



Hamilton

2013 Tax - Supported Capital Budget

General Issues Committee

December 11, 2012

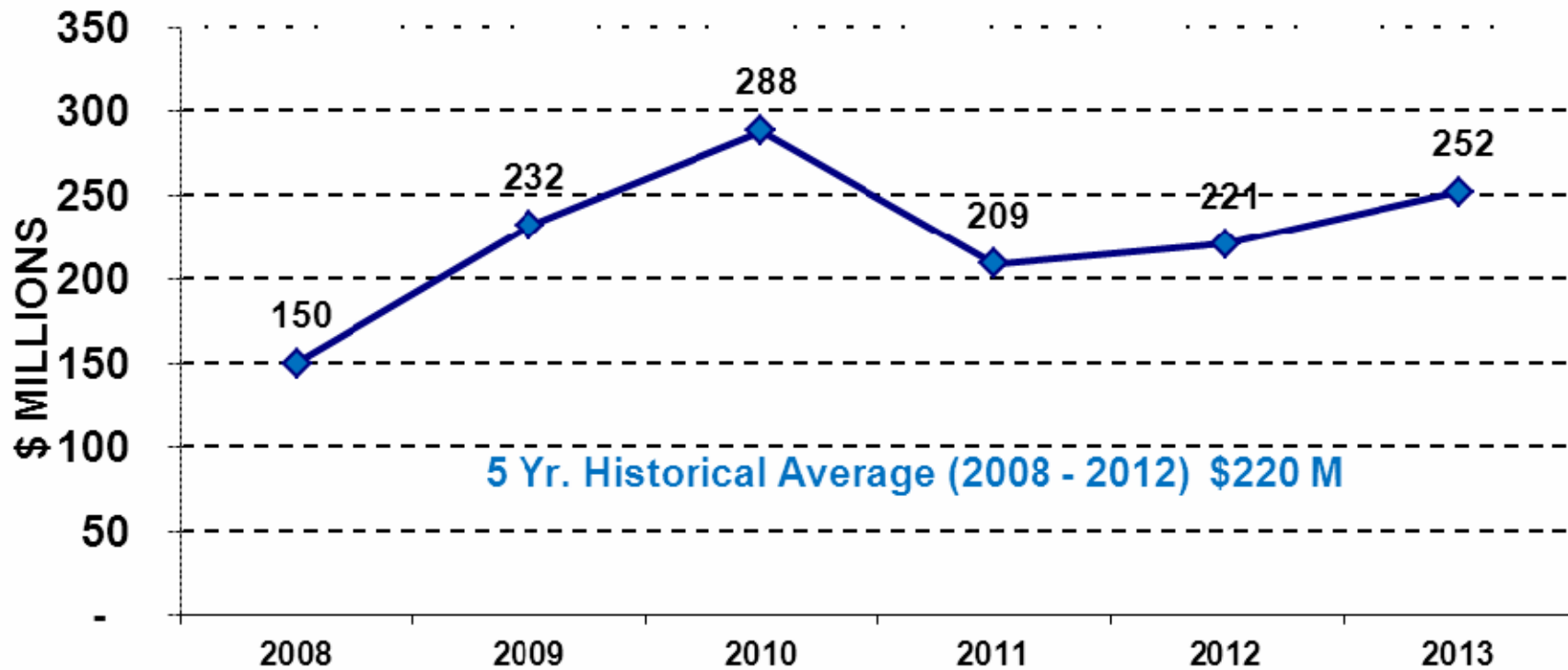
- Ward information sessions (Aug.– Sept.)
- 2 GIC workshops (Sept. 19 & 28)
- Bus Tour (Sept. 21)
- GIC (Dec.11)
- Council Approval (Dec.12)

- Comprehensive process
- Aligns City's capital budget with its Strategic Plan
- Feedback ward information sessions
- Balance between funding rehabilitation of existing assets with funding of assets that support growth

- Represents an effort to address/support existing assets
- Provides a level of support towards municipal investment readiness and economic development capacity
- 2014 – 2022 recommended 0.5% annual levy increase, in principle (\$190M)

Tax Capital History

Total Gross Capital



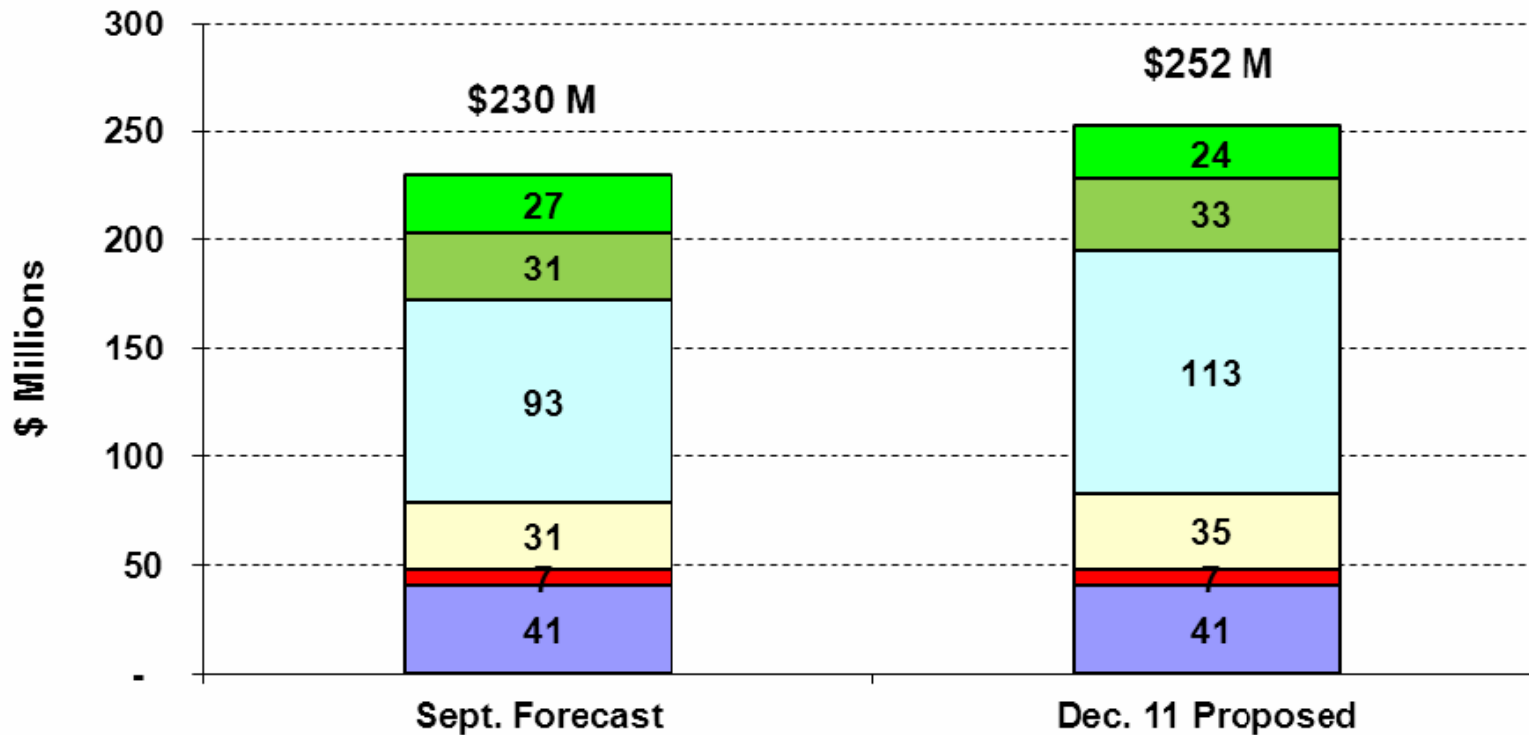
Levy Incr. 0.5%	0.0%	0.5%	0.5%	0.5%	0.5%
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Hamilton

