>SUBMITTED BY:</b>	Charles Brown CPA, CA, CPA (Illinois) Director, Audit Services City Manager's Office
<b>SIGNATURE:</b>	

## Council Direction:

By-law 09-227 (Whistleblower By-law), Section 19 – Responsibility of the Director of Audit Services requires a quarterly report for, in the aggregate, on the number, nature and outcome of disclosures of serious wrongdoing made under this By-law.

## Information:

A standard process has been implemented by the Audit Services Division for the implementation of forms, procedures and document storage relating to the administration of the Whistleblower By-law.

This Information Report contains information about the number, nature and outcome of disclosures relating to By-law 09-227 for Q1 2018 (January – March 2018) along with historical information.

## Number and Nature of Disclosures in 2018

Timeline	Categories			Total Intake
	Staff Inquiry	Whistleblower	External Inquiry	
Q1 (Jan. – Mar.)	0	0	0	0

Total Intake Volume in 2018 (January – March): 0

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*OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.*

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**SUBJECT: Whistleblower Information Update for Q1 2018 (AUD18002) (City Wide)**  
**– Page 2 of 2**

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Nature and Outcomes

Q1: There was no intake activity in Q1 2018. The internal inquiry item received in Q4 2017 was closed in Q1 2018. Audit Services was satisfied with the actions taken by departmental management to rectify the situation.

Number and Nature of Disclosures from 2010 – 2018

Year	Categories			Total Intake
	Staff Inquiry	Whistleblower	External Inquiry	
2010	0	2	1	3
2011	1	2	0	3
2012	1	1	1	3
2013	2	2	0	4
2014	3	2	0	5
2015	1	1	1	3
2016	1	3	1	5
2017	1	0	1	2
2018 (to March 31)	0	0	0	0
Total	10	13	5	28

The total volume from 2010 – 2018 (to March 31) for Whistleblower Intake activity was 28 items. These sustained low volumes for an organization the size of the City of Hamilton, with almost 8,000 employees, in comparison with other cities may indicate a need for further action to ensure employees are comfortable with reporting concerns.

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## INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Hamilton Future Fund Investment Performance Report - December 31, 2017 (FCS18042) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Gerald T. Boychuk (905) 546-2424 Ext. 4321 Brandon A. Teglas (905) 546-2424 Ext. 4363
<b>SUBMITTED BY:</b>	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	

### Council Direction:

Not applicable.

### Information:

The City of Hamilton Future Fund portfolio of investments had an earnings rate of 2.55% for the 12 months ending December 31, 2017 and an average earnings rate of 2.63% over the past five years. The earnings rate includes interest and lending revenues, but excludes realized and unrealized capital gains / losses.

The City of Hamilton Future Fund's portfolio generated approximately \$1,103,171 in bond interest, net realized capital gains / losses and lending revenue over the last 12 months ending December 31, 2017. The total return of \$1,103,171 was realized on an investment at an average cost of \$43,325,660, giving a percentage return on cost of 2.55%. Bond lending revenues of \$9,479 are included in the earnings rate of 2.55%. Interest, net realized capital gains / losses and lending income over the last five years have averaged \$1.17M annually.

As at December 31, 2017, net unrealized capital gain / loss was \$216,806 and a net capital loss of \$26,048 was realized over the past 12 months. The duration of the portfolio of investments was 5.37 years as at December 31, 2017 compared with 5.47 years as at December 31, 2016.

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**SUBJECT: Hamilton Future Fund Investment Performance Report –  
December 31, 2017 (FCS18042) (City Wide) – Page 2 of 3**

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As at December 31, 2017, the market value of the portfolio was \$44,349,382 compared with \$35,723,296 as at December 31, 2016, an increase of \$8,626,086 primarily attributed to loan repayments. Loan repayments of approximately \$8M were received.

For the 12 months ending December 31, 2017, the overall return (includes interest, bond lending revenue, realized and unrealized capital gains / losses) was 1.50%, out-performing the benchmark return of 0.42% by 108 basis points. Over the past five years, the overall return has averaged 1.98% per annum, out-performing the average benchmark return over the same five-year period of 1.68% by 30 basis points. The out-performance of the Hamilton Future Fund relative to the benchmark over the last five years is attributed mostly to its overweight position over the last couple of years in longer term bonds.

The overall returns for the One Fund (offered by the Association of Municipalities of Ontario and the Municipal Finance Officers Association) for the year ending December 31, 2017 were -0.15% for bonds and 0.60% for money market. If the City's Policy had been used in these funds (i.e. 90% bonds and 10% money market), the overall return would have been -0.08% or 158 basis points less than the actual return of 1.50%. Using an average portfolio market value of \$43,300,102 for the past 12 months, an increase of 1.58% in overall return resulted in a revenue increase of approximately \$684,142. The One Funds under-performance over this period is attributed to its policy of investing in short-term bonds. The FTSE TMX Mid-Government Index returned 0.46% and the FTSE TMX Short Government Index returned -0.38%.

Table 1 summarizes the investment return indicators.

**Table 1: Investment Return Indicators** (for information purposes only)

	12 Months ended 12/31/2017	12 Months ended 12/31/2016	12 Months ended 12/31/2015	12 Months ended 12/31/2014	12 Months ended 12/31/2013
Policy Target	0.42%	0.52%	2.72%	4.34%	0.42%
Hamilton Future Fund Portfolio	1.50%	1.61%	2.57%	4.25%	-0.03%
One Fund – Bonds	-0.15%	0.68%	1.94%	2.91%	1.14%
One Fund –Money Mkt.	0.60%	0.50%	0.67%	0.86%	0.95%
FTSE TMX – Short Government	-0.38%	0.35%	2.54%	2.76%	1.40%
FTSE TMX – Mid Government	0.46%	0.87%	5.11%	9.11%	-1.20%
Bond Lending Revenue	\$9,479	\$6,071	\$5,252	\$2,411	\$4,865
Earnings Rate (Excludes Capital Gains/Losses)	2.55%	2.66%	2.61%	2.52%	2.80%

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**SUBJECT: Hamilton Future Fund Investment Performance Report –  
December 31, 2017 (FCS18042) (City Wide) – Page 3 of 3**

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Table 2 summarizes the changes in Canadian interest rates over the past 24 months.

**Table 2**

CANADIAN INTEREST RATES			
Canada Benchmark Bond	Interest Rate January 3, 2018	Interest Rate January 3, 2017	Interest Rate January 4, 2016
One Month (T-Bill)	0.95%	0.40%	0.46%
2 year	1.68%	0.77%	0.47%
5 year	1.86%	1.14%	0.73%
10 year	2.05%	1.74%	1.40%

Through 2017, short-term rates increased as the Bank of Canada's bank rate moved up to 1.0% by year end. Longer term rates tended to move progressively lower led by the 10-year and 30-year bonds. The decline was based on reduced inflation fears and reduced concerns of a rate increase by the Bank of Canada. As well, commodity prices, particularly oil which opened the year at \$54 a barrel before closing 2017 at \$60, were moving higher. This, in turn, led to increasing upward pressure on the Canadian dollar with an increase in its value at year end. The Canadian dollar ended the year at \$0.797 US, having closed 2016 at \$0.745 US. This was due to increased projected global economic activity and an increase in general commodities pricing, especially oil. The portfolio of bonds, in spite of having a high proportion of very short securities to fund delayed projects, out-performed the One Fund and the benchmark.

The Canadian economy performed well over 2017. Growing 3.2% overall, it eclipsed the projected year-end growth rate of 2.0% by an additional 1.2%, which led to the short-term rate increases late in the year. The Bank of Canada had projected 3.1% growth in 2016 for 2017. Going forward, the projected growth for 2018 is 1.8%, which would be under-performing the target growth of 2.0% per year.

Concerns and trade relations in North America and globally rose, specifically, trade war fears due to tariff threats by the United States. The United States has proceeded to place tariffs on steel imports at different levels with all countries, with some short-term relief for Canada. As well, Canada and the United States are in negotiations on the North American Free Trade Agreement (NAFTA). The uncertainty of the negotiations has stopped the Bank of Canada from increasing rates further in the near term.

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# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Reserve / Revenue Fund Investment Performance Report – December 31, 2017 (FCS18043) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Gerald T. Boychuk (905) 546-2424 Ext. 4321 Brandon A. Teglas (905) 546-2424 Ext. 4363
<b>SUBMITTED BY:</b>	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	

## Council Direction:

Not Applicable.

## Information:

The investment portfolio for the City of Hamilton's (City's) Reserve / Revenue Fund (comprised of reserve / revenue funds, capital account balances and unused operating funds) had an earnings rate of 2.79% for the 12 months ending December 31, 2017 and had an average earnings rate of 2.82% over the past five years. The earnings rate includes interest and lending revenues, but excludes realized and unrealized capital gains / losses.

The City's portfolio generated \$27,350,421 in bond interest, net realized capital gains / losses, lending revenue and bank interest over the 12 months ending December 31, 2017. The average dollar amount generated over the last five years is \$24.01M. The return of \$27,350,421 was realized on an average asset cost of \$1,065,014,998 (made up of \$870,987,271 for the investment portfolio plus \$168,503,494 for the City's bank account balance plus \$25,524,233 for the One Fund Equity and Universe Corporate Bond), giving a percentage return on cost of 2.57%. Bond lending revenues of \$231,169 are included in the earnings rate of 2.79%. Net unrealized capital gains / losses were \$10,486,872 as at December 31, 2017.

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**SUBJECT: Reserve / Revenue Fund Investment Performance Report –  
December 31, 2017 (FCS18043) (City Wide) – Page 2 of 4**

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For the 12 months ending December 31, 2017, the overall return (includes bond interest, bond lending revenues, realized capital gains / losses and unrealized capital gains / losses) was 1.29% and the return on the benchmark was 0.42%, resulting in an out-performance of 87 basis points. Over the past five years, the overall return has averaged 2.40% per annum, out-performing the average return on the benchmark over the same five-year period of 1.68% by 72 basis points. For the one-year period ending December 31, 2017, the out-performance of the investment portfolio relative to the benchmark is attributed to its longer duration, resulting in mid-term and long-term bonds outperforming short-term bonds given the significant decrease into the fall of 2017.

By comparison, the overall returns for the One Fund portfolios (offered by the Association of Municipalities of Ontario and the Municipal Finance Officers' Association), over the 12 month period ending December 31, 2017 were -0.15% for bonds and 0.60% for money market. If the City's Policy had been used in these funds (i.e. 90% bonds and 10% money market), then the overall return would have been 137 basis points less than the actual return of 1.29% or -0.08%. On an average portfolio market value of \$897M, (excluding One Fund Equity and bank account balances), the incremental return of 1.37% resulted in incremental revenue of approximately \$12.29M. The One Fund's under-performance is attributed to its policy of investing in short-term bonds. The FTSE TMX All-Government Mid Index returned 0.46% and the FTSE TMX Short Government Index returned -0.38%.

Table 1 summarizes the investment return indicators.

**Table 1 - Investment Return Indicators** (for information purposes only)

	12 Months ended 12/31/2017	12 Months ended 12/31/2016	12 Months ended 12/31/2015	12 Months ended 12/31/2014	12 Months ended 12/31/2013
Policy Target	0.42%	0.52%	2.72%	4.34%	0.42%
City's Portfolio	1.29%	1.49%	3.56%	6.39%	-0.73%
One Fund – Bonds	-0.15%	0.68%	1.94%	2.91%	1.14%
One Fund – Money Market	0.60%	0.50%	0.67%	0.86%	0.95%
FTSE TMX – Short Government	-0.38%	0.35%	2.54%	2.76%	1.40%
FTSE TMX – Mid Government	0.46%	0.87%	5.11%	9.11%	-1.20%
Bond Lending Revenue	\$231,169	\$155,754	\$130,191	\$115,803	\$129,097
Earnings Rate (Excludes Capital Gains/Losses)	2.79%	2.78%	2.83%	2.91%	2.81%
City's Return One Fund Investment (Equity)	9.85%	14.18%	-0.11%	25.09%	22.74%

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**SUBJECT: Reserve / Revenue Fund Investment Performance Report –  
December 31, 2017 (FCS18043) (City Wide) – Page 3 of 4**

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The investments in the portfolio, excluding the One Fund Equity investment, consist of 100% bonds and 0% money market. During the year ending December 31, 2017, the interest rate earned in the City's bank account was greater than the interest rate earned on Treasury Bills and Banker's Acceptances (with term to maturity less than six months) and therefore, funds that were earmarked for short-term expenses were held in the City's bank account. The City also continued to hold a modest amount of Floating Rate Notes, which continued to be a favourable alternative to money market securities. As at December 31, 2017, the duration of the portfolio was 5.14 years compared with 4.62 years as at December 31, 2016.

On December 31, 2017, the market value of the investment portfolio was \$878,295,958 (excluding One Fund Equity and bank balances), an increase of \$18,916,801 compared to \$859,379,157 as at December 31, 2016.

The restructured Asset Backed Commercial Paper (Master Asset Vehicles) was sold in 2013 and all the remaining \$10,000,000 of Devonshire notes were redeemed in 2014 at par. Reserves set aside under the Companies' Creditors Arrangement Act (CCAA) and held by the court appointed Monitor (Deloitte) totalled \$54,969,946 net of expenses at December 31, 2017. The City of Hamilton's pro-rata share is estimated from the low distribution estimate of \$1,547 and a high of \$774,471 depending upon expenses over the next two years.

As at December 31, 2017, the One Fund equity holdings market value was \$34.343M (or 3.91% of the market value of the Reserve Fund including the One Fund but excluding bank balances). Over the 12-month period ending December 31, 2017, the City's investment returned 9.85%. We expect to increase the City's investment in the One Fund's Equity Fund and possibly the Universe Bond Fund in 2018.

Table 2 shows the changes in Canadian interest rates over the past 24 months.

**Table 2**

CANADIAN INTEREST RATES			
Canada Benchmark Bond	Interest Rate January 3, 2018	Interest Rate January 3, 2017	Interest Rate January 4, 2016
One Month (T-Bill)	0.95%	0.40%	0.46%
2 year	1.68%	0.77%	0.47%
5 year	1.86%	1.14%	0.73%
10 year	2.05%	1.74%	1.40%

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**SUBJECT: Reserve / Revenue Fund Investment Performance Report –  
December 31, 2017 (FCS18043) (City Wide) – Page 4 of 4**

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Through 2017, short-term rates increased as the Bank of Canada's bank rate moved up to 1.0% by year end. Longer term rates tended to move progressively lower led by the 10 year and 30 year bonds. The decline was based on reduced inflation fears and reduced concerns of a rate increase by the Bank of Canada. As well, commodity prices, particularly oil which opened the year at \$54 a barrel before closing 2017 at \$60, were moving higher. This, in turn, led to increasing upward pressure on the Canadian dollar with an increase in its value year end. The Canadian dollar ended the year at \$0.797 US, having closed 2016 at \$0.745 US. This was due to increased projected global economic activity and an increase in general commodities pricing, especially oil. The portfolio of bonds, in spite of having a high proportion of very short securities to fund delayed projects, out-performed the One Fund and the benchmark.

The Canadian economy performed well over 2017. Growing 3.2% overall, it eclipsed the projected year-end growth rate of 2.0% by an additional 1.2%, which led to the short-term rate increases late in the year. The Bank of Canada had projected 3.1% growth in 2016 for 2017. Going forward, the projected growth for 2018 is 1.8%, which would be under-performing the target growth of 2.0% per year.

Concerns and trade relations in North America and globally rose, specifically, trade war fears due to tariff threats by the United States. The United States have proceeded to place tariffs on steel imports at different levels with all countries, with some short-term relief for Canada. As well, Canada and the United States are in negotiations on the North American Free Trade Agreement (NAFTA). The uncertainty of the negotiations has stopped the Bank of Canada from increasing rates further in the near term.

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## INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Cemetery Trust Accounts Investment Performance Report – December 31, 2017 (FCS18044) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Gerald T. Boychuk (905) 546-2424 Ext. 4321 Brandon A. Teglas (905) 546-2424 Ext. 4363
<b>SUBMITTED BY:</b>	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	

### Council Direction:

Not Applicable.

