



Hamilton

City of Hamilton

2010 Tax Operating Budget Update

Committee of the Whole
April 7th, 2010



What's New Since Feb 22nd?

- Provincial Budget
 - Confirmed approval City's \$14.2 million grant request
- Provincial Education Tax Rates
 - Release of ETR on April 1st confirmed assumptions used in tax impact calculations during budget process
- Staff review of \$1.3million in referred items
 - Revised request and submission of additional budget reductions
- Require approval of previously proposed reduction items (Feb 9th & 22nd) to achieve 2% total residential tax impact



Residential Tax Impact

	Guideline	Potential	
		Muni	Total
OPERATING LEVY	2.0%	1.8%	1.6%
CAPITAL LEVY	1.0%	0.5%	0.4%
TOTAL IMPACT	3.0%	2.3%	2.0%

- Impact includes reduction proposals from Feb 9th & Feb 22nd
- Includes \$14.2m in special provincial grant funding (now confirmed)
- Assumes same Education impact as 2009 (0.8%) (now confirmed)



Additional Recommended Reductions

Refer to Appendix “A” (From Feb 9th and Feb 22nd)

		Potential Impact	
		Muni	Total
Current 2010 Residential Tax Increase ¹	\$ 26,588,836	2.8%	2.4%
OPTIONS / POTENTIAL MITIGATION			
Pending Program Change Options			
Community Services	(\$1,817,950)		
Corporate Services	(\$293,050)		
Planning & Economic Dev.	(\$304,000)		
City Manager	(\$132,000)		
HES	(\$55,000)		
Boards & Agencies	(\$89,790)		
Public Health	(\$15,000)		
Corporate Financials (Feb 9)	\$250,000		
Corporate Financials (Feb 22)	(\$300,000)		
	(\$2,756,790)	-0.5%	-0.4%
Potential 2010 Total Residential Tax Impact	\$ 23,832,046	2.3%	2.0%

¹ see Appendix C for amendments approved by Standing Committees

2010 Complement Changes

	FTE
2009 COMPLEMENT	5,474.21
<u>2010 Adjustments & Saving Options</u>	
Planning & Ec. Development	(0.23)
Public Health	(10.20)
Community Services	(1.67)
Public Works	(4.00)
Corporate Services	(5.46)
Total Base Adjustments	(21.56)
TOTAL 2010 REQUESTED COMPLEMENT	(21.56) 5,452.65
<u>2010 Committee Adjustments</u>	
Community Services	9.72
Corporate Services	1.00
City Manager	2.00
Public Works (*)	(1.00)
Total Committee Adjustments	11.72
TOTAL AFTER COMMITTEE ADJUSTMENTS	(9.84) 5,464.37
<u>2010 Options</u>	
Corporate Services	(1.75)
Planning & Ec. Development	(2.73)
Total Committee Adjustments	(4.48)
TOTAL COMPLEMENT CHANGE	(14.32) 5,459.89

A total of 6.6 new FTE are net \$0 levy impact

(*) Staff for OEI absorbed – contract

Council Referred Items

(Not currently included in Budget)

Dept	Recommended Amendments	ORIGINAL		REVISED	
		FTE	Net Levy	FTE	Net Levy
PW	Street Tree Trimming	5.00	\$ 530,000		\$ 0
PW	Parks & Cemeteries - Operating impacts from capital	9.15	\$ 418,000	8.00	\$ 355,000
PW	Roads - Operating impacts from capital	1.00	\$ 263,000		absorbed
PW	Forestry & Horticulture - Operating impacts from capital	0.00	\$ 51,000		absorbed
PW	Traffic - Operating impacts from capital	0.00	\$ 59,000		absorbed
SUBTOTAL PUBLIC WORKS		15.15	1,321,000	8.00	355,000
CS	Physicians Recruitment program	0.00	\$ 10,000	0.00	\$ 10,000
SUBTOTAL CORPORATE SERVICES		0.00	\$ 10,000	0.00	\$ 10,000
	Financ Corporate cost allocation policy revision	0.00	\$ -	0.00	\$ 0
SUBTOTAL CORPORATE FINANCIALS		0.00	\$ -	0.00	\$ 0
Total - Council Referred Items		15.15	\$ 1,331,000	8.00	\$ 365,000
Additional Reductions					
	Updated Supplementary Taxes				\$ (300,000)
	PH - PHRED Program reduction (\$130,000 gross)				\$ (65,000)
Net Impact of Council Referred Items					\$ 0