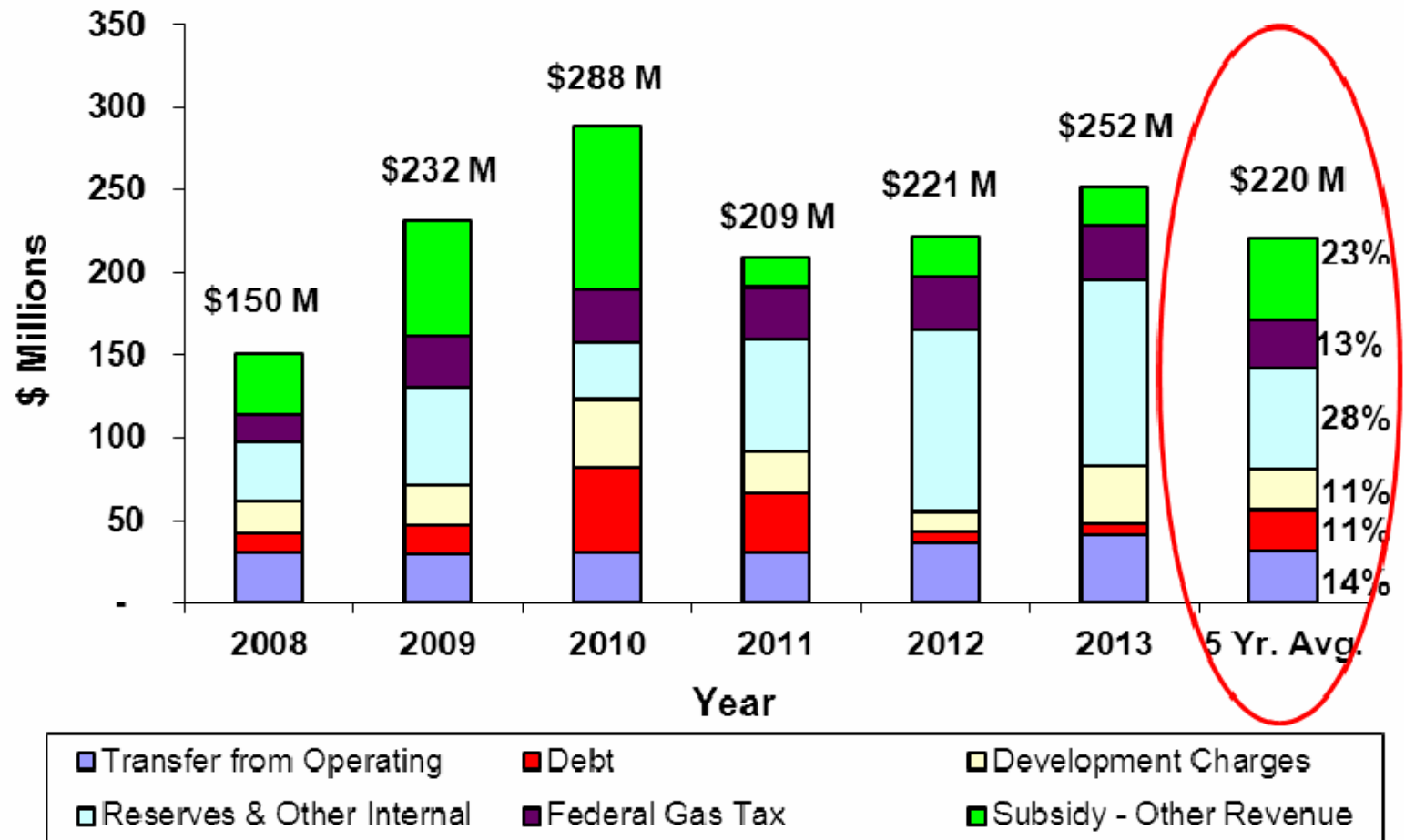
Capital Funding compared to September Budget Workshops

Capital Funding



Gross Tax Capital Funding Sources

Capital Funding

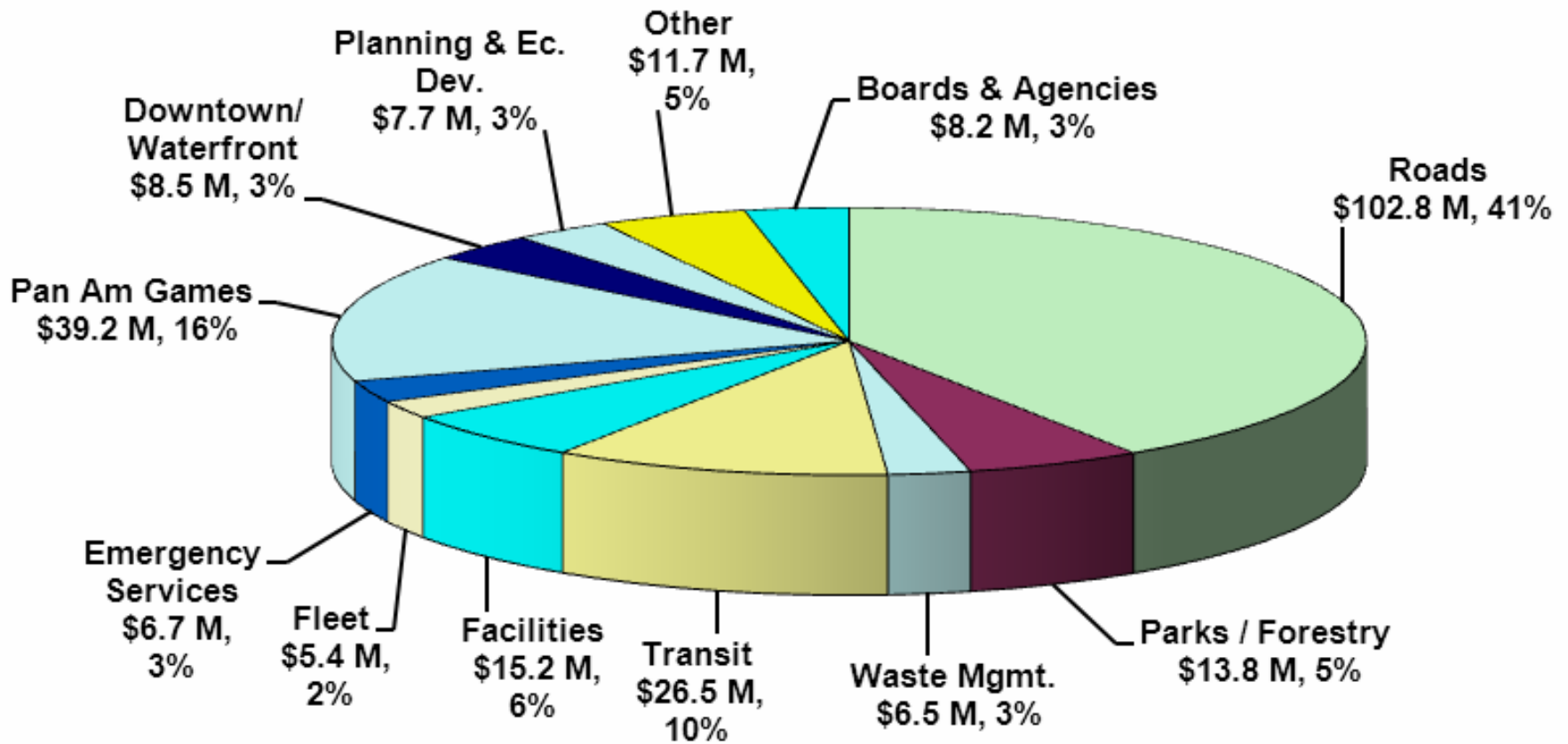




Hamilton

2013 Capital Budget by Program

\$252.2 Million



\$252M Gross capital spending

- \$102.8M Roads
- \$39.2M Pan Am
- \$26.5M Transit
- \$7.7M Recreation & \$6.7M Corporate (facilities)
- \$6.6M West Harbour and Strategic Waterfront
- \$5.4M Vehicle replacement – central fleet
- \$3.3M Lodges, \$2.8M Downtowns
- \$1.4M HCA, \$0.6M Confed and WHV
- \$0.5M Social Housing, \$0.5m CHH
- \$1.5M Parkland acquisition



2013 Proposed Capital Budget

2013 PROPOSED TAX SUPPORTED CAPITAL BUDGET (\$000's)				
	2012		2013 PROPOSED	
	GROSS	NET	GROSS	NET
Block Funding				
Recreation Program	6,115	6,115	7,719	5,164
Culture Program	1,780	1,780	1,812	1,208
Public Art Program	191	191	182	182
Urban Renewal	3,846	2,215	2,114	2,114
Downtown Renewal - Suburban Downtowns	250	250	239	239
Fleet and Facilities – Corporate Buildings	5,455	5,113	5,690	4,880
Forestry Maintenance Includes Tree Planting)	1,500	1,500	1,492	1,432
Open Space Development	6,222	3,616	6,301	3,451
Housing	2,500	2,500	1,000	1,000
Parks & Cemeteries	1,455	1,270	2,002	1,212
Public Health	78	78	74	74
Corporate Projects	100	100	0	0
Community Services - Other Divisions	100	100	95	95
West Harbour & Waterfront Initiatives	0	0	6,646	3,681
Roads	77,702	51,220	102,840	48,500
Total Block Funding	107,294	76,048	138,206	73,232
Total Special Levies & Boards	3,010	2,000	7,000	2,000
Other Major Projects				
Council Strategic Initiatives	1,250	1,250	3,645	1,800
Pan Am Games	44,415	340	39,195	2,770
McMaster Health Campus Proposal - City's Contribution	10,000	0	0	0
Long term Accommodations- McMaster Health Campus	2,206	2,206	1,974	705
Economic Development Initiatives	2,000	2,000	2,000	2,000
Corporate Services	0	0	1,378	0
Lodges	1,670	1,670	3,335	3,335
Emerald Ash Borer Program	0	0	2,500	2,500
Transit Services	17,456	3,700	26,493	3,700
Corporate Fleet Services	9,386	0	5,390	0
Hamilton Emergency Services	4,209	540	6,675	1,050
Planning & Development	6,333	390	5,743	440
Waste Management	7,270	7,030	6,495	5,825
Information Technology	1,570	544	1,670	500
Total Other Major Projects	107,765	19,670	106,493	24,625
Other Recommended Projects	2,468	1,934	536	0
Total Proposed Capital Projects	220,537	99,652	252,235	99,857

