
AREA RATING PRESENTATION

FINANCE COMMITTEE
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Presented by:
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Area Rating introduced by CGS at time of amalgamation

Section 15 of CGS Act 1999 set out rules relating to:

- P Special services of “old” municipalities
- P Assets and liabilities of “old” municipalities
- P Five specific services (water, sewage, street lighting, fire, transportation)

Area Rating decisions

- P No area rating of special services of “old” municipalities
- P No area rating of assets and liabilities
- P Area rating of fire and transportation services only to recognize differing service levels

Fire Protection and Prevention

- P Service levels considerably different throughout 7 former area municipalities and unorganized area
- P Could not harmonize service level without increasing the budget substantially
- P Not necessary to have career level service throughout entire CGS
- P Area rating adopted to recognize different service levels and maintain same relative tax position

Fire Protection and Prevention

Three distinct service areas recognized:

- P Career - former City of Sudbury (predominantly full time firefighters)
- P Composite - former City of Valley East (mix of full time firefighters and volunteers)
- P Volunteer - all other areas of CGS including unorganized area (volunteers only)

Fire Protection and Prevention

2004 Area Rating

- P Base Costs - administration, facilities and apparatus, public education and prevention
- P Direct Suppresion Costs - career salaries and benefits and volunteer costs

$(\text{Base Costs} + \text{Direct Suppression Costs}) / \text{Weighted Assessment} = \text{Area Rate}$

Fire Protection and Prevention

2004 Area Rating

	Career \$	Comp \$
Base Costs	2,993,165	50
Direct Suppression Costs	7,680,248	1,100
Total Costs	10,673,413	1,600
Weighted Assessment	5,575,109,743	953,000
Fire Tax Rate	.0019145	.001
Taxes (\$100,000 home)	191.45	1

Fire Protection and Prevention

Future Service Levels and Area Rating Changes

- P There will be changes to the way fire services are delivered to meet key objectives
- P Closest/fastest and most appropriate resource is dispatched
- P Example - New Sudbury station to respond to Garson and Minnow Lake station to respond to Coniston
- P Increased service levels without increased costs
- P Will require changes to area rating
- P Old municipal boundaries will no longer be valid

Fire Protection and Prevention

Future Service Levels and Area Rating Changes

Development of New Master Fire Plan

Proposed Improvement - Addition of 10 Full Time Firefighters in Valley East

Fire Protection and Prevention

Future Service Levels and Area Rating Changes

Addition of \$1 million (10 full time firefighters)
Impact on Composite Area Rate

	Career \$	Comp \$
Total Costs	10,673,413	2,600,000
Weighted Assessment	5,575,109,743	953,000,000
Fire Tax Rate	.0019145	.002
Taxes (\$100,000 home)	191.45	200

Fire Protection and Prevention

Future Service Levels and Area Rating Changes

Addition of \$1 million (10 full time firefighters)

Impact on Urban and Composite Rates if Harmonized

	New Career \$	Comp \$
Total Costs	13,275,528	
Weighted Assessment	6,528,110,552	
Fire Tax Rate	.0020336	
Taxes (\$100,000 home)	203.36	

Public Transportation

- P Transit and transportation for the disabled
- P Service levels considerably different throughout 7 former area municipalities
- P No service in former unorganized area
- P Not possible to harmonize to one service level without substantial budget increases
- P Could harmonize service levels in 6 smaller former area municipalities

Public Transportation

Two distinct service areas recognized:

- P Commuter - former area municipalities except City of Sudbury (Service along major arteries, weekday service level between 6 - 8 trips daily)
- P Urban - former City of Sudbury (More frequent service with higher number of trips and service along both main arteries and some residential streets)

No area rate for former unorganized areas

Public Transportation

2004 Area Rating

- P Transit Costs - 82/18 split in costs between urban and commuter areas
- P Transportation for the Disabled Costs - actual costs in each of the two areas

$(\text{Transit Costs} + \text{Transportation for the Disabled Costs}) / \text{Weighted Assessment} = \text{Area Rate}$

Public Transportation

2004 Area Rating

	Ur
	\$
Transit	4,763,
Transportation for the Disabled	955,
Total Costs	5,719,
Weighted Assessment	5,575,109,
Tax Rate	.0010
Taxes (\$100,000 home)	102

Area Rating

Summary

- P Introduced at time of amalgamation
- P To recognize significant differences in levels of fire and transportation services
- P To maintain former municipal tax levels
- P As service levels are harmonized or where existing services are extended across municipal boundaries, area rating boundaries will need to be modified