



**Sustainable Community –
Long Term Financial Plan**

Phase II Interim Report

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FINANCE DIVISION

HEMSON Consulting Ltd.

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I BACKGROUND

- During the 2002 Budget process, it was agreed by Council that a long term financial plan that would put the City onto a sustainable basis should be prepared.
- Hemson Consulting Ltd., a municipal finance consulting firm was retained to undertake the assignment.
- The planning process is being undertaken in four phases, with Council being briefed and consulted during each phase. A stakeholders advisory group has been set up and at least two public meetings are provided for in the process.
- The key elements of each of the phases are as follows:
 - Phase I
 - preparation of a demographic/economic outlook;
 - data gathering and consultation with staff; and
 - development of a financial planning model.
 - Phase II
 - preparation of 10 year operating and capital budget projections; and
 - identification of strategic options for addressing projected funding gap.
 - Phase III
 - identification of financial planning principles to be used to guide future budgets.
 - Phase IV
 - development of supporting policies required to support the financial planning principles; and
 - preparation of long term financial plan.

- This interim report summarises the results of the Phase II work. It provides:
 - Demographic projections;
 - Preliminary 10 year capital and operating projections; and
 - Strategic options for addressing the funding gap.
- The report should be read in conjunction with the Appendix tables. Table references in the report refer to the Appendix.

II DEMOGRAPHIC FORECASTS

- Two forecast scenarios of population and household changes to 2011 have been prepared.

A. KEY ASSUMPTIONS AND FACTORS

- The forecasts are based on 2001 Census results. A cohort survival model was used to prepare the forecasts.
- Two key assumptions have been adopted:
 - Age specific fertility rates are maintained at current levels; and
 - Age specific mortality rates are assumed to decline slowly in accordance with long term trends.
- The two key factors affecting the forecast for Sudbury are changes in the existing population base and changes resulting from migration. Because of past patterns, the age structure of Sudbury's population is aging rapidly. While this trend is occurring in Canada's population as a whole, it is more pronounced in Sudbury because of the significant out-migration of young adults that occurred over the past decade. The result is that the number of births is declining and the number of deaths is increasing. The result over the coming decade will be a reduction in the natural increase in the population to very low levels.
- The greatest uncertainty in population forecasting, in Sudbury as elsewhere, is the effect of in and out migration. Accordingly, two forecast scenarios have been developed based on two migration assumptions.

B. THE FORECASTS

1. Continued Out-Migration Forecast (See Table 1)

- The continued out-migration forecast is based on a continuation of the long term migration trend from Northern Ontario to other parts of the Province and Canada. The experience of Northern Ontario is similar to that of much of Canada. A few large cities continue to grow rapidly, while the populations of most rural and resource-based regions are contracting.
- Over the past three decades Sudbury has experienced a fairly steady pattern of out-migration. The notable exception was the late 1980s when a period of growth occurred as a result of an intense effort by the community, and all levels of government, to attract new employment opportunities. In contrast, the 1996 to 2001 period was a period of exceptionally high out-migration. It occurred as a result of declining employment in the mining and public sectors combined with a widespread economic boom in Southern Ontario which attracted people away from the North.
- In our view, over the next decade moderate levels of out-migration can be expected. We would not expect a return of any significant in-migration.
- There is a significant shift in the age structure of the City under this forecast. The proportion of the City's population, less than 20 years old would decrease from 25.3 per cent to 21.2 per cent whereas the proportion 60 years and over would increase from 18.5 per cent to 25.5 per cent.

2. Zero Net Migration Forecast (See Table 2)

- The second demographic forecast is based on the assumption that over the next 10 years, Sudbury will neither gain nor lose population on a net basis from migration. While this is a somewhat artificial assumption, the forecast does provide what we consider to be the upper limit population parameter for the City.
- As with the out-migration trend forecast, there is a shift in the age structure away from younger age groups towards older groups.

C. FORECAST IMPLICATIONS

- The demographic changes that are forecast over the next ten years will have significant implications.

1. Employment

- Sudbury currently has an unusually low labour force participation rate compared to the rest of Canada. Of the total population in the working age groups (15 years or over), only 61.6 per cent participate in the labour force compared to the national average of 66 per cent. More particularly, the participation rate is especially low in the 55–64 age group at 34 per cent compared to the national rate of 51 per cent.
- In the coming decade, as people in this latter age group retire, job opportunities will open up. The ripple effect will be beneficial for the community since fewer young Sudbury residents will need to leave the City in order to find employment.
- Additional stability to the population will be added because of this aging trend. Retirees are much more likely to remain in Sudbury as their incomes will come more from pensions and much less from employment which has often required people to relocate.

2. Key Municipal Services

- Given the likely trend towards a smaller population base, it will be increasingly important for the City to emphasize job creation and economic development activities.
- With a smaller overall population, City services which are heavily people oriented will probably be affected because of reduced volumes. Waste is an example of such a service.
- The significant shift in the City's age structure resulting in fewer children and teenagers and more seniors will affect the demand for age dependent services.

Services such as child care, recreation programs, and ambulance service will be among those most likely to be affected by the shift.

3. Municipal Revenues & Expenditures

- Services which are wholly or partly paid for through user fees and charges could well experience financial pressures. Revenues will likely decline given that there will be fewer users. However, expenditures may be difficult to reduce because of the scale of fixed costs.
- For example, arena revenues which vary according to the demand for ice time will diminish given that there will be fewer children in hockey programs. However, only a limited proportion of the operating costs of the City's arenas will be able to be reduced in response to the change since the buildings require a given level of expenditure irrespective of the amount of use.

4. Assessment Base

- Over the 10 year period, the assessment base, in aggregate, may well not keep pace with either inflation or changes in tax requirements. This is because with a stable or declining population, a persistent 'buyers market' is likely to prevail. Under such conditions, even though new and well maintained houses will tend to retain or perhaps increase somewhat in value, old, poorly maintained houses are likely to become difficult to sell. As a result, these properties together with other marginal real estate will probably decline in value. This decline will offset assessment increases from the newer, higher-value properties.
- During the next phase of the process, further consideration will be given to the outlook for the residential assessment base and to other implications that may be associated with the non-residential tax base.

III TEN YEAR OPERATING & CAPITAL BUDGET PROJECTION

- Initial 10 Year Projections of Operating and Capital budgets have been prepared based on consultations with City departments. The projections are provided in Appendix Tables 3 to 9.
- The projections for City departments are still subject to further refinement.
- Initial projections for Police and Public Health services are still being reviewed. The results will be incorporated into the projections to be presented later in the process.
- The implications of the demographic forecasts have not yet been evaluated in relation to the financial projections. Work in this regard is ongoing with the departments.

A. PROJECTED OPERATING BUDGET

- The projected Operating budget is provided in Table 3 (2 pages).
- It provides a projection of operating costs before any general allowance for inflation.
- The projection takes account of major known cost and revenue adjustments. These adjustments are summarised on Table 4.
- It takes account of the most recently approved 10 year capital plan. It does not take account of additional capital needs required to renew and maintain the City's infrastructure which have been identified by City departments.

