



Long-Term Financial Plan Update



LONG-TERM FINANCIAL PLAN UPDATE

Our submissions to the Provincial Standing Committee of Finance and Economic Affairs on February 4th, 2003, and to the Ministry of Finance Roundtable on February 13th, 2003, under the heading of “*Building a Self-sustaining Community*” - Long-Term Financial Plan - Forward thinking, Future planning”, stated the following:

“City Council took a bold step forward in 2002 and looked at the City of Greater Sudbury’s fiscal needs over the next 10 years. Council retained the services of an independent firm, Hemson Consulting Limited, to develop a Long-Term Financial Plan (2002-2012). Public input was an important part of this process.

By focussing on the long-term, the Financial Plan will ensure that the City is in a good financial position and can finance services to the public on an ongoing basis. The goal is to build a self-sustaining community, with a sound infrastructure and an excellent quality of life.

Budget pressures facing the City, like many other municipalities throughout the province, are significant and threaten the very sustainability of the community. The gap between anticipated expenditures and projected revenue continues to grow.

With the Long-Term Financial Plan, the City recognized the need to adopt a new budgeting process with a new approach to financial management, one that shifts the emphasis from the bottom line financial concerns to service delivery within a longer term financial planning horizon.”

As stated, Council recognized the need for longer term financial planning, and adopted principles and policies necessary to achieve sustainability. The Long-Term Financial Plan set out the principles and policies that will guide City Council and City Administration in managing the financial affairs of this City. The nine principles, broadly stated, are:

1. Ensure Long-Term Financial Sustainability.
2. Deliver services in a cost-effective and efficient manner.
3. Ensure operating revenues are sustainable and consider community-wide and individual benefits (taxes versus user charges).
4. Meet social equity objectives through specific programs.
5. Manage the City’s capital assets to maximize long-term community benefit.
6. Recognize that funding from senior governments is a crucial element of financial sustainability.
7. Use debt-financing where appropriate.
8. Maintain reserves and reserve funds at appropriate levels; and
9. Identify and quantify long-term liabilities.

A summary of the financial principles and policies adopted by City Council is appended as Appendix A. These principles and policies are the construct for the long-term financial plan.

A requirement of the first principle "Ensure Long-Term Financial Sustainability" is the determination of, on a multi-year basis, the financial requirements for the City's operating and capital needs, and the funding gap between revenues and expenditures. This report presents the updated 10-year projection and quantifies the long-term funding gap and the City's progress in addressing that gap.

Options for addressing the capital funding gap will be presented to City Council in January.

TEN YEAR BUDGET PROJECTION

A key component of the Long-Term Financial Plan is the development and ongoing maintenance of a ten-year projection of the City's budget requirements. This multi-year projection is the underpinning for long-term financial planning, and is important since it provides context for the annual budget review process and is essential to meeting the goal of multi-year budgeting.

The ten-year budget projection has been updated for both the capital and operating programs based on the forecasted needs for each program as defined by the program managers. The 2003 budget reductions and enhancements affecting both operating and capital expenditures and revenues were factored in to the ten-year projections. Departments were also requested to project capital spending requirements to 2013 considering the current state of infrastructure, future remedial work, vehicle and building renewal needs, and any new capital facilities.

ASSUMPTIONS

The increased costs of delivering City services resulting from inflation have been factored into the ten-year budget projection. The following major assumptions have been incorporated:

1. Inflation has been assumed to be 2.5% in the first two years - dropping to 2% for the remainder of the forecast period - for most operating expenditures.
2. Capital expenditures have been assumed to increase at a rate of 2% throughout the forecast period.
3. Insurance costs have been assumed to increase by 15% in 2004 and a further 5% in 2005 before settling in at the general inflation rate increases noted above.
4. Salaries are projected based on known and estimated salary settlements.
5. Escalation of medical, dental and disability costs have been assumed to increase above salary increases by an additional 3% in 2004 and are projected to continue to grow at that rate for the balance of the forecast period.

6. The Community Reinvestment Fund grant from the Province has been assumed to be frozen at the 2003 level throughout the forecast period, and subsidies received for the administration of the Child Care and Ontario Works programs are assumed to be capped.
7. User fees for those services partially funded through user fees (eg, transit services) have been increased by general inflation rates.
8. Water, Waste-water, Cemetery and Parking programs have been assumed to be self-supporting.
9. Hydro dividend revenue has not been included (previously projected to be \$250,000 in 2004, growing by \$125,000 in each of the next two years to \$500,000 by 2006).
10. The recently announced electricity rate increases have not been factored in as the impact on the City has yet to be determined.
11. No change in the structure of the City's assessment base has been assumed.

MAJOR COST VARIANCES

Some major cost increases have occurred which are outside the control of City Council. Others are the annualized impact of decisions made during the 2003 budget process. They are as follows:

1. An estimated \$4.5 million for OMERS pension contributions has been included to account for the advanced timetable for reinstatement of OMERS pension contributions and the introduction of increased contribution requirements.
2. An estimated loss of \$2.1 million in tipping fee revenues has also been included to account for the loss of commercial haulage to the landfill sites; however, this loss is offset, to a large degree, by a \$1.7 million reduction in the capital contribution requirement.
3. An increased roads maintenance provision of \$2 million has been included.
4. The cessation of donations in the amount of \$333,000 from INCO and Falconbridge (related to Water and Waste-water services) has been factored into the projections.
5. An annualized cost impact of \$650,000 for increased IT salaries for business applications and network support, and increased licence and application fees approved during the 2003 budget process.
6. An increase of \$200,000 - increasing each year in increments of \$200,000 - to fund the annualized salary cost impacts due to Police pay-grade movement.
7. An increase of approximately \$300,000 in 2004 and a further \$225,000 in 2005 to reflect the annualized costs for fire personnel approved during the 2003 budget process.
8. An annualized decrease of \$400,000 in library and recreation staffing reductions, reduced hours of operations and facility closures.

Also included in the ten-year budget projection are those cost increases that are necessary to meet long-term objectives:

9. An increase of \$100,000 to fund property evaluations to update and maintain insurance replacement cost appraisals.
10. An one-time increase of \$200,000 to sick leave reserves to finance City unfunded liabilities, and an increase of \$100,000 in each year of the ten year projection to finance the Police unfunded sick leave liabilities.
11. An increase of \$100,000 in each of the next three years to increase the service levels for Handi-Transit.
12. An increase of \$100,000 in each of the next three years to fund a stabilization reserve for Ontario Works to finance unexpected costs due to caseload or provincially mandated mid-year rate increases.

TEN-YEAR OPERATING BUDGET PROJECTION

This chart illustrates the projected operating budget gap for the City by 2013 based on the preceding assumptions, major cost increases and identified program needs. The gap is projected to be approximately \$53.5 million; and is made up of \$28.3 million for salary settlements, \$5.9 million for major cost increases and \$19.3 for inflationary increases.

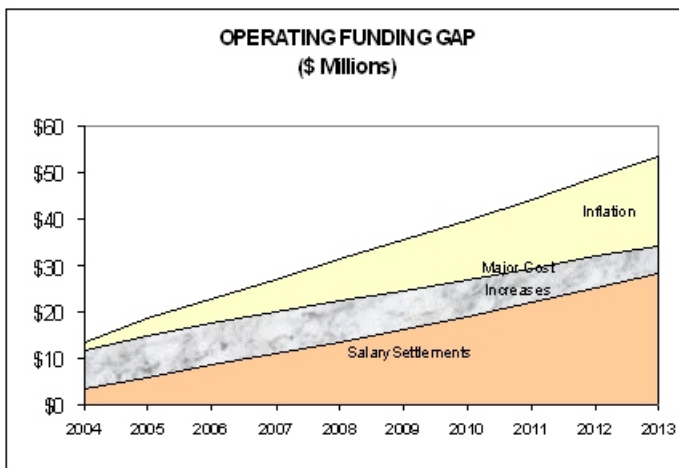


Table 1, appended, provides a more detailed breakdown of the operating gap by year.

Table 9 provides detailed projections of operating expenditures and revenues. This table provides some insight into the fundamental problem facing the City. There is a significant gap in 2004 (\$13.4 million). In 2004, expenditures have moderately increased by 4.3% or \$16.6 million

while revenues have only increased by 1.2% or \$3.2 million. The fundamental problem is that revenue growth and the underlying revenue structure is no longer capable of sustaining even moderate program expenditures.

