



**City of Hamilton**  
**GENERAL ISSUES COMMITTEE ADDENDUM**

**Meeting #:** 23-001  
**Date:** January 10, 2023  
**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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**Pages**

**6. STAFF PRESENTATIONS**



- \*6.3 Legislation Regulating Funding of the Hamilton Police Services, the Hamilton Public Library and Conservation Authorities (LS23011 / FCS23013) (City Wide)

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*Note: This item will be the first Presentation of the day.*



# INFORMATION REPORT

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	January 10, 2023
<b>SUBJECT/REPORT NO:</b>	Legislation regulating funding of the Hamilton Police Services, the Hamilton Public Library and Conservation Authorities (LS23011/FCS23013) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Lisa Shields (905) 546-2424 Ext. 4636 Brian McMullen (905) 546-2424 Ext. 4549
<b>SUBMITTED BY:</b>	Lisa Shields City Solicitor Legal and Risk Management Services
<b>SIGNATURE:</b>	
<b>SUBMITTED BY:</b>	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	

## COUNCIL DIRECTION

Not applicable.

## INFORMATION

This report focuses on the *Police Services Act*, the *Public Libraries Act* and the *Conservation Authorities Act* and the requirement in those legislation that municipalities fund the operations of the police services, public libraries and conservation authorities within the city of Hamilton.

### *Police Services Act*

The *Police Services Act* (the “Act”) governs the operations of police services and police service boards in the province. Under s. 4 of the Act, a municipality is responsible for

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providing adequate and effective police services in accordance with its needs. The Act goes on to state that “adequate and effective police services must include, at a minimum, all of the following police services:

1. Crime prevention.
2. Law enforcement.
3. Assistance to victims of crime.
4. Public order maintenance.
5. Emergency response.”

The municipality in providing adequate and effective police services is responsible for providing all the infrastructure and administration necessary, which can include vehicles, boats, equipment, communication devices, buildings and supplies (section 4(3)). Ontario Regulation 3/99 details in more particularity what constitutes adequate and effective police services. The services are wide-ranging and span from general patrol to criminal investigation of fraud to the provision of a tactical response unit which includes a hostage rescue team.

The obligation for a municipality to provide adequate and effective police services requires it to either establish a police service board which delivers the service or alternatively, the service will be delivered by the Ontario Provincial Police and the municipality is required to pay for those services.

The City of Hamilton has established a police services board which consists of seven members: the Mayor, two members of Council, three persons appointed by the Lieutenant Governor in Council and a person appointed by Council. The Board is responsible for the provision of adequate and effective police services in the city of Hamilton.

With respect to funding of the police services, the Board is required to submit its budget to Council and Council upon reviewing the budget establishes the overall budget for the Board. Council is not required to adopt the budget of the Board and it also cannot approve or disapprove specific line items in the budget. The budget that is submitted must include the amounts required to maintain the police force and provide it with equipment and facilities as well as the expenses of the Board operations excluding the remuneration of Board members.

If the Board determines that the budget approved by Council is not sufficient to maintain “an adequate number of police officers or other employees of the police force or to provide the police force with adequate equipment or facilities”, the Board may request that the Police Services Commission conduct a hearing to determine the adequacy of the budget.

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*Public Libraries Act*

The funding by municipalities of public libraries is governed by the *Public Libraries Act* (“Act”). Under this Act, the municipality can establish a library board for the purposes of overseeing the operations of a public library within the municipality. The Hamilton Public Library Board was established by by-law 04-019 and is a corporate entity pursuant to the Act.

The Board, whose members are appointed by Council, consists of 11 members: nine citizen members and two City Councillors.

The Hamilton Public Library Board is required to submit its budget to Council for approval. Council can approve the budget as presented or make amendments to the budget which will then be adopted by the Board

*Conservation Authorities Act*

The *Conservation Authorities Act* governs the operation of conservation authorities in the province.

The City of Hamilton is a participating municipality of four conservation authorities (CA) due to lands situated either wholly or partly within its watershed being Hamilton CA, Niagara Peninsula CA, Grand River CA and Halton CA.

