

Item 6.1

2023 TAX OPERATING BUDGET UPDATE

GENERAL ISSUES COMMITTEE



February 7, 2023

2023 Tax Operating Budget Update Agenda

1. 2023 Preliminary Tax Supported Budget Update
2. Council Referred Items
3. Business Cases
4. Other Budget Amendments
5. Next Steps



2023 Tax Operating Budget Update

2023 Net Operating Budget – Current Position

(\$000's)	2022		2023				
	Restated	Budget Book	Budget Book vs. Restated		Current	Current vs. Restated	
Planning and Economic Development	31,769	33,407	1,638	5.2%	33,407	1,638	5.2%
Healthy and Safe Communities	267,989	294,957	26,968	10.1%	301,605	33,616	12.5%
Public Works	278,499	294,233	15,734	5.6%	293,486	14,987	5.4%
Legislative	5,283	5,530	247	4.7%	6,131	848	16.0%
City Manager	13,689	14,498	808	5.9%	14,498	808	5.9%
Corporate Services	39,667	42,775	3,108	7.8%	42,775	3,108	7.8%
Corporate Financials / Non Program Revenues	(30,546)	(26,156)	4,390	(14.4)%	(18,168)	12,378	(40.5)%
Hamilton Entertainment Facilities	2,338	150	(2,188)	(93.6)%	150	(2,188)	(93.6)%
Total City Expenditures	608,689	659,395	50,706	8.3%	673,884	65,195	10.7%
Hamilton Police Services	183,543	189,834	6,291	3.4%	193,596	10,053	5.5%
Other Boards and Agencies	49,530	51,345	1,816	3.7%	51,346	1,817	3.7%
City Enrichment Fund	6,088	6,088	0	0.0%	6,718	629	10.3%
Total Boards and Agencies	239,161	247,268	8,107	3.4%	251,660	12,499	5.2%
Capital Financing	145,688	154,977	9,289	6.4%	154,977	9,289	6.4%
Total Net for Levy	993,538	1,061,640	68,102	6.9%	1,080,521	86,983	8.8%
Assessment Growth Assumption				1.0%			1.6%
Total Residential Tax Impact				5.4%			6.8%

2023 Tax Operating Budget Update Current Position

	NET LEVY ADJUSTMENT (\$)	NET LEVY ADJUSTMENT (%)
PRELIMINARY BUDGET	\$ 55,730,630	5.6%
Department Description		
APPROVED AMENDMENTS:		
H&SC Arkledun Loan Repayment (Motion - Dec. 7, 2022 Council HSC22047))	(283,000)	(0.0)%
ADJUSTED PRELIMINARY BUDGET	\$ 55,447,630	5.6%
PENDING AMENDMENTS:		
B&A To align Boards & Agencies Budgets with Board Approvals	1,562,753	0.2%
LEG Volunteer Advisory Committees	512	0.0%
Corp Fin Living Wage Update (HUR20003(b) / FCS20013(b))	353,600	0.0%
PW Blue Box Program (increase in Resource Productivity and Recovery Authority subsidy)	(747,464)	-0.1%
BUSINESS CASES	7,339,300	0.7%
COUNCIL REFERRED ITEMS	23,026,453	2.3%
TOTAL NET LEVY REQUIREMENT	\$ 86,982,784	8.8%
AVERAGE RESIDENTIAL TAX IMPACT (Inclusive of Above)		RESIDENTIAL TAX IMPACT (%)
Municipal Services		7.9%
Assessment Growth		(1.6)%
Property Class Restrictions		0.5%
Education		0.0%
AVERAGE RESIDENTIAL TAX IMPACT		6.8%