TEN-YEAR CAPITAL BUDGET PROJECTION

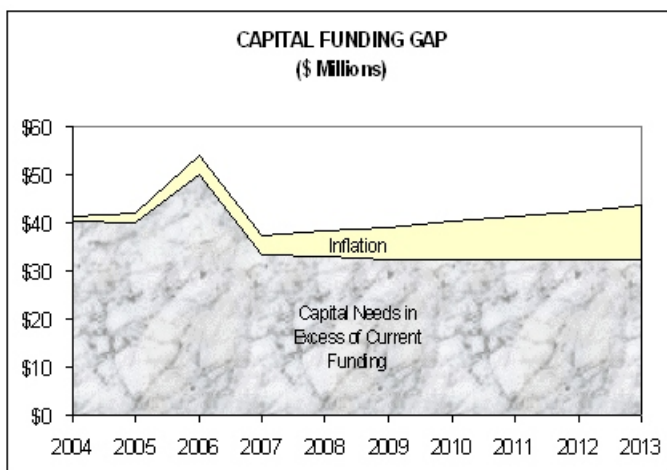
Currently, the City funds capital envelopes with \$19.7 million annually - up from \$17.1 million the year previous. These totals exclude water and waste-water capital envelopes which are fully funded through user fees - an outcome of the Sustainable Asset Management Program adopted by Council in 2001. The ten-year budget projection

focuses on the tax-supported capital program only. Table 2 provides details of the capital needs identified for the next ten years which total \$676 million - up from \$619 million the previous year. Table 3 illustrates the subsidies and other recoveries which are anticipated to be applied against these capital needs. Table 4 shows the expected funding from reserves. Table 5 shows contributions to capital envelopes over the next ten years, based on current contribution levels, which total \$196 million (last year \$207 million). Table 6 then breaks down the capital funding gaps for each of the next ten years after all available sources of capital financing have been applied. The net tax-supported capital funding gap, after inflation, totals \$421 million (up from the \$368 million in last year's study).

Changes in identified capital needs (refer to Table 2) have occurred in a number of departments, but the most significant changes are:

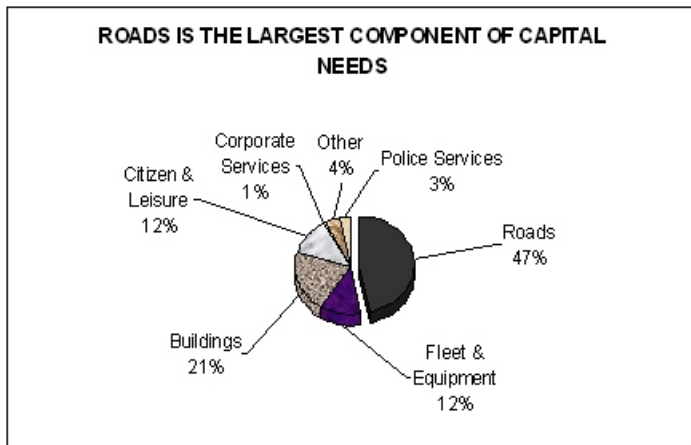
- The capital needs identified by Emergency Services have changed significantly from last year. Updated needs, in the amount of \$18 million over the ten-year period, has been made for fire fleet and equipment replacement, and the provision for EMS fleet and equipment has been increased by another \$5.3 million (partially funded by the Province). Identified needs for Fire and EMS building refurbishment and renovations have also increased by \$2.5 million.
- Citizen & Leisure Services' capital needs have been restated from last year to include an additional \$23 million for recreational and leisure facilities and \$2.7 million for libraries and service centres that had been inadvertently omitted.
- Police Services have also revised their capital requirements increasing them by an additional \$7.3 million to fully fund identified equipment and communication needs.
- Solid Waste capital needs have been decreased by \$21 million which reflects extended life expectancy of landfill sites under current approval certificates and environmental regulations.

After considering subsidies, other recoveries, funding from reserves and the City's currently approved capital funding envelopes, an average gap of \$42.1 million exists between identified capital needs and available financing resources.



This chart (refer to Table 1) shows the breakdown of the gap by year. The capital gap moves progressively upward each year of the forecast period which reflects the impact of inflation on the annual requirements. The sudden increase in 2006 reflects an estimated \$13 million in building needs that year for Transit and EMS facilities.

Table 1, appended, provides a breakdown of the capital financing gap by year. By 2013, the annual capital gap is projected to be \$43.9 million. Annual capital needs in excess of current capital envelopes are by far the largest component of the gap, accounting for \$32.5 million, while inflation on capital envelopes (\$4.3 million) and inflation on projected excess capital needs (\$7.1 million) account for the \$11.4 million balance. An annualized inflation rate of 2% has been used to project the funding gaps over the ten-year forecast period.



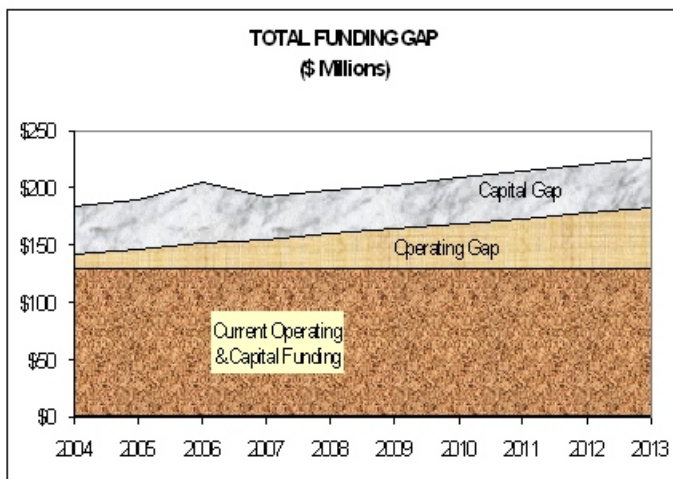
This chart shows the components of gross capital needs (refer to Table 2). The largest component is Roads - almost one-half of the identified capital needs. Last year Roads accounted for 56% of the capital needs. The percentage that relates to Roads is down this year for two reasons: firstly, Council increased funding of roads capital by \$588,000 during the 2003 budget process, and secondly, decreased needs in Solid Waste

have offset increased needs that have surfaced this year in other areas, as previously noted.

PROJECTION OF THE COMBINED TEN YEAR FUNDING GAPS

As shown in Table 1, when the projected operating and capital financing gaps are combined, the City faces a projected annual gap of \$97.4 million by 2013 - down from \$106.5 million last year.

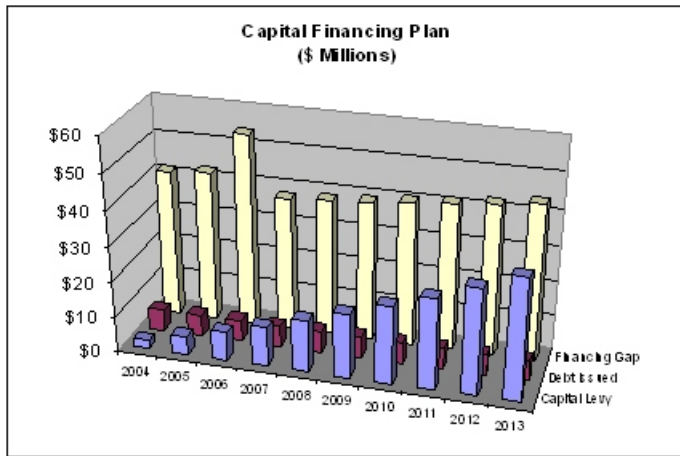
This chart illustrates the combined impact of the two components of the funding gap.



The City continues to face significant financial pressures, and these pressures will continue to challenge City Council when making decisions related to program delivery, priorities and service levels. As one can see from the chart, keeping current with purchasing power by matching inflationary increases plus coping with major cost increases and capital needs has a major impact. Delay will only exacerbate the problem.

FUNDING THE CAPITAL GAP

When the long-term financial plan was developed, City Council opted to address the capital financing gap through the implementation of an infrastructure renewal (capital) levy combined with a partial program of debt financing of \$61 million. The long-term financial plan, adopted last year, contemplated that the City would finance 70% of the capital financing gap, and that it would lobby senior levels of government for the balance of the capital gap.



This chart illustrates a scenario where \$6.1 million is borrowed in each of the ten years in the forecast period. What it clearly demonstrates is that the gap can be addressed over time by a combination of new debt issuance and a capital levy.