Conservation authorities’ budgets are comprised of operating or maintenance costs, administration costs and a variety of revenue sources including self-generated revenue, grants, and levies from participating municipalities.

Under s. 2 of Ontario Regulation 670/00, the levy for the participating municipalities are based on the following formula:

- (1) In determining the levy payable by a participating municipality to an authority for maintenance costs pursuant to subsection 27 (2) of the Act, the authority shall apportion such costs to the participating municipalities on the basis of the benefit derived or to be derived by each participating municipality determined,
  - (a) by agreement among the authority and the participating municipalities; or
  - (b) by calculating the ratio that each participating municipality’s modified assessment bears to the total authority’s modified assessment.
- (2) In determining the levy payable by a participating municipality to an authority for administration costs pursuant to subsection 27 (3) of the Act, the authority shall

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apportion such costs to the participating municipalities on the basis of the ratio that each participating municipality's modified assessment bears to the total authority's modified assessment.

The key factor in the regulation formula is "the ratio that each participating municipality's modified assessment bears to the total authority's modified assessment". In effect, the larger the municipality's assessment, the greater would be the levy burden.

Levy charges are calculated by determining the ratio that each participating municipality's land assessment bears to the total conservation authority land assessment. This is done by:

1. Assessing the value of the municipality
2. Determining the percentage of the municipality which falls within the jurisdiction of the conservation authority
3. Dividing the total value of the municipality's lands by the percentage that falls within the jurisdiction, to find the value of that section of land.
4. Adding up the value of lands from each participating municipality to find the value of all the land within the jurisdiction.
5. Dividing the total land value, by the value of lands associated with each municipality.
6. Charging levies against each municipality based on their ratio of land value to the total land value of the conservation authority.

Property assessments and apportionments of the levies are updated annually.

Under section 27 of the Act, a municipality may appeal the levy to the Ontario Land Tribunal within thirty days of receiving notice of the levy from a CA and the Tribunal will hold a hearing and make a decision on the appeal.

Regarding capital projects, a municipality may appeal the apportionment of the total benefit of any project to the Ontario Land Tribunal within thirty days of receiving notice from a CA and the Tribunal will hold a hearing and make a decision on the appeal.

With approval of Schedule 4 to the *Building Better Communities and Conserving Watersheds Act, 2017*, changes to the budget process come into force on July 1, 2023 for the 2024 budget. Refer to Ontario Regulations 399/22, 400/22, 401/22 and 402/22.

A comprehensive report on these changes will be presented at a future General Issues Committee meeting.

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**LS23011 / FCS23013**

**Legislation regulating funding of the  
Hamilton Police Services, the Hamilton  
Public Library and Conservation Authorities**

# Hamilton Police Services Board Legislation

Municipal police services are governed by the *Police Services Act*, R.S.O. 1990

Section 4 of the *Police Services Act* states that “every municipality... shall provide adequate and effective police services” which is defined as including at a minimum the following services:

1. Crime Prevention
2. Law Enforcement
3. Assistance to victims of Crime
4. Public Order Maintenance
5. Emergency Response

If the municipality does not provide police services, the Ontario Provincial Police provides the services and the costs are borne by the municipality.

Ontario Regulation 3/99 outlines in more detail what constitutes adequate and effective police services.

# Hamilton Police Services Board Composition and Duties

To deliver adequate and police services municipalities are required to establish a police services board.

The size and composition of the Board is set out in the Act.

The Hamilton Police Services Board is composed of seven members: the Mayor, two Councillors, three persons appointed by the Lieutenant Governor and one member of the public who is appointed by Council.



# Hamilton Police Services Board Budget

Section 39 of the Act governs the budget approval process of the Hamilton Police Services Board.

The board is required to submit its budget to Council.

Council establishes the overall budget for the Board, and in doing so, Council is not bound to adopt the budget submitted by the Board.

Council does not have the authority to approve or disapprove specific items in the budget.

In the case of a dispute between Council and the Board as to the budget, the Board may request that the Commission determine the question and the Commission shall, after a hearing, do so.