2013 Tax-supported Capital Budget



2013 Roads Capital Program

<u>2013 Roads Forecast by Program Area (\$000's)</u>	<u>2012 Gross</u>	2013	
		<u>Gross</u>	<u>Net</u>
Replacement Program	21,670	20,060	11,025
Urban Rehabilitation	14,520	12,220	9,059
Rural Rehabilitation	7,372	2,000	900
Bridges and Structures	2,250	10,480	8,210
O & M/Studies/Traffic Engineering	8,480	13,740	8,493
Council Priority Projects	13,920	19,290	9,300
<i>Total Non-Growth Related Projects</i>	68,212	77,790	46,987
Development/Growth Related Program	6,790	25,050	1,513
Total Roads	75,002	102,840	48,500



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Discretionary Funding

Discretionary Tax Supported Net Capital (\$000's)	2012 Approved	2013 Proposed
Roads	51,220	48,500
Corporate Facilities	5,113	4,880
Recreation Facilities	6,365	5,164
Pan Am - Ivor Wynne Renovations	-	2,166
Cultural Facilities / Public Art	2,090	1,390
Park Development (New/Expansion)	3,616	3,451
Downtown & BIA's	2,465	2,353
Forestry	1,500	1,432
Ash Borer	-	2,500
Park's Operations	1,270	1,212
City Housing Hamilton		500
Housing Services	2,500	500
Waterfront Initiatives	-	3,681
Randle Reef	-	300
Lodges	1,670	3,335
Fire / EMS	540	1,050
Information Systems	544	500
Public Health - Long Term Accomodation (re Health Campus)	2,284	779
Pan Am Special Events & Programming	340	604
Hamilton Conservation Authority/Confed/WHV	2,000	2,000
Economic Development Initiatives	2,000	2,000
Council Strategic Capital	1,250	-
Transit (FGT)	3,700	3,700
Waste Management	7,030	5,825
Parkland Acquisition		1,500
Other	590	535
Unallocated (2012 Allocated to HPS Forensics Bldg & PW Operations)	1,565	-
Total Expenditures (Net)	99,652	99,857

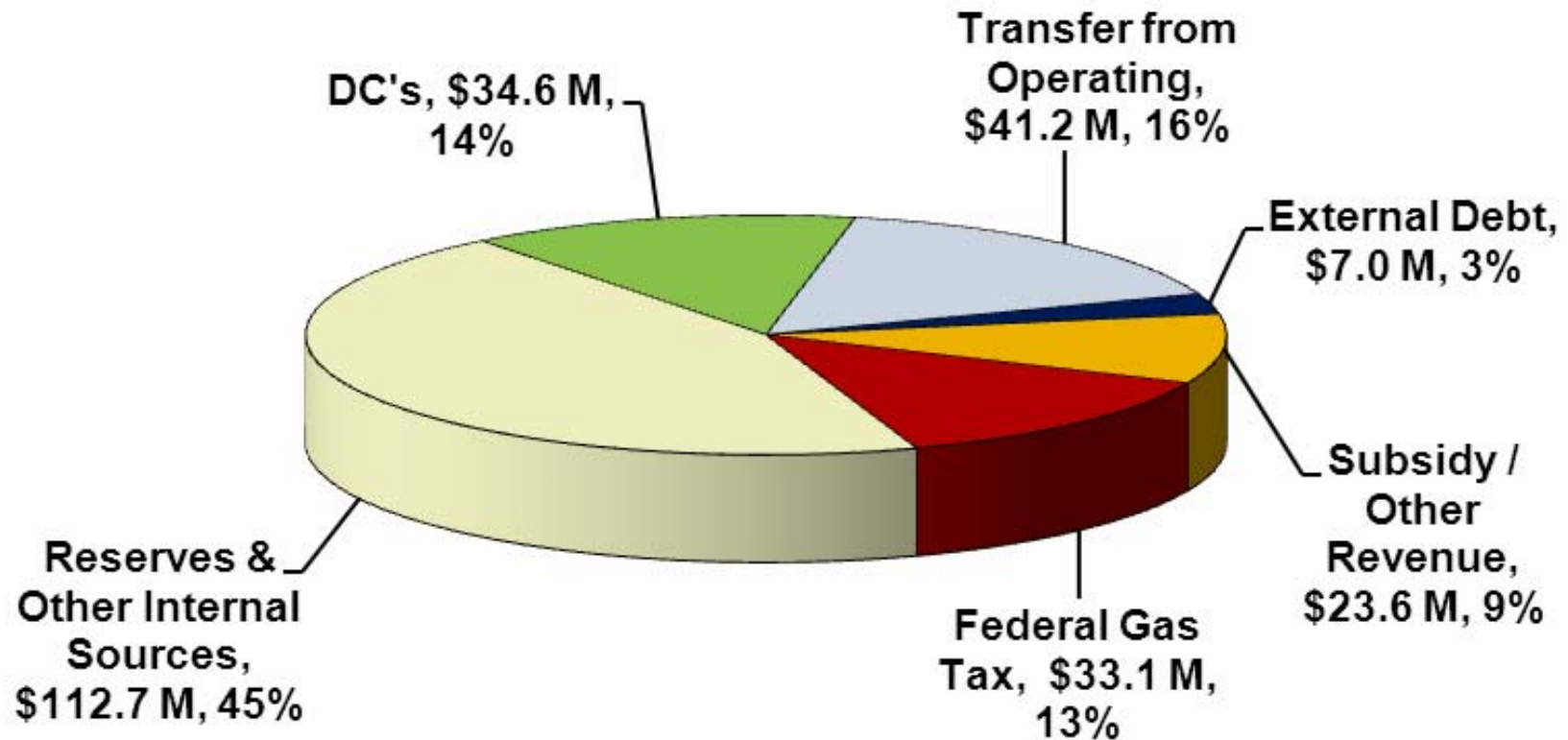
Capital not included Financing Plan

- Park Development Initiatives - Gage Park - \$30m, Gore \$6m, John/Rebecca \$5m, Battlefield 1812 \$10m, Confederation Park \$37m*
- Police Investigative Building - \$15m*
- West Harbour Recreation Master Plan - \$75m*
- Light Rail Transit - Timing and Financial Plan undetermined to date*
- Employment Landbanking \$2m (\$4m approved)*
- Downtown and Community Renewal \$5m additional funds for loan program for Hamilton Realty Corp.*