Table 7 shows two scenarios of capital financing assuming debt issuance of \$61 million in OMEIFA (Ontario Municipal Economic Infrastructure Financing Authority)

debentures plus a 2.27% capital levy. In the first scenario, depicted above, \$6.1 million in OMEIFA debt (15 years @ 3.25%) is issued in each of the next ten years for a total of \$61 million; and in the second scenario, \$15.25 million is issued in each year for the next four years for a total of \$61 million.

Under the first scenario, the percentage of capital gap financed is 60.7%; under the second scenario, the percentage of capital gap financed is 57.0%. The reason for the different percentage financed under the two scenarios is the amount of capital levy that is directed toward debt repayment. In the second scenario, a greater portion of the capital levy is directed toward debt repayment, and, because of this, less is available to apply towards the capital gap. In both cases, the percentage of the gap financed is below the target percentage of 70% - a reflection of delayed action to fully address the financial pressures facing the City coupled with the increased capital needs identified this year.

Council will be presented with options later this January to develop alternatives to achieve the 70% target percentage for capital needs financing.

PROJECTED TAX IMPACT

Table 8 presents the projected tax impacts of the ten-year budget projection. These tax impacts reflect the assumptions, major cost increases, capital requirements and inflationary increases contained in the projection. The top-half of the table presents the tax impact for addressing only the operating gap; while the bottom-half presents the

impact of implementing an infrastructure renewal levy. The tax impacts have been based on a typical single family dwelling assessed at \$100,000.

The greatest impact occurs in the first year of the ten-year budget projection where taxes on the average home would increase by \$200. This first year increase captures the major cost increases, inflation and the implementation of the 2.27% capital levy. In the following years, taxes would increase, on average, by 5% (inflation plus capital) or \$107 - starting at \$103 in 2005, declining to \$98 by 2007 and then climbing to \$120 by 2013.

The ten-year budget projection has not changed much from other forecasts previously presented to Council. In November, 2002, when the Long-Term Financial Plan was presented to Council, the 2003 tax rate increase, including the capital levy, was projected to be 11.7%. The May 2003 update forecasted a 12.8% increase for 2004, and this projection forecasts the 2004 rate increase to be 13%.

TAX IMPACT INCLUDING CAPITAL LEVY	2003	2004	2005	2006
2002 Long-Term Financial Plan	11.7%	8.4%	7.4%	5.7%
2003 Budget	7.3%	-	-	-
2003 Three-Year Forecast	-	12.8%	7.1%	6.9%
2003 Long-Term Financial Plan Update	-	13.0%	5.9%	5.5%

Tables 9 through 12, provide detailed projections of the City’s budget by Expenditure Category; by Program; by Tax-Supported Program; and by Tax Levy by Program.

CONCLUSION

As expected, the 2003 projections of the Long-Term Financial Plan are not significantly different from the projections done in the Fall of 2002, nor those provided in May of this year. The changes are minor, as the operating and capital requirements are well known and are not unique to the City of Greater Sudbury. As stated earlier, the City faces not so much an expenditure problem as a revenue problem in that the revenues sources are no longer sufficient to sustain even moderate program expenditures.

What also remains constant is the City of Greater Sudbury’s ability to react positively to these needs. Our ability to meet these needs was confirmed in both the 2001 and 2002 BMA Competitiveness Studies. The BMA Studies measure 54 municipalities across Ontario, representing 71 percent of the population of the Province, as it relates to municipal taxes and user fees. Both the 2001 and 2002 reviews placed Sudbury favourably. In 2001, the City of Greater Sudbury ranked second lowest on taxes for a detached bungalow; and third lowest in 2002. In addition to being low on the municipal taxes side, the City of Greater Sudbury also ranked low when comparing total municipal taxes and utilities (water, wastewater and hydro). In 2001, this measure ranked CGS the second lowest; and in 2002, the fourth lowest ... some \$600 below the average.

It is expected that the 2003 Competitiveness Study will be published by early 2004, and it is not anticipated that the City of Greater Sudbury's positioning in the Province of Ontario will change substantially. The BMA Study has been expanded to include the following information to assist municipalities in understanding the financial aspects of each municipality included in the study.

- Reserves as a % of Total Expenditures; and as a % of Taxation
- Debt Charges as a % of Total Expenditures; and as a % of Taxation
- Outstanding Debt to Reserve Ratio
- Debt and Reserves Per Capita
- User Fees as a % of Total Expenditures (eg, Transit, Waste Disposal, Recreation Programs and Facilities, Planning and Zoning, Assisatnace to the Aged).

Another major area that has not changed substantially since 2001 is that the general population, both levels of senior government, the private sector, organized labour, and profit and non-profit groups recognize the fact that municipalities are in need of a new deal if they are to continue to support the infrastructure and services for which they are currently responsible.

Having said this, what has changed is the climate at both the senior levels of government; specifically, at the Federal Government level Mr. Paul Martin has indicated publicly that municipalities will receive a portion of the gas tax, and that this gas tax would be used to upgrade and maintain existing infrastructures. Based on what we know at this time, this could mean an amount of approximately \$10 million annually to the City of Greater Sudbury

In addition to this stated recognition of municipal needs by the Federal Government, the Provincial scene has also changed. The new Provincial Liberal Government also recognizes the need for a new deal for municipalities. This new Government has indicated publicly that it will "*ensure that the Community Re-Investment Fund provides northern communities with their fair share of Provincial funding*". They also have identified the gas tax as a potential source of revenue for municipalities, and they have created a new Ministry for Public Infrastructure Renewal, all of which is very encouraging.

Although there has been no identified time frame for this flow of additional funds to support municipalities, it is expected that some of this money will flow within the next twenty-four months.

It is hoped that the new money from both the Federal and Provincial Governments will meet the original Long-Term Financial Plan's target of 30 percent senior government contributions to infrastructure, leaving 70 percent to be raised by the City. As outlined earlier in this Report, the City is in a position to implement all facets of the Long-Term Financial Plan, and complete up to 70 percent of all infrastructure needs over the next 10 years. By 2013, the annual capital needs are almost matched by the annual capital contribution.

Council, during the 2004 Budget Process, will be provided with alternatives to deal with all of these issues, including a separate session on Capital Infrastructure Funding Alternatives scheduled for January 2004.

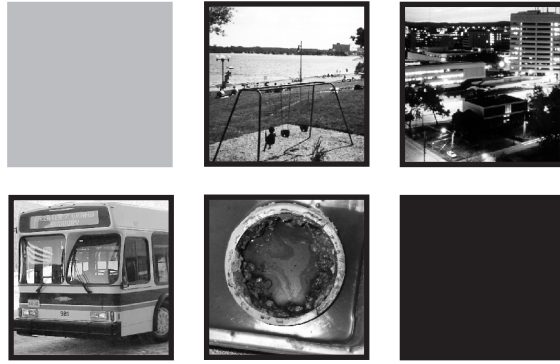
NEXT STEPS

When the Long-Term Financial Plan was first developed, public input was a pivotal part of the process. It is important that Council seek and encourage more community involvement by providing public information regarding the long-term financial plan update, and consulting with stakeholder groups to identify issues and develop solutions. As part of the 2004 Budget Process citizens will be invited to share their views at two series of public input sessions at town-hall meetings in each of the six City wards during the months of January 2004 and February 2004 as shown on the appended 2004 Budget Process Schedule.

There are a number of options that can be explored to address the financial gap between revenues and spending requirements, such as, to name a few:

- program reviews, considering demographics, service levels, service delivery models and other relevant factors;
- value-for-money audits to ensure that services are delivered in an efficient and cost-effective manner;
- establishing target proportion of program costs to be funded through user charges;
- establishing life-cycle costing processes to provide for the future rehabilitation/replacement of assets; and
- tax increases.

The next steps, then, involve continued lobbying of senior governments and a sharing of information with the public to solicit their ideas and solutions. The budget pressures facing the City are significant and threaten the very sustainability of the community. By focusing on the long-term, the Long-Term Financial Plan will ensure that the City will be in a good financial position and can finance public services on an on-going basis.



Appendix A

1. Ensure Long-Term Financial Sustainability

Determine on a multi-year basis the financial requirements for the City's operating and capital needs. Identify the funding gap between revenues and expenditures.

Include in the annual budget process a detailed one year budget, three year budget forecast and annual update of the 10-year projection including identification of the long-term funding gap and the City's progress in addressing the gap.