- Approval maintains the tax impact @ 2.0%



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Process



Next Steps

- April 7 & 9: Committee of the Whole
 - Committee reports & recommended amendments:
 - Audit & Admin
 - Public Works
 - Emergency & Community Services
 - Economic Development & Planning
 - Board of Health
 - Other recommendations (presentations)
- April 14th: Council Approval
- Tax Policies – May 10 CoW



Recommendations

- That the budget reduction items presented February 9th and 22nd, as identified in Appendix “A”, be approved.
- That the Council Referred program enhancements (revised) and supporting reductions be approved (refer to Appendix “B”).



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Appendices



Additional Amendments Feb 9th & Feb 22nd

Appendix "A"

Dept	Report #	Recommended Amendments	FTE	Net Levy Adjustment
PHS		Dental program	0.00	\$ (15,000)
SUBTOTAL PUBLIC HEALTH			0.00	\$ (15,000)
CorpS		Customer Service (MCS Supervisor)	0.00	\$ (84,000)
CorpS		Treasury Services (Taxation)	0.00	\$ (76,300)
CorpS		Treasury Services (F&A)	-1.00	\$ (87,750)
CorpS		Treasury Services (Fin Services)	-0.75	\$ (45,000)
SUBTOTAL CORPORATE SERVICES			-1.75	\$ (293,050)
PED		Downtown Ambassadors	-2.73	\$ (104,000)
PED		Residential Loan Interest	0.00	\$ (200,000)
SUBTOTAL PLANNING AND ECONOMIC DEVELOPMENT			-2.73	\$ (304,000)
City Mgr		City Manager - Consulting	0.00	\$ (12,000)
City Mgr	HUR10005	HR - Arbitration budget reduction	0.00	\$ (100,000)
City Mgr	HUR10005	HR- other reductions	0.00	\$ (20,000)
SUBTOTAL CITY MANAGER			0.00	\$ (132,000)
CS		OW Caseload (Gross -\$9,370,870)	0.00	\$ (1,817,950)
SUBTOTAL COMMUNITY SERVICES			0.00	\$ (1,817,950)
B&A		Fuel Reduction - Police	0.00	\$ (89,790)
SUBTOTAL B&A			0.00	\$ (89,790)
HES		Fuel Reduction - HES	0.00	\$ (55,000)
SUBTOTAL HES			0.00	\$ (55,000)
Financials		Increase in Insurance Premiums	0.00	\$ 550,000
Financials		Corp Financials - POA Fine Revenues	0.00	\$ (100,000)
Financials		Employee Health & Dental Benefits	0.00	\$ (200,000)
Financials		Tax Capping Levy	0.00	\$ (100,000)
Financials		Flamboro Slot Revenue	0.00	\$ (200,000)
SUBTOTAL CORPORATE FINANCIALS			0.00	\$ (50,000)
Total - Additional Recommended Amendments			-4.48	\$ (2,756,790)

Council Referred Items

Appendix "B"

Dept	Recommended Amendments	ORIGINAL		REVISED	
		FTE	Net Levy	FTE	Net Levy
PW	Street Tree Trimming	5.00	\$ 530,000		\$ 0
PW	Parks & Cemeteries - Operating impacts from capital	9.15	\$ 418,000	8.00	\$ 355,000
PW	Roads - Operating impacts from capital	1.00	\$ 263,000		absorbed
PW	Forestry & Horticulture - Operating impacts from capital	0.00	\$ 51,000		absorbed
PW	Traffic - Operating impacts from capital	0.00	\$ 59,000		absorbed
SUBTOTAL PUBLIC WORKS		15.15	1,321,000	8.00	355,000
CS	Physicians Recruitment program	0.00	\$ 10,000	0.00	\$ 10,000
SUBTOTAL CORPORATE SERVICES		0.00	\$ 10,000	0.00	\$ 10,000
Financ	Corporate cost allocation policy revision	0.00	\$ -	0.00	\$ 0
SUBTOTAL CORPORATE FINANCIALS		0.00	\$ -	0.00	\$ 0
Total - Council Referred Items		15.15	\$ 1,331,000	8.00	\$ 365,000
Additional Reductions					
	Updated Supplementary Taxes				\$ (300,000)
	PH - PHRED Program reduction (\$130,000 gross)				\$ (65,000)
Net Impact of Council Referred Items					\$ 0

