



Hamilton

## INFORMATION REPORT

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| <b>TO:</b>                | Chair and Members<br>Audit, Finance and Administration Committee   |
| <b>COMMITTEE DATE:</b>    | July 9, 2020   |
| <b>SUBJECT/REPORT NO:</b> | Ward Specific Funding Initiatives Update as of<br>December 31, 2019 (FCS20045) (City Wide)                 |
| <b>WARD(S) AFFECTED:</b>  | City Wide  |
| <b>PREPARED BY:</b>       | Marcin Zukowski 905-546-2424 Ext. 2126   |
| <b>SUBMITTED BY:</b>      | Brian McMullen<br>Director, Financial Planning, Administration and Policy<br>Corporate Services Department |
| <b>SIGNATURE:</b>         |  |

### COUNCIL DIRECTION

At its meeting on April 8, 2018, the Audit, Finance and Administration Committee approved the recommendations in Report FCS18014 requiring annual reporting to Council of the balances and activities in the ward-specific funding initiatives including Ward 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.

### INFORMATION

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. Since the phase-in was completed in 2014, each ward has received \$1.678 M annually.

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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.

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 City of Hamilton (pre 2001) no longer exists. Effective January 1, 2018, Wards 1, 2, 3, 4, 7 and 8 include only properties from the former City of Hamilton. Wards 5, 6, 9, 10 and 14 include properties from the former City of Hamilton and some other former municipalities while Wards 11, 12, 13 and 15 do not include any properties from the former City of Hamilton.

At its meeting on February 6, 2019, the General Issues Committee approved Report FCS19006, which recommended establishing reserves for newly created Ward 9, Ward 10 and Ward 14 and that the Area Rating Special Capital Reinvestment Reserve Fund balances as at December 31, 2018 be reallocated to the new wards within the former City of Hamilton based on percentage of assessment in each ward.

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 passed by Council. Report FCS18014 established that annual reports on the balances and activities in the Ward Specific Funding Initiatives including the Area Rating Special Capital Reinvestment Reserves and Discretionary Projects, Ward-Specific Non-Property Tax Revenues, Cell Tower Revenues and Minor Maintenance Council Priority Capital Projects be presented to Committee.

In addition, at its meeting on January 22, 2018, the Audit, Finance and Administration Committee (AF&AC) received correspondence from the public and staff was requested to report back to AF&AC on the funding of sponsorships, committee events and office expenses through the discretionary spending Area Rating Special Capital Reinvestment Fund of Wards 1 to 8. With the changes to the ward boundaries, all ward specific discretionary spending of the Area Rating Special Capital Reinvestment Fund will be provided annually.

#### **APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS20045 – City of Hamilton Area Rating Special Capital Reinvestment Fund Reserve History as of December 31, 2019

Appendix “B” of Report FCS20045 – Area Rating Special Capital Reinvestment Fund Discretionary Spending Wards 1 to 8 Ward 14 as of December 31, 2019

Appendix “C” of Report FCS20045 – Non Property Tax Revenues re Wards 2, 3, 10, 12 13 and 15 as of December 31, 2019

Appendix “D” to Report FCS20045 – Council Priority Minor Improvements as at December 31, 2019

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