### Information:

Over the 12-month period ending December 31, 2017, the earnings rates are 3.18% for the Cemetery Care and Maintenance Trust, 3.52% for the Cemetery Monument Care Trust and 3.36% for the Cemetery Pre-Need Assurance Trust. The earnings rate includes interest and lending revenue, but excludes realized and unrealized capital gains / losses.

Over the same period, the overall returns (which include interest, lending revenue and realized and unrealized capital gains / losses) are 2.30% for the Cemetery Care and Maintenance, 3.29% for the Cemetery Monument Care and 3.01% for the Cemetery Pre-Need Assurance. The overall return for the benchmark (or Policy return) is 2.52%. As a result, the Cemetery Care and Maintenance under-performed the benchmark by 22 basis points, while the Cemetery Monument Care and Cemetery Pre-Need Assurance out-performed the benchmark by 77 basis points and 49 basis points, respectively.

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**SUBJECT: Cemetery Trust Accounts Investment Performance Report –  
December 31, 2017 (FCS18044) (City Wide) – Page 2 of 3**

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As of December 31, 2017, the total portfolio market values are \$11,143,376 (with \$655,633 of net unrealized capital gains) for the Cemetery Care and Maintenance Trust, \$1,122,473 (with \$113,367 of net unrealized capital gains) for the Cemetery Monument Care Trust and \$2,869,118 (with \$203,531 of net unrealized capital gains) for the Cemetery Pre-Need Assurance Trust.

The following Table shows the investment return indicators.

<b>Investment Return Indicators</b> (for information purposes only)			
	12 Months ended 12/31/2017	12 Months ended 12/31/2016	12 Months ended 12/31/2015
<b>Earnings Rate (Excluding Unrealized Capital Gains or Loss)</b>			
Cemetery Care and Maintenance	3.18%	3.11%	3.09%
Cemetery Monument Care	3.52%	3.42%	3.44%
Cemetery Pre-Need Assurance	3.36%	3.30%	3.33%
<b>Total Return</b>			
Cemetery Care and Maintenance	2.30%	1.86%	3.97%
Cemetery Monument Care	3.29%	2.20%	4.14%
Cemetery Pre-Need Assurance	3.01%	1.94%	4.01%
Policy Target (FTSE TMX Canada Universe Bond)	2.52%	1.66%	3.52%
<b>Bond Lending Revenue</b>			
Cemetery Care and Maintenance	\$ 3,217.66	\$ 801.90	\$ 135.95
Cemetery Monument Care	\$ 198.43	\$ 26.12	\$ 9.54
Cemetery Pre-Need Assurance	\$ 405.83	\$ 38.99	\$ 25.43
<b>Income Earned*</b>			
Cemetery Care and Maintenance	\$ 360,609	\$ 354,012	\$ 341,137
Cemetery Monument Care	\$ 39,488	\$ 39,113	\$ 37,846
Cemetery Pre-Need Assurance	\$ 96,691	\$ 93,330	\$ 87,297
<b>Ending Portfolio Market Value</b>			
Cemetery Care and Maintenance	\$ 11,143,376	\$ 11,678,834	\$ 11,199,814
Cemetery Monument Care	\$ 1,122,473	\$ 1,174,613	\$ 1,135,389
Cemetery Pre-Need Assurance	\$ 2,869,118	\$ 2,976,545	\$ 2,700,462

\*Does not include interest earned in the bank account on balances.

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**SUBJECT: Cemetery Trust Accounts Investment Performance Report –  
December 31, 2017 (FCS18044) (City Wide) – Page 3 of 3**

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The Cemetery Monument Care and the Cemetery Pre-Need Assurance Trust portfolios out-performed relative to the Policy because they held some long-term bonds which out-performed relative to shorter-term bonds over the one-year period ending December 31, 2017 due to their higher coupon rate. The Cemetery Care and Maintenance Trust portfolio incurred some maturities and cash inflows which were reinvested in slightly shorter term bonds in a lower rate environment.

The current strategy is to hold high quality credits, including Canadian Schedule I bank Deposit Notes, Provincial and Municipal bonds and to watch for opportunities to switch into new issues of similar credit should interest rates rise significantly.

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# LGBTQ and 2S Preliminary Community Consultations

Presented by: Jocelyn Heaton & Kyra Kozole



# Presentation Agenda

1. Introduction
2. Information about research
3. Future plans
4. Concluding remarks

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# Introduction

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## Who we are?

- Third-year Political Science students at McMaster
- Political Science 3PR3 Placement course, Research Assistants in the Office of Aidan Johnson



Current Coordinator at the Women and Gender Equity Network (WGEN) of the McMaster Student Union



Current President of SwimAbility Hamilton



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# Information about Research

# Upcoming Needs Assessment...

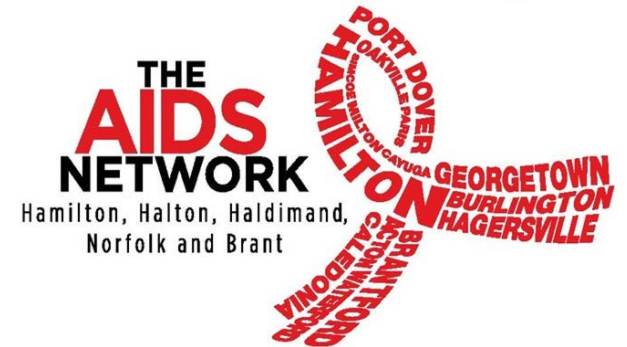
## Researchers:

- Suzanne Mills
- Christ Borst
- Janice Lee
- Danielle Walton
- Chris Todd-Kane
- Marina Fensham
- James Diemert
- Mariko Bown-Kai
- Many more.....

## Needs Assessment:

- Community driven initiative
- Consultations with diverse members of Hamilton's LGBTQ community
- Social Sciences and Humanities Research Council Engage grant in partnership with the Aids Network
- Online Survey to be released in May 2018

McMaster  
University





## Previous needs assessments

- Report on the Needs Assessment of the LGBTQ Community of Hamilton (Social Planning & Research Council of Hamilton)- 2007
- Needs Assessment of the Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Community of Hamilton (City of Hamilton)- 2008

Needs assessment in progress:

- The AIDSNetwork, in collaboration with Dr. Suzanne Mills of the Department of Labour Studies at McMaster, and other community stakeholders



# Community Consultations

- Deirdre Pike
  - Columnist at the Hamilton Spectator
  - Liberal candidate
  - Senior Social Planner with the Social Planning and Research Council
- Cole Gatley
  - Transgender activist
  - Leader of the Hamilton Trans Health Coalition
- Lyndon George
  - Indigenous Justice Coordinator at the Hamilton Legal Clinic
- More...

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## Our conclusions...

- Lack of services, especially for marginalized members of the LGBTQ and Two Spirit community
- Desire for permanent access to a safe organizing space
  - The Well was Hamilton's previous LGBTQ+ space
- Need for further research following the upcoming needs assessment...





# City Staff meeting support

## Attendees

- **Chris Herstek**- Director of Recreations
- **Jodi Koch**- Manager of Talent and Diversity
- **Courtney Groves**- Program Lead for Inclusion and Program Development
- **Cole Gately**
- More...

## Discussion

- Use of existing recreational space and infrastructure
  - No guarantee of safe and inclusive space
- Hiring and consultation of LGBTQ and Two Spirit communities
  - Relevant representation is necessary for fully inclusive spaces and practices

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# Future Plans

# Future stability for LGBTQ +2S Hamiltonians

- Awareness and openness towards the upcoming Needs Assessment and what the findings reveal about the LGBTQ and Two Spirit communities' needs
- Support of future efforts to assess the feasibility of creating permanent space for LGBTQ and Two Spirit community members





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# Concluding Remarks





Hamilton

**TAX AND RATE OPERATING BUDGET  
VARIANCE REPORT AS AT  
DECEMBER 31, 2017  
FCS17060(b)**

**Audit, Finance & Administration Committee – April 23, 2018**

1. Summary of Tax and Rate Operating Budget Variance (Unaudited)
2. Tax Supported Operating Budget Variance Explanations
3. Rate Supported Operating Budget Variance Explanations
4. Surplus Disposition Recommendations

# 2017 YEAR-END VARIANCE (\$'000s)

	2017 Approved Budget	2017 Year-End Actuals	Variance	
			\$	%
<b>TOTAL CITY EXPENDITURES</b>	<b>524,412</b>	<b>506,093</b>	<b>18,319</b>	<b>3.5%</b>
<b>TOTAL BOARDS &amp; AGENCIES</b>	<b>204,597</b>	<b>204,535</b>	<b>63</b>	<b>0.0%</b>
<b>CAPITAL FINANCING</b>	<b>116,383</b>	<b>109,796</b>	<b>6,587</b>	<b>5.7%</b>
<b>TAX SUPPORTED</b>	<b>845,392</b>	<b>820,424</b>	<b>24,969</b>	<b>3.0%</b>
<b>PROGRAM EXPENDITURES</b>	<b>0</b>	<b>(13,532)</b>	<b>13,532</b>	<b>100.0%</b>
<b>CAPITAL FINANCING</b>	<b>0</b>	<b>(4,569)</b>	<b>4,569</b>	<b>100.0%</b>
<b>RATE SUPPORTED</b>	<b>0</b>	<b>(18,101)</b>	<b>18,101</b>	<b>100.0%</b>
<b>TOTAL</b>	<b>845,392</b>	<b>802,323</b>	<b>43,070</b>	<b>5.1%</b>

( ) - Denotes unfavourable variance

# Tax Supported Operating Budget Variance (Unaudited)

# CITY DEPARTMENT VARIANCES

(\$000's)

	2017 Approved Budget	2017 Year-End Actuals	Variance	
			\$	%
<b><u>TAX SUPPORTED</u></b>				
<b>Planning &amp; Economic Development</b>	28,408	27,763	645	2.3%
<b>Public Health Services</b>	12,090	11,670	420	3.5%
<b>Community &amp; Emergency Services</b>	226,517	225,211	1,306	0.6%
<b>Public Works</b>	230,063	220,573	9,490	4.1%
<b>Legislative</b>	4,875	4,533	342	7.0%
<b>City Manager</b>	10,146	9,677	469	4.6%
<b>Corporate Services</b>	24,902	23,461	1,441	5.8%
<b>Corporate Financials / Non Program Revenues</b>	(16,353)	(20,423)	4,070	24.9%
<b>Hamilton Entertainment Facilities</b>	3,764	3,628	136	3.6%
<b>TOTAL CITY EXPENDITURES</b>	<b>524,412</b>	<b>506,093</b>	<b>18,319</b>	<b>3.5%</b>

( ) Denotes unfavourable variance

# DEPARTMENT VARIANCES EXPLANATION

## SUMMARY

### Public Works: \$9.5 M departmental surplus

- Operations - \$5.8 M
  - Gapping - \$2.3 M
  - Winter Season - \$2.5 M
    - Gapping - \$0.7 M
    - Hired Equipment & Snow Disposal - \$1.0 M
    - De-icing Material - \$0.8 M
- Recycling - \$2.4 M
  - Revenues - \$2.2 M
  - Vehicle Costs - \$0.2 M
- Parks - \$1.1 M
  - Gapping - \$0.8 M
  - Deferred Maintenance and offsetting operating costs - \$0.3 M
- Transit - (\$0.2 M)
  - Employee costs \$0.6 M
  - Vehicle expenses \$0.9 M
  - Revenues (\$1.6 M)
  - Darts (\$0.2 M)



# DEPARTMENT VARIANCES EXPLANATION SUMMARY

## Community and Emergency Services:

- \$1.3 M departmental surplus
  
- \$1.5 M favourable Housing Services variance
  - Social Housing prior year end reconciliation adjustments, property taxes & RGI subsidy; \$2.1 million transferred to Social Housing Reserve
  - CHPI program costs underspent
  
- \$964 K favourable Recreation variance - temporary closures of recreational facilities
  
- \$529 K favourable Ontario Works variance – maximizing additional available subsidies
  
- Partially offset by unfavourable employee related costs:
  - Macassa Lodge (\$462 K)
  - Wentworth Lodge (\$171 K)
  - Paramedics: (\$145 K)

# DEPARTMENT VARIANCES EXPLANATION

## SUMMARY

### Corporate Services:

- \$1.4 M departmental surplus
  - \$980 K gapping surplus
  - \$433 K surplus in tax transfer revenues, other tax revenues, and other minor savings.

### Other Departments:

- Planning and Economic Development (\$645 K favourable variance)
  - Gapping and favourable revenues in the Licensing & By-Law Services, Tourism & Culture, Planning divisions
- Public Health (\$420 K favourable variance)
  - Gapping as a result of timing of vacancies and hires across divisions, additional unbudgeted subsidies received, and maximization of available subsidies
- City Manager's Office (\$469 K favourable variance)
  - Gapping and savings in contractual, consulting and training expenditures in the Human Resources division.

# DEPARTMENT VARIANCES EXPLANATION

## SUMMARY

### Corporate Financials / Non Program Revenues:

- \$3.8 M unfavourable variance (Corporate Financials)
  - Budget savings of \$4.5 M - Gapping
- \$7.9 M favourable variance (Non Program Revenues)
  - Hamilton Utilities Corporation/Alectra dividends \$5.0 M favourable
  - Supplementary taxes of \$2.1 M
  - Other tax revenues of \$1.4 M
- HST Audit
  - On January 10, 2018, the City received the results of a Canada Revenue Agency (CRA) audit (Jan 2014 – June 2016) on Harmonized Sales Tax (HST).
  - The HST audit resulted in a reassessment of approximately \$1.4 M . The obligation to the City was \$0.9 M.

# OTHER NON-DEPARTMENTAL VARIANCES (\$000's)

	2017 Approved Budget	2017 Year-End Actuals	Variance	
			\$	%
Hamilton Police Services	156,617	156,005	612	0.4%
Library	29,339	29,172	167	0.6%
Other Boards & Agencies	12,601	13,317	(716)	(5.7)%
City Enrichment Fund	6,040	6,040	0	0.0%
<b>TOTAL BOARDS &amp; AGENCIES</b>	<b>204,597</b>	<b>204,535</b>	<b>63</b>	<b>0.0%</b>
<b>CAPITAL FINANCING</b>	<b>116,383</b>	<b>109,796</b>	<b>6,587</b>	<b>5.7%</b>
<b>TOTAL OTHER NON-DEPARTMENTAL</b>	<b>320,980</b>	<b>314,331</b>	<b>6,650</b>	<b>2.1%</b>

\* Anomalies due to rounding

() Denotes unfavourable variance

# SALARY/WAGE GAPPING

- For 2017, the City corporately budgets \$4.5 M in gapping savings related to expected staff vacancies.
- Net gapping savings amounted to \$7.0 M, or a \$2.5 M gapping surplus.