2013 Capital Funding

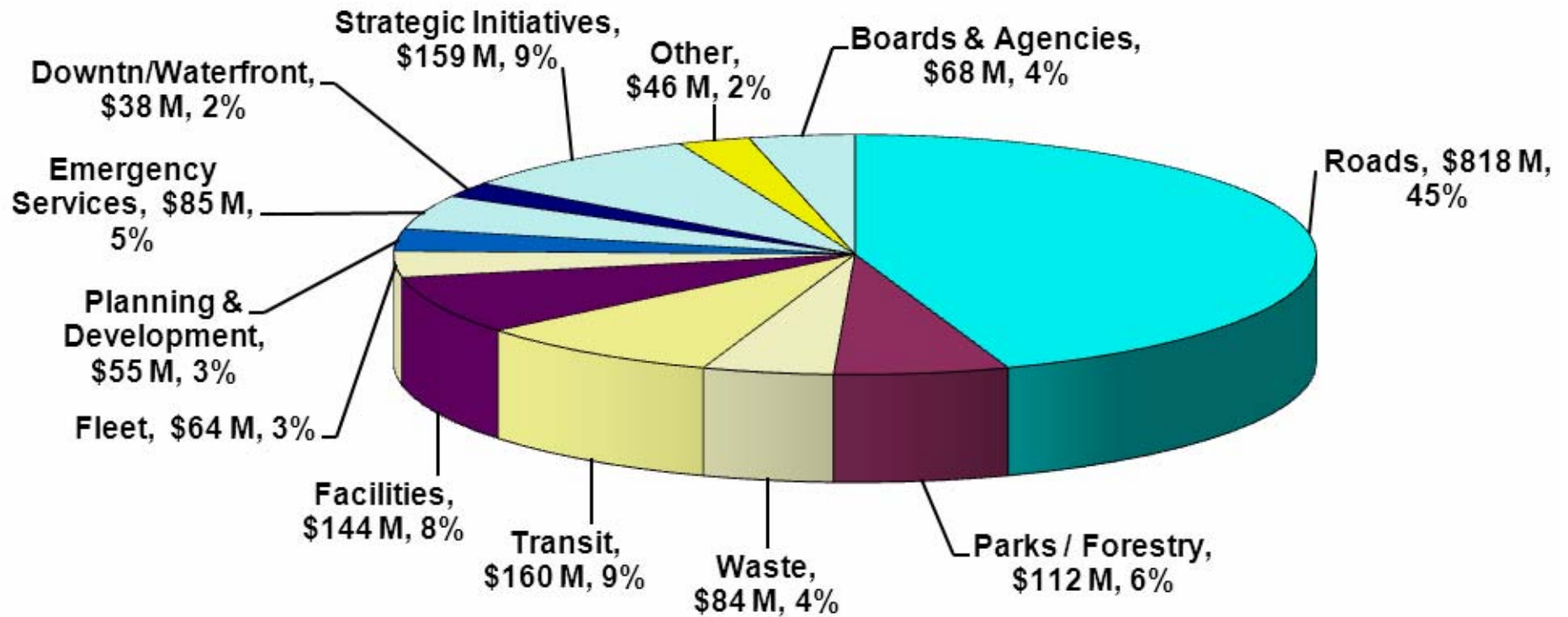
\$252.2 Million





2013 - 2022 Capital Forecast by Program

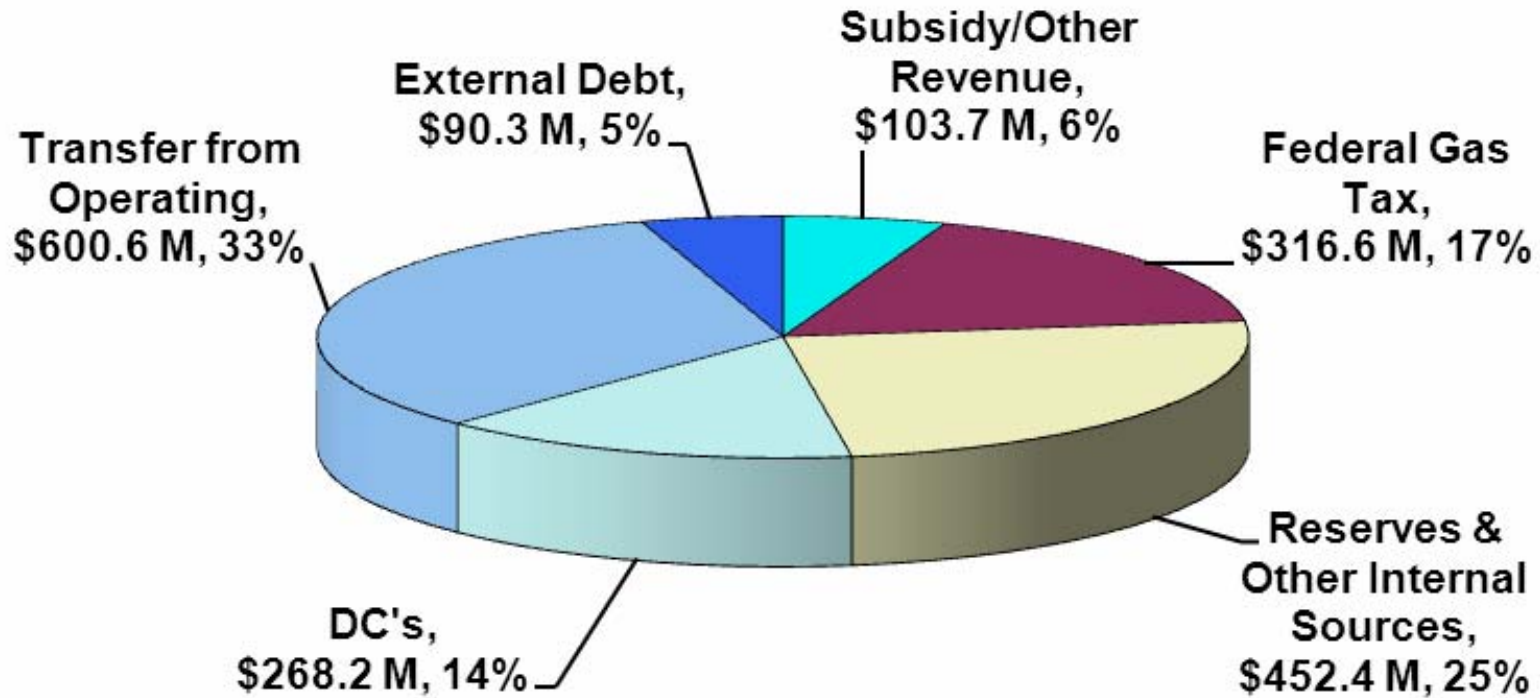
\$1.8 Billion



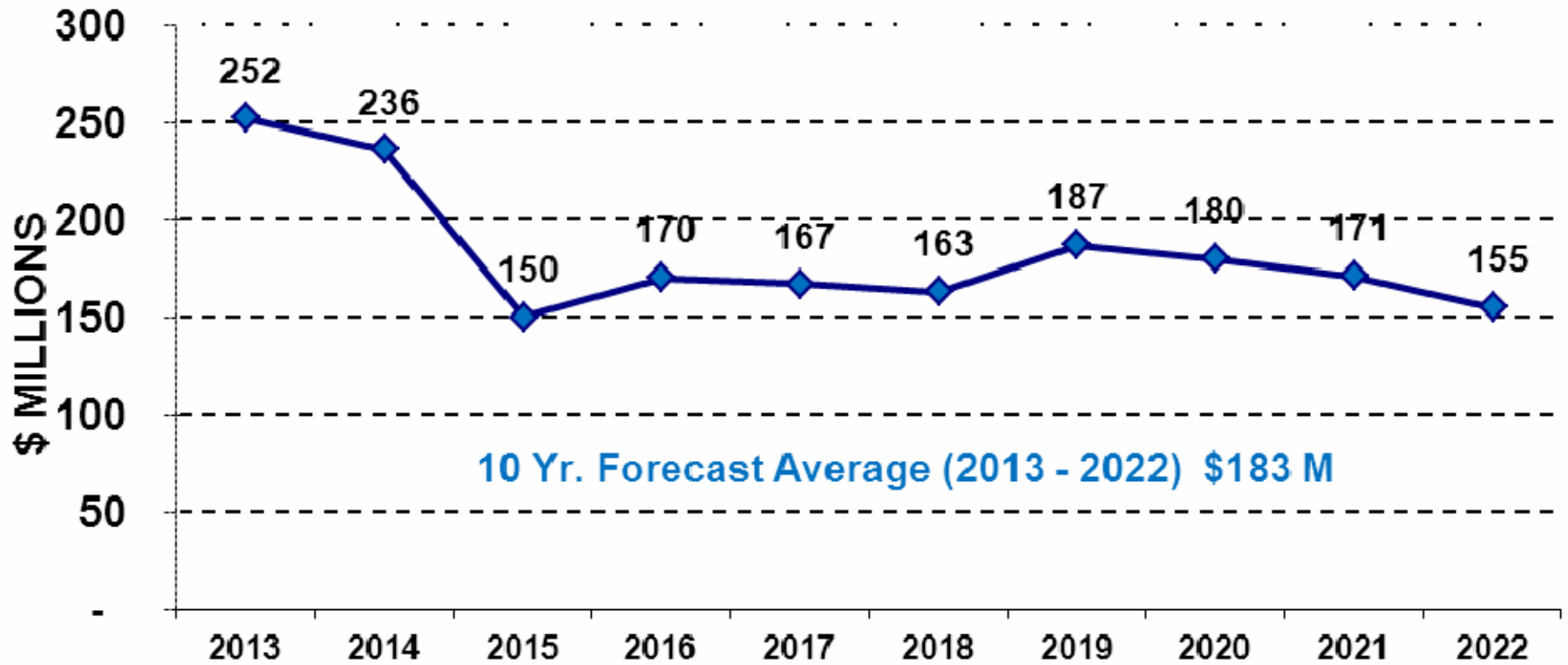


2013 - 2022 Capital Funding Forecast

\$1.8 Billion



Total Gross Capital



Assumes 0.5% Levy Increase for Capital Annually (2013 - 2022)



