

## Budget Process It begins with you!

When you provide your input at a public meeting, you are helping to determine the direction of the budget. Your feedback is used by City Council to set priorities.

The City will host two series of public input and information meetings in each ward - one *prior* to budget alternatives being developed, and one *after* budget alternatives are developed but before a final budget is approved.

### 1<sup>st</sup> Series in each Ward

#### January 19, 2004 - 7:30 pm

Ward 1 - T. M. Davies  
Community Centre  
(Walden Arena)

Ward 2 - Centre Lionel E.  
Lalonde Centre  
(Trillium Centre)

#### January 20, 2004 - 7:30 pm

Ward 3 - Valley East  
Citizen Service  
Centre/Library

Ward 4 - Garson Arena

#### January 21, 2004 - 7:30 pm

Ward 5 - Lockerby Composite  
School Auditorium

Ward 6 - Tom Davies Square  
Council Chamber

### 2<sup>nd</sup> Series in each Ward

#### February 16, 2004 - 7:30 pm

Ward 1 - Caruso Club  
Lower Hall Boardroom  
Sudbury

#### February 17, 2004 - 7:30 pm

Ward 2 - Dowling Citizen  
Service Centre

#### February 18, 2004 - 7:30 pm

Ward 3 - Centennial Arena Hall  
Hanmer

#### February 23, 2004 - 7:30 pm

Ward 4 - Capreol Arena Hall

#### March 1, 2004 - 7:30 pm

Ward 5 - St. Benedict  
Secondary School  
Sudbury

#### March 2, 2004 - 7:30 pm

Ward 6 - Tom Davies Square  
Council Chamber  
Sudbury



# Budget04

Towards Tomorrow Together ★ Vers l'avenir ensemble

## Building A Sustainable Future

The budget is not just about dollars and cents. It's about quality of life and life in our community.

Each time you ride a bus, visit your local arena, call the police, play in the park, have your garbage picked up and have your roads plowed, you are witnessing your tax dollars at work - tax dollars allocated through the budget process.

The budget provides dollars for services and programs that will be offered, so setting the budget is the single most important decision that Council makes. Budget decisions have a direct impact on you - the citizens of Greater Sudbury.

Over the past few years, the City has implemented a number of efficiencies and is always looking for ways to keep taxes as low as possible.

*For example, combining libraries and Citizen Service Centres, purchasing multi-purpose trucks that reduce salt applications and achieve better de-icing results, pursuing delinquent tax and provincial offences accounts.*

But it hasn't been easy. Even with efficiencies already implemented, there is not enough money to meet current expenditures. The gap is significant and it continues to grow.

This problem is not unique to Greater Sudbury. Other municipalities throughout the province are in the same situation. That's why municipalities are

lobbying the Federal and Provincial Governments for more money, like a share in the gas tax or the elimination of PST and GST for municipalities.

In order to find enough money this year, Council has the following options - increase revenue and/or decrease expenditures. Tools that Council can consider are new ways of doing business, alternative service delivery, e-government technology, new revenue generation and partnerships.

Increasing revenue means raising property taxes (everyone pays) and/or charging user fees (those who use a service pay for the service).

*For example, increasing fees for Leisure Programs, raising bus fares or increasing development fees.*

Achieving a significant decrease in expenditures would require a reduction in the level of service or elimination of the service altogether.

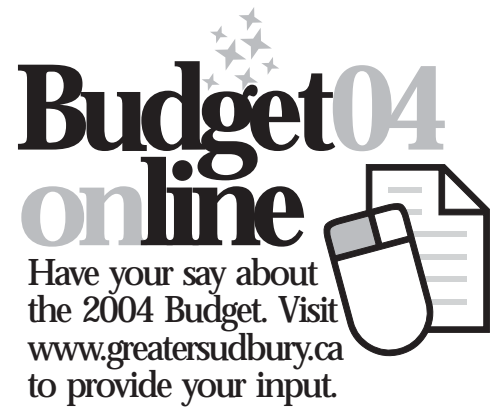
*For example, closing facilities, eliminating bus routes, reducing garbage pick up or changing operating hours at local libraries.*

Council also needs to consider two more factors: how best to maintain our aging infrastructure and what enhancements may be required. As you can see, striking the budget is not an easy task.

# Long-Term Financial Plan (2004-2013)

In 2002, City Council adopted a Long-Term Financial Plan. The Plan examines the City's operating and capital budget needs for the next 10 years. It outlines the challenges facing the City due to lack of growth and limits on our ability to generate revenue, and sets out a road map for securing a solid financial future. The goal is to build a self-sustaining community with a sound infrastructure and an excellent quality of life.