<b>NET GAPPING BY DEPARTMENT</b>	<b>(\$000's)</b>
Planning & Economic Development	\$ 524
Public Health Services	\$ 285
Community & Emergency Services	\$ 508
Public Works	\$ 4,023
Legislative	\$ -
City Manager	\$ 659
Corporate Services	\$ 980
<b>Consolidated Corporate Savings/ (Deficit)</b>	<b>\$ 6,979</b>

# Rate Supported Operating Budget Variance Forecast

# 2017 RATE OPERATING BUDGET PROJECTED YEAR-END VARIANCE

(\$000's)

	2017 Approved Budget	2017 Actuals Dec-31	2017 Actuals vs. 2017 Approved Budget	
			\$	%
OPERATING EXPENDITURE	90,687	77,162	13,526	14.9%
CAPITAL AND RESERVE IMPACTS	109,982	105,413	4,569	4.2%
<b>TOTAL EXPENDITURES</b>	<b>200,670</b>	<b>182,575</b>	<b>18,095</b>	<b>9.0%</b>
RATE REVENUE	(197,867)	(197,850)	(17)	0.0%
NON-RATE REVENUE	(2,803)	(2,826)	23	(0.8%)
<b>TOTAL REVENUES</b>	<b>(200,670)</b>	<b>(200,676)</b>	<b>6</b>	<b>(0.0%)</b>
<b>NET REVENUE / EXPENDITURE</b>	<b>-</b>	<b>(18,101)</b>	<b>18,101</b>	<b>9.0%</b>

# 2017 RATE OPERATING BUDGET YEAR-END VARIANCE BY EXPENDITURES (\$000's)

<b>Expenditure Type</b>	<b>Variance (\$000's)</b>
Contractual	3,825
Employee Related	3,087
Materials & Supplies	3,037
Buildings & Grounds	2,158
Agencies & Support Payments	1,760
Recoveries	-
Cost Allocations	32
Vehicle Expenses	(90)
Reserve & Capital Recoveries	(110)
Financial Charges	(220)
<b>Total Operating</b>	<b>13,478</b>
Debt Charges	7,864
Contributions for DC Exemptions	-
DC Debt Charges Recoveries	(3,247)
<b>Capital Financing</b>	<b>4,617</b>
<b>Total Expenditures</b>	<b>18,095</b>



# Recommendations

## Lower Reliance on Reserves:

- Tax Stabilization
  - 2017 Budget Reduction Plan costs of \$3.2 M absorbed in departments
  - \$0.26 M Paramedics costs absorbed in department
  
- Sick Bank Reserve
  - \$1.6 M absorbed within departments

## Strengthening of Reserves:

- Social Housing \$2.1 M
- Development \$1.7 M
- Parking \$1.3 M

<b>DC EXEMPTIONS</b>	<b>5 Year Total (2013 - 2017)</b>
<b>Exemptions</b>	\$ 110,604,987
<b>Unfunded</b>	\$ (66,450,112)
<b>Funded</b>	<b>\$ 44,154,875</b>
<b>Proposed Transfer to increase direct dollar funding for Non-Res Roads</b>	<b>\$ 8,000,000</b>

# RECOMMENDATIONS

In addition to the budget and complement transfers outlined in Appendix "C" and "D", additional recommendations are as follows:

- That the Social Housing Stabilization Reserve (110041), with a balance of approximately \$2.1M, be repurposed from a stabilization reserve to providing development charge exemptions for affordable housing;
- That, subject to final audit, the Disposition of 2017 Year-End Operating Budget Surplus / Deficit be approved, as follows:

# 2017 YEAR-END DISPOSITION

<b>DISPOSITION / RECONCILIATION OF YEAR-END SURPLUS/ (DEFICIT)</b>	<b>\$</b>	<b>\$</b>
<b>Corporate Surplus from Tax Supported Operations</b>		<b>\$ 24,969,167</b>
<b>Less: Disposition to Self-Supporting Programs &amp; Agencies</b>		<b>\$ (778,531)</b>
Police (Transfer to Police Reserve)	\$ (611,711)	
Library (Transfer to Library Reserve)	\$ (166,820)	
<b>Balance of Corporate Surplus</b>		<b>\$ 24,190,636</b>
Less: Transfer to Unallocated Capital Levy Reserve		\$ (6,586,334)
Less: Transfer to Unallocated Capital for 2019 and 2020 Capital Financing Plan		\$ (5,000,000)
Less: Transfer to the Non-Residential Roads Development Charge Reserve		\$ (8,000,000)
Less: Transfer to Flamborough Capital Reserve		\$ (272,000)
Less: Transfer to Tax Stabilization Reserve		\$ (4,332,302)
<b>Balance of Tax Supported Operations</b>		<b>\$ 0</b>
<b>Corporate Surplus from Rate Supported Operations</b>		<b>\$ 18,101,234</b>
Less: Transfer to the Rate Supported Water Reserve		\$ (8,698,579)
Less: Transfer to the Rate Supported Wastewater Reserve		\$ (7,771,462)
Less: Transfer to the Rate Supported Stormwater Reserve		\$ (1,631,193)
<b>Balance of Rate Supported Operations</b>		<b>\$ 0</b>



Hamilton

THANK YOU



**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
*Financial Planning, Administration and Policy Division*

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Tax and Rate Operating Budget Variance Report as at December 31, 2017 – Budget Control Policy Transfers (FCS17060(b)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Kayla Petrovsky (905) 546-2424 Ext. 1335 Tom Hewitson (905) 546-2424 Ext. 4159
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager Finance and Corporate Services
<b>SIGNATURE:</b>	

### RECOMMENDATION

- (a) That, in accordance with the “Budget Control Policy”, the 2017 budget amendment transferring budget from one department / division to another and / or from one cost category to another with no impact on the levy, as outlined in Appendix “C” to Report FCS17060(b), be approved;
- (b) That, in accordance with the “Budgeted Complement Control Policy”, the 2017 complement transfer transferring complement from one department / division to another with no impact on the levy, as outlined in Appendix “D” to Report FCS17060(b), be approved;
- (c) That the Social Housing Stabilization Reserve (110041), with a balance of approximately \$2.1M, be repurposed from a stabilization reserve to providing development charge exemptions for affordable housing;
- (d) That, subject to final audit, the Disposition of 2017 Year-End Operating Budget Surplus / Deficit be approved as follows:

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 2 of 17**

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**Table 1**

<b>DISPOSITION / RECONCILIATION OF YEAR-END SURPLUS/ (DEFICIT)</b>	<b>\$</b>	<b>\$</b>
<b>Corporate Surplus from Tax Supported Operations</b>		<b>\$ 24,969,167</b>
<b>Less: Disposition to Self-Supporting Programs &amp; Agencies</b>		<b>\$ (778,531)</b>
Police (Transfer to Police Reserve)	\$ (611,711)	
Library (Transfer to Library Reserve)	\$ (166,820)	
<b>Balance of Corporate Surplus</b>		<b>\$ 24,190,636</b>
Less: Transfer to Unallocated Capital Levy Reserve		\$ (6,586,334)
Less: Transfer to Unallocated Capital for 2019 and 2020 Capital Financing Plan		\$ (5,000,000)
Less: Transfer to the Non-Residential Roads Development Charge Reserve		\$ (8,000,000)
Less: Transfer to Flamborough Capital Reserve		\$ (272,000)
Less: Transfer to Tax Stabilization Reserve		\$ (4,332,302)
<b>Balance of Tax Supported Operations</b>		<b>\$ 0</b>
<b>Corporate Surplus from Rate Supported Operations</b>		<b>\$ 18,101,234</b>
Less: Transfer to the Rate Supported Water Reserve		\$ (8,698,579)
Less: Transfer to the Rate Supported Wastewater Reserve		\$ (7,771,462)
Less: Transfer to the Rate Supported Stormwater Reserve		\$ (1,631,193)
<b>Balance of Rate Supported Operations</b>		<b>\$ 0</b>

## EXECUTIVE SUMMARY

Staff has committed to provide Council with three variance reports for the Tax Supported and Rate Supported Operating Budgets during the fiscal year (Spring / Fall / Year-End). This is the final submission for 2017 based on the operating results as of December 31, 2017 (unaudited). Appendix “A” to Report FCS17060(b) summarizes the Tax Supported Operating Budget year-end variances by department and division while Appendix “B” to Report FCS17060(b) summarizes the year-end variances of the Rate Supported Operating Budget by program.

Both the Tax Supported and Rate Supported operations ended the year with positive variances of \$25M and \$18.1M, respectively. The Tax Supported Operating Budget Surplus of \$25M is composed of City departments (\$18.3M), Boards and Agencies (\$63K) and Capital Financing (\$6.6M). The surplus in Tax is spread across several departments and is related to gapping surpluses, operational efficiencies and increased revenues. In addition, certain one-time surpluses, such as the Hamilton Utilities Corporation (HUC) dividend received of \$5.0M, also contributed to the favourable variance. On the Rate side, the surplus is related to favourable variances in operating expenditures from budget.

Additional details are presented in the Analysis and Rationale for Recommendations section of this Report.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 3 of 17**

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**Table 2**

<b>CONSOLIDATED CORPORATE SURPLUS/ (DEFICIT)</b>	<b>\$</b>
<b>Tax Supported Programs</b>	
Police	\$ 611,711
Library	\$ 166,820
Capital Financing	\$ 6,586,334
Other Tax Supported Programs	\$ 17,604,302
<b>Total Tax Supported Surplus</b>	<b>\$ 24,969,167</b>
<b>Rate Supported Programs</b>	<b>\$ 18,101,234</b>
<b>Consolidated Corporate Surplus/ (Deficit)</b>	<b>\$ 43,070,401</b>

Staff submitted Report FCS17060(a) to the Audit, Finance and Administration Committee in October 2017 which forecasted a surplus for Tax Supported Operating Budget services of \$6.2M. The difference is largely attributed to higher than forecasted year-end surpluses in Non-Program Revenue of \$7.9M (including additional Hamilton Utilities Corporation (HUC) dividends received of \$5.0M) and Public Works of \$9.5M.

The year-end disposition of the \$43.1M surplus identified above is outlined in Recommendation (d) (Table 1) of Report FCS17060(b) and is highlighted as follows:

- Year-end variances for Police and Library will be allocated to their own source reserves.
- Slot Revenues – Staff recommends the slot revenue surplus of \$272K be transferred to the Flamborough Capital Reserve Fund.
- Unallocated Capital Reserve – Transfer of the Capital Financing savings of \$6.6M to the Unallocated Capital Levy Reserve.
- Unallocated Capital Reserve – Transfer \$5M for the 2019 and 2020 Capital Financing Plans.
- Non-Residential Roads Development Charge Reserve – Staff recommends \$8M be transferred for non-residential development charge exemptions.
- Tax Stabilization Reserve – After the above allocations, staff recommends that the resulting Tax Supported Operating Budget Surplus of \$4.3M be transferred to the Tax Stabilization Reserve.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 4 of 17**

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- Rate Supported – The Rate Supported Operating Budget surplus of \$18.1M is made up of three main components. There are separate Rate Supported Reserves for each of the water, wastewater and stormwater programs. Staff recommends that the surpluses of \$8.7M from water, \$7.8M from wastewater, and \$1.6M from stormwater be transferred to their respective reserves.

### **2017 Budget Transfers**

In accordance with the “Budget Control Policy” and “Budgeted Complement Control Policy”, approved by Council in February 2012 and March 2017, staff is submitting 11 items recommended for transfer. The Tax Operating Budget amendments, identified in Appendix “C” to Report FCS17060(b), moves budget from one cost category to another between either the same or different departments / divisions. Completing these transfers simplifies the budget review process for the following year by ensuring comparable budget data. The complement transfers, identified in Appendix “D” to Report FCS17060(b), moves budgeted complement from one department / division to another to accurately reflect where the staff complement is allocated within the department / division for the purpose of delivering programs and services at desired levels. The budget amendment and complement transfers identified were not realized at the time of the 2018 budget submission. However, these transfers will amend the 2018 operating Budget once approved with no impact on the levy.

### **Social Housing Stabilization Reserve**

As per approved policy, staff transferred the Tax Operating Budget Surplus in Social Housing of \$2.1M to the Social Housing Reserve (110041). Staff is recommending that the purpose of the reserve be changed and that the reserve be used to fund development charge exemptions for affordable housing.

### ***Alternatives for Consideration – None***

### **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** The financial information is provided in the Analysis and Rationale for Recommendation section of this Report.

**Staffing:** N/A

**Legal:** N/A

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 5 of 17**

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## **HISTORICAL BACKGROUND**

Staff has committed to provide Council with three variance reports on the Tax and Rate Operating Budget during the fiscal year (Spring / Fall / Final). This is the final submission for 2017 based on the operating results as at December 31, 2017. Council approval is required to allocate year-end surplus / deficit to / from reserves.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

N/A

## **RELEVANT CONSULTATION**

Staff in all of the City of Hamilton departments and boards provided the information in this Report.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATIONS**

The following provides an overview of the more significant issues affecting the 2017 Tax and Rate Operating Budget Surplus.

### **Tax Supported Operating Budget**

Table 3 provides a summary of the departmental results as at December 31, 2017. The final Tax Supported Operating Budget Surplus amounted to \$25M, or approximately 3.0% of the net levy.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 6 of 17**

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Table 3

	2017 Approved Budget	2017 Year-End Actuals	Variance	
			\$	%
<b><u>TAX SUPPORTED</u></b>				
Planning & Economic Development	28,408	27,763	645	2.3%
Public Health Services	12,090	11,670	420	3.5%
Community & Emergency Services	226,517	225,211	1,306	0.6%
Public Works	230,063	220,573	9,490	4.1%
Legislative	4,875	4,533	342	7.0%
City Manager	10,146	9,677	469	4.6%
Corporate Services	24,902	23,461	1,441	5.8%
Corporate Financials / Non Program Revenues	(16,353)	(20,423)	4,070	24.9%
Hamilton Entertainment Facilities	3,764	3,628	136	3.6%
<b>TOTAL CITY EXPENDITURES</b>	<b>524,412</b>	<b>506,093</b>	<b>18,319</b>	<b>3.5%</b>
Hamilton Police Services	156,617	156,005	612	0.4%
Library	29,339	29,172	167	0.6%
Other Boards & Agencies	12,601	13,317	(716)	(5.7)%
City Enrichment Fund	6,040	6,040	0	0.0%
<b>TOTAL BOARDS &amp; AGENCIES</b>	<b>204,597</b>	<b>204,535</b>	<b>63</b>	<b>0.0%</b>
<b>CAPITAL FINANCING</b>	<b>116,383</b>	<b>109,796</b>	<b>6,587</b>	<b>5.7%</b>
<b>TOTAL TAX SUPPORTED</b>	<b>845,392</b>	<b>820,424</b>	<b>24,969</b>	<b>3.0%</b>

( ) - Denotes unfavourable variance

### Departmental Budgets

Appendix "A" to Report FCS17060(b) summarizes the Tax Supported Operating Budget year-end variances by department and division and Appendix "B" to Report FCS17060(b) summarizes the Rate Supported Operating Budget results by program.

Highlights of the departmental results are included in the following sections.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 7 of 17**

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#### Planning and Economic Development Department

Planning and Economic Development reported a favourable variance of \$645K, which is mainly the result of favourable revenues in the Transportation, Planning and Parking divisions as a result of higher than anticipated revenue, gapping and divisional efficiencies. The Licensing and By-Law Services division also had favourable revenues throughout 2017. The savings in consulting, professional memberships, training and reduced requests for Natural Areas studies in the Planning division also contributed to the Department's surplus. Savings were reduced by negative gapping across as a result of departmental restructuring costs due to 2017 budget mitigation efforts. The gapping deficit in the Tourism and Culture division is a result of an increase in demand for public programming. This was offset by higher revenues / grants and savings in contractual and maintenance costs within the division.

#### Public Health Services Department

Overall, the Public Health Services Department experienced a favourable variance of \$420K. This is mainly the result of favourable gapping due to timing of vacancies and hires across divisions. Additional unbudgeted subsidies received resulted in further levy savings as did maximizing all available subsidies. The Medical Officer of Health Division had an unfavourable variance of -\$997K due to total departmental restructuring costs as a result of 2017 budget mitigation efforts.

#### Community and Emergency Services Department

Community and Emergency Services Department had an overall favourable variance of \$1.3M for 2017. The major driver was the favourable variance in Housing Services of \$3.6M due to Social Housing prior year end reconciliation adjustments related to property taxes and Rent Geared-to-Income subsidies less a \$2.1M contribution to the Social Housing reserve, in addition to underspent Community Homelessness Prevention Initiative (CHPI) program costs. Recreation had a surplus of \$964K due to the temporary closure of five recreation centres during maintenance periods (Ancaster, Huntington Park and Camp, Dundas Arena, Newer Lower Stoney Creek and Jimmy Thompson) and net increased revenues. The Ontario Works (OW) division had a surplus of \$529K as a result of maximization of additional available subsidies, gapping and additional discretionary funding based on revised increased caseloads. Hamilton Fire Department and Children's and Home Management Services divisions had minor favourable variances.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 8 of 17**

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The remaining divisions had deficits that partially offset the departmental surplus. Macassa and Wentworth Lodges had a combined unfavourable variance of -\$552K due to employee related costs and decreased revenues and provincial subsidies, offset slightly by net favourable variances in various operating lines. The Neighbourhood and Community Initiatives unfavourable variance of -\$186K is due to unfunded and extended temporary positions needed for program requirements.

