



Hamilton

2014 Tax - Supported Capital Budget

General Issues Committee

November 28, 2013

- Ward information sessions (July.– August.)
- 2 GIC workshops (Sept. 13, Oct. 18)
- Bus Tour (Sept. 20)
- GIC (November 28)
- Council Approval (Dec.11)

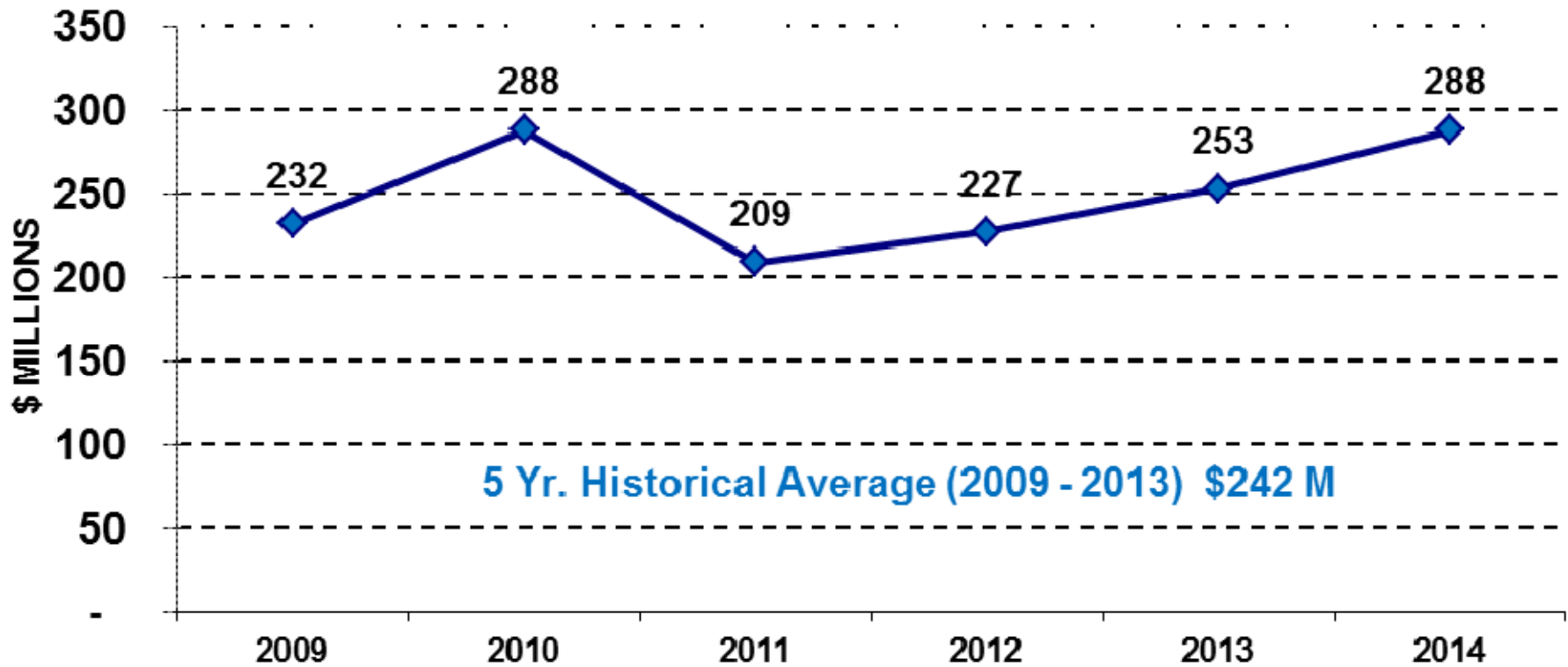
- Comprehensive process
- Aligns City's capital budget with its Strategic Plan
- Feedback ward information sessions
- Balance between funding rehabilitation of existing assets with funding of assets that support growth

2014 – 2023 Tax Capital Objectives

- Represents an effort to address/support existing assets
- Provides a level of support towards municipal investment readiness and economic development capacity
- 2014 – 2025 recommended 0.5% annual levy increase, in principle (\$198M)

