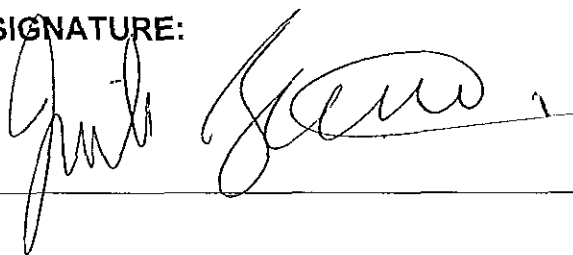




Hamilton

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Financial Planning & Policy Division

TO: Mayor and Members General Issues Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: February 28, 2013	
SUBJECT/REPORT NO: 2013 Tax Supported Operating Budget - Recommendations (FCS13010) (City Wide)	
SUBMITTED BY: Mike Zegarac Acting General Manager Finance & Corporate Services	PREPARED BY: Tom Hewitson (905) 546-2424 ext 4159
SIGNATURE: 	

RECOMMENDATION

A. Planning & Economic Development Department

- (i) That the Planning & Economic Development operating budget (Book 2), Appendix 2-1, page 7, \$22,535,450 inclusive of amendments as per Appendix "A" attached hereto, be approved.

B. Public Health Services Department

- (i) That the Public Health Services operating budget (Book 2), Appendix 2-2, page 39, \$10,490,820 inclusive of amendments as per Appendix "A" attached hereto, be approved.

- (ii) That the Medical Officer of Health be authorized and directed to execute all 2013 Federal and Provincial Program Service Level Funding Agreements and any ancillary agreements required to give effect thereto and Contracts for Public Health Services as provided for in Appendix 2-2 to report FCS13010. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.

C. Community Services Department

- (iii) That the Community Services operating budget (Book 2), Appendix 2-3, page 71, \$130,495,570 inclusive of amendments as per Appendix "A" attached hereto, be approved.
- (iv) That the General Manager of Community Services be authorized and directed to execute all 2013 Federal and Provincial Program Service Level Funding Agreements and any ancillary agreements required to give effect thereto and Contracts for Community Services as provided for in Appendix 2-3 to report FCS13010. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.

D. Hamilton Emergency Services Department

- (i) That the Fire Department operating budget (Book 2), Appendix 2-3, Page 112, \$80,337,850 be approved.
- (ii) That the Paramedic Service operating budget (Book 2), Appendix 2-3, Page 116, \$17,241,250 be approved.

E. Public Works Department

- (i) That the Public Works operating budget, (Book 2), Appendix 2-4, page 123, \$190,851,680 inclusive of amendments as per Appendix "A" attached hereto, be approved.

F. City Manager Department

- (i) That the City Manager operating budget (Book 2), Appendix 2-5, page 152, \$10,085,014 inclusive of amendments as per Appendix "A" attached hereto, be approved.

G. Corporate Services Department

- (i) That the Corporate Services operating budget (Book 2), Appendix 2-6, page 175, \$19,916,720 inclusive of amendments as per Appendix "A" attached hereto, be approved.

H. Legislative

- (i) That the Legislative operating budget (Book 2), Appendix 2-7, page 201, \$3,997,580 inclusive of amendments as per Appendix "A" attached hereto, be approved.

I. Corporate Financials/Capital Financing/Non Program Revenues

- (i) That the Corporate Financials operating budget (Book 2), Appendix 2-7, page 203 and 209, \$4,190,240 inclusive of amendments as per Appendix "A" attached hereto, be approved.
- (ii) That the Capital Financing operating budget \$90,177,000 be approved.
- (iii) That the Non Program Revenues operating budget (Book 2), Appendix 2-7, page 213, -\$39,298,950 inclusive of amendments as per Appendix "A" attached hereto, be approved.

J. Council Referred Items

- (i) That the Council Referred Items contained in Appendix "B" to report FCS13010, be received.

K. Requested Program Enhancements

- (i) That the Requested Program Enhancements contained in Appendix "C" to report FCS13010, be received.

L. 2013 Tax Levy

- (i) That the City Solicitor & Corporate Counsel be authorized and directed to prepare all necessary by-laws, for Council approval, for the purposes of establishing the tax levy.

EXECUTIVE SUMMARY

The 2013 Preliminary Tax Supported Operating Budget was submitted to Council on January 28, 2013 at GIC. Each department then provided GIC with an in-depth presentation of their 2013 budget. Boards and Agencies also presented, as well as members of the public provided delegations.

