



City of Hamilton
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
ADDENDUM

Meeting #: 24-019
Date: October 17, 2024
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West


Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

10. DISCUSSION ITEMS

- *10.1 2024 Mid-Year Budget Adjustments (FCS24047) (City Wide) - REVISED



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

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	October 17, 2024
SUBJECT/REPORT NO:	2024 Mid-Year Budget Adjustments (FCS24047) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Duncan Robertson (905) 546-2424 Ext. 1310
SUBMITTED BY:	Kirk Weaver Acting Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That, in accordance with the "Budgeted Complement Control Policy", the extensions of temporary positions with 24-month terms or greater, with no impact to the net for tax levy, as outlined in Appendix "A" to Report FCS24047, be approved;
- (b) That, in accordance with the "Budgeted Complement Control Policy", the staff complement transfers from one department / division to another or a change in complement type, with no impact to the net for tax levy, as outlined in Appendix "B" to Report FCS24047, be approved;
- (c) That the proposed budget appropriations of \$250,000 or greater and reserve contributions to capital projects, as outlined in Appendix "C" to Report FCS24047, be approved.
- (e) That the proposed financing plan amendments resulting from Provincial approval of the City of Hamilton's Building Faster Fund Investment Plan and Housing-Enabling Water Systems Fund application, outlined in Appendix "D" to Report FCS24047, be approved.

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EXECUTIVE SUMMARY

The 2024 Mid-Year Budget Adjustments Report recommends routine budget adjustments that would be performed quarterly during a typical year of operations. The cybersecurity incident has disrupted the budget performance reporting schedule in 2024 and the opportunities for staff to recommend budget adjustments permitted through the Budget Control, Budgeted Complement Control, Capital Closing, Capital Budget Appropriation and Work-in-Progress Transfer and General Reserve Policies.

In accordance with the “Budget Control Policy” and “Budgeted Complement Control Policy”, staff recommend six temporary contract extensions and five complement transfers for Council’s consideration through Appendices “A” and “B” to Report FCS24047 respectively.

Additionally, there is a single capital budget appropriation that requires Council’s approval in accordance with the Capital Budget Appropriation Policy (greater than \$250 thousand), detailed in Appendix “C” to Report FCS24047, and several recommended financing plan adjustments to capital projects resulting from Provincial approval of the City’s Building Faster Fund Investment Plan and Housing-Enabling Water Systems Fund application, which are detailed in Appendix “D” to Report FCS24047.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Financial impacts of the recommendations are detailed in Appendices “A” through “D” to Report FCS24047. In accordance with financial policies, all recommended mid-year budget adjustments have no impact to the net for tax levy.

Staffing: Staffing implications of Report FCS24047 are detailed in Appendices “A” and “B”, which outline extensions of temporary positions and staff complement transfers from one department / division to another or a change in complement type with no impact to the net for tax levy.

Legal: N/A

HISTORICAL BACKGROUND

During the course of normal operations, staff provides Council with three budget variance reports during the fiscal year, as well as three capital project status and closing reports. Through these reports, staff have the opportunity to recommend budget amendments in accordance with financial policies.

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POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Budget Control Policy (Appendix 1 to FCS12010, CBP – 2). The purpose of this Policy is to ensure that City staff have appropriate authority to manage budget resources to ensure programs and services are delivered in an effective and efficient manner. Council also requires assurance that budget resources are used for the purpose intended through the approval of the annual budget.

Budget Complement Control Policy (Appendix “A” to FCS16024, CBP – 1). The purpose of this Policy is to ensure that the City’s staff complement is managed in an effective and efficient manner. The Policy provides guidance on transferring complement, increasing, or decreasing complement and changing complement type.

The City’s Capital Projects Budget Appropriation and Work-in-Progress Transfer Policy states that approval authority for the appropriation of funds coincide with the City’s Procurement Policy:

1. Council must approve appropriations of \$250,000 or greater
2. City Manager or designate must approve appropriations greater than \$100,000 and less than \$250,000
3. General Managers or delegated staff be authorized to approve appropriations up to \$100,000

RELEVANT CONSULTATION

Staff in all City of Hamilton departments were consulted to form the recommendations in Report FCS24047.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

Due to the disruption of regular budget performance reporting in 2024 because of the cybersecurity incident, Corporate Services staff consulted with all City departments to develop the recommendations in Report FCS24047 and capture mid-year budget amendments required to carry out operations in a consolidated report for Council’s consideration.

Corporate Services staff reviewed all submissions for consistency and adherence to applicable financial policies. The recommendations in Report FCS24047 do not have an impact on the City’s net for tax levy.

