



Hamilton

**2014 Draft Budget**

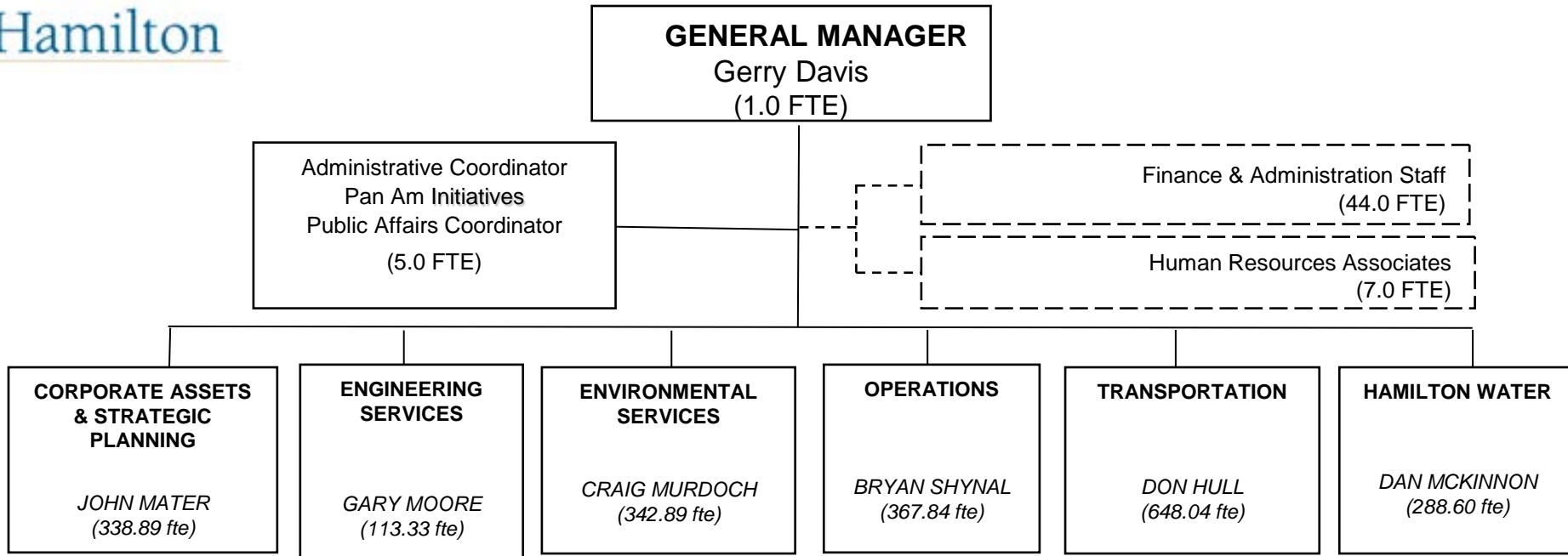
**PUBLIC WORKS**

**November 26<sup>th</sup> GIC**

# 2013 Accomplishments

- Street Tree Trimming Cycle reduced from 12.7 years in 2012 to 10.7 years in 2013
- Winter Control Maintenance – reduction to winter control budget during 2013 budget deliberations of \$1.8M and an increase in service levels
- Waste Management – Savings of \$1.7M achieved with new collections contract and an increase in service levels
- Transit Fares – no increase since 2010 (fares represent 45 – 50%) of total revenues
- Consolidation of Transportation functions (Rapid Ready Report, North End Traffic Management Plan, Pedestrian Mobility Plan)
- Consolidation of Facilities (Corporate and Community)

# 2014 Budgeted Complement



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2013	35.0	1,832.98	1,867.98	52.37:1
2014	35.0	1,832.98	1,867.98	52.37:1
Change	0	0	0	
2014 (inclusive of Hamilton Water)	45.0	2,111.58	2,156.58	46.92:1

