

CITY OF HAMILTON
TAX OPERATING BUDGET VARIANCE REPORT AS OF JULY 31, 2016
(\$ 000's)

	2016 Approved Budget	2016 Actuals Jul YTD	Projected Actuals to Dec. 31	2016 Projected Actuals vs Approved Budget		Comments/Explanations
				\$	%	
PLANNING & ECONOMIC DEVELOPMENT						
GM, Finance & Support Services	1,696	837	1,645	51	3.0%	Favourable gapping due to vacancies (\$43 K).
Building	903	(405)	902	1	0.1%	
Economic Development	6,211	2,953	6,206	4	0.1%	
Growth Management	1,010	(1,746)	860	150	14.9%	Favourable gapping due to vacancies and higher than budget Sub-Processing and Service Recovery Fees revenue offset by renovation and consulting expenses and forecasted favourable Planning reserve contribution.
Parking & By-law Services	8,145	3,603	8,067	78	1.0%	Largely attributed to positive gapping due to vacancies (\$326K) which is partially offset by maintenance, property tax, and rent expenses (\$250K).
Planning	3,619	362	3,355	264	7.3%	Favourable gapping due to vacancies (\$682 K) and higher than budgeted fee revenue (\$598 K). Variance reduced by contribution to Development Fee Stabilization Reserve (-\$954 K) and renovation expenses (-\$50 K).
Tourism & Culture	8,320	4,910	8,265	55	0.7%	Favourable variance attributed to to higher than budgeted film shoot revenue (\$40 K) and grounds maintenance savings.
TOTAL PLANNING & ECONOMIC DEVELOPMENT	29,904	10,514	29,301	604	2.0%	
PUBLIC HEALTH SERVICES						
Medical Officer of Health	5,925	3,154	5,943	(18)	(0.3)%	Pressures for Facilities costs for various locations and gapping.
Clinical & Preventive Services	5,596	3,512	5,810	(214)	(3.8)%	Pressure from Vaccine Preventable Disease overstaffing to meet program demands offset by gapping in Dental programs.
Family Health	4,235	2,346	4,195	41	1.0%	Underspending to salary and wage gapping as a result of delays in filling positions.
Health Protection	7,148	4,107	7,155	(7)	(0.1)%	
Healthy Living	7,208	4,135	7,117	90	1.3%	Position gapping due to hold on filling permanent vacancies
Planning & Business Improvement	5,133	3,011	5,020	113	2.2%	Gapping various positions across division
Mandatory Public Health Subsidy	(22,860)	(13,305)	(22,860)	0	0.0%	
TOTAL PUBLIC HEALTH SERVICES	12,385	6,961	12,380	5	0.0%	

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COMMUNITY & EMERGENCY SERVICES						
Administration - CES	3,077	1,749	3,050	27	0.9%	Gapping due to timing of vacancies and hires.
Benefit Eligibility	7,243	3,846	6,929	313	4.3%	Favourable variance due to gapping and unbudgeted subsidies available, offset by OW Business Transformation team costs and staffing reserve funding not utilized.
Employment & Income Support	11,727	6,991	12,189	(462)	(3.9)%	Unfavourable variance in client cost pressures due to increase in caseload and cost/case, staffing reserve funding not utilized offset by gapping and maximizing subsidies available.
Childrens & Home Management Services	6,823	3,664	6,722	101	1.5%	Favourable variance due to gapping, offset by increased facility related costs and reduced Red Hill child care fee subsidy recoveries due to anticipated lower enrolment in September.
Housing Services	56,136	29,276	55,668	469	0.8%	Favourable variance as a result of savings in Community Homelessness Prevention Initiative (CHPI), related to the Housing Stability Benefit, a delay in the implementation of the Housing Allowance Program and savings in payments for mortgages due to renewals. Partially offsetting the favourable variance is an unfavourable property tax variance in Social Housing.
Macassa Lodge	7,240	4,584	7,134	106	1.5%	Favourable variances due to unanticipated provincial subsidy increases, preferred accommodation increases, surplus in supplies, and gapping are offset by unbudgeted LTD costs.
Wentworth Lodge	5,074	2,764	5,053	21	0.4%	Favourable variance due to unanticipated provincial subsidy increases, preferred accommodation increases, and savings in food costs.
Neighbourhood & Community Initiatives	2,476	1,595	2,626	(150)	(6.1)%	Unfavourable variance mainly in employee related costs due to unfunded NAS Manager and temp Sr. Project Manager for Syrian newcomer resettlement work.
Recreation	31,894	17,515	31,813	81	0.3%	Favourable variance due to gapping and temporary vacancies offset by increases in hydro and water & sewer costs.
Hamilton Fire Department	85,446	49,030	85,361	84	0.1%	Favourable variance due to employee gapping partially offset by unbudgeted operating expenses (EpiPen implementation).
Hamilton Paramedic Service	20,712	13,053	20,205	508	2.5%	Favourable variance due to unexpected extension of Community Paramedicine funding and lower vehicle fuel costs.
TOTAL COMMUNITY & EMERGENCY SERVICES	237,849	134,066	236,752	1,097	0.5%	

- () Denotes unfavourable variance.