ALTERNATIVES FOR CONSIDERATION

N/A

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APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS24047 – Temporary Complement Extension Schedule

Appendix “B” to Report FCS24047 – Budgeted Complement Amendment Schedule

Appendix “C” to Report FCS24047 – Capital Projects Budget Appropriations of \$250,000 or greater and Capital Project Reserve Funding Requiring Council Approval

Appendix “D” to Report FCS24047 – Capital Projects Requiring a Change in Funding Source

CITY OF HAMILTON

TEMPORARY COMPLEMENT EXTENSION SCHEDULE

Extensions to temporary positions with terms of 24 months or greater per the Budgeted Complement Control Policy

ITEM #	TRANSFER FROM				TRANSFER TO			
	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>
1	Public Works	Hamilton Water	Sr. Project Manager - Hamilton Water	1.00	Public Works	Hamilton Water	Sr. Project Manager - Hamilton Water	1.00
	Explanation: Temporary position (PID #9034) is expiring, requesting approval for additional 24 months extension. The additional costs will be absorbed in the Operating budget with gapping. No impact on water/wastewater/storm rates.							
2	Public Works	Hamilton Water	Compliance & Regulations Technologist	1.00	Public Works	Hamilton Water	Compliance & Regulations Technologist	1.00
	Explanation: Temporary position (PID #11798) is expiring, requesting approval for additional 24 months extension. The additional costs will be absorbed in the Operating budget with gapping. No impact on water/wastewater/storm rates.							
3	Public Works	Hamilton Water	Technologist - Plant Capital Co-op	2.00	Public Works	Hamilton Water	Technologist - Plant Capital Co-op	2.00
	Explanation: Temporary positions (PID 11641/11642) are expiring, requesting approval for additional 24 months extensions. The additional costs will be absorbed in the Operating budget with gapping. No impact on water/wastewater/storm rates.							
4	Public Works	Hamilton Water	Technologist Wastewater Capital Delivery Co-op	2.00	Public Works	Hamilton Water	Technologist Wastewater Capital Delivery Co-op	2.00
	Explanation: Temporary positions (PIDs 3436/3427) are expiring, requesting approval for additional 24 months extensions. The additional costs will be absorbed in the Operating budget with gapping. No impact on water/wastewater/storm rates.							

CITY OF HAMILTON

TEMPORARY COMPLEMENT EXTENSION SCHEDULE

Extensions to temporary positions with terms of 24 months or greater per the Budgeted Complement Control Policy

ITEM #	TRANSFER FROM				TRANSFER TO			
	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>
5	Planning and Economic Development	PED General Manager	Director and Senior Advisor Strategic Growth (P#12973)	1.00	Planning and Economic Development	PED General Manager	Director and Senior Advisor Strategic Growth (P#12973)	
	Explanation: Contract extension for temporary staff requested for additional 12 months from Dec 31, 2025 to December 31, 2026. to complete work related to the City's corporate strategic growth initiatives, including work related to the 2024 DC By-law update.							
6	Planning and Economic Development	Growth Management	Growth Management Administrator	1.00	Planning and Economic Development	Growth Management	Growth Management Administrator	
	Explanation: Contract extension for temporary staff requested for additional 24 months from Sep 1, 2024 to Sep 1, 2026. to continue to have a centralized point of contact for inquiries from the general public or Council with respect to issues or concerns related to construction in the City.							

CITY OF HAMILTON

Amendments to budgeted complement per the Budgeted Complement Control Policy including transfers, position conversions and pay grade adjustments

ITEM #	TRANSFER FROM				TRANSFER TO			
	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>
1	Public Works	Hamilton Water	Community Program Analyst Co-op	0.65	Public Works	Hamilton Water	Community Outreach Educator	0.65
	Explanation: To approve the conversion of Temporary Part-time Community Program Analyst Co-op position (CUPE 5167 Grade J) to a Permanent Part-time Community Outreach Educator position (CUPE 5167 Grade J). The additional costs will be absorbed within the current operating budget with no impact on water/wastewater/storm rates.							
2	Public Works	Engineering Services	Survey Assistant	1.00	Public Works	Engineering Services	Survey Technician	1.00
	Explanation: Converting a CUPE 5167 Grade H Survey Assistant to a Grade M Survey Technician. The demands of the Capital program, as well as other City of Hamilton internal clients, have made a seventh Survey Technician invaluable to providing service. The primary role of the assistant has historically been operation of equipment. Advancements in technology have resulted in the fully remote operation of the equipment, making the Assistant role redundant.							
3	Public Works	Transportation	Concrete Finisher	1.00	Public Works	Transportation	SPM Roadway Maintenance	1.00
	Explanation: To approve the conversion of a Concrete Finisher (CUPE 5167, Grade E) to a Sr. Project Manager - Roadway Maintenance (NU Grade 6). Budget variance will be absorbed within the current operating budget to result in no net levy increase.							
4	Planning and Economic Development	Transportation Planning and Parking	Customer Service Rep	1.00	Planning and Economic Development	Transportation Planning and Parking	Project Mgr Community Mobility&Parking	1.00
	Explanation: To approve conversion of a Customer Service Rep position (CUPE 5167 grade G) to Project Manager Community Mobility and Parking position (CUPE 1041 grade 5) within the Transportation Planning and Parking Division. The pay scales are not equivalent and the estimated financial impact of approximately \$35K will be absorbed in the divisional operating budget with no impact on the net levy.							