Set revenue raising requirements giving consideration to measures of affordability and competitiveness.

Raise sufficient revenue to meet long-term operating and financial requirements, recognizing that inflation increases the cost of both operating and capital programs.

Recognize the relationship between the operating and capital budgets. Annually identify and provide for capital from current funding, annual debt servicing costs, and for changes to operating costs arising from new/replaced infrastructure.

Plan for the replacement of infrastructure through the use of life cycle costing and the development of replacement reserves.

2. Deliver services in a cost-effective and efficient manner

Undertake regular service level reviews giving consideration to the City's demographic profile and other relevant factors.

Undertake reviews of City programs on a regular, rotating basis, through the use of value-for-money audits, to ensure services are delivered in a cost-effective and efficient manner.

Develop key performance measures for each program area and incorporate performance measures in the annual operating budget.

3. Ensure operating revenues are sustainable and consider community-wide and individual benefits (taxes versus user charges)

Finance ongoing expenditure requirements from ongoing, sustainable revenue sources.

Align source and application of revenue considering community-wide and individual benefits.

Establish target proportions of program costs to be raised through user charges based on reviews of benefits received. Establish user charges at rates that will yield the target proportions.

Ensure that user fees are increased at the same (or greater) rate as increases in program operating costs.

Strive to increase user fees as a percentage of overall funding by identifying new areas where user fees can be implemented.

Ensure both operating and capital costs are considered when establishing user fees (full program costing).

Programs which are driven entirely by individual benefit should be fully self supporting through user fees. User fees should cover all operating and capital costs. New programs should only be implemented if fully financed from user fees and program reserves.

In reaching decisions concerning the implementation of new user fees to pay for services, give consideration to the relative shifts of costs between tax classes. User fees which would result in significant shifts between tax classes should be phased in.

4. Meet social equity objectives through specific programs

Financial Plan policies should be applied on the basis of their benefit to the community as a whole.

5. Manage the City's capital assets to maximize long-term community benefit

Maintain the City's required infrastructure in a 'state of good repair' by implementing life cycle costing to provide for the future rehabilitation/replacement of assets.

Undertake regular reviews of remaining life and condition of assets and determine required annual reserve contributions sufficient to ensure that 90 per cent of approved infrastructure rehabilitation/replacement schedules can be met at the required time.

Assets and facilities should be regularly reviewed and rationalized based on service demand and service level benchmarks. Facilities which do not achieve approved revenue/cost targets should be considered for closure.

Dispose of capital assets which are not required for long-term community purposes.

Implement a capital funding plan to address the City's infrastructure renewal requirements.

6. Recognize that funding from senior governments is a crucial element of financial sustainability

Seek additional sustainable revenues from the provincial and federal governments.

Seek senior government funding sufficient to bridge the funding gap between net required program costs and affordable tax and user charge rates/revenues.

Participate in grant/subsidy programs only if programs/projects to be supported are required or can be justified independent of the provision of the grant/subsidy.

7. Use debt financing where appropriate

Debt financing should only be considered for:

- new, non-recurring infrastructure requirements
- programs and facilities which are self-supporting, and
- projects where the cost of deferring expenditures exceeds debt servicing costs

Consider undertaking a short-term, managed program of debt financing to address the City's current infrastructure deficiency and to reduce further deterioration of the City's infrastructure.

Issue debt for terms no longer than the life of the funded assets.

As debt charges decline due to retirement of debt, apply savings to accelerate achievement of full life cycle costing for City infrastructure.

Appoint a fiscal agent for the City and obtain a credit rating in order to facilitate the issuance of debt instruments.

8. Maintain reserves and reserve funds at appropriate levels

Facility, equipment and infrastructure replacement reserves should be established and funded to ensure that 90 per cent of approved infrastructure rehabilitation/replacement schedules are met (long-term).

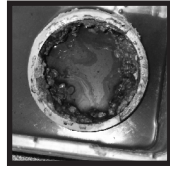
Establish a stabilization reserve for programs that are susceptible to significant annual expenditure fluctuations.

Establish reserves to provide funding for future liabilities.

9. Identify and quantify long-term liabilities

Identify and quantify long-term liabilities of the City.

Report long-term liabilities to Council on an annual basis. The reporting should identify the amount of liabilities and the resources available to meet the liabilities.



Tables

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 2

GROSS CAPITAL NEEDS
(\$'000)

	Base Year 2003	FORECAST PERIOD										Current 10-year Needs	Last year's 10-year Needs		
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013				
TAX SUPPORTED SERVICES (GROSS COST)															
PUBLIC WORKS															
Municipal Road 35	1,550	2,100	5,750	3,050	0	0	0	0	0	0	0	0	0	10,900	9,850
Additional projects - Heritage Fund (1)	0	3,000	2,000	0	0	0	0	0	0	0	0	0	0	5,000	0
Road Reconstruction & Resurfacing (2)	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	230,000	220,150
Bridges & Structures (3)	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	34,000	34,000
Storm Water Management (4)	380	380	380	380	380	380	380	380	380	380	380	380	380	3,800	3,800
Sidewalks & Walkways (3)	770	770	770	770	770	770	770	770	770	770	770	770	770	7,700	7,700
Streetslights (3)	200	200	200	200	200	200	200	200	200	200	200	200	200	2,000	2,000
Traffic Signals (3)	70	70	70	70	70	70	70	70	70	70	70	70	70	700	700
Buildings (4)	1,870	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	81,836	80,387
Solid Waste (5)	3,100	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000	31,000
Fleet & Equipment (6)	6,800	6,800	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	42,800	46,490
Sub-total	41,140	48,904	48,754	44,054	41,004	41,004	41,004	41,004	41,004	41,004	41,004	41,004	41,004	428,736	436,077
CORPORATE SERVICES															
Community Project Support (8)	1,000	1,000	1,275	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	14,275	13,775
Information Technology (9)	100	690	600	600	600	600	600	600	600	600	600	600	600	4,360	4,360
Sub-total	1,405	1,995	2,180	2,495	2,495	2,495	2,495	2,495	2,495	2,495	2,495	2,495	2,495	21,687	21,187
ECONOMIC DEVELOPMENT/PLANNING															
Social Housing (10)	0	500	500	500	500	500	500	500	500	500	500	500	500	5,000	3,000
Economic Development (11)	650	850	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	9,850	9,500
Connect Ontario	0	1,000	1,000	1,000	0	0	0	0	0	0	0	0	0	3,000	3,000
Official Plan Update	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,400
Sub-total	650	2,350	2,500	2,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	17,850	16,900
HEALTH AND SOCIAL SERVICES															
Long-Term Care (Pioneer Manor)	764	764	764	764	764	764	764	764	764	764	764	764	764	7,637	7,637
Child Care (12)	0	0	0	100	100	100	100	100	100	100	100	100	100	800	700
Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	764	764	764	864	864	864	864	864	864	864	864	864	864	8,437	8,337
CITIZENS AND LEISURE SERVICES															
Recreation/Leisure (13)	674	4,704	4,704	4,704	4,704	4,704	4,704	4,704	4,704	4,704	4,704	4,704	4,704	47,040	24,041
Libraries/Citizen Centres (13)	0	270	270	270	270	270	270	270	270	270	270	270	270	2,700	0
Community Improvement Projects	200	200	200	200	200	200	200	200	200	200	200	200	200	2,000	2,000
Neighbourhood Participation Projects	150	150	150	150	150	150	150	150	150	150	150	150	150	1,500	1,500
Sub-total (excl Transit)	1,024	5,324	5,324	5,324	5,324	5,324	5,324	5,324	5,324	5,324	5,324	5,324	5,324	53,240	27,541
Transit Fleet & Equipment(14)	0	2,394	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	14,044	14,044
Transit Buildings (14)	0	0	9,000	0	0	0	0	0	0	0	0	0	0	9,000	9,000
Sub-total Transit	0	2,394	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	23,044	23,044
Sub-total	1,024	7,718	6,618	6,618	6,618	6,618	6,618	6,618	6,618	6,618	6,618	6,618	6,618	76,284	50,585
EMERGENCY SERVICES															
EMS Fleet & Equipment(15)	728	728	728	728	728	728	728	728	728	728	728	728	728	7,280	2,005
EMS/Fire Buildings (16)	0	285	950	4,000	0	0	0	0	0	0	0	0	0	5,235	2,685
Fire Fleet & Equipment(17)	0	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	18,000	18,000
Sub-total	728	2,813	3,478	6,528	2,528	2,528	2,528	2,528	2,528	2,528	2,528	2,528	2,528	30,515	4,690
CEMETERY SERVICES															
Cemetery Services (18)	104	106	380	41	922	15	75	80	80	80	80	80	80	2,004	949
Sub-total	104	106	380	41	922	15	75	80	80	80	80	80	80	2,004	949
PARKING SERVICES															
Parking Services (19)	60	100	50	60	60	50	60	60	50	60	60	60	60	795	735
Sub-total	60	100	50	60	60	50	60	60	50	60	60	60	60	795	735
POLICE															
Police Services (20)	479	2,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,700	8,435
Police Fleet (21)	550	550	550	550	550	550	550	550	550	550	550	550	550	5,850	5,850
Sub-total	1,029	2,750	2,050	2,400	2,050	2,050	2,050	2,050	2,050	2,050	2,050	2,050	2,050	21,550	14,285
TOTAL CAPITAL NEEDS	46,904	67,500	66,774	74,470	58,106	57,254	56,634	56,794	56,634	56,634	56,634	56,634	56,634	607,859	553,745
TOTAL CAPITAL NEEDS IN INFLATED DOLLARS		68,850	69,472	79,028	62,896	63,213	63,779	65,238	66,432	67,844	69,311	70,863	72,416	619,393	619,393