Hamilton

Discretionary Funding Forecast

Net Capital Funding	2012	2013	2014	2015	2016	2017
	Approved	Proposed	Forecast	Forecast	Forecast	Forecast
Roads	51,220	48,500	48,500	40,705	39,339	45,913
Corporate Facilities	5,113	4,880	4,583	4,281	4,137	4,828
Recreation Facilities	6,365	5,164	3,516	3,141	5,130	5,987
Pan Am - Ivor Wynne Renovations		2,166	2,167	2,167		
Cultural Facilities	1,899	1,208	1,702	1,590	1,537	1,793
Park Development (New/Expansion)	3,616	3,451	3,241	3,027	2,926	3,415
Hamilton Downtown	2,215	2,114	1,986	1,854	1,792	2,092
Suburban Downtowns (B.I.A.s)	250	239	224	209	202	236
Forestry	1,500	1,432	1,345	1,256	1,214	1,416
Park's Operations	1,270	1,212	1,138	1,063	1,028	1,199
City Housing Hamilton		500	2,241	2,093	2,023	2,361
Housing Services	2,500	500				
Public Art	191	182	171	160	155	180
Waterfront Initiatives		3,681				
Subtotal - Block Funding	76,139	75,229	70,814	61,546	59,483	69,420
Major Capital Initiatives						
Ash Borer		2,500	2,500	2,500	2,500	2,500
Randle Reef		300	300	300	300	300
DC exemptions	-	-	-	-	-	2,500
Lodges	1,670	3,335	500	500	500	500
Community Services - Other	100	95	90	84	81	94
Corporate Projects	100	-	90	84	81	94
Fire / EMS	540	1,050	1,000	2,000	2,000	2,000
Information Systems	544	500	500	500	500	500
Public Health - Long Term Accomodation (re Health Campus)	2,284	779	70	65	63	74
Pan Am Special Events & Programming	340	604	710	710		
Parking / Animal Control	260	100				
Planning / Development	130	340	130	130	130	130
Hamilton Conservation Authority	2,000	2,000	2,000	2,000	2,000	2,000
Economic Development Initiatives	2,000	2,000	2,000	5,000	5,000	5,000
Council Strategic Capital	1,250	-	2,000	3,000	3,000	3,000
Transit (FGT)	3,700	3,700	3,700	3,700	3,700	3,700
Waste Management	7,030	5,825	6,154	2,496	5,018	4,486
Parkland Acquisition		1,500				
Unallocated (2012 Allocated to HPS Forensics Bldg & PW Ops)	1,565		518	1,671	2,471	(666)
Total Expenditures (Net)	99,652	99,857	93,076	86,286	86,827	95,632



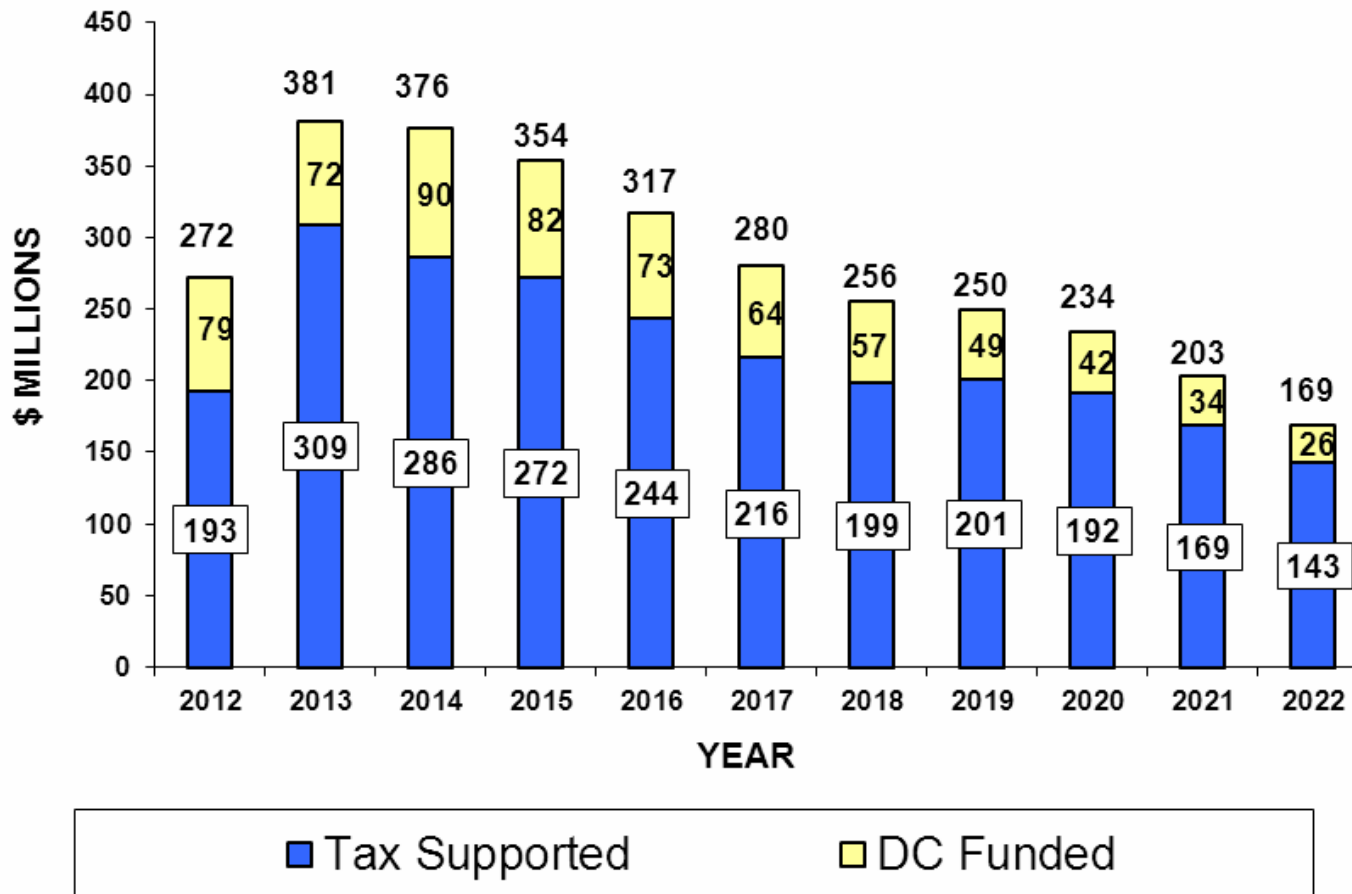
Hamilton

CAPITAL FUNDING SOURCES (2013 - 2022)

Sources of Funding (Net) (\$000's)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Contribution from Operating	41,224	38,746	42,059	45,078	54,441	67,723	69,650	76,049	79,679	85,921
External Debt	7,000	6,000	5,000	-	-	-	-	-	-	-
Hydro Dividends (\$2M)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Federal Gas Tax - Roads	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955
Federal Gas Tax - Transit	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Financing Plan - Discretionary	81,179	77,701	80,014	78,033	87,396	100,678	102,605	109,004	112,634	118,876
Previous Yrs. Capital Financing Surplus	7,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Unallocated Capital Reserve	3,259	1,805	1,026	1,026	1,000	1,000	1,000	1,000	1,000	1,000
HRPI Dividend			250	250	250	250	250	250	250	250
WIP Funding Interest	500	500	500	500	500	500	500	500	500	500
WIP Funding (Favourable Road Tenders)	2,094	4,916								
External Debt - Waste Mgmt.		2,902	2,496	5,018	4,486	6,455	27,320	14,653	-	-
HFF	5,825	3,252								
Total Funding (Net)	99,857	93,076	86,286	86,827	95,632	110,883	133,675	127,407	116,384	122,626