Based on the feedback during this time, staff have developed a number of recommended options to further reduce the average Residential total tax impact. These recommended reduction options, combined with the Residential average reassessment-related tax impact, as identified in staff report "2013 Reassessment Impacts" (FCS13022), reduces the average Residential total tax impact from 2.9% (as submitted) to 2.2%. The reductions are identified in Appendix "A" to report FCS13010. Further information will be provided during a staff presentation at the February 28th GIC.

The recommendations to this report ask Council to approve the budget as submitted in the preliminary document, less the recommended reductions contained in the attached Appendix "A" to report FCS13010. If desired, Council may approve additional reductions which would then be added to this amendment list (Appendix "A").

The budgets for Boards and Agencies has been submitted to GIC through FCS13011 and are not included in the recommendations within this report. The approval of the Boards and Agencies budgets would occur through approval of the recommendations contained in staff report FCS13011.

Note: the average Residential total tax impact of 2.2% does NOT include approval of Council Referred Items (Recommendation J) or the Requested Enhancements (Recommendation K). Should Council wish to approve any of these items, it may do so, and these would then be added to Appendix A of this report.

Alternatives for Consideration – See Page 5

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

Financial: Full financial information can be found in Books One and Two of the 2013 Tax Supported Preliminary Operating Budget.

Staffing: A complement summary can be found in Appendix 1 – 4 of the 2013 Tax Supported Preliminary Operating Budget Book (One).

Legal: N/A.

HISTORICAL BACKGROUND (Chronology of events)

The 2013 Committee calendar includes a number of scheduled General Issues Committee meetings for the 2013 tax operating budget. The budget kick-off took place on January 28th, 2013, followed by various other GIC dates which allowed for departmental budget presentations. As of the writing of this report, the remaining scheduled GIC budget deliberation meeting dates are as follows:

- February 28th
- March 4th
- March 7th
- March 21st
- March 27th (Council Budget Approval)

POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

The budget has been developed in conjunction with internal and external partners.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

N/A

ALTERNATIVES FOR CONSIDERATION

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

As part of the budget deliberations, Council can direct changes to the budget as required.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN:

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.
- 2.2 Improve the City's approach to engaging and informing citizens and stakeholders.
- 2.3 Enhance customer service satisfaction.

APPENDICES / SCHEDULES

Appendix "A" – 2013 Tax Supported Operating Budget Amendments

Appendix "B" – 2013 Council Referred Enhancements

Appendix "C" – 2013 Requested Enhancements

CITY OF HAMILTON
2013 TAX SUPPORTED OPERATING BUDGET AMENDMENTS

Department	Description	FTE	Preliminary Budget	Net Levy Adjustment	Levy Increase \$	Residential Impact	
						Muni	Total
Operating Levy Impact Preliminary Budget - Budget Book (Jan. 28 GIC)		6,970.78	\$ 734,546,240		\$ 29,475,600	3.5%	2.9%
Police	Hamilton Police Services			(1,151,310)			
B&A	Niagara Peninsula Conservation Authority			(9,957)			
B&A	Hamilton Conservation Authority			(9,980)			
Legislative	Veteran's Advisory Committee			8,410			
Proposed Amendments - Feb 28th							
PED	Airport Contract			(30,000)			
PED	Increase Parking meter rates to reduce \$500k liability currently funded by reserve			0			
PED	Draw additional funds from the Development Stabilization Reserve			(50,000)			
PED	Cancellation of Winterfest.			(36,000)			
PED	Minor reductions for various accounts in several Divisions based on 2012 actual expenditures			(25,000)			
PHS	CINOT reduction based on review of 2012 year end numbers			(160,000)			
CSD	Farmer's Market			(56,000)			
CSD	Mortgage renewals			(44,000)			
PW	AODA based on activity in 2012			(900,000)			
PW	Bio-diesel			(278,000)			
PW	McMaster Lease			(500,000)			
PW	Safety program			(200,000)			
PW	Winter Season - continuous average to include 2012			(800,000)			
CMO	Increase the capital recovery			(48,850)			
CMO	Reduction in contractual services and salary/benefits			(20,686)			
Corp Serv	Minor reductions for various accounts - Information Services			(32,680)			
Corp Serv	Decrease Contractual services			(41,790)			
Corp Serv	Lease and service contracts			(18,950)			
Corp Fin/Non-Prog	Update to Canada Pension Plan (CPP) Max			(50,000)			
Corp Fin/Non-Prog	Raise penalty and interest from 1% to 1.25%.			(750,000)			
		0,00			\$ (5,204,793)	-0.8%	-0.6%
AVERAGE RESIDENTIAL TOTAL TAX IMPACT		6,970.78	\$ 729,341,447		24,270,807	2.7%	2.3%
Average Residential Reassessment-related tax impact						0.1%	-0.1%
AVERAGE RESIDENTIAL TOTAL TAX IMPACT (inclusive of reassessment)						2.8%	2.2%

