



General Issues Committee BUDGET MINUTES

9:30 a.m.

Friday, April 1, 2011

Council Chambers

Hamilton City Hall

71 Main Street West

Present: Deputy Mayor L. Ferguson (Chair)
Mayor B. Bratina
Councillors B. Clark, C. Collins, S. Duvall, J. Farr, B. Johnson,
B. McHattie, S. Merulla, R. Pasuta, M. Pearson

**Absent with
Regrets:** Councillors T. Jackson, R. Powers – Vacation
Councillors J. Partridge, T. Whitehead – City Business
Councillor B. Morelli – Personal

Also Present: C. Murray, City Manager
R. Rossini, General Manager, Finance and Corporate Services
G. Davis, General Manager, Public Works
T. McCabe, General Manager, Planning & Economic Development
J. A. Priel, General Manager, Community Services
Dr. E. Richardson, Medical Officer of Health
H. Hale Tomasik, Executive Director, Human Resources &
Organizational Development
C. Biggs, Co-ordinator, Committee Services/Council/Budgets

**THE FOLLOWING ITEMS WERE REPORTED TO CITY COUNCIL FOR
CONSIDERATION:**

1. CHANGES TO THE AGENDA

The Clerk advised of the following changes:

ADDITIONAL INFORMATION

- (a) 2011 Transit Operating Budget and Annual Service Plan (PW10101) (City Wide) (Added as Item 8.1.1)
(Referred from December 14, 2010 meeting of the General Issues Committee)

- (b) Transit Fare Increase Policy (PW10078) (City Wide) (Added as Item 8.1.2)
(Referred from December 14, 2010 meeting of the General Issues Committee)

(Clark/Pearson)

That the agenda be approved, as amended.

CARRIED

2. DECLARATIONS OF INTEREST

None declared.

3. APPROVAL OF MINUTES OF PREVIOUS MEETING

(Pasuta/Bratina)

That the March 3 and March 28, 2011 Minutes of the General Issues Committee meetings be approved, as presented.

CARRIED

4. DELEGATION REQUESTS

None

5. CONSENT ITEMS

None

6. PUBLIC HEARINGS/DELEGATIONS

None

7. STAFF PRESENTATIONS

7.1 Update respecting Budget Process – Verbal (No copy)

Rob Rossini provided a power point presentation and handout showing the tax impact by area municipality based on a 1% increase, which takes into consideration different assessment growth, area rating and area levies as it currently sits.

Mr. Rossini indicated that there is some flexibility should the City not receive a separate cheque for \$4 million from the Province; however, staff has had on-going dialogue with the Premier's Office with respect to anticipated additional funding.

Members of Council requested a copy of correspondence that was sent by former Mayor Eisenberger to the Province respecting one-time funding.

(Pearson/Johnson)

That the presentation respecting the 2011 tax update be received.

CARRIED

8. DISCUSSION ITEMS

8.1 Report 11-003 of the Public Works Committee

Gerry Davis provided a power point presentation overview respecting the 2011 Tax Operating Budget of the Public Works Department which included:

- Revised Budget with Potential Reductions and Adjustments
- Enhancements
- Other Budget-Related Recommendations

Following the presentation, the following questions/concerns were expressed:

- With respect to fuel costs, the current average cost of buying is \$0.97 cents per litre; of the \$570,000, Public Works uses approximately \$510,000 because of the HSR and vehicle fleet; staff are currently reviewing how the vehicles are being used
- Winter Control – where are we in comparison to other years; staff responded that it is fair to say that the costs this year are higher than normal
- With respect to tree trimming, staff can bring forward last year's amount of \$350,000 (4 FTE's) and phase this in
- \$2 million in potential reductions that are not sustainable actually increases the budget by \$2 million, but is being offset with reduction
- Can staff look at a portion of the tree trimming; can bring forward last year's amount of \$350,000 (4 FTE) and phase in; staff can bring back last year's number that was deferred
- Clark – \$2 million in potential reductions that are not sustainable; actually increasing budget by \$2 million and offsetting with reductions;

- With respect to catch basins, would be helpful to identify which catch basins have been cleaned and plans for the future, for the benefit of residents
- Committee directed that Councillor Collins, together with the Mayor and Deputy Mayor, and the City Manager and the General Manager of Public Works, present a motion to an upcoming meeting of the General Issues Committee that encapsulates the following:
 - (i) number of managers in all areas of the organization and that this is a concern to all Standing Committees
 - (ii) develop a message to staff and Senior Management Team of Council's objectives
 - (iii) a strategy to address the problems raised by Committee with respect to employee-related costs and the numbers of people employed and at what levels of the organization
 - (iv) the issue that this matter has gone unaddressed throughout the entire budget process
 - (v) the fact that no cuts have been made to the hierarchy of this organization, especially at the Manager level.