2023 Tax Operating Budget Update Preliminary vs Current

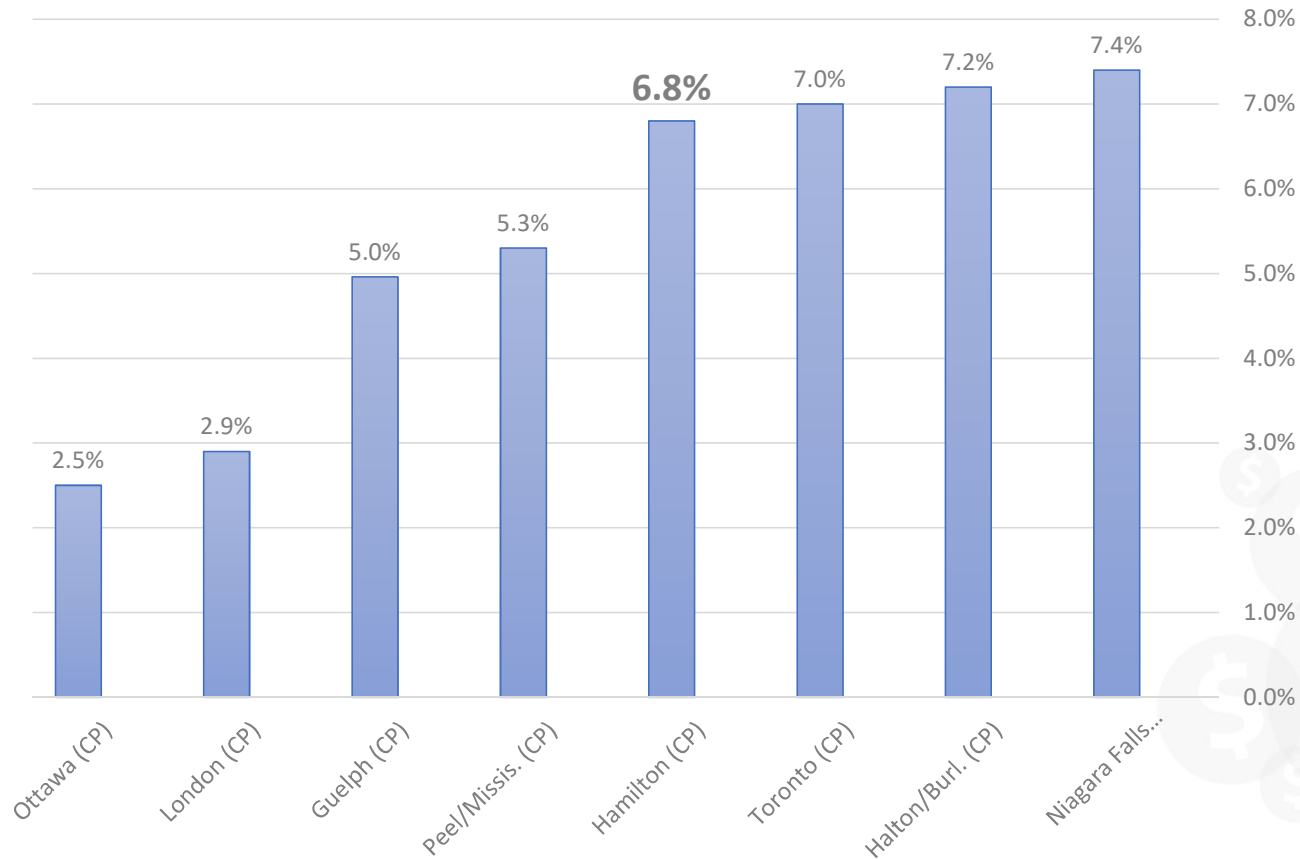
2023 Tax Budget	Budget Stage	Levy Increase \$	Total Residential Tax Impact %
	Outlook (August)	80,863,154	6.9%
	Preliminary (Budget Book)	68,102,057	5.4%
	Current Forecast*	86,982,784	6.8%

* Note: Current forecast is inclusive of all amending items included projected assessment growth, the updated education rate and net levy restrictions, as well as pending Council Referred Items, Business Cases and other budget adjustments