Tax Capital History

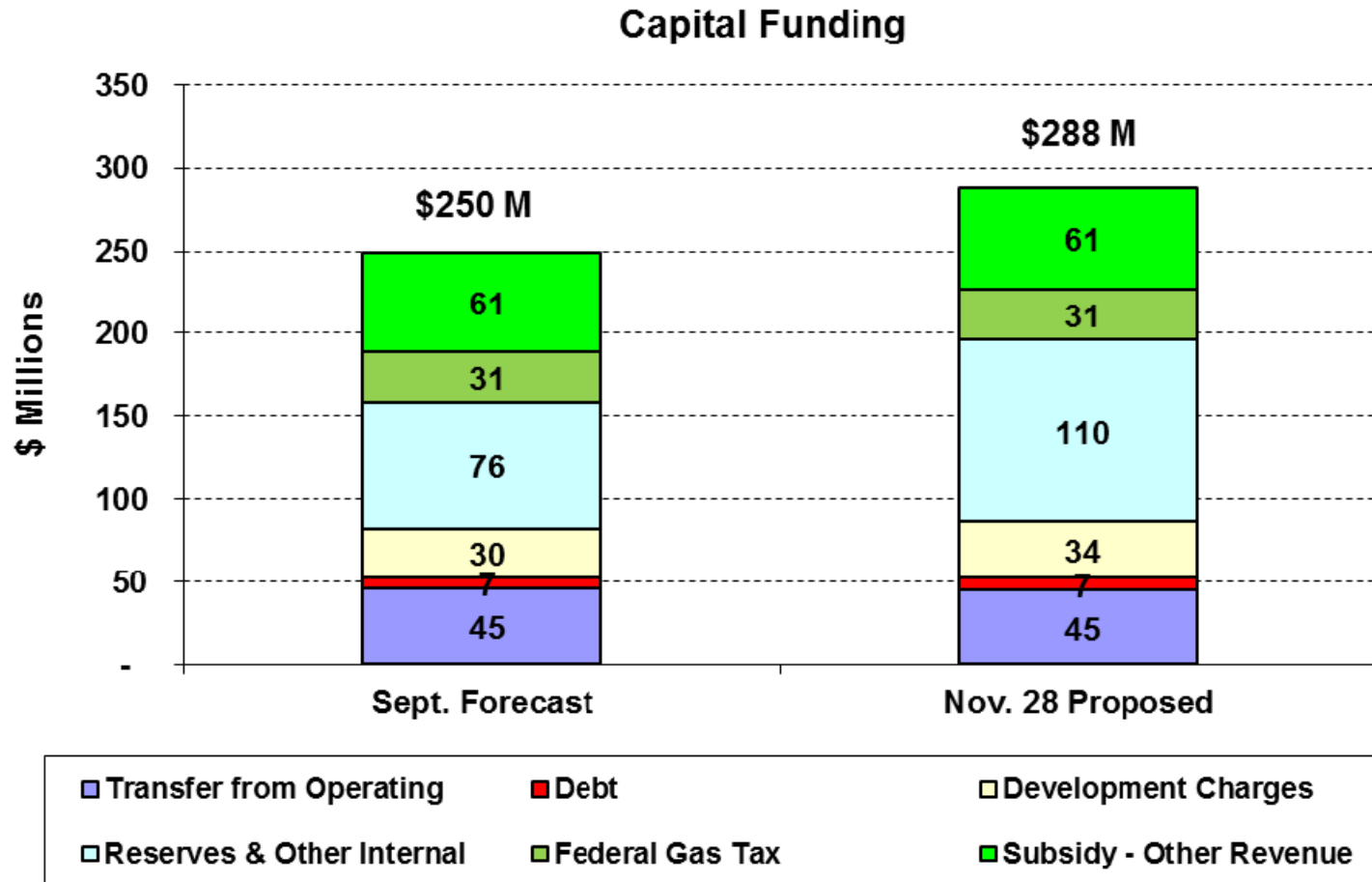
Total Gross Capital



Levy Incr.	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%
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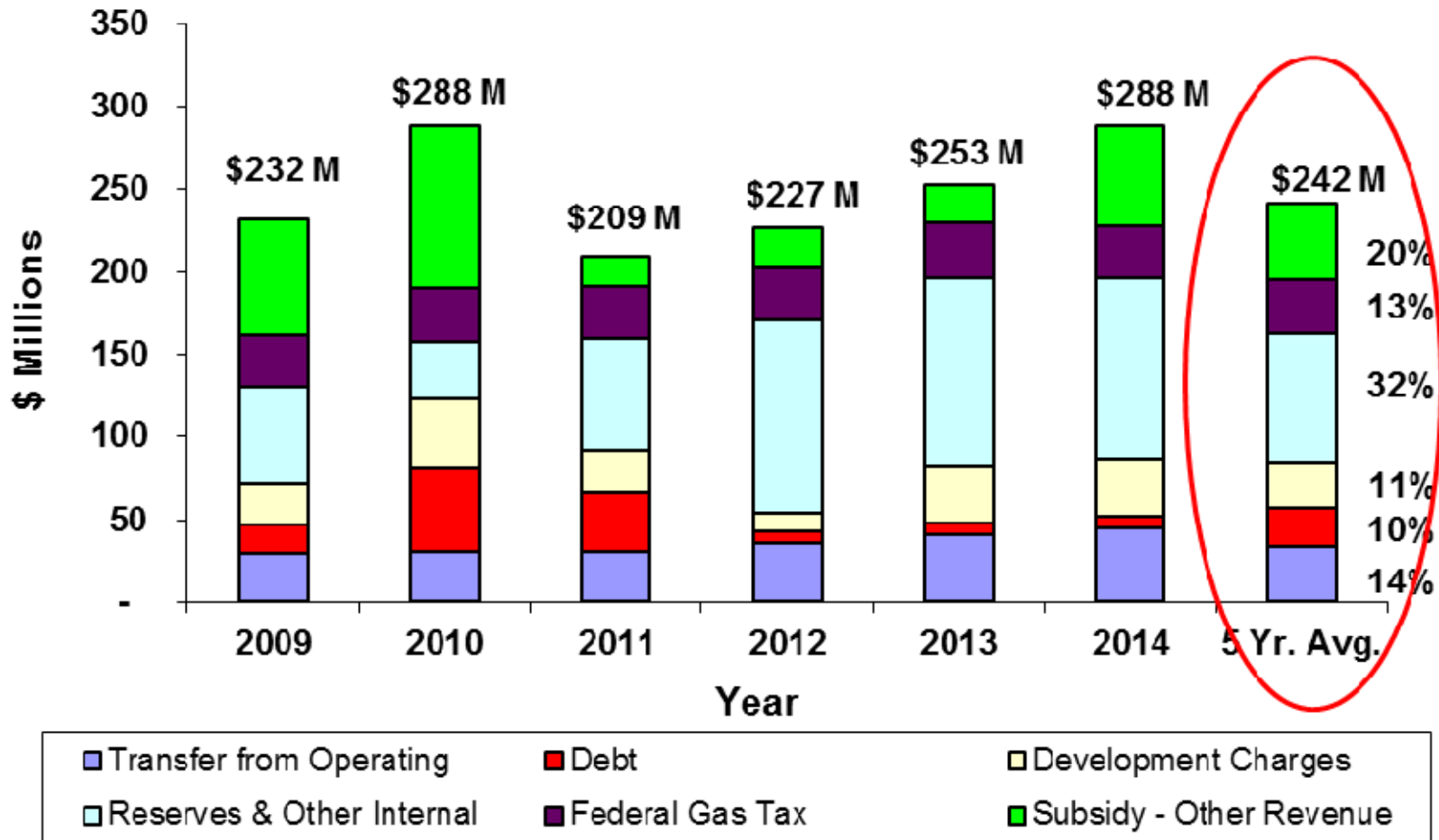


Capital Funding compared to September Budget Workshops



Gross Tax Capital Funding Sources

Capital Funding

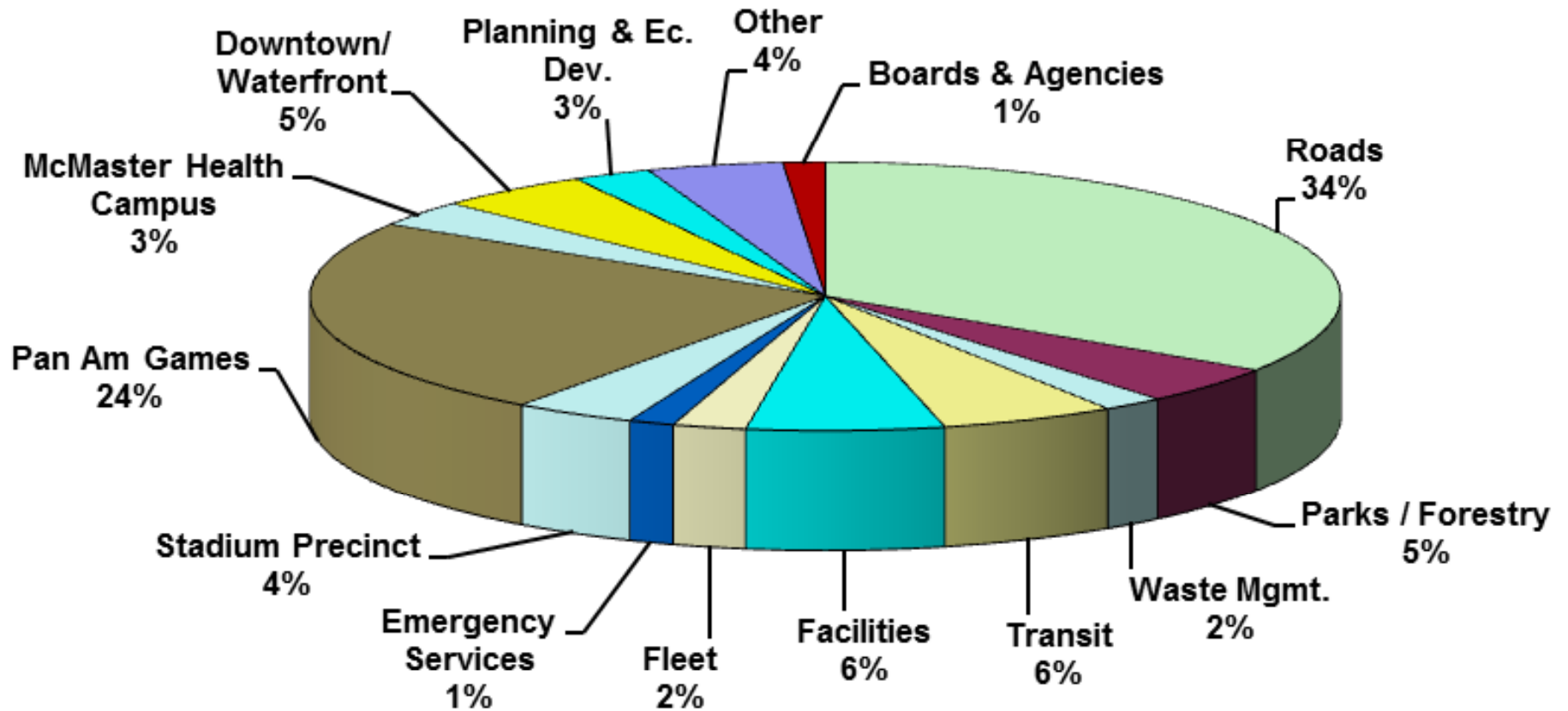




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2014 Capital Budget by Program

\$288 Million



\$288M Gross capital spending

- \$98.8M Roads
- \$69.1M Pan Am (\$57M Prov. Subsidies/Hostco)
- \$15.8M Transit
- \$11M Pan Am Precinct (\$8M - replacement of parkland/sportfields, \$3M - Senior's Rec/Community Centre)
- \$7.7M Recreation Facilities
- \$7.7M West Harbour Development
- \$5.4M Vehicle replacement – central fleet
- \$5.4M Corporate Facilities (does not include \$3M POA)
- \$3.9M Confederation Park Redevelopment

\$288M Gross capital spending continued;

- \$3.5M Parkland Acquisition
- \$3.0M for Pan Am Precinct Rec & Senior Centre (\$19.5M Total)
- \$1.7M Lodges, \$2.6M Downtowns
- \$2.0M HCA and WHV
- \$0.571M CityHousing Hamilton
- \$0.5M Housing Services
- Staff have included a financing placeholder for a required POA facility (\$3M for 2014)

At the October 18 Tax Capital Workshop #2, Council directed staff to identify priority programs should an additional 0.5% (\$3.6M) Levy increase (1% in total) become available.

