Present: Mayor F. Eisenberger

Also Present: G. Peace, City Manager
J. Rinaldo, General Manager, Finance and Corporate Services
S. Stewart, General Manager, Public Works
T. McCabe, General Manager, Planning and Economic Development
J. Kay, General Manager, HES/Fire Chief
J. Priel, General Manager, Community Services
Dr. E. Richardson, Medical Officer of Health
M. Gallagher, Coordinator, COW

COMMITTEE OF THE WHOLE PRESENTS REPORT 08-017 AND RESPECTFULLY RECOMMENDS:

1. HUC Dividends – Applied to 2008 Tax Budget

Whereas Ontario’s Finance Minister Dwight Duncan stated, “The Province has already uploaded some costs and is reviewing a permanent solution: that will bear fruit later this year”;

Whereas the City of Hamilton’s 2008 Dividends from Hamilton Utility Corp are $2.055 million;
Whereas the Council of the City of Hamilton recognizes that one-time monies from dividends is not a sustainable means of financing our operational departments;

Whereas the Council of the City of Hamilton trusts Minister Dwight Duncan’s work in finding a permanent solution to the City’s downloading financial crisis later this year;

Therefore, be it resolved,

That the Hamilton Utilities Corps dividends of $2.055 million be applied to the City of Hamilton’s 2008 Budget in order to mitigate the tax impact on the residents of the City of Hamilton.

2. Budget Steering Committee Report 08-001 (Item 6.1)

That the Budget Steering Committee Report 08-001 be received.

3. Board of Health Report 08-001 (Item 6.2)

(a) Web Posting of Food Premises Inspection Results Update BOH07006(b) (City Wide)

That Report BOH07006(b)) respecting Web Posting of Food Premises Inspection Results Update be received.

(b) 2008 Tax Supported Operating Budget (FCS08004) (City Wide)

That FCS08004, 2008 Tax Supported Operating Budget, be received for information.

(c) 2008 Tax Supported Operating Budget – Public Health Services (FCS08004h) (City Wide)

(i) That the 2008 Public Health Services recommended program enhancements per Appendix Two, attached to Report FCS08004(h) be approved.

(ii) That the 2008 net operating levy for Public Health Services, inclusive of recommended program enhancements be approved at $8,657,410.
4. Public Works Committee Report 08-002 (Item 6.3)

(a) Installation of Backflow Prevention Devices
   – Appendix 2 – Recommended/Council Referred Program Enhancement

That the one-time expenditure of $112,000 for the Installation of Backflow Prevention Devices be removed from the 2008 Public Works Operating Budget and funded from the Reserve.

(b) 2008 Budget Request - Public Works Volunteer Committees (PW08009) (City Wide)

(i) That the Clean City Liaison Committee’s 2008 Volunteer Committee Budget Submission in the amount of $18,250, be approved;

(ii) That in addition to the base funding request for the Clean City Liaison Committee, one time-funding from the Volunteer Committee Reserve in the amount of $10,550 be approved;

(iii) That the Hamilton Cycling Committee's 2008 Volunteer Committee Budget Submission in the amount of $3,700, be approved.

(c) Collection of Recyclable Materials in Parks – Pilot Project (PW08017) (City Wide)

(i) That the former Pilot project providing collection of Recyclable Materials be implemented as an ongoing seasonal program within the 28 parks as noted within Report PW08017 through the provision of $47,773 in annual operating funding and .99 FTE (equivalent to 3 Students), supporting collection service three times weekly from April 1st to Labour Day;

(ii) That staff be directed to bring a report back with a strategy/plan that looks at rolling out this program in all parks and public properties.

(d) Opportunities for Reduction – Public Works Program

(i) That a reduction of $391,000 in the Operations and Maintenance budget be approved;
(ii) That staff report back in the 3rd quarter of 2008 with implications, if any, to the storm water management ponds ($40,000) and outlet control ($30,000), as a result of the respective budget reductions;

(iii) That an adjustment in the amount of $170,000 from the Energy Utility Account be approved;

(iv) That a reduction in the amount of $41,575 for Consulting Services (GM’s Office), be approved;

(v) That $2,000,000 be used from the Winter Control Reserve as a one-time revenue source.