- The major adjustments to the existing budget (over \$1.0 million) are:
 - Phase-in of OMER'S contributions (\$4.8 million by 2003);
 - Projected increases in medical/dental benefits (\$11.4 million by 2012);
 - 2002 salary settlement (\$5.6 million by 2005). No allowance has been made for Police, nursing and emergency services salary changes; and
 - Increased roads maintenance budget (\$1.5 million commencing in 2003).
- In total, by 2012 the net change (or pre-inflation funding gap) resulting from the adjustments is an increase of \$23.7 million on a 2002 base of \$126.9 million (\$119.7 million tax levy & \$7.2 million PIL's).
- Table 3, page 1 shows the projection by expenditure category.
- Table 3, page 2 shows the projections by program.

B. PROJECTED CAPITAL BUDGET

- The projected Capital budget is shown on Tables 5 to 8.
- The tables only address tax supported capital programs. The water and waste water program is not included in the projections. A separate funding strategy for these services has been developed and approved by Council.
- Table 5 shows the Capital requirements that have been identified by City departments. There are amounts as defined by identified needs unrestricted by the approved Capital envelopes. The amounts are net of minor subsidy payments (\$6.1 million in total).
- Over the 10 year projection period, Capital requirement amounts to \$541.6 million before inflation. The amounts are relatively evenly distributed by year.

- The major components of the Capital budget are:
 - Road reconstruction and restructuring \$230.1 million
 - Municipal road 35, bridges & structure, etc. \$54.5 million
 - Buildings \$80.4 million
 - Fleet & equipment \$46.5 million
 - Transit (fleet & garage) \$18.4 million
 - Hospital Funding \$13.7 million
 - Citizen & Leisure \$24.0 million

- Table 5, page 2 provides explanatory notes concerning individual budget items.

- Table 6 provides details of the components of the overall Capital budget that are funded through the Council approved Capital envelopes. These total \$205.7 million over the 10 years.

- Table 7 summarizes the projected funding that would be provided from reserve funds. Funding amounts to \$40 million over the 10 years.

- Table 8 displays the projected funding gap (before inflation) over the 10 year period. It represents the difference by program between the identified need and the sum of approved envelope funding and reserve fund contributions. In total, the Capital funding gap is \$295.9 million over 10 years.

- The major components of the funding gap are:
 - Roads \$131.8 million
 - Bridges & structures etc. \$42.4 million
 - Buildings \$60.0 million
 - Transit \$18.3 million
 - Citizen & Leisure 17.3 million

C. PROJECTED OVERALL FUNDING GAP, INCLUDING EFFECTS OF INFLATION

- Table 9 shows the projected funding gap taking into account the 10 year Operating and Capital projections. It also accounts for the effects of an annual 2 per cent inflation rate.
- Line 1 shows the current net operating expenditure excluding Capital envelope amounts.
- Lines 2 and 3 show the salary and other major operating cost adjustments (from Table 4).
- Line 5 shows the net adjustment for inflation applied against both revenues and expenditures using an annual rate of 2 per cent. This inflation adjustment was not applied to:
 - Debt charges;
 - CRF (Community Re-investment Fund);
 - Reserve fund transfers;
 - Investment income;
 - Wages subject to settlement (to 2005). Beyond 2005, 2 per cent inflation is applied.; and
 - Water and sewer rates (excluding fire protection levy). These amounts are calculated on a break-even basis.
- Line 6 provides the projected operating expenditures including inflation.
- Line 7 provides the projected annual operating expenditure gap amounts. They are the differences between Line 1 amounts and Line 6 amounts.
- By 2012, the operating gap is projected to be \$36 million, an increase of 32.7 per cent.
- The Capital component of the projected funding gap is shown on Lines 8 to 13.

- The Capital amounts are divided between the approved envelope amounts and the identified excess needs above the envelopes. Inflation is identified separately.
- Line 13 shows the overall project cap from the Capital budget including 2 per cent annual inflation. By year 2012, the gap rises to \$37.8 million.
- Line 16 provides the projected annual net levy requirement including the 2 per cent inflation allowance.
- Line 17 shows the total annual funding gap. It combines the Operating and Capital gaps and inflation allowances. The funding gap increases from a projected \$40.3 million in 2003 to \$73.7 million by 2012. Of this increase, \$22.8 million (31%) represents inflation.
- The funding gap is clearly very substantial. It is attributable to three elements:
 - Significant increases in the Operating budget;
 - An identified need for Capital spending in excess of current funding envelopes; and
 - Projected inflation.
- In the next section, strategic options for addressing the funding gap are discussed.

IV STRATEGIC OPTIONS FOR ADDRESSING PROJECTED FUNDING REQUIREMENTS

- Seven strategic level options for addressing the funding gap discussed in the previous section have been identified.
 1. Reducing projected expenditures;
 2. Increasing user fees and charges;
 3. Raising funds from City assets;
 4. Increasing the tax levy;
 5. Issuing debt;
 6. Obtaining additional senior government funding; and
 7. Making use of innovative service delivery approaches.

- Realistically, several if not all of the options will be required in order to solve the funding gap.

- Key aspects and issues relating to each of the options are reviewed below.

OPTION 1: EXPENDITURE REDUCTIONS

- Expenditure savings can be achieved if City services can be delivered using fewer resources – productivity changes.

- Alternatively, the City could save by reducing or eliminating services – service rationalisation.

- Across-the-board expenditure reduction plans tend not to be practical, especially over the long run since they do not take account of the degree to which the costs of individual programs are, or are not controllable. Not all components of the City's budget have the potential for savings since some elements relate to the delivery of Provincially funded programs.

- A reduction target that is tied to discretionary spending is a more realistic approach, particularly if coupled with service level benchmarks and/or performance standards. During the course of a 10 year plan cycle, external value for money audits could be implemented on a rotating basis for each department. Life-cycle costing and asset management plans can also be effective ways of minimising costs without reducing service levels.
- Principles and policies relating to issues of this type will be addressed later in the review process.
- Deferring expenditures, particularly in the capital budget, is a very effective cost reduction technique. However, deferring required works for an extended period can have extremely negative effects. It almost inevitably results in an increase in the eventual cost of undertaking the work. As well, higher interim maintenance costs are normally incurred and sudden breakdowns may occur. Most insidiously, extended deferrals induce a false sense of budget requirements making it all the more difficult to bring budgets back up to the required level when work can no longer be postponed.

OPTION 2: INCREASING USER FEES AND CHARGES

- User fees and charges are often applied to pay for all or a portion of services which are not used by the community at large and for which differential demand levels exist. They are also often applied when services are used by non-residents.
- A second key reason for applying fees or charges rather than paying for a service through the tax levy is to encourage conservation. Water and sanitary sewer services are services which fit in this category.
- There are services which may only be used by a portion of the community but which nevertheless are considered important to the community as a whole. In these instances, costs are often paid for at least in part through the tax levy. Recreation services are a good example of this type of service.
- Key policy issues regarding fees and charges arise regarding:
 - how the costs of services should be calculated;

- what cost recovery level should be achieved; and
- should fees and charge rates be differentiated between user groups.
- The most significant City service which could be considered as a candidate for user charges is solid waste. Analysis of the impacts of such an approach will be undertaken later in the assignment.

