



# INFORMATION REPORT

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| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee  |
| <b>COMMITTEE DATE:</b>    | April 18, 2019  |
| <b>SUBJECT/REPORT NO:</b> | Ward-Specific Funding Initiatives Report as of December 31, 2018 (FCS19021) (City Wide)   |
| <b>WARD(S) AFFECTED:</b>  | City Wide   |
| <b>PREPARED BY:</b>       | Samantha Blackley (905) 546-2424 Ext. 2132  |
| <b>SUBMITTED BY:</b>      | Cindy Mercanti<br>Director, Customer Service and POA<br>Acting Director, Financial Planning and Policy<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |   |

## COUNCIL DIRECTION

Audit, Finance and Administration Committee, at its meeting on April 8, 2018, approved the following:

“That annual reporting to Council of the balances and activities in the ward-specific funding initiatives including Wards 1 to 8 Area Rating Special Capital Re-investment Reserves, Ward-Specific Non-Property Tax Revenues, Cell Tower Revenues, Hydro One Contract Revenues and Minor Maintenance Council Priority Capital Projects, be approved;”

## INFORMATION

### Executive Summary

The Area Rating Special Capital Re-investment Reserve Policy (Report FCS12024) was approved by Council on February 22, 2012. This Policy addresses the process and principles of the re-investment of the tax shift variance to the former City of Hamilton for the infrastructure deficit. The funding has been phased within the former City of Hamilton with Wards 1 to 8 receiving approximately \$420 K in 2011, \$640 K in 2012 and \$1.259 M in 2013. With the phase in completed in 2014, each Ward has received \$1.678 M annually from this time.

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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Concerns in the past have been addressed regarding the discretionary spending within the guidelines established in this Policy. Audit, Finance and Administration Committee (AF&AC), at its meeting on January 22, 2018, received correspondence from the public and staff was directed to report back to AF&AC on the funding of sponsorships, committee events and office expenses through the discretionary spending Area Rating Special Capital Re-investment Fund of Wards 1 to 8.

To help increase transparency regarding Ward-Specific Funding Initiatives, Council approved that all grants above \$350 from the Capital Special Re-Investment Discretionary Fund be approved by Council. Report FCS18014 also established the framework for the annual reporting on balances for the Area Rating Special Capital Re-investment Reserves, Ward-Specific Non-Property Tax Revenues, Cell Tower Revenues and Minor Maintenance Council Priority Capital Projects.

In December 2017, the Ontario Municipal Board (OMB) approved the new boundaries for the City of Hamilton in which the alignment of Wards 1 to 8 and the former Wards 1 to 8 of the City of Hamilton (pre-amalgamation) no longer exists. Each Ward boundary has changed impacting the allocation of the Ward Specific Funding Initiatives. As a result, new Wards 9, 10 & 14 have properties in the former City of Hamilton. As approved by GIC at its meeting on February 6<sup>th</sup>, 2019 (Report FCS19006), new Special Capital Re-Investment Reserves were established for these wards.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” – City of Hamilton Reserve History as of December 31,2018 (Detailed Record of Projects Funded from Reserve)

Appendix “B”– Area Rating Special Capital Re-Investment Fund Discretionary Spending Wards 1 to 8 as of December 31, 2018

Appendix “C”– Ward Specific Non-Property Tax Revenue Spending as of December 31, 2018

Appendix “D” – 2016/18 Council Priority Minor Improvements as of December 31, 2018

SB/dt