- Existing Infrastructure rehab
- Funding for Council's Strategic capital reserve
- Parkland Acquisition
- West Harbour Development



2014 Proposed Capital Budget

2014 PROPOSED TAX SUPPORTED CAPITAL BUDGET (\$000's)				
	2013		2014 PROPOSED	
	<u>GROSS</u>	<u>NET</u>	<u>GROSS</u>	<u>NET</u>
<u>Block Funding</u>				
Recreation Facilities Program	7,294	5,164	7,740	5,100
Tourism & Culture Program	1,812	1,208	1,874	1,774
Public Art Program	182	182	171	171
Urban Renewal	3,078	2,353	2,743	2,210
Corporate Facilities	5,690	4,880	5,417	4,583
Forestry & Horticulture (Includes Tree Planting)	1,492	1,432	1,371	1,345
Open Space Development	6,301	3,451	9,741	3,317
Housing Services	1,350	1,000	1,071	1,071
Parks & Cemeteries	2,002	1,212	1,408	1,138
Public Health	74	74	555	385
Community Services	320	95	90	90
Area Rating (Ward 1-8)	1,795	0	1,300	0
West Harbour & Waterfront Initiatives	6,946	3,981	11,910	3,758
Roads	102,840	48,500	98,750	48,500
Total Block Funding	141,176	73,532	144,141	73,442

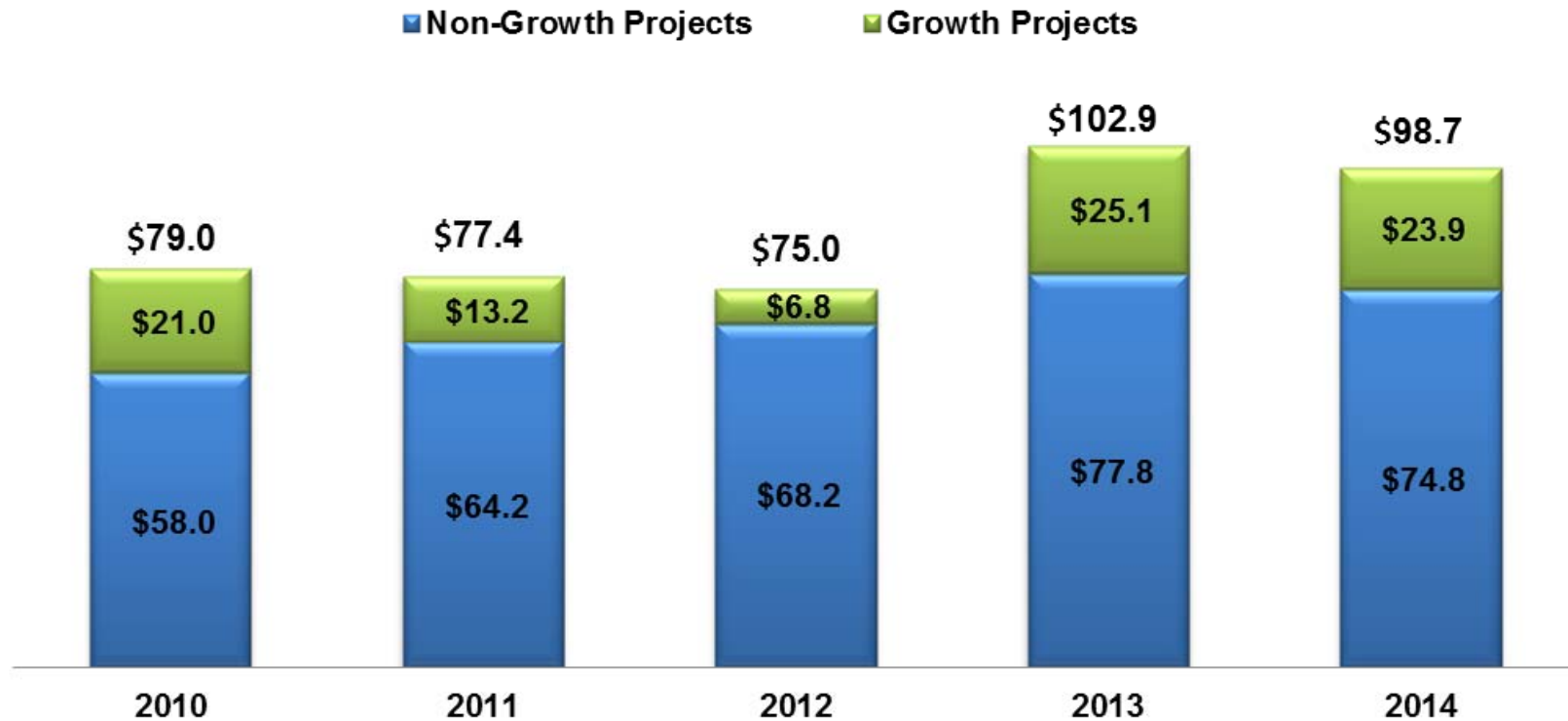


2014 Proposed Capital Budget (cont'd)

	2013		2014 PROPOSED	
	<u>GROSS</u>	<u>NET</u>	<u>GROSS</u>	<u>NET</u>
Total Outside Boards & Agencies	7,000	2,000	3,830	2,430
<u>Other Major Projects</u>				
Parkland Acquisition	1,550	1,500	3,500	3,500
Pan Am Games	39,195	2,770	69,133	2,783
Provincial Offences Administration Building	0	0	3,000	0
McMaster Health Campus Proposal - City's Contribution	0	0	9,000	0
Long term Accommodations- McMaster Health Campus	1,974	705	0	0
Economic Development Initiatives	2,000	2,000	0	0
Corporate Services	3,184	500	2,570	1,770
Long-Term Care Facilities	3,335	3,335	1,723	1,723
Emergency Services	6,675	1,050	4,061	950
Emerald Ash Borer Program	2,500	2,500	1,600	1,600
Transit Services	26,493	3,700	15,826	3,700
Corporate Fleet Services	5,390	0	6,576	0
Planning & Development	5,743	440	6,575	410
Waste Management	6,495	5,825	5,478	4,378
Stadium Precinct	0	0	11,000	0
Total Other Major Projects	104,534	24,325	140,042	20,814
Unallocated	0	0	872	872
Total Affordable Projects	252,710	99,857	288,885	97,558

Roads Capital 2010 - 2014

ROADS GROWTH AND NON-GROWTH CAPITAL (Millions)





2014 Roads Capital Program

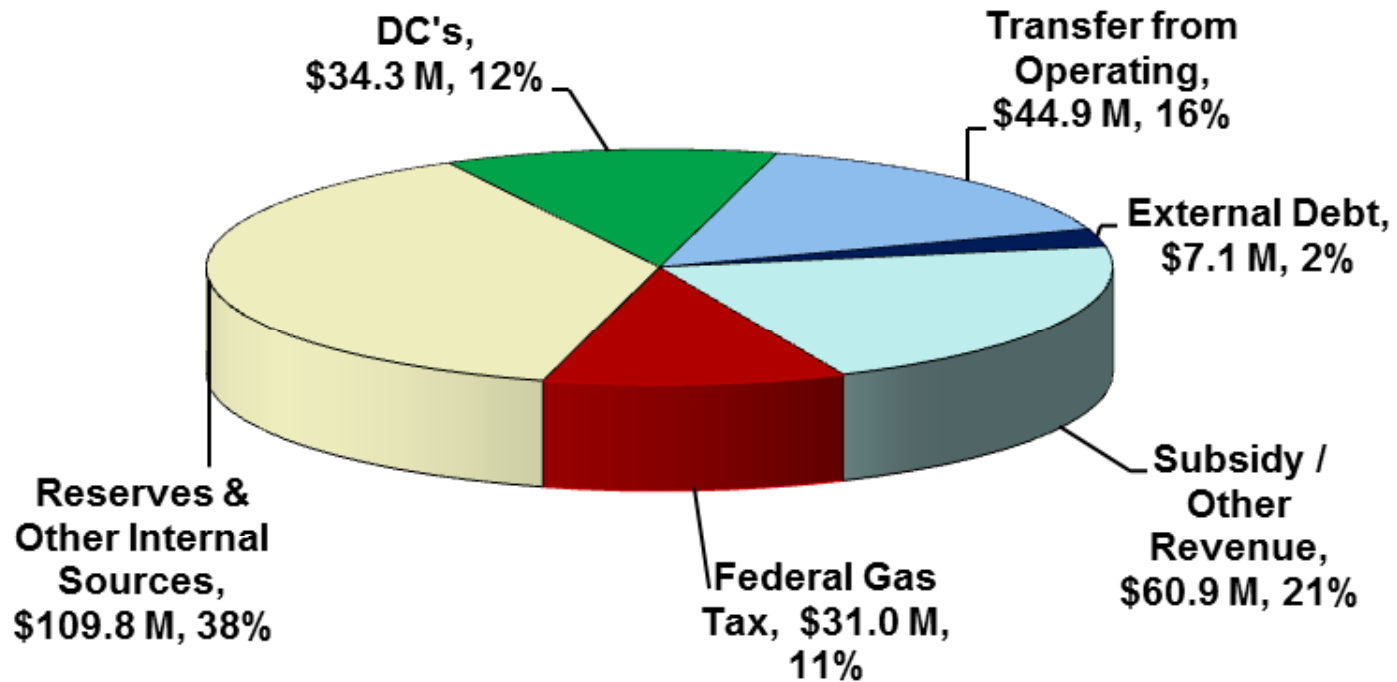
2014 Roads Forecast by Program Area (\$000's)	2013 Gross	2014	
		Proposed Gross	Net
Replacement Program	20,060	19,155	10,710
Urban Rehabilitation	12,220	11,870	3,028
Rural Rehabilitation	2,000	2,000	1,800
Bridges and Structures	10,480	8,910	7,105
O & M/Studies/Traffic Engineering	13,740	14,275	6,455
Council Priority Projects	19,290	18,630	13,402
<i>Total Non-Growth Related Projects</i>	77,790	74,840	42,500
Development/Growth Related Program	25,050	23,910	6,000
Total Roads	102,840	98,750	48,500

