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# *Corporate Services*

## *Draft 2013 Operating Budget*

*2013 Tax Operating Budget Workshop  
General Issues Committee  
November 27, 2012*

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# *2012 Variance Projection and Implications for 2013*



# 2012 Budget Projected Variance

	2012 Budget	2012 Projected Actual	\$ Variance	% Variance
City Clerk	\$1,848,390	\$2,013,040	(\$164,650)	(8.9)%
Corporate Services Admin	\$284,510	\$276,400	\$8,110	2.9%
Customer Service, Access & Equity	\$4,382,160	\$4,210,800	\$171,360	3.9%
Financial Planning & Policy	\$642,540	\$522,850	\$119,690	18.6%
Information Services	\$7,446,480	\$7,127,030	\$319,450	4.3%
Treasury Services	\$4,812,730	\$4,833,130	(\$20,400)	(0.4)%
<b>TOTAL</b>	<b>\$19,416,810</b>	<b>\$18,983,250</b>	<b>\$433,560</b>	<b>2.2%</b>

“( ) ” – Denotes unfavourable variance



# 2012 Budget Variance Explanation

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- **Favourable/Unfavourable revenues**
  - Death Registration Fees \$46,600 F
  - Marriage License Fees \$42,210 F
  - Other Fees & Recoveries \$58,840 F
- **Favourable/Unfavourable expenditures**
  - Employee Related (gapping) \$522,030 F
  - Postage & Printing (\$167,550) U
  - Wireless Hamilton (\$90,000) U
  - Office Rent (\$74,380) U
  - Other Expenditures \$95,810 F



- Major variance items that may have implications for 2013

- Potential levy requirements

Postage & Printing	\$167,000
Wireless Hamilton	\$90,000
Office Rent	\$74,000

- Potential levy savings

Cost centre accounts were reviewed for potential budget reductions



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# *2013 Draft Budget Department Summary*

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## 2013 Draft Budget By Division

	2012 Budget	2013 Draft Budget	\$ Change	% Change
City Clerk	\$1,894,390	\$2,088,290	\$193,900	10.2%
Corporate Services Admin	\$284,510	\$289,660	\$5,150	1.8%
Customer Service, Access & Equity	\$4,382,160	\$4,406,150	\$23,990	0.5%
Financial Planning & Policy	\$642,540	\$684,210	\$41,670	6.5%
Information Services	\$7,446,480	\$7,723,490	\$277,010	3.7%
Treasury Services	\$4,812,730	\$4,875,020	\$62,290	1.3%
<b>TOTAL</b>	<b>\$19,462,810</b>	<b>\$20,066,820</b>	<b>\$604,010</b>	<b>3.1%</b>



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# 2013 Operating Budget by Cost Category (Expenditures)

	2012 Budget	2013 Draft Budget	\$ Change	% Change
Employee Related Cost	\$26,764,550	\$27,378,920	\$614,370	2.3%
Material and Supply	\$2,672,150	\$2,769,350	\$97,200	3.6%
Vehicle Expenses	\$22,250	\$22,640	\$390	1.8%
Building and Ground	\$336,920	\$390,750	\$53,830	16.0%
Consulting	\$198,940	\$187,900	(\$11,040)	(5.5)%
Contractual	\$2,726,430	\$3,053,770	\$327,340	12.0%
Reserves/Recoveries	(\$2,088,310)	(\$2,486,100)	(\$397,790)	19.0%
Cost Allocations	(\$5,066,400)	(\$5,194,590)	(\$128,190)	2.5%
Financial	\$914,300	\$1,100,570	\$186,270	20.4%
<b>TOTAL EXPENDITURES</b>	<b>\$26,480,830</b>	<b>\$27,223,220</b>	<b>\$742,390</b>	<b>2.8%</b>





# 2013 Operating Budget by Cost Category (Revenues)

	2012 Budget	2013 Draft Budget	\$ Change	% Change
Fees and General	(\$6,441,190)	(\$6,552,570)	(\$111,380)	1.7%
Tax and Rates	(\$133,000)	(\$140,000)	(\$7,000)	5.3%
Reserves	(\$443,830)	(\$463,830)	(\$20,000)	4.5%
<b>TOTAL REVENUES</b>	<b>(\$7,018,020)</b>	<b>(\$7,156,400)</b>	<b>(\$138,380)</b>	<b>2.0%</b>
<b>NET LEVY</b>	<b>\$19,462,810</b>	<b>\$20,066,820</b>	<b>\$604,010</b>	<b>3.1%</b>



# 2013 Budget Pressures / Challenges

- Major pressures

- Employee Related Costs	\$588,020	
- POA Banking, Judicial, Material Costs	\$252,320	*
- Office Rent (Standard Life Bldg / Court House)	\$103,210	
- Network Communication Contracts	\$100,760	
- Postage	\$86,010	
- Computer Software	\$29,610	
- InfoTech Membership	\$26,350	

