



Hamilton

2011 TAX OPERATING BUDGET Update

General Issues Committee

March 28, 2011



Draft 2011 Budget Submission (the starting point)

	Total Levy Change	
	\$	%
TOTAL CITY DEPARTMENTS	18,001,975	4.3%
Police	6,198,742	5.0%
Library	261,556	1.0%
Other Boards & Agencies	401,677	2.1%
TOTAL BOARDS & AGENCIES	6,861,975	4.0%
CAPITAL FINANCING	3,245,999	4.1%
TOTAL	28,109,949	4.2%
Total Average Residential Tax Impact		2.4%

Note – Excludes potential Council Referred and Staff Requested Enhancements

Reduction Process

- *Council directed staff to*
 - *That Council set a goal of 0% increase on the tax levy with no service cuts while utilizing attrition, departmental reorganizations and the elimination of annual gapping.*
- *Various feedback and input has been received from Council*
- *SMT has reviewed the draft budget, updated 2010 actuals and developed options presented at committee and summarized @ March 3rd /March 28th GIC*



Potential Reductions for Committee Review – March 3rd (See Attached)

Potential Impact
Muni Total

DRAFT 2011 Residential Tax Increase	\$ 28,100,000	2.7%	2.4%
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OPTIONS / POTENTIAL MITIGATION

Pending Program Change Options

Community Services	(\$1,794,000)			
Corporate Services	(\$131,000)			
Planning & Economic Dev.	(\$39,000)			
City Manager	\$0			
Public Works	(\$2,980,000)			
Boards & Agencies	(\$10,000)			
Public Health	(\$125,000)			
Corporate Financials	(\$1,272,000)			
		(\$6,351,000)	-1.0%	-0.8%

"Potential" 2011 Total Residential Tax Impact	\$ 21,749,000	1.7%	1.6%
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Note – Excludes potential Council Referred and Staff Requested Enhancements



Potential Levy as Presented at March 3rd GIC

	Total Levy Change	
	\$	%
TOTAL CITY DEPARTMENTS	11,660,975	2.8%
Police	6,198,742	5.0%
Library	261,556	1.0%
Other Boards & Agencies	391,677	2.0%
TOTAL BOARDS & AGENCIES	6,851,975	4.0%
CAPITAL FINANCING	3,245,999	4.1%
TOTAL	21,758,949	3.2%
Total Average Residential Tax Impact		1.6%

Note – Excludes potential Council Referred and Staff Requested Enhancements



Draft Year-End 2010 Variance

	2010	2010	Variance	
	Final Budget	Year-End Actuals	\$	%
<u>TAX SUPPORTED</u>				
LEGISLATIVE	3,430	3,140	290	8.4%
CITY MANAGER	8,930	8,999	(70)	(0.8)%
CORPORATE SERVICES	19,376	18,734	642	3.3%
PLANNING & ECONOMIC DEVELOPMENT	16,663	16,314	349	2.1%
PUBLIC HEALTH SERVICES	10,885	9,808	1,078	9.9%
COMMUNITY SERVICES	153,747	149,947	3,800	2.5%
PUBLIC WORKS	176,195	170,409	5,786	3.3%
HAMILTON EMERGENCY SERVICES	88,275	88,461	(187)	(0.2)%
BOARDS & AGENCIES	42,996	44,684	(1,689)	(3.9)%
COMMUNITY PARTNERSHIP PROGRAM	3,286	3,286	0	0.0%
CAPITAL FINANCING	79,444	74,550	4,894	6.2%
CORPORATE FINANCIALS	4,416	7,950	(3,535)	(80.0)%
TOTAL CITY EXPENDITURES	607,641	596,283	11,358	1.9%
POLICE SERVICES	124,091	123,637	453	0.4%
TOTAL EXPENDITURES	731,732	719,920	11,812	1.6%
TOTAL NON PROGRAM REVENUES	(32,940)	(40,449)	7,509	22.8%
PROVINCIAL FUNDING / OMPF	(25,778)	(25,782)	4	0.0%
TRANSFER TO UNALLOCATED CAPITAL RES	-	4,895	(4,895)	(100.0)%
TOTAL TAX SUPPORTED	673,013	658,584	14,429	2.1%
TOTAL RATE SUPPORTED	-	9,152	(9,152)	(100.0)%
TOTAL CITY	673,013	667,736	5,277	0.8%



