

2023 TAX OPERATING BUDGET UPDATE

GENERAL ISSUES COMMITTEE



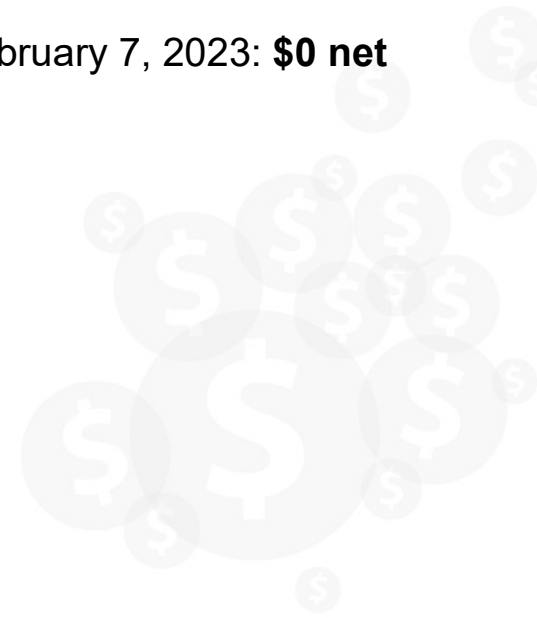
2023 Tax Operating Budget Update Agenda

1. 2023 Preliminary Tax Supported Budget Update
2. SLT Proposed Amendments
3. One-time Gapping Options
4. Pending Budget Amendments
 - Council Referred Items
 - Business Cases
 - Other Proposed Budget Amendments
5. Next Steps



2023 Tax Operating Budget Update Summary of Changes since February 7, 2023

- Encampment Pilot Evaluation Coordination Response Team (HSC20038(e)/PED21188(b)) – referred to 2023 budget process at Council February 8, 2023: **\$1,366,646**
- Acceleration of Cycling Master Plan (PED23042(a)/PW23008(a)) – approved at GIC February 7, 2023: **\$308,000**
- Waterfalls and Special Areas Enforcement (PED18011(d)) – referred at GIC February 7, 2023: **\$0 net levy impact (\$490,000 gross cost funded by user fees)**



2023 Tax Operating Budget Update

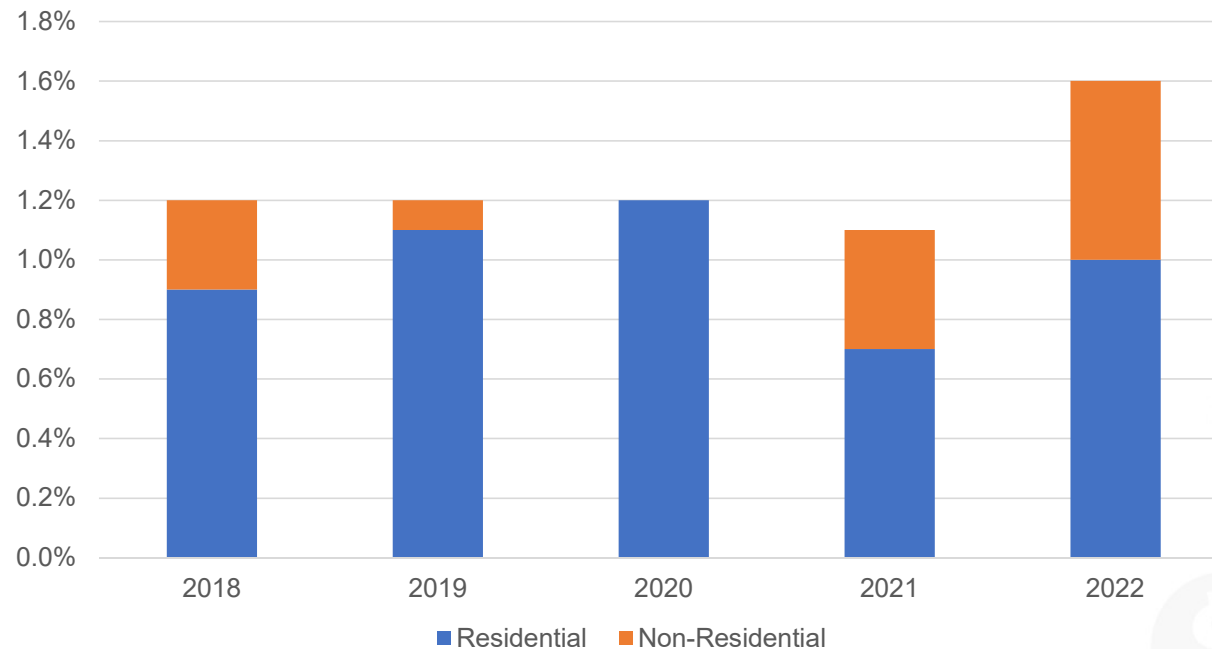
2023 Net Operating Budget – Current Position