(e) 2008 Tax Supported Operating Budget – Public Works (FCS08004(d))

That the 2008 net operating levy for Public Works, inclusive of approved program enhancements, be approved at $162,059,025.

5. Audit and Administration Committee Report 08-001 (Item 6.4)

(a) 2008 Tax Supported Operating Budget (FCS08004) (City Wide)

That FCS08004, 2008 Tax Supported Operating Budget, be received for information.

(b) 2008 Tax Supported Operating Budget – Other Programs (FCS08004g) (City Wide) (Item 5.2)

(i) That the 2008 unaffordable Council referred items for Other Programs (Appendix Two of Report FCS08004(g)) be received for information.

(ii) That the 2008 net operating levy for the Legislative budget of $4,066,160 be approved

• $74,753 reduction to the Councillor’s Ward budget was reinstated.

(iii) That the 2008 Corporate Financials budget be approved at ($66,162,800)

(iv) That the 2008 Capital financing charges be approved at $76,871,190.
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(c) 2008 Tax Supported Operating Budget – Corporate Services (FCS08004f) (City Wide)

(i) That the Corporate Services 2008 unaffordable Council referred items and other program enhancements (Appendix Two to report FCS08004f) be received for information.

(ii) That the 2008 net operating levy for Corporate Services be approved at 26,543,870.

(d) 2008 Tax Supported Operating Budget – City Manager (FCS08004e) (City Wide)

(i) That the City Manager 2008 unaffordable Council referred items and other program enhancements (Appendix Two to Report FCS08004e) be received for information.

(ii) That the 2008 net operating levy for City Manager be approved at $3,439,110.

(e) 2008 Budget Request – Corporate Services Volunteer Committees (FCS08007) (City Wide)

i) That the 2008 base budget submissions be approved as follows:

(aa) Advisory Committee on Immigrants & Refugees in the amount of $3,500;

(bb) Gay, Lesbian, Bi-sexual, Transgender Advisory Committee in the amount of $3,890;

(cc) Hamilton Aboriginal Advisory Council in the amount of $3,500;

(dd) Hamilton Mundialization Committee in the amount of $5,890;

(ee) Status of Women Committee in the amount of $3,500

(ff) Committee against Racism in the amount of $3,890.

(ii) That, in addition to the base funding requests, that one time-funding from the Volunteer Committee Reserve be approved as follows:

(aa) Hamilton Aboriginal Advisory Council in the amount of $1,000;

(bb) Status of Women Committee in the amount of $1,500;

(cc) Committee Against Racism in the amount of $100.
(iii) That the base budget for the Advisory Committee for Persons with Disabilities be transferred to the Legislative budget to support their expenses

(f) Additional Funding for the Physician Recruitment Retention Program (Item 5.6)

That, for 2008, the additional levy requirement of $20,000 for a total of $40,000 annually be approved.

(g) Enhancements for Implementation of AODA Customer Service Standards (FCS08028) (City Wide) (Item 6.4.1)

That the 2008 enhancements for implementation of the AODA Customer Service standard be approved in the amount of $129,650.

6. Emergency & Community Services Committee Report 08-001 (Item 6.5)

(a) 2007 National Child Benefit Strategy Update (SSC06023(b)) (City Wide)

(i) That the funding shortfall, in the amount of $271,600, to support the transition of the National Child Benefit Grant Programs to the Community Partnership Program, be absorbed within the Community Services Departmental budget and/or the 2007 Corporate reserves.

(ii) That the General Manager of Community Services be directed to process an enhancement, in the amount of $271,600, for the 2008 National Child Benefit Programs.

(b) Children’s Fitness Tax Credit Receipts (ECS08005) (City Wide)

(i) That costs in the amount of $42,800, associated with issuing receipts to residents of Hamilton whose children participate in eligible programs of physical activity, under the guidelines of the Federal Children’s Fitness Tax Credit program, be approved, as an enhancement.