OPTION 3: RAISING FUNDS FROM CITY ASSETS

- Selling or capitalising City assets can be an effective way of raising capital. Alternatively, leasing assets can provide an ongoing income stream.
- Decisions to dispose of assets or enter into a long term commitment are very important. Hence asset disposal policies must be considered carefully. Not only must they consider when to take action on an asset, but they must also consider the use(s) to which the funds obtained should be put. A general rule is that capital proceeds should only be used to fund capital projects. On the other hand, ongoing revenues (for example, from leases) can be applied to fund operating costs.
- Disposing of assets is particularly worthwhile if they are no longer being cost-effectively utilised and if they are costing the City in maintenance costs.
- Among the City's assets, the newly reconstituted Sudbury Hydro represents the most substantial asset which warrants special consideration. The actions taken by other municipalities regarding their Hydro companies will be reviewed.

OPTION 4: INCREASING THE TAX LEVY

- The tax levy is the most dependable source of ongoing revenue for municipalities. It represents the net expenditure requirement after other revenue sources have been taken into account.
- While the positive and negative attributes of the property tax have been debated numerous times in Ontario and elsewhere, it remains by far the most broadly based municipal revenue source.
- Tax increases are necessary and appropriate in order to pay for the increased net costs of providing services. Net costs increase for a wide variety of reasons. Inflation

is the most pervasive cause of uncontrollable cost increases. While in the short term it may be possible to absorb some of the effects of inflation through productivity improvements and service adjustments, over the long term even modest inflationary increases have a significant impact. Table 9 illustrates this effect. It shows the before and after results on the projected budget of a basic 2 per cent inflation rate.

- Although the tax levy is a highly dependable funding source for a municipality, the level of the burden on taxpayers clearly needs to be taken into account when setting the levy. This factor will be given careful consideration as part of future analysis undertaken during the planning process.

OPTION 5: ISSUING DEBT

- Currently the City is essentially debt free, a situation that is very advantageous.
- The City is permitted to issue debt subject to Municipal Act constraints. However, as the City, being a new entity that has not yet borrowed, it would have to be rated by a rating agency before debt could be issued.
- Use of debt by municipalities is most appropriate when funding non-recurring infrastructure projects which provide ongoing benefits to the community.
- Generally it is not a good practice to issue debt to fund recurring capital requirements. However, an exception to this general rule applies in cases where it is impractical to immediately levy for the full capital cost. Instead, debt may be used to bridge project costs until the levy can be brought up to the level necessary to meet ongoing requirements.
- The current situation in Sudbury is such that a managed debt program may be an appropriate element of an overall plan to address the City's pressing infrastructure renewal requirement.

OPTION 6: OBTAINING ADDITIONAL GOVERNMENT FUNDING

- Municipalities depend on the Province and to a limited degree the Federal government to help fund services.

- The City administers a number of services for which the Province provides the bulk of the funding. The Ontario Works Program and Pioneer Manor are prime examples.
- The Province provides the City with a substantial non-program specific annual grant (CRF) which has its origins in the 1998 Local Services Realignment (downloading). For 2002 this grant amounts to \$53 million.
- Both the Province and Federal government also make payments in lieu of property taxes in respect of their real estate holdings. However, these payments can not be considered as a support payment since like taxes from other property owners, they are used to pay for City services.
- During the last decade funding from other levels of government has been reduced significantly. Prior to the Local Services Realignment, general funding for roads and transit had been eliminated. The CRF funding formula that stemmed from the LSR also imposed an annual savings requirement on municipalities.
- There is no certainty that additional funding from the Province or Federal governments can be obtained. As well, recent practice has shown that even when funding is provided, it tends to be in the nature of a 'one time' payment for specific projects or programs.
- More encouragingly, both levels of government have recently given some indications that urban centres are in need of additional funding.
- A key element of the long term financial plan for the City should be to place an emphasis on obtaining additional senior government financing, especially in the form of secure, ongoing program support.

OPTION 7: MAKING USE OF INNOVATIVE PUBLIC PRIVATE PARTNERSHIPS

- Increasingly municipalities are entering into agreements with private sector partners in order to gain the benefits of innovative procurement and service delivery arrangements. These arrangements are known as 'P3's'.

- 'P3' arrangements have been used to undertake high profile projects such as Highway 407 and to build and finance new school and library facilities. York Region has recently entered into a long term arrangement for the provision of public transit.
- The types of projects and policies that could be considered for such arrangements will be reviewed in the latter stages of the assignment. Given the substantial nature of the roads renewal work and the extended time frame over which it would be undertaken, consideration could be given to the use of 'P3' arrangements in this area.

APPENDIX TABLES

Table 1

CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN
Forecast with Continued Out-Migration

Population Base Data & 10-Year Forecast

Age	1996		2001		Change 2001/1996		2011		Change 2011/2001		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Total
0 - 4	5,275	5,010	4,185	3,940	(1,090)	(1,070)	3,246	3,101	(939)	(839)	(1,778)
5 - 9	5,355	5,235	5,055	4,855	(300)	(380)	3,569	3,426	(1,486)	(1,429)	(2,915)
10 - 14	5,640	5,560	5,175	5,170	(465)	(390)	3,896	3,655	(1,279)	(1,515)	(2,794)
15 - 19	6,220	6,020	5,485	5,380	(735)	(640)	4,709	4,478	(776)	(902)	(1,678)
Subtotal	22,490	21,825	19,900	19,345	(2,590)	(2,480)	15,420	14,660	(4,480)	(4,685)	(9,165)
20 - 24	6,350	6,155	4,925	5,035	(1,425)	(1,120)	3,796	3,988	(1,129)	(1,047)	(2,176)
25 - 29	5,570	5,575	4,290	4,430	(1,280)	(1,145)	3,251	3,617	(1,039)	(813)	(1,852)
30 - 34	6,650	6,980	4,765	5,030	(1,885)	(1,950)	3,643	4,086	(1,122)	(944)	(2,066)
35 - 39	6,535	7,050	6,200	6,650	(335)	(400)	3,985	4,223	(2,215)	(2,427)	(4,642)
40 - 44	6,085	6,705	6,285	6,880	200	175	4,557	4,813	(1,728)	(2,067)	(3,795)
45 - 49	6,220	6,020	5,840	6,380	(380)	(360)	5,953	6,316	113	(64)	49
50 - 54	4,815	4,770	5,915	5,700	1,100	930	5,861	6,396	(54)	696	642
55 - 59	3,885	3,935	4,430	4,500	545	565	5,349	5,873	919	1,373	2,292
Subtotal	46,110	47,190	42,650	44,605	(3,460)	(2,585)	36,395	39,312	(6,255)	(5,293)	(11,548)
60 - 64	3,455	3,690	3,545	3,705	90	15	5,316	5,292	1,771	1,587	3,358
65 - 69	3,240	3,360	3,090	3,520	(150)	160	3,816	4,143	726	623	1,349
70 - 74	2,435	3,130	2,775	3,125	340	(5)	2,786	3,197	11	72	83
75 - 79	1,480	2,120	1,925	2,675	445	555	2,066	2,748	141	73	214
80 - 84	840	1,335	920	1,680	80	345	1,531	2,125	611	445	1,056
85 - 89	290	660	430	880	140	220	764	1,430	334	550	884
90+	90	310	130	355	40	45	282	747	152	392	544
Subtotal	11,830	14,605	12,815	15,940	985	1,335	16,561	19,682	3,746	3,742	7,488
TOTAL	80,430	83,620	75,365	79,890	(5,065)	(3,730)	68,376	73,654	(6,989)	(6,236)	(13,225)