GROSS CAPITAL NEEDS

NOTES

- (1) Additional projects funded through Heritage program: \$900,000 for 2002 Roads program, \$1,456,000 for 2003 Transit buses, \$250,000 for NDCA, \$600,000 for Physician Recruitment, \$1,400,000 for the Official Plan, \$260,000 for the Farmers' Market and
- (2) Estimated \$23 million per annum from Roads Needs Study. Excludes new roads and road widenings.
- (3) No estimate of need available at time of writing (2002 capital funding assumed annually throughout period: Bridges & Structures - \$3.4 million; Storm Drainage - \$380,000; Sidewalks - \$770,000; Streetlights - \$200,000; Traffic Lights - \$70,000).
- (4) Annual requirement for capital rehabilitation based on 3% of replacement value of all City buildings plus an additional 1% annual provision for major Community Centres and Arenas. Excludes Pioneer Manor, Airport, Water and Wastewater facilities.
- (5) Based on 10 year estimated needs provided by Public Works.
- (6) Public Works only. Excludes Transit, Police and Fire. Average annual provision over 2003 - 2013 based on vehicle replacement schedule.
- (7) \$305,000 per annum for general (based on 2002 budget) from 2003 - 2013.
- (8) Includes \$1 million contribution to Hospital.
- (9) \$200,000 per annum for GIS over next 5 years; \$90,000 every 3 years for Building Services PEN system and By-Law Enforcement electronic recording system; \$100,000 per annum general. Also includes \$2 million for Ortho-Imagery and Mapping over next 1
- (10) Based on 10 year estimated needs from Social Housing.
- (11) Estimates based on 10 year needs from Economic Development/Planning.
- (12) Provision for matching funds to support agencies with repairs/replacement of aging facilities.
- (13) Based on estimated needs from Citizen and Leisure Services (excluding building upgrades/rehabilitation, provision for which is included in Public Works - Buildings).
- (14) \$1.294 million per annum for Transit fleet replacement; \$1.1 million for Transit electronic fareboxes in 2004; \$9 million for Transit garage replacement in 2006.
- (15) EMS: Annual allowance of \$200,000 for equipment plus \$528,000 for fleet.
- (16) EMS/FIRE Buildings: \$285,000 for consolidation of Capreol stations in 2004; \$450,000 for refurbishing fire stations to accommodate EMS and \$500,000 for renovations of Leon/Mirnow Lake stations in 2005; and \$4 million for EMS/FIRE headquarters in
- (17) FIRE: Annual allowance of \$1.5 million for fleet and \$300,000 for equipment.
- (18) Based on 10 year estimated needs from Cemetery Services.
- (19) Estimates based on 10 year needs from Parking.
- (20) Annual needs plus \$750,000 for Voice Communication System.
- (21) Annual needs plus \$350,000 for mobile command post in 2006.

SUBSIDIES and OTHER RECOVERIES
(\$'000)

	Base Year 2003	FORECAST PERIOD										Current 10-year Needs	Last year's 10-year Needs		
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013				
TAX SUPPORTED SERVICES (SUBSIDIES & OTHER RECOVERIES)															
PUBLIC WORKS															
Municipal Road 35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional projects - Heritage Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Road Reconstruction & Resurfacing	0	3,000	0	0	0	0	0	0	0	0	0	0	0	5,000	0
Bridges & Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Storm Water Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sidewalks & Walkways	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetslights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Traffic Signals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	3,000	2,000	0	0	0	0	0	0	0	0	0	0	5,000	0
CORPORATE SERVICES															
Community Project Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ECONOMIC DEVELOPMENT/PLANNING															
Social Housing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Connect Ontario (1)	0	667	667	0	0	0	0	0	0	0	0	0	0	2,000	2,000
Official Plan Update	0	667	667	0	0	0	0	0	0	0	0	0	0	2,000	1,400
Sub-total	0	667	667	0	0	0	0	0	0	0	0	0	0	2,000	3,400
HEALTH AND SOCIAL SERVICES															
Long-Term Care (Pioneer Manor)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Child Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CITIZENS AND LEISURE SERVICES															
Recreation/Leisure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Libraries/Citizen Centres	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Improvement Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Neighbourhood Participation Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total (excl Transit)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transit Fleet (2)	0	798	431	431	431	431	431	431	431	431	431	431	431	4,681	4,681
Transit Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Transit	0	798	431	431	431	431	431	431	431	431	431	431	431	4,681	4,681
EMERGENCY SERVICES															
EMS Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EMS/Fire Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CEMETERY SERVICES															
Cemetery Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PARKING SERVICES															
Parking Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
POLICE															
Police Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Police Fleet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL SUBSIDIES & OTHER RECOVERIES	0	4,465	3,098	1,098	1,291	431	431	431	431	431	431	431	431	12,541	8,081

Notes: (1) Two-thirds capital subsidy assumed from Provincial Grant (Heritage Fund).
(2) One-third capital subsidy assumed from Province for replacement buses and electronic fareboxes.

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 4

FUNDING FROM RESERVES
(\$'000)

	Base Year 2003	FORECAST PERIOD										Current 10-year Needs	Last year's 10-year Needs		
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013				
FUNDING FROM RESERVE FUNDS															
PUBLIC WORKS															
Municipal Road 35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Road Reconstruction & Resurfacing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bridges & Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Storm Water Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sidewalks & Walkways	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetslights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Traffic Signals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fleet & Equipment	6,800	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	27,287	36,820
Sub-total	6,800	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	27,287	36,820
CORPORATE SERVICES															
Infrastructure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Project Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ECONOMIC DEVELOPMENT/PLANNING															
Social Housing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Connect Ontario	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Official Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HEALTH AND SOCIAL SERVICES															
Long-Term Care (Pioneer Manor)	84	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Child Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	84	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CITIZENS AND LEISURE SERVICES															
Recreation/Leisure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Libraries/Citizen Centres	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Improvement Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Neighbourhood Participation Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total (excl Transit)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transit Fleet	206	206	206	206	206	206	206	206	206	206	206	206	206	2,064	2,064
Transit Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Transit	206	206	206	206	206	206	206	206	206	206	206	206	206	2,064	2,064
Sub-total	206	206	206	206	206	206	206	206	206	206	206	206	206	2,064	2,064
EMERGENCY SERVICES															
EMS Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EMS/Fire Buildings	387	387	387	387	387	387	387	387	387	387	387	387	387	3,873	3,873
Fire Fleet & Equipment	387	387	387	387	387	387	387	387	387	387	387	387	387	3,873	3,873
Sub-total	774	774	774	774	774	774	774	774	774	774	774	774	774	7,740	7,740
CEMETERY SERVICES															
Cemetery Services	104	106	380	62	225	15	75	80	80	80	80	80	80	1,144	282
Sub-total	104	106	380	62	225	15	75	80	80	80	80	80	80	1,144	282
PARKING SERVICES															
Parking Services	60	100	50	125	60	50	60	50	60	120	120	120	120	795	735
Sub-total	60	100	50	125	60	50	60	50	60	120	120	120	120	795	735
POLICE															
Police Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Police Fleet	550	550	550	550	550	550	550	550	550	550	550	550	550	5,500	5,500
Sub-total	550	550	550	550	550	550	550	550	550	550	550	550	550	5,500	5,500
TOTAL FUNDING FROM RESERVES	8,191	4,078	4,302	3,973	4,157	3,937	4,007	4,002	4,072	4,072	4,072	4,072	4,072	40,662	39,901