(ii) That staff be directed to proceed with preparations for the issuance of the 2007 receipts for the Children’s Fitness Tax Credit for participants in eligible registered programs.
(iii) That the Federal government be requested to reimburse the City of Hamilton for the full costs, in the amount of $42,800, associated with the issuance of receipts to residents of Hamilton whose Children participate in eligible programs of physical activity, under the guidelines of the Federal Children’s Fitness Tax Credit Program.

(c) **2008 Food, Shelter and Housing Advisory Committee Budget Submission (ECS08004) (City Wide)**

That the 2008 budget request in the amount of $500.00, from the Food, Shelter and Housing Advisory Committee be approved.

(d) **Hamilton Veterans’ Committee 2008 Volunteer Budget Submission (ECS07080) (City Wide)**

(i) That the Hamilton Veterans’ Volunteer Committee’s 2008 base Budget Submission in the amount of $9,890 be approved.

(ii) That in addition to the base funding request for the Hamilton Veteran’s Committee, that one time-funding from the Volunteer Committee Reserve, in the amount of $110, be approved.

(e) **Hamilton Historical Board’s 2008 Volunteer Budget Submission (ECS07079) (City Wide)**

(i) That the Hamilton Historical Board’s 2008 Volunteer Committee Budget Submission in the amount of $14,340 be approved.

(ii) That in addition to the base funding request for the Hamilton Historical Board, that one time-funding from the Volunteer Committee Reserve, in the amount of $4,000, approved.

(f) **Arts Advisory Commission 2008 Volunteer Budget Submission (ECS07078) (City Wide)**

That the Arts Advisory Commission’s 2008 Volunteer Committee’s Budget Submission, in the amount of $9,000, be approved.
(g) 2008 Budget Request - Seniors Advisory Committee (FCS08006)

That the 2008 base budget submission from the Seniors Advisory Committee in the amount of $1,500 be approved.

(h) 2008 Tax Supported Operating Budget (FCS08004) (City Wide)

That FCS08004, 2008 Tax Supported Operating Budget, be received for information.

(i) 2008 Tax Supported Operating Budget – Community Services Department (FCS08004(a)) (City Wide)

(i) That the 2008 Community Services recommended Council referred items and program enhancements per (Appendix B to Report 08-001) be approved.

(ii) That the 2008 unaffordable Council referred items and other program enhancements (Appendix C to Report 08-001) be received and that the following 2008 unaffordable program enhancements be approved:

(a) Benefit Eligibility – Child Minding at $38,000.

(b) Recreation – Recreation Coordinator at Sackville Hill Seniors’ Centre at $68,000.

(c) Recreation – Recreation Assistant at Ancaster Senior Achievement Centre at $16,000.

(d) Culture – Maintenance of Heritage Assets at $50,000.

(e) Culture – Hamilton Museum of Steam and Technology Interpreter at $35,000.

(f) Culture – Administrative Assistant to the Director of Culture at $35,000.

(g) Culture – Major Events Office (Hamilton War of 1812 Bicentennial Commemoration and Other Upcoming Major Events) at $150,000
(iii) That the 2008 net operating levy for Community Services, inclusive of approved Council referred items and program enhancements, less the following reductions:

(a) Special Income - due to decreased caseloads/utilization – ($79,000)

(b) Employment & Income Support - decrease caseload forecast by 1% – ($182,100)

(c) Housing - Emergency Shelters - reduce to 80% occupancy – ($130,900),

be approved at $158,631,960.

(j) 2008 Tax Supported Operating Budget – Hamilton Emergency Services (FCS08004(b)) (City Wide)

That the 2008 net operating levy for Hamilton Emergency Services of $83,190,060 be approved with the following amendments:

(a) Less $322,000 for additional provincial subsidy.
(b) Less $1,227,230 million in cost avoidance of in-year implementation of street resources.

for a total net operating levy of $81,640,830.

7. Economic Development and Planning Committee Report 08-001 (Item 6.6)

(a) Downtown Projects – Details and Cost Analysis (PED07123(b)/FCS07068) (Wards 1, 2, 3, 4, 5, 6, 7, 8)

That sections (j) and (k) of Downtown Projects – Details and Cost Analysis (PED07123(b)/FCS07068) be received for information.

