



Hamilton

Community Services

Budget Outlook – Pressures, Issues & Opportunities

**Workshop #2 – 2012 Tax Operating Budget
General Issues Committee
November 17, 2011**

1



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Operating Workshop #2 Outline

1. 2011 Budget Variance Projections & Potential Implications for 2012
 2. Additional 2012 Budget Issues and Opportunities
 3. 2012 Draft Budget
 4. Council feedback
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2



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2011 Variance Projection and Implications for 2012

3



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2011 Budget Projected Variance

	2011 Budget (\$000)	2011 Projected Actual (\$000)	\$ Variance (\$000)	% Variance
Administration	2,378	2,349	29	1.2%
Benefit Eligibility	7,210	6,913	298	4.1%
Culture	5,671	5,635	36	0.6%
Employment & Income Support	27,896	28,088	(192)	(0.7)%
Housing Services	46,507	46,332	175	0.4%
Macassa Lodge	5,492	5,318	174	3.2%
Recreation	27,345	26,558	786	2.9%
Social Development & Early Childhood Services	7,355	7,237	118	1.6%
Strategic Services	1,449	1,409	39	2.7%
Wentworth Lodge	3,784	3,833	(49)	(1.3)%
TOTAL	135,086	133,673	1,412	1.0%

" () " – Denotes unfavourable variance

4



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2011 Budget Variance Explanation

- Gapping due to vacancies/timing of hires including Recreation restructuring final phase
 - Recreation facility closures due to capital investments
 - Macassa Lodge Food Services 2011 staffing enhancement implemented
 - Lodges – late approval of new 100% funded positions
 - Battlefield House closure during capital investments
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5



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Implications for 2012

- Increasing Ontario Works caseload and cost per case (unfavourable)
 - Special Supports demand less than anticipated (favourable)
 - Mandated changes in Special Diet requirements resulting in less usage (favourable)
 - Arts Awards planning for 2012 (unfavourable)
 - Reduced Emergency Shelter occupancy levels (favourable)
 - Social Housing mortgage renewal savings (favourable)
 - Lodges – work accommodation budget savings based on actuals (favourable)
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6



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Additional 2012 Budget Issues & Opportunities

7



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2012 Budget Challenges

- Lodges increasing acuity levels and compliance with LTC Homes Act
 - Lodges - assumed 3% acuity subsidy increases
 - Mandated increase in social housing operating subsidy
 - Decrease in federal funding for social housing and rent supplement programs
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8



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2012 Budget Challenges

- Ontario Works benefits:
 - increase from 2011 budgeted caseload levels
 - cost per case increase including 1% provincially mandated increase
 - Child Care Fee Subsidy continuing waitlist
 - Continued increase in number of households on Social Housing waitlist
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9



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2012 Budget Challenges

- Operating impacts from capital *:
 - North Wentworth Arena
 - Lower Stoney Creek
 - Westmount
 - Waterdown Seniors Center
 - Morgan Firestone
- Council referred enhancement items:
 - Ontario Works Addiction Services Initiative (2011)
 - City of Hamilton Arts Awards

* - Operating impacts from capital are budgeted corporately pending approval

10



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2012 Budget Opportunities

- Ontario Works continued uploading – levy requirement from 18.8% to 17.2% (\$2.2 million)
 - Budget savings (efficiencies/revenue/cost avoidance) – review of all historical operating line expenditures (\$600k)
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11



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2012 Draft Budget

12



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2012 Draft Budget

	2011 Gross Budget * (\$ 000)	2011 Net Budget * (\$ 000)	2012 Gross Budget (\$ 000)	2012 Net Budget (\$ 000)	Change Gross Budget (\$ 000)	Change Gross Budget %	Change Net Budget (\$ 000)	Change Net Budget %
Administration	3,882	2,367	3,917	2,402	35	0.9%	35	1.5%
Benefit Eligibility	18,045	7,204	17,782	7,165	(263)	(1.5)%	(39)	(0.5)%
Culture	6,879	5,677	6,992	5,754	113	1.6%	77	1.4%
Employment & Income Support	139,419	27,917	137,179	25,922	(2,240)	(1.6)%	(1,995)	(7.1)%
Housing Services	132,218	46,514	116,155	48,621	(16,063)	(12.1)%	2,107	4.5%
Macassa Lodge	23,419	5,492	23,775	5,618	356	1.5%	126	2.3%
Recreation	45,051	27,301	46,136	28,195	1,085	2.4%	894	3.3%
Social Development & Early Childhood Services	47,299	7,364	47,253	7,448	(46)	(0.1)%	84	1.1%
Strategic Services	1,713	1,541	1,766	1,589	53	3.1%	48	3.1%
Wentworth Lodge	14,080	3,784	14,291	3,882	211	1.5%	98	2.6%
TOTAL	432,005	135,161	415,246	136,596	(16,759)	(3.8)%	1,435	1.1%
					Add Back Provincial Uploading		2,171	1.6%
					Adjusted 2012 Levy change		3,606	2.7%

* Restated

13