(Collins/Farr)

That the update respecting the 2011 Tax Operating Budget of the Public Works Department, be received. **CARRIED**

1. 2011 Tax Supported Operating Budget – Budget Summary Report (FCS11023) (City Wide)

(Clark/McHattie)

That Report FCS11023 respecting the 2011 Tax Supported Operating Budget – Budget Summary Report, be received.

CARRIED

2. Opportunities for Reduction – Public Works Program – Red Hill (PW11013) (City Wide)

(Clark/McHattie)

That Report PW11013 respecting Opportunities for Reduction – Public Works Program – Red Hill, be received.

CARRIED

3. 2011 Tax Supported Operating Budget – Public Works (FCS11023(a))

(McHattie/Collins)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

- (a) That the 2011 net operating levy for Public Works of \$181,460,351, inclusive of Recommended Savings Options attached as Appendix A to Report 11-003, be approved;
CARRIED

(McHattie/Collins)

That the following recommendations be **deferred** pending additional discussion:

- (b) That the 2011 Council Referred Items pertaining to Public Works, attached as Appendix B to Report 11-003, be approved;
- (c) That the 2011 Requested Program Enhancements pertaining to Public Works, attached as Appendix C to Report 11-003, be approved.
CARRIED

The tabling and deferral motions **CARRIED** on the following vote:

Yeas: Ferguson, Pearson, Johnson, Pasuta, Bratina, McHattie, Farr, Merulla, Collins, Duvall
Total Yeas: 10
Nays: Clark
Total Nays: 1
Absent: Jackson, Partridge, Powers, Whitehead, Morelli
Total Absent: 5

4. Road and Sidewalk Safety Maintenance – Roads Maintenance Activities (PW11017)

(Farr/Merulla)

That Report PW11017, respecting Road and Sidewalk Safety Maintenance – Roads Maintenance Activities, be received.

5. Winter Control Program – Stabilization Reserve (PW11014)

(Farr/Merulla)

- (a) That a target balance for the Winter Control Reserve (112205) be established as 25% of the five (5) year average actual expenditures for Winter Control; (Report PW11014 attached as Appendix D to Report 11-003).
- (b) That the transfer of the Winter Control operating expenditure surplus to the Winter Control Reserve (112205) be subject to the overall Tax Supported operations reporting a year-end positive variance and subject to recommendation (a) (target 25% of 5 year average);

- (c) That the transfer of the Winter Control operating expenditure surplus to the Winter Control Reserve (112205) be approved through the Year-End Tax Operating Budget Variance Report and through the Disposition of the Year-end Surplus/Deficit Report, and be subject to final financial audit;
- (d) That the Winter Control Reserve Policy be incorporated into the Corporate Reserve Policies. **CARRIED**

6. Transit Fare Increase Policy (PW10078) (City Wide)

(McHattie/Collins)

That the following recommendations be **tabled** for further discussion:

- (a) That Appendix "A" attached to Report PW10078 respecting the Transit Fare Increase Policy be received and referred to Council's City-wide budget deliberations;
- (b) That the subject matter be identified as completed and removed from the General Issues Committee's Outstanding Business List. **CARRIED**

Added 8.1.1

Transit 2011 Operating Budget and Annual Service Plan (PW10101) (City Wide) (Referred from December 14, 2010 General Issue Committee)

(McHattie/Johnson)

- (a) That the 2011 Transit Operating Budget submission summarized in Appendix "A" attached to Report PW10101, be received;
- (b) That \$3 million in Provincial Gas Tax (PGT) currently allocated to fleet capital replacement be reallocated to the Transit Operating Budget to fund;
 - (i) \$2.67 million Conventional Transit (HSR) service level improvements and 29 FTE (Bus Operational and Maintenance Staff), as detailed in Appendix "B" attached to Report PW10101;
 - (ii) \$330,000 to increase the Transit Training Instructor complement by 1 FTE and the Bus Operator complement by 2 FTE, as summarized in Appendix "C" attached to Report PW10101. **CARRIED**

The motion **CARRIED** on the following vote:

Yeas: McHattie, Farr, Merulla, Collins, Duvall, Pasuta, Johnson,
Pearson, Clark
Total Yeas: 9
Nays: Ferguson
Total Nays: 1
Absent: Bratina, Morelli, Jackson, Whitehead, Partridge, Powers
Total Nays: 6

Added 8.1.2

Transit Fare Increase Policy (PW10078) (City Wide) (Referred from December 14, 2010 General Issues Committee)

See Item 6 – Transit Fair Increase Policy for the Committee’s disposition of this matter.