The Hamilton Paramedic Service experienced a deficit of -\$115K for 2017 due to an unfavourable variance in employee related costs as a result of offload pressures / call volumes and approved budgeted reserve funding not applied, in addition to increased costs of medical supplies per Ministry of Health standards. This was offset partially by various reduced operating expenditures and unanticipated revenues. Lastly, the Administration division had a deficit of -\$1M in 2017 as a result of one-time costs related to 2017 budget mitigation efforts.

#### Public Works Department

The Public Works department had an overall surplus of \$9.5M for the 2017 year end. There were a number of contributors, both favourable and unfavourable, across the divisions that lead to the overall surplus.

Operations had an overall positive variance of \$5.8M. This was due to gapping savings of \$2.3M from the inability to recruit seasonal plow operators as backfills for numerous vacancies, savings in de-icing materials costs of \$1.3M as a result of warmer weather conditions and hired equipment activation and snow disposal management savings in the first part of 2017 season due to lower levels of snow accumulation of \$879K. The total Winter Season variance was a surplus of \$2.5M.

Environmental Services had a favourable surplus of \$5.5M. The majority of this variance was in Waste Collection of Recycling sections (combined surplus of \$3.3M). This was a result of gapping savings and reduced vehicle maintenance costs from partial fleet replacement in Waste Collection as well as favourable tipping fees / commodity revenues and Resource Productivity and Recovery Authority (RPRA) funding. Parks had a \$1.1M favourable variance due to gapping and deferred maintenance while shoreline design work is being completed to address damage from a flood event. The Horticulture section experienced a \$657K favourable variance due to gapping and reduced operating expenses from a demolished tropical house that is currently being reconstructed.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 9 of 17**

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Engineering Services had a \$541K surplus as a result of the increase in revenues for permit fees collected for road closures, encroachments, overload / road occupancy charges and other various permits.

Energy, Fleet, and Facilities is reflecting a deficit of -\$2.3M for year end. A substantial part of this variance is due to an unbudgeted capacity charge for the Central Utilities Plant (CUP) which provides heating and cooling to the City (-\$1.1M), offset by unbudgeted loan interest of \$362K. When the sale of the CUP was finalized to Hamilton Community Energy, the amount of the future direct charges (a blended expense of debt repayment, operationalizing capital and energy apportioned to a variety of facilities in the downtown core) was not budgeted. This is an annual charge that will be budgeted in 2018 in Public Works, with recoveries received from departments that utilize the facilities charged.

In addition, there is an unfavourable variance of -\$624K which is due to central fleet recoveries that were budgeted based on staffing levels, which are not expected to be reached. The Division recovers on an hourly rate set each year based on the fixed costs of the fleet garage. Currently, there is a staffing shortage which results in less billable hours and as a result, the recoveries fell short of budget.

Golf course revenue has seen a decline this year due to inclement weather conditions (-\$400K). Tim Hortons Field experienced an unfavourable variance of -\$240K as a result of minor maintenance and repairs to minor deficiencies.

Transit had an overall negative variance of -\$247K for 2017, attributable to DARTS. Although HSR fare revenue out-performed initial expectations, an unfavourable variance of \$1.6M still resulted. This was offset by a favourable fuel variance of \$1.0M and positive gapping of \$580K.

Transportation had an overall surplus of \$188K as a result of gapping savings.

#### City Manager's Office

The City Manager's Office had a favourable variance of \$469K. The majority of this was in the Human Resources division (\$403K). The main drivers of the favourable variance were gapping and savings in contractual, consulting and training expenditures.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 10 of 17**

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Corporate Services Department

Corporate Services finished 2017 with a positive variance of \$1.4M. This was mainly the result of favourable combined gapping in the Financial Services and Information Technology divisions (\$1.2M). Partially offsetting this was combined negative gapping of -\$332K in the Customer Service and City Clerk's Office divisions. In the Financial Services division, a combined surplus of \$433K in tax transfer revenues, other tax revenues and other minor savings were realized.

**Corporate Financials / Non Program Revenues**

Corporate Financials / Non Program Revenues show a \$4.1M combined favourable variance. Contributing factors are identified as follows:

Corporate Financials

*Corporate Pensions, Benefits and Contingency*

The favourable variance in the Corporate Pensions, Benefits & Contingency of \$2.3M was a result of a contingency that is budgeted corporately but expensed within the department budgets.

*Gapping*

While gapping savings of \$4.5M are budgeted in Corporate Financials, actual savings are reported in the operating departments resulting in an unfavourable balance in the corporate financials of -\$4.5M. As shown in Table 4, a review of savings in the departments indicates the net savings from gapping in 2017 actually amounted to \$7.0M or an approximate \$2.5M gapping savings surplus.

**Table 4**

<b>NET GAPPING BY DEPARTMENT</b>	<b>(\$000's)</b>
Planning & Economic Development	\$ 524
Public Health Services	\$ 285
Community & Emergency Services	\$ 508
Public Works	\$ 4,023
Legislative	\$ -
City Manager	\$ 659
Corporate Services	\$ 980
<b>Consolidated Corporate Savings/ (Deficit)</b>	<b>\$ 6,979</b>

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 11 of 17**

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Further to direction from Council for the 2018 budget, the City has changed the reporting methodology and the budgeted gapping savings of -\$4.5M has been distributed to the departments within the City Manager / General Manager's budgets.

During the 2017 budget, a number of restructuring initiatives were approved that reduced the budget but also had one-time costs required. These costs were accommodated within each of the departments overall surplus and did not require reserve funding. The restructuring costs are not included in the gapping totals above.

#### *Corporate Initiatives*

A deficit of \$1.6 M in Corporate Initiatives is mainly due to higher insurance costs of \$951K, an unexpected HST liability payment of \$784K (see below), offset by lower spending for Area Rated Levy Parkland Purchases (\$166K).

#### *HST Audit*

On January 10, 2018, the City received the results of a Canada Revenue Agency (CRA) audit on Harmonized Sales Tax (HST). The audit covered the period from January 1, 2014 through June 30, 2016 and took 14 months to complete. The audit resulted in a reassessment of approximately \$1.4M including interest charges. Of this amount, \$89K pertained to Hamilton Police Services and \$2K pertained to Hamilton Public Library and these amounts were charged back to Police and Library. The remainder of \$1.3M is the responsibility of the City. However, \$481K can be recovered from various vendors.

The vendors have been asked to provide revised invoices where their HST number was missing or incorrect and staff will be submitting revised HST claims. The reassessment also includes disallowable portion of an HST claim for overhead submitted by Deloitte on behalf of the City in 2016. The City's share of the claim was \$1.3M and the City share of the disallowed portion was \$154K. The City's share of the Deloitte claim was transferred to the Tax Stabilization Reserve as part of the 2016 year end surplus distribution. The majority of the remainder of the reassessment pertains to HST the City had not collected on City services, such as inspection fees that were provided prior to staff conducting a review of City user fees for HST applicability in 2015. The user fees were amended in 2015 to make them HST applicable where previously they had been deemed HST exempt. It was not viable to try to retroactively collect the HST for the user fees collected prior to the fees being amended in 2015. The remaining amount of the HST reassessment has been funded from the 2017 surplus through Corporate Financials.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 12 of 17**

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### Non Program Revenues

Non Program Revenues show a favourable variance of \$7.9M.

General revenues had a positive variance of \$4.4M resulting from surplus Hamilton Utilities Corporation (HUC) dividends of \$5.0M, in addition to higher realization of slot revenues. This was offset by a POA revenue deficit of -\$873K. POA introduced an "Early Resolution" process with fines being reduced for earlier payment, which contributed to the lower revenues.

The tax revenues show a surplus of \$3.5M, mainly attributable to the favourable variance in Supplementary Taxes of \$2.1M. This reflects four supplementary billings processed in 2017. Also adding to the surplus was the favourable variance in Penalties and Interest from interest collected on several large industrial properties currently under appeal and a favourable variance in Payments in Lieu due to a reduction in realized write-offs.

### Boards and Agencies

In Boards and Agencies, there is a favourable variance of \$167K attributable to Library Services. This is due to new grants received in the year as well as favourable gapping.

There is an unfavourable variance of -\$786K relating to the Niagara Peninsula Conservation Authority (NPCA) appeal. The NPCA changed the Municipal Levy Allocation agreement and applied the default formula provided under the applicable regulations to the detriment of the City. The City was unsuccessful with the appeal at the Mining and Lands Commission. However, the City is pursuing a judicial review of the appeal decision. While this process continues, the City is legislatively required to pay the amount levied by the NPCA (under protest).

### Capital Financing

Capital financing had an overall positive variance or \$6.6M due to budgeted debt that has not been issued to date, resulting in actual debt charges being less than budgeted.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 13 of 17**

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### **Disposition of Tax Supported Operating Budget Surplus**

Staff recommends that the Tax Supported Operating Budget Surplus of \$25.0M be distributed to various reserves as per the following paragraphs.

Year-end variances for Police of \$611k and Library of \$167k will be transferred to their own source reserves.

Slot Revenues surplus of \$272K will be transferred to the Flamborough Capital Reserve Fund.

Capital Financing surplus of \$6.6M will be transferred to the Unallocated Capital Levy Reserve for 2019 Capital Financing Plan for tax supported capital investments in infrastructure. An additional surplus of \$5M will be transferred to the Unallocated Capital Levy Reserve for the 2019 and 2020 Capital Financing Plans for tax supported capital investments in infrastructure as the City's Strategic Asset Management Policy and Asset Management Plans are initiated under the Infrastructure for Jobs for Prosperity Act (Bill 6).

Surplus of \$8M will be transferred to Non-Residential Roads Development Charge Reserve to assist in funding Non-Residential Development Charge exemptions.

The remaining surplus, after the transfers above, of \$4.3M will be transferred to the Tax Stabilization Reserve towards the Reserve target balance of \$32.3M.

The Tax Stabilization Reserve was established to prevent significant fluctuations in the operating budget general tax levy and to help the City manage its cash flow by providing a source of funding to offset extraordinary and unforeseen expenditures, to fund one time expenditures, to offset revenue shortfalls and to provide for various contingent and potential future liabilities. After transferring \$4.3M, the balance in the Tax Stabilization Reserve will be approximately \$15.8M and short of the target balance by \$16.5M.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 14 of 17**

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### Rate Supported Operating Budget

For 2017, the Rate supported operating budget finished the year with a favourable variance of \$18.1M due to savings in overall program expenditures of \$18.1M in addition to a favourable revenue variance of \$6K. In 2016, the year-end surplus was \$21.8M due to expenditure savings of \$9.5M as well as revenue surpluses of \$12.3M.

#### Expenditures

Overall Rate budget expenditure savings of \$18.1M or 9.0% of budget were earned at year end. The driving factors behind this favourable expenditure variance are shown in Table 5:

**Table 5**

Expenditure Type	Variance (\$000's)
Contractual	3,825
Employee Related	3,087
Materials & Supplies	3,037
Buildings & Grounds	2,158
Agencies & Support Payments	1,760
Recoveries	-
Cost Allocations	32
Vehicle Expenses	(90)
Reserve & Capital Recoveries	(110)
Financial Charges	(220)
<b>Total Operating</b>	<b>13,478</b>
Debt Charges	7,864
Contributions for DC Exemptions	-
DC Debt Charges Recoveries	(3,247)
<b>Capital Financing</b>	<b>4,617</b>
<b>Total Expenditures</b>	<b>18,095</b>

Contractual expenditures had a favourable variance of \$3.8 M which is due to the Water Distribution System contracts of \$2.3 M and the BioSolids Contract of \$1.2 M. Biosolids production was lower than the annual benchmark, along with a reduction in disposal tonnage costs from the last contract renewal contributed to a favourable variance outcome.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 15 of 17**

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Savings in employee related costs of \$3.1 M are mainly due to gapping realized from staff vacancies (i.e. retirements, internal transfers, etc.).

Materials and Supplies were also favourable at \$3.0 M. Renewed contracts contributed to lower chemical usage costs of \$788 K and operating supplies of \$896K. Better inventory control procedures resulted in a \$896 K favourable inventory adjustment.

Buildings and grounds had a favourable variance of \$2.1 M which is largely attributable to savings in Hydro of \$1.9 M. Hydro savings were attributable to a reduction in the electrical load and consumption during peak hours at the Woodward treatment plant.

The Protective Plumbing Program (3P) showed a surplus of \$1.4 M which resulted in a surplus in the Agencies and Support Payments category.

Appendix “B” to Report FCS17060(b) summarizes the Rate Budget results by program.

The annual debt charges for the Rate operating program budget are budgeted based on existing and anticipated debt issuances. When unissued Council approved debt exists, there is an assumption that a portion will be issued each year. When debt issuances are delayed, the anticipated level of debt charges is not realized.

A portion of the total debt charges is related to debt issued on Development Charge (DC) projects. The portion related to these projects is recovered from the DC Reserves so that the net charge to the Rate operating program budget reflects only the portion of debt issued on Rate operating program projects.

Debt charges showed a surplus of \$7.9M due to the difference in budgeted and actual interest rates (5% vs 3%) as well as the increased timeframe for issuing debt (can be up to six years from the time of the project being approved). This positive variance is offset by a -\$3.3M negative variance for DC debt charge recoveries for a delay in debt issuance. Net positive variance is \$4.6M.

#### Revenues

Overall total revenues are aligned to budget realizing a \$6K difference to budget. This is mainly due to favourable variances in non-rate revenue of \$23K (0.8% to non-rate related budget) partially offset by unfavourable rate related revenue of -\$17K (0.01% to rate related budget).

#### *Rate Related Revenue*

Overall, 2017 rate revenues were slightly off from budget with a minor unfavourable variance of approximately \$17K (0.01% to rate related revenue budget).

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 16 of 17**

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In total, customer sectors ended with an unfavourable variance of about -\$1.5M representing 0.8% of the overall Rate Revenue Budget. The Residential sector contributed -\$1.2M and the Industrial, Commercial and Institutional and Multi-Residential, (ICI / Multi-Res) sector -\$300K. Other unfavourable variances totalled approximately -\$650K across several areas in water sales contracts (Halton and Haldimand) and overstrength fees.

Almost fully offsetting the unfavourable variances were favourable variances totalling \$2.1M mainly due to sewer surcharges which realized a variance of \$1.3M. Further contributing to this positive outcome were surpluses in private fire lines program, non-metered revenue and hauler / third party sales.

#### *Non-Rate Revenue*

Non-Rate Revenues were favourable by \$23K or 0.8% to budget mainly due to new construction permits and local improvement recoveries.

#### **Disposition of Rate Supported Operating Budget Surplus**

Staff recommends that the Rate Supported Operating Budget Surplus of \$18.1M be transferred to Rate Supported reserve program that generated the surplus. Therefore, surpluses of \$8.7M from water, \$7.8M from wastewater, and \$1.6M from stormwater will be transferred to their respective reserves. Similar to the Tax Supported Budget, Rate Supported capital investments in infrastructure will be assessed as the City's Strategic Asset Management Policy and Asset Management Plans are initiated under the Infrastructure for Jobs for Prosperity Act (Bill 6).

#### **2017 Budget Transfers**

In addition to the Tax Supported and Rate Supported Operating Budget Variances, recommendations in this Report approve changes to the 2017 Budget under the Budget Control Policy and the Budget Complement Control Policy and amend the purpose of the Social Housing Stabilization Reserve (110041).

Changes to the 2017 Budget under the Budget Control Policy are shown in Appendix "A" to Report FCS17006(b) and changes under the Budget Complement Control Policy are shown in Appendix "B" to Report FCS17006(b)

#### **Social Housing Stabilization Reserve**

As per approved policy, staff transferred the Tax Operating Budget Surplus in Social Housing of \$2.1M to the Social Housing Reserve (110041). Staff is recommending that the purpose of the reserve be changed and that the reserve be used to fund development charge exemptions for affordable housing.

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**SUBJECT: Tax and Rate Operating Budget Variance Report as at  
December 31, 2017 – Budget Control Policy Transfers (FCS17060(b))  
(City Wide) – Page 17 of 17**

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## **ALTERNATIVES FOR CONSIDERATION**

Table 1 in the Analysis section identifies the recommended disposition of the surplus / deficit. Council may provide alternative direction to staff for the disposition of the surplus / deficit.

