



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning & Policy Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	February 26, 2016
SUBJECT/REPORT NO:	2016 Tax Supported Operating Budget – Recommendations (FCS16001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Tom Hewitson (905) 546-2424, Extension 4159 Katie Black (905) 546-2424, Extension 1335
SUBMITTED BY:	Mike Zegarac General Manager Finance & Corporate Services Department
SIGNATURE:	

RECOMMENDATION

A. Referred Items

- (i) That Referred Items #3, #13 and #14 contained in Appendix “A” attached hereto, be referred to the 2017 budget process or future GIC prior to the 2017 budget process.

B. Boards & Agencies

- (i) That the Boards and Agencies operating budget Appendix “B”, \$198,906,650 inclusive of amendments as per Appendix “C” attached hereto, be approved.

C. Planning & Economic Development Department

- (i) That the Planning & Economic Development operating budget (Book 2), Appendix “2-1”, page 6, \$29,977,530 inclusive of amendments as per Appendix “C” attached hereto, be approved.

D. Public Health Services Department

- (i) That the Public Health Services operating budget (Book 2), Appendix “2-2”, page 38, \$12,381,930 inclusive of amendments as per Appendix “C” attached hereto, be approved;
- (ii) That the Medical Officer of Health be authorized and directed to execute all 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 reports FCS16001, for the period commencing January 2016 and until such time Council approves the subsequent budget. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.

E. Community & Emergency Services Department

- (i) That the Community & Emergency Services operating budget (Book 2), Appendix “2-3”, page 67, \$237,529,760 inclusive of amendments as per Appendix “C” attached hereto, be approved;
- (ii) That the General Manager of Community & Emergency Services be authorized and directed to execute all Federal and Provincial Program Service Level Funding Agreements and any ancillary agreements required to give effect thereto and Contracts for Community & Emergency Services as provided for in Appendix “2-2” to reports FCS16001, for the period commencing January 2016 and until such time Council approves the subsequent budget. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.
- (iii) That should an unfavourable variance arise in 2016 or 2017 related to the budgeted adjustment of the provincial upload of OW client case costs, the variance be funded from the Ontario Works Stabilization Reserve .

F. Public Works Department

- (i) That the Public Works operating budget, (Book 2), Appendix “2-4”, page 115, \$222,828,170 inclusive of amendments as per Appendix “C” attached hereto, be approved.

G. City Manager Department

- (i) That the City Manager operating budget (Book 2), Appendix “2-5”, page 142, \$13,609,660 inclusive of amendments as per Appendix “C” attached hereto, be approved.

H. Corporate Services Department

- (i) That the Corporate Services operating budget (Book 2), Appendix “2-6”, page 168, \$19,822,770 inclusive of amendments as per Appendix “C” attached hereto, be approved.

I. Legislative

- (i) That the Legislative operating budget (Book 2), Appendix “2-7”, page 196, \$4,700,920 inclusive of amendments as per Appendix “C” attached hereto, be approved.

J. Hamilton Entertainment Facilities

- (i) That the Hamilton Entertainment Facilities operating budget (Book 2), Appendix “2-7”, page 204, \$4,169,830 inclusive of amendments as per Appendix “C” attached hereto, be approved.

K. Corporate Financials - Expenditures/Non Program Revenues

- (i) That the Corporate Financials - Expenditures operating budget (Book 2), Appendix “2-7”, page 198, \$14,519,920 inclusive of amendments as per Appendix “C” attached hereto, be approved;
- (ii) That the Non Program Revenues operating budget (Book 2), Appendix “2-7”, page 214, -\$43,864,010 inclusive of amendments as per Appendix “C” attached hereto, be approved.

L. Capital Financing

- (i) That the Capital Financing operating budget \$111,800,570 be approved.

M. 2016 By-Law Authorization

- (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.

N. Budgeted Complement Transfer Schedule

- (i) That in accordance with the “Budgeted Complement Control Policy”, the requested complement transfers from one department/division to another, as outlined in Appendix “D” to Report FCS16001, be approved.

O. Budget Exclusions Related to Regulation 284/09

- (i) That the budget exclusions related to Regulation 284/09 of the Municipal Act titled “Budget Matters – Expenses”, as per Appendix “E” to Report FCS16001, be received.

EXECUTIVE SUMMARY

The 2016 Preliminary Tax Supported Operating Budget was submitted to GIC at its meeting on January 19, 2016. The Municipal Residential tax impact was 2.3%. Each department then provided GIC with an in-depth presentation of their 2016 budget. Boards and Agencies also presented their 2016 budgets, and as well members of the public made presentations.

During this time, a number of recommended options to further reduce the average Residential total tax impact were presented. The proposed amendments, combined with the final growth and reassessment-related tax impacts, reduce the average Residential total tax impact to 1.6%. The amendments are identified in Appendix “C” to Report FCS16001.

The recommendations to this report ask Council to approve the budget as submitted in the preliminary document, including the approved amendments and the proposed amendments contained in the attached Appendix “C” to Report FCS16001. Council may approve additional changes which would then be added to this amendment list (Appendix “C”).

Note: The average Residential total tax impact of 1.6% does *NOT include* potential approval of pending Referred Item #11 (Recommendation A; Appendix “A”). Should Council wish to approve this item from the Referred Items (Appendix “A”), it may do so by motion, and these would then be added to Appendix “C” of this report (the amendment schedule).

Alternatives for Consideration – See Page 5

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial: Full financial information can be found in Books 1 and 2 of the 2016 Tax Supported Preliminary Operating Budget.

Staffing: A complement summary can be found in Appendix “1 – 4” of the 2016 Tax Supported Preliminary Operating Budget (Book 1).

Legal: N/A.

HISTORICAL BACKGROUND (Chronology of events)

The 2016 Committee calendar includes a number of scheduled General Issues Committee meetings for the 2016 tax operating budget. The budget kick-off took place on January 19th, 2016, 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 3rd
- March 9th (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" – 2016 Referred Items

Appendix "B" – 2016 Boards and Agencies Operating Budget

Appendix "C" – 2016 Tax Supported Operating Budget Amendments

Appendix "D" – Budgeted Complement Transfer Schedule

Appendix "E" – Budget Exclusions Related to Regulation 284/09