



Hamilton

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Financial Planning and Policy Division

TO: Chair and Members Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: December 9, 2013	
SUBJECT/REPORT NO: 2014 Advance Payments to External Boards and Agencies (FCS13099) (City Wide)	
SUBMITTED BY: Mike Zegarac Acting General Manager Finance & Corporate Services	PREPARED BY: Gloria Rojas (905) 546-2424 ext. 1335 Tom Hewitson (905) 546-2424 ext. 4159
SIGNATURE:	

RECOMMENDATION

- (a) That, effective January 1, 2014, an advancement of funds be provided to the external Boards and Agencies in the specified amount and on the specific dates as shown on the attached Appendix "A" to Report FCS13099;
- (b) That any outstanding arrears due to the City of Hamilton by any external Boards or Agencies (as shown on the attached Appendix "A" to Report FCS13099) be first applied against the approved grant funding, including advances, until the debt is satisfied, prior to that Agency or Board receiving the balance of any approved payment.

EXECUTIVE SUMMARY

Report FCS13099 requests Council approval to provide interim funding for the external boards and agencies that are listed in Appendix “A” to Report FCS13099 pending 2014 budget approvals. The 2014 advance payments are based upon the 2013 approved funding levels and closely represents the 2013 payment schedule. Pending the timing of the Council approval of the 2014 budget, the remaining payments to the listed external boards and agencies would be adjusted to ensure that payments do not exceed approved levels for 2014. The advancement of funds does not guarantee the level of 2014 City of Hamilton funding. Those agencies that are provided with monthly payments will continue to receive monthly advances, for the amounts shown on Appendix “A” to Report FCS13099, until budget approval.

For the Boards and Agencies listed in this report (attached as Appendix “A” to Report FCS13099), the City follows a policy which ensures that grant payments are not made until outstanding arrears owing to the City of Hamilton are paid off first.

In 2013 Opera Hamilton requested that the full amount of the grant be paid to Theatre Aquarius to settle outstanding debts to them. This year they are again requesting that the full amount be paid to Theatre Aquarius to cover future obligations for the 2013-2014 season. Opera Hamilton’s past obligations to HECFI have been already settled.

Boris Brott Music Festival and Theatre Aquarius are also grant recipients but do not request advance payments. Municipal Property Assessment Corporation (MPAC) is within the Boards and Agencies group, but invoices the City as outlined in legislation.

Alternatives for Consideration –Not Applicable

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

Financial:

There are no financial implications associated with providing advance payments to the listed external boards and agencies (attached as Appendix “A” to Report FCS13099). Pending Council approval of the 2014 funding levels, the remaining payments to these organizations would be adjusted to ensure that the payment amount does not exceed the approved funding level.

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The advance payment amounts identified (attached as Appendix “A” to Report FCS13099) represent the total amounts that would be paid to the various boards and agencies at the approved 2013 funding levels up to April 30, 2014 – the date before which the 2014 budget is expected to be approved.

Staffing: None.

Legal: None.

HISTORICAL BACKGROUND (Chronology of events)

The City has been supporting various boards and agencies (attached as Appendix “A” to Report FCS13099) with grants funding in the past. Since these organizations depend upon City funding for their operational expenditures, past practice has been to continue to support them with regular ongoing funding pending the approval of the City budget for each year.

The proposed payment schedule closely follows that of 2013.

POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS

Not applicable.

RELEVANT CONSULTATION

Not applicable.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

To be consistent with prior years, staff is seeking Council approval to continue funding, as of January 2014, for those organizations that receive funding (attached as Appendix “A” to Report FCS13099) on a monthly or quarterly basis, pending approval of the 2014 budget. The funding is based on the previous year’s budget and is adjusted, if necessary, when the current year’s budget receives Council approval.

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Not applicable.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

APPENDICES / SCHEDULES

Appendix "A" to FCS13099 - Boards and Agencies Requiring Advance Payments

Boards and Agencies Requiring Advance Payments in 2014 ¹

Board or Agency	Advance Payment Schedule for 2014	Number of Payments per Year	2013 Approved Annual Budget	2014 Advance Payment Amount
Hamilton Conservation Authority	Feb 28 & April 30	4	\$ 3,569,320	\$ 1,784,660
Niagara Peninsula Conservation Authority	March 17	4	513,470	128,368
Grand River Conservation Authority	April 30	3	243,110	81,037
Halton Region Conservation Authority	April 30	3	183,700	61,233
Royal Botanical Gardens ²	1st of each month	12	599,210	199,737
Hamilton Beach Rescue Unit ³	Feb 2	3	126,810	10,000
Art Gallery of Hamilton	1st of each month	12	910,110	303,370
HWCA - Festival of Friends	1st of each month	12	85,270	28,423
Hamilton Philharmonic Orchestra	1st of each month	12	113,700	37,900
Opera Hamilton	1st of each month	12	126,930	42,310
Westfield Village ⁴	Feb 28 & April 30	4	546,560	273,280
TOTAL			\$ 7,018,190	\$ 2,950,318

NOTES:

- 1 Assumed that the 2014 budget is approved by April 30, 2014. The proposed pro rata payments are based on the gross amounts of grants approved in 2013.
- 2 Payments to Royal Botanical Gardens is based on the approved funding formula with the Region of Halton.
- 3 Historically, Hamilton Beach Rescue Unit has requested an ad hoc advance payment of \$10,000 in February.
- 4 The proposed payments for Westfield Village are made to the Hamilton Conservation Authority.