## **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

### **Our People and Performance**

*Hamiltonians have a high level of trust and confidence in their City government.*

## **APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” – City of Hamilton Tax Operating Budget Variance Report as at December 31, 2017

Appendix “B” – City of Hamilton Combined Water, Wastewater and Storm Systems Rate Operating Budget Variance Report as at December 31, 2017

Appendix “C” – City of Hamilton Budget Amendment Schedule

Appendix “D” – City of Hamilton Budgeted Complement Transfer Schedule

KP/dt

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**CITY OF HAMILTON**  
**TAX OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**  
**(\$ 000's)**

	2017 Approved Budget	2017 Actuals December	2017 Actuals .vs 2017 Approved Budget		Comments/Explanations
			\$	%	
<b><u>PLANNING &amp; ECONOMIC DEVELOPMENT</u></b>					
General Manager	1,079	1,342	(263)	(24.4)%	Negative variance is due to unfavourable gapping that is primarily one-time budget mitigation costs.
Transportation, Planning and Parking	351	(18)	369	105.1%	Divisional surplus is a result of positive gapping in School Crossing . Higher revenue and positive gapping combined with other savings and efficiencies in Parking have been transferred to the Parking Reserve.
Building	954	988	(34)	(3.6)%	Unfavourable variance is due to lower Re-occupancy and Inspection Fees, and unfavourable net gapping.
Economic Development	6,079	6,083	(4)	(0.1)%	
Growth Management	528	367	161	30.5%	Positive variance is a result of positive gapping, savings in computer software, increase in Airport Rent Revenue and savings in training. Positive revenue and gapping related to development application activity was transferred to the Development Fee Stabilization Reserve.
Licensing & By-Law Services	6,811	6,605	206	3.0%	Favourable variance is the result of favourable revenues and positive gapping.
Planning	3,837	3,654	183	4.8%	Positive variance is a result of savings in consulting, professional memberships, training and reduced requests for Natural Areas studies. Positive revenue and gapping related to development application activity was transferred to the Development Fee Stabilization Reserve.
Tourism & Culture	8,769	8,742	27	0.3%	Higher revenues and federal grants and savings in contractual and grounds and building maintenance are offset by net gapping pressures.
<b>TOTAL PLANNING &amp; ECONOMIC DEVELOPMENT</b>	<b>28,408</b>	<b>27,763</b>	<b>645</b>	<b>2.3%</b>	
<b><u>PUBLIC HEALTH SERVICES</u></b>					
Medical Officer of Health	5,836	6,833	(997)	(17.1)%	Unfavourable variance due to one-time budget mitigation costs offset by unbudgeted subsidies received and maximizing available subsidies.
Communicable Disease Control & Wellness	7,766	7,132	634	8.2%	Favourable variance mainly due to unbudgeted subsidies received and gapping due to timing of vacancies/hires.
Healthy Environments	8,335	7,897	438	5.3%	Favourable variance mainly due to gapping in timing of vacancies/hires and unbudgeted subsidies.
Healthy Families	7,889	7,772	117	1.5%	Favourable variance mainly due to gapping in timing of vacancies/hires and unbudgeted subsidies.
Planning & Business Improvement	4,915	4,687	228	4.6%	Favourable variance mainly due to gapping in timing of vacancies/hires.
Mandatory Public Health Subsidy	(22,651)	(22,651)	0	0.0%	
<b>TOTAL PUBLIC HEALTH SERVICES</b>	<b>12,090</b>	<b>11,670</b>	<b>420</b>	<b>3.5%</b>	

- () Denotes unfavourable variance.

**CITY OF HAMILTON**  
**TAX OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**  
**(\$ 000's)**

	2017 Approved Budget	2017 Actuals December	2017 Actuals vs 2017 Approved Budget		Comments/Explanations
			\$	%	
<b>COMMUNITY &amp; EMERGENCY SERVICES</b>					
Administration - CES	3,118	4,156	(1,038)	(33.3)%	Unfavourable variance due to one-time budget mitigation costs offset by gapping due to timing of vacancies/hires.
Ontario Works	15,082	14,553	529	3.5%	Favourable variances due to maximizing additional available subsidies and OW Discretionary funding based on revised increased caseloads and gapping.
Children's & Home Management Services	6,789	6,737	52	0.8%	Favourable variance due to underspent LEAP Program costs, gapping and unbudgeted Red Hill parent recovery fees offset by Red Hill Fee Subsidy pressures.
Housing Services	46,257	44,777	1,480	3.2%	Favourable variance for Social Housing related to prior year end reconciliation adjustments for property tax and Rent Geared to Income subsidy in addition to underspent Community Homelessness Prevention Initiative program costs and unbudgeted subsidies due to SAMS reconciliation.
Macassa Lodge	7,355	7,817	(462)	(6.3)%	Unfavourable variance in employee related costs, decreased revenues and provincial subsidies, offset by net favourable variances in gapping and various building operating expenses.
Wentworth Lodge	5,256	5,346	(90)	(1.7)%	Unfavourable variance in employee related costs, decreased revenues and provincial subsidies, offset by net favourable variances in gapping and various building operating expenses.
Neighbourhood & Community Initiatives	1,705	1,891	(186)	(10.9)%	Unfavourable variance mainly in employee related costs due to unfunded Neighbourhood Action Strategy Manager and Sr. Project Managers (Syrian Refugee resettlement, Indigenous Strategy). Offset by gapping for vacant Director position and lower operating expenses.
Recreation	31,834	30,870	964	3.0%	Favourable variance due to temporary closures of recreational facilities and net increased revenues.
Hamilton Fire Department	88,012	87,840	172	0.2%	Favourable variance due to underspent operating lines offset partially by increased fire vehicle repairs and lower than anticipated shop recoveries.
Hamilton Paramedic Service	21,109	21,224	(115)	(0.5)%	Unfavourable variance in employee related costs due to offload pressures/call volumes and approved budgeted reserve funding not applied, in addition to increased costs of medical supplies due to Ministry of Health standards. Offset partially by lower costs in shop recoveries, vehicle maintenance and other operating expenses, and unanticipated revenues.
<b>TOTAL COMMUNITY &amp; EMERGENCY SERVICES</b>	<b>226,517</b>	<b>225,211</b>	<b>1,306</b>	<b>0.6%</b>	

- () Denotes unfavourable variance.

**CITY OF HAMILTON**  
**TAX OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**  
 (\$ 000's)

	2017 Approved Budget	2017 Actuals December	2017 Actuals .vs 2017 Approved Budget		Comments/Explanations
			\$	%	
<b><u>PUBLIC WORKS</u></b>					
PW-General Administration	193	197	(4)	(2.1)%	
Engineering Services	7,098	6,557	541	7.6%	Increased revenues due to higher permit fees collected for road closures, encroachments, overload/road occupancy charges and other permits.
Environmental Services	76,680	71,137	5,543	7.2%	Parks favourable variance of \$1.1 M is due to gapping and deferred maintenance as shoreline design work was completed by a consultant to address flooding damage; Horticulture \$657 K favourable due to gapping and reduced operating expenses from demolished tropical house that is currently being reconstructed; Waste Collection \$725 K favourable - gapping savings and reduced vehicle costs from partial fleet replacement; Waste Recycling/Disposal \$2.6 M favourable - tipping fees/commodity revenues and RPRA/WDO favourable funding.
Operations	62,766	56,964	5,802	9.2%	Favourable variance due mainly to gapping, reduced de-icing materials and lower levels of snow accumulation in the first part of 2017. (Winter Season \$2.5 M favourable).
Transit	61,146	61,393	(247)	(0.4)%	The deficit is attributable to DARTS. HSR fare revenue out-performed initial expectations, however an unfavourable variance of -\$1.6 M still resulted. This was offset by a favourable \$1.0 M Fuel variance and a surplus in employee related costs of \$580 K.
Energy Fleet and Facilities	10,583	12,916	(2,333)	(22.0)%	(1) Unfavourable Central Utilities Plant variance related to HCE for capacity charges and operating costs (-\$764 K); (2) Employee related costs (-\$203 K) due to PW restructure; (3) -\$625 K Fleet cost not fully recovered due to absenteeism and increase due to outsourcing maintenance work; (4) -\$86 K for DARTS, loss of fuel surcharge (revenue) due to tanks at Wentworth being out of service and having to dispatch DARTS buses to outside providers. The tanks at Wentworth are being replaced; (5) Office space in Corporate buildings are not fully occupied resulting in an unfavourable variance in the Facilities Mgmt. budget of -\$139K; (6) Golf revenues were down due to weather conditions and late start in the Spring (heavy rain) resulting in an unfavourable variance -\$400 K; (7) The Tim Hortons Field unfavourable variance is a result of minor maintenance and repairs to minor deficiencies, as well \$40 K in hydro was rebated back to the TI-Cats due to an overcharge.
Transportation	11,597	11,409	188	1.6%	Primarily gapping related.
<b>TOTAL PUBLIC WORKS</b>	<b>230,063</b>	<b>220,573</b>	<b>9,490</b>	<b>4.1%</b>	

- () Denotes unfavourable variance.

**CITY OF HAMILTON**  
**TAX OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**  
**(\$ 000's)**

	2017 Approved Budget	2017 Actuals December	2017 Actuals vs 2017 Approved Budget		Comments/Explanations
			\$	%	
<b>LEGISLATIVE</b>					
Legislative General	(310)	(378)	68	21.9%	Savings in Contractual services and contingency budgets
Mayors Office	1,104	1,066	38	3.4%	Savings in Contractual and consulting budgets
Volunteer Committee	106	95	11	10.4%	Unspent budgets for some advisory committees
Ward Budgets	3,976	3,750	226	5.7%	Unspent budgets in all wards
<b>TOTAL LEGISLATIVE</b>	<b>4,875</b>	<b>4,533</b>	<b>342</b>	<b>7.0%</b>	
<b>CITY MANAGER</b>					
Strategic Partnerships & Communications	1,961	2,103	(142)	(7.2)%	Contractual obligations offset by savings in employee related costs and year one of City Lab Hamilton Costs.
Audit Services	1,020	843	177	17.4%	Gapping due to vacancies
CMO - Administration	214	183	31	14.5%	Unspent training, meeting and conferences budgets
Human Resources	6,951	6,548	403	5.8%	Gapping and unspent training, contractual & consulting budgets.
<b>TOTAL CITY MANAGER</b>	<b>10,146</b>	<b>9,677</b>	<b>469</b>	<b>4.6%</b>	
<b>CORPORATE SERVICES</b>					
Corporate Services - Administration	2,357	2,314	43	1.8%	Unbudgeted Hamilton Renewable Power Revenue (\$13 K) and savings in Facilities (\$7 K)
Customer Service	4,527	4,774	(247)	(5.5)%	Unfavourable gapping and facility operating charges (-\$19 K) over budget by are offset by savings in Training (\$32 K), Lease and Service Contracts (\$33 K), Operating Supplies (\$11 K), Building Security (\$9 K), Consulting (\$4 K) and Advertising (\$4 K).
Financial Planning, Admin & Policy	1,885	1,897	(12)	(0.6)%	Unfavourable gapping and higher than budgeted facility charges are partially offset by Hamilton Renewable Power Recovery (\$22 K), Travel/Conferences (\$14 K) and Temp Agency (\$11 K) savings.
Financial Services	4,098	3,137	961	23.5%	Favourable gapping of \$501 K, favourable Tax Transfer Revenue (\$237 K) and other Taxation Fees (\$75 K), savings in Travel/Training (\$30 K), savings in Printing in Tax and in Purchasing due to on-line Tendering (\$37 K), computer software savings in Taxation (\$15 K), Savings in Advertising for Tax Sales (\$12 K) , AP Rebate Revenue (\$14 K), and Sale of Equipment (\$13 K).
Information Technology	8,436	7,759	677	8.0%	Favourable gapping of \$722 K and savings in Hardware (\$59 K), offset by Consulting (-\$54 K) (Misa Conference, Heat Ticket project and IT Architecture), Security Software deficit of -\$45 K, Contractual Services for computer maintenance (-\$56 K).
Legal Services	3,271	3,271	0	0.0%	
City Clerk's Office	328	309	19	5.8%	Positive revenues for Marriage Licenses (\$35 K), Death Certificates (\$16 K), Commissioning Services by (\$8 K), Hamilton Renewable Power Revenue (\$9 K) and Image Processing (\$15 K) are offset by overbudgeted expenses for speciality print paper of -\$29 K and unfavourable gapping -\$8 K.
<b>TOTAL CORPORATE SERVICES</b>	<b>24,902</b>	<b>23,461</b>	<b>1,441</b>	<b>5.8%</b>	

- () Denotes unfavourable variance.

## CITY OF HAMILTON

### TAX OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017

(\$ 000's)

	2017 Approved Budget	2017 Actuals December	2017 Actuals vs 2017 Approved Budget		Comments/Explanations
			\$	%	
<b>CORPORATE FINANCIALS</b>					
Corporate Pensions, Benefits & Contingency	15,839	13,563	2,276	14.4%	Actuals related to contingencies realized in departments.
Corporate Wage Gapping Target	(4,540)	0	(4,540)	(100.0)%	Gapping realized in departments.
Corporate Initiatives	3,723	5,290	(1,567)	(42.1)%	Mainly due to higher insurance costs (-\$951 K), an unexpected GST liability (-\$784 K) offset by lower spending for Area Rated Levy Parkland Purchase (\$166 K).
<b>TOTAL CORPORATE FINANCIALS</b>	<b>15,022</b>	<b>18,853</b>	<b>(3,831)</b>	<b>(25.5)%</b>	
<b>HAMILTON ENTERTAINMENT FACILITIES</b>					
Operating	3,764	3,628	136	3.6%	Utility costs realized were lower than budget.
<b>TOTAL HAMILTON ENTERTAINMENT FACILITIES</b>	<b>3,764</b>	<b>3,628</b>	<b>136</b>	<b>3.6%</b>	
<b>TOTAL CITY EXPENDITURES</b>	<b>555,787</b>	<b>545,369</b>	<b>10,418</b>	<b>1.9%</b>	
<b>CAPITAL FINANCING</b>					
Debt-Planning & Economic Development	567	431	136	24.0%	
Debt-Community & Emergency Services	3,301	3,167	134	4.1%	
Debt-Public Health Services	633	472	161	25.4%	
Debt-Public Works	41,666	38,919	2,747	6.6%	
Debt-Corporate Financials	55,883	52,474	3,409	6.1%	
Infrastructure Renewal Levy	13,429	13,429	0	0.0%	
<b>TOTAL CAPITAL FINANCING</b>	<b>115,479</b>	<b>108,892</b>	<b>6,587</b>	<b>5.7%</b>	Due to delay in debt issuance, principal and interest savings.
<b>BOARDS &amp; AGENCIES</b>					
<b>Police Services</b>					
Operating	156,617	156,005	612	0.4%	
Capital Financing	717	717	0	0.0%	
<b>Total Police Services</b>	<b>157,334</b>	<b>156,722</b>	<b>612</b>	<b>0.4%</b>	
<b>Other Boards &amp; Agencies</b>					
Library	29,339	29,172	167	0.6%	Due to new grants received in the year in addition to favourable gapping.
Conservation Authorities	5,329	6,115	(786)	(14.7)%	Unfavourable variance related to Niagara Peninsula Authority appeal. NPCA changed the Municipal Levy Allocation agreement and instead used the default formula; City lost the appeal, but has filed for judicial review.
Hamilton Beach Rescue Unit	130	130	0	0.0%	
Royal Botanical Gardens	616	616	0	0.0%	
MPAC	6,417	6,417	0	0.0%	
Farmers Market	109	39	70	64.2%	Favourable variance due to increased rent and sponsorships.
<b>Total Other Boards &amp; Agencies</b>	<b>41,940</b>	<b>42,489</b>	<b>(549)</b>	<b>(1.3)%</b>	

- () Denotes unfavourable variance.