8.2 Report 11-003 of the Audit, Finance and Administration Committee

1. 2011 Tax Supported Operating Budget – Other Programs (FCS11023(d)) (Item 7.3)

(McHattie/Clark)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

That Report FCS11023(d), respecting the 2011 Tax Supported Operating Budget for Other Programs, as amended, be referred to the General Issues Committee for consideration (attached as Appendix “A” to Report 11-003). **CARRIED**

2. 2011 Budget Requests – Volunteer Advisory Committees (FCS11016) (City Wide) (Item 8.1)

(McHattie/Farr)

(a) That the 2011 Volunteer Advisory Committee base budget submissions be approved as follows:

- (i) Advisory Committee on Immigrants & Refugees in the amount of \$3,500;
- (ii) Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee in the amount of \$3,890;
- (iii) Hamilton Aboriginal Advisory Committee in the amount of \$3,500;
- (iv) Hamilton Mundialization Committee in the amount of \$5,890;

- (v) Hamilton Status of Women Committee in the amount of \$3,500;
- (vi) Committee Against Racism in the amount of \$3,890;
- (b) That, in addition to the base funding request for the Hamilton Status of Women Committee, one-time funding in the amount of \$5,000 be approved from the Volunteer Committee Reserve (Account No. 58300-112212).

CARRIED

3. Information Services Contract Savings and Incentives (FCS11024) (City Wide) (Item 8.2)

(McHattie/Farr)

- (a) That annualized savings from the printer and cell phone contracts of \$94,000 and \$77,700 respectively, be incorporated into the 2011 Operating Budget to reduce the levy requirement by a total of \$171,700;
- (b) That the annual contract incentive payments and bill credits be deposited into the IS Capital Reserve (account 108023) and then the amounts indicated in recommendation (b) above be funded from this Reserve;
- (c) That future projected savings, over and above the amounts set out in Recommendations (a) and (b) above be split equally between the IS Capital Reserve and reduction of the tax levy;
- (d) That staff commit to providing Council with annual performance reporting to communicate the status of savings generated from management of IS contracts.
- (e) That recommendation from Report FCS11024 (originally sub-section (b)), as shown below, be referred to the General Issues Committee for consideration (attached as Appendix "B" to Report11-003):
 - (i) That additional savings of \$218,000 in respect of the 5 year average annual contract incentive payments and bill credits be used to reduce the 2011 levy by \$131,000 and fund 1.0 FTE for a contract analyst (at a cost of \$87,000) to ensure further savings materialize.

CARRIED

4. **Automated Vehicle Location (AVL) FTE Program Enhancement (FCS11034) (City Wide) (Item 5.1)**

(McHattie/Farr)

That Report FCS11034, respecting the Automated Vehicle Location (AVL) FTE Program Enhancement, be received.

CARRIED

5. **Budget Information Request Re: Finance and Administration (FCS11038) (City Wide) (Item 5.2)**

(McHattie/Farr)

That Report FCS11038, respecting the Budget Information Request regarding Finance and Administration, be received.

CARRIED

6. **2011 Tax Supported Operating Budget – City Manager (FCS11023(b)) (City Wide) (Item 8.1)**

(McHattie/Clark)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

That the recommendation, as amended, contained in Report FCS11023(b), respecting the 2011 Tax Supported Operating Budget – City Manager, which reads as follows, be referred to the General Issues Committee for consideration (attached as Appendix “C” to Report 11-003):

“That the 2011 net operating levy for City Manager of \$8,914,398 be approved.”

CARRIED

7. **2011 Tax Supported Operating Budget – Corporate Services (FCS11023(c)) (City Wide) (Item 8.2)**

(McHattie/Clark)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

That the recommendations, as amended, contained in Report FCS11023(c), respecting the 2011 Tax Supported Operating Budget for the Corporate Services Department, which read as follows, were referred to the General Issues Committee for consideration (attached as Appendix “D” to Report 11-003):

(a) That the 2011 net operating levy for Corporate Services, of \$18,870,924, be approved.