\* No levy impact – offset by POA Fine Revenue

- Provincially mandated

  - None

- Operating impacts from capital

  - None

- Council pre approvals impacting budget

  - None



## 2013 Budget Opportunities

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- **Budget savings  
(efficiencies/revenue/cost avoidance)**
  - Salaries / Wages / Benefits (\$199,900)
  - Contractual Temp Agencies (\$58,050)
  - Computer Repairs, Terminals & Cables (\$30,000)
  - Taxation Revenue (\$17,070)
  - Parking (\$11,440)
  - City Clerk Revenue (\$9,000)
  - Rent Office Equipment (\$7,420)
  - Travel, Mileage, Conferences (\$7,050)
  - Other Operating Expenditures (\$42,320)
  - Total (\$382,250)**



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# *2013 Council Referred Items to Date*



## 2013 Council Referred Items

<b>SERVICE</b>	<b>FTE</b>	<b>Net</b>
City Clerk – Lease 220 voting tabulators and 20 accessible units for the 2014 Municipal Election, at an approximate cost of \$350,000. This leasing cost would include software and technical support. An annual operating budget contribution of \$150,000 to the Election Expense Reserve would be required to fund this lease cost. Refer to Audit Finance and Administration Report FSC12046, recommendation (c).	0.0	\$150,000
<b>TOTAL</b>	<b>0.0</b>	<b>\$150,000</b>



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# *2013 Potential Enhancements*



## 2013 Potential Enhancements

<b>SERVICE</b>	<b>FTE</b>	<b>Net</b>
<p>Customer Service, Access &amp; Equity – Language line enhancement pilot (interpretation service). Currently, we pay a subscription for this service and charge back the per minute cost to the departments. The Workforce Census results indicate a need for informal translation and staff feedback suggest they do not use the language line or offer it due to the cost. To provide good service to our citizens / constituents, this service would be available for use by staff and councillors at no cost. The cost would be billed back to departments where program costs are recoverable from other levels of government.</p>	0.0	\$15,000
<b>TOTAL</b>	<b>0.0</b>	<b>\$15,000</b>



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*2013 Draft Budget  
Corporate Services  
Administration*





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# 2013 Draft Budget By Program

	<b>2012 Budget</b>	<b>2013 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Corporate Services Admin	\$284,510	\$289,660	\$5,150	1.8%
<b>TOTAL</b>	<b>\$284,510</b>	<b>\$289,660</b>	<b>\$5,150</b>	<b>1.8%</b>



# 2013 Budget Pressures / Challenges

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- Major pressures
  - Employee Related Costs \$9,780
- Provincially mandated
  - None
- Operating impacts from capital
  - None
- Council pre approvals impacting budget
  - None



## 2013 Budget Opportunities

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- Budget savings (efficiencies/revenue/cost avoidance)
  - Equipment Repairs (\$980)
  - Printing & Reproduction (\$1,870)
  - Total (\$2,850)**



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# *2013 Draft Budget City Clerk*



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## 2013 Draft Budget By Program

	2012 Budget	2013 Draft Budget	\$ Change	% Change
City Clerk Admin	\$118,580	\$117,040	(\$1,540)	(1.3)%
Elections	\$365,430	\$384,340	\$18,910	5.2%
Legislative Support	\$786,120	\$815,310	\$29,190	3.7%
POA	\$0	\$0	\$0	0.0%
Print & Mail	\$291,350	\$425,100	\$133,750	45.9%
Records	\$332,910	\$346,510	\$13,600	4.1%
<b>TOTAL</b>	<b>\$1,894,390</b>	<b>\$2,088,290</b>	<b>\$193,900</b>	<b>10.2%</b>



# 2013 Budget Pressures / Challenges

- Major pressures

- POA Banking, Judicial, Material Costs	\$252,320 *
- Employee Related Costs	\$112,290
- Postage	\$78,220
- Ricoh Printer Cost Allocation	\$50,580
- Office Rent (Court House)	\$37,000 *

\* No levy impact – offset by POA Fine Revenue

- Provincially mandated

- None

- Operating impacts from capital

- None

- Council pre approvals impacting budget

- None



## 2013 Budget Opportunities

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- **Budget savings  
(efficiencies/revenue/cost avoidance)**
  - Rent Office Equipment (\$450)
  - Parking (\$720)
  - Credit Card Charges (\$1,000)
  - Commissioning Services Revenue (\$4,000)
  - Death Registration Revenue (\$5,000)
  - Total (\$11,170)**



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*2013 Draft Budget  
Customer Service, Access  
& Equity*





# 2013 Draft Budget By Program

	2012 Budget	2013 Draft Budget	\$ Change	% Change
Customer Service Administration	\$264,900	\$273,540	\$8,640	3.3%
Customer Contact Centre	\$2,130,440	\$2,139,090	\$8,650	0.4%
Access & Equity	\$541,970	\$557,980	\$16,010	3.0%
Municipal Service Centre	\$1,344,850	\$1,335,540	(\$9,310)	(0.7)%
AODA Accessibility	\$100,000	\$100,000	\$0	0.0%
<b>TOTAL</b>	<b>\$4,382,160</b>	<b>\$4,406,150</b>	<b>\$23,990</b>	<b>0.5%</b>