**CITY OF HAMILTON
2013 COUNCIL REFERRED ENHANCEMENTS
SUMMARY**

INITIATIVE	2013 Amount		Annualized FTE
	GROSS IMPACT	NET IMPACT	
PLANNING & ECONOMIC DEVELOPMENT			
Tourism & Culture: City of Hamilton Gage Park Concert Series funding (PED12203).	\$ 25,000	\$ 25,000	-
Economic Development - Commercial Corridor Housing Loan and Grant Program (PED11118(a))	\$ 15,000	\$ 15,000	-
Hamilton Downtown Multi-residential Property Investment Program. (PED12220/FCS12090)	WITHDRAWN	WITHDRAWN	-
Contribution for the Innovation Factory to be funded from the Economic Development Investment Reserve Fund.	\$ 50,000	\$ -	-
Supercrawl Funding	\$ 125,000	\$ 125,000	-
Tourism & Culture: Landscape maintenance for grounds and public parks surrounding National Historic Sites under the City's Stewardship	\$ 50,000	\$ 50,000	-
PLANNING & ECONOMIC DEVELOPMENT SUBTOTAL	\$ 265,000	\$ 215,000	-
COMMUNITY SERVICES			
Discretionary Benefits/Community Start-Up and Maintenance Benefit (CSUMB)	TBD	TBD	TBD
Living wage - Living wage rate for all City of Hamilton part time employees.	TBD	TBD	TBD
Hamilton Centre for Civic Inclusion (HCCI) - additional funding request	\$ 25,000	\$ -	-
COMMUNITY SERVICES SUBTOTAL	\$ 25,000	\$ -	-

**CITY OF HAMILTON
2013 COUNCIL REFERRED ENHANCEMENTS
SUMMARY**

INITIATIVE	2013 Amount		Annualized FTE
	GROSS IMPACT	NET IMPACT	
PUBLIC HEALTH SERVICES			
Family Health – Nurse Family Partnership Expansion	\$ 137,608	\$ 137,608	2.00
PUBLIC HEALTH SERVICES SUBTOTAL	\$ 137,608	\$ 137,608	2.00
HAMILTON EMERGENCY SERVICES			
Community Neighbourhood Paramedic Initiatives; Public Access Defibrillation Program	\$ 30,000	\$ 30,000	-
HAMILTON EMERGENCY SERVICES SUBTOTAL	\$ 30,000	\$ 30,000	-
PUBLIC WORKS			
OWM - Street Tree Trimming Program	\$ -	\$ -	-
OWM - Road and Sidewalk Safety Maintenance	\$ 1,100,000	\$ 1,100,000	-
OWM - Storm Water Facilities Maintenance	\$ 1,370,000	\$ 1,370,000	-
OWM - Horticulture Beautification	TBD	TBD	TBD
OWM - Winter Control Program: Increased WCP service level for residential class three roadways with rural cross section (PW Motion Apr. 2/12, pending report back) - pilot with existing resources	TBD	TBD	TBD

