



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning & Policy Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	March 4, 2014
SUBJECT/REPORT NO:	2014 Tax Supported Operating Budget - Recommendations (FCS14005) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Tom Hewitson (905) 546-2424, Extension 4159 Victoria Terella (905) 546-2424, Extension 4169
SUBMITTED BY:	Mike Zegarac General Manager Finance & Corporate Services Department
SIGNATURE:	

RECOMMENDATION

A. Council Referred Items

- (i) That the Council Referred Items contained in Appendix "A" attached hereto, be received.

B. Requested Program Enhancements

- (i) That the Requested Program Enhancements contained in Appendix "B" attached hereto, be received.

C. Boards & Agencies

- (i) That the Boards and Agencies operating budget \$188,596,450 as per Appendix "C" attached hereto, be approved.

D. Planning & Economic Development Department

- (i) That the Planning & Economic Development operating budget (Book 2), Appendix “2-1”, page 6, \$24,808,240 inclusive of amendments as per Appendix “D” attached hereto, be approved.

E. Public Health Services Department

- (i) That the Public Health Services operating budget (Book 2), Appendix “2-2”, page 39, \$10,684,290 inclusive of amendments as per Appendix “D” attached hereto, be approved;
- (ii) That the Medical Officer of Health be authorized and directed to execute all 2014 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 FCS14005. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.

F. Community & Emergency Services Department

- (i) That the Community & Emergency Services operating budget (Book 2), Appendix “2-3”, page 71, \$226,667,916 inclusive of amendments as per Appendix “D” attached hereto, be approved;
- (ii) That the General Manager of Community & Emergency Services be authorized and directed to execute all 2014 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 FCS14005. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.

G. Public Works Department

- (i) That the Public Works operating budget, (Book 2), Appendix “2-4”, page 124, \$202,800,400 inclusive of amendments as per Appendix “D” attached hereto, be approved.

H. Legislative

- (i) That the Legislative operating budget (Book 2), Appendix “2-7”, page 206, \$4,217,780 inclusive of amendments as per Appendix “D” attached hereto, be approved.

I. City Manager Department

- (i) That the City Manager operating budget (Book 2), Appendix “2-5”, page 151, \$10,232,510 inclusive of amendments as per Appendix “D” attached hereto, be approved.

J. Corporate Services Department

- (i) That the Corporate Services operating budget (Book 2), Appendix “2-6”, page 174, \$21,034,120 inclusive of amendments as per Appendix “D” attached hereto, be approved.

K. Hamilton Entertainment Facilities

- (i) That the Hamilton Entertainment Facilities operating budget (Book 2), Appendix “2-7”, page 214, \$1,788,300 inclusive of amendments as per Appendix “D” attached hereto, be approved.

L. Corporate Financials/Non Program Revenues

- (i) That the Corporate Financials operating budget (Book 2), Appendix “2-7”, page 208, \$11,285,870 inclusive of amendments as per Appendix “D” attached hereto, be approved;
- (ii) That the Non Program Revenues operating budget (Book 2), Appendix “2-7”, page 226, -\$44,557,340 inclusive of amendments as per Appendix “D” attached hereto, be approved.

M. Capital Financing

- (i) That the following 2014 Police Capital projects referred to the 2014 Operating Budget process for discussion at the time the HPS presents their 2014 budget be approved:

Bomb Truck Replacement	\$180,000
Crime Mapping Tools	<u>\$250,000</u>
	<u>\$430,000</u>

- (ii) That the Bomb Truck Replacement and Crime Mapping Tools Capital Projects be removed from the 2014 Capital Budget “Parked” projects list;
- (iii) That the Capital Financing operating budget \$90,177,000 be approved.

N. 2014 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 2014 Preliminary Tax Supported Operating Budget was submitted to Council on January 29, 2014 at GIC. Each department then provided GIC with an in-depth presentation of their 2014 budget. Boards and Agencies also presented, as well as members of the public provided delegations.

During this time, the General Issues Committee approved a number of amendments; however these did not change the average Residential total tax impact. Based on feedback, staff have developed a number of recommended options to further reduce the average Residential total tax impact. The approved and proposed amendments, combined with the Residential average reassessment-related tax impact and the revised education taxes, reduces the average Residential total tax impact from 1.8% (as submitted) to 1.4%. The amendments are identified in Appendix "D" to report FCS14005. Further information will be provided during a staff presentation at the February 27th GIC.

The recommendations to this report ask Council to approve the budget as submitted in the preliminary document, less the approved amendments and the proposed amendments contained in the attached Appendix "D" to report FCS14005. If desired, Council may approve additional reductions which would then be added to this amendment list (Appendix "D").

Note: The average Residential total tax impact of 1.4% does NOT include approval of Council Referred Items (Recommendation A) or the Requested Enhancements (Recommendation B). Should Council wish to approve all of the Council Referred Items and Requested Enhancements that were referred for consideration during budget deliberations, the average Residential total tax impact would increase to 1.5%.

Alternatives for Consideration – See Page 5

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Full financial information can be found in Books 1 and 2 of the 2014 Tax Supported Preliminary Operating Budget.

Staffing: A complement summary can be found in Appendix "1 – 4" of the 2014 Tax Supported Preliminary Operating Budget (Book 1).

Legal: N/A.

HISTORICAL BACKGROUND

The 2014 Committee calendar includes a number of scheduled General Issues Committee meetings for the 2014 tax operating budget. The budget kick-off took place on January 29th, 2014, 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:

- March 4th
- March 6th
- March 20th
- March 26th (Council Budget Approval)

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A.

RELEVANT CONSULTATION

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

ANALYSIS AND RATIONAL FOR RECOMMENDATION

N/A.

ALTERNATIVES FOR CONSIDERATION

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 AND SCHEDULES ATTACHED

Appendix “A” – 2014 Council Referred Items

Appendix “B” – 2014 Requested Enhancements

Appendix “C” – 2014 Boards and Agencies Operating Budget

Appendix “D” – 2014 Tax Supported Operating Budget Amendments