



Greater Sudbury

# Budget 16

## Operating & Capital Budgets

# 2016 Operating Budget

Operating Budget Summary	
Description	

	2015		2016				
	Projected Actual	Budget	Base Budget	% 2015 Budget	Approved Budget Options	Approved Budget	% 2015 Budget
Full Time Positions		2,021	1,988	(1.6)	2	1,990	(1.5)
Part Time Hours		853,720	827,325	(3.1)	3,294	830,619	(2.7)
Crew Hours		180,575	149,601	(17.2)	0	149,601	(17.2)
Overtime Hours		28,431	28,534	0.4	104	28,638	0.7
Volunteers		350	350	-	0	350	-
<b>Revenues</b>							
Levies	(10,237,673)	(10,340,222)	(10,282,809)	0.6	0	(10,282,809)	0.6
Provincial Grants & Subsidies	(123,117,217)	(122,194,738)	(121,823,238)	0.3	0	(121,823,238)	0.3
Federal Grants & Subsidies	(887,026)	(950,656)	(315,982)	66.8	0	(315,982)	66.8
User Fees	(102,097,786)	(105,846,564)	(108,493,276)	(2.5)	(574,000)	(109,067,276)	(3.0)
Licensing & Lease Revenues	(5,013,537)	(5,159,899)	(5,134,733)	0.5	0	(5,134,733)	0.5
Investment Earnings	(13,073,534)	(10,740,516)	(10,693,611)	0.4	0	(10,693,611)	0.4
Contr from Reserve and Capital	(19,204,906)	(14,761,081)	(7,612,440)	48.4	(932,572)	(8,545,012)	42.1
Other Revenues	(17,100,315)	(15,275,818)	(14,367,205)	5.9	0	(14,367,205)	5.9
<b>Total Revenues</b>	<b>(290,731,994)</b>	<b>(285,269,493)</b>	<b>(278,723,295)</b>	<b>2.3</b>	<b>(1,506,572)</b>	<b>(280,229,867)</b>	<b>1.8</b>
<b>Expenses</b>							
Salaries & Benefits	229,018,999	231,091,295	232,019,635	0.4	245,137	232,264,772	0.5
Materials - Operating Expenses	47,639,597	47,100,942	47,024,835	(0.2)	125,435	47,150,270	0.1
Energy Costs	20,091,331	19,702,169	20,004,165	1.5	1,500	20,005,665	1.5
Rent and Financial Expenses	1,119,072	883,483	695,877	(21.2)	0	695,877	(21.2)
Purchased/Contract Services	98,376,608	94,070,084	97,481,869	3.6	26,500	97,508,369	3.7
Debt Repayment	8,477,104	10,421,135	10,017,586	(3.9)	0	10,017,586	(3.9)
Prof Development & Training	1,649,393	1,636,279	1,571,843	(3.9)	0	1,571,843	(3.9)
Grants - Transfer Payments	38,018,650	37,168,877	37,653,903	1.3	115,000	37,768,903	1.6
Contr to Reserve and Capital	74,544,555	71,971,460	71,530,446	(0.6)	950,000	72,480,446	0.7
Internal Recoveries	(457,767)	(380,402)	(290,243)	23.7	43,000	(247,243)	35.0
<b>Total Expenses</b>	<b>518,477,542</b>	<b>513,665,321</b>	<b>517,709,914</b>	<b>0.8</b>	<b>1,506,572</b>	<b>519,216,486</b>	<b>1.1</b>
<b>Net Budget</b>	<b>227,745,548</b>	<b>228,395,828</b>	<b>238,986,620</b>	<b>4.6</b>	<b>0</b>	<b>238,986,620</b>	<b>4.6</b>

# OPERATING BUDGET GUIDE

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This 2016 budget document contains information on the 2015 projected year end position, the 2015 approved budget, the 2016 base budget and the 2016 approved budget.

## **2015 Projected Actuals**

The 2015 projected actuals are based on staff's best estimate as to the expected year end position as of September 2015 month end.

2015 year end projected variances are provided in accordance with the operating budget policy, where a net budget variance of greater than \$200,000 is projected within a division or section. Staff prepared a variance report on the projected year end position for Finance and Administration Committee on December 8th.

## **2016 Base Budget**

The 2016 base budget was prepared in accordance with the Budget Preparation Policy and includes all known contractual obligations and management and staff's best estimates of 2016 operational requirements.

Budget variance explanations are provided in the applicable section of the budget binder for proposed category budget variances of greater than \$50,000 and 10%.

## **Staffing**

Included in the budget binder are the budgeted number of full time positions, part time, overtime and crew hours and number of volunteer firefighters for 2015 and 2016 in each department or section. There are reconciliations of changes from 2015 to 2016 for full time positions, part time and crew hours.

In addition, there is a schedule of changes in full time positions and part time hours from 2011 to 2016 included in this section.

## **Approved Budget Options**

The approved budget column reflects the 2016 base budget plus any approved budget options. In each section, the net budget represents that section's overall impact on the municipal tax levy.

# CATEGORY DESCRIPTIONS

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The following definitions relate to the revenue and expense categories used in the presentation of the operating budget.

## Revenues:

### **Levies**

This category consists of supplementary taxation and payments-in-lieu of taxation received from government agencies.

### **Provincial Grants & Subsidies**

This category consists of grants received from the Province of Ontario for specific functions such as Ontario Works, Housing Services, Children Services, Emergency Medical Service, the Ontario Municipal Partnership Fund, etc.

### **Federal Grants & Subsidies**

This category consists of grants received from the Federal Government for specific functions funded through agencies such as FedNor, and Human Resources Development Canada.

### **User Fees**

This category consists of fees for use of services such as, but not limited to, ice and hall rentals, leisure activities, cemetery fees, library fees, applications for building permits, water/wastewater, transit and Pioneer Manor resident fees.

### **Licensing & Lease Revenues**

This category consists of licensing fees such as business licenses, lottery licenses, taxi licensing and lease revenues.

### **Investment Earnings**

This category accounts for investment income, interest on Greater Sudbury Utility note, interest on tax arrears, and interest earned on internal capital financing.

### **Contributions from Reserves and Capital**

This reflects the contributions from reserves and reserve funds for various projects identified in the operating budget.

### **Other Revenues**

This category includes revenues such as the Ontario Lottery and Gaming Corporation and Provincial Offences Act fines collected.

## **Expenses:**

### **Salaries & Benefits**

This category consists of compensation for all employees such as salaries, benefits, service pay, overtime, car allowance, boot and tool allowance, etc.

### **Materials - Operating Expenses**

This category includes items such as office supplies, salt and sand, asphalt, gravel and shop supplies, tax write-offs, insurance costs, telephone costs, property taxes and other general expenses.

### **Energy Costs**

This category consists of water, hydro, natural gas, propane, diesel and unleaded fuel.

### **Rent and Financial Expenses**

This category includes bank charges, debit and credit charges, tax interest on penalty write-offs, cost of rental equipment and rent expense.

### **Purchased/Contract Services**

This category consists of items that are outsourced, such as, but not limited to, Housing Services providers, Children Services providers, Ontario Works, roads maintenance contracts, vehicle repairs, hired or rental equipment, and professional services.

### **Debt Repayment**

This category consists of internal and external debt payments.

### **Professional Development & Training**

This category consists of business travel expenses, accommodations, meals, professional development and training, educational seminars, and professional membership dues.

### **Grants - Transfer Payments**

This category consists of any grants given to community groups and outside boards such as Nickel District Conservation Authority, Sudbury District Health Unit, Arts and Culture grants, grants to playgrounds and transfer payments to Ontario Works recipients.

### **Contributions to Reserves and Capital**

This reflects the Contributions to reserves and reserve funds and the transfer to capital fund for capital envelopes.

### **Internal Recoveries**

The line "internal recoveries" consist of allocations to each department for indirect overhead costs and program support. An internal recovery is recorded for program support costs such as finance, human resources, information technology and mailroom. These program support costs are calculated in accordance with the Ontario Municipal CAO's Benchmarking Initiatives (OMBI) drivers. Some examples of the "drivers" used by Sudbury as well as all municipalities are - Human Resources costs are allocated to each direct service delivery area based on number of FTEs; Information Technology costs are allocated based on number of computers, phone and copiers; and Finance (Budget, Accounts Receivable, Accounts Payable, Purchasing and Payroll costs) are allocated based on their individual applicable drivers (number of invoices processed, number of purchase orders and tenders issued, percentage of gross budget etc).

As well there are indirect overhead charges for areas such as engineering services which are allocated to water/wastewater, roads and solid waste.

This line also includes the equipment charges and credits predominately in Infrastructure, Parks and Emergency Services area. These equipment charges represent the cost of the maintenance, repairs and a depreciation component which allows for future replacement of equipment and vehicles.

# 2016 OPERATING BUDGET SUMMARY

## VARIANCE ANALYSIS

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### **Major Variance Analysis (2015 Approved Budget compared to 2016 Approved Budget):**

#### **Revenues:**

Overall, the 2016 budgeted revenues, other than taxation have decreased by \$5.0 Million or 1.8% to \$280.2 Million. The variances by Revenue category are as follows:

1. Levies, which mainly consist of supplementary taxation and payments in-lieu of taxes have a budgeted decrease of \$60,000 or 0.6%. The reductions in this category are due the completion of some local improvement water and wastewater levies which are partially offset by an increase in payments in lieu of taxation.
2. Provincial Grants have a net budgeted decrease of \$370,000 or 0.3%. The net decrease is a result of increases in grants to offset increased expenditures in areas such as Social Services, Children Services, Emergency Medical Services and Long Term Care totaling \$2.8 Million which are offset by the reduction of \$2.7 Million in the Ontario Municipal Partnership Fund and \$0.5 Million in Economic Development and Police Services grants.
3. Federal Grants have a budgeted decrease of \$630,000 or 66.8%, which is primarily a change in funded programs within Economic Development as some programs have been completed.
4. User Fees have increased by approximately \$3.2 Million or 3.0%. A general user fee rate increase of 3% on the miscellaneous user fees was processed in accordance with the by-law. Other types of user fees included in this budget category are water and wastewater user fees building permit fees, parking fees and Pioneer Manor resident accommodation fees.
5. Licensing and Lease Revenues consist of licensing fees such as business, lottery and, taxi licensing and lease revenues. The overall base budget has decreased \$25,000 or 0.5% primarily due to decreases in lease revenue for Barrydowne Arena and Leased Medical Facilities.
6. Investment Earnings have a budgeted decrease of \$50,000 or 0.4%, largely as a result of budgeted decreases in interest earned on internal borrowing.
7. Contributions from Reserve and Capital have decreased by \$6.2 Million or 42.1%. Decreases in draws for 1160 Lorne Street, Municipal Day Care, Water and Waste Water reserve and the one time draw from reserve to balance the zero percent tax increase.
8. Other Revenues have a budgeted decrease of \$0.9 Million or 6.0%, which is primarily the removal of the target of sale of surplus municipal properties.