(b) 2008 Tax Supported Operating Budget (FCS08004)(City Wide)

That Report FCS08004, 2008 Tax Supported Operating Budget, be received for information.
(c) Tax Supported Operating Budget-Planning and Economic Development (FCS08004c) (City Wide)

(i) That the 2008 unaffordable Council referred items (see Appendix Two attached to Report FCS08004(c)) be received for information.

(ii) That the 2008 net operating levy for Planning and Economic Development, inclusive of Council approved referred items, $16,751,160. be received for information, and that staff be directed to identify further revenue sources.

(d) Additional Revenues from Plate Denial

That the amount of fine revenues collected through plate denial in the current budget be adjusted upwards by $100,000 to $250,000 for 2008.

(e) Costs for Pesticide By-law Enforcement (Item 3.2)

That Item 3.2 – Costs for Pesticide By-law Enforcement be received and no further action taken at this time.

(f) Operational and Financial Process Review of the Building Services Division (PED07071(a)) (City Wide) (Item 5.1)

(i) That the Operational and Financial Process Review of the Building Services Division of the Planning and Economic Development Department submitted by BMA Management Consulting Inc., May 2007, attached as Appendix ‘A’ to Report 08-001, be received.

(ii) That the proposed Operational Review Work Plan be received and that Council endorse thirty-seven (37) of the forty-two (42) Recommendations; being Nos. 1, 2, 4 to 14, 17 to 20, 22, 24 to 26, 28, and 30 to 42, all inclusive.

(iii) That Option Two of Recommendation No. 15 to further explore the support needed to be provided by Corporate Information Technology Services Division to the AMANDA System be referred to the Information Technology Strategy Team for consideration.
(iv) That Recommendation No. 16 requiring an additional $15,180.00 from the City’s levy and $86,000.00 from the Building Services Enterprise System for an additional 1.0 FTE to hire a Co-ordinator Customer Service position in the Customer Service Section be approved. Further, this be implemented by amending the Building Services Division 2008 Operating Budget submission by:

(aa) Increasing the 2008 FTE complement to 86.72.

(bb) Decreasing the net FTE reduction from 3.18 to 2.18.

(cc) By directing that the additional $15,180.00 budget impact be paid from the Development Fee Stabilization Reserve.

(v) That Recommendation No. 21 regarding the permanent assignment of Customer Service Representatives (Level I) to front counter duties be referred to the Building Services Director for review and implementation as appropriate.

(vi) That Recommendation No. 27 regarding the creation of a dedicated Grading Inspection and Enforcement Team be further investigated with respect to appropriate alignment of responsibilities, staff resources required, budget impact and an implementation strategy, and that staff report back with a recommendation on this matter to the Building Operational Review Sub-Committee in the third quarter of 2008.

(vii) That Recommendation No. 29 regarding the transferring of site plan inspection and enforcement responsibilities from the Building Inspector function be further reviewed in respect to appropriate alignment of responsibilities, staff resources required, budget impact and an implementation strategy, and that staff report back with a recommendation to the Building Operational Review Sub-Committee in the second quarter of 2008.

(g) Operational and Financial Process Review of the Building Services Division (Item 6.6.1)

Be received.
8. **Accountability and Transparency Committee Report 08-002 (Item 6.7)**

   (a) That $50,000 for the Integrity Commissioner Office be included in the 2008 Budget;

   (b) That the by-law be referred to a Committee of the Whole meeting prior to the end of June for approval and to allow for public delegations.

9. **Multi-Residential Property Taxation Sub-Committee Report 08-001 (Item 6.8)**

   (a) That Council forward a letter to the Province requesting opportunities to enhance the Ontario property tax credit and/or make changes to existing legislation to broaden delivery of rebate programs

   (b) That the City of Hamilton commission a report to review municipal services for tenants in Hamilton in comparison to services received by home owners (i.e. Property standards, garbage collection etc.)