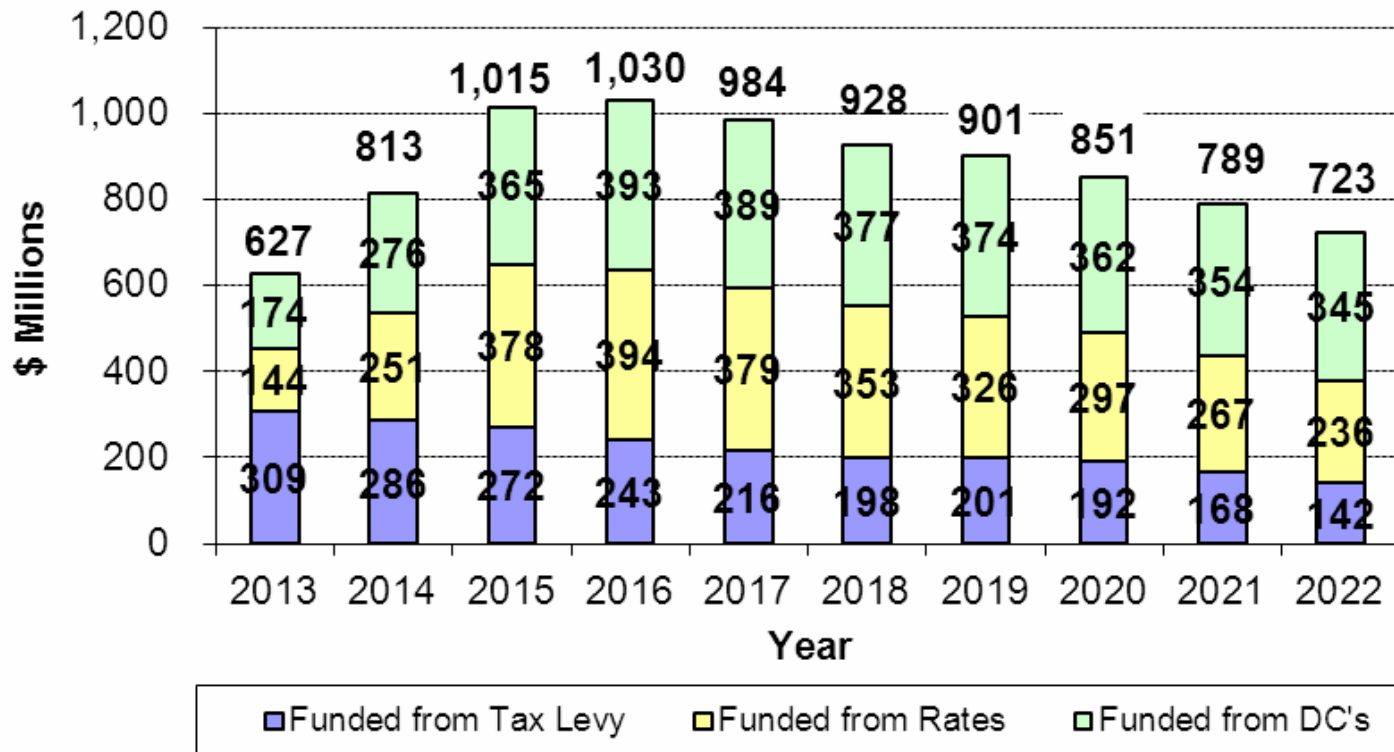
Debt Forecast 2013 - 2022

PROJECTED OUTSTANDING DEBT - TAX



Consolidated Outstanding Debt Forecast 2013 - 2022

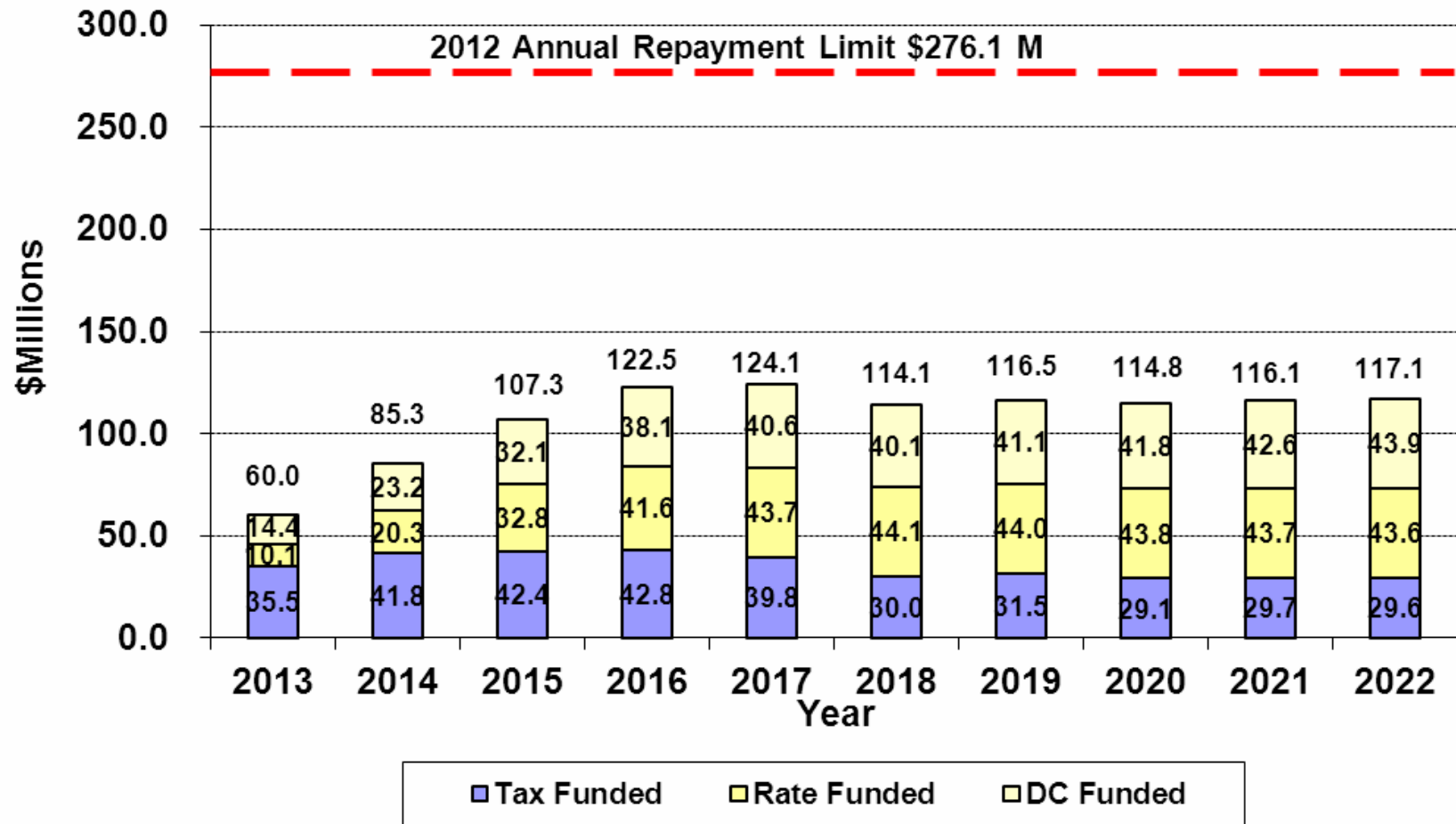
Projected Outstanding Debt - Tax & Rate



City's Debt Limit is approx. \$2.8 Billion. Based on Annual Repayment Limit (ARL) of \$276 M (25% of revenues)