Household Base Data & 10-Year Forecast

	1996	2001	Change 2001/1996	2011	Change 2011/2001
Population	164,050	155,255	(8,795)	142,030	(13,225)
Household Population	162,091	153,401	(8,690)	140,334	(13,067)
Households	63,270	64,256	986	65,606	1,350
Average Household Size	2.56	2.39	(0.17)	2.14	(0.25)

Note: 1996 data are for the former Region. 2001 data and the forecasts are for the new City of Greater Sudbury. The new City includes about 1,300 persons who were not within the former Region.

Table 2

CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN
Forecast with Zero Migration after 2001

Population Base Data & 10-Year Forecast

Age	1996		2001		Change 2001/1996		2011		Change 2011/2001	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
0 - 4	5,275	5,010	4,185	3,940	(1,090)	(1,070)	3,986	3,779	(199)	(161)
5 - 9	5,355	5,235	5,055	4,855	(300)	(380)	4,110	3,902	(945)	(953)
10 - 14	5,640	5,560	5,175	5,170	(465)	(390)	4,213	3,977	(962)	(1,193)
15 - 19	6,220	6,020	5,485	5,380	(735)	(640)	5,083	4,922	(402)	(458)
Subtotal	22,490	21,825	19,900	19,345	(2,590)	(2,480)	17,392	16,580	(2,508)	(2,765)
20 - 24	6,350	6,155	4,925	5,035	(1,425)	(1,120)	4,778	4,928	(147)	(107)
25 - 29	5,570	5,575	4,290	4,430	(1,280)	(1,145)	4,889	5,038	599	608
30 - 34	6,650	6,980	4,765	5,030	(1,885)	(1,950)	4,837	5,057	72	27
35 - 39	6,535	7,050	6,200	6,650	(335)	(400)	4,558	4,669	(1,642)	(1,981)
40 - 44	6,085	6,705	6,285	6,880	200	175	5,039	5,221	574	390
45 - 49	6,220	6,020	5,840	6,380	(380)	360	6,414	6,770	574	390
50 - 54	4,815	4,770	5,915	5,700	1,100	930	6,271	6,788	356	1,088
55 - 59	3,885	3,935	4,430	4,500	545	565	5,614	6,093	1,184	1,593
Subtotal	46,110	47,190	42,650	44,605	(3,460)	(2,585)	42,400	44,564	(250)	(41)
60 - 64	3,455	3,690	3,545	3,705	90	15	5,426	5,390	1,881	1,685
65 - 69	3,240	3,360	3,090	3,520	(150)	160	3,886	4,235	796	715
70 - 74	2,435	3,130	2,775	3,125	340	(5)	2,886	3,295	111	170
75 - 79	1,480	2,120	1,925	2,675	445	555	2,186	2,843	261	168
80 - 84	840	1,335	920	1,680	80	345	1,585	2,179	665	499
85 - 89	290	660	430	880	140	220	767	1,442	337	562
90+	90	310	130	355	40	45	284	755	154	400
Subtotal	11,630	14,605	12,815	15,940	985	1,335	17,020	20,139	4,205	4,199
TOTAL	80,430	83,620	75,365	79,890	(5,065)	(3,730)	76,812	81,283	1,447	1,393

Household Base Data & 10-Year Forecast

	1996	2001	Change 2001/1996	2011	Change 2011/2001
Population	164,050	155,255	(8,795)	158,095	2,840
Household Population	162,091	153,401	(8,690)	156,207	2,806
Households	63,270	64,256	986	69,635	5,379
Average Household Size	2.56	2.39	(0.17)	2.24	(0.14)

Note: 1996 data are for the former Region. 2001 data and the forecasts are for the new City of Greater Sudbury. The new City includes about 1,300 persons who were not within the former Region.

THE CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN

Projected 10 Year Operating Budget By Expenditure Category - Before Inflation

Base Year	Forecast Period										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
EXPENDITURES											
Salaries & Benefits	124,572,582	128,845,990	133,932,673	139,016,031	139,989,531	141,060,380	142,238,314	143,534,042	144,959,343	146,527,173	148,251,787
Materials & Operating Expenses	25,950,385	26,099,690	25,849,690	25,849,690	25,849,690	25,849,690	25,849,690	25,849,690	25,849,690	25,849,690	25,849,690
Equipment Expenses	750,845	750,845	750,845	750,845	750,845	750,845	750,845	750,845	750,845	750,845	750,845
Energy Costs	5,845,706	5,935,706	5,935,706	5,935,706	5,935,706	5,935,706	5,935,706	5,935,706	5,935,706	5,935,706	5,935,706
Purchased/Contract Services	136,936,835	138,473,774	138,573,774	138,673,774	138,673,774	138,673,774	138,673,774	138,673,774	138,673,774	138,673,774	138,673,774
Professional Development & Training	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087	1,496,087
Insurance Taxes	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685	2,523,685
Grants - Transfer Payments	47,706,474	47,465,342	47,465,342	47,465,342	47,465,342	47,465,342	47,465,342	47,465,342	47,465,342	47,465,342	47,465,342
Internal Recoveries	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)	(14,551,224)
Debtenture Payments	2,390,927	2,351,898	2,351,899	2,259,602	2,246,328	1,916,067	114,528	114,528	114,528	27,420	10,000
Provisions to Reserves/Capital	35,010,914	35,810,321	36,888,710	37,859,902	38,782,723	40,060,872	42,526,350	43,333,923	44,117,110	45,018,450	45,018,450
TOTAL EXPENDITURES	368,633,216	375,202,114	381,217,187	387,279,440	389,162,486	391,181,224	393,023,098	395,126,399	397,334,886	399,716,949	401,424,142
Percentage Increase		1.78%	1.60%	1.59%	0.49%	0.52%	0.47%	0.54%	0.56%	0.60%	0.43%
REVENUE											
Levies	842,451	842,451	841,814	786,105	741,926	718,885	688,384	655,957	570,761	549,388	549,388
Provincial Grants	159,003,406	159,736,678	160,159,777	160,590,961	160,666,768	160,750,155	160,841,880	160,942,779	161,053,767	161,175,854	161,310,149
Federal Grants	856,924	856,924	856,924	856,924	856,924	856,924	856,924	856,924	856,924	856,924	856,924
User Fees	62,747,542	63,896,118	65,415,687	66,598,745	67,488,393	68,383,007	69,283,081	70,189,163	71,101,854	72,021,813	72,109,768
Licensing	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200
Investment Earnings	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100	3,512,100
Hydro Revenues	2,400,000	2,400,000	2,650,000	2,775,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Contribution From Reserves	3,200,213	1,046,318	389,476	389,476	389,476	389,476	389,476	389,476	389,476	389,476	389,476
Other Revenues	7,813,880	7,746,880	7,413,880	7,413,880	7,413,880	7,413,880	7,413,880	7,413,880	7,413,880	7,413,880	7,413,880
TOTAL REVENUE	241,726,716	241,387,669	242,589,858	244,273,391	245,319,667	246,274,626	247,235,926	248,210,479	249,148,961	250,169,635	250,391,886
NET BUDGET	126,906,500	133,814,445	138,627,329	143,006,049	143,842,819	144,906,598	145,787,172	146,915,920	148,185,925	149,547,314	151,032,256
Percentage Increase		5.44%	3.60%	3.16%	0.59%	0.74%	0.61%	0.77%	0.86%	0.92%	0.99%
PAYMENTS IN LIEU	7,235,792	7,629,660	7,904,075	8,153,735	8,201,445	8,262,099	8,312,306	8,376,663	8,449,075	8,526,697	8,611,363
NET TAX LEVY	119,670,708	126,184,785	130,723,253	134,852,314	135,641,374	136,644,500	137,474,866	138,539,256	139,736,850	141,020,617	142,420,893
Percentage Increase		5.44%	3.60%	3.16%	0.59%	0.74%	0.61%	0.77%	0.86%	0.92%	0.99%