# 2016 OPERATING BUDGET SUMMARY

## VARIANCE ANALYSIS

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### Major Variance Analysis:

#### **Expenses:**

Overall the 2016 budgeted expenditures have increased by \$5.5 Million or 1.1% to \$519.2 Million. The variances by Expense category are as follows:

1. Salaries and Benefits have increased by approximately \$1.2 Million or 0.5%. The net increase is due to contractual increases in wages and benefits offset by P6M attrition savings.
2. Material and Operating Expenses have a budgeted increase of \$49,000 or 0.1% encompassing both contractual obligation increases and efficiency reductions.
3. Energy Costs are budgeted to increase by \$300,000 or 1.5% based on current commodity market price by estimated hydro and water rate increases, offset decreases in natural gas and fuel.
4. Rent and Financial Expenses are budgeted to decrease \$190,000 or 21.2% primarily as a result of the closure of the Junior Citizens Daycare, savings as a result of banking services tender and a reduction in leased vehicles.
5. Purchased and Contract Services have a budgeted increase of \$3.4 Million or 3.7%. This category includes increases in payments to Housing providers, Ontario Works, child care providers as well as increases in the City's contractual obligations for Animal Control, Handi Transit, Greater Sudbury Utility water billing contract and water and roads contracts.
6. Debt Repayment has a base budget decrease of \$400,000 or 3.9% which is primarily a result of the finalization of the cost of borrowing for 1160 Lorne Street, and the Biosolids facility.
7. Professional Development and Training has been decreased by \$70,000 or 3.9% and is primarily a reduction in Human Resources and Police Services.
8. Grants and Transfer Payments have a budget increase of \$600,000 or 1.6%. This is primarily a result of the increase in payments to the Sudbury and District Health Unit, Ontario Works benefit payment increases and the increase in the grant to the Art Gallery of Sudbury. The increases are partially offset by reductions from the removal of 2015 one time physician recruitment grants.
9. Contribution to Reserves and Capital has increased \$510,000 or 0.7%. This budget increase is attributable to the 2% inflation applied to contribution to reserve and capital accounts in accordance with policy. The inflationary increases are offset by the removal of the contribution to reserves for 2015 revenue targets for advertising and sale of municipal properties.
10. Internal Recoveries reflect the net effect of services performed by operating departments for other departments.



**Budget** 16

Historical Budget  
Comparisons



## APPROVED BUDGET COMPARISON DETAIL

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget	Net Change 2011 to 2016	%
							change	
<b>REVENUES</b>								
Levies	(10,357,150)	(10,695,174)	(11,302,834)	(11,106,447)	(10,340,222)	(10,282,809)	74,341	-1%
Provincial Grants & Subsidies	(130,356,573)	(132,147,759)	(130,153,823)	(120,162,028)	(122,194,738)	(121,823,239)	8,533,334	-7%
Federal Grants & Subsidies	(1,084,134)	(1,011,299)	(837,210)	(1,151,252)	(950,656)	(315,982)	768,152	-71%
User Fees	(91,367,012)	(96,691,566)	(101,182,230)	(105,206,702)	(105,846,564)	(109,067,276)	(17,700,264)	19%
Licensing & Lease Revenues	(3,762,647)	(3,710,737)	(4,311,796)	(4,766,673)	(5,159,899)	(5,134,733)	(1,372,086)	36%
Investment Earnings	(9,165,417)	(9,862,872)	(10,212,379)	(10,402,914)	(10,740,516)	(10,693,611)	(1,528,194)	17%
Contr from Reserve and Capital	(7,929,584)	(6,642,985)	(5,321,539)	(6,436,649)	(14,761,081)	(8,545,012)	(615,428)	8%
Other Revenues	(12,671,707)	(12,685,458)	(14,110,661)	(14,095,530)	(15,275,818)	(14,367,205)	(1,695,498)	13%
	<b>(266,694,224)</b>	<b>(273,447,850)</b>	<b>(277,432,472)</b>	<b>(273,328,195)</b>	<b>(285,269,494)</b>	<b>(280,229,867)</b>	<b>(13,535,643)</b>	<b>5%</b>
<b>EXPENSES</b>								
Salaries & Benefits	205,365,890	214,161,395	221,020,606	224,686,008	231,091,294	232,264,771	26,898,881	13%
Materials - Operating Expenses	42,975,118	41,856,817	42,083,613	46,743,583	47,100,942	47,150,270	4,175,152	10%
Energy Costs	18,806,014	20,193,635	19,272,332	19,872,076	19,702,169	20,005,665	1,199,651	6%
Rent and Financial Expenses	1,082,484	966,889	892,113	1,235,370	883,483	695,877	(386,607)	-36%
Purchased/Contract Services	93,470,135	92,988,248	94,379,474	90,033,865	94,070,084	97,508,369	4,038,234	4%
Debt Repayment	5,522,317	5,371,760	5,514,266	5,966,801	10,421,135	10,017,586	4,495,269	81%
Prof Development & Training	1,524,406	1,639,914	1,640,754	1,663,090	1,636,279	1,571,843	47,437	3%
Grants - Transfer Payments	40,498,029	42,041,541	40,991,298	36,700,694	37,168,877	37,768,903	(2,729,126)	-7%
Contr to Reserve and Capital	63,480,947	69,205,015	75,064,539	77,257,319	71,971,460	72,480,446	8,999,499	14%
Internal Recoveries	(858,864)	(1,082,816)	(1,084,827)	(352,987)	(380,402)	(247,243)	611,621	-71%
	<b>471,866,476</b>	<b>487,342,398</b>	<b>499,774,168</b>	<b>503,805,819</b>	<b>513,665,321</b>	<b>519,216,487</b>	<b>47,350,011</b>	<b>10%</b>
<b>NET LEVY</b>	<b>205,172,252</b>	<b>213,894,548</b>	<b>222,341,696</b>	<b>230,477,624</b>	<b>228,395,828</b>	<b>238,986,620</b>	<b>33,814,368</b>	<b>16%</b>

Note: During 2014, the City restructured some general ledger accounts to conform with Ministry financial information return (FIR) reporting requirements and therefore the above account categories have been restated for comparability.

# HISTORICAL VARIANCES

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## **Major Variance Analysis (changes greater than \$1 Million since 2011):**

### **Revenues:**

Overall, budgeted revenues, other than taxation have increased by \$13 Million or 5% since 2011. The major variances are as follows:

1. Provincial Grants & Subsidies have a budgeted decrease of \$8.5 Million or 7% since 2011. The majority of the decrease is as a result of the reduction in OMPF and Economic Development grants.
2. User Fees have increased by approximately \$17.7 Million or 19% since 2011. A general user fee rate increase of 3% in accordance with user fee by-law was processed each year. This revenue category includes increases of approximately \$12 Million for water and wastewater user fees, and any new user fees added with approval of Council since 2011.
3. Licensing & Lease Revenues have increased \$1.4 Million or 36% since 2011 which is primarily a result of increased lease revenue for 199 Larch Street.
4. Investment Earnings have increased \$1.5 Million or 17% since 2011, which is primarily an increase in interest earned on the City's investment portfolio as well as interest on tax arrears.
5. Other Revenues have a budgeted increase of \$1.7 Million or 13% since 2011 which is primarily increases in environmental services (Waste Diversion Ontario), and land reclamation revenues.

### **Expenses:**

Overall the base budgeted expenditures have increased by \$47.3 Million or 10% since 2011. The major variances are as follows:

1. Salaries & Benefits have increased by approximately \$26.9 Million or 13%. The increase is mainly due to changes in staffing levels, and increases in contractual obligations for wages and benefits.
2. Materials - Operating Expenses have increased by \$4.2 Million or 10% since 2011. This category includes office expense, insurance, property taxes, telephones, sand, salt and gravel and other general expenses.
3. Energy Costs have increased by \$1.2 Million or 6% since 2011 as a result of commodity price increases.
4. Purchased/Contract Services have increased by approximately \$4 Million or 4% since 2011.
5. Debt Repayment have increased \$4.5 Million or 81% since 2011, which is a combination of an increase in internal and external debt financing charges, including debt payments for 1160 Lorne Street and the Biosolids facility.
6. Grants - Transfer Payments have decreased \$2.7 Million or 7% as a result of decreases over the years to Ontario Work recipients due to reduced caseloads as well as fluctuations of payments to affordable housing projects.
7. Contribution to Reserves and Capital has increased \$9 Million or 14% since 2011. This is attributable to the increases to the capital envelopes in accordance with the capital policy, long term financial plans and inflationary increases on contributions to reserve and reserve funds.