# 2013 Budget Pressures / Challenges

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- Major pressures
  - Employee Related Costs \$62,340
  - Security for Customer Contact Centre \$8,560
- Provincially mandated
  - None
- Operating impacts from capital
  - None
- Council pre approvals impacting budget
  - None



## 2013 Budget Opportunities

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- **Budget savings  
(efficiencies/revenue/cost avoidance)**
  - Wages / Benefits (\$40,180)
  - Travel, Mileage, Training, Conferences (\$7,200)
  - Operating, Office & Medical Supplies (\$7,140)
  - Rent Cell Phones (\$3,630)
  - Printing & Reproduction (\$3,000)
  - Office Equipment, Repairs & Maintenance (\$2,330)
  - Lease & Service Contracts (\$1,080)
  - Advertising (\$1,000)
  - Total (\$65,560)**



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*2013 Draft Budget  
Financial Planning &  
Policy*



# 2013 Draft Budget By Program

	2012 Budget	2013 Draft Budget	\$ Change	% Change
FP & P Administration	\$479,200	\$507,190	\$27,990	5.8%
Capital Budget	\$0	\$0	\$0	0.0%
Current Budget	\$401,040	\$414,730	\$13,690	3.4%
Investments	(\$237,700)	(\$237,700)	\$0	0.0%
<b>TOTAL</b>	<b>\$642,540</b>	<b>\$684,210</b>	<b>\$41,670</b>	<b>6.5%</b>



# 2013 Budget Pressures / Challenges

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- Major pressures
  - Employee Related Costs \$87,260
- Provincially mandated
  - None
- Operating impacts from capital
  - None
- Council pre approvals impacting budget
  - None



## 2013 Budget Opportunities

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- Budget savings  
(efficiencies/revenue/cost avoidance)
  - Consulting Services (\$2,000)
  - Memberships (\$750)
  - Total (\$2,750)**



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# *2013 Draft Budget Information Services*





# 2013 Draft Budget By Program

	<b>2012 Budget</b>	<b>2013 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
IS Administration	(\$1,739,270)	(\$1,742,110)	(\$2,840)	0.2%
Technology & Security	\$415,080	\$422,100	\$7,020	1.7%
Business Applications	\$4,516,430	\$4,664,900	\$148,470	3.3%
Equipment & Maintenance	\$5,000	\$5,000	\$0	0.0%
Infrastructure & Operations	\$4,249,240	\$4,373,610	\$124,370	2.9%
<b>TOTAL</b>	<b>\$7,446,480</b>	<b>\$7,723,490</b>	<b>\$277,010</b>	<b>3.7%</b>



# 2013 Budget Pressures / Challenges

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- Major pressures
  - Employee Related Costs \$255,820
  - Network Communication Contracts \$100,760
  - Computer Software Maintenance \$27,000
  - InfoTech Membership \$26,350
- Provincially mandated
  - None
- Operating impacts from capital
  - None
- Council pre approvals impacting budget
  - None



## 2013 Budget Opportunities

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- Budget savings (efficiencies/revenue/cost avoidance)
  - Contractual Temp Agencies (\$50,000)
  - Computer Repairs / Maintenance (\$20,000)
  - Terminals & Cables (\$10,000)
  - Rent Office Equipment (\$6,970)
  - Parking (\$5,230)
  - Total (\$92,200)**



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# *2013 Draft Budget Treasury Services*



# 2013 Draft Budget By Program

	<b>2012 Budget</b>	<b>2013 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Treasury Administration	\$724,280	\$652,010	(\$72,270)	(10.0)%
Taxation	\$680,710	\$702,070	\$21,360	3.1%
Financial Services	\$3,407,740	\$3,520,940	\$113,200	3.3%
<b>TOTAL</b>	<b>\$4,812,730</b>	<b>\$4,875,020</b>	<b>\$62,290</b>	<b>1.3%</b>



# 2013 Budget Pressures / Challenges

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- Major pressures
  - Office Rent \$70,930
  - Employee Related Costs \$60,530
  - Tender / Proposal Process Fee \$18,450
- Provincially mandated
  - None
- Operating impacts from capital
  - None
- Council pre approvals impacting budget
  - None



## 2013 Budget Opportunities

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- Budget savings  
(efficiencies/revenue/cost avoidance)
  - Salaries / Wages / Benefits (\$159,720)
  - Taxation Revenue (\$17,070)
  - Contractual Temp Agencies (\$8,050)
  - Parking (\$5,490)
  - Consulting (\$4,750)
  - Recycling Container Replacement (\$3,000)
  - Other Operating Expenditures (\$9,640)
  - Total (\$207,720)**