THE CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN
Projected 10 Year Operating Budget By Program - Before Inflation

Base Year	Forecast Period										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
EXPENDITURES											
Non-Program Specific	5,560,100	3,560,100	2,810,100	2,210,100	2,210,100	2,210,100	2,210,100	2,210,100	2,210,100	2,210,100	2,210,100
Corporate and Administrative Services	22,004,148	23,529,671	24,154,532	25,047,748	25,359,389	25,431,654	25,505,989	25,603,624	25,645,279	25,784,816	25,938,307
Economic Development & Planning	27,194,795	27,657,587	28,174,686	27,889,299	27,937,000	27,989,472	28,047,190	28,110,681	28,180,521	28,257,345	28,341,851
Citizen & Leisure Services	37,852,915	38,717,607	39,688,985	40,648,806	40,756,811	40,877,196	40,996,039	41,142,456	41,303,515	41,480,660	41,675,561
Public Works	86,530,852	91,269,730	94,153,250	97,445,963	98,344,680	99,551,818	100,519,667	101,629,985	102,811,935	103,971,089	104,333,084
Emergency Services	22,615,216	23,276,466	23,671,829	24,080,465	24,226,490	24,387,117	24,563,808	24,758,167	24,971,962	25,207,136	25,465,829
Health and Social Services	124,805,080	124,927,869	125,644,419	126,361,336	126,487,891	126,627,101	126,780,233	126,948,677	127,133,966	127,337,784	127,561,984
Other Boards	42,070,110	42,263,085	42,919,387	43,597,724	43,840,125	44,106,766	44,400,072	44,722,708	45,077,608	45,467,998	45,897,427
TOTAL EXPENDITURES	368,633,216	375,202,114	381,217,187	387,279,440	389,162,486	391,181,224	393,023,098	395,126,399	397,334,886	399,716,949	401,424,142
REVENUE											
Non-Program Specific	63,433,819	61,833,819	61,833,819	61,958,819	62,083,819	62,083,819	62,083,819	62,083,819	62,083,819	62,083,819	62,083,819
Corporate and Administrative Services	5,064,248	4,764,248	4,556,769	4,556,769	4,556,769	4,533,728	4,503,227	4,485,542	4,400,346	4,400,346	4,400,346
Economic Development & Planning	6,946,653	6,792,758	6,592,758	6,592,758	6,592,758	6,592,758	6,592,758	6,592,758	6,592,758	6,592,758	6,592,758
Citizen & Leisure Services	14,912,762	14,865,762	14,865,762	14,865,762	14,865,762	14,865,762	14,865,762	14,865,762	14,865,762	14,865,762	14,865,762
Public Works	39,472,839	40,554,415	41,740,984	42,868,333	43,713,802	44,608,416	45,508,490	46,399,830	47,312,521	48,211,107	48,299,062
Emergency Services	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696	4,976,696
Health and Social Services	97,914,468	98,594,740	99,017,839	99,449,023	99,524,830	99,608,217	99,699,942	99,800,841	99,911,829	100,033,916	100,168,211
Other Boards	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231	9,005,231
TOTAL REVENUE	241,726,716	241,387,669	242,589,858	244,273,391	245,319,667	246,274,626	247,235,926	248,210,479	249,148,961	250,169,635	250,391,886
NET BUDGET	126,906,500	133,814,445	138,627,329	143,006,049	143,842,819	144,906,598	145,787,172	146,915,920	148,185,925	149,547,314	151,032,256
Percentage Increase		5.44%	3.60%	3.16%	0.59%	0.74%	0.61%	0.77%	0.86%	0.92%	0.99%
PAYMENTS IN LIEU	7,235,792	7,629,660	7,904,075	8,153,735	8,201,445	8,262,099	8,312,306	8,376,663	8,449,075	8,526,697	8,611,363
NET TAX LEVY	119,670,708	126,184,785	130,723,253	134,852,314	135,641,374	136,644,500	137,474,866	138,539,256	139,736,850	141,020,617	142,420,893
Percentage Increase		5.44%	3.60%	3.16%	0.59%	0.74%	0.61%	0.77%	0.86%	0.92%	0.99%

THE CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN
Summary of Projected Major Cost and Revenue Adjustments - Before Inflation

