



Hamilton

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Financial Planning & Policy Division

TO: Chair and Members Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: December 10, 2012	
SUBJECT/REPORT NO: 2012 Tax Budget Restatements (FCS12104) (City Wide)	
SUBMITTED BY: Roberto Rossini General Manager Finance & Corporate Services Department	PREPARED BY: Tom Hewitson (905) 546-2424 x4159 Victoria Terella (905) 546-2424 x4169
SIGNATURE:	

RECOMMENDATION

- (a) That, in accordance with the “Budget Control Policy”, the 2012 tax budget restatements, transferring budget from one cost category to another or one department/division to another with no impact on the levy, as outlined in Appendix A to report FCS12104 be approved;
- (b) That, in accordance with the “Budgeted Complement Control Policy”, the 2012 complement transfers, transferring complement from one department/division to another with no impact on the levy, as outlined in Appendix B to report FCS12104 be approved.

EXECUTIVE SUMMARY

In accordance with the new “Budget Control Policy” & “Budgeted Complement Control Policy”, approved by Council in February 2012, staff are submitting a number of items recommended for restatement. The tax budget restatements simply move budget from

one department/division to another or one cost category to another to more accurately reflect their cost type and the actual expense that is occurring. The complement transfers move 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. Completing these transfers simplifies the budget review process for the following year by ensuring comparable budget data.

Appendix A to report FCS12104 provides the items recommended for budget restatement and Appendix B to report FCS12104 reflects the requested complement transfers.

Alternatives for Consideration – Not Applicable

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

Financial: All restatements have no impact on the levy (zero net levy impact).

Staffing: None.

Legal: None.

HISTORICAL BACKGROUND (Chronology of events)

During the 2011 budget deliberations, staff were asked to develop a budget restatement policy and a budget complement control policy. Due to the delay in approving the 2011 budget and the start of the 2012 process, the policy was not able to be approved for implementation during 2011.

On January 9th, 2012, staff submitted FCS12010 “Budget Control Policy” and FCS12011 “Budgeted Complement Control Policy”, for General Issues Committee (GIC) consideration. GIC referred the reports and policies back to staff and directed that the authorization requirements on a number of items be enhanced to require Council approval.

In February 2012, Council approved a revised “Budget Control Policy” and “Budgeted Complement Control Policy” that was based on direction provided to staff at the January 9th, 2012 GIC meeting.

POLICY IMPLICATIONS

N/A.

RELEVANT CONSULTATION

This report is based on information provided from all the departments.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

The reallocation of budget resources or budgeted complement from one cost centre to another or one cost category to another is to provide comparable data for the next year's budget reports. The restated budget is only reflected in reports for 2013 budget deliberations, to allow for a cleaner budget change analysis when staff and Council review the 2013 budget and is not used for variance performance. All restatements must be net zero and cannot increase or decrease the overall budget.

For example, the restatements include a transfer of base budget from Recreation to Public Works related to rents paid for 77 James Street North. Recreation moved out of space in that facility and Public Works is now in the space, so the base budget for the rent is being transferred.

Appendix A to report FCS12104 provides further details on each individual budget restatement and Appendix B to report FCS12104 provides further details on each individual budgeted complement transfer.

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

N/A.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

Financial Sustainability

- ◆ Financially Sustainable City by 2020
- ◆ Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost-effective manner

APPENDICES / SCHEDULES

Appendix A to report FCS12104 Budget Restatement Schedule

Appendix B to report FCS12104 Budgeted Complement Transfer Schedule

CITY OF HAMILTON
BUDGET RESTATEMENT SCHEDULE

BUDGET RESTATEMENT

Budget Transfer to another division or department

ITEM #	TRANSFER FROM			TRANSFER TO		
	Department	Division	Amount	Department	Division	Amount
1.1	Community Services	Recreation	(\$150,530)	Public Works	Facilities	\$150,530
	Explanation: Recreation rent budget for 77 James Suite 400					
1.2	Community Services	Employment & Income Support	(\$138,100)	Community Services	Benefit Eligibility	\$138,100
	Explanation: All Resource Centre Facility charges related to the Upper James and Barton office to be centralized under OW Admin funding, thereby reflecting all rental costs under one area.					
1.3	Public Health Services	Health Protection	\$75,200	Public Health Services	Healthy Living	(\$75,200)
	Explanation: Distribute General Fees from Health Protection Administration to Healthy Living - Tobacco Control MPSG for Tobacco related fees to align fees with programming					
1.4	Public Health Services	Various	(\$53,010)	Public Health Services	Office of Medical Officer of Health	\$53,010
	Explanation: OMOH PHS Professional Development (various Public Health Department deptIDs) responds to new corporate policies on learning and development and creates alignment of training with strategic objectives and ensures efficient use of training time and resources through departmental					
1.5	Public Health Services	Office of Medical Officer of Health	(\$513,440)	PHS & PHS RMRCH	Various	\$513,440
	Explanation: Allocate cost allocations for 100% funded and March programs currently allocated to the Levy into their respective programs to ensure full costs are rolled up on Ministry claims					

Note - Above budget transfers remain in the same cost category.