Amendments Approved by Committees

Appendix "C"

Date	CMTEE	Report #	APPROVED AMENDMENTS TO DATE:	FTE	Requested Budget	Net Levy Adjustment	Levy Increase \$	Residential Impact	
								Muni	Total
Operating Levy Impact Requested Budget (includes 1.0% assessment growth)				6,908.10	\$ 596,479,160		\$ 24,954,132	3.1%	2.6%
13-Jan	COW	FCS09120i	Increase in MPAC budget per notice received	0.00		\$ 44,858			
14-Jan	A&A		Clerk's Division Restructuring - Amended	1.00		\$ 100,000			
14-Jan	A&A	HUR10001	HR - Return to work Enhancement Gross - \$206,050	1.00		\$ -			
14-Jan	A&A	FCS10013	AODA Standards - Gross \$100,000	0.00		\$ 100,000			
15-Jan	ECS	CS10007	Culture - Nash Jackson House rental attendants (\$10,920 Gross)	0.50		\$ -			
15-Jan	ECS	CS10007	Culture - Public Art Coordinator	0.00		\$ 101,310			
15-Jan	ECS	CS10007	BE - Special Support Staffing	3.00		\$ 197,640			
15-Jan	ECS	CS10007	EIS - Enhanced Employment Services (\$139,780 Gross)	2.00		\$ -			
15-Jan	ECS	CS10007	ML - Clerical support (\$31,460 Gross)	0.60		\$ -			
15-Jan	ECS	CS10007	Recreation - Recreation access subsidy program	1.00		\$ 400,000			
15-Jan	ECS	CS10007	Recreation - Outdoor pools extended weeks	0.12		\$ 36,000			
15-Jan	ECS	CS10007	SD&ECS - Best Start database (\$34,400 Gross)	0.50		\$ -			
15-Jan	ECS	CS10007	Social Housing - Renovation and Retrofit Program Admin (\$44,240 Gross)	0.50		\$ -			
15-Jan	ECS	CS10007	Social Housing - Resource Counselling Program	0.00		\$ 80,000			
15-Jan	ECS	FCS09120f	SD & ECS - Child care service delivery model (\$120,000 Gross)	1.50		\$ -			
1-Feb	PW	FCS09120h	Parks - Sport Field Line Marking Alternatives	0.00		\$ -			
1-Feb	PW	FCS09120h	Waste - Diversion Options	0.00		\$ -			
1-Feb	PW		Winter Control budget reduction	0.00		\$ (1,000,000)			
1-Feb	PW		HRPI Dividend	0.00		\$ (500,000)			
1-Feb	PW		Fuel Reduction	0.00		\$ (825,000)			
1-Feb	PW	PW10006	Additional staff for the OEI (\$495,000 Gross) (5 FTE Contract)	0.00		\$ -			
TOTAL APPROVED AMENDMENTS TO DATE				11.72		\$ (1,265,192)			
Operating Levy Impact (including Amendments Approved to Date)				6,919.82	\$ 595,213,968	\$ (1,265,192)	23,688,940	2.9%	2.4%
Capital Levy Impact				0.00	\$ 80,436,000		\$ 2,899,896	0.5%	0.4%
TOTAL OPERATING & CAPITAL LEVY IMPACT				6,919.82	\$ 675,649,968	\$ (1,265,192)	\$ 26,588,836	3.4%	2.8%
Less additional growth/reassessment								-0.6%	-0.4%
TOTAL LEVY / RESIDENTIAL IMPACT				6,919.82	\$ 675,649,968	\$ (1,265,192)	\$ 26,588,836	2.8%	2.4%



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END