	2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)
COST ADJUSTMENTS	\$1,877	\$3,810	\$5,636	\$5,636	\$5,636	\$5,636	\$5,636	\$5,636	\$5,636	\$5,636
Increase for 2002 Salary Settlement										
Other Cost Adjustments	\$1,000	\$2,900	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Phase In of OMERS Contributions	\$675	\$1,411	\$2,235	\$3,208	\$4,279	\$5,457	\$6,753	\$8,178	\$9,746	\$11,471
Increase in Benefit Costs	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)
Salary Savings Re Contract Settlement Date	(\$600)	(\$600)	(\$600)	(\$600)	(\$600)	(\$600)	(\$600)	(\$600)	(\$600)	(\$600)
Reduction In Self Insured Workers Compensation Provision	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Roads Maintenance	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)
Financial Services - Property Evaluation	\$950	\$950	\$950	\$950	\$950	\$950	\$950	\$950	\$950	\$950
Information Technology Staffing Re Accounting System	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Outside Legal Services	\$450	\$450	\$450	\$450	\$450	\$450	\$450	\$450	\$450	\$450
Fire - Approval of District Chiefs	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95
Emergency Preparedness	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Community Centres - Repair and Maintenance Costs	\$90	\$90	\$90	\$90	\$90	\$90	\$90	\$90	\$90	\$90
Citizen and Leisure - Increased Energy Costs - Pools, Arenas, Playgrounds	\$100	\$200	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Handl Transit - Increase in Service	(\$166)	(\$166)	(\$166)	(\$166)	(\$166)	(\$166)	(\$166)	(\$166)	(\$166)	(\$166)
Child Care - Ontario Works	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)
Child Care - Resource Centres/Special Needs	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)
National Child Benefit Purchased Services	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Long Term Care - Increase in Food Budget	(\$126)	(\$126)	(\$126)	(\$126)	(\$126)	(\$126)	(\$126)	(\$126)	(\$126)	(\$126)
Greater Sudbury Development Corp	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)
Community & Strategic Planning										
Sub-Total Other Cost Adjustments	\$3,475	\$6,211	\$9,035	\$10,009	\$11,079	\$12,257	\$13,553	\$14,978	\$16,546	\$18,271
Misc Adjustment - Transfers to Reserves	(\$44)	(\$44)	(\$44)	(\$44)	(\$44)	(\$44)	(\$44)	(\$44)	(\$44)	(\$44)
TOTAL COST ADJUSTMENTS (EXCLUDING SALARY SETTLEMENT)	\$3,431	\$6,167	\$8,991	\$9,965	\$11,036	\$12,214	\$13,509	\$14,935	\$16,503	\$18,227
REVENUE ADJUSTMENTS	\$0	\$250	\$375	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Dividend From Hydro		\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700
Ontario Works Grants Revenue	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)
Museum Grants Eliminated	\$19	\$85	\$153	\$178	\$204	\$234	\$266	\$302	\$341	\$384
Water Revenue Increase Re Salary and Benefit Adjustments	\$60	\$266	\$478	\$554	\$637	\$729	\$830	\$941	\$1,063	\$1,197
Waste Water Revenue Increase Re Salary and Benefit Adjustments	(\$373)	(\$373)	(\$373)	(\$373)	(\$373)	(\$373)	(\$373)	(\$373)	(\$373)	(\$373)
Social Services Subsidy Reduction Re Decreased Expenditures	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189
Long Term Care - Increase in Subsidy Re Expenditure Increase	(\$30)	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
Miscellaneous Subsidy Adjustments										
Sub-Total	\$573	\$1,194	\$1,870	\$1,920	\$2,058	\$2,210	\$2,377	\$2,561	\$2,763	\$2,985
Adjustments to Transfers from Reserves										
2002 Transfer From Reserves Eliminated	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)	(\$1,600)
Delayed Implementation - Transfer From Reserve Eliminated	\$0	(\$250)	(\$250)	(\$250)	(\$250)	(\$250)	(\$250)	(\$250)	(\$250)	(\$250)
Financial Services - Transfer from Reserve Re Property Evaluation	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)	(\$300)
Financial Services - Transfer from Reserve - Transition Funding	\$0	(\$207)	(\$207)	(\$207)	(\$207)	(\$207)	(\$207)	(\$207)	(\$207)	(\$207)
Leisure and Recreation - Programming & Special Events - Transfer From Reserve	(\$35)	(\$35)	(\$35)	(\$35)	(\$35)	(\$35)	(\$35)	(\$35)	(\$35)	(\$35)
National Child Benefit - Transfer from Reserve Eliminated	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)	(\$65)
Economic Development - Transfers From Reserve Reserve	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)	(\$28)
Community & Strategic Planning - Transfer From Reserve	\$0	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)
Social Housing - Transfer From Reserve										
Sub-Total	(\$2,154)	(\$2,811)	(\$2,811)	(\$2,811)	(\$2,811)	(\$2,811)	(\$2,811)	(\$2,811)	(\$2,811)	(\$2,811)
TOTAL REVENUE ADJUSTMENTS	(\$1,581)	(\$1,617)	(\$1,441)	(\$890)	(\$752)	(\$601)	(\$434)	(\$250)	(\$48)	\$174
CUMULATIVE MAJOR COST/REVENUE ADJUSTMENTS OVER 2002 (EXCL SALARY SETTLEMENT)	\$5,012	\$7,784	\$10,132	\$10,955	\$11,788	\$12,814	\$13,943	\$15,185	\$16,550	\$18,053
TOTAL CUMULATIVE ADJUSTMENTS OVER 2002	\$6,889	\$11,594	\$15,768	\$16,491	\$17,424	\$18,450	\$19,579	\$20,820	\$22,186	\$23,688

CITY OF GREATER SUBURBY
LONG TERM FINANCIAL PLAN

Estimate of 10 Year Net Tax-Supported Capital Requirements - Before Inflation

	Forecast Period										Total 10 Year (\$'000)		
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		2012	
TAX SUPPORTED SERVICES (NET COST)													
PUBLIC WORKS													
Road Reconstruction & Resurfacing (1)	\$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
Municipal Road 36	\$150	\$1,550	\$2,100	\$3,150	\$3,050	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,850
Bridges & Structures (2)	\$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
Storm Water Management (2)	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$3,800
Sidewalks & Walkways (2)	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$7,700
Streetslights (2)	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,000
Traffic Signals (2)	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$700
Buildings (3)	\$1,870	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$8,039	\$80,387
Solid Waste (4)	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$31,000
Fleet & Equipment (5)	\$6,800	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$4,649	\$46,490
Sub-total	\$39,740	\$45,158	\$45,708	\$46,758	\$46,858	\$43,608	\$43,608	\$43,608	\$43,608	\$43,608	\$43,608	\$43,608	\$445,927
CORPORATE SERVICES													
Infrastructure (6)	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$3,052
Social Housing (7)	\$0	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$3,000
Information Technology (8)	\$100	\$690	\$600	\$690	\$690	\$690	\$600	\$200	\$290	\$200	\$290	\$200	\$4,360
Community Project Support (9)	\$800	\$1,000	\$1,000	\$1,275	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$13,775
Economic Development (10)	\$250	\$650	\$850	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,500
Official Plan Update (11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub-total	\$1,455	\$2,845	\$2,955	\$2,630	\$2,945	\$2,855	\$2,655	\$2,745	\$2,655	\$2,655	\$2,745	\$2,655	\$27,687
HEALTH AND SOCIAL SERVICES													
Long-Term Care (Pioneer Manor)	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$7,674
Child Care (12)	\$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
Sub-total	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$764	\$7,674
CITIZENS AND LEISURE SERVICES													
General (13)	\$674	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$24,041
C.I.P.	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,000
Neighbourhood	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$1,500
Sub-total (excl Transit)	\$1,024	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$27,541
Transit Fleet (14)	\$863	\$1,596	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$9,363
Transit Buildings (14)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub-total Transit	\$863	\$1,596	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$863	\$9,363
EMERGENCY SERVICES													
EMS (15)	\$1,887	\$4,350	\$3,617	\$3,617	\$12,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$18,363
Sub-total	\$1,887	\$4,350	\$3,617	\$3,617	\$12,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$45,904
CEMETERY SERVICES													
Cemetery Services (16)	\$182	\$983	\$468	\$473	\$383	\$383	\$383	\$383	\$473	\$383	\$383	\$383	\$4,690
Sub-total	\$182	\$983	\$468	\$473	\$383	\$383	\$383	\$383	\$473	\$383	\$383	\$383	\$4,690
PARKING SERVICES													
Parking Services (17)	\$104	\$522	\$799	\$168	\$41	\$922	\$225	\$15	\$75	\$80	\$80	\$80	\$2,926
Sub-total	\$120	\$60	\$100	\$50	\$60	\$125	\$15	\$50	\$60	\$50	\$60	\$50	\$735
POLICE													
Police Services	\$479	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$5,370
Sub-total	\$479	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$537	\$5,370
TOTAL TAX-SUPPORTED NET COST	\$44,731	\$55,219	\$54,947	\$54,996	\$64,104	\$52,910	\$51,948	\$51,818	\$51,888	\$51,793	\$51,953	\$51,953	\$641,577

CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN
Notes to Table 5

- Notes: (1) Excludes new roads and road widenings. \$23 million per annum from Roads Needs Study.
 (2) 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).
 (3) 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, and Water and Wastewater facilities
 (4) Per five year plan provided by Public Works. Assumed same level of funding will continue beyond 2006.
 (5) Excludes Transit (Transit in Citizen & Leisure Services). 2002 per capital budget and average annual provision over 2003 - 2012 based on vehicle replacement schedule.
 (6) \$305,000 per annum for general (based on 2002 budget) from 2003 - 2012.
 (7) Social Housing per Director of Planning Services' memo dated June 17, 2002.
 (8) \$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 (based on 2002 budget). Also includes \$2 million for Ortho-Imagery and Mapping over next 10 years (\$300,000 per annum 2003 - 3007; \$100,000 per annum 2008 - 2012).
 (9) Approved contribution to Hospital.
 (10) Per Ten Year Capital Plan - One time boost of \$1 million over 2003/04.
 (11) \$1.4 million in 2003 for Official Plan Update - 100% subsidy anticipated from Heritage Foundation.
 (12) Provision for matching funds to support agencies with repairs/replacement of aging facilities.
 (13) Capital budget for 2002. 2003 - 2012 based on estimated needs from Citizen and Leisure Services (excluding building upgrades/rehabilitation, provision for which is included in Public Works - Buildings).
 (14) \$1.295 million per annum for Transit fleet replacement; \$1.1 million for Transit electronic fareboxes in 2003; \$9 million for Transit garage replacement in 2006. One-third capital subsidy anticipated from Province for replacement buses and electronic fareboxes.
 (15) Annual allowance of \$100,000 over 2003 - 2012 based on 2002 capital budget plus allowance of \$500,000 for renovation of Public Works garage (Chelmsford), \$100,000 for expansion of Val Therese and \$85,000 for Capreol consolidation of Fire and EMS. Also provides for a new headquarters, equipment expenditures and defibrillation replacement - no expansion. Costs averaged over 10 years as no time frame given. Headquarters is estimated at \$2 million. Defibrillation equipment is estimated at \$90,000 every five years.
 (16) Capital budget for 2002. 2003 - 2012 based on 10 year estimated needs from Cemetery Services.
 (17) Estimates based on 10 year needs from Parking.

Table 6

CITY OF GREATER SUDBURY
LONG TERM FINANCIAL PLAN
Current Contribution to Capital - Before Inflation

FUNDING FROM: CURRENT BUDGET (1)	Base Year 2002 (\$000)	Forecast Period										Total 10 Year (\$000)		
		2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)			
PUBLIC WORKS														
Road Reconstruction & Resurfacing (2)	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987	\$7,987
Municipal Road 35	\$150	\$1,550	\$2,100	\$3,150	\$3,050	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bridges & Structures	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510	\$510
Storm Water Management														
Sidewalks & Walkways														
Streetslights														
Traffic Signals														
Buildings	\$1,870	\$1,870	\$1,870	\$1,894	\$1,896	\$2,036	\$2,082	\$2,082	\$2,110	\$2,193	\$2,193	\$2,193	\$2,193	\$2,193
Solid Waste	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761	\$2,761
Fleet & Equipment														
Sub-total	\$13,278	\$14,678	\$15,228	\$16,302	\$16,204	\$16,344	\$16,390	\$16,390	\$16,418	\$16,501	\$16,501	\$16,501	\$16,501	\$160,956
Infrastructure	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$3,052
Social Housing	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,000
Information Technology	\$800	\$1,000	\$1,000	\$1,275	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$13,775
Community Project Support	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$3,226
Economic Development	\$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
Sub-total	\$1,428	\$2,028	\$2,228	\$1,903	\$2,128	\$2,128	\$2,128	\$2,128	\$2,128	\$2,128	\$2,128	\$2,128	\$2,128	\$21,054
Long-Term Care (Pioneer Manor)	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$6,801
Child Care														\$0
Health														\$0
Sub-total	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$6,801
CITIZENS AND LEISURE SERVICES														
General	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$6,741
C.I.P.	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,000
Neighbourhood	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$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
Transit Fleet	\$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
Sub-total Transit	\$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
EMS	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$1,818
Sub-total	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$182	\$1,818
CEMETERY SERVICES														
Cemetery Services	\$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
PARKING SERVICES														
Parking Services	\$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
POLICE														
Police Services	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$4,787
Sub-total	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$4,787
TOTAL TAX-SUPPORTED FUNDING FROM CURRENT BUDGET	\$17,071	\$19,071	\$19,821	\$20,570	\$20,897	\$20,836	\$20,882	\$20,882	\$20,911	\$20,994	\$20,994	\$20,994	\$20,994	\$203,657

Notes: (1) Per approved Ten Year Capital Plan - April 18, 2001, with exception that \$2 million dollar cut in 2002 is not reinstated. Total reduction of \$20 million over ten years.
(2) Roads contribution increases in 2007 by \$3 million as funding for Municipal Road 35 is completed.