CITY OF HAMILTON

BUDGETED COMPLEMENT AMENDMENT SCHEDULE

Amendments to budgeted complement per the Budgeted Complement Control Policy including transfers, position conversions and pay grade adjustments

ITEM #	TRANSFER FROM				TRANSFER TO			
	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>	<u>Department</u>	<u>Division</u>	<u>Position Title</u>	<u>FTE</u>
5	Planning and Economic Development	Transportation Planning and Parking	Parking Planning Technologist	1.00	Planning and Economic Development	Transportation Planning and Parking	Senior Project Manager Transportation Planning	
	Explanation: To approve conversion of a Parking Planning Technologist (CUPE 5167 grade L) to Senior Project Manager TP (CA grade 6), financial impact is more than one payband and will be absorbed within the existing operating budget with no impact to the net levy.							

CITY OF HAMILTON

CAPITAL PROJECTS BUDGET APPROPRIATIONS OF \$250,000 OR GREATER

AND CAPITAL PROJECT RESERVE FUNDING REQUIRING COUNCIL APPROVAL

Appropriated/ Transferred From	Description	Appropriated/ Transferred To	Description	Amount (\$)	Comments
Public Works (Tax Supported Budget)					
Corporate Facilities and Energy Management					
7100041706	Recreation Centre Retrofits Program	7101754805	Sir Wilfrid Laurier Gymnasium Addition	530,671	Appropriation to cover the following additional work on the Sir Wilfrid Laurier Gym Expansion project: - Pool Mechanical System Replacement: complete replacement during project to avoid reopening delays - Additional Plumbing Work: to address deficiencies in existing infrastructure and reduce risk of failure on older infrastructure.
Subtotal Corporate Facilities and Energy Management				530,671	
Subtotal Public Works (Tax Supported Budget)				530,671	
Total				530,671	

CITY OF HAMILTON CAPITAL PROJECTS REQUIRING A CHANGE IN FUNDING SOURCE

Project ID	Description	Original Funding Source	Revised Funding Source	Amount (\$)	Comments
Public Works (Tax Supported Budget)					
Engineering Services					
4031218526	Bridge 451 - Dundas St. East, 120m e/o Mill St S	Federal Gas Tax Revenue (42020)	Building Faster Fund Revenue (43575)	3,238,000	As approved through Report FCS24039, \$3.437 million in grant funding received through the Building Faster Fund will be applied to this project.
		Current Contribution (49300)	Building Faster Fund Revenue (43575)	99,000	As approved through Report FCS24039, \$3.437 million in grant funding received through the Building Faster Fund will be applied to this project.
		Reserve Contribution (49412)	Building Faster Fund Revenue (43575)	100,000	As approved through Report FCS24039, \$3.437 million in grant funding received through the Building Faster Fund will be applied to this project.
4032311019	Upper Wentworth - LINC to Mohawk	Federal Gas Tax Revenue (42020)	Building Faster Fund Revenue (43575)	4,825,000	As approved through Report FCS24039, \$4.856 million in grant funding received through the Building Faster Fund will be applied to this project.
		Current Contribution (49300)	Building Faster Fund Revenue (43575)	31,000	As approved through Report FCS24039, \$4.856 million in grant funding received through the Building Faster Fund will be applied to this project.
4032310235	SS0001 - Mountain Park Ave (Phase 02 Project)	Federal Gas Tax Revenue (42020)	Building Faster Fund Revenue (43575)	1,915,000	As approved through Report FCS24039, \$2.070 million in grant funding received through the Building Faster Fund will be applied to this project.
		Current Contribution (49300)	Building Faster Fund Revenue (43575)	155,000	As approved through Report FCS24039, \$2.070 million in grant funding received through the Building Faster Fund will be applied to this project.