Future Unfunded Projects

- ❑ *Park Development Initiatives - Gage Park, Gore Park, John/Rebecca, Confederation Park*
- ❑ *Battlefield Park Interpretive Centre*
- ❑ *Police Investigative Building*
- ❑ *West Harbour Development Ready Strategy (2015 – 2017)*
- ❑ *Light Rail Transit - Timing and Financial Plan undetermined to date*
- ❑ *Gage Park Children's Museum*
- ❑ *Additional Parkland Acquisitions*

2014 Capital Funding

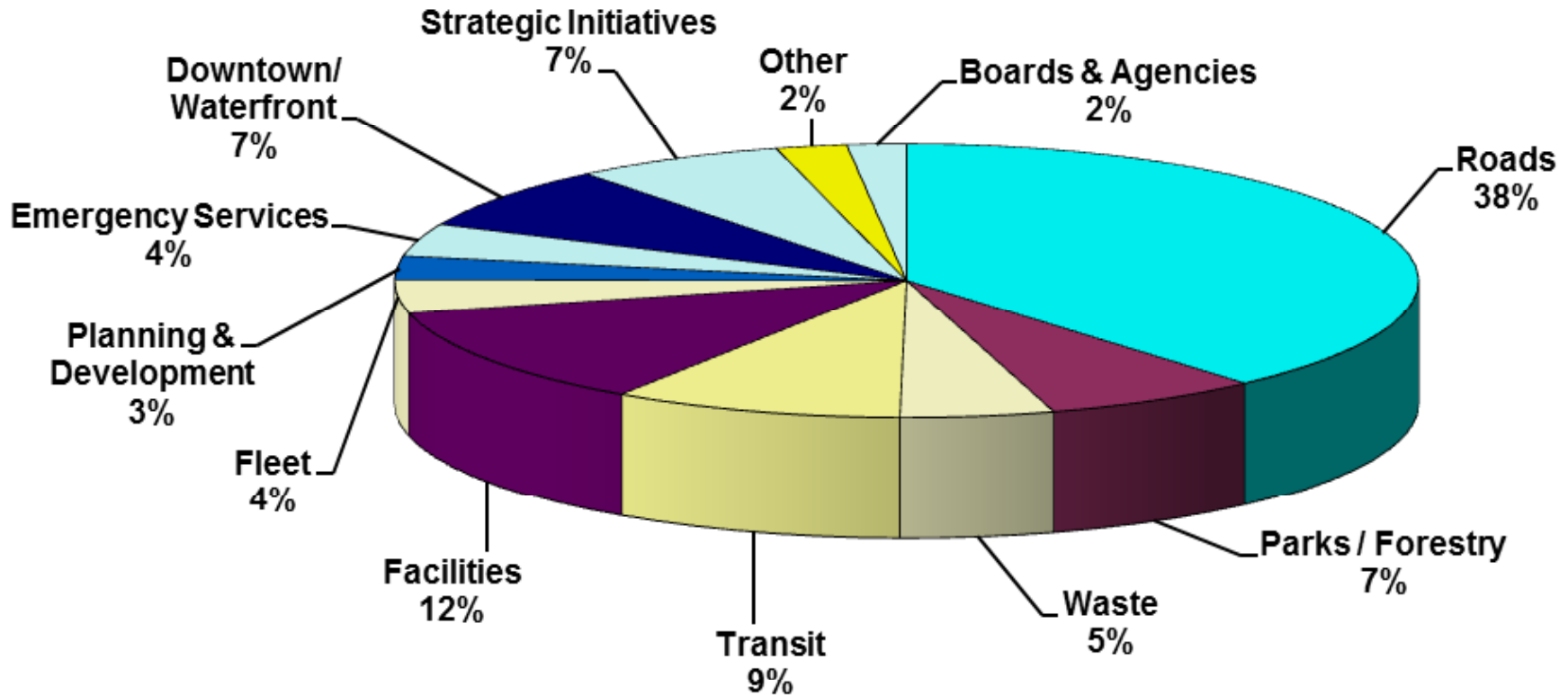
\$288 Million





2014 – 2023 Capital Forecast by Program

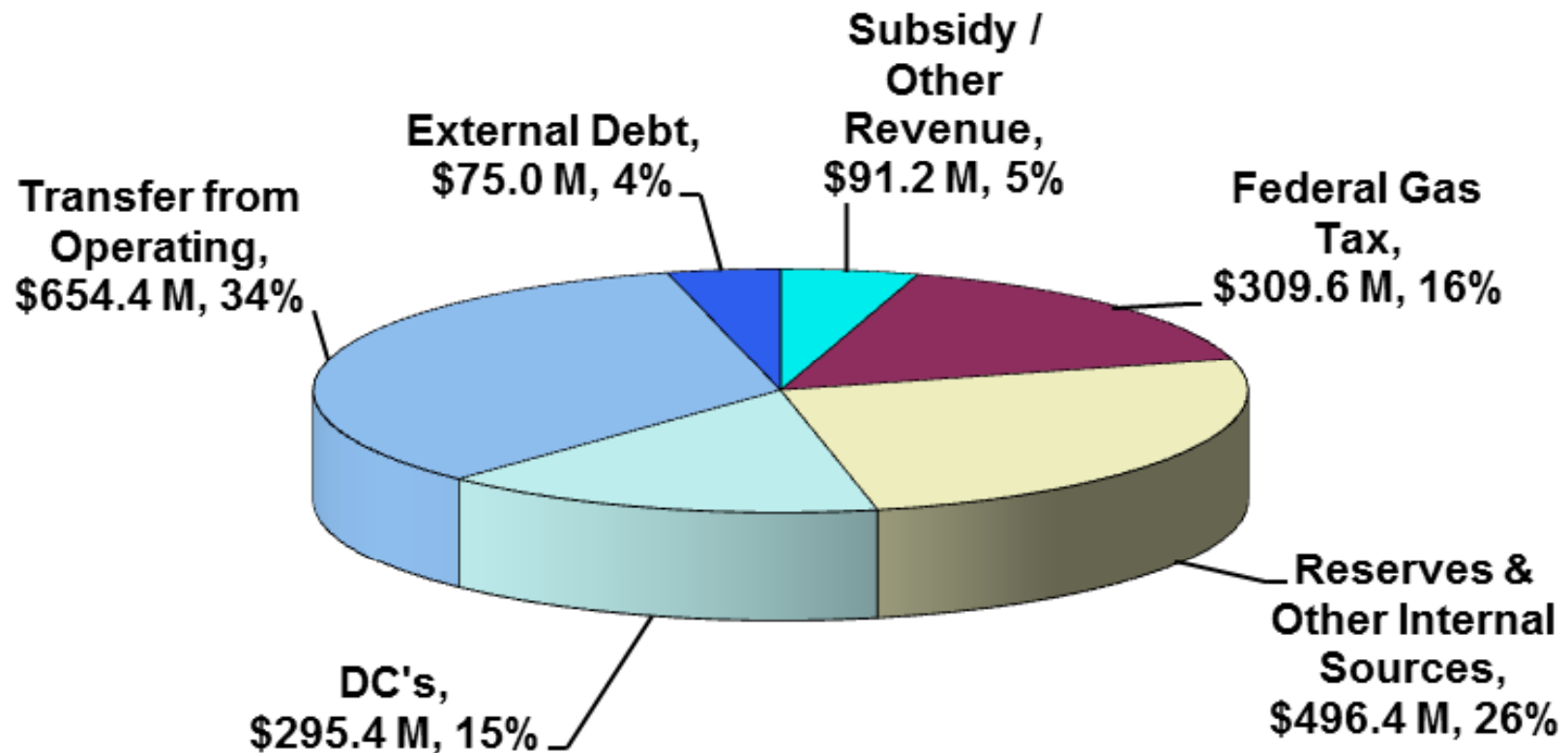
\$1.9 Billion





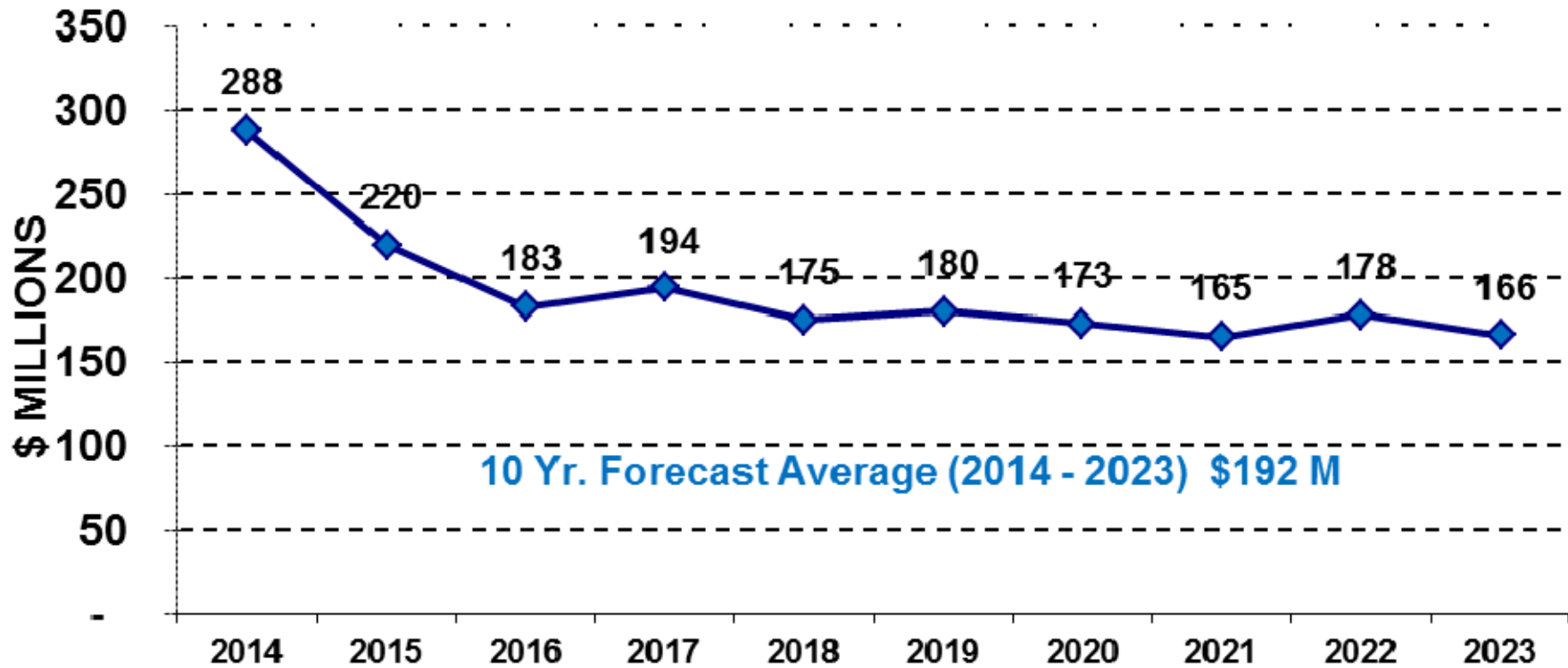
2014 – 2023 Capital Funding Forecast

\$1.9 Billion



Tax Capital Forecast 2014 - 2023

Total Gross Capital



Assumes 0.5% Levy Increase for Capital Annually (2014 - 2023)



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Capital Funding Sources (2014 – 2023)

Sources of Funding (Net) (\$000's)	2013 Approved	2014 Proposed	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	Totals 2014 - 2023
Contribution from Operating	41,224	44,887	41,227	44,095	53,618	66,979	69,060	75,577	79,359	85,750	93,874	654,426