Further Reductions for Committee Review – March 28th (See Attached)

GIC - March 3rd Potential 2011 Total Residential Tax Impact	\$	21,749,000	1.7%	1.6%
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OPTIONS / POTENTIAL MITIGATION

Pending Program Change Options

Community Services	(\$214,000)			
Planning & Economic Dev.	(\$71,524)			
City Manager	(\$34,600)			
Public Works	(\$550,000)			
Capital Financing	(\$309,000)			
Non-Union Comp. Reduction	(\$1,183,500)			
Corporate Financials	(\$3,015,500)			
		(\$5,378,124)	-0.8%	-0.7%
Fuel Increase		\$570,000		

Updated "Potential" 2011 Total Residential Tax Impact	\$	16,950,732	1.0%	1.0%
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Note – Excludes potential Council Referred and Staff Requested Enhancements

Fuel Increase

- *Staff recommending increasing Fuel budget from \$0.87/L to \$0.92/L.*
- *The budget change will result in a levy increase of close to \$570,000.*
- *Reflected in Potential Levy to date.*
- *A commodity stabilization reserve is proposed to be established through the 2010 year end disposition of surplus report.*



Potential Levy as Updated at March 28th GIC

	Total Levy Change	
	\$	%
TOTAL CITY DEPARTMENTS	7,161,748	1.7%
Police	6,198,742	5.0%
Library	261,556	1.0%
Other Boards & Agencies	391,687	2.0%
TOTAL BOARDS & AGENCIES	6,851,985	4.0%
CAPITAL FINANCING	2,936,999	3.7%
TOTAL	16,950,732	2.6%
Total Average Residential Tax Impact		1.0%

Note – Excludes potential Council Referred and Staff Requested Enhancements



Draft (current position) vs. Potential (March 3 & 28 Reductions) by Dept

	DRAFT CHANGE OVER 2010		POTENTIAL CHANGE OVER 2010	
	\$	%	\$	%
Legislative	(16,996)	-0.5%	(16,996)	-0.5%
City Manager	89,635	1.0%	55,035	0.6%
Planning & Economic Development	(91,219)	-0.5%	(201,743)	-1.2%
Corporate Services	(64,950)	-0.3%	(195,950)	-1.0%
Public Health Services	(409,771)	-3.8%	(534,771)	-4.9%
Community Service (inclusive of upload saving)	(17,946,158)	-11.6%	(20,054,158)	-12.9%
Public Works	5,529,368	3.1%	2,569,368	1.5%
Hamilton Emergency Services	3,231,754	3.7%	3,231,754	3.7%
Corporate Financials	6,686,219	243.0%	1,415,219	51.4%
Non Program Revenues	(784,213)	-2.4%	(984,213)	-3.0%
Provincial Funding/OMPF	21,778,305	84.5%	21,778,305	84.5%
TOTAL CITY DEPARTMENTS	18,001,975	4.3%	7,061,748	1.7%
Community Service (exclusive of upload saving)	3,853,842	2.5%	1,745,842	1.1%
RESIDENTIAL TAX IMPACT		2.4%		1.0%