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 5

CURRENT CONTRIBUTION TO CAPITAL
(\$'000)

	Base Year 2003	FORECAST PERIOD										Current 10-year Needs	Last year's 10-year Needs		
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013				
FUNDING FROM CURRENT BUDGET															
PUBLIC WORKS															
Municipal Road 35	1,550	2,100	3,150	3,050	0	0	0	0	0	0	0	0	0	8,300	9,850
Road Reconstruction & Resurfacing (1)	9,086	9,086	9,086	9,086	12,136	12,136	12,136	12,136	12,136	12,136	12,136	12,136	12,136	112,205	98,173
Bridges & Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Storm Water Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,599
Sidewalks & Walkways	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetslights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Traffic Signals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	1,904	1,903	1,903	1,903	1,918	2,089	2,089	2,089	2,176	2,193	2,193	2,193	2,193	20,455	20,016
Solid Waste	2,761	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000	27,607
Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	15,300	14,088	15,138	15,038	15,054	15,224	15,224	15,224	15,311	15,329	15,329	15,329	15,329	150,960	162,245
Infrastructure	305	305	305	305	305	305	305	305	305	305	305	305	305	3,052	3,052
Community Project Support	1,000	1,000	1,275	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	14,275	13,775
Information Technology	100	100	100	100	100	100	100	100	100	100	100	100	100	1,000	1,000
Sub-total	1,405	1,405	1,680	1,905	1,905	1,905	1,905	1,905	1,905	1,905	1,905	1,905	1,905	18,327	17,827
Social Housing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development	623	823	223	223	223	223	223	223	223	223	223	223	223	2,826	3,226
Connect Ontario	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Official Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	623	823	223	223	223	223	223	223	223	223	223	223	223	2,826	3,226
Health and Social Services	680	680	680	680	680	680	680	680	680	680	680	680	680	6,801	6,801
Child Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	680	680	680	680	680	680	680	680	680	680	680	680	680	6,801	6,801
Recreation/Leisure	674	674	674	674	674	674	674	674	674	674	674	674	674	6,741	6,741
Libraries/Citizen Centres	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Improvement Projects	200	200	200	200	200	200	200	200	200	200	200	200	200	2,000	2,000
Neighbourhood Participation Projects	150	150	150	150	150	150	150	150	150	150	150	150	150	1,500	1,500
Sub-total (excl Transit)	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	10,241	10,241
Transit Fleet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transit Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Transit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	10,241	10,241
EMERGENCY SERVICES	182	182	182	182	182	182	182	182	182	182	182	182	182	1,818	1,818
EMS Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EMS/Fire Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire Fleet & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	182	182	182	182	182	182	182	182	182	182	182	182	182	1,818	1,818
CEMETERY SERVICES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cemetery Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PARKING SERVICES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Parking Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
POLICE	479	479	479	479	479	479	479	479	479	479	479	479	479	4,787	4,787
Police Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Police Fleet	479	479	479	479	479	479	479	479	479	479	479	479	479	4,787	4,787
Sub-total	479	479	479	479	479	479	479	479	479	479	479	479	479	4,787	4,787
CURRENT CONTRIBUTION TO CAPITAL ENVELOPES	19,892	18,681	19,406	19,531	19,546	19,717	19,717	19,717	19,717	19,717	19,717	19,717	19,821	195,761	206,945

Note: (1) Roads contribution increases in 2007 by \$3 million as funding for Municipal Road 35 is replenished.

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 6

NET TAX-SUPPORTED CAPITAL FUNDING GAF
(\$'000)

CAPITAL FUNDING GAP BY PROGRAM (Excess of Requirements Over Contribution to Capital & Reserve Funds)	Base Year 2003	FORECAST PERIOD										Current 10-year Needs	Last year's 10-year Needs					
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013							
PUBLIC WORKS																		
Municipal Road 35	0	0	2,600	0	0	0	0	0	0	0	0	0	0	0	2,600	0	0	
Road Reconstruction & Resurfacing	13,914	13,914	13,914	13,914	10,864	10,864	10,864	10,864	10,864	10,864	10,864	10,864	10,864	10,864	117,795	131,827	131,827	
Bridges & Structures	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	34,000	34,000	34,000	
Storm Water Management	380	380	380	380	380	380	380	380	380	380	380	380	380	380	3,800	(2,799)	3,800	
Sidewalks & Walkways	770	770	770	770	770	770	770	770	770	770	770	770	770	770	7,700	7,700	7,700	
Streetslights	200	200	200	200	200	200	200	200	200	200	200	200	200	200	2,000	2,000	2,000	
Traffic Signals	70	70	70	70	70	70	70	70	70	70	70	70	70	70	700	700	700	
Buildings	(33)	6,281	6,281	6,281	6,265	6,095	6,095	6,095	6,095	6,095	6,095	6,095	6,095	6,095	61,381	60,371	60,371	
Solid Waste	339	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,393	0
Fleet & Equipment	0	4,071	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	15,513	9,670	9,670	
Sub-total	19,040	29,087	28,887	26,287	23,221	23,051	23,051	23,051	23,051	23,051	22,946	22,946	22,946	22,946	245,489	246,862	246,862	
CORPORATE SERVICES																		
Infrastructure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Community Project Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Information Technology	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
ECONOMIC DEVELOPMENT/PLANNING																		
Information Technology	0	590	500	500	590	500	500	500	500	500	500	500	500	500	5,000	3,360	3,360	
Sub-total	0	590	500	500	590	500	500	500	500	500	500	500	500	500	5,000	3,360	3,360	
HEALTH AND SOCIAL SERVICES																		
Long-Term Care (Pioneer Manor)	27	861	1,611	1,611	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	13,024	10,274	10,274	
Child Care	0	84	84	84	84	84	84	84	84	84	84	84	84	84	836	836	836	
Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	800	700	700	
Sub-total	0	84	84	84	84	84	84	84	84	84	84	84	84	84	836	836	836	
CITIZENS AND LEISURE SERVICES																		
Recreation/Leisure	0	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	40,299	17,300	17,300	
Libraries/Citizen Centres	0	270	270	270	270	270	270	270	270	270	270	270	270	270	2,700	2,700	2,700	
Community Improvement Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Neighbourhood Participation Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-total (excl Transit)	0	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	42,999	17,300	17,300	
Transit Fleet	(206)	1,390	657	657	657	657	657	657	657	657	657	657	657	657	7,299	7,300	7,300	
Transit Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,000	9,000	9,000	
Sub-total Transit	(206)	1,390	657	657	657	657	657	657	657	657	657	657	657	657	16,299	16,300	16,300	
EMERGENCY SERVICES																		
EMS Fleet & Equipment	546	546	546	546	546	546	546	546	546	546	546	546	546	546	5,462	5,462	5,462	
EMS/Fire Buildings	0	285	950	4,000	0	0	0	0	0	0	0	0	0	0	5,235	2,872	2,872	
Fire Fleet & Equipment	(387)	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	14,127	14,127	14,127	
Sub-total	159	2,244	2,909	5,959	1,959	1,959	1,959	1,959	1,959	1,959	1,959	1,959	1,959	1,959	24,825	24,825	24,825	
CEMETERY SERVICES																		
Cemetery Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	667	
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	667	
PARKING SERVICES																		
Parking Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
POLICE																		
Police Services	0	1,721	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	10,913	9,498	9,498	
Police Fleet	0	0	350	0	0	0	0	0	0	0	0	0	0	0	350	0	0	
Sub-total	0	1,721	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	11,263	9,498	9,498	
TOTAL TAX-SUPPORTED FUNDING GAP	19,020	40,276	39,968	49,868	33,209	32,948	32,548	32,638	32,461	32,444	32,534	32,534	32,534	32,534	358,895	308,669	308,669	
Inflation on Capital Envelopes		374	769	1,175	1,590	2,016	2,450	2,894	3,348	3,811	4,284	4,284	4,284	4,284	22,710	24,491	24,491	
Inflation on Excess Capital Requirements		806	1,615	3,052	2,737	3,429	4,106	4,853	5,572	6,330	7,125	7,125	7,125	7,125	39,625	34,939	34,939	
TOTAL TAX-SUPPORTED FUNDING GAP in INFLATED DOLLARS (cross-reference Table 1)	41,455	42,352	54,095	37,536	38,394	40,385	41,381	42,585	43,942	45,855	47,825	49,855	51,942	54,095	368,099	368,099	368,099	