An average annual gap of \$42.1 million exists between identified capital needs and available financing resources. Postponing capital requirements only worsens the problem. Almost half of identified capital needs are for roads, and when surveyed, citizens say they want more money spent on roads. In order to address this, the Long-Term Financial Plan recommends implementing a capital tax levy and borrowing money wisely.



**Budget04**  
**online**

Have your say about the 2004 Budget. Visit [www.greatersudbury.ca](http://www.greatersudbury.ca) to provide your input.

## Financial Challenges and Pressures

Developing a City budget means making some difficult choices between what the City *would like to do* and what the City *can afford to do* - the same decisions faced by citizens in our community every day. There is, however, one significant difference. The City is mandated to do a number of things, so there is very little discretionary spending in many areas.

Certain budget challenges and pressures need to be taken into account: assessment, limited revenue, inflation, uncontrollable costs (utilities and OMERS pension contributions), contractual obligations (salaries and benefits) and provincial downloading.

### *Limited Revenue*

Although local governments provide an increasingly diverse range of services, particularly in Ontario, they receive only 7 per cent of the tax dollar, compared to 51 per cent for the federal government and 42 per cent for the provinces and territories. Unlike federal and provincial governments which collect progressive taxes such as income tax and sales tax, the City has only two ways to raise money - property taxes and user fees. These are regressive forms of revenue because they are not linked to income level or ability to pay.

### *Assessment*

Unlike Southern Ontario municipalities which are experiencing rapid growth, Greater Sudbury is not. There is no new money from assessment.

### *Inflation*

There were no tax increases in most former municipalities during the 1990s - not even to account for inflation. This has placed an additional burden on the municipality.

### *Downloading*

The provincial government has downloaded significant responsibilities to municipalities, without providing them with the appropriate funding or the tools needed to generate revenue. In addition, the City has lost \$126 million in provincial grants since 1996.



**Tell us  
what you  
think!**

Please provide your feedback on each of the following questions:

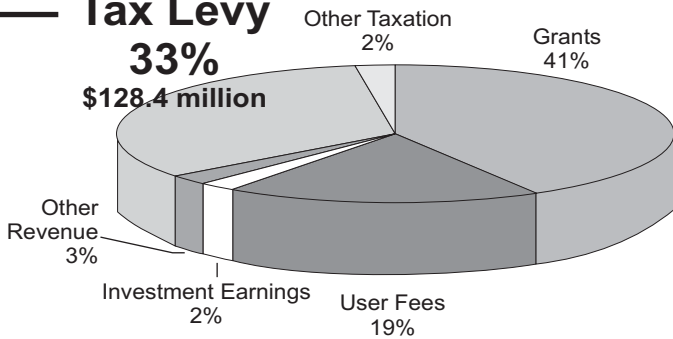
1. Should those who use a service pay for the service (user fees) and/or should everyone share in the cost (taxes)?
2. What level of municipal service do you expect? Should any services be reduced or eliminated?
3. Would you support a tax increase to maintain existing service levels?
4. Should the City borrow money and/or implement a special levy to fix roads, repair arenas, replace fire trucks, maintain police communications, etc.?
5. What services would you like to see improved or added?

# Revenue 2003 Budget

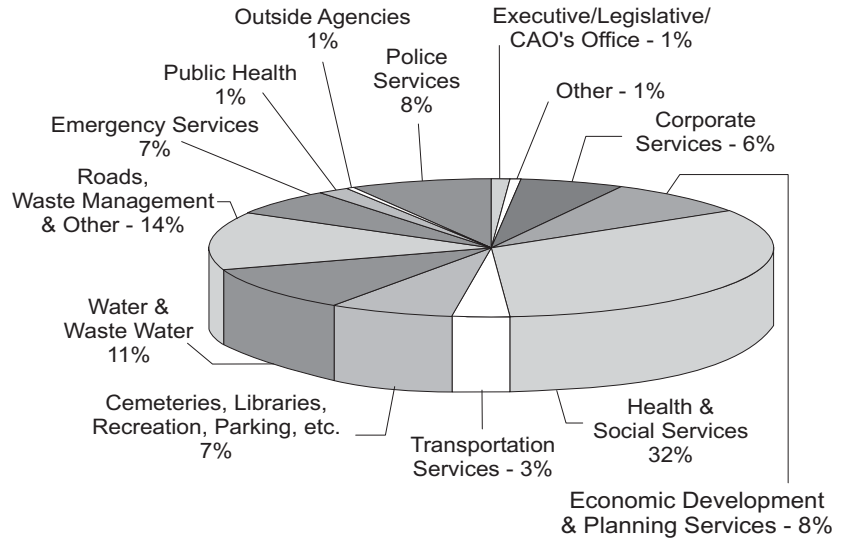
# Gross Expenditures 2003 Budget

## Tax Levy

**33%**  
**\$128.4 million**



**Total 2003 budget  
\$384 million**



# Where Your Tax Levy Dollars Go 2003 Budget





# Components of the Budget

## **Capital Budget**

The City's budget for infrastructure, such as roads, bridges, sidewalks, facilities and fleet, but excluding water and waste water.