**CITY OF HAMILTON**  
**TAX OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**  
**(\$ 000's)**

	2017 Approved Budget	2017 Actuals December	2017 Actuals .vs 2017 Approved Budget		Comments/Explanations
			\$	%	
Capital Financing - Other Boards & Agencies	187	187	0	0.0%	
City Enrichment Fund	6,040	6,040	0	0.0%	
<b>TOTAL BOARDS &amp; AGENCIES</b>	<b>205,501</b>	<b>205,439</b>	<b>63</b>	<b>0.0%</b>	
<b>TOTAL EXPENDITURES</b>	<b>876,767</b>	<b>859,700</b>	<b>17,068</b>	<b>1.9%</b>	
<b>NON PROGRAM REVENUES</b>					
Payment In Lieu	(15,047)	(16,022)	975	6.5%	Reflects actual billing; PILT write-offs less than expected
Penalties and Interest	(10,500)	(11,460)	960	9.1%	Higher interest collection related to higher average outstandings. Positive variance mainly attributed to 2 large industrial properties.
Right of Way	(3,202)	(3,210)	8	0.2%	
Senior Tax Credit	598	586	12	2.0%	
Supplementary Taxes	(9,125)	(11,177)	2,052	22.5%	Reflects four supplementary billings processed in 2017.
Tax Remissions and Write Offs	24,046	24,503	(457)	(1.9)%	Unfavourable variance mainly due to higher appeals partially offset by less vacancy rebates.
Hydro Dividend and Other Interest	(5,300)	(10,252)	4,952	93.4%	Special dividend received.
Investment Income	(4,100)	(4,100)	0	0.0%	
Slot Revenues	(5,000)	(5,272)	272	5.4%	Higher realization of slot revenue. Recommended to be transferred to reserve.
POA Revenues	(3,745)	(2,872)	(873)	(23.3)%	Reduction in fines collected resulting from implementation of Early Resolution process.
<b>TOTAL NON PROGRAM REVENUES</b>	<b>(31,375)</b>	<b>(39,276)</b>	<b>7,901</b>	<b>25.2%</b>	
<b>TOTAL LEVY REQUIREMENT</b>	<b>845,392</b>	<b>820,424</b>	<b>24,969</b>	<b>3.0%</b>	

- () Denotes unfavourable variance.

**CITY OF HAMILTON  
COMBINED WATER, WASTEWATER AND STORM SYSTEMS  
RATE OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**

	2017 Approved Budget	2017 Actuals Dec-31	2017 Actuals vs. 2017 Approved Budget		2017 % Spent
			\$	%	
<b><u>OPERATING EXPENDITURES:</u></b>					
<b><u>Environmental Services</u></b>					
Divisional Administration & Support	2,039,360	2,009,543	29,817	1.5%	98.5%
Woodward Upgrades	1,197,710	1,312,246	(114,536)	(9.6%)	109.6%
Customer Service & Community Outreach	1,966,430	1,325,809	640,621	32.6%	67.4%
Service Co-ordination	3,155,930	2,901,706	254,224	8.1%	91.9%
Engineering Systems & Data Collection	1,635,310	897,945	737,365	45.1%	54.9%
Compliance & Regulations	781,900	761,414	20,486	2.6%	97.4%
Laboratory Services	3,367,900	3,269,068	98,832	2.9%	97.1%
Environmental Monitoring & Enforcement	1,780,060	1,597,310	182,750	10.3%	89.7%
Water Distribution & Wastewater Collection	20,535,960	18,030,160	2,505,800	12.2%	87.8%
Sustainable Initiatives	1,352,840	1,281,927	70,913	5.2%	94.8%
Plant Operations & Maintenance	41,509,180	34,486,087	7,023,093	16.9%	83.1%
Capital Delivery	1,733,310	1,481,881	251,429	14.5%	85.5%
Infrastructure Planning & Systems Design	2,364,370	1,790,280	574,090	24.3%	75.7%
Hydro Billing Contract	5,124,720	5,095,106	29,614	0.6%	99.4%
Wastewater Abatement Program	821,000	772,946	48,054	5.9%	94.1%
Corporate & Departmental Support Services	6,209,750	6,328,889	(119,139)	(1.9%)	101.9%
Utilities Arrears Program	500,000	500,000	-	0.0%	100.0%
Hamilton Harbour Remedial Action Plan	415,000	319,472	95,528	23.0%	77.0%
Protective Plumbing Program (3P)	2,500,000	1,046,740	1,453,260	58.1%	41.9%
Financial Charges	188,190	443,894	(255,704)	(135.9%)	235.9%
Capital and Reserve Recoveries	(8,491,470)	(8,490,783)	(687)	0.0%	100.0%
<b>Sub-Total Environmental Services</b>	<b>90,687,450</b>	<b>77,161,640</b>	<b>13,525,810</b>	<b>14.9%</b>	<b>85.1%</b>

**CITY OF HAMILTON  
COMBINED WATER, WASTEWATER AND STORM SYSTEMS  
RATE OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**

	2017 Approved Budget	2017 Actuals Dec-31	2017 Actuals vs. 2017 Approved Budget		2017 % Spent
			\$	%	
<u>Capital and Reserve Impacts on Operating</u>					
<u>Contributions to Capital</u>					
Water	58,771,000	58,770,500	500	0.0%	100.0%
Wastewater	13,325,000	13,330,273	(5,273)	(0.0%)	100.0%
Stormwater	10,959,000	10,958,750	250	0.0%	100.0%
<b>Sub-Total Contributions to Capital</b>	<b>83,055,000</b>	<b>83,059,523</b>	<b>(4,523)</b>	<b>(0.0%)</b>	<b>100.0%</b>
<u>Contributions for DC Exemptions</u>					
Water	2,800,000	2,205,519	594,481	21.2%	78.8%
Wastewater	3,870,000	3,549,559	320,441	8.3%	91.7%
Stormwater	730,000	1,644,922	(914,922)	(125.3%)	225.3%
<b>Sub-Total Contributions for DC Exemptions</b>	<b>7,400,000</b>	<b>7,400,000</b>	<b>-</b>	<b>0.0%</b>	<b>100.0%</b>
<u>Debt Charges</u>					
Water	9,925,680	6,681,930	3,243,750	32.7%	67.3%
Wastewater	10,130,540	7,122,816	3,007,724	29.7%	70.3%
Stormwater	2,272,050	659,618	1,612,432	71.0%	29.0%
DC Debt Charges Recoveries	(3,647,840)	(400,661)	(3,247,179)	89.0%	11.0%
<b>Sub-Total Debt Charges</b>	<b>18,680,430</b>	<b>14,063,703</b>	<b>4,616,727</b>	<b>24.7%</b>	<b>75.3%</b>
<b>Sub-Total Capital Financing</b>	<b>109,135,430</b>	<b>104,523,226</b>	<b>4,612,204</b>	<b>4.2%</b>	<b>95.8%</b>
<b>Transfer to Reserves</b>	<b>846,750</b>	<b>889,977</b>	<b>(43,227)</b>	<b>(5.1%)</b>	<b>105.1%</b>
<b>Sub-Total Capital and Reserve Impacts on Operating</b>	<b>109,982,180</b>	<b>105,413,203</b>	<b>4,568,977</b>	<b>4.2%</b>	<b>95.8%</b>
<b>TOTAL EXPENDITURES</b>	<b>200,669,630</b>	<b>182,574,843</b>	<b>18,094,787</b>	<b>9.0%</b>	<b>91.0%</b>



**CITY OF HAMILTON  
COMBINED WATER, WASTEWATER AND STORM SYSTEMS  
RATE OPERATING BUDGET VARIANCE REPORT AS AT DECEMBER 31, 2017**

	2017 Approved Budget	2017 Actuals Dec-31	2017 Actuals vs. 2017 Approved Budget		2017 % Spent
			\$	%	
<b><u>REVENUES:</u></b>					
<b><u>Rate Revenue</u></b>					
Residential	(88,104,660)	(86,954,646)	(1,150,014)	1.3%	98.7%
Industrial Commercial Institutional (ICI)	(98,598,250)	(98,288,013)	(310,237)	0.3%	99.7%
Haldimand / Halton	(2,418,920)	(2,012,816)	(406,104)	16.8%	83.2%
Non-Metered	(440,000)	(899,782)	459,782	(104.5%)	204.5%
Private Fire Lines	(1,100,000)	(1,345,683)	245,683	(22.3%)	122.3%
Hauler / 3rd Party Sales	(1,475,000)	(1,531,930)	56,930	(3.9%)	103.9%
Overstrength Agreements	(2,148,500)	(1,906,078)	(242,422)	11.3%	88.7%
Sewer Surcharge Agreements	(3,581,800)	(4,911,538)	1,329,738	(37.1%)	137.1%
<b>Sub-Total Utility Rates</b>	<b>(197,867,130)</b>	<b>(197,850,486)</b>	<b>(16,644)</b>	<b>0.0%</b>	<b>100.0%</b>
<b><u>Non-Rate Revenue</u></b>					
Local Improvement Recoveries	(275,850)	(117,237)	(158,613)	57.5%	42.5%
Permits / Leases / Agreements	(1,488,650)	(1,231,145)	(257,505)	17.3%	82.7%
General Fees and Recoveries	(1,038,000)	(1,477,209)	439,209	(42.3%)	142.3%
<b>Sub-Total Non-Rate Revenue</b>	<b>(2,802,500)</b>	<b>(2,825,591)</b>	<b>23,091</b>	<b>(0.8%)</b>	<b>100.8%</b>
<b>TOTAL REVENUES</b>	<b>(200,669,630)</b>	<b>(200,676,077)</b>	<b>6,447</b>	<b>(0.0%)</b>	<b>100.0%</b>
<b>NET REVENUE / EXPENDITURE</b>	<b>-</b>	<b>(18,101,234)</b>	<b>18,101,234</b>	<b>9.0%</b>	<b>91.0%</b>

**CITY OF HAMILTON  
BUDGET AMENDMENT SCHEDULE**

**BUDGET AMENDMENT**

**Budget Transfer from one cost category to another cost category**

<b>ITEM #</b>	<b>Department</b>	<b>Dept ID</b>	<b>Division</b>	<b>Cost Category</b>	<b>Amount</b>	<b>Department</b>	<b>Dept ID</b>	<b>Division</b>	<b>Cost Category</b>	<b>Amount</b>
1.1	Community & Emergency Services	672260	Ontario Works	Agencies & Support Payments	\$13,000	Public Health Services	675500	Healthy Families	Materials and Supplies	\$13,000
	<b>Explanation:</b> To streamline process for pediculosis shampoo as Public Health administers this program.									
1.2	Public Works	461010	Operations (Roads & Traffic)	Cost Allocations	\$195,240	Public Works	461010	Operations (Roads & Traffic)	Fees & General	\$195,240
	<b>Explanation:</b> To align Red Light camera revenue distribution between departments.									
1.3	Corporate Services	338035	Financial Planning, Admin & Policy	Reserves/Recoveries	\$140,000	Corporate Services	338035	Financial Planning, Admin & Policy	Fees & General	\$140,000
	<b>Explanation:</b> To transfer budget from Reserve Funding to Interest Income.									

**CITY OF HAMILTON  
BUDGETED COMPLEMENT TRANSFER SCHEDULE**

**STAFF COMPLEMENT CHANGE**

**Complement Transfer to another division or department <sup>(1)</sup>**

ITEM #	TRANSFER FROM				TRANSFER TO			
	Department	Division	Position Title (2)	FTE	Department	Division	Position Title (2)	FTE
1.1	Public Works	General Manager's Office	Sr. Project Mgr Transposrtation	1.00	Public Works	General Manager's Office	Mgr Strategy, Cont Improv&Qual	1.00
	Explanation: Due to Public Works reorganization, changing a Sr. Project Manager (Grade 6) to the Manager of Strategy, Continuous Improvement & Quality (Grade 8).							
1.2	Public Works	Hamilton Water	Quality Assurance Analyst - Co-op Student	1.00	Public Works	Hamilton Water	Quality Assurance Analyst	1.00
	Explanation: Increasing workloads related to Health & Safety and Training & Certification of Licensed Operators requires an additional permanent Quality Assurance Analyst for the Water Distribution & Wastewater Collection Section. Instead of requesting a new FTE it has been determined that an existing Student position is no longer required and can be converted. The difference in positions will be mitigated through Hamilton Water's existing budget.							
1.3	Public Works	Transit	Inspector	1.00	Public Works	Transit	Attendance Management Administrator	1.00
	Explanation: To establish the Program Manager Attendance position within the current complement of Transit. This position has been created to address absenteeism at HSR. This position will assume accountability and responsibility for implementing strategies in support of attendance management programs for the Transit division, ensure service quality, cost effective and timely service delivery and legislative compliance and monitoring the progress of major support program initiatives.							
1.4	Public Works	Transit	Maintainer Farebox	1.00	Public Works	Transit	Maintainer	1.00
			Painter	0.60			Transit On Board System Technician	1.00
			Body Shop Foreperson	0.10			Body Shop Foreperson	1.00
			Automotive Mechanic	1.00			Payroll Clerk	1.00
			Apprentice Mechanic	0.50				
			Component Mechanic	0.60				
			Labourer Casual	0.20				
Explanation: Over time, partial positions have been added or created in Transit in respect of the use of winddown employees and as proportionate increases as Transit has grown. These partial positions are being converted so that full time positions can be recruited to better match the current requirements and in consideration of the reduced dependency on winddown employees in Maintenance. Further, with the increased complement and workload in Transit payroll, the Payroll Clerk position will be better able to meet the demands of the increased Operations and Maintenance groups.								
1.5	Planning & Economic Development	Growth Management	Director	1.00	Planning & Economic Development	Transportation, Planning, and Parking	Director	1.00
	Explanation: Transfer a Director position between Divisions.							
1.6	Planning & Economic Development	Licensing & By-law Services	Licensing Facilitator	2.00	Planning & Economic Development	Building	Zoning Correlators	2.00
	Explanation: Restructuring as a result of a One Stop Service Counter review resulted in defining new roles.							
1.7	Corporate Services	Financial Planning, Admin & Policy	FA11	0.50	Corporate Services	Financial Services	Contract Coordinator	0.50
	Explanation: Procurement work being done by F&A staff.							
1.8	Public Health Services	Healthy Environments	Quality Assurance Advisor	1.0	Public Health Services	Planning & Business Improvement	Quality Assurance Advisor	1.0
	Explanation: Centralizing resourcing of quality assurance and continuous improvement work.							

Note - Complement transfers include the transfer of corresponding budget.

(1) - All other budgeted complement changes that require Council approval per Budgeted Complement Control Policy must be done through either separate report or the budget process (i.e. increasing/decreasing budgeted complement).

(2) - If a position is changing, the impact of the change is within 1 pay band unless specified.





**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Transportation Planning and Parking Division**

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Hamilton Car Share Loan Agreement Transfer (City Wide) (PED18084)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Peter Topalovic (905) 546-2424 Ext. 5129
<b>SUBMITTED BY:</b>	Steve Molloy Acting Manager, Transportation Planning Planning and Economic Development Department
<b>SIGNATURE:</b>	

### RECOMMENDATION

- (a) That Community CarShare Co-Operative Inc. ("Car Share")'s request to assign its May 30, 2012 Loan Agreement with the City (the "Agreement") to Virtue Transportation Systems Incorporated ("Vrtucar") on the terms and conditions outlined in Report PED18084, including that Vrtucar assumes all of Car Share's rights, responsibilities, obligations and covenants under the Agreement, be approved;
- (b) That the General Manager, Planning and Economic Development, be authorized, on behalf of the City, to negotiate, enter into and execute an agreement and any ancillary documents required to give effect to this assignment in a form satisfactory to the City Solicitor.

### EXECUTIVE SUMMARY

Community CarShare Co-Operative Inc., operating as Community CarShare (CCS), has operated in the City of Hamilton since 2009 as a local non-profit car sharing co-operative. Car sharing is an on-demand alternative to the privately-owned vehicle, which supports the City's strategic plan priority area "Built Environment and Infrastructure: Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City."

On November 22, 2017, the CCS members voted to dissolve the cooperative as a solution to concerns over the non-profit's financial viability. This decision was reached after receiving a letter of intent from Virtue Transportation Systems Incorporated to

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**SUBJECT: Hamilton Car Share Loan Agreement Transfer (City Wide) (PED18084) -  
Page 2 of 5**

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purchase CCS. Virtue Transportation Systems Incorporated, also known as Vrtucar, is a for-profit car sharing company in Ontario which operates in Ottawa, but also intends to operate CCS's systems. Vrtucar's parent company is Communato Inc. of Montreal, QC which operates in Quebec, Ontario and Nova Scotia, as well as Paris, France. The intent of the sale of CCS to Vrtucar is to continue car share operations that are currently being operated by CCS including: Hamilton, Waterloo Region, Guelph and London. The sale would be an asset sale in which Vrtucar would acquire substantially all of CCS's assets and debts. City staff has been informed that it would be CCS's intention to dissolve CCS post asset sale.

