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# 2013 TAX-SUPPORTED OPERATING BUDGET UPDATE

## **General Issues Committee**

**April 4, 2013**

**Agenda Item 4.1**



- March 21<sup>st</sup> GIC approved -\$1.897M in proposed amendments bringing the average Residential total tax impact to 1.9%
- April 3<sup>rd</sup> GIC approved motion (*2013 Hamilton Police Service budget of \$140,414,620, inclusive of capital financing costs, representing a 3.52% increase over the 2012 approved budget*) results in a further amendment of -\$517,620; average Residential total tax impact remains at 1.9%



# 2013 Updated Budget Tax Impact Average Home

	Change (2013 over 2012)	
	DRAFT (revised)	
	\$	%
Municipal Taxes		
City Departments	\$ 33	1.1%
Provincial Funding Loss Transition	\$ 8	0.3%
Boards & Agencies	\$ 15	0.5%
Capital	\$ 15	0.5%
<b>Municipal Tax Change</b>	<b>\$ 72</b>	<b>2.5%</b>
Education Taxes	\$ (6)	-1.1%
<b>Total (including Education) Tax Change</b>	<b>\$ 65</b>	<b>1.9%</b>

Note – anomalies in totals due to rounding



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# Boards & Agencies

Deferred Items: HECFI & Community  
Partnership Program

**Agenda Item 5.1 (a)**

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- Report CM11013d (Sept 25, 2012 GIC):
  - That the budget reductions outlined in Report CM11013d be forwarded to the 2013 Budget process for consideration
- 2013 budget book included Council Referred Item
- Jan 31, 2013 GIC – Information Report
  - Treat 2013 as a transitional year
  - Revised 5 year term from 2013-2017 to 2014-2018

- Report CM11013e (Feb 12<sup>th</sup> GIC):

## ANNUALIZED BUDGET IMPACTS (\$000's)

Description	BUDGET						
	2012	2013	2014	2015	2016	2017	2018
Initial Levy	5,921	5,921	4,736	4,632	4,572	4,487	4,342
Less Profit Sharing			(449)	(519)	(605)	(645)	(687)
Potential Levy	5,921	5,921	4,287	4,103	3,967	3,842	3,655
Estimated Annual Savings			1,634	1,818	1,954	2,079	2,266

**No change in estimated annual savings**

**Savings deferred one year, revised 5 year term: 2014-2018**



### 2013 HECFI Operations & New Operator Savings :

The 2013 budget contains two distinct time frames.

- HECFI Operations for January/February 2013 are still being reviewed. Potential shortfall due to booking issues, therefore the budget for this period will be required in full.
- New Operator period for March through December. As identified in CM11013e, no savings are expected in 2013 as this represents a transition year. The operators are eligible to receive funding in the event that a loss occurs during the transition year. Losses are limited to the amount of savings identified in the bid documents.



### Corporate Financials :

- Bulldogs Support Payment – The \$220,000 included in the 2013 calendar year budget covers the 2012-2013 hockey season. For October 1, 2012 to February 28, 2013, \$153,000 of the \$220,000 budget is required.
- Insurance (WSIB) – 2012 Budget of \$143,300 has been reduced to \$35,800, savings of -\$107,500 in 2013 budget.





# Community Partnership Program

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- Staff are recommending:
  - Consider the referred enhancement (B30 = \$5,000) regarding the Agri and Rural Affairs Advisory Committee
  - Approve the base 2013 CPP budget at \$3,212,000 (plus potential amendment for Agri referred item)
  - Policing item (B29 = \$62,243) deferred pending discussion at Grants Sub-Committee meeting on April 9<sup>th</sup> and can be dealt with in-year



# Council Referred Items

## Appendix B

### **Agenda Item 5.1 (b) (i)**

# 2013 Council Referred Items

(Appendix B to FCS13010 - UPDATED)

- 30\* items referred by Council to the 2013 budget process
- If all Council Referred Items are approved

<b>Gross Impact</b>	<b>\$ 3,312,646</b>
<b>Net Impact</b>	<b>\$ 3,197,546</b>
<b>Annualized FTE</b>	<b>10.83</b>
<b>Total Tax Impact</b>	<b>0.4%</b>
<b>2014 Additional Net Impact</b>	<b>\$ 456,139<sup>1</sup></b>

<sup>1</sup> The 2013 impact reflects part year commencement of some initiatives with an additional pressure created in 2014 from annualization.

\* inclusive of 7 items that have been withdrawn, 2 items approved, 1 item not approved



# 2013 Council Referred Items

(Appendix B to FCS13010 – UPDATED\*)

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Revised from what was presented March 21<sup>th</sup> GIC:

- **B16:** PW – winter control item approved at PW Committee (March 18<sup>th</sup>) – PW13022
- **B28:** HECFI – savings deferred to 2014 (CM11013e)



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# Process

## Potential Road Map for Deliberations:

### Item 5.1 on Agenda:

#### (a) Boards & Agencies

(i) Hamilton Police Services - **approved April 3 GIC**

(ii) H.E.C.F.I. - **deferred**

(iii) Community Partnership Program - **deferred**

#### (b) City Budgets

(i) **Council Referred Items (Appendix B\*)**

(ii) **Department Budgets (Recommendations)**

\* updated Appendices attached



- **March 4<sup>th</sup>** - Cancelled
  - **March 7<sup>th</sup> & 21<sup>st</sup>** – Deliberations
  - **April 3<sup>rd</sup>** – Police Budget
  - **April 4<sup>th</sup> & 5<sup>th</sup>** – additional deliberation dates
    - Deferred B&A: HECFI, CPP (FCS13011)
    - Council Referred Enhancements (Appendix B)
    - Recommendations A-L (FCS13010)
  - **April 10<sup>th</sup>** – Council Approval
  - **May 1<sup>st</sup>** – Tax Policies
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