(\$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%	33,715	1,946	6.1%
Healthy and Safe Communities	267,989	294,957	26,968	10.1%	302,971	34,982	13.1%
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%	675,558	66,869	11.0%
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%	51,198	1,669	3.4%
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%	251,512	12,351	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%	1,082,047	88,509	8.9%
Assessment Growth Assumption				1.0%	1.6%		
Total Residential Tax Impact				5.4%	7.0%		

2023 Tax Operating Budget Update

Assessment Growth

NET ASSESSMENT GROWTH 2018-2022



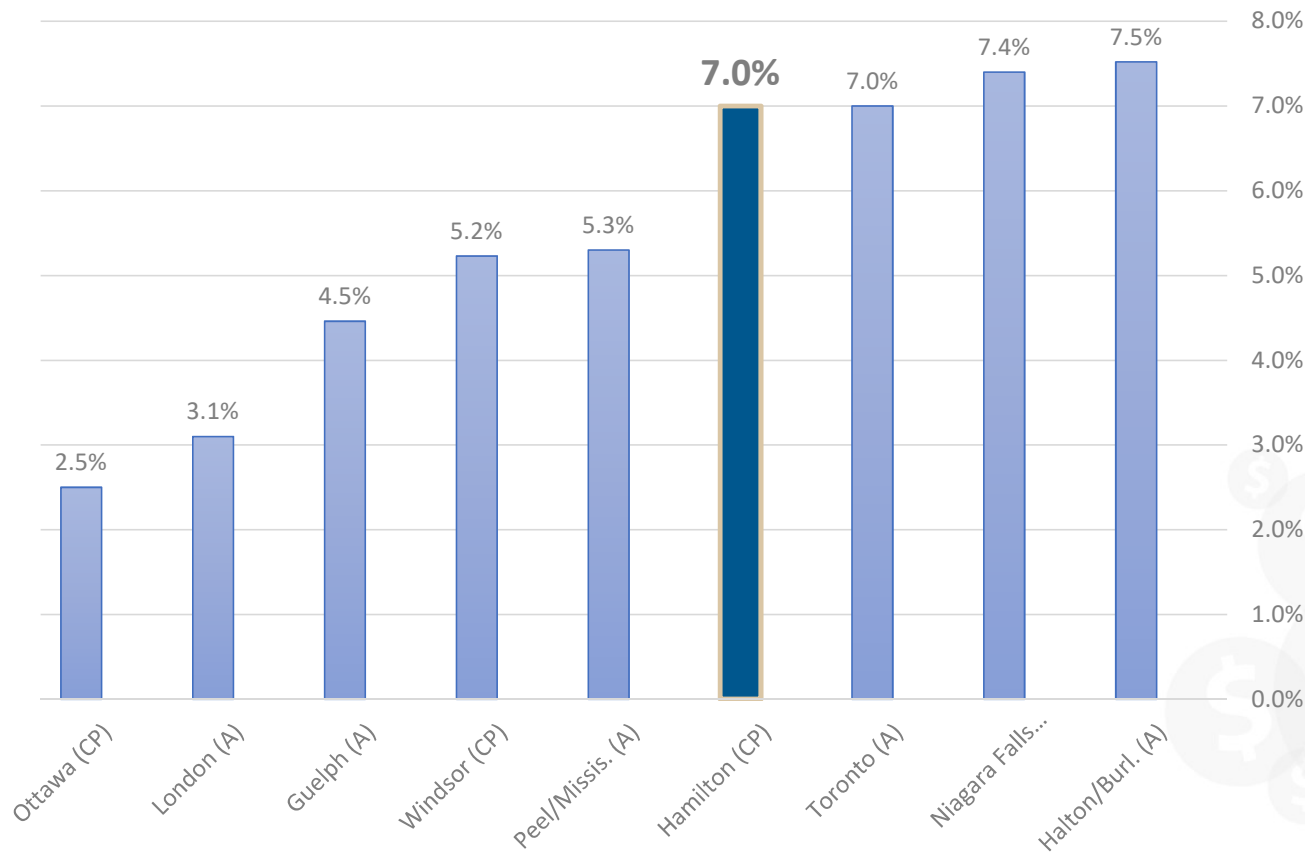
	2018	2019	2020	2021	2022
Residential	0.9%	1.1%	1.2%	0.7%	1.0%
Non-Residential	0.3%	0.1%	0.0%	0.4%	0.6%
Total	1.2%	1.2%	1.2%	1.1%	1.6%