- Average annual Capital Budget needs - \$62 million
- Existing annual Capital budget - \$20 million
- Annual Gap - \$42 million

The City would have to raise taxes by 2.6% each year over the next 10 years to meet annual capital requirements.

This would fund 60% of the City's 10 year capital needs.

## **Operating Budget**

The City's budget for its day-to-day operations, including programs and services such as recycling, transit, recreation, etc.

**Expenditures** increased by more than 9% due to inflation, wages, benefits, pensions (OMERS), increased roads maintenance and increased Ontario Disability Support Program (ODSP) costs.

**Revenue** increased by over 7% mostly as a result of increased Provincial grants for ODSP costs and partially due to inflationary increases in user fees effective January 1st, 2004.

The **operating gap** is \$13.5 million.

The City would have to raise taxes by 10.4% to maintain existing service levels.

# City Budget and Residential Property Taxes

The City budget helps to determine the amount of property taxes you pay to the City each year. If you are a home, business or property owner, you will pay your property taxes in four annual instalments. Even if you are a tenant, a portion of your rent will go toward paying the property taxes on the building in which you reside.

Three factors influence the amount of property taxes you pay, only one of which the City has control over:

- Property tax rate** - set by City Council every year when it approves the budget
- Assessed value of property** - determined by the Municipal Property Assessment Corporation
- Education rate** - set by the Province

Your residential property taxes are calculated using this formula:

$$\text{Assessed value} \times \text{municipal property tax rate} = \text{amount of municipal property tax}$$

$$\text{Assessed value} \times \text{education tax rate} = \text{amount of education property tax}$$

$$\text{Municipal property tax} + \text{education property tax} = \text{your property taxes}$$

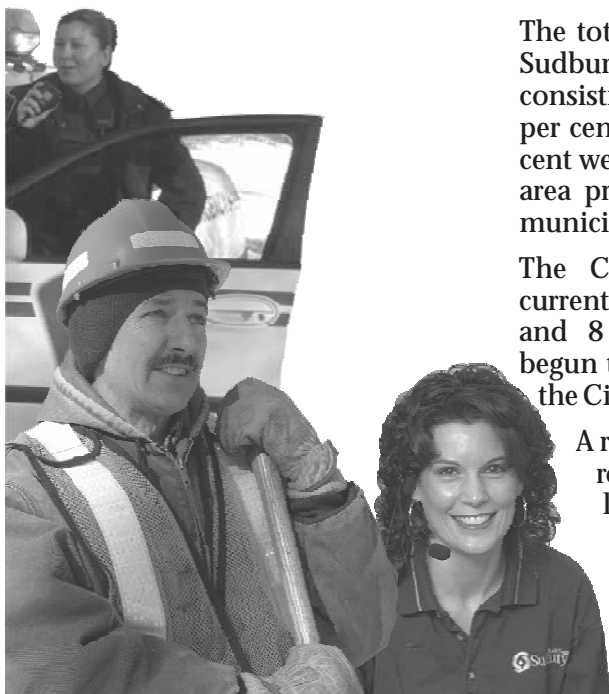
# fast facts Our City. Our Services.

Airport, animal control, arenas, building permits, cemeteries, children services, convention and visitor services, economic development, employment support services, environment services, emergency planning and preparedness, flood control, fire services, landfill sites, land use, leisure programs, libraries, licences, long-term care and senior services, museums, paramedics, parking, parks, planning, police, pools, public health, recycling, roads, social assistance, social housing, tourism, traffic, transit, trees, waste management, water, waste water, zoning

Our taxes are low compared to other municipalities in Ontario. In 2001, the City of Greater Sudbury ranked second lowest on taxes for a detached bungalow, third lowest in 2002 and second lowest in 2003 when measured against 61 municipalities across Ontario (representing 75 per cent of the population.)

The City purchases over \$136 million in services and products annually.

Greater Sudbury Transit provides citizens with an estimated 3.6 million rides using 138,100 hours of vehicle service and travelling 3.1 million service kilometres each year.



Leisure Services oversees the operation of 14 arenas, 44 outdoor rinks, four pools, 28 community centres, 137 neighbourhood playground sites and all major community parks.

Greater Sudbury Public Library circulates over 1 million items each year to 97,000 registered library card holders.

Fifty one percent of library users surveyed visit the library more than 25 times per year.

More than 2,500 children access a licensed child care centre every day. The City subsidizes the cost of licensed child care for every one in three children.