# Hamilton Public Library Board Legislation

Municipal public libraries are governed by the *Public Libraries Act, R.S.O. 1990*

Section 3 permits Council to establish a public library by by-law which shall be under the management and control of a Board.

By-Law 04-019 passed on February 11, 2004, established the Hamilton Public Library Board, replacing previous by-laws on the subject.

The by-law directs the Board to manage and direct the library in accordance with the Act. The Board consists of two members of Council and nine citizen appointees. The Board has the following officers: Chair, Vice Chair, Secretary, Treasurer and Chief Executive Officer.

The legislation directs the Board to submit its budget to Council annually.

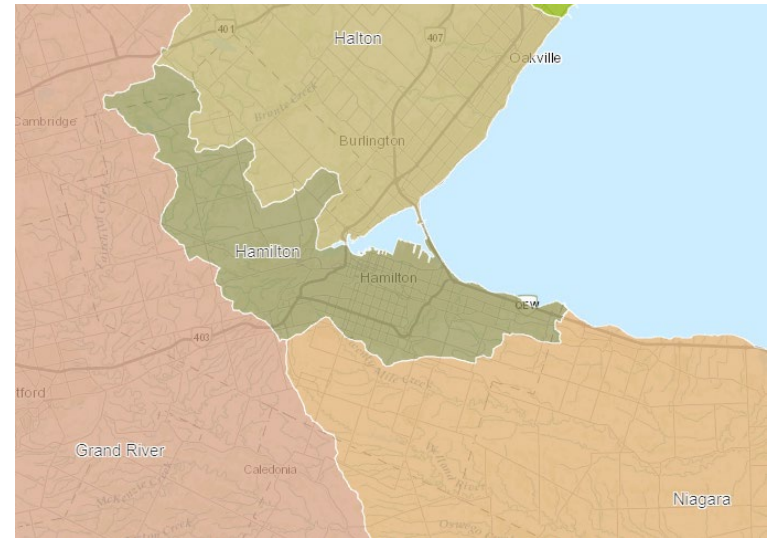
Council may adopt or amend the budget and the budget approved by Council shall be adopted by the Board.

# Conservation Authorities Legislation

Conservation Authorities are governed by the *Conservation Authorities Act, R.S.O. 1990*.

Under section 2 of *the Act* the jurisdiction of a Conservation Authority is delineated by the watersheds, not the municipal boundaries.

The municipal boundary of the City of Hamilton contains four watersheds, and therefore the City is a participating municipality in four conservation authorities, with varying levels of representation.



\*This Table does not reflect pending changes to board composition for Conservation Halton to 20 members in total and 3 Hamilton Councillors.

Conservation Authority	Board Members	Hamilton Councillors	Hamilton Citizens
Hamilton	11	5	5
Niagara	17	2	2
Grand River	26	1	0
Halton*	19	0	2

# Conservation Authorities Budget and Municipal Levy

The annual budget of a conservation authority includes operating or maintenance costs, administration costs, revenues and levies from participating municipalities.

The levy to municipalities is calculated using a prescribed formula found in O.Reg. 670/00.

The calculation of the levy is based on the municipal property assessment share. A municipality with a larger assessment will have a larger burden of levy. The assessments are updated annually.

Capital projects are apportioned based on the total benefit to the municipality.

A municipality may appeal the levy (operating and capital) to the Ontario Land Tribunal.

# Conservation Authorities Budget Approval Process

Following approval of its draft budget by the Board, each conservation authority submits and presents its budget to Council during the Tax Operating Budget process.

Following approval of its budget, a municipal levy request is submitted to Council.

# Conservation Authorities Act Changes

Approval of Schedule 4 to the *Building Better Communities and Conserving Watersheds Act, 2017*, will result in changes to the budget process, will come into force on July 1, 2023 and will affect the 2024 budget.

Refer to Ontario Regulations 399/22, 400/22, 401/22 and 402/22.

A comprehensive report on these changes will be presented at a future General Issues Committee.



Hamilton

THANK YOU