

CITY OF HAMILTON

***CORPORATE SERVICES DEPARTMENT
Financial Planning & Policy Division***

Report to: Chair and Members Audit and Administration Committee	Submitted by: Roberto Rossini General Manager, Finance & Corporate Services Corporate Services Department
Date: November 16, 2009	Prepared by: Robin Hewitt 4522 Tom Hewitson 4159

**SUBJECT: 2010 Tax Supported Operating Budget – Corporate Services
(FCS09120b) (City Wide)**

RECOMMENDATION:

That the 2010 net operating levy for Corporate Services, inclusive of Savings Options per Appendix Two to report FCS09120b, be approved at \$25,533,716.

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

**SUBJECT: 2010 Tax Supported Operating Budget – Corporate Services
(FCS09120b) (City Wide) - Page 2 of 4**

EXECUTIVE SUMMARY:

The 2010 Corporate Services budget is submitted for Council's consideration.

2010 Requested Budget – Corporate Services

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

2010 Submission vs. Budget Guideline

2009 Budget		\$25,217,700
	2010 Levy Change	
	\$	
2010 Base Levy Change	\$756,600	
2010 Savings Options	-\$440,500	
2010 Budget Excluding Provincial Impact¹		\$25,533,700 1.3%
2010 Provincially Mandated	\$0	
2010 Requested Budget	\$316,100	\$25,533,700 1.3%

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

As shown above, the 2010 Corporate Services budget submission results in a levy increase of \$316,100 or 1.3%, which is within the Council approved budget guideline of 2% or less. The major cost driver in this budget is employee-related costs. The base levy increase of \$756,600 has been reduced by more than half as a result of savings options proposed in the Customer Service and Clerks divisions totalling -\$440,500. These savings options are included in the budget submission.

Savings Options

Savings options for Corporate Services totalling -\$440,500 have been included in the 2010 requested budget. The following table identifies these savings options (detailed forms are included in Appendix Two to report FCS09120b).

Savings Options	FTE	\$ Levy Impact	
		Gross	Net
Customer Service - common counter re-org	(2.00)	\$ (115,000)	\$ (115,000)
Customer Service - efficiencies	(0.46)	\$ (55,300)	\$ (55,300)
Clerks - reduce 1 Deputy Clerk (retirement)	(1.00)	\$ (120,200)	\$ (120,200)
Clerks - Re-org	(2.00)	\$ (150,000)	\$ (150,000)
Total Savings Options	(5.46)	(440,500)	(440,500)

**SUBJECT: 2010 Tax Supported Operating Budget – Corporate Services
(FCS09120b) (City Wide) - Page 3 of 4**

Complement

The 2010 requested complement for Corporate Services results in a decline of -5.46 FTE. This reduction in complement is as a result of the savings options included in the budget submission for the Customer Service (-2.46 FTE) and Clerks (-3.0 FTE) divisions.

	2009		2010 Requested	2010 Requested vs 2009 Restated	
	Budget	Restated			
Corporate Services	350.11	350.11	344.65	(5.46)	-1.6%

BACKGROUND:

The budget summaries and overviews for Corporate Services are included in the attached Appendix One to report FCS09120b. 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 Corporate Services requested budget is increasing by approximately \$316,100 or 1.3%, which is within the Council approved budget guideline. The following identifies the department submission, by division.

Corporate Services							
	2009 Budget	2009 Projected Actual	2010 Base Budget	2010 Savings Options	2010 Requested Budget	2010 Requested / 2009 Restated	
						\$	%
City Clerk	1,975,097	1,983,300	2,124,604	(270,200)	1,854,404	(120,693)	(6.1)%
Corporate Services - Administration	320,019	393,829	323,992	0	323,992	3,973	1.2%
Customer Service	4,047,497	3,803,563	4,173,189	(170,300)	4,002,889	(44,608)	(1.1)%
Financial Planning & Policy	650,392	625,392	675,867	0	675,867	25,475	3.9%
Information Services	9,515,000	9,335,279	9,715,763	0	9,715,763	200,763	2.1%
Legal	2,087,582	2,087,582	2,181,878	0	2,181,878	94,296	4.5%
Treasury Services							
> Financial Services	4,984,635	4,774,201	5,073,607	0	5,073,607	88,972	1.8%
> Taxation	1,004,044	995,444	1,022,299	0	1,022,299	18,255	1.8%
> Other	<u>633,389</u>	<u>2,466,007</u>	<u>683,016</u>	<u>0</u>	<u>683,016</u>	<u>49,627</u>	<u>7.8%</u>
Total	6,622,068	8,235,652	6,778,922	0	6,778,922	156,854	2.4%
NET LEVY	25,217,655	26,464,596	25,974,216	(440,500)	25,533,716	316,061	1.3%

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.

**SUBJECT: 2010 Tax Supported Operating Budget – Corporate Services
(FCS09120b) (City Wide) - Page 4 of 4**

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

The attached Appendix One to report FCS09120b provides the summary budget and complement data related to the Corporate Services budget.

POLICIES AFFECTING PROPOSAL:

N/A

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