Note – Excludes potential Council Referred and Staff Requested Enhancements

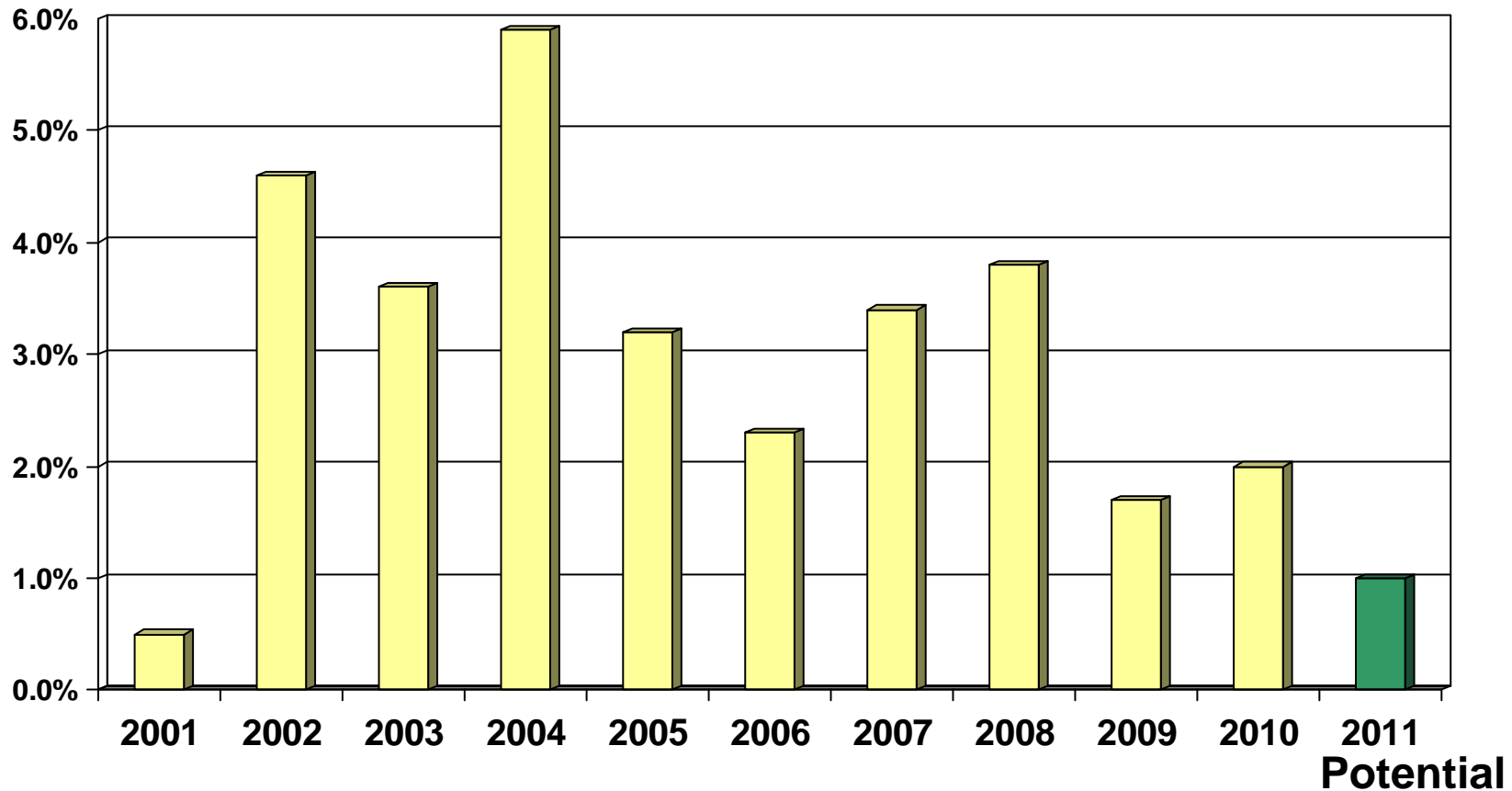
Residential Tax Impact by Levy

	Change (2011 over 2010)			
	DRAFT		POTENTIAL	
	\$	%	\$	%
Municipal Taxes				
City Departments	\$ 45	1.6%	\$ (1)	-0.1%
Boards & Agencies	\$ 17	0.6%	\$ 17	0.6%
Capital	\$ 14	0.5%	\$ 13	0.5%
Total Municipal Taxes	\$ 76	2.7%	\$ 28	1.0%
Education Taxes	\$ 4	0.7%	\$ 4	0.7%
Total	\$ 80	2.4%	\$ 32	1.0%

- Excludes Council referred & requested enhancement items
- 1% on Residential Tax Increase:
 - MUNICIPAL ONLY = \$6.5M
 - “TOTAL” INCL EDUCATION = \$7.8M