Greater Sudbury

# Budget 16

## Organizational Structure & Staffing Levels

Reconciliation of 2015-2016  
2011-2016 Variance

**City of Greater Sudbury  
2016 Budget  
Full Time Position Reconciliation**

Department / Division	2015 Approved Budget	2015 Reallocation and Restatements	2015 Restated Budget	2015 In year Council Approval	2016 Adjustments/ Transfers	2016 P6M	2016 Base Budget	2016 Approved Budget Options	2016 Approved Budget
Corporate Revenues	-	-	-	-	11	2	11		11
Executive & Administration	16	-	16		(1)		15		15
Administrative Services	67	13	80		(2)		78		78
Human Resources & Org. Dev.	21	-	21				21		21
Financial Services	75		75		(4)		71		71
Growth & Development Services	151	(52)	99		(6)		93		93
Assets, Citizen & Leisure	542	(181)	361		(6)		343		343
Infrastructure Services - (except WWW)	348	(132)	216	1	(6)		211		211
Infrastructure Services - WWW	137	-	137		(1)		135		135
Health, Social & Emergency Services	261	352	613		(6)		607	2	609
Sudbury Airport Personnel	20	-	20		-		20		20
Police Services	383	-	383		-		383		383
<b>Grand Totals</b>	<b>2,021</b>	<b>-</b>	<b>2,021</b>	<b>-</b>	<b>(12)</b>	<b>1</b>	<b>(21)</b>	<b>2</b>	<b>1,990</b>

1 Reduction of 12 Full time positions as a result of the closure of Junior Citizens Daycare during 2015.

2 As part of P6M, 34 full time positions were identified for attrition. 12 of the positions identified are employees retiring during 2016, and 11 of these have been transferred in order facilitate tracking of costs. Also, as part of P6M there was a conversion of part time hours for an additional position at CLELC.

3 Approved budget option for 2 additional full time permanent paramedic positions effective July 2016.

**City of Greater Sudbury  
2016 Budget  
Temporary/Part Time Hours Reconciliation**

Department / Division	2015 Restated	2016 Adjustments	2016 P6M	2016 Base Budget	2016 Approved Budget Options	2016 Approved Budget
Corporate Revenues	-	-	-	-	-	-
Executive & Administration	7,826	-	-	7,826	1,827	9,653
Administrative Services	6,283	(1,075)	(1,900)	3,308		3,308
Human Resources & Org. Dev.	16,443	-	(1,827)	14,616		14,616
Financial Services	4,865	(572)		4,293		4,293
Growth & Development	34,853	(11,025)		23,828		23,828
Assets, Citizen & Leisure	392,269	(9,544)	(8,733)	373,992	96	374,088
Infrastructure Services (except WWW)	51,250	2,088	(3,529)	49,809	1,371	51,180
Infrastructure Services - WWW	5,163			5,163		5,163
Health, Social & Emergency Services	286,157	8,481	(3,759)	290,879		290,879
Sudbury Airport Personnel	5,408			5,408		5,408
Police Services	43,203	5,000		48,203		48,203
<b>Grand Totals</b>	<b>853,720</b>	<b>(6,647)</b>	<b>(19,748)</b>	<b>827,325</b>	<b>3,294</b>	<b>830,619</b>

# TEMPORARY/PART TIME HOURS RECONCILIATION

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## Variance Explanations:

### 2016 Budget Adjustments

**1. Administrative Services:**

There is a decrease of 1,075 part time hours in mail room as a result of changes to service delivery.

**2. Financial Services:**

There is a decrease of 572 hours in Accounting funded from reserve for temporary staff to increase the use of the PeopleSoft system for procurement. This project started in 2014 and the hours are reduced as a result of the expected completion of the project.

**3. Growth and Development:**

In 2016, there is a reduction in part time hours for this division of 11,025 as a result of the following changes: Economic Development decrease of 9,198 for changes in funded projects and a decrease of 1,827 hours for the Downtown Market as the operation of the Market has been contracted out.

**4. Assets, Citizen and Leisure:**

There is a net reduction in part time hours for this division of 9,544 hours as follows: Children services has a reduction of 10,771 hours as a result of the closure of the daycare and an addition of 1,200 hours funded by the Healthy Kids grant program, Transit Services has a net increase of 27 hours as a result of changes to the 2016 leap year work plan.

**5. Infrastructure Services:**

The 2016 increase of 2,088 part time hours is for a locates administrator position which is funded from Capital.

**6. Health Social and Emergency Services:**

There is an increase of 8,481 hours for this division as follows: Increase in part time hours of 5,093 for Pioneer Manor as a result of the annual adjustment of part time hours required to adequately staff the 24/7 operation for the leap year in 2016, increase of 1,897 temporary funded hours in Housing Services and an increase of 1,491 funded hours at CLELC.

**7. Police Services:**

5,000 additional part time staffing hours have been included to offset costs associated with Weekend and Statutory Holiday (WASH) Court, Provincial Offences Act Court and increased staff demands on processing Freedom of Information requests.

# TEMPORARY/PART TIME HOURS RECONCILIATION

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## 2016 Approved Budget Options

### 8. Executive & Administration:

A one time increase of 1,827 part time staffing hours for the Communications section to enhance the City's website, as approved by Council during Budget deliberations.

### 9. Assets, Citizen & Leisure:

A one time increase of 96 part time hours in Transit Services has been approved to implement a travel familiarization program for seniors (conventional and Specialized Systems).

### 10. Infrastructure Services:

As part of a 5 year contract for the Active Transportation Coordinator position, 1,371 part time hours have been added. This option is funded from the Roads Capital envelope. The 2016 budget impact has been pro-rated to reflect an anticipated start date of April 2016.

**City of Greater Sudbury  
2016 Budget  
Crew Hours Reconciliation**

Department / Division	2015 Approved Final	2015 Council Approvals	2015 Restatement	2015 Revised	2016 Adjustments P6M	2016 Proposed
<b>Assets, Citizen &amp; Leisure</b>	108,824	-	-	85,797	-	85,797
<b>Infrastructure Services</b>	35,909	-	-	35,909	(2,878) <sup>1</sup>	33,031
<b>Infrastructure Services - Water/Wastewater</b>	35,842	-	-	35,842	(5,069) <sup>2</sup>	30,773
<b>Grand Totals</b>	<b>180,575</b>	<b>-</b>	<b>-</b>	<b>157,548</b>	<b>(7,947)</b>	<b>149,601</b>

<sup>1</sup> P6M reduction in crew hours in Roads Operations

<sup>2</sup> P6M reduction in crew hours in Water Operations



## Full Time Positions - 2011 to 2016

	2011	2012	2013	2014	2015	2016	2011-2016 Cumulative Δ
<b>CORPORATE (P6M)</b>	0	0	0	0	0	11	11
<b>EXECUTIVE AND LEGISLATIVE</b>							
Mayor & Council	5	5	5	5	5	5	0
CAO	3	3	3	3	3	2	(1)
Communications	8	8	8	8	8	8	0
	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>15</u>	<u>(1)</u>
<b>ADMINISTRATIVE SERVICES</b>							
Clerks & Administrative Services	14	15	15	13	14	13	(1)
Legal	11	11	11	11	11	11	0
Security & By-law	21	21	21	21	21	20	(1)
Information Technology	32	32	33	34	34	34	2
	<u>78</u>	<u>79</u>	<u>80</u>	<u>79</u>	<u>80</u>	<u>78</u>	<u>0</u>
<b>HUMAN RESOURCES</b>	22	22	21	21	21	21	(1)
<b>FINANCE</b>							
CFO's Office	5	5	5	4	4	4	(1)
Financial planning and Budgeting	11	11	12	12	12	12	1
Accounting	24	24	24	24	24	24	0
Taxation	10	10	10	11	11	10	0
Purchasing	6	6	6	6	7	7	1
Financial Support - Infrastructure	19	19	18	18	17	14	(5)
	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>	<u>71</u>	<u>(4)</u>
<b>GROWTH AND DEVELOPMENT</b>							
General Manager	2	2	2	2	2	0	(2)
Economic Development	19	22	22	22	22	20	1
Planning & Development	45	48	48	44	44	42	(3)
Building Services	29	29	32	32	31	31	2
	<u>95</u>	<u>101</u>	<u>104</u>	<u>100</u>	<u>99</u>	<u>93</u>	<u>(2)</u>
<b>ASSETS, CITIZEN &amp; LEISURE</b>							
Libraries and Citizen Services	68	68	68	68	67	65	(3)
Children Services	28	28	27	26	26	13	(15)
Cemetery Services	7	7	7	7	7	5	(2)
Leisure and Recreation	90	90	89	90	89	88	(2)
Assets	16	16	16	16	17	17	1
Parking	2	2	2	2	2	2	0
Transit	112	113	113	112	111	111	(1)
Fleet	39	38	38	39	42	42	3
	<u>362</u>	<u>362</u>	<u>360</u>	<u>360</u>	<u>361</u>	<u>343</u>	<u>(19)</u>
<b>INFRASTRUCTURE</b>							
General Manager	2	2	2	2	2	2	0
Engineering	53	48	48	50	50	48	(5)
Water/Wastewater Admin & Super	34	33	33	34	36	36	2
Water Operations	103	103	103	103	101	99	(4)
Roads Admin & Supervision	28	27	27	28	28	25	(3)
Roads Operations	116	116	115	115	115	115	(1)
Environmental Services	21	21	21	21	21	21	0
	<u>357</u>	<u>350</u>	<u>349</u>	<u>353</u>	<u>353</u>	<u>346</u>	<u>(11)</u>
<b>HEALTH, SOCIAL &amp; EMERGENCY SERVICES</b>							
General Manager	3	3	3	2	2	2	(1)
Chief's Office	6	6	6	6	6	5	(1)
Emergency Management	2	2	2	2	2	2	0
Lionel E. Lalonde Centre	4	4	4	4	4	5	1
EMS	120	120	120	120	120	122	2
Fire Services	129	129	129	129	129	129	0
Social Services	93	93	93	94	95	88	(5)
Administration and Finance	3	3	3	3	3	5	2
Long Term Care	235	241	241	241	241	241	6
Housing Services	11	11	11	11	11	10	(1)
Regional Geriatric Program	9	13	12	0	0	0	(9)
	<u>615</u>	<u>625</u>	<u>624</u>	<u>612</u>	<u>613</u>	<u>609</u>	<u>(6)</u>
<b>OUTSIDE BOARDS</b>							
Sudbury Airport Personnel	13	15	20	20	20	20	7
<b>POLICE SERVICES</b>	<u>373</u>	<u>371</u>	<u>371</u>	<u>375</u>	<u>383</u>	<u>383</u>	<u>10</u>
<b>TOTAL</b>	<u>2,006</u>	<u>2,016</u>	<u>2,020</u>	<u>2,011</u>	<u>2,021</u>	<u>1,990</u>	<u>(16)</u>