CITY OF HAMILTON
BUDGET RESTATEMENT SCHEDULE

BUDGET RESTATEMENT

Budget Transfer from one cost category to another cost category

ITEM #	DEPARTMENT/DIVISION			TRANSFER FROM		TRANSFER TO	
	Department	Division	Dept ID	Cost Category	Amount	Cost Category	Amount
1.6	HES	Emergency Medical Services	various	Contribution from Reserves	\$362,930	Grants and Subsidies	(\$362,930)
	Explanation: EMS 2012 Council Approved Enhancements were budgeted to be funded from the Tax Stabilization Reserve but the Province funded the enhancements and no Tax Stabilization funding was required. This restatement will align the budget with actual funding and improve year to year						
1.7	Community Services	Housing Services	673000	Building and Ground	(\$14,540)	Employee Related Costs	\$14,540
	Community Services	Housing Services	673000	Building and Ground	(\$16,230)	Reserves/Recoveries	\$16,230
	Explanation: Costs associated with new office space to be realigned (Employee Related Cost is parking; facilities recovery as opposed to "cleaning")						
1.8	Community Services	Housing Services	624010	Fees and General	\$89,830	Grants and Subsidies	(\$89,830)
	Explanation: Revenue change from "admin fee" to "provincial rent supplement" subsidy pertaining to administrative costs in rent supplement programs (provincially funded)						
1.9	Community Services	Hamilton Farmers' Market	720400	Material and Supply	(\$20,400)	Contractual	\$20,400
	Explanation: Budget transfer to correctly assign to Community Programming account, under the Contractual cost category						
2.0	Community Services	Wentworth Lodge	632035	Contractual	(\$20,500)	Building & Ground	\$20,500
	Community Services	Wentworth Lodge	632035	Material & Supply	(\$16,580)	Building & Ground	\$16,580
	Explanation: Building Services realigning budgets against actual spending within various different operating expense lines.						
2.1	Public Health Services	Clinical & Preventive Services	678405	Materials & Supplies	(\$20,000)	Financial	\$20,000
	Explanation: To transfer costs based on historical and program need based on anticipated spending requirements (from Medical Supplies to Fees For Service) for Needle Exchange Program						
2.2	Public Health Services	Clinical & Preventive Services	678331	Financial	\$50,180	Grants & Subsidies	(\$50,180)
	Explanation: Approved Panorama Funding included in 2012 Provincial Program Based Funding, but after 2012 Budget Load						
2.3	Public Health Services	Clinical & Preventive Services	678115	Materials & Supplies	(\$4,000)		
	Public Health Services	Office Of Medical Officer of Health	677300			Employee Related Cost	\$1,940
	Public Health Services	Office Of Medical Officer of Health	677300			Building & Grounds	\$260
	Public Health Services	Office Of Medical Officer of Health	677300			Contractual	\$1,200
	Public Health Services	Office Of Medical Officer of Health	677300			Reserves & Recoveries	\$600
	Explanation: Transfer of operating expenses for 2.0 PHN's transferred in 2011 to Social Determinants of Health						

CITY OF HAMILTON BUDGETED COMPLEMENT TRANSFER SCHEDULE

BUDGETED COMPLEMENT TRANSFER

Complement Transfer to another division or department ⁽¹⁾

ITEM #	TRANSFER FROM				TRANSFER TO			
	<u>Department</u>	<u>Division</u>	<u>Position Title</u> ⁽²⁾	<u>FTE</u>	<u>Department</u>	<u>Division</u>	<u>Position Title</u> ⁽²⁾	<u>FTE</u>
1.1	Public Health Services	Healthy Living	Program Secretary	(0.6)	Public Health Services	Health Protection	Program Secretary	0.6
Explanation: Transfer 0.6 FTE Program Secretary from Healthy Living to Health Protection to support Health Hazards Program								

Note (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 (ie. Increasing/decreasing budgeted complement, changing budgeted complement type).

Note (2) - If a position is changing, the impact of the change must be within 1 pay band or separate Council approval is required.