# 2014 Operating Budget by Cost Category (Expenditures)

	2013 Restated	2014 Base Budget <sup>1</sup>	\$ Change	% Change
Employee Related Cost	\$154,850,150	\$158,135,370	\$3,285,220	2.1%
Material and Supply	22,775,300	23,014,840	239,540	1.1%
Vehicle Expenses	32,764,650	33,869,060	1,104,410	3.4%
Building and Ground	14,696,020	14,315,130	(380,890)	(2.6%)
Consulting	266,160	261,640	(4,520)	(1.7%)
Contractual	71,480,280	74,728,110	3,247,830	4.5%
Agencies and Support Payments	168,250	183,650	15,400	9.2%
Reserves/Recoveries	(21,990,510)	(21,088,480)	902,030	(4.1%)
Cost Allocations	(138,990)	240,940	379,930	(273.4%)
Financial	3,298,500	3,332,690	34,190	1.0%
Capital Financing (E)	55,950	55,950	0	0.0%
Capital Expenditures	0	0	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>\$278,225,760</b>	<b>\$287,048,910</b>	<b>\$8,823,150</b>	<b>3.2%</b>

<sup>1</sup> inclusive of base budget savings



# 2014 Major Expenditure Drivers

(\$000s)

<b>Description</b>	<b>Amount (\$000's)</b>
Employee Related (Sal/Wage \$2,454K; Benefits \$781K; OMERS \$297K)	3,532
Transit Contracts	683
Waste Contracts (Collection and Disposal)	290
Winter Season	1,534
Transit Fleet Reserve Phase in Strategy (Year 4 of 8)	450
Vehicle Related expenses including fuel, transfer to reserve, central fleet	1,416

# 2014 Operating Budget by Cost Category (Revenues)

	2013 Restated	2014 Base Budget <sup>1</sup>	\$ Change	% Change
Fees and General	(\$66,737,210)	(\$68,218,650)	(\$1,481,440)	(2.2)%
Tax and Rates	0	0	0	0.0%
Grants and Subsidies	(14,269,910)	(14,190,510)	79,400	0.6%
Reserves	(2,725,560)	(1,585,600)	1,139,960	41.8%
<b>TOTAL REVENUES</b>	<b>(\$83,732,680)</b>	<b>(\$83,994,760)</b>	<b>(\$262,080)</b>	<b>(0.3)%</b>
<b>NET LEVY</b>	<b>\$194,493,080</b>	<b>\$203,054,150</b>	<b>\$8,561,070</b>	<b>4.4%</b>

<sup>1</sup> inclusive of base budget savings

# 2014 Major Revenue Drivers

(\$000s)

Description	Amount (\$000's)
<ul style="list-style-type: none"> <li>• Contribution from Reserves for Recycling Revenues</li> </ul>	890
<ul style="list-style-type: none"> <li>• McMaster Lease</li> </ul>	(500)
<ul style="list-style-type: none"> <li>• Energy Reserve</li> </ul>	300
<ul style="list-style-type: none"> <li>• Transit Fare Revenue</li> </ul>	(132)
<ul style="list-style-type: none"> <li>• Central Composting Facility Revenues – net</li> </ul>	(200)
<ul style="list-style-type: none"> <li>• Hamilton Renewable Power Inc. - dividend reduction</li> </ul>	100
<ul style="list-style-type: none"> <li>• Gas Tax Funding</li> </ul>	200



# 2014 Net Operating Budget

(\$000's)

<b>PUBLIC WORKS</b>	<b>2013 Restated</b>	<b>2014 Requested Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Gross Expenditures	278,225	287,048	8,823	3.2%
Gross Revenues	(83,733)	(83,995)	(262)	(0.3)%
<b>NET LEVY</b>	<b>194,492</b>	<b>203,053</b>	<b>8,561</b>	<b>4.4%</b>

<sup>1</sup> inclusive of base budget savings



# 2014 Risks & Opportunities

- Winter Season
- Fuel
- Fleet – SDR
- Transit Fare Increase
- Reserve usage (phase-in/phase-out)
- Pest Management
- Storm water
- Sidewalks/Risk Management
- Commodities



Hamilton

# QUESTIONS