**Temporary, PartTime and Crew Hours - 2011 to 2016**

	2011	2012	2013	2014	2015	2016	2011-2016 Cumulative Δ
<b>CORPORATE (United Way)</b>	457	457	457	457	0	0	(457)
<b>EXECUTIVE AND LEGISLATIVE</b>							
Mayor & Council	3,654	3,654	3,654	3,654	3,654	3,654	0
CAO	0	1,827	1,827	0	0	0	0
Communications	609	328	328	328	518	2,345	1,736
Auditor General	3,654	3,654	3,654	3,654	3,654	3,654	0
	<u>7,917</u>	<u>9,463</u>	<u>9,463</u>	<u>7,636</u>	<u>7,826</u>	<u>9,653</u>	<u>1,736</u>
<b>ADMINISTRATIVE SERVICES</b>							
Clerks & Administrative Services	2,102	2,102	2,102	2,102	2,102	1,027	(1,075)
Legal	1,900	2,996	2,996	2,996	2,996	1,096	(804)
Security & By-law	609	609	609	1,185	1,185	1,185	576
Information Technology	0	0	0	0	0	0	0
	<u>4,611</u>	<u>5,707</u>	<u>5,707</u>	<u>6,283</u>	<u>6,283</u>	<u>3,308</u>	<u>(1,303)</u>
<b>HUMAN RESOURCES</b>	14,616	16,443	15,225	16,443	16,443	14,616	0
<b>FINANCE</b>							
CFO's Office	0	0	0	0	1,218	1,218	1,218
Financial planning and Budgeting	914	914	2,132	1,218	0	0	(914)
Accounting	2,919	2,548	1,092	3,038	3,647	3,075	156
Taxation	1,218	1,218	0	0	0	0	(1,218)
Purchasing	0	0	0	0	0	0	0
Financial Support - Infrastructure Services	0	0	0	0	0	0	0
	<u>5,051</u>	<u>4,680</u>	<u>3,224</u>	<u>4,256</u>	<u>4,865</u>	<u>4,293</u>	<u>(758)</u>
<b>GROWTH AND DEVELOPMENT</b>							
General Manager	0	0	0	0	0	0	0
Economic Development	19,644	23,514	14,718	15,303	15,563	4,538	(15,106)
Planning & Development	18,837	15,790	15,790	15,790	15,790	15,790	(3,047)
Building Services	5,327	5,327	5,903	5,327	3,500	3,500	(1,827)
	<u>43,808</u>	<u>44,631</u>	<u>36,411</u>	<u>36,420</u>	<u>34,853</u>	<u>23,828</u>	<u>(19,980)</u>
<b>ASSETS, CITIZEN &amp; LEISURE</b>							
General Manager	420	420	420	0	0	0	(420)
Libraries and Citizen Services	50,717	50,417	50,417	50,417	49,793	48,061	(2,656)
Children Services	13,817	13,505	12,721	12,803	11,971	1,200	(12,617)
Cemetery	7,493	7,493	7,493	7,493	4,745	7,274	(219)
Leisure and Recreation	234,543	236,598	230,961	229,562	230,287	226,783	(7,760)
Assets	1,592	1,592	1,592	2,450	3,466	3,466	1,874
Parking	16,153	14,447	12,627	9,774	7,530	7,470	(8,683)
Transit and Fleet	78,778	78,225	73,039	77,582	84,477	79,834	1,056
	<u>403,513</u>	<u>402,697</u>	<u>389,270</u>	<u>390,081</u>	<u>392,269</u>	<u>374,088</u>	<u>(29,425)</u>
<b>INFRASTRUCTURE</b>							
General Manager	0	0	0	0	0	0	0
Engineering	14,255	14,255	14,255	14,255	14,255	12,814	(1,441)
Water/Wastewater Admin & Supervision	3,075	3,075	5,163	5,163	5,163	5,163	2,088
Roads Admin & Supervision	11,830	11,830	11,830	11,830	11,830	13,201	1,371
Roads/WaterOperations	4,410	4,410	4,410	4,410	4,410	4,410	0
Environmental Services	5,020	19,519	20,767	20,755	20,755	20,755	15,735
	<u>38,590</u>	<u>53,089</u>	<u>56,425</u>	<u>56,413</u>	<u>56,413</u>	<u>56,343</u>	<u>17,753</u>
<b>HEALTH, SOCIAL &amp; EMERGENCY SERVICES</b>							
Chief's Office	1,248	1,248	1,248	1,248	1,248	1,248	0
Emergency Management	0	0	0	0	0	0	0
Lionel E. Lalonde Centre	8,122	8,122	8,122	8,122	8,122	7,117	(1,005)
EMS	22,840	22,840	33,807	36,887	36,887	35,624	12,784
Fire Services	1,109	1,109	6,038	6,038	6,038	6,038	4,929
Social Services	0	0	0	0	0	0	0
Long Term care	210,493	222,582	219,922	232,215	233,302	238,395	27,902
Housing Services	3,745	1,540	560	560	560	2,457	(1,288)
	<u>247,557</u>	<u>257,441</u>	<u>269,697</u>	<u>285,070</u>	<u>286,157</u>	<u>290,879</u>	<u>43,322</u>
<b>OUTSIDE BOARDS</b>							
Sudbury Airport Personnel	2,720	2,720	3,798	5,408	5,408	5,408	2,688
<b>POLICE SERVICES</b>	43,460	43,460	43,203	43,203	43,203	48,203	4,743
<b>TOTAL Part Time and Temporary Hours</b>	<u>812,300</u>	<u>840,788</u>	<u>832,880</u>	<u>851,670</u>	<u>853,720</u>	<u>830,619</u>	<u>18,319</u>
<b>TOTAL MMMS Crew Hours</b>	<u>187,778</u>	<u>191,226</u>	<u>182,686</u>	<u>183,583</u>	<u>180,575</u>	<u>149,601</u>	<u>(38,177)</u>
<b>TOTAL Part Time, Temporary and Crew Hours</b>	<u>1,000,078</u>	<u>1,032,014</u>	<u>1,015,566</u>	<u>1,035,253</u>	<u>1,034,295</u>	<u>980,220</u>	<u>(19,858)</u>



Greater Sudbury

# Budget 16

Consolidated  
Operating and  
Capital Budget

## 2016 Consolidated Operating and Capital Budget

The City of Greater Sudbury prepares and approves two budgets annually: an operating budget and a capital budget. Both budgets are prepared on a modified cash basis. To determine the City's total annual budget, a consolidated operating and capital budget has been prepared for the 2015 and 2016 approved budgets. In order to consolidate these budgets it is necessary to eliminate the capital expenses financed in the operating budget. This includes capital funded from the tax levy, user fees, and the contributions to reserves from operating in the year.

The total consolidated budget for 2016 is \$557.0 million which represents a decrease of 0.09% from 2015.

	2015 Approved Budgets		2016 Approved Budgets	
	Operating	Capital	Operating	Capital
Tax Levy	228.4	36.1	239.0	36.4
User Fees	106.2	23.4	109.1	24.5
Federal Grants & Subsidies	0.9	9.7	0.3	10.1
Provincial Grants & Subsidies	122.2	4.6	121.8	4.7
Contribution from Reserves and Capital	14.8	28.4	78.5	20.3
Other Revenues	41.2	7.9	40.5	10.9
<b>Total</b>	<b>513.7</b>	<b>110.1</b>	<b>519.2</b>	<b>106.9</b>
Less: Capital Funding Included in Operating Budget Above				
Capital Envelopes (Tax Levy)		(36.1)		(36.4)
Capital Envelopes (User Fees)		(23.4)		(24.5)
Contribution from Reserves and Reserve Funds		(6.8)		(6.7)
<b>Total</b>	<b>513.7</b>	<b>43.8</b>	<b>519.2</b>	<b>39.3</b>
<b>Total Consolidated Budget (Modified Cash Basis)</b>		<b>557.5</b>		<b>558.5</b>