   (c) That letters be sent to tenant households as part of the educating of tenants to provide information on average taxes per unit and municipal services provided by the City Of Hamilton at an estimated cost of $50,000

   (d) That the Multi-Residential Property Taxation Sub-Committee reconvene in 2009 to evaluate the process and review the 2009 Re-assessment Impact Study

10. **Provision for $455,000 in Parking Meter Rates increases/Paid Parking**

    That a provision for $455,000 in parking meter rate increases and paid parking in all commercial areas not be included in the 2008 Budget.
FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA

The clerk noted the following change:

Revised Item 6.8 - Multi-Residential Property Taxation Sub-Committee Report 08-001

The agenda was approved as amended.

(b) DECLARATIONS OF INTEREST

None

(c) ADOPTION OF MINUTES

3.1 February 28, 2008

The Minutes of February 28, 2008 were adopted as presented.

(d) The following were received:

(i) Minutes of the November 20, 2007 meeting of the Multi-Residential Property Taxation Sub-Committee

(ii) Minutes of the January 31, 2008 meeting of the Multi-Residential Property Taxation Sub-Committee

(iii) Minutes of the March 10, 2008 meeting of the Multi-Residential Property Taxation Sub-Committee

(iv) Minutes of the March 11, 2008 meeting of the Multi-Residential Property Taxation Sub-Committee

(v) Minutes of the October 30, 2007 meeting of the Budget Steering Committee meeting

(vi) Minutes of the November 15, 2007 meeting of the Budget Steering Committee

(vii) Minutes of the February 21, 2008 meeting of the Budget Steering Committee
(e) PRESENTATIONS

Mayor Eisenberger and Members of Council expressed their appreciation to the Province and Hamilton Members of Provincial Parliament for the Provincial funding received and for the positive future initiatives (i.e. GO transit at LIUNA Station)

The Mayor will forward a letter on behalf of Council to the Premier and the Minister of Finance to express the City’s appreciation for their financial assistance.

(i) 2008 Tax Budget – Update (Item 5.1)

Joe Rinaldo, General Manager of Finance and Corporate Services provided a power point presentation highlighting the following;

2008 Tax Operating Budget

Levy Update
Non-Program Revenues
HUC Dividend
Winter Control
Year End Position
2009 Forecast

Assessment Update Presentation

Assessment Composition 2008 Taxation Year
Weighted Assessment Split
Unweighted Taxable Assessment
2007 Assessment Growth
History of Assessment Growth
Assessment Appeals

Planning and Economic Development Tax Assessment

Neil Everson and Ron Marini provided a power point presentation and highlighted the following:

Economic Development Growth in Hamilton
Building Permits and Assessment Growth
Building Permit Comparisons 2005 to 2007
New Non-Residential Assessment Growth
Commercial Tax Assessment

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Impacts on Commercial and Industrial Tax Assessments
Hamilton Downtown Residential Loan Program
Enterprise Zone Municipal Realty Tax Incentive grant program

(f) The following recommendation was referred to staff for a report back to Committee of the Whole:

Quarterly Committee of the Whole Meetings

Whereas city council must focus on increasing assessment through strategic planning

Whereas there are a number of exciting investment opportunities available to the city which will lead to increased assessment

Whereas Economic Development and Planning Agendas are dominated by mandated Planning Act Items

Therefore, be it resolved

That Committee of the Whole meet quarterly to focus on assessment growth, economic development strategy, and city strategic investments.

REFERRAL MOTION CARRIED ON A RECORDED VOTE AS FOLLOWS:

Yeas: Bratina, Duvall, Jackson, Pasuta, Mitchell, Pearson, Powers, Whitehead, Eisenberger
Total: 9

Nays Clark, Collins, Ferguson, McHattie, Morelli, Merulla
Total: 6

(g) HUC Dividends – Applied to 2008 Tax Budget

MOTION CARRIED ON A RECORDED VOTE AS FOLLOWS:

Yeas: Bratina, Duvall, Ferguson, Jackson, McHattie, Merulla, Morelli, Pasuta, Whitehead
Total: 9

Nays Eisenberger, Clark, Collins, Mitchell, Pearson, Powers
Total: 6

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(h) Gypsy Moth – Mitigation (Council Referred Item – Unaffordable)

That the one-time cost of $250,000 for Gypsy Moth spraying, if required, be funded from Reserves.