The City, through Report PW11081 dated November 14, 2011, has provided a \$150,000 revolving line of credit to CCS with a 4% annual interest rate, expiring on May 30, 2022.

In order to maintain the availability of an established, publically accessible, car sharing service, staff recommend the assignment and amendment of the Line of Credit Agreement, to Vrtucar be negotiated and completed to the satisfaction of the City Solicitor.

City staff recommend this option to maintain continued car sharing services in the community and to ensure that the City collects the principal amount of the loan (\$150,000). It is also noted that the Line of Credit Agreement terminates within less than four years, and that the assignment of the Line of Credit is considered to be a short-term solution.

***Alternatives for Consideration – See Page 5*****FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: The current balance of the Community Car Share loan is \$144,845.87. The loan has a ten-year term beginning May 30, 2012 with a maturity date of May 30, 2022. The loan agreement does not stipulate principal payments during the term of the loan. The full balance is due upon maturity. CCS has kept current with their interest payments, but no pre-payment of principal has been made.

Review of CCS' most recent audited financial statements indicates an inability to pay their debts. Since the City of Hamilton is an unsecured creditor, the chance of recovering the loan principal is unlikely in the event of the dissolution of the corporation.

Vrtucar has agreed to assume the Hamilton Car Share loan with the same financial obligations and maturity date included in the original loan agreement. A review of unaudited financial statements of Vrtucar

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**SUBJECT: Hamilton Car Share Loan Agreement Transfer (City Wide) (PED18084) -  
Page 3 of 5**

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indicates sufficient assets and revenue streams to support repayment of the loan.

The City's external Loan Guideline identifies that only Registered Not-for-profit organizations are eligible for external funding. Although Vrtucar is a for-profit corporation, the assignment of the Line of Credit Agreement to Vrtucar is likely the best option to recover the outstanding funds owed to the City due to relative uncertainty related to the long-term financial viability of the Community Car Share Co-operative.

The Region of Waterloo, City of Waterloo and City of Kitchener have approved the transfer of similar lines of credit from CCS to Vrtucar.

Staffing: There are no staffing implications.

Legal: Legal Services will draft an assignment agreement incorporating the terms and conditions contained in the original agreement, including appropriate security documentation.

## **HISTORICAL BACKGROUND**

Community Car Share (CCS) began operating in Hamilton in 2009 with three vehicles and under 100 members. In the nine years since launching the service, CCS now has 623 members and 23 vehicles in Hamilton who took 8,190 car sharing trips over 406,000 kms in 2017 alone.

In 2011, CCS approached the City to enter into a revolving line of credit and begin a Corporate Car Sharing Program in the City of Hamilton. Council approved the revolving line of credit loan to an upset limit of \$150,000 and the Corporate Membership Program (as outlined in Report PW11081).

The Corporate Program for City staff has over 40 members and helps reduce the need for the purchase and maintenance of fleet vehicles. The staff who use the service are in areas where there are no fleet vehicles or where they are being phased out. It also encourages sustainable forms of travel to the workplace by offering staff a shared car service for meetings; enabling them to walk, cycle, carpool and take transit to work.

The City of Kitchener, City of Waterloo and the Region of Waterloo have a similar relationship with CCS, as the co-op originated in the Waterloo region as Grand River Car Share. The Region of Waterloo has a similar loan arrangement with CCS, and Regional staff have made a similar recommendation to their Council, which was subsequently approved, that Vrtucar assume the assets and the loans of CCS and pay them back on schedule.

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**SUBJECT: Hamilton Car Share Loan Agreement Transfer (City Wide) (PED18084) -  
Page 4 of 5**

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**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

N/A

**RELEVANT CONSULTATION**

- Finance and Administration, Corporate Services
- Legal Services, Corporate Services

**ANALYSIS AND RATIONALE FOR RECOMMENDATION**

City staff make the recommendations in this Report in order to ensure that the City collects the principal amount of the loan (\$150,000) and to maintain continued car sharing services in the community. Since the Line of Credit Agreement terminates in less than four years, the assignment of the Line of Credit is considered to be a short-term solution.

The 2016-2017 CCS financial statement (ending April 30, 2017) indicated that the long-term financial viability of the non-profit is of concern and that the increased level of losses threatened the continued operation of the co-operative. As identified by CCS, to continue existing as a co-operative, CCS would need to raise funds to address immediate cash flow issues, find sustainable ways of getting access to capital, and make significant changes to current operations. They also investigated alternatives to operating as a non-profit co-operative.

On November 22, 2017, the members of the CCS voted to dissolve the cooperative. This decision was reached after receiving a letter of intent from Vrtucar (a subsidiary of Communauto Inc. of Montreal, QC) to purchase CCS. If executed, the sale would be an asset sale in which Vrtucar would acquire substantially all of CCS assets and debts. City staff has been informed that it would be CCS intention to dissolve the corporation post-asset sale.

Virtue Transportation Systems Incorporated (whose parent company is Communauto Inc. of Montreal) is a private car sharing company based in Ottawa that is interested in growing its business, and expressed interest in acquiring CCS debts and assets. Communauto is a for-profit car sharing company that has the intention of continuing to provide car sharing in Southern Ontario. Communauto was originally founded in 1994 in Montreal and merged with Vrtucar in 2016. They currently operate in Montreal, Quebec City, Sherbrooke, Gatineau, Ottawa, Kingston, Halifax, and Paris, France. They have a fleet of almost 2,000 vehicles, and have financial backing from partners such as the manufacturer of Peugeot and Citroën, and as well as the merchant bank MacKinnon Bennett & Co.

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**SUBJECT: Hamilton Car Share Loan Agreement Transfer (City Wide) (PED18084) -  
Page 5 of 5**

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On November 30, 2017, Vrtucar issued a letter (see Appendix “A” to Report PED18084) to City staff requesting that the City consider assigning the Line of Credit Agreement from CCS to Vrtucar. CCS has also requested the City sign a letter confirming the transfer of the Line of Credit Agreement to Vrtucar moving forward (see Appendix “B” to Report PED18084).

Similar letters were issued to the other cities CCS operates in: Kitchener, Waterloo, Waterloo Region, London and Guelph. The approach of the City of Hamilton is consistent with the approach of these municipalities and regions. Kitchener and Waterloo Regions were consulted specifically because they also provide loans to CCS and are in the process of transferring those loans to Vrtucar in a similar way as outlined in this Report. The other cities do not have loans with CCS.

## **ALTERNATIVES FOR CONSIDERATION**

Do Not Approve the Assignment of the Loan Agreement to Vrtucar

According to paragraph 8.1.1 of the revolving Line of Credit Agreement between the City of Hamilton and the Community Car Share Co-operative, upon dissolution of the co-operative the Line of Credit is in default. The City could choose to allow this to happen, rather than assigning the Line of Credit Agreement to Vrtucar, who wishes to purchase the CCS. The CCS would then be required to pay the entirety of the Line of Credit balance of \$144,845.87.

However, in doing so, CCS would likely not be able to pay back the loan, given its financial situation, and the likelihood of the City of Hamilton receiving the outstanding balance owing would be jeopardized. Furthermore, there could be a disruption to or dissolution of the car sharing service in the City, which would not be consistent with the City’s strategic priorities. City staff does not recommend this option.

## **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

### **Healthy and Safe Communities**

*Hamilton is a safe and supportive city where people are active, healthy, and have a high quality of life.*

### **Built Environment and Infrastructure**

*Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.*

## **APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” – Letter from VRTUCAR, January 31, 2018

Appendix “B” – Letter from Community Car Share, January 25, 2018

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*OUR Vision: To be the best place to raise a child and age successfully.*

*OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.*

*OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.*





City of Hamilton, City Hall  
 Attn: General Manager, Finance & Corporate Services  
 71 Main Street West  
 Hamilton, ON  
 L8P 4Y5

Good afternoon. As you are no doubt aware, at a Special General Meeting that was held on Wednesday, November 22, 2017, the members of Community Carshare Co-Operative Inc. voted to dissolve the Co-operative. This difficult decision was reached after a Letter of Intent (LOI) was received from Communauto Inc. of Montreal. After a due diligence process, Communauto plans to continue operations, but as part of Virtue Transportation Systems Inc. (Vrtucar) of Ottawa, a wholly-owned subsidiary of Communauto. Please be assured that it is our intention to continue with car sharing in Southern Ontario, but to do so in a manner that will ensure its long-term survival.

One of the key items that needs to be addressed insofar as the municipal partners of Community Carshare are concerned are the various Lines of Credit (LOC) which have been provided.

**Line of Credit**

Part of the LOI has Communauto/Vrtucar assuming responsibility for all liabilities that we are made aware of. These liabilities include Lines of Credit that have been offered to Community Carshare by several Cities and Regional Municipalities in southern Ontario. We have reviewed the various Loan Agreements and within each there are paragraphs which we are not able to honour, and Events of Default that have already taken place. For your specific LOC these are shown below:

Audited Financial Statements	Default upon Dissolution of the Co-Operative	Delegated Staff to Oversee Operations
	x	

Comments re the above-noted issues:

- **Default upon Dissolution:** as per Para 8.1.1 of the Loan Agreement, given that the members have voted to dissolve the Co-Op, the Line of Credit is in default.

**In summary**, the purpose of this letter is:

- To highlight those paragraphs within the loan agreement that we see as problem areas (see above);
- To assure you that at a minimum, the liability with your City/Region will be repaid as per the Agreement;
- To ask you to consider renewing/extending the Line of Credit and in so doing continue to support car sharing in southern Ontario;

Thank-you for supporting Community Carshare over the past many years. We hope you will see fit to partner with Vrtucar and continue this support moving forward.

Wilson Wood  
Director, General Manager



**OTTAWA**  
346 Waverley Street, Ottawa (Ontario) K2P 0W5  
[www.vrtucar.com](http://www.vrtucar.com)



# Community CarShare

203-290 King St. E.  
Kitchener, ON N2G 2L3  
T: 1-855-SHARE-99  
F: 519-579-2195  
W: [communitycarshare.ca](http://communitycarshare.ca)

January 25, 2018

**CONFIDENTIAL**

**BY ELECTRONIC MAIL**

**The City of Hamilton**  
71 Main Street West  
Hamilton, ON  
L8P 4Y5

Attention: **Mike Zegarac, General Manager, Finance & Corporate Services**  
Email: [mike.zegarac@hamilton.ca](mailto:mike.zegarac@hamilton.ca)

**Subject: Loan Agreement dated as of May 30, 2012 between Community CarShare Co-Operative Inc., formerly known as The People's Car Co-Operative Inc., and The City of Hamilton (the "Agreement")**

**To whom it may concern:**

Please be advised that Community CarShare Co-Operative Inc. (the "**Seller**") has entered into an asset purchase agreement dated as of January 18, 2018 with Virtue Transportation Systems Incorporated (the "**Purchaser**") pursuant to which the Seller has agreed to sell to the Purchaser substantially all its assets, including the rights and obligations under the Agreement (the "**Transaction**"). The Transaction is currently scheduled to close on February 28, 2018 (the "**Closing**").

In respect of the foregoing and for all purposes required under the Agreement, including, without limitation, Section 10.5 thereof, the Seller hereby requests that you confirm your consent to the Transaction, which consent is to be effective as of the date of Closing. Your signature below will confirm that, subject to the Closing of the Transaction and effective as of the date of Closing, the Agreement shall be assigned to the Purchaser without any other formality and that, for all intents and purposes of the Agreement, this letter constitutes sufficient and appropriate consent for all purposes required thereunder.

Mt#: 2498090.2

Should you have any questions or require any additional information, we invite you to contact Janet MacLeod at janet@communitycarshare.ca or by telephone at 1-855-742-7399 ext. 2001.

Kindly date and sign this letter where indicated below and return a fully-executed copy thereof to the attention of Xavier Plamondon by e-mail at xplamondon@dwpv.com or by fax at 514-841-6499, with the original to follow at Davies Ward Phillips & Vineberg, Attn: Xavier Plamondon, 1501 McGill College, 26<sup>th</sup> Floor, Montreal, Quebec, H3A 3N9, Canada. Your response as soon as reasonably practicable and in no event later than February 9, 2018, would be greatly appreciated.

\* \* \*

We thank you in advance for your cooperation in this matter,

Yours truly,

**COMMUNITY CARSHARE  
CO-OPERATIVE INC.**

by   
Name: Mohan Thomas  
Title: President, Board of Directors

Acknowledged, agreed and confirmed on this \_\_\_\_ day of \_\_\_\_\_, 2018.

**THE CITY OF HAMILTON**

by \_\_\_\_\_  
Name:  
Title:



**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
*Financial Planning, Administration and Policy Division*

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 23, 2018
<b>SUBJECT/REPORT NO:</b>	Custody Services – Authorization to Execute Agreement (FCS15006(a)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Gerald T. Boychuk (905) 546-2424 Ext. 4321
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager Finance and Corporate Services
<b>SIGNATURE:</b>	

### RECOMMENDATION

That the General Manager, Finance and Corporate Services, or his designate, be authorized and directed to negotiate and execute, on behalf of the City of Hamilton, Custodian and Trust Services agreements and any ancillary documents with RBC Investor Trust Services with a five-year term and an option to renew for an additional five-year period, with content satisfactory to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor.

### EXECUTIVE SUMMARY

Audit, Finance and Administration Committee (AF&AC) at its meeting of January 19, 2015 through Report FCS15006 authorized the General Manager of Finance and Corporate Services or his designate to negotiate a five-year Custody and Trust contract with RBC Investor Trust Services (RBCITS) with an option to renew for an additional five years at current or better pricing rate structure. Council authorization is required for the General Manager, Finance and Corporate Services, or his designate to execute the Custody and Trust Services contracts or agreements with RBCITS.

The original Custody and Trust Services contract was with Royal Trust Company and assumed by Royal Bank when taken over in 2002 and has endured to date. The new contract term is to be for a five-year initial period with an option to renew for five years at the same rates. Also, the contract is subject to cancellation by either party with 60 days' notice. Other key points are as follows:

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**SUBJECT: Custody Services – Authorization to Execute Agreement FCS15006 (a)  
(City Wide) - Page 2 of 3**

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- 1) A five basis point increase to 55% in the City's share of securities lending revenue generated by RBCITS with guaranteed replacement of securities loaned.
- 2) The fee schedule has been maintained and bettered by 7% in total cost.
- 3) All documentation will be approved by the City of Hamilton Legal Services Division.

RBCITS has revised its operations considerably over the past three years changing staffing, improving service and systems. They are also committed to future improvement by committing about \$200M to upgrading and modernizing systems and processes.

City staff has negotiated a very favourable new Custody and Trust agreement with RBCITS and avoided costly disruption of services and increased costs due to higher new rates. The ongoing costs of cash transfers are avoided as Royal Bank of Canada (RBC) is the City's bank and fund transfer charges are not levied between RBCITS and RBC.

***Alternatives for Consideration – Not Applicable***

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** There is no financial impact for the recommendation seeking authorization to negotiate and execute agreements with RBCITS for custody and trust services. However, the net cost of custody and trust services is expected to approximate the average annual net cost of the current arrangement with RBCITS of approximately \$50,000.

**Staffing:** None.

**Legal:** City Legal Services Division will be required to review a new contract prior to execution.

**HISTORICAL BACKGROUND**

The original Custody and Trust Services contract held by Royal Trust Company was assumed by Royal Bank in 2002.

Audit, Finance and Administration Committee (AF&AC) at its meeting of January 19, 2015 through Report FCS15006 authorized the negotiation of a new agreement with RBCITS. Negotiations with RBCITS have been affected by organizational changes at RBCITS.

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**SUBJECT: Custody Services – Authorization to Execute Agreement FCS15006 (a)  
(City Wide) - Page 3 of 3**

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In early 2017, the terms, conditions and new pricing fees of the Custody and Trust Services were finalized and are being incorporated into the new agreement to be reviewed by the City's Legal Services division prior to execution by the General Manager, Finance and Corporate Services.