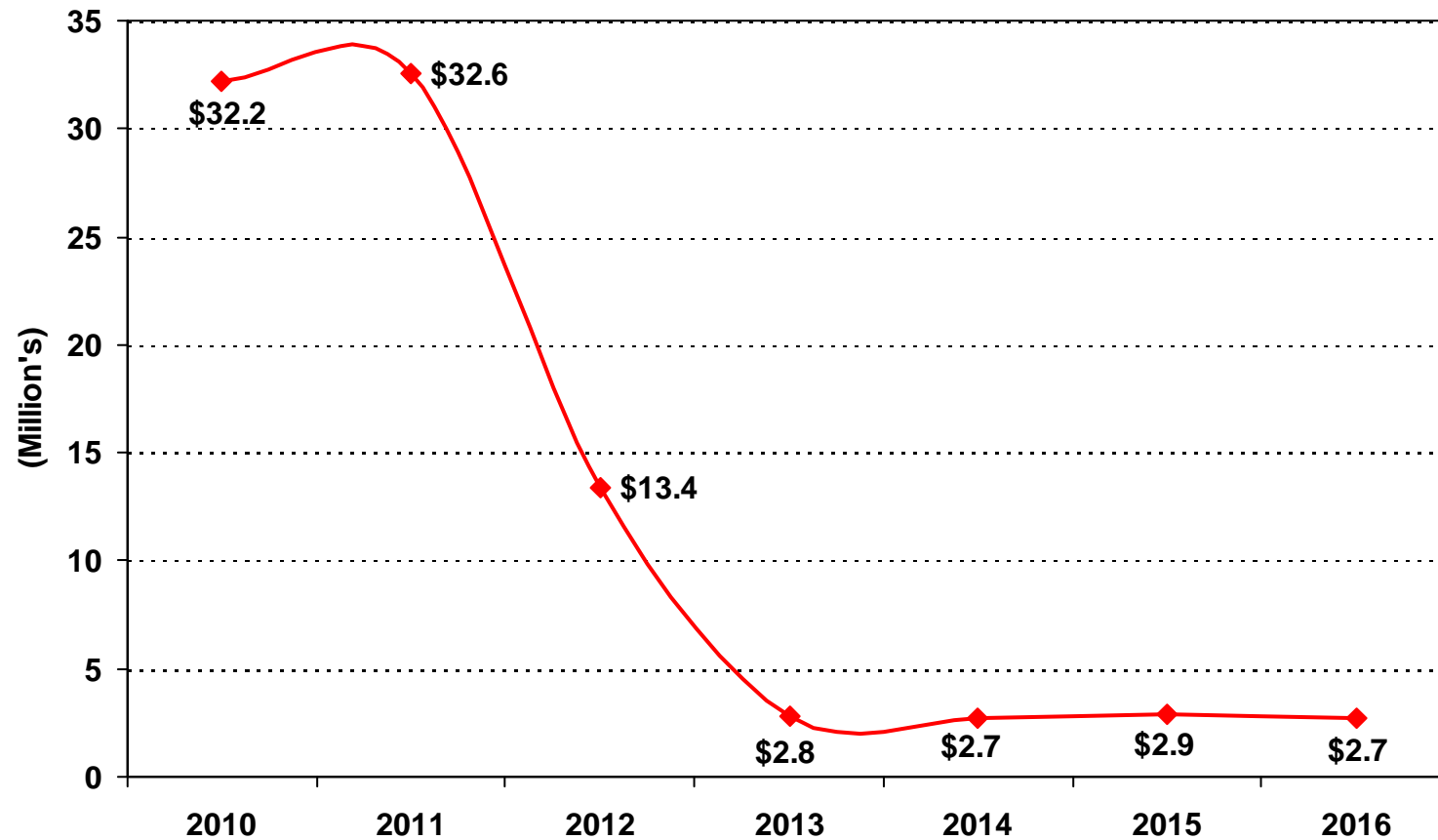
Annual Repayment Limit

Total External Debt Charges Tax, Rate & DC Funded





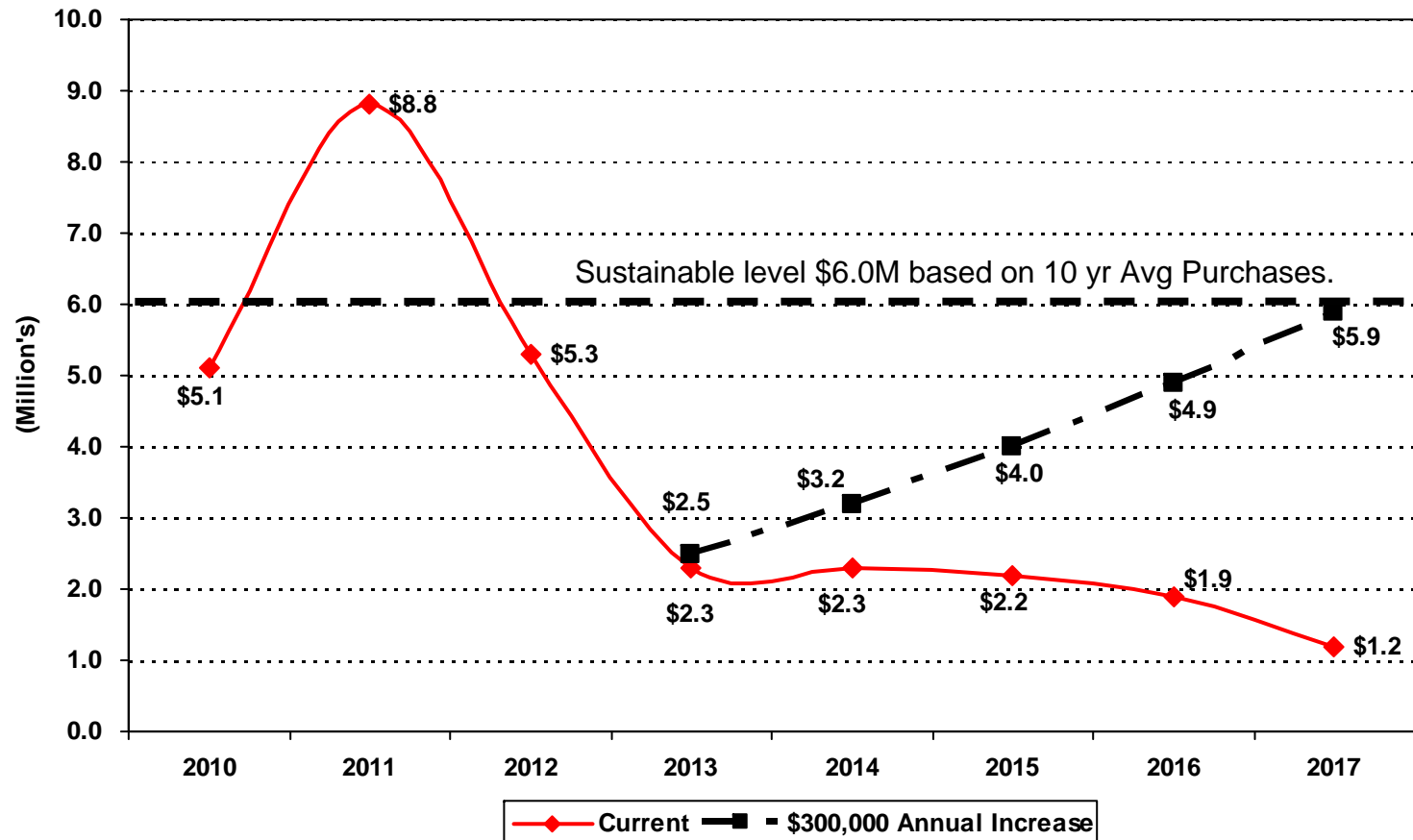
Unallocated Capital Reserve - 2010 -2016 Balances



Target Balance is 5% of Tax Revenues - \$35 Million



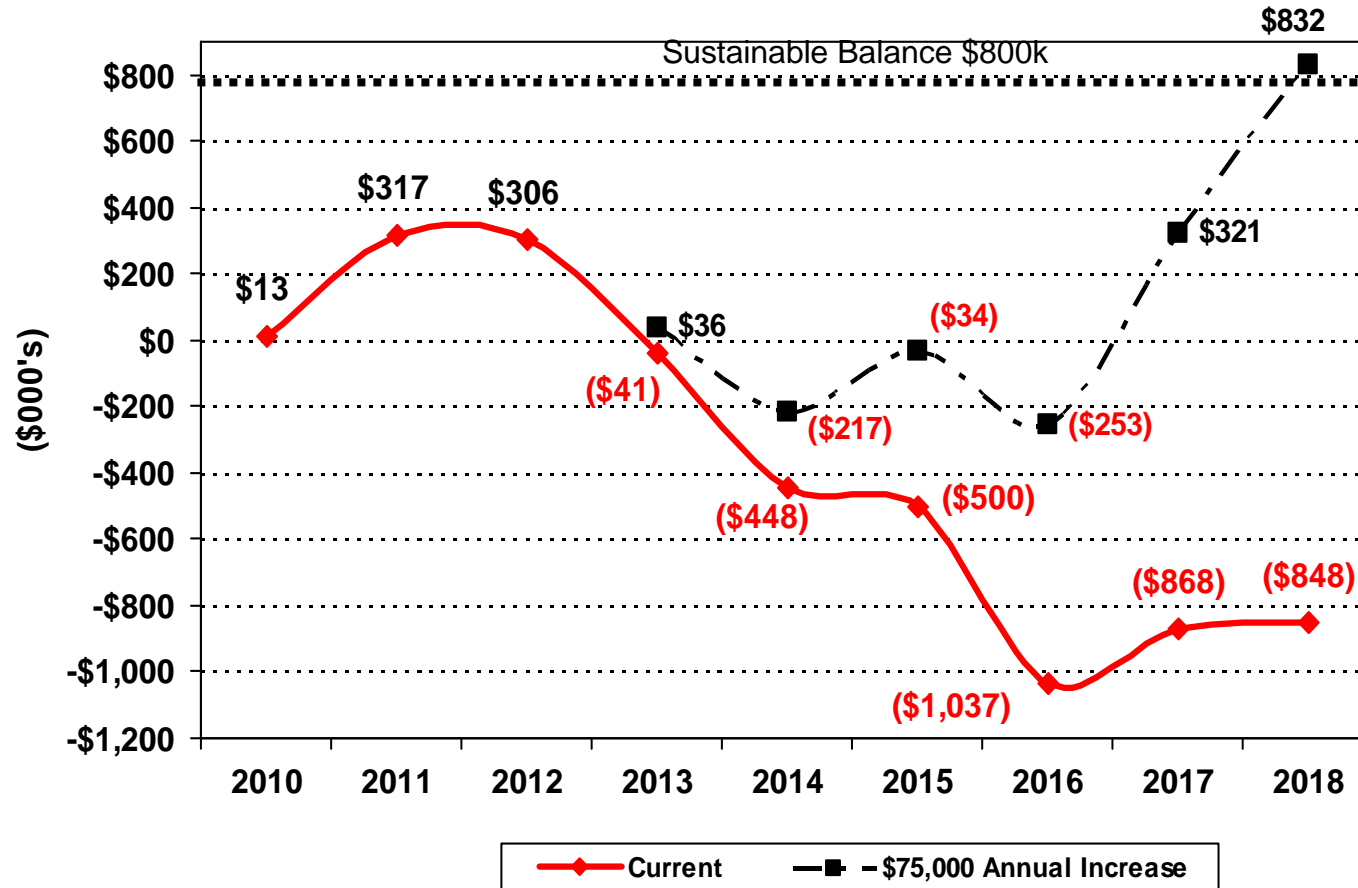
Central Fleet Reserve - 2010 -2017 Balances



Current Version assumes no annual increase to the reserve contributions and excludes the impact of new equipment purchases.