Note – anomalies in totals due to rounding

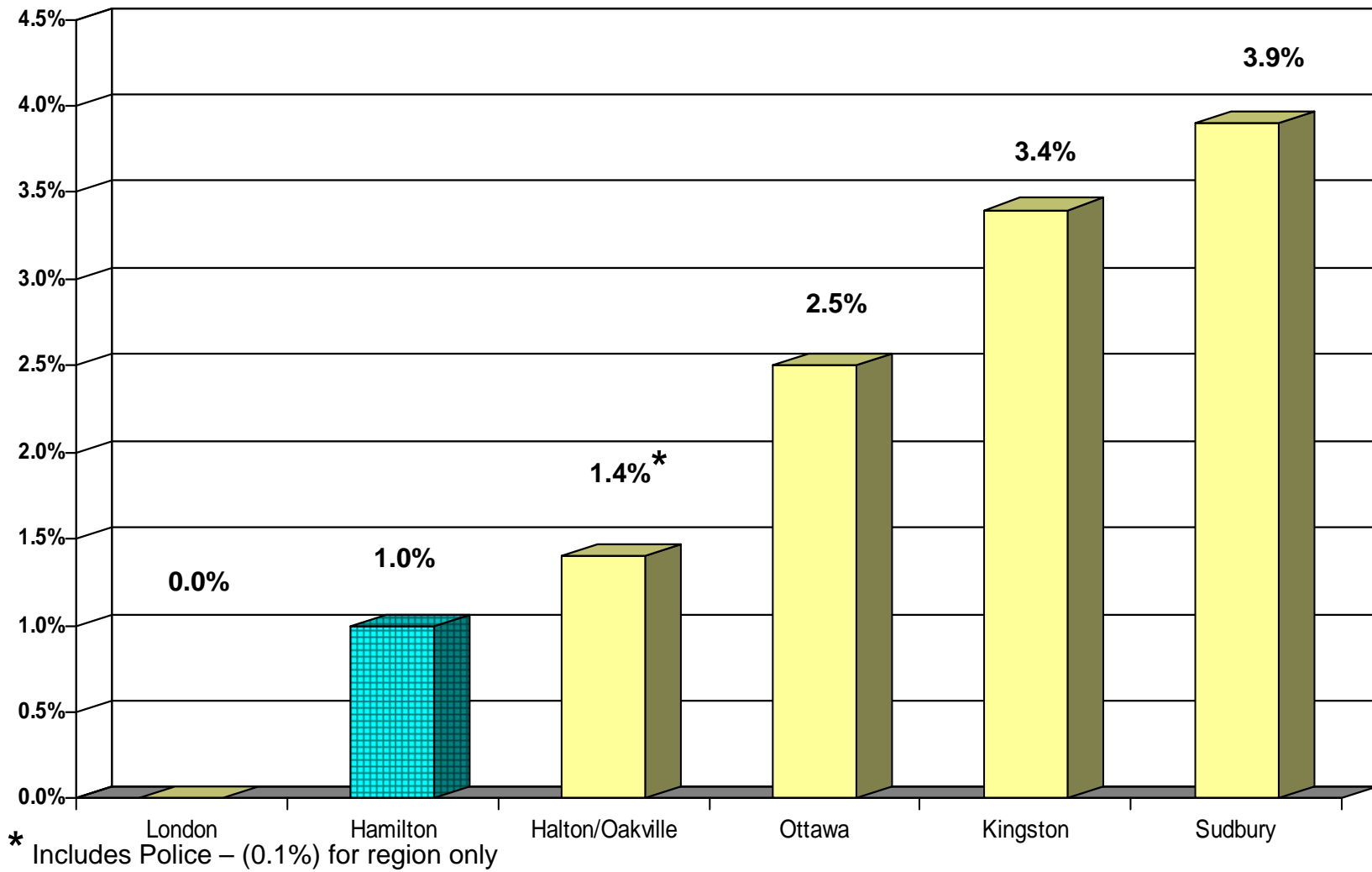
Annual City-wide Residential Tax Impacts



Annual residential impacts - includes budget, reassessment, area-rating, education and tax policies

2011 Municipal Comparison

Excludes Education



Remaining Relevant Committee Dates

- **Mar 28** – GIC Overview
- **Mar 29** – Board of Health
- **Apr 1 & 7** – Budget Deliberations
 - GIC considers standing committee reports and incorporates amendments presented today.
 - Enhancements deferred until all department operating budgets considered.
- **Apr 8** – Area Rating
- **Apr 14 & 15** – Finalization: Levies/Area Rating/Council Referred and Staff Enhancements
- **April 27** - Council