CARRIED

(McHattie/Clark)

That the following recommendation be **deferred** pending additional discussion:

- (b) That the 2011 Requested Program Enhancements pertaining to Corporate Services, as per Appendix Three to Report FCS11023(c), be approved. **CARRIED**

8.3 Report 11-004 of the Planning Committee

1. 2011 Tax Supported Operating Budget – Planning & Economic Development (FCS11023 (g)) (City Wide) (Item 5.1)

(Pearson/Johnson)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

- (a) That the 2011 net operating levy for Planning & Economic Development of \$16,727,677, inclusive of Recommended Savings Options as per Appendix Three to report FCS11023(g), and as reduced by reductions in both the Tourism and the Parking and By-law Services Operating Budgets to 0%, be received and forwarded to General Issues Committee Budget process, for consideration

CARRIED

8.3.1 Follow-up to February 22, 2011 Planning Committee Budget Meeting: Additional Information Requested and Directions Given (PED11017)

(Collins/McHattie)

That Report PED11017 respecting the Follow-Up to February 22, 2011 Planning Committee Budget Meeting: Additional Information Requested and Directions Given, be tabled to the next budget meeting. **CARRIED**

8.4 Report 11-003(a) of the Emergency and Community Services Committee

1. 2011 Tax Supported Operating Budget – Budget Summary Report (FCS11023) (Item 4.1)

(Johnson/Pearson)

That Report FCS11023 respecting 2011 Tax Supported Operating Budget – Budget Summary Report be received.

2. **2011 Tax Supported Operating Budget – Community Services (FCS11023e) (City Wide) (Item 5.1)**

(Johnson/Pearson)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

- (a) That the 2011 net operating levy for Community Services of \$137,203,270, inclusive of Recommended Savings Options as per Appendix A (hereto attached), be approved.

CARRIED

(Johnson/Pearson)

That the following recommendations be **deferred** pending additional discussion:

- (b) That the 2011 Council Referred Items pertaining to Community Services as per Appendix B (hereto attached), be approved;
- (c) That the 2011 Requested Program Enhancements pertaining to Community Services as per Appendix C (hereto attached), be approved.

CARRIED

(Johnson/Pearson)

- (d) That the General Manager of Community Services be authorized and directed to execute all 2011 Federal and Provincial Program Service Level Funding Agreements and any ancillary agreements required to give effect thereto and Contracts for Community Services as provided for in Appendix One to Report FCS11023e. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting.

CARRIED

3. **2011 Tax Supported Operating Budget – Hamilton Emergency Services (FCS11023f) (City Wide) (Item 5.2)**

(Johnson/Pearson)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

- That the 2011 net operating levy for Hamilton Emergency Services of \$91,369,615 be approved.

CARRIED

4. 2011 Budget Request - Seniors Advisory Committee (FCS11017) (City Wide) (Item 6.1)

(Pearson/Johnson)

That the 2011 base budget submission from the Seniors Advisory Committee in the amount of \$1,500, attached as Appendix A to Report FCS11017 be approved. **CARRIED**

5. Arts Advisory Commission 2011 Volunteer Committee Budget Submission (CS11008) (City Wide) (Item 6.2)

(Pearson/Johnson)

(a) That the Arts Advisory Commission's 2011 Volunteer Committee's base Budget Submission in the amount of \$9,000, hereto attached as Appendix D, be approved.

(b) That, in addition to the base funding, that a one time funding from the Arts Advisory Commission reserve, in the amount of \$5,000, be approved. **CARRIED**

6. Food & Shelter Advisory Committee 2011 Budget Submission (CS11028) (City Wide) (item 6.3)

(Johnson/Pearson)

That the Food and Shelter Advisory Committee's 2011 Volunteer Committee Budget submission in the amount of \$500, attached as Appendix A to Report CS11028, be approved. **CARRIED**

7. 2011 Volunteer Committee Budget Submission - Hamilton Historical Board (CS11011) (City Wide) (item 6.4)

(Johnson/Pearson)

(a) That the Hamilton Historical Board's 2011 Volunteer Committee Budget Submission in the amount of \$14,340, hereto attached as Appendix E, be approved.