2023 Tax Operating Budget Update

2023 Residential Tax Impacts Comparators

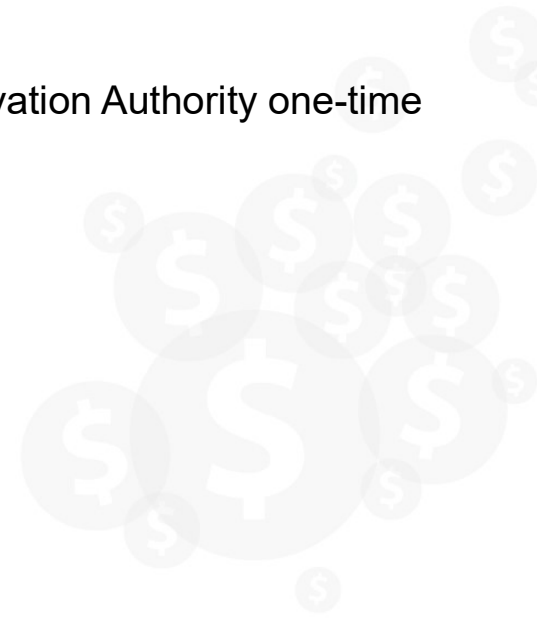
*T = Targeted
CP = Current Position
A = Approved*

**Note: West Lincoln
and Haldimand
County are pending**



2023 Tax Operating Budget Update SLT Proposed Amendments

- Proposed funding from Economic Development Reserve for the Canada Day Event (CM21014) Council Referred Item 1.4: **(\$87,100)**
- Confirmation of funding from the Ministry of Long-Term Care for Q1-2023 for the Long-Term Care – COVID-19 Response Business Case 2.6 (amends net levy amount of the Business Case to \$1,503,525): **(\$501,175)**
- Proposed funding from Unallocated Capital Levy Reserve for Hamilton Conservation Authority one-time special capital request: **(\$300,000)**
- Proposed City-wide reduction in mileage budgets of 10%: **(\$63,100)**



2023 Tax Operating Budget Update

One-time Gapping

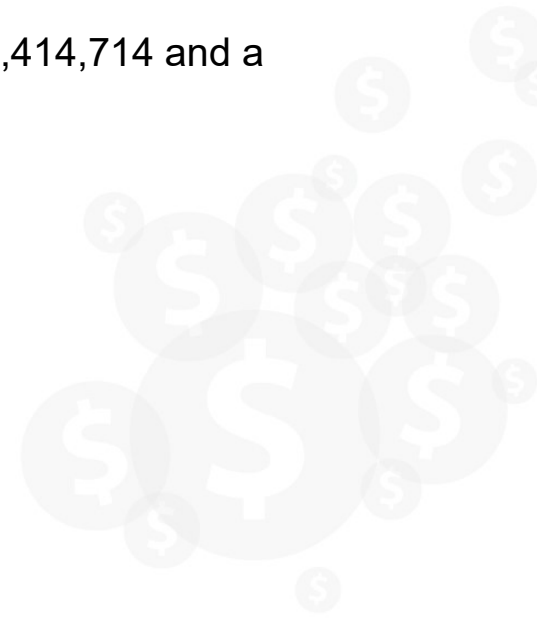
- Motion at Budget GIC on February 7, 2023: That staff be directed to evaluate amending the 2023 gapping budget amount available for a one-time investment to lower the tax levy and/or other options for disbursement and report back to the 2023 budget process
- The City has experienced extraordinary vacancy rates over the past year as a result of tight labour market conditions
- Proposed additional City-wide one-time gapping: **(\$2,155,200)**

