

The Corporation of the Township of Hamilton



REPORT TO: Mayor Cane & Members of Council

REPORT No: T 2020-03

SUBMITTED BY: Nusrat Ahmed, Treasurer

DATE: January 21, 2020

Subject: 2020 Operating Budget

RECOMMENDATION: Requires Action

It is recommended that the Council of the Township of Hamilton enact as follows:

THAT Report T2020-03, the 2020 Operating Budget, be received for Council information and;

FURTHER THAT Council approves the Operating Budget as prepared by the municipal Treasurer for the fiscal year 2020 and;

FURTHER THAT The Treasurer prepares a Tax Rate By-Law when all necessary information is available.

ORIGIN/BACKGROUND:

The 1st draft of the 2020 Operating Budget was presented at the first Special Budget Meeting on December 12th, 2019. Second Special Budget meeting was held on January 16th, 2020. Based on the changes recommended, staff is proposing 2020 Draft Operating Budget increase of \$249,556 or 3.1% increase (2.6% base and 0.5% growth) over the 2019 budget (Appendix A).

DISCUSSION:

The result of the Special Budget meetings is a draft Operating Budget with an increase of \$249,556 or 3.1% over the 2019 budget (Appendix A).

Changes in Budget after the 2nd Special Budget Meeting (excluding Water and Building)

Department	2020 Draft Operating Budget Presented at the 2nd Special Budget Meeting (January 16, 2020)	7,982,233	8,248,356	266,123	3.3%
Council	Decr. Convention & Seminar		-3,000	-3,000	-0.04%
Emergency Management	Decr. Emergency Management		-1,000	-1,000	-0.01%
Road	Delay Start Date - Heavy Equipment Operator (May, 2020)		-4,567	-4,567	-0.06%
Grant	Incr. Council Grants - Harwood Hall		2,000	2,000	0.03%
Grant	Incr. Council Grants - Community Care		1,000	1,000	0.01%
Grant	Decr. Misc Grants - Community Services		-3,000	-3,000	-0.04%
	2020 Draft Operating Budget Post 2nd Special Budget Meeting (January 16, 2020)	7,982,233	8,239,789	257,556	3.2%
GRCA	Decr. GRCA - Clean Water Healthy Lands Landowner Project - As per information received from Councillor Mark Lovshin on January 16, 2020		-8,000	-8,000	-0.10%
	Net 2020 Operating Budget	7,982,233	8,231,789	249,556	3.1%

2020 Budget Highlights (excluding Water and Building)

	2019 Budget	2020 Draft Budget Presented on Jan. 16, 2020	Variance (Fav)/Unfav	Variance %	Changes	2020 Draft Budget Presented on Jan. 21, 2020	Variance (Fav)/Unfav	Variance %
Expenditures								
Personnel	\$ 3,865,894	\$ 4,023,703	\$ 157,808	4.1%	-\$4,567	\$ 4,019,136	\$ 153,241	4.0%
Contribution to Reserve	603,946	669,106	65,160	10.8%	-	669,106	65,160	10.8%
Other Expenditure	5,583,276	5,590,643	7,367	0.1%	-12,000	5,578,643	-4,633	-0.1%
Total Expenditures	10,053,116	10,283,452	230,336	2.3%	-16,567	10,266,885	213,769	2.1%
Revenues								
Contribution from Reserve	-92,984	-64,837	28,147	-30.3%	-	-64,837	28,147	-30.3%
Other Revenue	-1,977,899	-1,970,259	7,640	-0.4%	-	-1,970,259	7,640	-0.4%
Total Revenue	-2,070,883	-2,035,096	35,787	-1.7%	-	-2,035,096	35,787	-1.7%
Net Budget	7,982,233	8,248,356	266,123	3.3%	-16,567	8,231,789	249,556	3.1%

Some highlights of the 2020 Operating Budget include:

- 2 new staff positions will be added to improve service delivery (Appendix "B")
- Increased Contribution to Reserves
- Increased in GIS work to advance on departmental efficiencies

Changes in Budget after the 2nd Special Budget Meeting (Water)

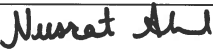

At the 2nd Special Budget Meeting, Council recommended to revise the start date of the Heavy Equipment Operator to May 2020.