(b) That, in addition to the base funding, that a one time funding from the Volunteer Committee reserve, in the amount of \$2,370, be approved. **CARRIED**

8. Hamilton Youth Advisory Committee (HYAC) 2011 Budget Submission (CS11030) (City Wide) (item 6.5)

(Johnson/Pearson)

(a) That the Hamilton Youth Advisory Committee annual base Budget Submission in the amount of \$3,890, hereto attached as Appendix F, be approved;

- (b) That, in addition to the base funding, that a one time funding from the Volunteer Committee reserve, in the amount of \$2,500, be approved. **CARRIED**

9. Hamilton Veterans Committee's 2011 Volunteer Budget Submission (CS11007) (City Wide) (item 6.6)

(Johnson/Pearson)

- (a) That the Hamilton Veterans Committee's 2011 Volunteer Committee Budget Submission in the amount of \$9,890, hereto attached as Appendix G, be approved.
- (b) That, in addition to the base funding, that a one time funding from the Hamilton Veterans Committee reserve, in the amount of \$2,410, be approved.
- (c) That, in addition to the base and the one time reserve funding, an increase of \$1700 in the Hamilton Veterans Committee Volunteer Committee budget, be approved.

CARRIED

10. Tenant Advisory Committee Budget Submission (CS11029) (City Wide) (Item 6.7)

(Johnson/Pearson)

- (a) That the Tenant Advisory Committee 2010 base amount budget of \$500, hereto attached as Appendix H be approved;
- (b) That the Tenant Advisory Committee's request for an additional \$500 in 2011 be approved. **CARRIED**

11. Hamilton Centre for Civic Inclusion – Request for Funding (CS11023) (City Wide) (Added Item 6.8)

(McHattie/Johnson)

- (a) That Report CS11023 respecting the request for funding from Hamilton Centre for Civic Inclusion be received.
- (b) That an enhancement in the amount of \$100,000 for Hamilton Centre for Civic Inclusion be approved in the 2011 budget from the tax stabilisation reserve.

- (c) That a funding agreement, satisfactory to the General Manager of Community Services, and the City Solicitor, be established whereby Hamilton Centre for Civic Inclusion provide documentation to the City of Hamilton in the form of an annual report to Council outlining finances and activities, while in receipt of City funding.
- (d) That City Council, through the Hamilton Immigration Partnership Council, continue to encourage and assist HCCI in its self-financing efforts as an independent, community-based, non-profit group. **CARRIED**

(McHattie/Farr)

That the following sub-section be added:

- (e) That the HCCI be requested to provide a letter agreeing to a sunset clause of three years for the funding agreement.;
Amendment CARRIED
Motion as amended CARRIED

8.4.1 Point of Sale System (CS11037) (City Wide)

(McHattie/Farr)

That Report CS11037 respecting Point of Sale System, be received.
CARRIED

8.5 Report 11-003 of the Board of Health (Report to be distributed)

1. 2011 Tax Supported Operating Budget – Public Health (FCS11023(h)) (City Wide) (Item 5.1)

(McHattie/Pearson)

That the following recommendation be **tabled** pending discussion of all Standing Committee Reports:

- (a) That the 2011 net operating levy for Public Health Services of \$10,516,421, inclusive of Recommended Savings Options as per Appendix “A” attached hereto, be considered. **CARRIED**

(McHattie/Pearson)

That the following recommendations be **deferred** pending additional discussion:

- (b) That the 2011 Requested Program Enhancement pertaining to Public Health Services as per Appendix “B” attached hereto, be considered;

- (c) That the Medical Officer of Health be authorized and directed to execute all 2011 Federal and Provincial Program Service Level Funding Agreements and any ancillary agreements required to give effect thereto and Contracts for Public Health Services as provided for in Appendix "C" attached hereto. This also includes the authority to authorize the submission of budgets and quarterly/year end reporting. **CARRIED**

2. **Healthy Babies, Healthy Children Budget (BOH11004) (City Wide) (Item 6.1)**

(McHattie/Pearson)

- (a) That the reallocation of funding obtained through efficiency measures in the Public Health Services budget to fund the \$36,000 shortfall in the Healthy Babies, Healthy Children (HBHC) Program be approved;
- (b) That a letter be written to the Minister of Children and Youth Services, to be sent along with the budget submission, outlining the inherent impact of zero base increases for 2009-2011 (as experienced by all Health Units across the province of Ontario), as well as the potential impact of subsequent budget reductions on the effective integration of HBHC services as part of the provincial Best Start Child and Family Service Model;
- (c) That staff be directed to bring forward to the Board of Health for consideration, when identified, any 100% provincially funded programs that have a maintenance shortfall.

CARRIED

There being no further business, the Committee adjourned at 12:08 p.m.

Respectfully submitted

Councillor L. Ferguson
Deputy Mayor

Carolyn Biggs, Co-ordinator
Committee Services/Council/Budgets
April 1, 2011