Table 7

CITY OF GREATER SUBURBY
LONG TERM FINANCIAL PLAN
Funding from Reserve Funds - Before Inflation

	Base Year 2002 (\$000)	Forecast Period										Total 10 Year (\$000)	
		2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)		
FUNDING FROM: RESERVE FUNDS (1)													
PUBLIC WORKS													
Road Reconstruction & Resurfacing													
Municipal Road 35													
Bridges & Structures													
Storm Water Management													
Sidewalks & Walkways													
Streetslights													
Traffic Signals													
Buildings													
Solid Waste	\$6,800	\$4,649	\$4,649	\$4,396	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$39,115
Fleet & Equipment	\$6,800	\$4,649	\$4,649	\$4,396	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$3,632	\$39,115
Sub-total													
CORPORATE SERVICES													
Infrastructure													
Social Housing													
Information Technology													
Community Project Support													
Economic Development													
Official Plan													
Sub-total	\$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
Child Care													
Health													
Sub-total	\$84	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CITIZENS AND LEISURE SERVICES													
General													
C.I.P.													
Neighbourhood													
Sub-total (excl Transit)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transit Fleet													
Transit Buildings													
Sub-total Transit	\$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
EMERGENCY SERVICES													
EMS													
Sub-total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CEMETERY SERVICES													
Cemetery Services	\$104	\$122	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$122
Sub-total	\$104	\$122	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$122
PARKING SERVICES													
Parking Services	\$120	\$60	\$100	\$50	\$60	\$125	\$60	\$60	\$60	\$50	\$120	\$50	\$735
Sub-total	\$120	\$60	\$100	\$50	\$60	\$125	\$60	\$60	\$60	\$50	\$120	\$50	\$735
POLICE													
Police Services													
Sub-total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL TAX-SUPPORTED RESERVE FUNDS	\$7,108	\$4,831	\$4,749	\$4,446	\$3,692	\$3,757	\$3,692	\$3,692	\$3,682	\$3,682	\$3,752	\$3,682	\$39,972

Notes: (1) Per approved Ten Year Capital Plan - April 18, 2001, with exception that \$2 million dollar cut in 2002 is not reinstated. Total reduction of \$20 million over ten years.

THE CITY OF GREATER SUBURBY
LONG TERM FINANCIAL PLAN

Summary of Projected Funding Gap For Tax Supported Services

	Base Year 2002	Forecast Period										
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
OPERATING BUDGET GAP												
1. PROJECTED NET OPERATING EXPENDITURE (Excludes 2002 Salary Settlements and Capital Envelopes)	\$109,835,938	\$107,854,961	\$107,212,698	\$106,668,427	\$106,655,153	\$106,646,804	\$106,454,821	\$106,454,821	\$106,454,821	\$106,454,821	\$106,367,713	\$106,350,293
2. Increase for 2002 Salary Settlement	\$0	\$1,876,729	\$3,810,229	\$5,635,557	\$5,635,557	\$5,635,557	\$5,635,557	\$5,635,557	\$5,635,557	\$5,635,557	\$5,635,557	\$5,635,557
3. Projected Major Net Cost Increases	\$0	\$5,012,193	\$7,783,840	\$10,132,268	\$10,855,312	\$11,788,161	\$12,814,295	\$13,943,043	\$15,184,665	\$16,550,449	\$18,052,812	\$18,052,812
4. Sub-Total	109,835,938	114,743,883	118,806,767	122,436,252	123,146,022	124,070,522	124,904,673	126,033,421	127,275,043	128,553,719	130,038,661	130,038,661
5. Inflation on Operating Cost/Revenue	0	1,051,156	2,156,194	3,302,110	4,478,714	5,687,395	6,929,649	8,207,089	9,521,451	10,874,612	12,268,598	12,268,598
6. TOTAL PROJECTED NET OPERATING EXPENDITURE	\$109,835,938	\$115,795,039	\$120,962,960	\$125,738,362	\$127,624,736	\$129,757,917	\$131,834,323	\$134,240,510	\$136,796,494	\$139,428,331	\$142,307,259	\$142,307,259
7. PROJECTED OPERATING GAP (including Inflation)	\$0	\$7,940,078	\$13,750,262	\$19,069,935	\$20,969,583	\$23,111,113	\$25,379,502	\$27,785,688	\$30,341,673	\$33,060,618	\$35,956,967	\$35,956,967
CAPITAL BUDGET GAP												
8. EXISTING CAPITAL ENVELOPES EXCLUDING INFLATION	\$17,070,562	\$19,070,562	\$19,820,562	\$20,569,797	\$20,696,797	\$20,836,076	\$20,882,499	\$20,882,499	\$20,910,882	\$20,983,595	\$20,993,595	\$20,993,595
9. Inflation On Capital Envelopes	0	381,411	800,751	1,259,036	1,706,082	2,168,636	2,634,587	3,104,928	3,589,549	4,095,694	4,597,480	4,597,480
10. PROJECTED CAPITAL REQUIREMENT IN EXCESS ENVELOPES	\$17,070,562	\$19,451,973	\$20,621,313	\$21,828,833	\$22,402,879	\$22,999,112	\$23,517,081	\$24,000,000	\$24,490,000	\$24,989,000	\$25,496,000	\$25,496,000
11. Inflation on Excess Requirement	\$626,342	\$626,342	\$1,227,239	\$1,835,004	\$3,273,873	\$2,947,328	\$3,453,604	\$4,052,319	\$4,683,878	\$5,290,564	\$5,958,438	\$5,958,438
12. TOTAL PROJECTED CAPITAL REQUIREMENT	\$17,070,562	\$19,451,973	\$20,621,313	\$21,828,833	\$22,402,879	\$22,999,112	\$23,517,081	\$24,000,000	\$24,490,000	\$24,989,000	\$25,496,000	\$25,496,000
13. PROJECTED CAPITAL GAP (including Inflation)	\$0	\$32,324,836	\$32,405,203	\$33,073,844	\$33,443,657	\$33,433,657	\$33,462,461	\$33,411,518	\$33,559,315	\$33,504,423	\$33,764,093	\$33,764,093
14. TOTAL PROJECTED NET OPERATING AND CAPITAL EXPENDITURE	\$128,906,500	\$167,190,437	\$173,188,726	\$179,382,004	\$193,017,461	\$184,027,650	\$186,179,283	\$189,534,526	\$193,266,691	\$196,926,349	\$201,064,947	\$201,064,947
15. Less Projected Payments In Lieu	\$7,235,792	\$9,532,650	\$9,874,653	\$10,227,773	\$11,005,222	\$10,492,652	\$10,615,331	\$10,806,636	\$11,019,432	\$11,228,094	\$11,464,063	\$11,464,063
16. PROJECTED NET LEVY REQUIREMENT	\$119,670,708	\$157,657,787	\$163,314,073	\$169,154,231	\$182,012,239	\$173,534,997	\$175,563,951	\$178,727,890	\$182,247,258	\$185,698,255	\$189,600,884	\$189,600,884
17. TOTAL ANNUAL FUNDING GAP (including Inflation)	N/A	\$40,264,914	\$46,155,465	\$52,143,780	\$58,685,510	\$56,544,770	\$58,841,962	\$62,197,206	\$65,900,987	\$69,565,040	\$73,721,059	\$73,721,059