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 7

CAPITAL GAP FINANCING PLAN

(\$000)

\$6.1 million/year debt issued for 10 years for \$61 million in OMEIFA debentures (15 years @ 3.25%

	FORECAST PERIOD										TOTAL
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Capital Financing Gap	41,455	42,352	54,095	37,536	38,394	39,105	40,385	41,381	42,585	43,942	421,231
Capital Financing Sources											
Increased contributions to capital envelopes from Capital Levy	2,915	6,209	9,698	13,379	17,245	21,305	25,565	30,031	34,708	39,605	200,659
Portion for new debt repayment	(520)	(1,041)	(1,561)	(2,081)	(2,601)	(3,122)	(3,642)	(4,162)	(4,682)	(5,203)	(28,614)
Inflation on capital envelopes	374	769	1,175	1,590	2,016	2,450	2,894	3,348	3,811	4,284	22,710
New Debt Issued	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100	61,000
Total Capital Financed in Year	8,868	12,037	15,413	18,987	22,760	26,734	30,917	35,316	39,937	44,786	255,755
% Capital Completed	21.4%	28.4%	28.5%	50.6%	59.3%	68.4%	76.6%	85.3%	93.8%	101.9%	60.7%

\$15.25 million/year debt issued for 4 years for \$61 million in OMEIFA debentures (15 years @ 3.25%)

	FORECAST PERIOD										TOTAL
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Capital Financing Gap	41,455	42,352	54,095	37,536	38,394	39,105	40,385	41,381	42,585	43,942	421,231
Capital Financing Sources											
Increased contributions to capital envelopes from Capital Levy	2,915	6,209	9,698	13,379	17,245	21,305	25,565	30,031	34,708	39,605	200,659
Portion for new debt repayment	(1,301)	(2,601)	(3,902)	(5,203)	(5,203)	(5,203)	(5,203)	(5,203)	(5,203)	(5,203)	(44,222)
Inflation on capital envelopes	374	769	1,175	1,590	2,016	2,450	2,894	3,348	3,811	4,284	22,710
New Debt Issued	15,250	15,250	15,250	15,250	0	0	0	0	0	0	61,000
Total Capital Financed in Year	17,238	19,626	22,221	25,016	14,058	18,553	23,256	28,176	33,316	38,686	240,147
% Capital Completed	41.6%	46.3%	41.1%	66.6%	36.6%	47.4%	57.6%	68.1%	78.2%	88.0%	57.0%

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 8

SUMMARY OF PROJECTED TAX RATE IMPACTS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
IMPACT ON TAXES OF PROJECTED OPERATING COSTS AND EXISTING CAPITAL ENVELOPES - EXCLUDES CAPITAL LEVY											
Percentage Increase in Net Levy		10.7%	3.7%	3.3%	3.0%	3.0%	2.9%	2.9%	2.8%	2.9%	2.8%
Municipal Tax - Typical Single Family Dwelling	\$1,535	\$1,700	\$1,764	\$1,823	\$1,877	\$1,932	\$1,989	\$2,047	\$2,105	\$2,165	\$2,226
\$ Increase		\$165	\$64	\$59	\$54	\$56	\$57	\$58	\$58	\$60	\$61
IMPACT ON TAXES INCLUDING ABOVE AND INFRASTRUCTURE RENEWAL LEVY @ 2.27%											
Percentage Increase in Net Levy		13.0%	5.9%	5.5%	5.1%	5.0%	4.9%	4.8%	4.7%	4.7%	4.6%
Municipal Tax - Typical Single Family Dwelling	\$1,535	\$1,735	\$1,838	\$1,939	\$2,037	\$2,139	\$2,244	\$2,353	\$2,464	\$2,580	\$2,700
\$ Increase		\$200	\$103	\$101	\$98	\$102	\$105	\$109	\$111	\$116	\$120

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 10

SUMMARY BY PROGRAM
(\$000)

Base Year	FORECAST PERIOD									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg
EXPENDITURES										
Non-Program Specific	4,229	3,117	3,069	3,131	3,193	3,257	3,322	3,389	3,456	3,526
Corporate and Administrative Services	26,106	28,490	29,134	29,635	30,102	30,610	31,062	31,610	32,171	32,744
Economic Development & Planning	31,674	32,924	33,592	34,275	34,972	35,683	36,409	37,150	37,906	38,678
Citizen & Leisure Services	39,506	41,971	42,922	43,790	44,672	45,583	46,508	47,345	48,310	49,296
Public Works	92,144	100,538	102,915	105,524	108,193	110,935	113,749	116,598	119,529	122,522
Emergency Services	25,521	28,189	28,780	29,384	30,001	30,633	31,278	31,938	32,613	33,302
Health and Social Services	125,559	132,626	134,634	137,347	140,117	142,942	145,826	148,768	151,771	154,835
Police	30,559	34,294	35,535	36,597	37,681	38,787	39,916	41,067	42,242	43,442
Other Boards	8,462	8,891	9,069	9,250	9,435	9,624	9,816	10,012	10,213	10,417
TOTAL EXPENDITURES	400,131	411,039	419,650	428,933	438,371	448,054	457,885	467,877	478,211	488,760
	4.3%	2.7%	2.1%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
REVENUES										
Non-Program Specific	71,558	73,038	73,466	74,051	74,595	75,158	75,739	76,339	76,951	77,590
Corporate and Administrative Services	7,812	7,551	7,618	7,760	7,860	7,992	8,060	8,216	8,375	8,537
Economic Development & Planning	9,385	9,640	9,828	10,021	10,217	10,417	10,621	10,830	11,042	11,259
Citizen & Leisure Services	15,463	16,304	16,628	16,958	17,295	17,639	17,990	18,348	18,713	19,085
Public Works	43,068	44,830	46,456	48,194	49,973	51,806	53,691	55,591	57,552	59,584
Emergency Services	5,593	5,767	5,874	5,984	6,097	6,211	6,328	6,447	6,568	6,692
Health and Social Services	99,064	103,905	105,163	107,204	109,285	111,408	113,573	115,782	118,035	120,333
Police	691	611	623	636	648	661	674	688	702	716
Other Boards	2,521	2,649	2,702	2,756	2,811	2,867	2,925	2,983	3,043	3,104
TOTAL REVENUES	255,155	264,294	268,389	273,563	278,781	284,160	289,601	295,222	300,981	306,869
	1.2%	3.5%	1.5%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%
NET BUDGET before capital envelope inflation and capital levy	128,406	146,745	151,261	155,370	159,591	163,894	168,284	172,655	177,230	181,891
	10.4%	3.1%	3.1%	2.7%	2.7%	2.7%	2.7%	2.7%	2.6%	2.6%
Inflation on Capital Envelopes	0	769	1,175	1,590	2,016	2,450	2,894	3,348	3,811	4,284
	100.0%	52.8%	1.7%	26.8%	18.1%	18.1%	18.1%	18.1%	15.7%	13.8%
NET BUDGET after capital envelope inflation	128,406	147,514	152,036	156,960	161,606	166,345	171,178	176,003	181,041	186,175
	10.7%	3.7%	3.3%	3.0%	2.9%	2.9%	2.9%	2.9%	2.8%	2.8%
Capital levy (includes provision for new debt repayment)	0	6,209	9,698	13,379	17,245	21,305	25,565	30,031	34,708	39,605
	100.0%	113.0%	56.2%	38.0%	20.0%	20.0%	20.0%	20.0%	15.6%	14.1%
TOTAL TAX LEVY	128,406	153,723	162,134	170,338	178,852	187,650	196,743	206,034	215,749	225,780
	13.0%	5.9%	5.1%	5.1%	4.8%	4.8%	4.8%	4.7%	4.7%	4.6%

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 11

TAX-SUPPORTED PROGRAMS (excludes Water, Waste Water, Cemetery, Parking and Airport)
(\$000)