External Debt	7,000	6,000	5,000	-	-	-	-	-	-	-	-	11,000
Hydro Dividends (\$2M)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,000
Federal Gas Tax - Roads	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	279,550
Federal Gas Tax - Transit	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	30,000
Previous Yrs. Capital Financing Surplus	7,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,000
Unallocated Capital Reserve	3,259	1,805	1,026	1,014	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,845
HRPI Dividend		-	250	250	250	250	250	250	250	250	250	2,250
WIP Funding Interest	500	500	500	500	500	500	500	500	500	500	500	5,000
WIP Funding (Favourable Road Tenders)	2,094	5,033										5,033
External Debt - Waste Mgmt.		1,126	5,263	2,393	6,904	5,726	27,993	14,621	-	-	-	64,026
HFF	5,825	3,252										3,252
Total Funding (Net)	99,857	97,558	88,221	83,207	97,227	109,410	133,758	126,903	116,064	122,455	130,579	1,105,382



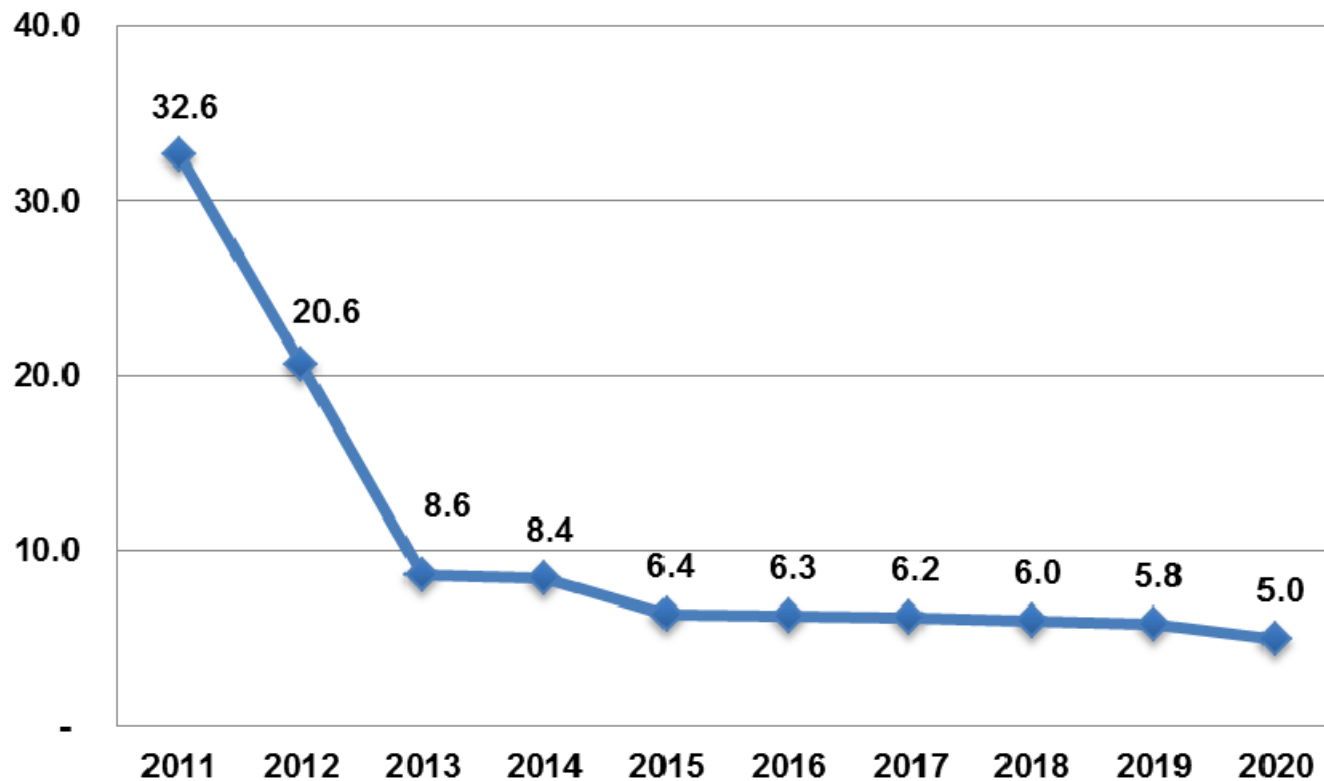
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Discretionary Funding Forecast