2023 Residential Tax Impacts Comparators

T = Targeted
CP = Current Position
A = Approved

**Note: West Lincoln,
Haldimand County,
Windsor are
pending**



2023 Tax Operating Budget Update
2023 Council Referred Items

- Items previously considered at Council and referred to the budget process for further discussion.
- 25 council referred items:

Department	# of Council Referred Items	Gross (\$)	Net (\$)	FTE
Planning & Economic Development	6	532,700	510,700	2.75
Healthy and Safe Communities	10	13,206,400	9,256,400	-
Public Works	1	1,117,900	1,117,900	10.00
Corporate Services	4	772,100	772,100	7.00
City Manager	1	200,000	200,000	2.00
Other	3	TBD	TBD	TBD
Total Council Referred Items	25	26,398,453	23,026,453	21.75

- Average residential tax impact of 2.09%

2023 Tax Operating Budget Update 2023 Council Referred Items

FORM #	DIVISION	DESCRIPTION	2023 IMPACT		
			\$ GROSS	\$ NET	FTE Impact
Planning & Economic Development					
1.1	General Manager PED	Annual Support for Bay Area Climate Change Office (CM22016/PED22058(a)/HSC22030(a)).	\$ 160,000	\$ 160,000	-
1.2	General Manager PED	New Project Manager for Climate Change Office (CM22016/PED22058(a)/HSC22030(a)).	\$ 71,700	\$ 71,700	1.00
1.3	General Manager PED	New Senior Project Manager for Climate Change Office (CM22016/PED22058(a)/HSC22030(a)).	\$ 79,800	\$ 79,800	1.00
1.4	Tourism & Culture	Canada Day Event (CM21014)	\$ 150,300	\$ 128,300	0.25
1.5	Licensing & By-Law Services	Nuisance Party By-Law (PED22156)	\$ 70,900	\$ 70,900	0.50
1.6	Transportation, Planning & Parking	Accelerating the Implementation of the Cycling Master Plan (Motion - GIC Jan. 20, 2023)	TBD	TBD	TBD
Planning & Economic Development Total			\$ 532,700	\$ 510,700	2.75

2023 Tax Operating Budget Update 2023 Council Referred Items

FORM #	DIVISION	DESCRIPTION	2023 IMPACT		
			\$ GROSS	\$ NET	FTE Impact
Healthy & Safe Communities					
2.1	Children's and Community Services	Hamilton's Plan for an Age-Friendly Community (HSC22031)	\$ 10,000	\$ 10,000	-
2.2	Housing Services	Social Housing Providers at End of Mortgage (HSC22040)	\$ 1,100,000	\$ 1,100,000	-
2.3	Housing Services	Subsidy Request for Rapid Housing Initiative New Developments (HSC20056(a))	\$ 125,000	\$ 125,000	-
2.4	Housing Services	Adaptation and Transformation of Housing Services Post Pandemic (HSC20020(f))	\$ 649,700	\$ 649,700	-
2.5	Housing Services	Shelters Cost of Living Enhancement (Homelessness Prevention Program (HSC20020(f))	\$ 546,700	\$ 546,700	-
2.6	Housing Services	Hamilton Alliance for Tiny Shelters Proposal (HSC22015(a))	\$ 100,000	\$ 100,000	-
2.7	Housing Services	Affordable Housing Funding Program (HSC23003)	\$ 4,000,000	\$ 4,000,000	-
2.8	Housing Services	Cold Alert Response (Motion - ECS Dec. 1, 2022)	\$ 125,000	\$ 125,000	-
2.9	Housing Services	Funding for YWCA Hamilton (Motion - ECS Dec. 1, 2022)	\$ 6,550,000	\$ 2,600,000	-
2.10	Public Health	Alcohol, Drug & Gambling Services and Community Mental Health Promotion Program (BOH22012(b) as amended)	TBD	TBD	TBD
Healthy & Safe Communities Total			\$ 13,206,400	\$ 9,256,400	-