Changes in Budget after the 2nd Special Budget Meeting (Building)

No Changes in Building Budget

Strategic Plan

Ensure high financial performance standards are in place for planning and implementation of capital infrastructure and development projects.

Title	Official	Signature	Date
Treasurer	Nusrat Ahmed		Jan. 17, 2020
Chief Administrative Officer	Arthur Anderson		2020.01.17



TOWNSHIP OF HAMILTON 2020 Draft Operating Budget

		2019 Budget	2020 Draft Budget	\$ Change	% Change
General Government					
	General Government Revenues	-825,200	-825,540	-340	0.0%
	PIL and Other Revenues	-370,000	-370,000	0	0.0%
	Council	138,000	136,766	-1,234	-0.9%
	Administration	1,504,550	1,611,593	107,043	7.1%
	General Government Total	447,350	552,819	105,469	23.6%
Planning and Development					
	Planning	99,194	90,042	-9,153	-9.2%
	Economic Development	3,500	3,500	0	0.0%
	Planning and Development Total	102,694	93,542	-9,153	-8.9%
Building	Building	0	0	0	0.0%
Protection Services					
	By - Law Enforcement	51,176	50,890	-287	-0.6%
	Fire	1,000,781	1,037,194	36,413	3.6%
	Police	1,447,538	1,443,559	-3,979	-0.3%
	PSB	25,444	22,176	-3,267	-12.8%
	GRCA	179,134	171,874	-7,260	-4.1%
	Emergency Management	4,000	3,000	-1,000	-25.0%
	Parking	5,639	10,630	4,991	88.5%
	Animal Control	500	500	0	0.0%
	Municipal Animal Services	56,011	57,072	1,061	1.9%
	Protection Services Total	2,770,223	2,796,894	26,671	1.0%
Transportation Services					
	Roads	3,411,485	3,495,564	84,079	2.5%
Environmental Services					
	Water	0	0	0	0.0%
Recreation and Cultural Services					
	Parks & Recreation	906,298	937,592	31,294	3.5%
	Library	293,383	304,579	11,196	3.8%
	Recreation and Cultural Services Total	1,199,681	1,242,171	42,490	3.5%
Community Grants and Other Committees					
	Health and Safety	6,000	6,000	0	0.0%
	Community Services Grant	19,500	19,500	0	0.0%
	Heritage Committee	6,500	6,500	0	0.0%
	Accessibility	9,000	9,000	0	0.0%
	Physician Recruitment	9,800	9,800	0	0.0%
	Community Grants and Other Committees Total	50,800	50,800	0	0.0%
Total Levy Requirement		7,982,233	8,231,789	249,556	3.1%
Increase to current taxbase				8,189,771	2.6%
* Projected Growth				42,018	0.5%
				8,231,789	3.1%



**TOWNSHIP OF HAMILTON
2020 New Ask**

	2020 Draft Budget	2021 Full Year Cost	2021 Annualization	
<u>New Staff Request</u>				
Administration				
Deputy Clerk (July 2020 start)	\$ 44,300	\$ 88,600	\$ 44,300	July 1st Start
Public Works/Water Operations				
Heavy Equipment Operator (May 2020 start)	49,333	65,777	16,444	May 1 Start
Water Rate Funding (25%)	-12,300	-16,400	-4,100	
	37,033	49,377	12,344	
<u>Service & Contract</u>				
Administration				
Records Management Contract	40,000			
Efficiency Funding	-40,000			
	0			
Administration				
Communication Plan and Implementations	25,000			
Efficiency Funding	-25,000			
	0			
Administration				
Organizational Review	40,000			
Efficiency Funding	-40,000			
	0			
Tax Rate Increase	\$ 81,333		\$ 56,644	