## 2016 CAPITAL BUDGET - BY DIVISION/AREA

Department	Capital Envelope	Reserves Capital	Reserves Obligatory <sup>1</sup>	Government Funding <sup>2</sup>	Financing Future Years <sup>3</sup>	Third Party Recoveries	TOTAL	2015 Approved Capital Budget
<b>Infrastructure Services</b>								
Roads	\$ 26,010,838	\$ 4,002,040	\$ 850,000	\$ 10,427,119	\$ -	\$ 83,000	\$ 41,372,997	\$ 48,590,038
Water	\$ 13,185,070	\$ 1,799,183	\$ -	\$ -	\$ -	\$ 300,000	\$ 15,284,253	\$ 14,217,422
Wastewater	\$ 11,288,190	\$ 1,665,000	\$ -	\$ 1,960,000	\$ 7,275,000	\$ -	\$ 22,188,190	\$ 16,032,735
Environmental Services	\$ 961,104	\$ 145,521	\$ -	\$ -	\$ -	\$ -	\$ 1,106,625	\$ 3,074,520
	<b>\$ 51,445,202</b>	<b>\$ 7,611,744</b>	<b>\$ 850,000</b>	<b>\$ 12,387,119</b>	<b>\$ 7,275,000</b>	<b>\$ 383,000</b>	<b>\$ 79,952,065</b>	<b>\$ 81,914,715</b>
<b>Assets, Citizen &amp; Leisure</b>								
Citizen & Leisure Services	\$ 3,718,384	\$ 847,442	\$ 355,000	\$ -	\$ 915,000	\$ -	\$ 5,835,826	\$ 4,776,043
Healthy Communities Initiatives	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000
Facilities (excl. Citizen & Leisure)	\$ 1,593,196	\$ 1,806,804	\$ -	\$ -	\$ 2,215,000	\$ -	\$ 5,615,000	\$ 6,453,560
199 Larch	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,510,000
Parking	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 180,000
Transit	\$ 115,520	\$ 195,887	\$ -	\$ 2,504,208	\$ -	\$ -	\$ 2,815,615	\$ 2,599,060
Fleet	\$ -	\$ 2,485,327	\$ -	\$ -	\$ -	\$ -	\$ 2,485,327	\$ 2,669,000
	<b>\$ 6,027,100</b>	<b>\$ 6,935,460</b>	<b>\$ 355,000</b>	<b>\$ 2,504,208</b>	<b>\$ 3,130,000</b>	<b>\$ -</b>	<b>\$ 18,951,768</b>	<b>\$ 18,787,663</b>
<b>Health, Social &amp; Emergency Services</b>								
Health & Social Services	\$ 791,498	\$ 123,000	\$ -	\$ -	\$ -	\$ -	\$ 914,498	\$ 1,020,147
Fire	\$ 1,255,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,255,918	\$ 1,231,292
EMS	\$ -	\$ 1,415,104	\$ -	\$ -	\$ -	\$ -	\$ 1,415,104	\$ 998,159
Emergency Management	\$ 11,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,047	\$ 10,830
CLELC <sup>6</sup>	\$ 442,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 442,270	\$ 442,053
	<b>\$ 2,500,733</b>	<b>\$ 1,538,104</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,038,837</b>	<b>\$ 3,702,481</b>
<b>Administrative Services</b>								
Information Technology	\$ 231,991	\$ 563,009	\$ -	\$ -	\$ -	\$ -	\$ 795,000	\$ 242,442
Administration	\$ 138,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,091	\$ 135,383
Corporate Infrastructure	\$ 106,371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,371	\$ 104,285
ERP Peoplesoft Projects	\$ 102,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,000	\$ 339,905
	<b>\$ 578,453</b>	<b>\$ 563,009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,141,462</b>	<b>\$ 822,015</b>
<b>Growth &amp; Development</b>								
Planning	\$ 124,378	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,378	\$ 121,939
Growth Related Projects	\$ 216,611	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,611	\$ 212,364
	<b>\$ 340,989</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 340,989</b>	<b>\$ 334,303</b>
<b>Police Services</b>								
Police	\$ -	\$ 1,312,948	\$ -	\$ -	\$ -	\$ -	\$ 1,312,948	\$ 3,217,122
Communications Infrastructure <sup>4</sup>	\$ -	\$ 1,155,640	\$ -	\$ -	\$ -	\$ -	\$ 1,155,640	\$ 1,300,640
	<b>\$ -</b>	<b>\$ 2,468,588</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,468,588</b>	<b>\$ 4,517,762</b>
<b>2016 Approved Capital Budget</b>	<b>\$ 60,892,477</b>	<b>\$ 19,116,905</b>	<b>\$ 1,205,000</b>	<b>\$ 14,891,327</b>	<b>\$ 10,405,000</b>	<b>\$ 383,000</b>	<b>\$ 106,893,709</b>	<b>\$ 110,078,939</b>
<b>2015 Approved Capital Budget</b>	<b>\$ 59,525,964</b>	<b>\$ 26,270,928</b>	<b>\$ 2,098,250</b>	<b>\$ 14,303,984</b>	<b>\$ 6,379,813</b>	<b>\$ 1,500,000</b>	<b>\$ 110,078,939</b>	

**Notes:**

- 1) The 2016 Capital Budget includes funding from Development Charges to partially fund debt repayments for Gerry McCrory Countryside Arena and South Branch Library for a total of \$225,000.
- 2) Government Funding includes Federal Gas Taxes of \$10,145,680, Provincial Gas Taxes of \$2,504,208 and Ontario Community Infrastructure Fund (OCIF) grant of \$2,241,439.
- 3) The 2016 Capital Budget requires the approval to spend \$10.4 million which will be borrowed from the capital fund and repaid from future year capital envelopes.
- 4) Includes \$950,640 for debt repayment from Communication Infrastructure and \$205,000 for Lightning Protection of which \$68,333 will be funded from the Capital Financing Reserve Fund - Police, and \$136,667 from the Tax Rate Stabilization Reserve.
- 5) This Capital Budget includes an estimate for incremental operating costs of approximately \$32,000 which will be included in future operating budgets when asset is in operation.
- 6) Internal debt repayments for LEL Centre Improvements have been restated between Operating and Capital budgets to be consistent with other internal debt repayments.



Greater Sudbury

# Budget 16

## Performance Measures

## **DEVELOPMENT OF A CORPORATE BENCHMARKING FRAMEWORK**

During the 2015 Budget deliberations Council approved an option to withdraw from the Ontario Municipal CAOs Benchmarking Initiative (OMBI). At that time, Council also reaffirmed its support for the continued use of locally relevant performance measurement at the City. Benchmarks, or key performance indicators (KPI), can enhance the presentation and explanation of outcomes achieved in the delivery of municipal services.

Developing a robust framework for assessing municipal services, which includes key performance indicators, requires several fundamental inputs, including clearly defined S.M.A.R.T. (Specific, Measurable, Achievable, Results-focused, Time-bound) goals for each major service the City delivers.

Establishing that framework begins at the governance level. At planning sessions held on September 30, Council drafted four strategic pillars to inform decision-making and goal-setting about municipal services:

- ✓ Growth and Economic Development
- ✓ Responsive, Open, Excellent Governance
- ✓ Quality of Life and Place
- ✓ Sustainable Infrastructure

The next steps require the formalization of Council's strategic plan and the development of business plans for each department and division that will reference the above-noted pillars. The business plans should encompass each significant service within the department/division and provide clearly defined S.M.A.R.T. goals for each that would be supported by meaningful key performance indicators. Ideally, the selected KPIs will incorporate widely accepted industry norms particular to the service. For instance, some of the Transit benchmarks reported to the Operations Committee on November 16 referenced Canadian Urban Transit Association (CUTA) indicators.

KPI results and trends, including comparisons to relevant peer results and available industry norms, can inform stakeholders at all levels (citizens, Council, and management) of progress achieved toward stated goals at regular time intervals, including but not limited to the annual budget process. Ideally, the KPIs will utilize data readily extractible from information systems currently in use.

**INTERIM KPI DATA**

Multi-year trends in key performance indicators (KPI) provide objective evidence of the resources used to deliver services, and the outcomes achieved, to aid future decisions about resource allocations. Pending the completion of current business plans that focus on the pillars drafted by Council and the inclusion of key performance indicators, an interim set of data is presented here.

For several years now, Greater Sudbury has participated in the BMA Management Consulting Inc. annual comparative study of Ontario municipalities (referred to from now on as the BMA Study). The balance of this KPI section incorporates data from the BMA Study, which information is derived mainly from two sources: the Financial Information Returns (FIR) filed by each municipality with the Ministry of Municipal Affairs and Housing, and tax roll and assessment data filed with the Municipal Property Assessment Corporation (MPAC).

The table below compares the municipal burden (combination of property taxes and water/wastewater rates) of Greater Sudbury to the Group Average as reported in the 2015 BMA Study (draft version). This year's Study had the participation of 104 Ontario municipalities, including Greater Sudbury, representing more than 84% of the province's population.

Residential category	<b>Greater Sudbury</b>	Group Average (all)
Detached Bungalow -taxes	<b>\$2,934</b>	\$3,121
Senior Executive - taxes	<b>\$5,816</b>	\$5,937
Average Dwelling - taxes	<b>\$3,308</b>	\$3,444
<i>Average Value of Dwelling</i>	<b>\$236,307</b>	\$291,497
Water/Wastewater- Annual Costs 200m <sup>3</sup>	<b>\$960</b>	\$920
Municipal Burden (combination of taxes and water/wastewater costs) as % of Household Income	<b>4.8%</b>	4.7%
<i>Average Household Income</i>	<b>\$88,049</b>	\$94,793



The final version of the 2015 BMA Study will be posted to City's website for public viewing at a later date.

**MUNICIPAL SERVICES SUPPORTED BY THE TAX LEVY:**

Municipal services are funded primarily in three ways:

- grants received from senior government levels, which can be unconditional (OMPF) or conditional (must be spent on specific programs/services);
- user fees paid by citizens to utilize the specific program/service; and
- tax levy, which funds the costs of programs/services provided to all citizens, which are not covered by grants or user fees.

In aggregate, nearly half (47% in 2015 Budget) of the costs to provide municipal services were funded by the tax levy. However, as profiled below, certain services are much more dependent on the tax levy for their funding than others. For every \$1,000 of property taxes paid, the graph on page one of the Executive Summary indicates how much is used to support that category of service. The continuing, and relative, impact on the tax levy of these particular services is best understood by reviewing multi-year trends in some key performance indicators (KPIs).

The graphs that follow in this section show the operating costs expended, or profile how the service area is funded. These graphs are intended to support the Budget process by showing multi-year actual results and budget projections for service areas largely dependent upon the tax levy.

The percentage given in the title of each service category shows the proportion of the tax levy (property taxes) that is used to deliver those services.

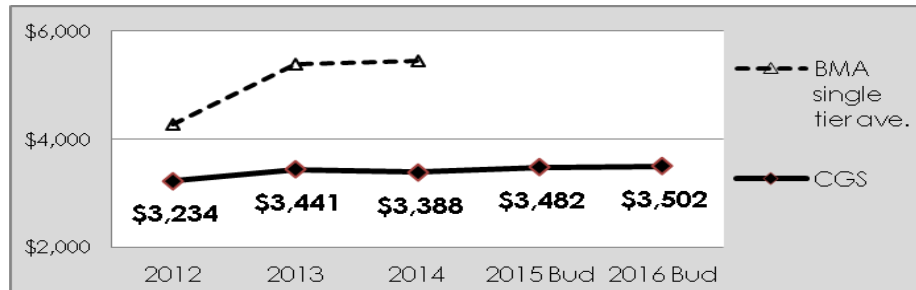
The 2012, 2013 and 2014 data on the graphs uses actual results extracted from the BMA Study, as described earlier. Unless otherwise indicated, the "average" is that of municipalities with populations of 100,000 and over.

'2015 Bud' refers to the 2015 approved Budget. '2016 Bud' refers to the proposed 2016 Budget before considering the effect of budget options not yet approved.