2023 Tax Operating Budget Update

2023 Council Referred Items

FORM #	DIVISION	DESCRIPTION	2023 IMPACT		
			\$ GROSS	\$ NET	FTE Impact
Public Works					
3.1	PW-General Administration	Corporate Asset Management Resource Requirements (PW22048)	\$ 1,117,900	\$ 1,117,900	10.00
Public Works Total			\$ 1,117,900	\$ 1,117,900	10.00
Corporate Services					
4.1	City Clerk's Office	Election Expense Reserve for Internet Voting Consideration for 2026 Municipal Election (FCS20081(a))	\$ 153,800	\$ 153,800	-
4.2	City Clerk's Office	Records & Information Management Policy (FCS22057)	\$ 184,000	\$ 184,000	2.00
4.3	City Clerk's Office	Virtual Meeting Support (FCS21058)	\$ 175,000	\$ 175,000	2.00
4.4	Legal Services and Risk Management	Implement Bill 13 and Bill 109 (PED22112)	\$ 259,300	\$ 259,300	3.00
Corporate Services Total			\$ 772,100	\$ 772,100	7.00

2023 Tax Operating Budget Update

2023 Council Referred Items

FORM #	DIVISION	DESCRIPTION	2023 IMPACT		
			\$ GROSS	\$ NET	FTE Impact
City Manager					
5.1	Government & Community Relations	Public Engagement Policy & Framework (CM21011)	\$ 200,000	\$ 200,000	2.00
City Manager Total			\$ 200,000	\$ 200,000	2.00
Other					
6.1	Administration CEF	City Enrichment Fund (Motion - AF&A June 2, 2022)	ITEM 7.4	ITEM 7.4	ITEM 7.4
6.2	Legislative	Increase to Councillors' Office Budgets (Motion - Council Dec. 7, 2022)	\$ 600,000	\$ 600,000	-
6.3	Corp Fin	Recruitment and Retention (HUR23002)	TBD	TBD	TBD
Other Total			\$ 600,000	\$ 600,000	-
Grand Total			\$ 26,398,453	\$ 23,026,453	21.75

2023 Tax Operating Budget Update
2023 Business Cases

- 20 business cases for consideration in the 2023 budget process:

Department	# of Business Cases Submitted	Gross (\$)	Net (\$)	FTE
Planning & Economic Development	2	279,520	-	2.00
Healthy and Safe Communities	6	7,077,800	6,799,100	40.00
Public Works	8	720,600	171,900	11.00
Corporate Services	4	368,300	368,300	6.00
Total Business Cases	20	8,446,220	7,339,300	59.00

- Average residential tax impact of 0.67%



2023 Tax Operating Budget Update 2023 Business Cases

FORM #	DIVISION	SERVICE / PROGRAM	DESCRIPTION	2023 IMPACT		
				\$ GROSS	\$ NET	FTE Impact
Planning & Economic Development						
1.1	Economic Development	Real Property Management	Chief Real Estate Officer conversion from temporary to permanent	\$ 195,700	\$ -	1.00
1.2	Tourism & Culture	Cultural Development	Film Production Facilitation	\$ 83,820	\$ -	1.00
Planning & Economic Development Total				\$ 279,520	\$ -	2.00
Healthy & Safe Communities						
2.1	Children's and Community Services	Child Care System Management	Manager, Canada Wide Early Learning Child Care	\$ 178,700	\$ -	1.00
2.2	Children's and Community Services	Community Engagement	Indigenous Strategy	\$ 584,000	\$ 484,000	4.00
2.3	Hamilton Fire Department	Hamilton Fire Department	Hamilton Fire Department - Volunteer Staffing/Headcount Enhancement	\$ -	\$ -	-
2.4	Hamilton Paramedic Service	Hamilton Paramedic Service	Hamilton Paramedic Service - Ambulance Enhancement - Call Growth	\$ 1,228,600	\$ 1,228,600	10.00
2.5	Hamilton Paramedic Service	Hamilton Paramedic Service	Hamilton Paramedics-Ambulance Enhance-ment-Response Times & Current Demand	\$ 3,081,800	\$ 3,081,800	25.00
2.6	Long Term Care	Long-Term Care	2023 Long Term Care - Covid costs	\$ 2,004,700	\$ 2,004,700	-
Healthy & Safe Communities Total				\$ 7,077,800	\$ 6,799,100	40.00