The total area of the City of Greater Sudbury is 3,627 square kilometres consisting of 83.5 per cent land, 12.2 per cent lakes and rivers and 4.3 per cent wetlands. This large and diverse area presents unique challenges for municipal service providers.

The City of Greater Sudbury is currently covered by 13 Official Plans and 8 zoning by-laws. Work has begun to create one Official Plan for the City.

A record 13,510 tonnes of blue box recyclables were diverted from local landfills in 2003 – a 13.6 per cent increase over the previous year's total of 11,890 tonnes.

The City's infrastructure consists of:

- 3,521 lane km of roads
- 793 km of underground sewers
- 10 waste water treatment plants
- 4 waste water treatment lagoons
- 79 sewage lift stations
- 873 km of underground watermains
- 4,615 fire hydrants
- 2 water treatment plants
- 21 deep wells
- 4 landfill sites

Public Works maintains 1,637 centre line kilometres of roadway across the Greater Sudbury area.

Approximately 27,592,025 cubic metres of drinking water (6,070,245,500 imperial gallons) were produced in 2002. That's about 105 imperial gallons per person, per day for all uses including drinking, toilets, laundry, irrigation, etc.

Greater Sudbury Police respond to 50,000 calls for service annually.

Crime Prevention staff made approximately 450 presentations to the 102 area schools covering topics such as bullying, street proofing and drug awareness.

The Fire Services Division responds to approximately 4,600 emergency calls per year; conducts planned inspections; and makes education presentations annually.

The Emergency Medical Services Division operates a fleet of 26 emergency vehicles on a 24/7 schedule, responding to approximately 33,000 calls per year.

With a head office in the City of Greater Sudbury, and four branch offices throughout the Districts of Sudbury and Manitoulin, the Sudbury & District Health Unit delivers provincially mandated public health programs and services to almost 200,000 people in a variety of settings including workplaces, day cares, schools, homes, health care settings, and community spaces.

Of the 36 Conservation Authorities in Ontario, the Nickel District Conservation Authority's watershed area is the second largest in size at 7,675 square kilometres. (In comparison, the City of Greater Sudbury is 3,627 square kilometres in size).

# Public Budget Meetings



*Any change to these dates will be announced in the local media and on the City website. [www.greatersudbury.ca](http://www.greatersudbury.ca)*

**Saturday, January 24, 2004 - 9 am to 4 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Summary of Public Input
- Committee* - Presentation of Oracle Surveys
  - Discussion on Budget Focus and Budget Guidelines
  - Business Plan Objectives
  - Presentation of Capital Financing Alternatives
  - 2004 Base Capital Budget Program

**Thursday, February 12, 2004 - 7 pm**

**Tom Davies Square, Council Chamber**

- City* - Budget Overview
- Council* - Distribution of Budget Document

**Wednesday, March 3, 2004 - 5:30 pm to 10 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Review of Base Budget
- Committee*

**Monday, March 8, 2004 - 5:30 pm to 10 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Review of Base Budget
- Committee* - Review of Current Budget Options

**Wednesday, March 10, 2004 - 5 pm to 7 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Presentations from Outside Boards
- Committee* (prior to Priorities Committee Meeting)

**Monday, March 22, 2004 - 5:30 pm to 10 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Review of Current Budget Options
- Committee* - Voting on Current Budget Reduction Options
  - Continued Review of Current Budget Enhancement Options

**Wednesday, March 24, 2004 - 5 pm to 7 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Review of Voting Results for
- Committee* Current Budget Reduction Options
  - (prior to - Continued Review of Current Budget Enhancement Options
  - Priorities - Voting on Current Budget Meeting) Enhancement Options

**Saturday, March 27, 2004 - 9 am to 4 pm**

**Tom Davies Square, Council Chamber**

- Finance* - Review of Voting Results for Current
- Committee* Budget Enhancement Options
  - Finalization of Current Budget
  - Review of Capital Budget Options
  - Voting on Capital Budget Options
  - Finalization of Capital Budget

## More Information

671-CITY<sub>(2489)</sub>



The following reports provide additional information about the City budget:

**Towards Tomorrow - January 2003**

- An overview of City services by department

**Long-Term Financial Plan - November 2002**

- A 10-year outlook of operating and capital needs

**Long-Term Financial Plan Update - November 2003**

- Update based on current information

**Submission to the Ministry of Finance**

**Roundtable - February 2003**

- Outlines challenges and budget pressures and need for more provincial funding for municipalities

**Building the City of Tomorrow - October 2003**

- A discussion paper with ideas suggested during community consultations. The document explores five tools for change: new ways of doing business, alternative service delivery, e-government technology, new revenue generation and partnerships.

*These documents are available online at [www.greatersudbury.ca](http://www.greatersudbury.ca).*