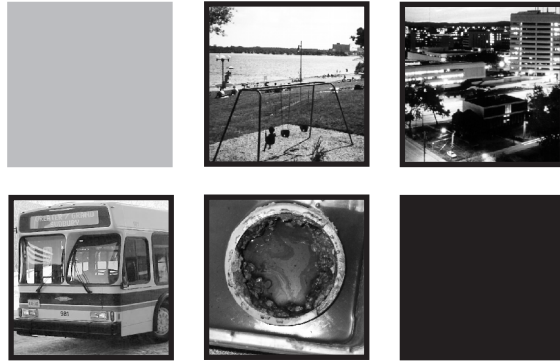
Base Year	FORECAST PERIOD									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg
EXPENDITURES										
Non-Program Specific	3,685	3,117	3,069	3,131	3,193	3,257	3,322	3,389	3,456	3,526
Corporate and Administrative Services	27,731	28,490	29,134	29,635	30,104	30,611	31,062	31,610	32,171	32,744
Economic Development & Planning	31,674	32,927	33,592	34,275	34,972	35,683	36,409	37,150	37,906	38,678
Citizen & Leisure Services	37,233	38,539	40,578	41,299	42,139	42,996	43,871	44,657	45,570	46,503
Public Works	54,013	58,440	59,246	60,172	61,118	62,084	63,072	64,081	65,112	66,165
Emergency Services	25,521	27,219	28,780	29,384	30,001	30,633	31,278	31,938	32,613	33,302
Health and Social Services	125,559	132,626	134,634	137,347	140,117	142,842	145,626	148,768	151,771	154,835
Police	30,559	32,978	35,535	36,597	37,681	38,787	39,916	41,067	42,242	43,442
Other Boards	5,941	6,242	6,367	6,494	6,624	6,756	6,892	7,029	7,170	7,313
TOTAL EXPENDITURES	340,636	363,895	370,835	378,335	385,947	393,749	401,647	409,689	418,011	426,507
	4.2%	2.5%	2.6%	1.9%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
REVENUES										
Non-Program Specific	71,558	73,038	73,496	74,051	74,595	75,158	75,739	76,339	76,951	77,590
Corporate and Administrative Services	7,812	7,476	7,618	7,760	7,860	7,982	8,060	8,216	8,375	8,537
Economic Development & Planning	9,385	9,640	9,828	10,021	10,217	10,417	10,621	10,830	11,042	11,259
Citizen & Leisure Services	13,190	13,566	14,184	14,467	14,757	15,052	15,353	15,660	15,973	16,293
Public Works	4,938	2,667	2,787	2,842	2,898	2,956	3,014	3,074	3,135	3,197
Emergency Services	5,593	5,767	5,874	5,984	6,097	6,211	6,328	6,447	6,568	6,692
Health and Social Services	99,064	101,425	105,163	107,204	109,285	111,408	113,573	115,782	118,035	120,333
Police	681	611	623	636	648	661	674	688	702	716
Other Boards	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	212,230	217,150	219,575	222,984	226,356	229,855	233,362	237,034	240,781	244,616
	0.4%	0.4%	1.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%
NET BUDGET before capital envelope inflation and capital levy	128,406	146,745	151,261	155,370	159,591	163,894	168,284	172,655	177,230	181,891
Inflation on Capital Envelopes	0	374	1,175	1,590	2,016	2,450	2,894	3,348	3,811	4,284
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
NET BUDGET after capital envelope inflation	128,406	147,514	152,436	156,960	161,606	166,345	171,178	176,003	181,041	186,175
Capital levy (includes provision for new debt repayment)	0	6,209	9,698	13,379	17,245	21,305	25,585	30,031	34,708	39,605
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL TAX LEVY	128,406	145,100	162,134	170,338	178,852	187,650	196,743	206,034	215,749	225,780
		13.0%	13.0%	5.1%	5.1%	4.9%	4.8%	4.7%	4.7%	4.6%

CITY OF GREATER SUDBURY
TEN-YEAR FINANCIAL PLAN

TABLE 12

TAX LEVY by PROGRAM
(\$000)

Base Year	FORECAST PERIOD									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg	% chg
Non-Program Specific	(67,329)	(69,921)	(70,427)	(70,920)	(71,402)	(71,901)	(72,417)	(72,950)	(73,495)	(74,065)
Corporate and Administrative Services	18,295	20,899	21,516	21,875	22,243	22,618	23,002	23,395	23,796	24,207
Economic Development & Planning	22,289	23,284	23,764	24,254	24,755	25,266	25,788	26,320	26,864	27,419
Citizen & Leisure Services	24,044	25,667	26,294	26,832	27,382	27,944	28,518	29,097	29,697	30,210
Public Works	49,076	55,707	56,469	57,330	58,220	59,129	60,058	61,007	61,977	62,968
Emergency Services	19,928	22,422	22,905	23,389	23,905	24,422	24,950	25,491	26,044	26,610
Health and Social Services	26,295	28,721	29,471	30,144	30,832	31,534	32,252	32,986	33,736	34,502
Police	29,869	33,683	34,912	35,962	37,033	38,126	39,241	40,379	41,541	42,726
Other Boards	5,941	6,242	6,367	6,484	6,624	6,756	6,892	7,029	7,170	7,313
Infrastructure Renewa		769	1,175	1,590	2,016	2,450	2,894	3,348	3,811	4,284
Inflation on capital envelope:	0	6,209	9,698	13,379	17,245	21,305	25,565	30,031	34,708	39,605
Capital levy)	0	2,915	4,915	6,915	8,915	10,915	12,915	14,915	16,915	18,915
TOTAL LEVY	128,406	153,723	162,134	170,338	178,852	187,650	196,743	206,034	215,749	225,780
		5.9%	5.5%	5.1%	5.0%	4.9%	4.8%	4.7%	4.7%	4.6%



Draft 2004 Budget Meeting Schedule

2004 Budget Schedule (Draft)

December 11, 2003	Council	Presentations: Long Term Financial Plan, Draft Budget Schedule, A New Deal for Cities, Winnipeg and Toronto Models, Building the City of Tomorrow
December 18, 2003	Finance	Review of Proposed Presentations to Public (process, priorities and communication), Budget Tools, Presentation and Information Report on Capital Financing Alternatives, Information Report on Capital Envelopes
January 19, 2004	Ward Meeting	Public Information and Input Ward 1 - T. M. Davies Community Centre (Walden Arena); Ward 2 - The Centre Lionel E. Lalonde Centre
January 20, 2004	Ward Meeting	Public Information and Input Ward 3 - Valley East Citizen Service Centre/Library; Ward 4 - Garson Arena
January 21, 2004	Ward Meeting	Public Information and Input Ward 5 - Countryside Sports Complex; Ward 6 - Tom Davies Square
January 24, 2004	Finance	Summary of Public Input; Presentation of Oracle Surveys, Discussion on Budget Focus and Budget Guidelines, Business Plan Objectives, Capital Financing Alternatives Presentation, 2004 Base Capital Budget Program
January 28, 2004	Priorities	Capital Financing Alternatives Report; 2004 Base Capital Budget Program
February 12, 2004	Council	Budget Overview; Distribution of Budget Document
February 16, 2004	Ward Meeting	Public Information and Input Ward 1 - T. M. Davies Community Centre (Walden Arena)
February 17, 2004	Ward Meeting	Public Information and Input Ward 2 - The Centre Lionel E. Lalonde Centre
February 18, 2004	Ward Meeting	Public Information and Input Ward 3 - Valley East Citizen Service Centre/Library
February 23, 2004	Ward Meeting	Public Information and Input Ward 4 - Garson Arena
March 1, 2004	Ward Meeting	Public Information and Input Ward 5 - Countryside Sports Complex
March 2, 2004	Ward Meeting	Public Information and Input Ward 6 - Tom Davies Square
March 3, 2004	Finance	Review of Base Budget
March 8, 2004	Finance	Review of Base Budget; Review of Current Budget Options
March 10, 2004	Finance	Presentations from Outside Boards (prior to Priorities)
March 22, 2004	Finance	Review of Current Budget Options; Voting on Current Budget Levy Reduction Options; Continued Review of Current Budget Enhancement Options
March 24, 2004	Finance	Review of Voting Results for Current Budget Reduction Options; Continued Review of Current Budget Enhancement Options; Voting on Current Budget Enhancement Options
March 27, 2004	Finance	Review of Voting Results for Current Budget Enhancement Options; Finalization of Current Budget; Review of Capital Budget Options; Voting on Capital Budget Options; Finalization of Capital Budget
March - April	Finance	Review and Adoption of Tax Policy