2023 Tax Operating Budget Update

2023 Business Cases

FORM #	DIVISION	SERVICE / PROGRAM	DESCRIPTION	2023 IMPACT		
				\$ GROSS	\$ NET	FTE Impact
Public Works						
3.1	Energy Fleet and Facilities	Facilities Management	THF Post Event Increase Service Level	\$ 125,600	\$ 125,600	1.00
3.2	Energy Fleet and Facilities	Fleet Services Management	Green Fleet Planning	\$ 46,300	\$ 46,300	1.00
3.3	Engineering Services	Engineering Services	Roads Value for Money Audit Recommendations	\$ 199,500	\$ -	4.00
3.4	Engineering Services	Engineering Services	Request for additional staff resources for Structures	\$ 70,900	\$ -	1.00
3.5	Engineering Services	Engineering Services	Contracts Coordinator	\$ 55,600	\$ -	1.00
3.6	Engineering Services	Engineering Services	Project Manager Excess Soils	\$ 70,900	\$ -	1.00
3.7	Engineering Services	Engineering Services	Quality Management System (QMS) Staff within Engineering Services	\$ 80,900	\$ -	1.00
3.8	Engineering Services	Engineering Services	Request for additional staff resources for Municipal Class Environmental Assessments	\$ 70,900	\$ -	1.00
Public Works Total				\$ 720,600	\$ 171,900	11.00

2023 Tax Operating Budget Update

2023 Business Cases

FORM #	DIVISION	SERVICE / PROGRAM	DESCRIPTION	2023 IMPACT		
				\$ GROSS	\$ NET	FTE Impact
Corporate Services						
4.1	City Clerk's Office	Citizen and Customer Service	FOI Administration	\$ 50,000	\$ 50,000	-
4.2	Information Technology	Information Technology	Additional FTEs for IT	\$ -	\$ -	2.00
4.3	Information Technology	Information Technology	IT Security FTE	\$ 159,300	\$ 159,300	2.00
4.4	Legal Services and Risk Management	Legal Services	Legal Taxation Support	\$ 159,000	\$ 159,000	2.00
Corporate Services Total				\$ 368,300	\$ 368,300	6.00
Grand Total				\$ 8,446,220	\$ 7,339,300	59.00

2023 Tax Operating Budget Update Other Budget Amendments

PENDING AMENDMENTS FOR COUNCIL CONSIDERATION:

1. TO ALIGN TO BOARD APPROVAL OF EXTERNAL AGENCIES BUDGETS:

- Hamilton Police Service **\$3,762,008**
- Hamilton Conservation Authority **\$300,000** (one-time)
- Municipal Property Assessment Corporation (MPAC) **(\$286,041)**
- Royal Botanical Gardens **(\$13,214)**
- Removal of Boards & Agencies Contingency **(\$2,200,000)**
- Total = **\$1,562,753**

2. BLUE BOX PROGRAM: **(\$747,464)**

3. VOLUNTEER ADVISORY COMMITTEE BUDGETS: **\$512 (SEPARATE AGENDA ITEM)**

4. LIVING WAGE UPDATE (HUR20003(b)): **\$353,600 (SEPARATE AGENDA ITEM)**



2023 Tax Operating Budget Update
Next Steps

Item	Date
Tax Supported Operating Budget Deliberations	February 21 and March 1, 3, 2023
Tax Supported Operating Budget Council Approval	March 29, 2023



THANK YOU