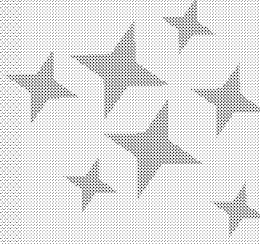




Budget04

Towards Tomorrow Together ✦ Vers l'avenir ensemble

Budget Overview



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Budget Overview
Councillor Ted Callaghan
Finance Committee Chair

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Public Engagement

Council values your input.

- For the 2004 budget, we are undertaking the most comprehensive public participation process in the City's history.
- 1200 citizens and 100 businesses polled
- 12 public meetings for citizen input
- Councillor meetings with individuals and community groups
- Extensive media attention
- Email and written submissions
- Documents are available on the City website and area Citizen Service Centres

First Series of Public Meetings

Eight General Themes

- Maintain recreational facilities and no more closings
- Concern over personal use of City vehicles
- Comments about the City's borrowing to improve infrastructure (mainly roads)
- Need to reduce the proposed tax increase



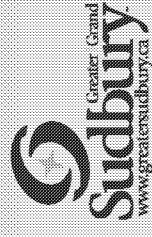
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First Series Of Public Meetings

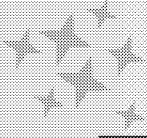
Eight General Themes continued

- Additional funding requests ie. social agencies, community centres, introduction of a spay/neuter program, etc.
- The need to increase revenues ie. sale of City surplus properties, lobbying senior levels of government, etc.
- Look for efficiencies
- The importance of in-migration and youth retention



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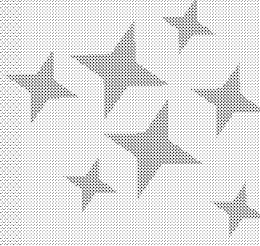
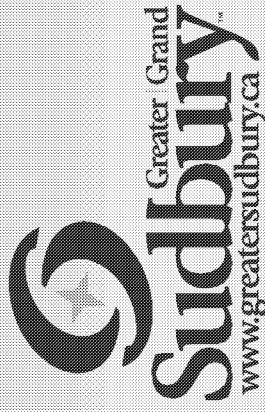
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2004 Budget

Important Points

- The conditions that brought us to this point have been well known to us for a few years:
 - Provincial downloading
 - Salary and pension commitments
 - General inflation increases like insurance, hydro
 - Pressure from outside boards (Health Unit, Police)
 - Years of inadequate funding
- Council is committed to a multi-year budgeting process that started with the Long Term Financial Plan in 2002.
- Over the next few weeks, Council will consider public input and will debate the proposed budget options developed by staff.



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Budget Overview

Mark Mieto

Chief Administrative Officer

The Four Pillars of the Corporate Renewal Strategy



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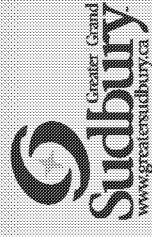
Pillar #1: Realignment of Corporate Structure

- Match responsibility with Accountability
- Streamline processes through Mapping

Pillar #2: Invest in Training of Staff

- Education program for Mediation Skills
- Philosophy of Empowerment

The Four Pillars of the Corporate Renewal Strategy



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Pillar #3: Organization Wellness

- Comprehensive Plan being developed
- Changing culture of Organization

Pillar #4: Performance Measurement

- Performance Measures in Budget
- External Benchmarking with other Municipalities
- New Budget process for 2005

Accountability to Public - Solutions Teams



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- **2 Pilot Solutions Teams to deal with**
 - City Light Vehicle Fleet
 - Disposal of Excess Properties
- 4 Member team with 1-2 Public representatives
- Focused task oriented teams with quick turnaround (2 month horizon)

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Internal Task Teams

- Derive Internal Efficiency Measures
- Cross-functional teams with 4 Members from Corporation
- Issues teams will deal with:
 - Procurement card system Roll-out
 - Winter Maintenance
 - Day to Day Maintenance Operations
 - Water Waste in City infrastructure
 - Other: Management requested to bring issues after consultation

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Embracing Our Employees

Continuous Improvement Program

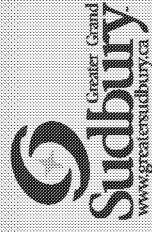
"Appropriately placed and given room to build their own goals into corporate goals, employees will bring creative flexibility and fresh ideas to bear on their work."

– **Management Guru, Jeff Mauzy**

- Continuous Improvement Process
 - initiative with unionized employees to identify savings
- 'Front line employees know their processes best'

Budget 2004

Public Consultation



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"People need to have ownership of the public decision-making process"

– **Mayor Courtemanche**

- Second Series of Information Meetings
– to be completed by March 2, 2004
- **Objective:** Feedback from Public regarding options in Budget
- **Roundtables:** Consensus on options

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2004 Budget

Implementing Long Term Financial Plan

Long Term Financial Plan

Ensure Long Term Financial Sustainability

Deliver Services Efficiently

Sustainable Operating Revenues:
Consider community vs individual benefits

Use Debt where Appropriate

Budget 2004

Considers inflation, life cycle costing,
Capital renewal requirement

Efficiency reviews, Performance Measures,
Value for Money audits

Raises issues pertaining to taxes vs user fees

Borrowing is an option

Budget 2004



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- Emphasis on meaningful information
- Each Department has outlined:
 - Objective Statement
 - Efficiencies in 2003
 - Major Cost Variances
 - Performance Measures
- Uses tools presented in City of Tomorrow Discussion Paper

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2004 Efficiencies

- Cold-in-place asphalt technology
 - \$140,000 savings
- Multi-purpose snowplows
 - \$200,000 savings
- AlerTech
 - Academy of Leading Emergency Response Technologies
 - \$100,000 savings