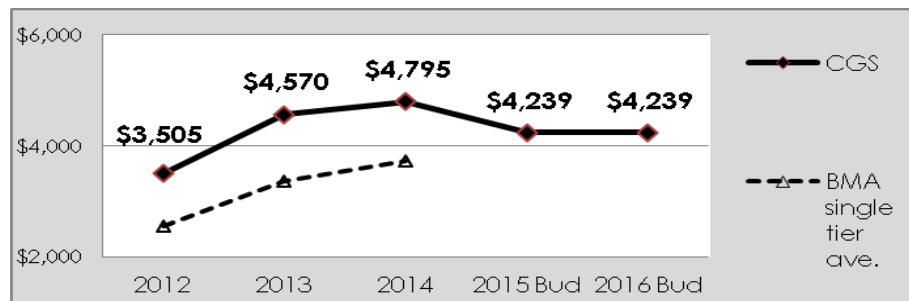
**ROAD CONSTRUCTION AND MAINTENANCE (23.7% of tax levy)**

The recent history of and projected cost trends for roads maintenance in two main categories, paved roads and winter maintenance, are shown in the graphs below.

Operating costs for paved (hard top) roads per lane kilometre



Winter Maintenance Operating costs of roadways per lane kilometre

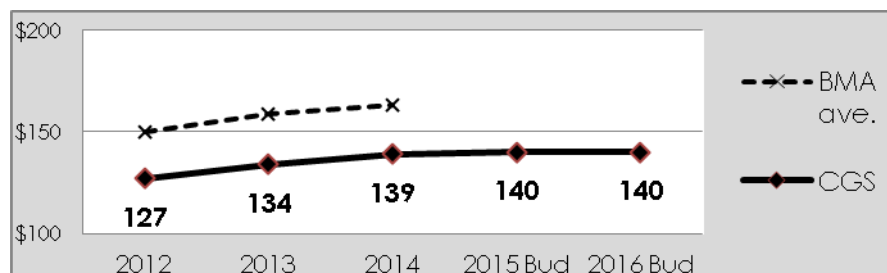


With no near-term change in the funding of Roads activities anticipated, Road Construction and Maintenance will continue to require the largest single portion of the tax levy.

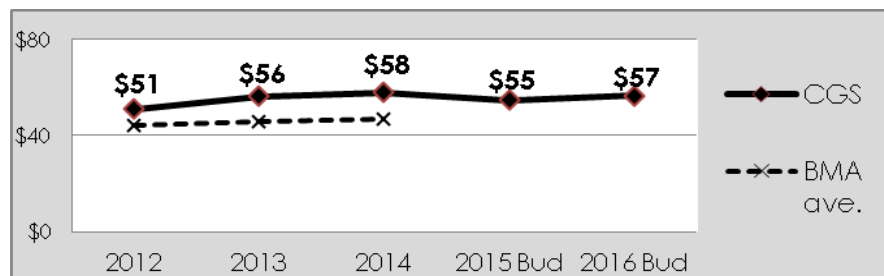
**EMERGENCY SERVICES (13.7% of tax levy)**

The aggregate gross costs of delivering Fire and Ambulance (EMS) services exceed \$45 million each year. However, close to 50% of Ambulance Service’s expenditures is funded by grants from the Ministry of Health and Long Term Care (MOHLTC). The municipal tax levy supporting fire protection is more than double that of EMS, as shown on the graphs below.

Fire Services Net Operating costs per Capita



Ambulance (EMS)  
Net Expenditures per  
Capita

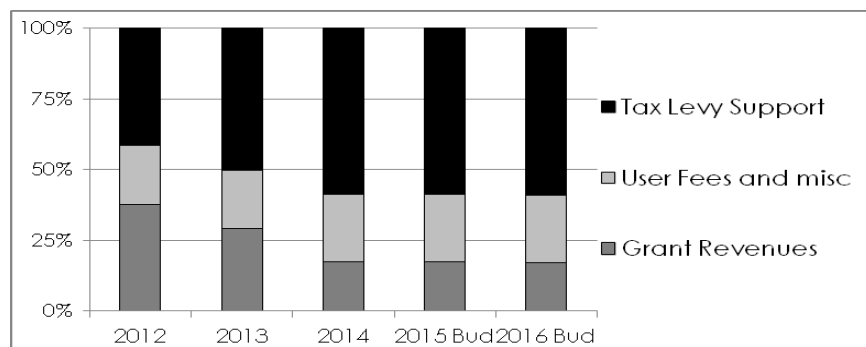


**HOUSING SERVICES, SOCIAL SERVICES, PIONEER MANOR AND CHILDREN SERVICES (11.8% of tax levy)**

Housing Services

The single largest component of the tax levy in this ‘basket’ of services is Housing. The City administers rent subsidies and other provincially-mandated non-profit housing programs to eligible tenants, in cooperation with the Greater Sudbury Housing Corporation. The impact of the gradual end of AHP (“Affordable Housing Program”) funding between 2012 and 2014 is clearly shown on the graph.

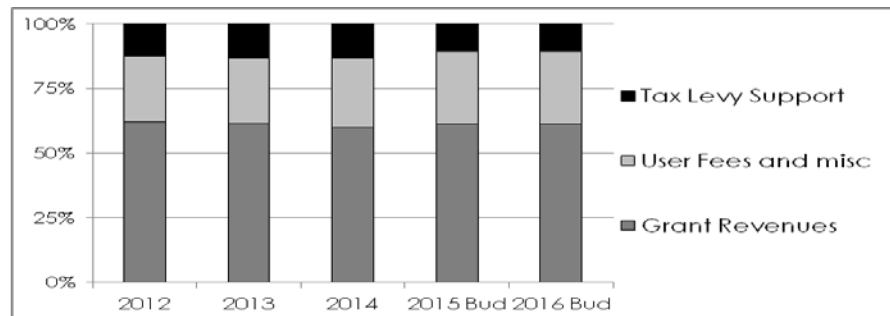
Funding profile of  
Housing Services



Pioneer Manor

Pioneer Manor, the City’s only municipally-run long term care facility, receives the bulk of its revenues from Grants issued from the Ministry of Health and Long Term Care (MOHLTC) and from User Fees paid by residents. The 2016 Budget anticipates increases in both grant and user fee revenue sources; however, the increased revenues will just cover anticipated operating expense increases.

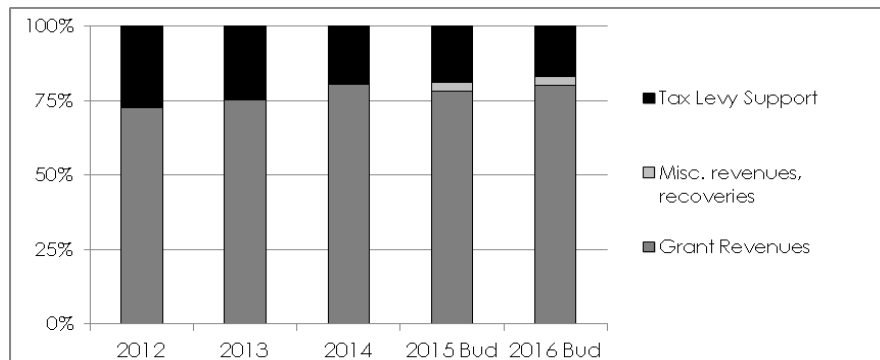
Funding profile of Pioneer Manor



Social Services

The Ontario Works (OW) programs are intended to help people in temporary financial need. The Ministry of Community and Social Services flows funding to municipalities to administer the programs on its behalf. The province funds 50% of the administration costs and is gradually uploading the Basic Financial Assistance costs within the program, which has reduced the municipal share of overall costs. The 2016 Budget shows less than 20% of the operating budget is funded through the tax levy, versus nearly 30% in 2012.

Funding profile of Ontario Works (OW)



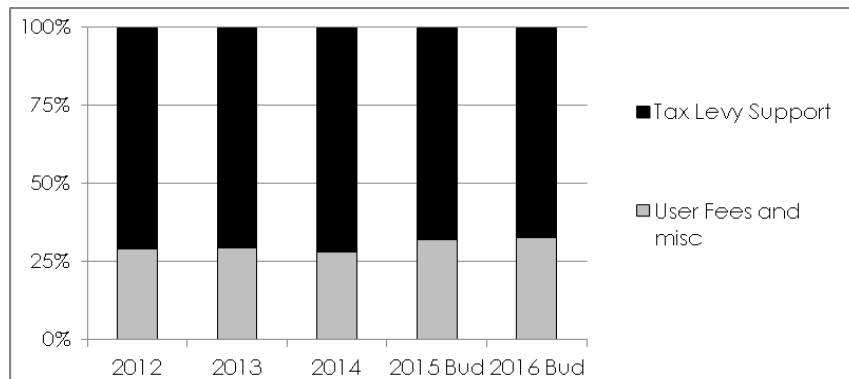
Children Services

The Children Services division administers child care subsidies, to assist citizens to pursue employment and educational opportunities. As of July 2015 the City no longer operates a day care facility which has shifted the cost profile from Salaries and Benefits to Purchased Services (day care services). Around 10% of the division’s operating costs are covered by the tax levy; the balance is funded by Grants.

**CITIZEN AND LEISURE SERVICES (11.0% of the tax levy)**

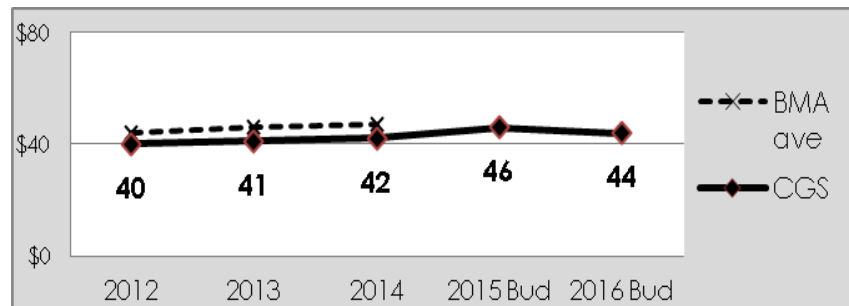
Leisure Services historically has funded close to one-third of its service delivery costs from User Fees and Licensing & Lease Revenues. However, the tax levy funds the largest portion of the operating costs.