OPTIONS:

- a) To directly offset the net levy one-time in 2023
- b) To fund the Hamilton Paramedics Service Ambulance Enhancement Business Cases 2.4 and 2.5 one-time in 2023. There would be no net levy pressure in 2024 as a result of 50% provincial share of the funding
- c) Apply to a one-time 2023 investment (e.g. capital, operating, reserve, community)

2023 Tax Operating Budget Update 2023 Pending Budget Amendments

- Council Referred Items – 27 items with a net levy impact of \$24,613,819 (inclusive of 44.50 full-time equivalent positions) and a residential tax impact of ~2.24%
- Business Cases – 20 items with a net levy impact of \$6,838,125 (inclusive of 59.00 full-time equivalent positions) and a residential tax impact of ~0.62%
- To align to Board approval of external agencies budgets – net levy impact of \$1,414,714 and a residential tax impact of ~0.13%
 - 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 NPCA Land Securement Strategy **(\$148,039)**
 - Removal of Boards & Agencies Contingency **(\$2,200,000)**
 - Total = **\$1,414,714**



2023 Tax Operating Budget Update 2023 Pending Budget Amendments

- Living Wage (HUR20003(b)/FCS20013(b)) – net levy impact of \$353,600 and a residential tax impact of ~0.03% (supplemental information to come to Budget GIC March 1, 2023)
- Council Referred Items, Business Cases, Boards & Agencies and Living Wage are included in the City's current budget position of the 7.0% residential tax increase
- SLT proposed amendments – 4 items with a net levy reduction of (\$951,375) and residential tax reduction of ~0.09%
- One-time gapping with a net levy reduction of (\$2,155,200) and residential tax reduction of ~0.20%
- Inclusive of all items, the updated current position would result in a 6.7% residential tax increase

2023 Tax Operating Budget Update 2023 Pending Amendments

COUNCIL REFERRED ITEMS

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
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	\$41,200	0.25
1.5	Licensing & By-Law Services	Nuisance Party By-Law (PED22156)	\$70,900	\$70,900	0.50

2023 Tax Operating Budget Update

2023 Pending Amendments

COUNCIL REFERRED ITEMS CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
1.6	Transportation, Planning & Parking	Accelerating the Implementation of the Cycling Master Plan (PED23042(a)/PW23008(a)) APPROVED	\$308,000	\$308,000	5.00
1.7	Transportation, Planning & Parking	Waterfalls and Special Areas Enforcement (PED18011(d)) APPROVED	\$490,000	-	5.00
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	-

2023 Tax Operating Budget Update
2023 Pending Amendments

COUNCIL REFERRED ITEMS CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
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	-

2023 Tax Operating Budget Update 2023 Pending Amendments

COUNCIL REFERRED ITEMS CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
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)	\$105,420	\$105,420	1.25
2.11	Housing Services	Encampment Pilot Evaluation - Coordination Response Team (HSC20038(e)/PED21188(b))	\$1,366,646	\$1,366,646	10.50
3.1	PW-General Administration	Corporate Asset Management Resource Requirements (PW22048)	\$1,117,900	\$1,117,900	10.00
4.1	City Clerk's Office	Election Expense Reserve for Internet Voting Consideration for 2026 Municipal Election (FCS20081(a))	\$153,800	\$153,800	-

2023 Tax Operating Budget Update 2023 Pending Amendments

COUNCIL REFERRED ITEMS CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
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
5.1	Government & Community Relations	Public Engagement Policy & Framework (CM21011)	\$200,000	\$200,000	2.00
6.1	Administration CEF	City Enrichment Fund (Motion - AF&A June 2, 2022)	\$629,390	\$629,390	1.00