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PUBLIC WORKS						
PW-General Administration	216	133	216	0	0.0%	
Corporate Assets & Strategic Planning	20,255	14,492	22,835	(2,579)	(12.7)%	Higher operational costs for Tim Hortons Field is expected to result in an unfavourable variance of (\$1.4 M) by year-end. Attributable to part-time staff (\$401 K), operating supplies and general maintenance repairs (\$525 K), hydro and heating fuel (\$638 K), and contracted services such as security, snow removal, waste pickup, etc. totalling (\$309 K). This was partially offset by higher than budgeted fee recoveries (\$226 K) and a lack of transfer to reserve that was budgeted for (\$145 K). Lower Diesel consumptions and affiliated revenue loss (\$300 K). Cost of vehicle repairs by Outside Services forecasted to be much higher than anticipated due to mechanics not being at full complement (\$1 M). Offset by favourable gapping variances.
Engineering Services	7,091	2,743	7,091	0	0.0%	
Environmental Services	34,895	18,639	34,895	0	0.0%	
Operations	102,266	52,497	100,743	1,523	1.5%	Favourable variances in Waste contractual services \$1.4 M and recycling and disposal revenues \$388 K are also expected. Material usage for the sidewalk program (\$100 K) and Driver Safety & Compliance Training (\$130 K) are projected to be over budget.
Transit	59,994	42,307	61,761	(1,768)	(2.9)%	Mainly due to forecasted revenue shortfalls in Transit Fare Revenues -\$1.3 M coupled with employee related sick / overtime costs -\$1.9 M. This is partially mitigated by favourable positions with all types of Fuel, the Taxi Contract, Taxi Scrip and uncommitted Run Time funds.
TOTAL PUBLIC WORKS	224,717	130,812	227,541	(2,824)	(1.3)%	
LEGISLATIVE						
Legislative General	(279)	(178)	(279)	0	0.0%	
Mayors Office	1,076	555	1,076	0	0.0%	
Volunteer Committee	106	18	106	0	0.0%	
Ward Budgets	3,807	2,152	3,807	0	0.0%	
TOTAL LEGISLATIVE	4,709	2,547	4,709	0	0.0%	
CITY MANAGER						
City Managers Office	1,768	932	1,768	0	0.0%	
Audit Services	997	557	997	0	0.0%	
City Clerk's Office	2,298	1,289	2,349	(51)	(2.2)%	Unfavorable gapping due to timing of vacancies and hires.
Human Resources	5,450	3,108	5,670	(220)	(4.0)%	Unfavorable Legal Fees and Mediation/Arbitration costs.
Legal Services	3,301	2,204	3,301	0	0.0%	
TOTAL CITY MANAGER	13,814	8,090	14,085	(271)	(2.0)%	

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CORPORATE SERVICES						
Corporate Services - Administration	322	260	384	(62)	(19.4)%	Unfavorable gapping due to employee costs related to retirement and staff transitions.
Customer Service, Access & Equity	5,210	3,004	5,522	(312)	(6.0)%	Unfavorable gapping as a result of higher than budgeted employee related costs.
Finance, Administration & Revenue Generation	792	641	753	39	4.9%	Favorable gapping due to vacancies.
Financial Planning & Policy	393	1,302	314	78	19.9%	Favorable gapping due to vacancies, retirement, and staff transitions.
Financial Services	3,594	3,428	3,564	30	0.8%	Favorable gapping due to vacancies, retirement, and staff transitions.
Information Technology	8,737	4,296	8,467	270	3.1%	Favorable gapping due to timing of vacancies and hires.
Taxation	693	278	410	283	40.9%	Unfavorable gapping resulting from transition of retiring employee offset by Tax certificate revenues/Tax transfer fees/Arrears Processing Fees.
TOTAL CORPORATE SERVICES	19,741	13,209	19,415	326	1.7%	
CORPORATE FINANCIALS						
Corporate Pensions, Benefits & Contingency	14,635	7,121	14,635	0	0.0%	
Corporate Wage Gapping Target	(4,540)	0	(1,995)	(2,545)	(56.1)%	Gapping realized in departments.
Inactive Corp Financials	0	93	0	0	0.0%	
Corporate Initiatives	2,399	1,838	2,399	0	0.0%	
Risk Management	0	2,399	51	(51)	(100.0)%	Negative variance is attributable to higher cost estimated for the administration of the insurance program.
TOTAL CORPORATE FINANCIALS	12,493	11,451	15,090	(2,596)	(20.8)%	
HAMILTON ENTERTAINMENT FACILITIES						
Operating	4,170	2,273	4,170	0	0.0%	
Capital Financing	0	0	0	0	0.0%	
TOTAL HAMILTON ENTERTAINMENT FACILITIES	4,170	2,273	4,170	0	0.0%	
TOTAL CITY EXPENDITURES	559,782	319,923	563,442	(3,660)	(0.7)%	