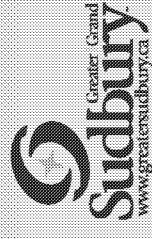
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2004 Efficiencies

- Connect Ontario Program
- Benefit Plans
 - \$330,000 savings
- Northern Ontario Dementia and Assessment Services
 - cost avoidance \$550,000
- Scheduling of Arena ice use
 - \$150,000 savings 2003-2004 season

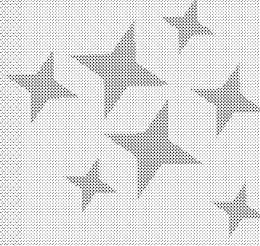
New Deal For Municipalities



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- Paul Martin Throne Speech:
Greater Sudbury expects \$ 2.7 million in GST rebates
- "Down payment" for longer revenue sharing arrangement
- Money has been promised, not legislated
- Provincial response awaited



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Budget Overview
Doug Wuksinic
General Manager of Corporate Services

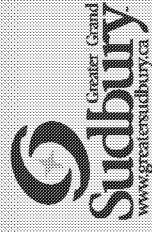
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Purpose

Overview of Budget Package

- **Current Budget Summary**
 - Tax Levy
 - Major Variances - 2003-2004
 - Alternative/Option Decision Package
- **Next Steps (Budget Schedule)**



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Current Budget

Current Budget Summary

	2003 Base Budget	2004 Base Budget	Percentage Variance
Total Expenditures	\$380,965,825	\$416,461,939	9.3
Total Revenue	\$252,559,754	\$272,106,052	7.7
Net Budget	\$128,406,071	\$144,355,887	12.4
Assessment Growth			0.8
Net Tax Increase			11.5

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2004 Current Budget

Major Variances (\$ million)

Pre-Approved	3.3
Provincially Mandated	(0.1)
Contractually Obligated	7.0
Revenue Changes	(0.4)
Other	0.6
Inflation	<u>1.8</u>

12.2

Total Core Base Budget Increase
(including \$2.9 million in new capital)

LSR Changes	(0.1)
Outside Boards	<u>3.9</u>

2004 Base Budget Increase **16.0** **OR** **12.4%**

2004 Current Budget



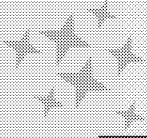
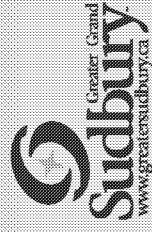
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Major Variances
(\$ millions)

Pre-Approved

Roads Expenditures	2.0
Annualized Fire and Info Tech	0.8
Transportation of Disabled	0.4
Agricultural Drains	<u>0.1</u>
	3.3



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2004 Current Budget

(\$ millions)

Major Variances

Contractually Obligated

Wages	3.2
OMERS	2.9
Benefits	0.5
Pensioners	<u>0.4</u>
	7.0

2004 Current Budget



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	(\$ millions)
Major Variances	
Inflation	1.8
(including energy costs, insurance, other)	
Outside Boards	0.6
Health Unit	<u>3.3</u>
Police	3.9

Budget Alternatives and Options

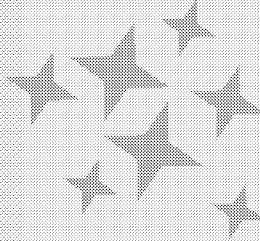
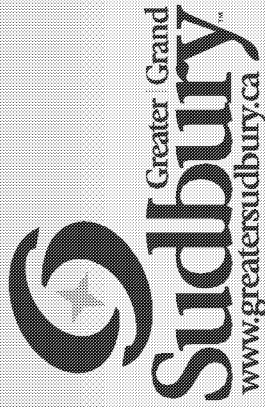


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5 Alternatives

- New Ways of Doing Business
- Alternative Service Delivery/Service Level Reductions
- E-Government
- New Revenue
 - 55 Options = \$9,495,000 in Budget Reductions
 - Enhancements
 - 41 Options = \$1,994,000 in Budget Increases



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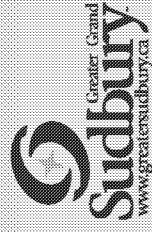
Budget Overview
Councillor Ted Callaghan
Finance Committee Chair

Second Series of Public Meetings

Roundtable Discussions

February 16, 2004	Ward 1 7:30 - 10:00	- Caruso Club Lower Hall Board Room
February 17, 2004	Ward 2 7:30 - 10:00	- Dowling Citizen Service Centre
February 18, 2004	Ward 3 7:30 - 10:00	- Centennial Arena Hall
February 23, 2004	Ward 4 7:30 - 10:00	- Capreol Arena Hall
March 1, 2004	Ward 5 7:30 - 10:00	- St. Benedict School Auditorium
March 2, 2004	Ward 6 7:30 - 10:00	- Tom Davies Square

Council Budget Meetings



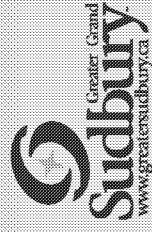
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March 3, 2004	Finance 5:30 - 10:00	Priority Setting and Review of Base Budget
March 8, 2004	Finance 5:30 - 10:00	Review of Base Budget Review of Current Budget Options
March 10, 2004	Finance 5:00 - 7:00	Presentations from Outside Boards (prior to Priorities Committee)
March 22, 2004	Finance 5:30 - 10:00	Review of Current Budget Options Voting on Current Budget Levy Reduction Options Continued Review of Current Budget Enhancement Options



Council Budget Meetings



Budget04

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March 24, 2004

Finance
5:00 - 7:00

Voting Results for Current Budget Reduction Options
Review of Current Budget Enhancement Options
Voting on Current Budget Enhancement Options
(prior to Priorities Committee)

March 27, 2004

Finance
9:00 - 4:00

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