2023 Tax Operating Budget Update
2023 Pending Amendments

COUNCIL REFERRED ITEMS CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
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	\$ -

2023 Tax Operating Budget Update 2023 Pending Amendments

BUSINESS CASES

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
1.1	Economic Development	Chief Real Estate Officer conversion from temporary to permanent	\$195,700	\$-	1.00
1.2	Tourism & Culture	Film Production Facilitation	\$83,820	\$-	1.00
2.1	Children's and Community Services	Manager, Canada Wide Early Learning Child Care	\$178,700	\$-	1.00
2.2	Children's and Community Services	Indigenous Strategy	\$584,000	\$484,000	4.00
2.3	Hamilton Fire Department	Hamilton Fire Department - Volunteer Staffing/Headcount Enhancement	\$-	\$-	-

2023 Tax Operating Budget Update
2023 Pending Amendments

BUSINESS CASES CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
2.4	Hamilton Paramedic Service	Hamilton Paramedic Service - Ambulance Enhancement - Call Growth	\$1,228,600	\$1,228,600	10.00
2.5	Hamilton Paramedic Service	Hamilton Paramedics-Ambulance Enhancement-Response Times & Current Demand	\$3,081,800	\$3,081,800	25.00
2.6	Long Term Care	2023 Long Term Care - Covid costs	\$2,004,700	\$2,004,700	-
3.1	Energy Fleet and Facilities	THF Post Event Increase Service Level	\$125,600	\$125,600	1.00
3.2	Energy Fleet and Facilities	Green Fleet Planning	\$46,300	\$46,300	1.00

2023 Tax Operating Budget Update
2023 Pending Amendments

BUSINESS CASES CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
3.3	Engineering Services	Roads Value for Money Audit Recommendations	\$199,500	\$-	4.00
3.4	Engineering Services	Request for additional staff resources for Structures	\$70,900	\$-	1.00
3.5	Engineering Services	Contracts Coordinator	\$55,600	\$-	1.00
3.6	Engineering Services	Project Manager Excess Soils	\$70,900	\$-	1.00
3.7	Engineering Services	Quality Management System (QMS) Staff within Engineering Services	\$80,900	\$-	1.00

2023 Tax Operating Budget Update
2023 Pending Amendments

BUSINESS CASES CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
3.8	Engineering Services	Request for additional staff resources for Municipal Class Environmental Assessments	\$70,900	\$-	1.00
4.1	City Clerk's Office	FOI Administration	\$50,000	\$50,000	-
4.2	Information Technology	Additional FTEs for IT	\$-	\$-	2.00
4.3	Information Technology	Data Solution Specialist	\$159,300	\$159,300	2.00
4.4	Legal Services and Risk Management	Legal Taxation Support	\$159,000	\$159,000	2.00

2023 Tax Operating Budget Update 2023 Pending Amendments

OTHER BUDGET AMENDMENTS

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
1	Boards & Agencies	To align to Board approval of external agencies budgets	\$1,414,714	\$1,414,714	-
2	Boards & Agencies	Transfer from Unallocated Capital Levy Reserve to fund one-time special capital request	(\$300,000)	(\$300,000)	-
3	Corporate Financials	Reduction of 10% in City-wide mileage budgets	(\$63,100)	(\$63,100)	-
4	Long-Term Care	Confirmation of funding from the Ministry of Long-Term Care for Q1-2023 for Business Case 2.6	(\$501,175)	(\$501,175)	-
5	Corporate Financials	One-time gapping in 2023 Option A – direct net levy reduction Option B – fund Business Cases 2.4 and 2.5	(\$2,155,200)	(\$2,155,200)	-

2023 Tax Operating Budget Update
2023 Pending Amendments

OTHER BUDGET AMENDMENTS CONTINUED...

ITEM #	DIVISION	DESCRIPTION	GROSS (\$)	NET (\$)	FTE
6	Corporate Financials	Living Wage (HUR20003(b)) Supplemental information on student wage comparators to be provided at Budget GIC March 1, 2023	\$353,600	\$353,600	-

2023 Tax Operating Budget Update
Next Steps

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



THANK YOU