Net Capital Funding (\$000's)	2013 Approved	2014 Proposed	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast
Roads	48,500	48,500	48,500	48,500	48,500	48,500
Corporate Facilities	4,880	4,583	4,583	4,583	4,583	4,583
Recreation Facilities	5,164	5,100	5,100	5,100	5,100	5,100
Pan Am - Ivor Wynne Renovations	2,166	2,167	2,167			
Cultural Facilities	1,208	1,774	1,702	1,702	1,702	1,702
Park Development (New/Expansion)	3,451	3,317	3,241	3,241	3,241	3,241
Hamilton Downtown	2,114	1,986	1,986	1,986	1,986	1,986
Suburban Downtowns (B.I.A.s)	239	224	224	224	224	224
Forestry	1,432	1,345	1,345	1,345	1,345	1,345
Park's Operations	1,212	1,138	1,138	1,138	1,138	1,138
CityHousing Hamilton	500	571	500	500	500	500
Housing Services	500	500	500	500	500	500
Public Art	182	171	171	171	171	171
West Harbour Development	3,681	3,458	5,043	5,043	5,043	5,043
Subtotal - Block Funding	75,229	74,834	76,200	74,033	74,033	74,033
Major Capital Initiatives						
Ash Borer	2,500	1,600	2,500	2,500	2,700	2,700
Randle Reef	300	300	300	300	300	375
DC exemptions	-	-	-	-	2,500	2,500
Lodges	3,335	1,723	500	500	500	500
Community Services - Other	95	90	90	90	90	90
Corporate Projects	-	1,350	90	90	90	90
City Manager/Human Resources	-	420	-	-	-	-
Fire / EMS	1,050	950	1,000	1,000	1,000	1,000
Police	-	430	-	-	-	-
Information Technology	500	-	500	500	500	500
Public Health	779	385	70	70	70	70
Pan Am Special Events & Programming	604	616	630	-	-	-
Parking / Animal Control	100	-	-	-	-	-
Planning / Development	340	410	130	130	130	130
Hamilton Conservation Authority	2,000	2,000	2,000	2,000	2,000	2,000
Economic Development Initiatives	2,000	-	2,000	2,000	2,000	2,000
Council Strategic Capital	-	-	2,000	2,000	2,000	2,000
Transit (FGT)	3,700	3,700	3,700	3,700	3,700	3,700
Waste Management	5,825	4,378	5,263	2,393	6,904	5,726
Parkland Acquisition	1,500	3,500	1,500	1,500	1,500	1,500
Subtotal - Expenditures	99,857	96,686	98,473	92,806	100,017	98,914
Unallocated Surplus/(Shortfall)	-	872	(10,252)	(9,599)	(2,790)	10,496
Total Expenditures (Net)	99,857	97,558	88,221	83,207	97,227	109,410