CITY OF HAMILTON CAPITAL PROJECTS REQUIRING A CHANGE IN FUNDING SOURCE

Project ID	Description	Original Funding Source	Revised Funding Source	Amount (\$)	Comments
4242009701	A/R - Eastmount Neighbourhood	Federal Gas Tax Revenue (42020)	Building Faster Fund Revenue (43575)	1,000,000	As approved through Report FCS24039, \$1.13439 million in grant funding received through the Building Faster Fund will be applied to this project.
		Current Contribution (49300)	Building Faster Fund Revenue (43575)	120,000	As approved through Report FCS24039, \$1.13439 million in grant funding received through the Building Faster Fund will be applied to this project.
		Reserve Contribution (49412)	Building Faster Fund Revenue (43575)	14,390	As approved through Report FCS24039, \$1.13439 million in grant funding received through the Building Faster Fund will be applied to this project.
4031818404	Bridge 404 - Harrison Rd - 910m s/o Kirk Road	Federal Gas Tax Revenue (42020)	Building Faster Fund Revenue (43575)	1,540,000	As approved through Report FCS24039, \$1.540 million in grant funding received through the Building Faster Fund will be applied to this project.
4662320019	Traffic Cabinet & Controller Replacement Program	Current Contribution (49300)	Federal Gas Tax Revenue (42020)	1,000,000	To reallocate CCBF / Federal Gas Tax funding from projects that had a change in funding source approved in report FCS24039.
7202441001	Ancaster Old Town Hall Exterior Restoration	Current Contribution (49300)	Federal Gas Tax Revenue (42020)	1,000,000	To reallocate CCBF / Federal Gas Tax funding from projects that had a change in funding source approved in report FCS24039.
7100041706	Program-Recreation Centre Retrofits	Current Contribution (49300)	Federal Gas Tax Revenue (42020)	1,177,390	To reallocate CCBF / Federal Gas Tax funding from projects that had a change in funding source approved in report FCS24039.
5120051501	Waste Collection Fleet Replacement	Current Contribution (49300)	Federal Gas Tax Revenue (42020)	7,315,610	To reallocate CCBF / Federal Gas Tax funding from projects that had a change in funding source approved in report FCS24039.

CITY OF HAMILTON CAPITAL PROJECTS REQUIRING A CHANGE IN FUNDING SOURCE

Project ID	Description	Original Funding Source	Revised Funding Source	Amount (\$)	Comments
7100054216	Program-Roof Management	Current Contribution (49300)	Federal Gas Tax Revenue (42020)	2,025,000	To reallocate CCBF / Federal Gas Tax funding from projects that had a change in funding source approved in report FCS24039.
Subtotal Engineering Services				25,555,390	
Subtotal Public Works (Tax Supported Budget)				25,555,390	
Public Works (Rate Supported Budget)					
Waterworks					
5142096850	Locke St Trunk Watermain - Main to Barton (W-19)	Development Charges (48475 & 48476)	Federal Grant (42001)	1,560,375	Project was awarded grand funding through the Housing-Enabling Water Systems Fund.
5142396851	Locke St Trunk Watermain - York - Locke to Cannon @ Caroline (W-19) -	Development Charges Debt (49004 & 49005)	Federal Grant (42001)	1,801,275	Project was awarded grand funding through the Housing-Enabling Water Systems Fund.
5142363277	Hwy 5 and 6 MTO Interchange Strategic Upsizing of Existing Watermains	Debenture Proceeds (49002)	Building Faster Fund Revenue (43575)	1,050,000	As approved through Report FCS24039, \$1.050 million in grant funding received through the Building Faster Fund will be applied to this project.
5141269250	HVAC system Upgrades at New Environmental Laboratory and Administration Building	Current Contribution (49300)	Debenture Proceeds (49002)	4,550,000	As debenture proceeds are no longer being applied to projects 5162418420 & 5142363277, \$4.550 million in debt can be applied to this project. As a result \$4.55M will be returned to the Waterworks Capital Reserve (#108105) to fund the development charge exemption phase-in strategy approved through the 2024 budget.
Subtotal Waterworks				8,961,650	
Wastewater					

CITY OF HAMILTON CAPITAL PROJECTS REQUIRING A CHANGE IN FUNDING SOURCE

Project ID	Description	Original Funding Source	Revised Funding Source	Amount (\$)	Comments
5162418420	Size upgrade to sanitary sewer at Dundas St. East	Debenture Proceeds (49002)	Building Faster Fund Revenue (43575)	3,500,000	As approved through Report FCS24039, \$3.500 million in grant funding received through the Building Faster Fund will be applied to this project.
Subtotal Wastewater				3,500,000	
Subtotal Public Works (Rate Supported Budget)				12,461,650	
Total Revised Funding				38,017,040	