Funding profile of Leisure Services



Library and Museum services (including Citizen Service Centres) are mostly funded (90%) from the tax levy. It receives modest amounts of User Fee revenues, plus an annual grant from the Ministry of Tourism, Culture and Sport.

Library Services Net Expenditures per Capita

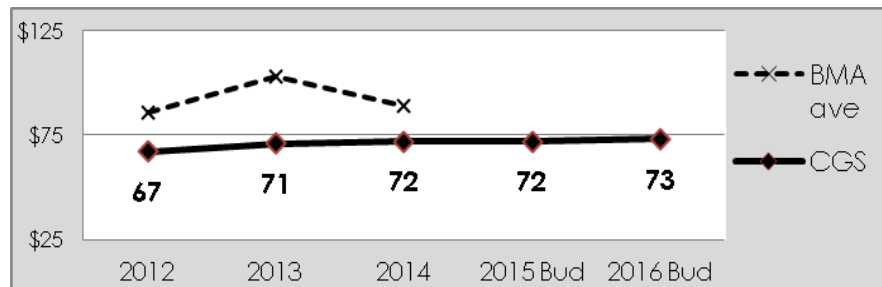


**TRANSIT AND FLEET (5.0% of the tax levy)**

Greater Sudbury Transit Services provides conventional and handi transit services to citizens. In recent years, User fees (transit fares) have covered approximately 40% of operating costs, as reported annually in the CUTA (Canadian Urban Transit Association) Survey. Another \$1 million of operating costs are covered by a transfer from Reserves, which includes amounts earned from the Provincial Gas Tax funding. The bulk of transit funding, however, comes from the tax levy.

As reported to the Operations Committee on November 16, ridership is expected to remain stable over the next few years. Operating costs are budgeted to remain constant as well.

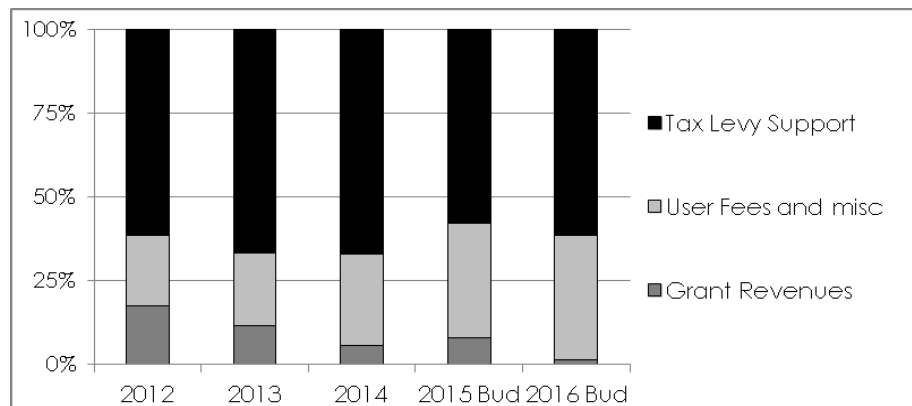
Conventional Transit Net Operating Costs per Capita



**GROWTH AND DEVELOPMENT (3.3% of the tax levy)**

This service category includes the Planning division, Building Services (permits and inspections), and Economic Development (support of business, culture and other community activities). As legislated by the province, the Building division fully recoups its costs through User Fees. The level of Grant revenues and User Fees may vary considerably from year to year, which affects the amount of tax levy support required to maintain this group of services.

Funding profile of Growth and Development services



**OTHER CATEGORIES**

The service categories profiled above account for 68.5% of the tax levy amount; external Boards (Police Services, Health Unit, Conservation Authority) take up another 21.2%. The remaining 10% of the levy supports delivery of Environmental Services

(garbage, recycling); Financial Services, which includes Assets; Administrative Services (By-law Enforcement and Clerks, among others); and Human Resources.

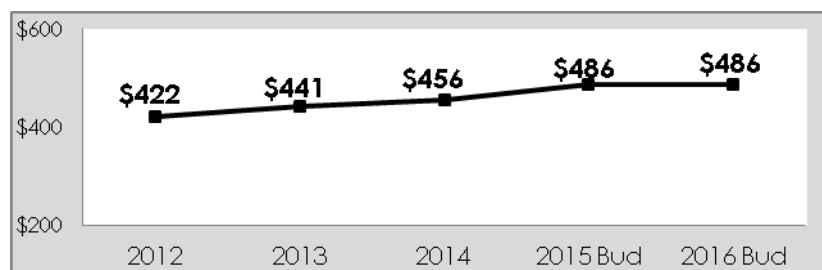
**MUNICIPAL SERVICES NOT FUNDED BY THE TAX LEVY: WATER/WASTEWATER SERVICES**

Except for a small portion of water costs related to fire protection, Water/Wastewater services are not funded on the property tax levy. Rather, these services are required by statute to be fully recovered from users through direct billing.

No matter how a service is funded, trend analysis utilizing KPIs provides a point of reference against which performance can be assessed and projected.

WATER SERVICES

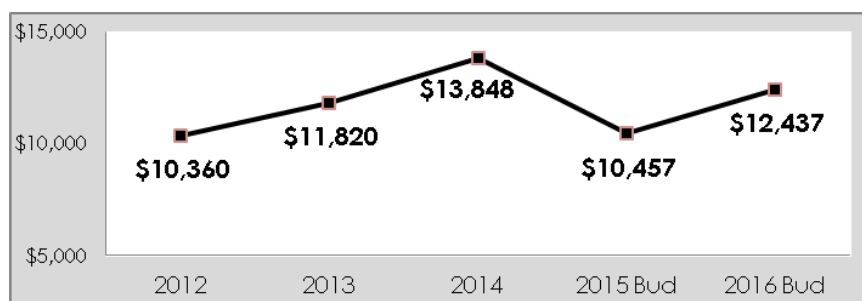
Water Treatment  
Operating Costs  
per Megalitre  
Treated



Treatment operating costs were not expected to change significantly in 2015 and 2016. The volumes assumed in the projections are an average for the three previous years.

The costs associated with Water Distribution will rise in 2016 as a result of tendered contractual obligations. The 2014 actual result was higher than average due to higher than usual water main break activity: 139 breaks occurred in 2014, compared to 79 and 105 in 2012 and 2013 respectively.

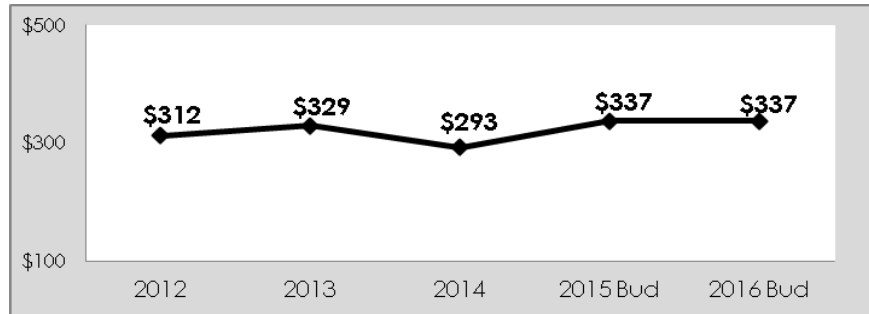
Water Distribution  
Operating Costs  
per Kilometre of  
Distribution Pipe



WASTEWATER SERVICES

Wastewater Treatment operating costs are not anticipated to change significantly in 2015 and 2016, assuming volumes remain fairly constant: the slight dip in the 2014 result reflected a 12% volume increase over the previous year.

Wastewater Treatment Operating Costs per Megalitre Treated



Wastewater Collection costs anticipated in the 2015 and 2016 budgets reflect the Biosolids Facility coming fully on-stream in 2016.

Wastewater Collection Operating Costs per Kilometre of Pipe



The aggregate budgeted amounts for Water and Wastewater services also incorporate annual repayments of debt incurred to acquire assets used for those services. The most significant asset addition of the past 4-5 years is the Biosolids Facility attached to the wastewater treatment plant on Kelly Lake Road in the City's south end.

\*\*\*\*\*

The key performance indicator data-set is expected to increase, to support decision-making during and beyond the annual budget process, as more current department/division business plans are finalized.





Greater Sudbury

# Budget 16

## Reserve and Reserve Funds

## City of Greater Sudbury 2015 and 2016 Reserves and Reserve Fund Forecast

### Executive Summary

The purpose of this report is to provide an overview of the forecasted balances in the reserves and reserve funds at December 31, 2015 and December 31, 2016 based on projected 2015 year end information and the 2016 Budget as tabled on December 8, 2015.

Overall, the 2015 forecasted reserve and reserve funds are estimated to be consistent with balances at the end of 2014. This is due to timing of cash outflows for capital projects previously approved by Council. However, the forecasted balances are estimated to decrease by approximately \$26.6 million to \$128.7 million at December 31, 2016 based on budgeted contributions/draws as included in the 2016 Operating and Capital Budgets.

In summary, the following are the highlights:

(in millions)	2015	2016
Estimated Balance, January 1	156.2	155.3
Add: Interest	3.0	3.0
Net transfers from Operating	1.6	6.4
Contribution for 2015 estimated Corporate Surplus	0.7	0.0
Transfers from Obligatory Reserve Funds	4.4	3.5
Less: Draw to fund 2015 estimated W/WW Deficit	(2.1)	0.0
Net transfers to Capital	(8.5)	(39.3)
<b>Estimated Balance, December 31</b>	<b>\$155.3</b>	<b>\$128.9</b>

The balances consist of:

(in millions)	December 31/14 (Audited) Note 1	Forecasted 2015 (unaudited)	Forecasted 2016 (Forecasted 2015 plus forecasted transactions during 2016)
Reserves (non interest bearing) (Appendix A)	\$5.5	\$5.5	\$4.4
General Reserve Funds (interest bearing) (Appendix B)	\$35.3	\$35.0	\$35.0
Capital Financing and other Capital Reserve Funds (Appendix C)	\$115.4	\$114.8	\$89.5
<b>Total Reserve and Reserve Funds</b>	<b>\$156.2</b>	<b>\$155.3</b>	<b>\$128.9</b>

## Background

Please see below for tables illustrating the trends in reserve and reserve funds over the past five years including the forecast for 2015 and 2016.