TOWNSHIP OF HAMILTON
Reserve and Reserve Funds

<u>Description</u>	2020 DRAFT OPERATING BUDGET			2020 DRAFT CAPITAL BUDGET			<u>Projected 2020 Ending Balance</u>
	<u>Contribution to Reserve</u>	<u>Contribution from Reserve</u>	<u>Contribution to Reserve</u>	<u>Contribution to Reserve</u>	<u>Contribution from Reserve</u>	<u>Projected 2020 Ending Balance</u>	
RESERVE & RESERVE FUNDS							
COUNCIL RETIREMENT RESERVE	-3,600						-4,110
HERITAGE RESERVE	-27,988	-510					-32,988
ADMINISTRATION FACILITY RESERVE	-41,968	-5,000					-41,968
ELECTION RESERVE	-72,367	-10,000					-82,367
ADMIN IT RESERVE	-11,900	-7,650					-19,550
HOSPICE RESERVE	-43,120		26,000				-17,120
GENERAL RESERVE - CONTINGENCY	-1,420,541	-33,946					-1,454,487
ACCESSIBILITY RESERVE	-20,000	-9,000	9,000				-20,000
ECONOMIC DEVELOPMENT RESERVE							
	-7,638						-7,638
PLANNING RESERVE			15,000				
	-49,691						-34,691
BUILDING RESERVE			3,683				
	-129,865				7,500		-118,682
FIRE FACILITY RESERVE	-19,268						-19,268
FIRE VEHICLE/EQUIPMENT RESERVE	239,324	-160,000			77,000		156,324
TOTAL FIRE	220,057	-160,000	0	0	77,000		137,057
POLICING RESERVE	-135,330						-135,330
POLICE KIDS RESERVE	-8,336						-8,336
TOTAL POLICE	-135,330	0	0	0	0		-135,330
POLICE SERVICE BOARD RESERVE							
	-34,747	-7,000	12,337				-29,410
ROADS VEHICLE/EQUIPMENT RESERVE	-92,853						-27,853
GRAVEL REHAB RESERVE	-291,461	-305,000			370,000		-291,461
BRIDGE/CULVERT RESERVE	-96,529	-12,000					-108,529
ROADS RESERVE	-655,281						-655,281
BEAVERMEADOW FINLAY GR	-7,655						-7,655
WINTER MAINTENANCE RESERVE	-145,799	-4,000					-149,799
TREE REMOVAL RESERVE	-15,000						-15,000
STREETLIGHT RESERVE	-213,995	-7,000					-220,995
ROADS NEEDS STUDY RESERVE	-11,500	-10,000					-21,500
GENERATOR RESERVE	-40,000	-10,000					-50,000
TOTAL ROAD	-1,570,074	-348,000	0	0	370,000		-1,548,074

TOWNSHIP OF HAMILTON
Reserve and Reserve Funds

Description	Projected 2019 Ending Balance	2020 DRAFT OPERATING BUDGET		2020 DRAFT CAPITAL BUDGET		Projected 2020 Ending Balance
		Contribution to Reserve	Contribution from Reserve	Contribution to Reserve	Contribution from Reserve	
HYDRANT RESERVE	-123,703	-14,083				-137,786
LUSI CAPITAL FUND RESERVE	-22,064	-22,064				-44,128
WATER RESERVE	279,242		63,473		145,000	487,715
WATER RATE STUDY	-30,000	-10,000	30,000			-10,000
WATER - UNFUNDED CAPITAL - KENNEDY RD	274,928					274,928
TOTAL WATER	378,403	-46,147	93,473	0	145,000	570,729
PARKS RESERVE	-48,245					-48,245
RECREATION FACILITY RESERVE	31,606	-64,500				-32,894
P & R VEHICLE/EQUIPMENT RESERVE	-182,416	-20,000			60,000	-142,416
COLDSPRINGS HALL - FUNDRAISING RESERVE	-750					-750
COLDSPRINGS PARK BOARD RESERVE	-74					-74
COLD SPRINGS HALL RESERVE	-23,415	-3,500	2,500			-24,415
BEWDLEY COMMUNITY RESERVE	-7,098					-7,098
TOTAL PARKS	-230,391	-88,000	2,500	0	60,000	-255,891
MAS BUILDING/EQUIPMENT RESERVE	-86,675					-86,675
MAS MERCY RESERVE	-936					-936
MAS GENERAL RESERVE	-205,631					-205,631
MAS SPRAY NEUTER RESERVE	-3,153					-3,153
TOTAL MAS	-296,395	0	0	0	0	-296,395
Total Reserve Excluding Water & Building Reserves	-3,754,029	-669,106	64,837	-	507,000	-3,851,298
Water Reserve	378,403	-46,147	93,473	-	145,000	570,729
Building Reserve	-129,865	-	3,683	-	7,500	-118,682
TOTAL RESERVE BALANCES	-3,505,491	-715,253	161,993	-	659,500	-3,399,251