




Hamilton

## INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	November 7, 2024
<b>SUBJECT/REPORT NO:</b>	Ward Specific Funding Initiatives Update as of December 31, 2023 (FCS24046) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Irfan Tanvir 905-546-2424 Ext. 4090
<b>SUBMITTED BY:</b>	Kirk Weaver Acting Director, Financial Planning, Administration and Policy 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. In accordance with the Policy, a total of \$13,428,870 is levied annually and distributed to ward-specific accounts based on assessed property values in the former City of Hamilton. The purpose of the Area Rating Special Capital Re-Investment Reserves is to provide funding for infrastructure and / or one-time funding of a principally capital nature to address infrastructure needs within the affected Wards. The Policy includes guidelines which help determine whether projects are eligible for funding from the Area Rating Special Capital Re-Investment Reserve to ensure clarity and transparency.

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At its meeting on June 20, 2016, the Audit, Finance and Administration Committee (AF&AC) approved Report FCS16042, which created Ward specific Capital projects where non-property tax revenues (net of any operating costs) are deposited. Previously, non-property tax revenues were deposited in ward-specific reserves or used to fund associated operating cost requirements such as right-of-way maintenance responsibilities. Non-property tax revenues arise from license agreements for cellular towers, easements, rights-of-way and signage. Report FCS16042 also lists the cellular towers on City-owned property and the associated annual rental revenue.

Appendix “A” to Report FCS24046 summarizes the uncommitted balances of the City of Hamilton’s Special Capital Re-investment Reserves as of December 31, 2023. The summary also includes a future forecast up to the end of 2024. In 2023, these reserves provided \$6,572,500 in funding to 35 projects with a gross project cost of \$7,072,156.27.

Appendix “B” to Report FCS24046 provides a detailed record of all ongoing capital projects that are partially or fully funded from the corresponding Special Reserve as of December 31, 2023. There are no ongoing projects funded from the Ward 9 or Ward 10 Special Reserve.

Appendix “C” to Report FCS24046 summarizes the uncommitted balance of the Area Rating Special Capital Re-investment Fund Discretionary Spending in Wards 1 to 8 and Ward 14 as of December 31, 2023. The summary includes the specific initiatives that were funded by the discretionary funds. Only ongoing discretionary projects are included in the summary as after three years if the funding is not spent, the discretionary project is closed and any remaining funding is returned to the Area Rating Reserve per the Capital Closing Policy (Report FCS09083(a)). Some discretionary projects that are older than three years are included in the summary as they are required to remain open because they continue to fund ongoing initiatives. No new commitments may be made against these accounts.

Appendix “D” to Report FCS24046 summarizes the uncommitted balances of the Ward Specific Non-Property Tax Revenue Accounts for Wards 2, 3, 10, 11, 12, 13 and 15 as of December 31, 2023. The summary includes details about the revenues received and the initiatives that were funded.

Appendix “E” to Report FCS24046 summarizes the initiatives that were funded by Council Priority Minor Maintenance Accounts, as well as, their uncommitted balances as of December 31, 2023.

In addition to the annual reporting requirement, staff provides Councillors with up-to-date balances of the Area Rating Special Capital Re-investment Reserve and Area Rating Special Capital Re-investment Fund on a monthly basis to allow Councillors and staff the means to effectively monitor the ward specific funding balances and to plan for future initiatives.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS24046 – City of Hamilton Special Capital Re-Investment Reserve Forecast as of December 31, 2023

Appendix “B” to Report FCS24046 – City of Hamilton Detailed Record of All Ongoing Projects From Reserve as of December 31, 2023

Appendix “C” of Report FCS24046 – Area Rating Special Capital Re-investment Fund Discretionary Spending Wards 1-8, Ward 14 as of December 31, 2023

Appendix “D” of Report FCS24046 – City of Hamilton Ward Specific Non-Property Tax Revenue as of December 31, 2023

Appendix “E” to Report FCS24046 – City of Hamilton Ward Council Priority Minor Maintenance as of December 31, 2023

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