



GENERAL ISSUES COMMITTEE (BUDGET) REPORT 20-017

9:30 a.m.

October 29, 2020

Due to COVID-19 and the closure of City Hall, this meeting was held virtually.

Present: Mayor F. Eisenberger, Deputy Mayor L. Ferguson (Chair)
Councillors M. Wilson, J. Farr, N. Nann, S. Merulla, C. Collins,
T. Jackson, E. Pauls, J.P. Danko, B. Clark, M. Pearson, B. Johnson,
A. VanderBeek, J. Partridge

Absent: Councillor T. Whitehead - Personal

THE GENERAL ISSUES COMMITTEE PRESENTS REPORT 20-017, AND RESPECTFULLY RECOMMENDS:

1. **2021 Budget Guidelines, Outlook and Process (FCS20087) (City Wide) (Item 7.1)**
 - (a) That staff be directed to prepare the 2021 Tax Operating Budget at an increase required to maintain current service levels and report back to the General Issues Committee through the 2021 budget process;
 - (b) That staff be directed to increase user fees towards full cost recovery where it is reasonable to expect that users can afford to pay;
 - (c) That for all other user fees, the fee be increased by a rate of 2.0% and that any user fee increases below the guideline be forwarded for consideration with appropriate explanation;
 - (d) That the Hamilton Police Services Board, Hamilton Library Board, Conservation Authorities and Hamilton Beach Rescue Unit target a 2021 tax operating budget guideline, based on an increase of 0%; with any increase beyond that guideline to be provided, with an explanation, to the General Issues Committee for consideration;
 - (e) That staff be directed to prepare the 2021 Tax Capital Budget with a 0% tax increase for capital financing of discretionary block funded projects;

- (f) That staff be directed to prepare the 2021 Rate Supported Budget at a rate increase of 4.28%, in alignment with the long-term financing plan approved in principle; and,
- (g) That the City Clerk forward Report FCS20087, respecting the 2021 Budget Guidelines, Outlook and Process, to local Members of Parliament, local Members of Provincial Parliament, the Federation of Canadian Municipalities, the Association of Municipalities Ontario and Ontario's Big City Mayors for the purposes of advocating senior levels of government for ongoing financial support related to COVID-19 pressures.

2. 2019 Municipal Tax Competitiveness Study (FCS20029) (City Wide) (Item 8.1)

That Report FCS20029, respecting the 2019 Municipal Tax Competitiveness Study, be received.

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 2)

The Committee Clerk advised of the following change to the agenda:

5. DELEGATION REQUESTS

- 5.1 Arwen Roussell, respecting Report FCS20087 - 2021 Budget Guidelines, Outlook and Process (Item 7.1 on today's agenda.)

The agenda for the October 29, 2020 General Issues Committee (Budget) meeting was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

(c) COMMUNICATIONS (Item 4)

- (i) Correspondence from the Lakewood Beach Community Council respecting the Recommendation to Increase the Rate Budget by 4.28% (Item 4.1)**

The correspondence from the Lakewood Beach Community Council, respecting the Recommendation to Increase the Rate Budget by 4.28%, was received and referred to the consideration of Item 7.1.

(d) DELEGATION REQUESTS (Item 5)

- (i) Arwen Roussell, respecting Report FCS20087 - 2021 Budget Guidelines, Outlook and Process (Item 5.1)**

The delegation request, submitted by Arwen Roussell, respecting Report FCS20087 - 2021 Budget Guidelines, Outlook and Process, was approved to appear before the General Issues Committee on October 29, 2020.

(e) PUBLIC HEARINGS / DELEGATIONS (Item 6)

- (i) Arwen Roussell, respecting Report FCS20087 - 2021 Budget Guidelines, Outlook and Process (Item 6.1)**

Mr. Arwen Roussell was not present when called upon, and subsequently sent an e-mail during the meeting to withdraw his request.

(f) STAFF PRESENTATIONS (Item 7)

- (i) 2021 Budget Guidelines, Outlook and Process (FCS20087) (City Wide) (Item 7.1)**

Mike Zegarac, General Manager of Finance & Corporate Services, introduced Marc Desormeaux, Senior Economist - Scotiabank.

Mr. Desormeaux, of Scotiabank, provided an economic update with the aid of a PowerPoint presentation, and answered questions of Committee.

The presentation, respecting an economic updated, provided by Marc Desormeaux, Senior Economist - Scotiabank, was received.

Mike Zegarac, General Manager of Finance & Corporate Services, provided a PowerPoint presentation respecting Report FCS20087, the 2021 Budget Guidelines, Outlook and Process.

The presentation respecting Report FCS20087, the 2021 Budget Guidelines, Outlook and Process was received.

The General Issues Committee recessed for one-half hour and reconvened at 1:20 p.m.

Sub-section (d) to Report FCS20087, respecting the 2021 Budget Guidelines, Outlook and Process, was deleted in its entirety and replaced with the following in lieu thereof:

- ~~(d) That City Council provides a 2021 Tax Operating Budget guideline as it relates to Boards and Agencies and that any increase beyond the guideline be forwarded for consideration with appropriate explanation;~~
- (d) That the Hamilton Police Services Board, Hamilton Library Board, Conservation Authorities and Hamilton Beach Rescue Unit target a 2021 tax operating budget guideline, based on an increase of ___%; with any increase beyond that guideline to be provided, with an explanation, to the General Issues Committee for consideration;**

The following Amendment was DEFEATED:

That the 2021 tax operating budget target guidelines, for the Hamilton Police Services Board, Hamilton Library Board, Conservation Authorities and Hamilton Beach Rescue Unit, be set at 2%, to read as follows:

- (d) That the Hamilton Police Services Board, Hamilton Library Board, Conservation Authorities and Hamilton Beach Rescue Unit target a 2021 tax operating budget guideline, based on an increase of **2%**; with any increase beyond that guideline to be provided, with an explanation, to the General Issues Committee for consideration;

The 2021 tax operating budget target guidelines, for the Hamilton Police Services Board, Hamilton Library Board, Conservation Authorities and Hamilton Beach Rescue Unit, was set at 0%, to read as follows:

- (d) That the Hamilton Police Services Board, Hamilton Library Board, Conservation Authorities and Hamilton Beach Rescue Unit target a 2021 tax operating budget guideline, based on an increase of **0%**; with any increase beyond that guideline to be provided, with an explanation, to the General Issues Committee for consideration;

For further disposition of this matter, please refer to Item 1.

(j) NOTICES OF MOTION (Item 10)

Councillor S. Merulla introduced the following Notice of Motion:

(i) Chedoke Creek Budgetary Plan (Item 10.1)

That staff be directed to develop the necessary budgetary plan to address the Chedoke Creek matter, once the investigation has concluded.

(k) ADJOURNMENT (Item 13)

There being no further business, the General Issues Committee (Budget) adjourned at 2:43 p.m.

Respectfully submitted,

Deputy Mayor Lloyd Ferguson
Chair, General Issues Committee

Stephanie Paparella
Legislative Coordinator,
Office of the City Clerk