**CITY OF HAMILTON
2013 COUNCIL REFERRED ENHANCEMENTS
SUMMARY**

INITIATIVE	2013 Amount		Annualized FTE
	GROSS IMPACT	NET IMPACT	
OWM - Grass Mowing Parks: Increased frequency of spring mowing at parks for one (1) month (PW Motion June 4/12, pending report back)	\$ 600,000	\$ 600,000	-
OWM - Rural Roadside Grass Mowing: 1 additional mowing cycle @ \$100,500 & addition of back of ditch to first cutting cycle @ \$31,300 (PW Motion June 4/12, pending report back)	\$ 132,000	\$ 132,000	-
OWM - Urban Boulevard Grass Mowing: 3 additional cycle cuts @ \$26,850 /cycle to increase the service level from 9 to 12 cycles per season (PW Motion June 4/12, pending report back)	\$ 81,000	\$ 81,000	-
OWM - Parks: 1 additional month of spray pad operation (PW Motion June 4/12)	\$ 64,000	\$ 64,000	0.33
City Wide - Corporate Green Cart Program (PW12004a and PW11096b, June 18/12)	WITHDRAWN	WITHDRAWN	-
Red Hill Business Park Transit Service (PW12100/PED12249)	\$ 302,149	\$ 302,149	4.00
PUBLIC WORKS SUBTOTAL	\$ 3,649,149	\$ 3,649,149	4.33
LEGISLATIVE			
Increased assistance to ward councillors	\$ 501,795	\$ 461,695	8.50
LEGISLATIVE SUBTOTAL	\$ 501,795	\$ 461,695	8.50

**CITY OF HAMILTON
2013 COUNCIL REFERRED ENHANCEMENTS
SUMMARY**

INITIATIVE	2013 Amount		Annualized FTE
	GROSS IMPACT	NET IMPACT	
CITY MANAGER			
HR - Legal Fees	\$ 200,000	\$ 200,000	-
HR - Arbitration Costs	\$ 50,000	\$ 50,000	-
CITY MANAGER SUBTOTAL	\$ 250,000	\$ 250,000	-
CORPORATE SERVICES			
Equipment Lease for 2014 Municipal Election	\$ 150,000	\$ 150,000	-
CORPORATE SERVICES SUBTOTAL	\$ 150,000	\$ 150,000	-
BOARDS & AGENCIES			
Implementation of HECFI Operating Contract	TBD	TBD	TBD
Community Partnership Program - 2% increase to fund deficit in Special Event Police funding	\$ 64,243	\$ 64,243	-
BOARDS & AGENCIES SUBTOTAL	\$ 64,243	\$ 64,243	-
TOTAL COUNCIL REFERRED ITEMS	\$ 5,072,795	\$ 4,957,695	14.83

**CITY OF HAMILTON
2013 REQUESTED ENHANCEMENTS
SUMMARY**

INITIATIVE	2013 Amount		Annualized FTE
	GROSS IMPACT	NET IMPACT	
PLANNING & ECONOMIC DEVELOPMENT			
Building – additional FTEs to address increase in Building Permit activity (64% increase since 2006) To be funded from Building Enterprise Reserve and Increased zoning activity revenue	\$ 233,000	\$ -	4.00
PLANNING & ECONOMIC DEVELOPMENT SUBTOTAL	\$ 233,000	\$ -	4.00
HAMILTON EMERGENCY SERVICES			
Paramedic Services - Vehicle attendant to address gaps in infection control & to contain-reduce extended shifts & maintain-improve resource capacity	WITHDRAWN	WITHDRAWN	WITHDRAWN
HAMILTON EMERGENCY SERVICES SUBTOTAL	\$ -	\$ -	-
PUBLIC WORKS			
Traffic Flow & Roadway Safety - Traffic Signal Maintenance	\$ 259,400	\$ 99,400	2.00
Traffic Flow and Roadway Safety - Sign & Pavement Marking Mtce.	\$ 194,600	\$ 96,600	2.00
PUBLIC WORKS SUBTOTAL	\$ 454,000	\$ 196,000	4.00

**CITY OF HAMILTON
 2013 REQUESTED ENHANCEMENTS
 SUMMARY**

INITIATIVE	2013 Amount		Annualized FTE
	GROSS IMPACT	NET IMPACT	
CITY MANAGER			
Human Resources - Diversity Outreach Coordinator to attract and retain qualified candidates from diverse communities, eliminate employment related barriers (AODA), youth attraction strategies - co-ops, interns etc.	WITHDRAWN	WITHDRAWN	WITHDRAWN
CITY MANAGER SUBTOTAL	\$ -	\$ -	-
CORPORATE SERVICES			
Customer Service, Access & Equity – Language line enhancement pilot (interpretation service).	\$ 10,000	\$ 10,000	-
CORPORATE SERVICES SUBTOTAL	\$ 10,000	\$ 10,000	-
TOTAL REQUESTED ENHANCEMENT ITEMS	\$ 697,000	\$ 206,000	8.00