Capital Reserve Forecast

UNALLOCATED CAPITAL RESERVE 2011-2020



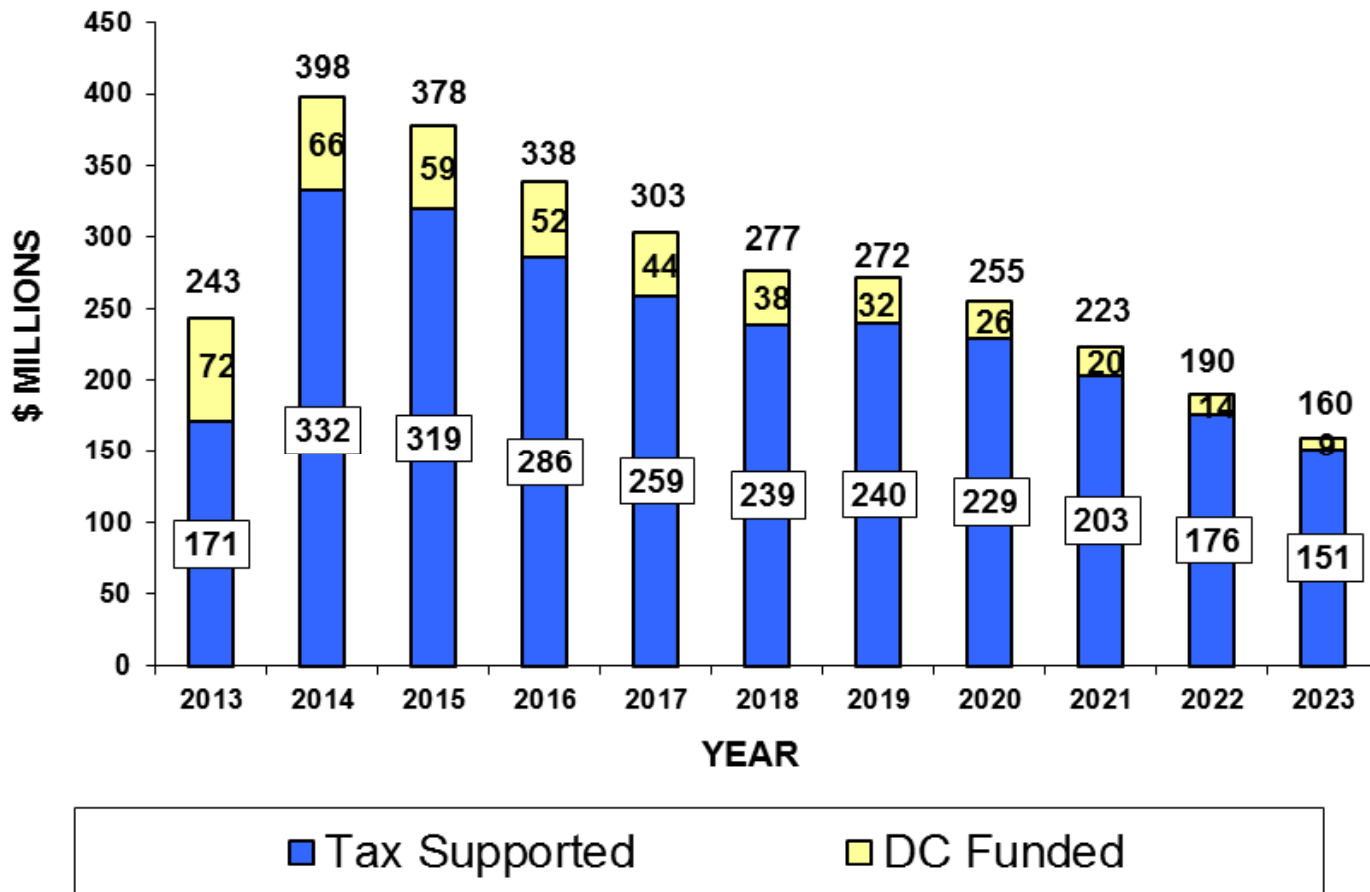


2014 Multi Year Projects

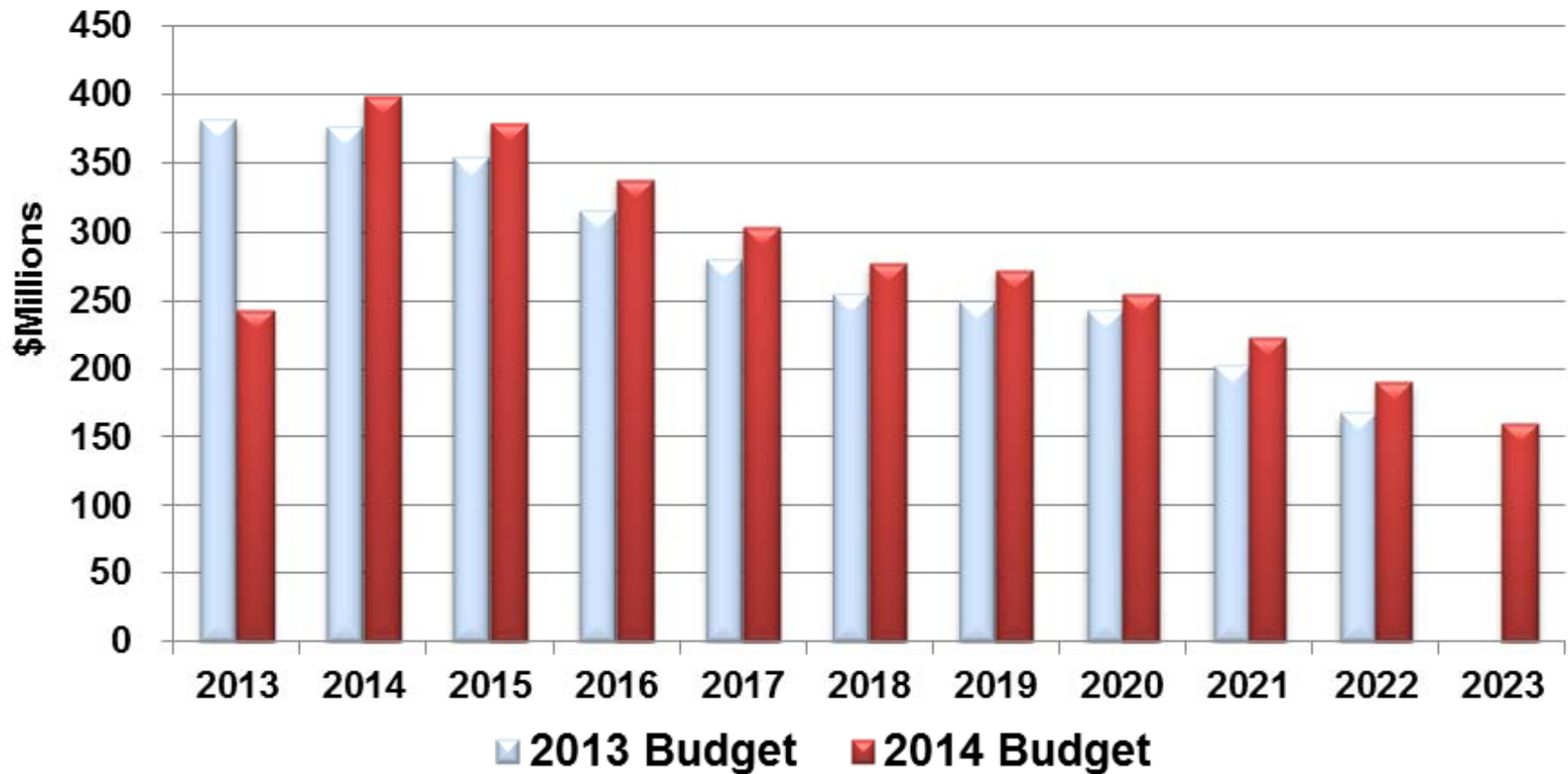
(\$000's)		2014		Future Years	
		Gross	Net	Gross	Net
<u>Corporate Facilities</u>					
3541441401	Provincial Offences Administration Offices	3,000	0	29,380	0
<u>Corporate Projects</u>					
2051241200	McMaster Health Campus Proposal - City's Contribution	9,000	0	1,000	0
<u>Council Strategic Projects</u>					
2110953900	Randle Reef Rehabilitation Project	300	300	2,400	2,400
<u>Open Space Development</u>					
4400756755	Joe Sam's Leisure Park	120	12	650	65
4401056002	Gore Master Plan (Open Space Development Blk)	1,420	0	2,874	2,874
4401056127	Churchill Park Master Plan Implementation Phase 1	850	460	1,400	1,400
4401256520	Gage Park Redevelopment - Walkway lighting & Paving	400	400	855	855
4401356107	Cherry Beach Lakefront Park	590	90	1,635	0
4401356124	William Connell Community Park	440	44	3,900	1,390
4401356411	Durand Park Master Plan	250	250	350	350
4401455600	Parks Testing and Reporting	50	50	150	150
<u>Recreation Facilities</u>					
7101254201	Stadium Precinct Senior's Recreation\Community Centre	3,000	0	16,300	0
7101454403	Spring Valley Arena - Change Room Expansion	63	63	500	500
7101454704	Hill Park Recreation Centre Independence from School	148	148	1,200	1,200
7101454710	Sir Wilfred Laurier Recreation Centre Independence	148	148	1,200	1,200
<u>Urban Renewal - Block Funded</u>					
4401056002	Gore Master Plan	683	550	2,105	2,105
<u>West Harbour & Waterfront Strategic Initiatives</u>					
4401356800	West Harbour Development	7,695	3,458	113,415	61,878
4401356801	Confederation Park -Park Redevelopment	3,915	0	17,865	17,865