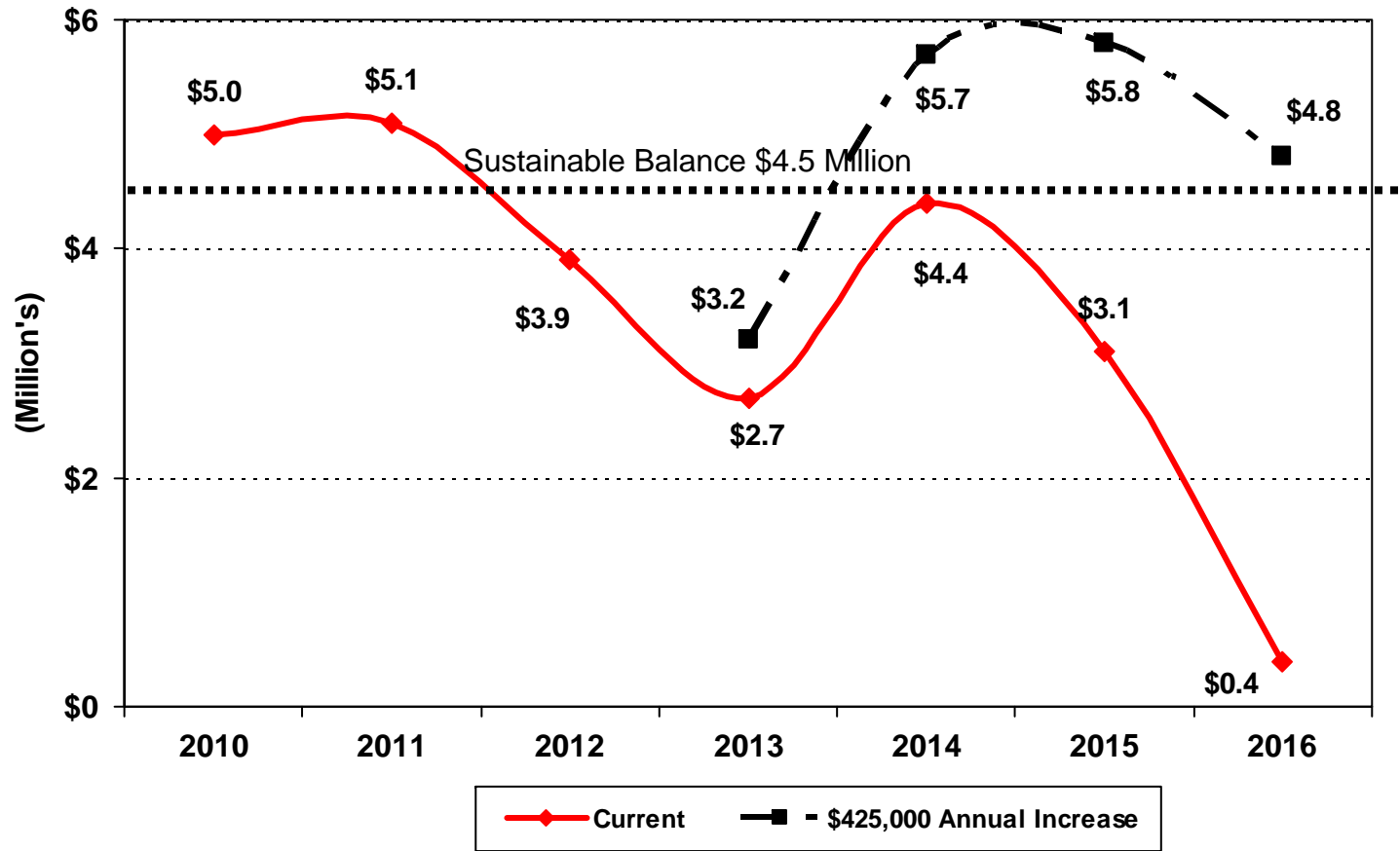
Fire Equipment Reserve - 2010 -2018 Balances



Current Version assumes no annual increase to the reserve contributions and excludes the impact of new equipment purchases.



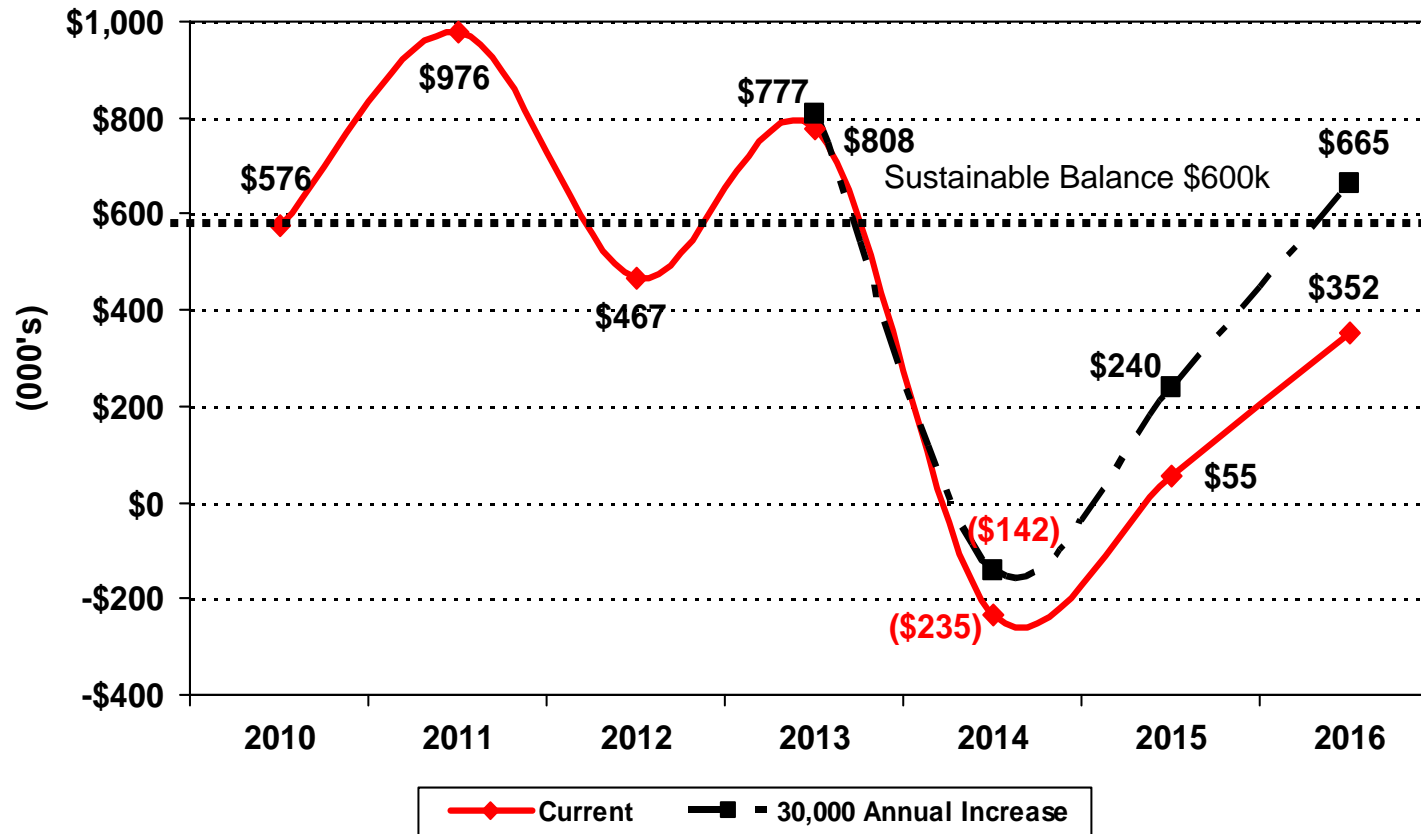
Fire Vehicle Reserve - 2010 -2016 Balances



Current Version assumes no annual increase to the reserve contributions and excludes the impact of new equipment purchases.



EMS Equipment Reserve - 2010 -2016 Balances



Current Version assumes no annual increase to the reserve contributions and excludes the impact of new equipment purchases.



Amendments

1. That the \$500,000 funding for the Gage Park Aviary and Tropical House Capital project be re-allocated to the following unfunded Forestry Capital submitted;
 - Traffic Island Reinstatement \$375,000 (#4451349000).
 - Forestry Mechanical and Storage Facility Upgrade \$125,000 (#4451351008)
2. Chedoke Clubhouse Design \$400,000 remain parked pending further direction from Council



Amendments

- 2 additional projects for 2013. Both would be WIP funded.
- Hamilton Commercial Façade Improvement Program. Council approved November 28. \$325,000.
 - SMT has proposed for Council's consideration \$350,000 for the Bed Bug Control program.



Hamilton

Q&A

□ Thank you