**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The requirement to seek Council direction is contained in Procurement Policy Section 4:5 (5) "Determining the Procurement Process". Due to the sensitive nature and risk of financial loss when dealing with an incumbent vendor, Council direction is required as to the use of Direct Negotiation or another method.

**RELEVANT CONSULTATION**

City of Hamilton, Legal Services Division, Corporate Services Department  
Royal Bank of Canada Investment Trust Services

**ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The analysis and rationale for negotiating with RBCITS were contained in Report FCS15006 Custody Services – Authority to Negotiate which was approved by Council on January 21, 2015.

**ALTERNATIVES FOR CONSIDERATION**

None

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Economic Prosperity and Growth**

*Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.*

**Our People and Performance**

*Hamiltonians have a high level of trust and confidence in their City government.*

**APPENDICES AND SCHEDULES ATTACHED**

None

GB/dt

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Hamilton

**REPORT 18-002**  
**GOVERNANCE REVIEW SUB-COMMITTEE**  
**Thursday, April 5, 2018**  
**2:00 p.m., Room 264**  
**Hamilton City Hall**

**Present:** Councillors M. Pearson (Chair), L. Ferguson, A. VanderBeek, and M. Green

**Absent:** Councillor J. Partridge

**Also in**

**Attendance:** Councillor T. Whitehead

**THE GOVERNANCE REVIEW SUB-COMMITTEE PRESENTS REPORT 18-001 AND RESPECTFULLY RECOMMENDS:**

**1. Memorandum of Understanding - City of Hamilton and Royal Botanical Gardens (LS18002)(City Wide)(Item 8.1(a))**

That the City of Hamilton appoint a maximum of two members to the board of directors of the Royal Botanical Gardens, to be comprised of elected officials and/or citizens.

- (a) That the Mayor and City Clerk be authorized to execute a Memorandum of Understanding between the City of Hamilton and the Royal Botanical Gardens on terms satisfactory to the City Solicitor to provide for the appointment of a maximum of two members to the board of directors of the Royal Botanical Gardens by the City, subject to The Regional Municipality of Halton entering into a similar agreement with the Royal Botanical Gardens to reduce the number of representatives Halton appoints to the board of directors to a maximum of two members.

**2. Correspondence from George Rust-D'Eye, Integrity Commissioner and Lobbyist Registrar to the City of Hamilton, respecting the Code of Conduct for Members of Council - Proposed Amendment (Item 8.2)**

- (a) That the Council amend its By-law No. 16-290, to delete sections 8(2), 8(3)(a), (b), and (c) and 8(4), there from;

- (b) That the appropriate form of draft By-law Amendment be introduced in Council to give effect thereto;
- (c) ***That the City Solicitor examine the background information on the current Accountability and Transparency Policy;***
- (d) ***That the Integrity Commissioner and the City Solicitor work together to bring a written report back to GIC; and***
- (e) ***That staff provide Councillors two weeks advanced notice of the presentation of the report, to allow Councillors to prepare questions related to the Accountability and Transparency Policy addressed by the report.***

### **3. 2019 Committee / Council Calendar (Item 8.3)**

That the 2019 Council / Committee Calendar, as attached in Appendix "A" to Governance Review Sub-Committee Report 18-002 be approved **as amended**, as follows:

- (a) ***That the December 11, 2019 Council meeting be held at 9:30 a.m.; and***
- (b) ***That staff refrain from booking Committee Meetings during the week of March 4, 2019.***

### **4. Electronic Participation at Council and/or Committee Meetings (CL18002) (City Wide) (Item 8.4)**

That staff be directed to prepare the necessary provision in the Procedural By-law to provide no electronic participation at Council and/or Committee Meetings at this time.

## **FOR THE INFORMATION OF COMMITTEE:**

### **(a) CHANGES TO THE AGENDA (Item 1)**

The Committee Clerk advised that there were no changes to the agenda.

The April 5, 2018 Agenda of the Governance Review Sub-Committee was approved, as presented.

### **(b) DECLARATIONS OF INTEREST (Item 2)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES (Item 3)****January 31, 2018 (Item 3.1)**

The Minutes of the January 31, 2018 meeting of the Governance Review Sub-Committee, were approved.

**(d) DELEGATION REQUESTS (Item 4)**

- (i) Mark Runciman, Chief Executive Officer, and Ruth Lee, Chair, Royal Botanical Gardens, respecting proposed changes to RBG Governance Model, follow up to RBG's presentation to GIC (for today's meeting) (Item 4.1)**

The delegation request from Mark Runciman, Chief Executive Officer, and Ruth Lee, Chair, Royal Botanical Gardens, respecting proposed changes to RBG Governance Model, follow up to RBG's presentation to GIC, was approved for today's meeting.

**(e) PUBLIC HEARINGS/DELEGATIONS (Item 6)**

- (i) Mark Runciman, Chief Executive Officer, and Ruth Lee, Chair, Royal Botanical Gardens, respecting proposed changes to RBG Governance Model, follow up to RBG's presentation to GIC (for today's meeting) (Added Item 6.1)**

The delegation from Mark Runciman, Chief Executive Officer, and Ruth Lee, Chair, Royal Botanical Gardens, respecting proposed changes to RBG Governance Model, follow up to RBG's presentation to GIC, was received.

For further disposition of this matter, refer to Item 1.

**(f) DISCUSSION ITEMS (Item 8)**

- (i) Memorandum of Understanding - City of Hamilton and Royal Botanical Gardens (LS18002b) (City Wide) (Item 8.1)**

Report LS18002b, respecting Memorandum of Understanding - City of Hamilton and Royal Botanical Gardens, was received.

- (ii) Memorandum of Understanding - City of Hamilton and Royal Botanical Gardens (LS18002) (City Wide) (Item 8.1(a))**

Report LS18002 respecting a Memorandum of Understanding - City of Hamilton and Royal Botanical Gardens, was lifted from the table for consideration.

For disposition of this matter please refer to Item 1.

Councillor Green wished to be recorded as OPPOSED.

**(iii) Correspondence from George Rust-D'Eye, Integrity Commissioner and Lobbyist Registrar to the City of Hamilton, respecting the Code of Conduct for Members of Council - Proposed Amendment (Item 8.2)**

**(c) *The City Solicitor examine the background information on the current Accountability and Transparency Policy;***

**(d) *The Integrity Commissioner and the City Solicitor work together to bring a written report back to GIC; and***

**(e) *Staff will provide Councillors two weeks advanced notice of the presentation of the report, to allow Councillors to prepare questions related to the Accountability and Transparency Policy addressed by the report.***

**(iii) 2019 Council / Committee Calendar (Item 8.3)**

**(a) *The December 11, 2019 Council meeting be held at 9:30 a.m.; and***

**(b) *Staff will refrain from booking Committee Meetings for the week of March 4, 2019.***

Councillor Green wished to be recorded as OPPOSED to sub-section (b).

For disposition of this matter please refer to Item 3.

**(g) MOTIONS (Item 9)**

**(i) Parental Leave for Elected Officials (Item 9.1)**

Councillor Green TABLED the following motion:

WHEREAS, the Hamilton Municipal Election is scheduled for October 22, 2018;

WHEREAS, systemic and structural barriers and current Council bylaws deter a diverse range of Council candidates to seek elected office;

WHEREAS, the Council chambers have been used three times in the past 12 months to build civic leadership and discuss participation of under-represented people including first nation, racialized people, women, non-binary individuals and youth in policy development, implementation and Council decision making;

WHEREAS, the absence of a full paid leave for pregnancy, childbirth and adoption for elected officials being in place poses a specific barrier for women, non-binary individuals, and young people from pursuing elected office;

WHEREAS, Bill 68 has been given Royal Assent by the Government of Ontario and has amended the *Municipal Act* to ~~mandate municipalities~~ provide up to 20 weeks leave for municipal Councillors for pregnancy, child birth, and adoption;

WHEREAS, Bill 68 also stipulates that municipalities are required to adopt and maintain a policy with respect to Pregnancy Leave and Parental Leave for Members of Council by March 1, 2019;

WHEREAS, a paid parental leave bylaw for Councillors will help ensure a diverse range of Council candidates participate in our democratic process.

THEREFORE BE IT RESOLVED:

That City staff report back to City Council before the 2018 Municipal Election with a draft parental leave bylaw which establishes the following: 20 weeks leave for pregnancy, child birth and adoption for elected officials with full salary, benefits, and compensation and a procedure for representation during leave wherein the Councillor on leave will determine the best approach for providing interim coverage.

**(ii) City of Hamilton's Indemnification Policy (Item 9.2)**

Councillor Green introduced his motion respecting the City of Hamilton's Indemnification Policy, and it was not seconded.

**(h) PRIVATE AND CONFIDENTIAL (Item 12)**

**(i) Closed Session Minutes – January 31, 2018 (Item 12.1)**

- (a) The Closed Session Minutes of the January 31, 2018 Governance Review Sub-Committee meeting, were approved as presented; and
- (b) The Closed Session Minutes of the January 31, 2018 Governance Review Sub-Committee meeting, remain confidential.

**(i) ADJOURNMENT (Item 13)**

There being no further business, the Governance Review Sub-Committee meeting was adjourned at 3:43 p.m.

Respectfully submitted,

Councillor M. Pearson, Chair  
Governance Review Sub-Committee

Angela McRae  
Legislative Coordinator  
Office of the City Clerk



## January 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 NEW YEAR'S DAY	2	3	4	5
6	7	8	9	10	11	12
13	14 PW – 9:30 a.m. BoH – 1:30 p.m.	15 Planning – 9:30 a.m.	16 GIC – 9:30 a.m.	17 AF&A – 9:30 a.m. H&SC – 1:30 p.m.	18	19
20	21	22	23 5:00 p.m. COUNCIL	24	25	26
27	28	29	30	31		

GIC = General Issues Committee

PW = Public Works Committee

PLANNING = Planning Committee

AF&A = Audit, Finance & Administration Committee

H&SC - Healthy & Safe Communities Committee

BOH = Board of Health

All meetings will be in the COUNCIL Chambers, Hamilton City Hall

\*\* Denotes meeting is subject to change

## February 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 PW – 9:30 a.m.	5 Planning – 9:30 a.m.	6 GIC – 9:30 a.m.	7 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	8	9
10	11	12	13 5:00 p.m. COUNCIL	14	15	16
17	18 FAMILY DAY	19 Planning – 9:30 a.m.	20 GIC – 9:30 a.m.	21 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	22 PW – 9:30 a.m.  BoH – 1:30 p.m.	23
24	25	26	27 5:00 p.m. COUNCIL	28		

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PW = Public Works Committee

PLANNING = Planning Committee

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H&SC - Healthy & Safe Communities Committee

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## March 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
<b>NO MEETINGS – PLEASE DO NOT USE</b>						
10	11	12	13	14	15	16
<b>MARCH BREAK</b>		<b>MARCH BREAK</b>		<b>MARCH BREAK</b>		<b>MARCH BREAK</b>
17	18 PW – 9:30 a.m. BoH – 1:30 p.m.	19 Planning – 9:30 a.m.	20 GIC – 9:30 a.m.	21 AF&A – 9:30 a.m. H&SC – 1:30 p.m.	22	23
24	25	26	27 5:00 p.m. COUNCIL	28	29	30
31						

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## April 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 PW – 9:30 a.m.	2 Planning – 9:30 a.m.	3 GIC – 9:30 a.m.	4 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	5	6
7	8	9	10 5:00 p.m. COUNCIL	11	12	13
14	15 PW – 9:30 a.m.  BoH – 1:30 p.m.	16 Planning – 9:30 a.m.	17 GIC – 9:30 a.m.	18 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	19 GOOD FRIDAY	20
21	22 EASTER MONDAY	23	24 5:00 p.m. COUNCIL	25	26	27
28	29 PW – 9:30 a.m.	30 Planning – 9:30 a.m.				

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## May 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 GIC – 9:30 a.m.	2 AF&A – 9:30 a.m. H&SC – 1:30 p.m.	3	4
5	6	7	8 5:00 p.m. COUNCIL	9	10	11
12	13 PW – 9:30 a.m. BoH – 1:30 p.m.	14 Planning – 9:30 a.m.	15 GIC – 9:30 a.m.	16 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	17	18
19	20 VICTORIA DAY	21	22 5:00 p.m. COUNCIL	23	24	25
26	27	28	29	30	31	

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## June 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 PW – 9:30 a.m.	4 Planning – 9:30 a.m.	5 GIC – 9:30 a.m.	6 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	7	8
9	10	11	12 5:00 p.m. COUNCIL	13	14	15
16	17 PW – 9:30 a.m.  BoH – 1:30 p.m.	18 Planning – 9:30 a.m.	19 GIC – 9:30 a.m.	20 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	21	22
23	24	25	26 5:00 p.m. COUNCIL	27	28	29
30						

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## July 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 <b>CANADA DAY</b>	2	3	4	5	6
7	8 GIC – 9:30 a.m.	4 Planning – 9:30 a.m.	5 PW – 9:30 a.m. BoH – 1:30 p.m.	6 AF&A – 9:30 a.m. H&SC – 1:30 p.m.	7 9:30 a.m. COUNCIL	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

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H&SC - Healthy & Safe Communities Committee

BOH = Board of Health

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\*\* Denotes meeting is subject to change

## August 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 CIVIC HOLIDAY	6	7	8	9	10
11	12 GIC – 9:30 a.m.	13 Planning – 9:30 a.m.	14 PW – 9:30 a.m.  BoH – 1:30 p.m.	15 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	16 9:30 a.m. COUNCIL	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

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H&SC - Healthy & Safe Communities Committee

BOH = Board of Health

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\*\* Denotes meeting is subject to change



## September 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 LABOUR DAY	3 Planning – 9:30 a.m.	4 GIC – 9:30 a.m.	5 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	6 PW – 9:30 a.m.	7
8	9	10	11 5:00 p.m. COUNCIL	12	13	14
15	16 PW – 9:30 a.m.  BoH – 1:30 p.m.	17 Planning – 9:30 a.m.	18 GIC – 9:30 a.m.	19 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	20	21
22	23	24	25 5:00 p.m. COUNCIL	26	27	28
29	30 PW – 9:30 a.m.					

GIC = General Issues Committee

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PLANNING = Planning Committee

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H&SC = Healthy & Safe Communities Committee

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\*\* Denotes meeting is subject to change

## October 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 Planning – 9:30 a.m.	2 GIC – 9:30 a.m.	3 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	4	5
6	7	8	9 5:00 p.m. COUNCIL	10	11	12
13	14 THANKSGIVING DAY	15 Planning – 9:30 a.m.	16 GIC – 9:30 a.m.	17 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	18 PW – 9:30 a.m.  BoH – 1:30 p.m.	19
20	21	22	23 5:00 p.m. COUNCIL	24	25	26
27	28	29	30	31		

GIC = General Issues Committee

PW = Public Works Committee

PLANNING = Planning Committee

AF&A = Audit, Finance & Administration Committee

H&SC - Healthy & Safe Communities Committee

BOH = Board of Health

All meetings will be in the COUNCIL Chambers, Hamilton City Hall

\*\* Denotes meeting is subject to change

## November 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 PW – 9:30 a.m.	5 Planning – 9:30 a.m.	6 GIC – 9:30 a.m.	7 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	8	9
10	11	12	13 5:00 p.m. COUNCIL	14	15	16
17	18 PW – 9:30 a.m.  BoH – 1:30 p.m.	19 Planning – 9:30 a.m.	20 GIC – 9:30 a.m.	21 ** AF&A – 9:30 a.m. If required  ** H&SC – 1:30 p.m. If required	22	23
24	25	26	27 5:00 p.m. COUNCIL	28	29	30

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## December 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 PW – 9:30 a.m.	3 Planning – 9:30 a.m.	4 GIC – 9:30 a.m.	5 AF&A – 9:30 a.m.  H&SC – 1:30 p.m.	6	7
8	9	10	11 9:30 a.m. COUNCIL	12	13	14
15	16	17	18	19	20	21
22	23	24	25 CHRISTMAS DAY	26 BOXING DAY	27 SHUTDOWN	28
29	30 SHUTDOWN	31 SHUTDOWN				

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