Debt Forecast 2014 - 2023

PROJECTED OUTSTANDING DEBT - TAX

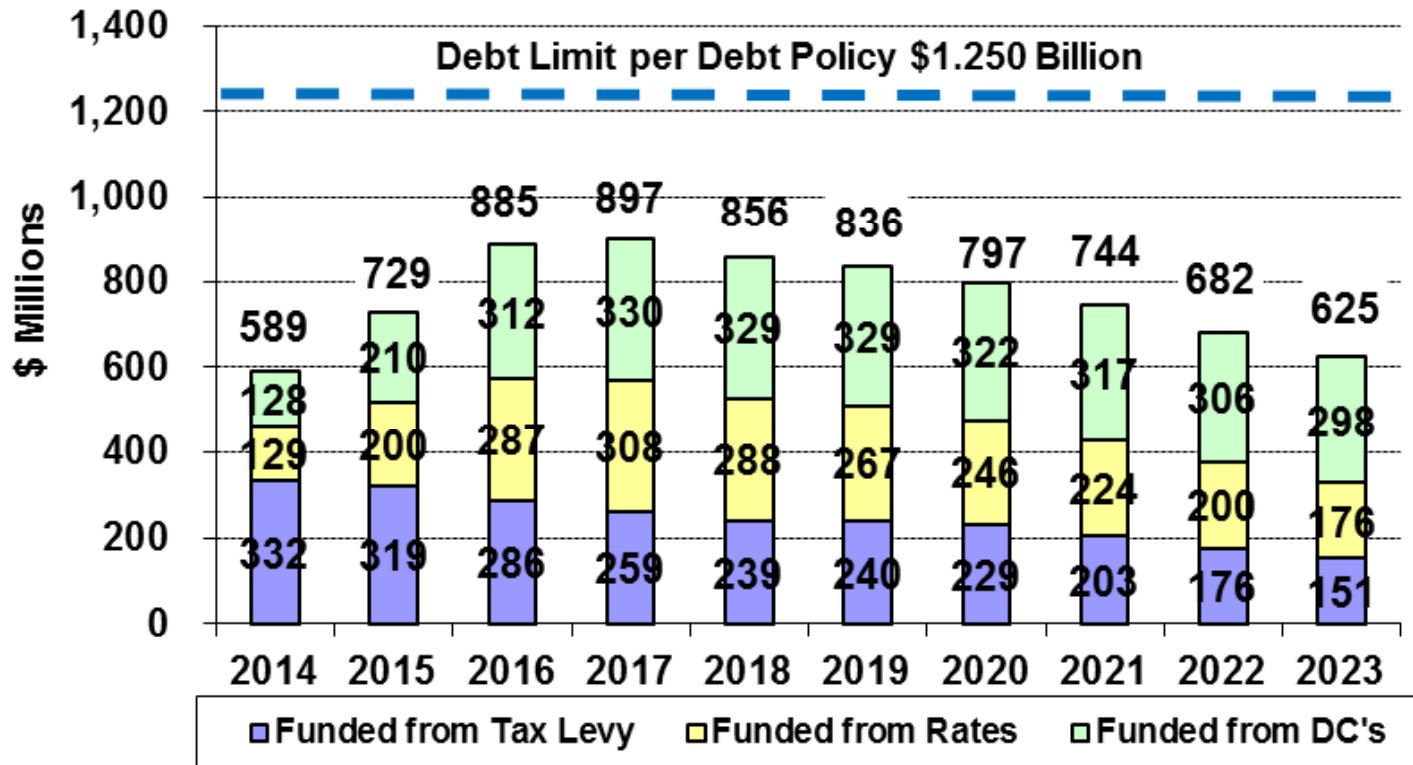


Tax Capital Outstanding Debt



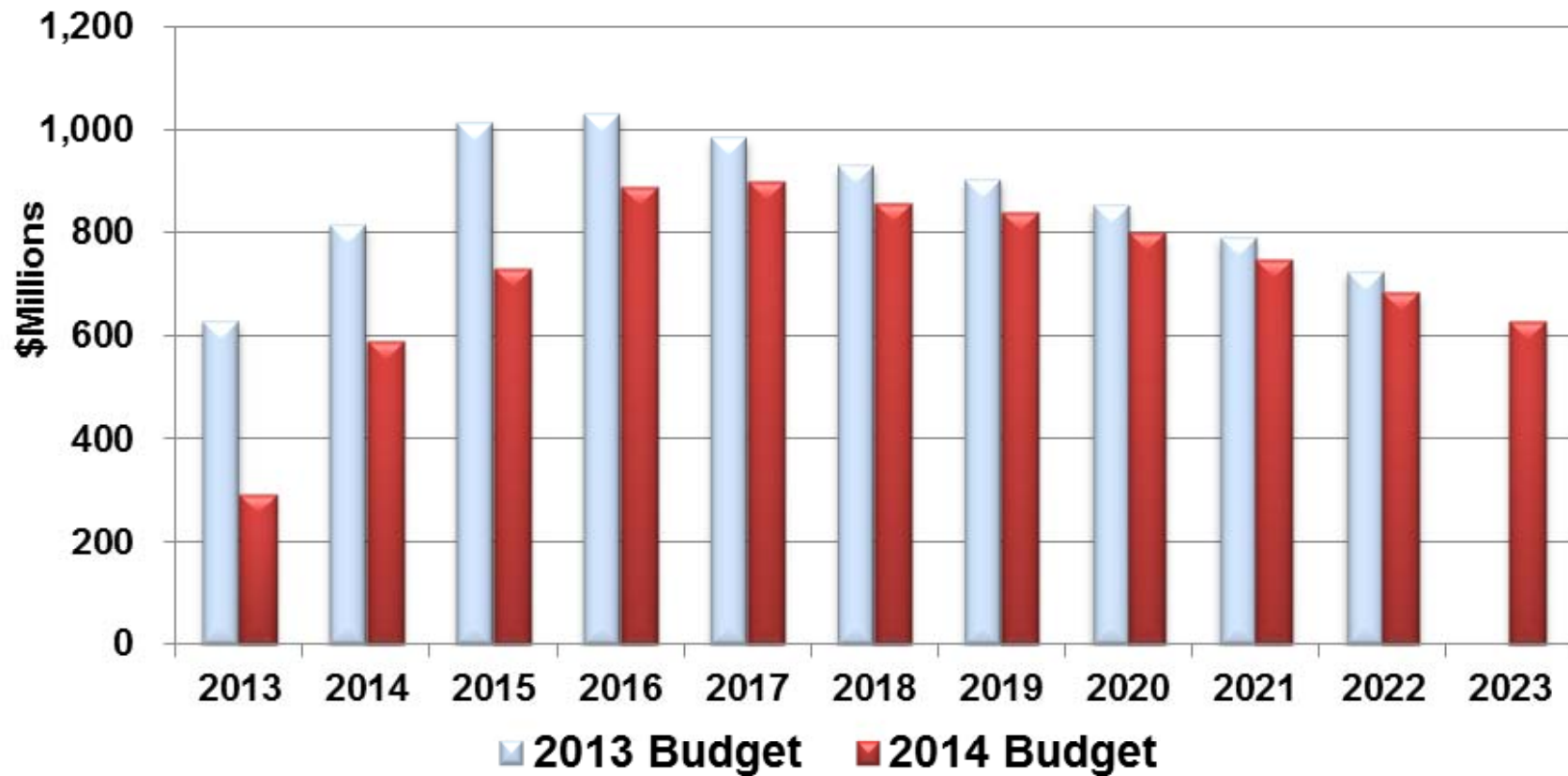
Consolidated Outstanding Debt Forecast 2014 - 2023

Projected Outstanding Debt - Tax & Rate



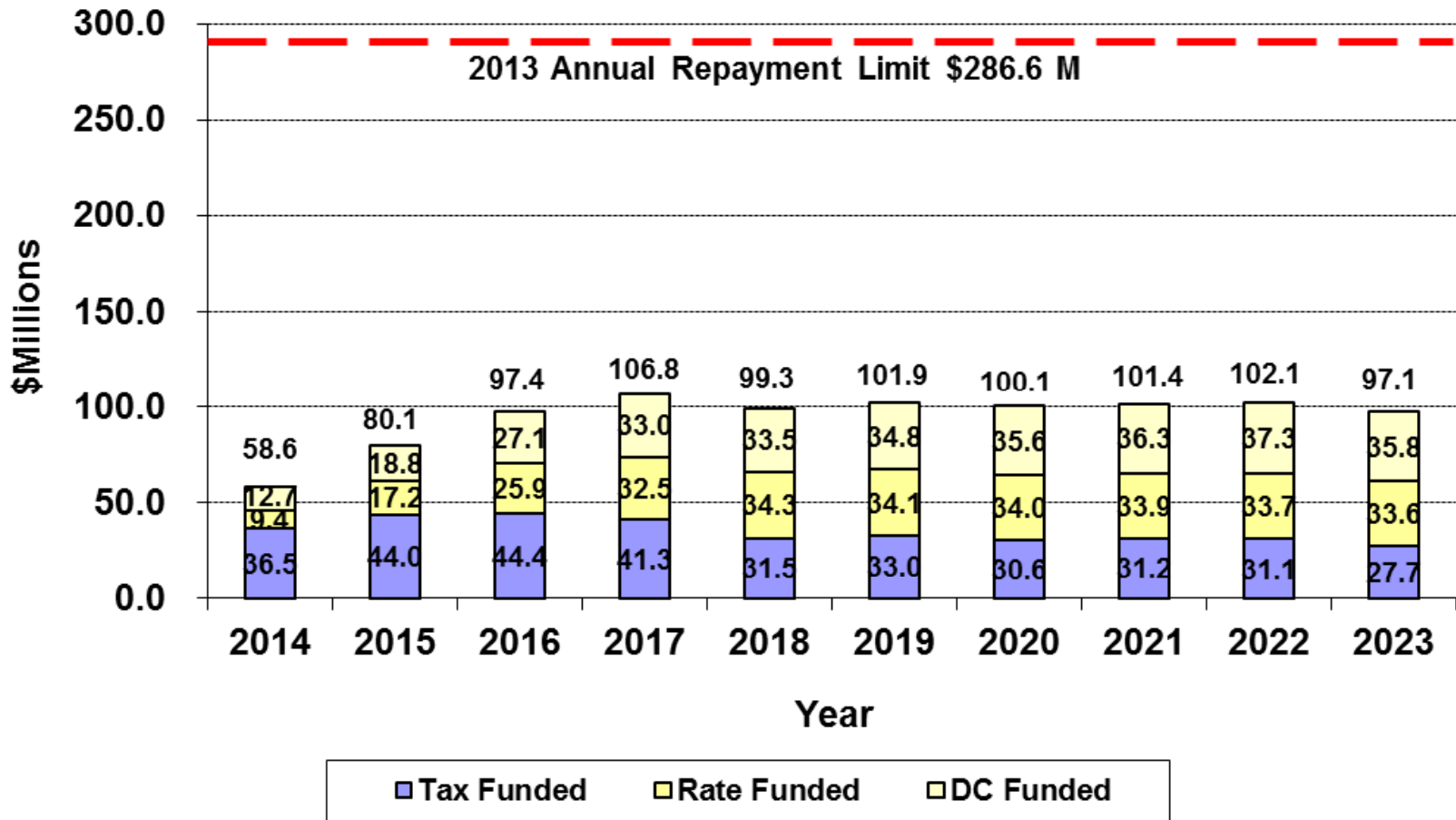
Per Provincial Regulation the City's Debt Limit is approx. \$2.9 Billion based on Annual Repayment Limit (ARL) of \$287 M (25% of revenues)

Total Outstanding Debt - Tax & Rate



Annual Repayment Limit

Total External Debt Charges Tax, Rate & DC Funded





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Q&A

□ Thank you