Note: Please refer to City Council Minutes of April 9, 2008 for disposition of this matter.

(i) The following item was deleted as this item was approved at the February 28, 2008 COW:

Budget Reduction Opportunity – Household Hazardous Waste Depot located at Hotz Environmental Services (PW08020) (City Wide)

Note: Please refer to City Council Minutes of February 28, 2008 for disposition of this matter.

(j) Public Works Department Complement

It was noted as information that the complement in Public Works has been reduced from 30 FTE to 23.5 FTE

(k) Additional Information

Joe Rinaldo was requested to provide information on cost of emergency services – percentage of how much of the taxes are attributed to EMS

(l) The following Oppositions were noted:

Councillor Whitehead
Public Works Committee Report 08-002
Audit and Administration Committee Report 08-001
Emergency & Community Services Committee Report 08-00
Economic Development and Planning Committee Report 08-001
Motion to reinstate $74,753 to the Councillor’s Ward budget

Councillor Collins
Motion to reinstate $74,753 to the Councillor’s Ward budget
Emergency & Community Services Committee Report 08-001 - 2008 Tax Supported Operating Budget (FCS08004) (City Wide)

Councillor Mitchell
Motion to approve $50,000 for the Integrity Commissioner process be included in the 2008 Budget for start up costs; and referral of the by-law to Committee of the Whole meeting prior to the end of June for approval and to allow for public delegations.
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(m) The following was referred to staff for a report to outline ramifications:

Multi-Residential Tax Ratio

(i) That the following options respecting the Multi-Residential Tax Ratio be considered by Committee of the Whole:

That City Council adopt a target of reducing the current Multi-Residential Tax Ratio of 2.74 to the Single Family Residential Tax Ratio of 1.00 over a ten (10) year period (by fiscal year 2017), at an estimated impact of $43 Million (tax increase of 8.0% on the Residential and Commercial/Industrial property classes); and that this reduction be achieved through utilization of Option 1(a), Option 1(b) or Option 1(c) in a manner to have the largest reduction in the Multi-Residential tax ratio in a fiscal year:

Option 1(a)
That, in the first year, the Multi-Residential tax ratio be reduced by 20% of the difference between the current tax ratio of 2.74 and 1.00, and that the remaining difference between the Multi-Residential tax ratio and the Residential tax ratio of 1.00 be spread equally over years two through ten.
Year 1 tax ratio reduced by -0.3480 (from 2.74 to 2.3920)
Year 1 = $8.0 M (11.3%) reduction to the Multi-Residential class
Year 1 = Municipal Residential tax impact of 1.6%
Year 1 = Municipal Commercial / Industrial tax impact of 1.6%

Option 1(b)
That only 50% of the budgetary increase be passed onto the Multi-Residential property class
Subject to finalization of the 2008 budget:
Year 1 tax ratio reduced by -0.0600 (from 2.74 to 2.68)
Year 1 = $1.4M (1.9%) reduction to the Multi-Residential class
Year 1 = Municipal Residential tax impact of 0.3%
Year 1 = Municipal Commercial / Industrial tax impact of 0.3%

Option 1(c)
That the impacts of future reassessment be reviewed for opportunities to achieve equalization

(n) The following motion was referred to the Hamilton Future Fund Board of Governors for consideration:

That $1 Million of the $2.3 million allocated to the Business Tax Reduction (Hamilton Future Fund) be reallocated to a rent supplement program

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PRIVATE AND CONFIDENTIAL

Committee moved into Closed Session on the two labour relations matters and reconvened in Open Session.

(i) 2008 Non-Union Management and Professional Exempt Salary Adjustment (HUR08006)

(ii) Non-Union Management & Professional Exempt Group Market Review (HUR08005/FCS08029) (Item 7.2)

Note: Please refer to City Council Minutes of April 9, 2008 for disposition of these items.

The meeting recessed at 11:10 a.m.

Respectfully submitted,

Mayor F. Eisenberger

M. Gallagher, Co-ordinator
Council, Committee of the Whole and Budgets
March 26/27, 2008