

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Financial Planning & Policy Division

Report to: Chair and Members Emergency & Community Services Committee	Submitted by: Roberto Rossini General Manager, Finance & Corporate Services Corporate Services Department Jim Kay General Manager / Chief Hamilton Emergency Services
Date: November 16, 2009	Prepared by: Sue O'Dwyer 4108 Tom Hewitson 4159

**SUBJECT: 2010 Tax Supported Operating Budget – Hamilton Emergency
Services (FCS09120g) (City Wide)**

RECOMMENDATION:

- (a) That the 2010 net operating levy for Hamilton Emergency Services be approved at \$87,795,128.

Roberto Rossini
General Manager, Finance & Corporate Services
Corporate Services Department

Jim Kay
General Manager / Chief
Hamilton Emergency Services

**SUBJECT: 2010 Tax Supported Operating Budget – Hamilton Emergency Services
(FCS09120g) (City Wide) - Page 2 of 4**

EXECUTIVE SUMMARY:

The 2010 Hamilton Emergency Services (HES) budget is submitted for Council's consideration.

2010 Requested Budget – Hamilton Emergency Services

The following table highlights the 2010 Requested Budget versus the Budget Guideline.

2010 Submission vs. Budget Guideline

2009 Budget		\$84,478,600	
	2010 Levy Change		
	\$		
2010 Base Levy Change	\$3,316,500		
2010 Savings Options	\$0		
2010 Budget Excluding Provincial Impact¹		\$87,795,100	3.9%
2010 Provincially Mandated	\$0		
2010 Requested Budget	\$3,316,500	\$87,795,100	3.9%

1 - Council Guideline is 2% or less excluding provincial impacts.

The Hamilton Emergency Services budget submission results in a levy increase of approximately \$3.3 million, or 3.9%. The main cost driver resulting in this budget submission exceeding the guideline of 2.0% or less is employee related expenses which are increasing at a rate greater than the guideline.

Since 90% of the HES department budget is comprised of employee related expenses, it is very difficult to develop savings options that are consistent with the approved budget principles, in particular that do not impact service.

Complement

The 2010 requested complement for Hamilton Emergency Services is remaining unchanged from the previous year at 837.3 FTE.

	2009		2010 Requested	2010 Requested vs 2009 Restated	
	Budget	Restated			
Hamilton Emergency Services	837.30	837.30	837.30	-	0.0%

**SUBJECT: 2010 Tax Supported Operating Budget – Hamilton Emergency Services
(FCS09120g) (City Wide) - Page 3 of 4**

BACKGROUND:

The budget summaries and overviews for Hamilton Emergency Services are included in the attached Appendix One to report FCS09120g. During the budget committee meetings commencing in December, staff will present the department and divisional budgets and explain the requirements for 2010.

ANALYSIS/RATIONALE:

As indicated, the Hamilton Emergency Services requested budget is increasing by approximately \$3.3 million, or 3.9%. The following identifies the department submission, by division.

HES							
	2009 Budget	2009 Projected Actual	2010 Base Budget	2010 Savings Options	2010 Requested Budget	2010 Requested / 2009 Restated	
						\$	%
Corporate Radio System	835,030	797,593	844,696	0	844,696	9,666	1.2%
Emergency Management	305,580	315,329	312,666	0	312,666	7,086	2.3%
Emergency Medical Services	14,365,901	13,566,710	15,239,372	0	15,239,372	873,471	6.1%
Emergency Services Admin	969,415	967,622	996,806	0	996,806	27,391	2.8%
Fire Services	68,002,649	66,879,994	70,401,587	0	70,401,587	2,398,938	3.5%
NET LEVY	84,478,575	82,527,248	87,795,128	0	87,795,128	3,316,553	3.9%

With respect to Emergency Medical Services, approximately half of the \$873,000, 6.1% increase relates to a funding revision. In 2009, based on the funding allocation announced by the Province, the grant was effectively 51%. For 2010 staff are budgeting at a 50% funding level. Had the funding in 2009 been budgeted at 50% level, the 2010 EMS increase would have been about 3.4%, resulting in the overall HES net levy impact being \$2.9 million or 3.4%.

ALTERNATIVES FOR CONSIDERATION:

Council can direct changes to this budget submission as required.

Staff will continue to monitor the 2009 year-end actuals, to see if there are further opportunities to reduce the 2010 budget.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

The attached Appendix One to report FCS09120g provides the summary budget and complement data related to the Hamilton Emergency Services budget.

POLICIES AFFECTING PROPOSAL:

N/A

**SUBJECT: 2010 Tax Supported Operating Budget – Hamilton Emergency Services
(FCS09120g) (City Wide) - Page 4 of 4**

RELEVANT CONSULTATION:

This budget has been developed in conjunction with internal and external partners.

CITY STRATEGIC COMMITMENT:

By evaluating the “**Triple Bottom Line**”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. **Yes** **No**

Environmental Well-Being is enhanced. **Yes** **No**

Economic Well-Being is enhanced. **Yes** **No**

Does the option you are recommending create value across all three bottom lines?
 Yes **No**

Do the options you are recommending make Hamilton a City of choice for high performance public servants?
 Yes **No**