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CAPITAL FINANCING						
Debt-Planning & Economic Development	711	(61)	711	0	0.0%	
Debt-Community & Emergency Services	3,839	(520)	3,839	0	0.0%	
Debt-Public Health Services	378	86	378	0	0.0%	
Debt-Public Works	43,156	(5,385)	41,156	2,000	4.6%	Due to delay in debt issuance, principal and interest savings.
Debt-Corporate Financials	50,016	48,732	50,016	0	0.0%	
Infrastructure Renewal Levy	13,429	0	13,429	0	0.0%	
TOTAL CAPITAL FINANCING	111,529	42,851	109,529	2,000	1.8%	
BOARDS & AGENCIES						
Police Services						
Operating	152,534	86,170	152,534	0	0.0%	
Capital Financing	716	(311)	716	0	0.0%	
Total Police Services	153,250	85,859	153,250	0	0.0%	
Other Boards & Agencies						
Library	28,816	16,953	28,816	0	0.0%	
Conservation Authorities	5,225	5,674	5,225	0	0.0%	
Hamilton Beach Rescue Unit	128	59	128	0	0.0%	
Royal Botanical Gardens	605	402	605	0	0.0%	
MPAC	6,251	3,126	6,251	0	0.0%	
GO Transit	0	348	0	0	0.0%	
Farmers Market	108	112	316	(208)	(193.7)%	Unfavourable variance forecasted for Farmer's Market of -\$208 K mainly due to building repairs and unfavourable monthly rental fee revenue.
Total Other Boards & Agencies	41,133	26,674	41,342	(208)	(0.5)%	
Capital Financing - Other Boards & Agencies	137	(282)	137	0	0.0%	
City Enrichment Fund	5,700	3,338	5,700	0	0.0%	
TOTAL BOARDS & AGENCIES	200,220	115,590	200,428	(208)	(0.1)%	
TOTAL EXPENDITURES	871,532	478,364	873,399	(1,867)	(0.2)%	

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NON PROGRAM REVENUES						
Payment In Lieu	(15,464)	(16,492)	(15,930)	466	3.0%	Reflects actual billings.
Penalties and Interest	(10,500)	(6,694)	(11,000)	500	4.8%	Large industrial properties under appeal are incurring P&I.
Right of Way	(3,201)	(3,202)	(3,201)	0	0.0%	
Senior Tax Credit	576	685	605	(29)	(5.0)%	2016 Final billing.
Supplementary Taxes	(9,125)	(10)	(9,125)	0	0.0%	
Tax Remissions and Write Offs	11,946	5,240	13,951	(2,005)	(16.8)%	Unfavourable variance due to higher appeals with a larger amount required to be transferred to the allowance to offset potential write offs that may occur in 2017 or later. Also 2016 LEED Grant Program exceeds budget.
Hydro Dividend and Other Interest	(5,300)	(4,996)	(5,529)	229	4.3%	Due to true-up of dividend which was not fully budgeted for, partially offset by a higher transfer to capital than what was expected.
Investment Income	(4,100)	(10,442)	(4,100)	0	0.0%	
Slot Revenues	(5,000)	(2,422)	(5,000)	0	0.0%	
Other Revenue	0	(1)	0	0	0.0%	
POA Revenues	(3,696)	(1,825)	(4,196)	500	13.5%	Favourable variance forecasted due to POA fines revenue increase, partially offset by lower than anticipated Red Light Camera revenues.
TOTAL NON PROGRAM REVENUES	(43,864)	(40,159)	(43,525)	(339)	(0.8)%	
TOTAL LEVY REQUIREMENT	827,668	438,205	829,875	(2,207)	(0.3)%	