### *Historical Trend in Reserves and Reserve Funds*

(in millions)	2010	2011	2012	2013	2014	2015 Forecast	2016 Forecast
CGS Reserves	9.5	9.9	8.5	7.4	5.5	5.5	4.4
CGS Reserve Funds	80.7	103.1	145.7	148.2	150.7	149.8	124.5
Total CGS Reserves & Reserve Funds	\$90.2	\$113.0	\$154.2	\$155.6	\$156.2	\$155.3	\$128.9

### *Tax Discretionary Reserves (Less Water/Wastewater) as % of Taxation*

	2011	2012	2013	2014
Reserves and Reserve Funds as a % of Taxation	46%	56%	54%	54%
BMA Study – Median	59%	62%	63%	64%
BMA Study – Low	9%	11%	4%	-12%
BMA Study - High	200%	256%	217%	193%

Please see Appendix A (Reserves), B (General Reserve Funds) and C (Capital Financing and other Capital Reserve Funds) which provides a more detailed explanation of each of the City's reserves and reserve funds along with the forecasted balances at the end of 2015 and 2016 as well as examples of projects within the committed balances at the end of 2015.

Reserves and reserve funds are generally set aside for significant future purchase, to replace major capital infrastructure, are accumulated to meet a growing future liability, or are simply accumulated to provide a buffer for significant unanticipated expenditures beyond the control of Council.

The main difference between a reserve and a reserve fund is that reserve does not earn interest, whereas a reserve fund is credited on a monthly basis with the interest it has earned.

As outlined in the BMA study, reserves and reserve funds are a critical component of a municipality's long-term financing plan. The purpose for maintaining reserves, as outlined in the report, is to:

- Provide stability of tax rates in the face of variable and uncontrollable factors (consumption, interest rates, unemployment rates, changes in subsidies)
- Provide financing for one-time or short term requirements without permanently impacting tax and utility rates
- Make provisions for replacements/acquisitions of assets/infrastructure that are currently being consumed and depreciated
- Avoid spikes in funding requirements of the capital budget by reducing their reliance on long-term debt borrowings
- Provide a source of internal financing
- Ensure adequate cash flows
- Provide flexibility to manage debt levels and protect the municipality's financial position
- Provide for future liabilities incurred in the current year but paid for in the future

Reserves offer liquidity which enhances the municipality's flexibility, both in addressing unplanned operating requirements and in permitting the municipality to temporarily fund capital projects internally. The level of reserves and reserve funds is a key measure of the financial health of a municipality. Compared to other municipalities in Ontario, the City is below the median as it pertains to reserves and reserve funds as a percentage of total taxation, as identified in the 2015 BMA municipal study which is based on statistics for 2014. The ratio used is total reserve and reserve funds (excluding water/wastewater) as a percentage of taxation revenues. In 2014, 35 of 103 participants in the study have a lower percentage than Sudbury. The results across the survey range from a low of -12% to a high of 193% in 2014. In 2014, the City remained at the same level of 54%.

### **Estimated 2015 Reserve and Reserve Fund Balances**

The estimated balance as of December 31, 2015 of \$155.3 million includes \$5.5 million in reserves, \$35 million in general reserve funds and \$114.8 million in capital financing and other capital reserve funds.

Of the total balance of \$155.3 million, there are reserves and reserve funds which are included in a "committed" reserve fund for a specific project or program which accounts for approximately \$74.0 million. Refer to Appendix A, B and C which provides additional information on these committed reserve funds.

### **Increase in Reserves and Reserve Funds from 2010**

As shown above, the total Reserves and Reserve Funds balance has increased by \$65.1 million to estimated balance of \$155.3 million at December 31, 2015 from \$90.2 million at December 31, 2010.

The increases relate to funds set aside for

- Roads and Drainage Capital Projects (increase of \$34.6 million since 2010)
  - o Projects include Maley Drive, Moonlight Avenue, Whitson Paquette Drain, Horizon Drain, MR15 Bridges and several other bridges.
- Water and Wastewater Capital Projects (increase of \$19.4 million since 2010)
  - o Projects include Automatic Meter Reading Water Meters, Moonlight Avenue, Wanapitae Water Treatment Plant upgrades, Preventative Plumbing Subsidy program, as well as funds set aside for revenue stabilization amounts.
- Funds set aside for employment related liabilities (increase of \$5.7 million since 2010)

The annual operating and capital budgets as approved by Council include draws from reserves and reserve funds in order to fund various expenses such as capital projects which are completed over several years or funds set aside for significant capital projects to be completed in the future, or deductibles for insurance claims, sick leave payouts and so on.

The funds remain in committed reserve funds as approved by Council in the annual budgets (or supplemental Council reports throughout the year) until the expenses have been paid, which may occur over several years. Any capital projects that have reserve funds identified as a funding source that are cancelled at a later time, would be uncommitted in order to use for future capital projects/expenses or used to fund over-expenditures in other capital projects in accordance with the Capital Budget Policy.

## **By-law**

By-law 2015-9, being the by-law to establish and continue reserves, reserve funds and trust funds, is reviewed on a periodic basis and recommendations to establish, discontinue or consolidate reserves are brought to Council for approval, and for authority to amend the By-law.

## **Trust Funds**

Trust funds are not included in this report. Trust funds are monies of others, being held in trust by the City, for specific purposes. The money is spent on the intended purpose or returned to the original source. Examples of trusts are the cemetery trust where money has been received and is held in trust to ensure perpetual care and maintenance of the cemeteries, or the funds belonging to residents of Pioneer Manor being in trust for them.

## **Development Charges**

Development charges are collected by municipalities to recover a portion of the growth-related costs associated with the capital infrastructure needed to service new development. Development charges in the City are established through by-law and are payable on the date the building permit is issued and is based on the Development Charges Schedule on that date.

Generally, the City finances and pays upfront for the growth related portion of capital projects. At the end of each year, the capital projects are reviewed, and the growth related portion of the capital costs are identified. The actual development charges revenues collected during the year are then applied to fund any growth related portion of the project as identified in the current Development Charges Background Study. This unbudgeted funding results in unallocated dollars in the capital cost centres which is transferred to the respective capital financing reserve fund which will be used for future capital projects as identified in the annual Capital Budgets or Council report when funding is requested from the capital financing reserve fund.

For certain projects, development charge revenues are identified as a source of funding for the capital project. In these cases, the annual budget includes an estimate of the development charges to be collected and at the fiscal year end, actual amounts are reconciled. If a shortfall arises, it will be identified and funded in a future capital budget or future development charge revenues will be applied until the balance is funded.

It should be noted that at the end of December 31, 2014, the City had paid for approximately \$52 million of growth related capital costs which will be recovered, if and when development occurs in future years. Therefore, the City paid for these costs from previous Capital Budgets in which the respective Capital Financing Reserve Fund will be replenished from development charges to be collected in the future.

## **Deferred Revenue - Obligatory Reserve Funds**

Obligatory Reserve Funds are not included in this report as they represent deferred revenues. The estimated balance as at December 31, 2015 was \$35.9 million, down from \$38.0 million in 2014. Deferred Revenue – Obligatory Reserve Funds, that by nature of the revenues received, involve restrictions on their use and are not available for the discretionary use of Council. The Obligatory Reserve Funds includes Federal and Provincial Gas Tax Revenues, various deposits (ie. parks, asphalt, etc) relating to subdivisions and site plan agreements, Building Permit Revenues and Development Charges collected but not earned. The decrease mainly relates to spending on capital projects partially funded with Provincial Gas Tax revenues and draw from

Building Permit Stabilization Reserve Fund to fund operating costs due to lower revenues during the year.

Development charges collected are recorded as obligatory reserve funds when received. At year end, these funds are earned to fund actual growth related costs of capital projects that were identified in the 2014 Development Charge Background Study.

### **Long Term Financial Plan**

The Long Term Financial Plan, adopted by Council, references reserves in a number of its recommendations:

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

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

8.1 Facility, equipment and infrastructure replacement reserves should be established and funded to ensure that 90% of approved infrastructure rehabilitation/replacement schedules are met (long-term) as determined in point 5.2.

8.2 Establish a Stabilization Reserve for programs that are susceptible to significant annual expenditure fluctuations (ie. Winter Maintenance). Program budgets should be based on a moving five year historical average of program spending. In years when surplus funds occur in these programs, surpluses should be reserved, provided an overall City surplus exists. Where the City's overall surplus is less than the program surplus, funds should only be reserved up to the level of the overall City surplus.

8.3 Establish reserves to provide funding for future liabilities (ie. sick leave). Contributions to these reserves should be set, at a minimum, at an amount sufficient to ensure the liability does not increase.

The City needs to address these recommendations through the establishment of and continuation of increased funding for reserves.

### **CONCLUSION**

It is recommended that the City continue to implement and foster prudent reserve and reserve fund policies, especially in light of the intense capital financing pressures which it faces over the next five to ten years.

In addition, it is important that reserves and reserve funds are maintained in the event that unanticipated expenditures are incurred or if revenues are not received in order to minimize impact on future property tax levy rates.

**Appendix A - Reserves (non interest-bearing)**  
**Forecast for December 31, 2015 and December 31, 2016**

Account Name	Purpose	Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
Land Reclamation Reserve	Fund created from surpluses due to net under expenditures in Land Reclamation over the years. Used to offset fluctuations in the cost of purchasing seedlings each year, which eliminates fluctuations in operating costs.	(700,606)	(620,699)	(506,842)
Reserve for Various Expenses	Created at year-end, through resolution of Council, to allow funds budgeted in current year to be carried forward to the following year to pay for certain items. The majority of these funds will be spent within the next few years. Spending from this Reserve is restricted to programs/projects for which the funds had been reserved.	(654,759)	(576,651)	(247,603)
Ontario Works Reserve	Established to be used as a buffer for such instances as the Province increasing benefits to recipients mid-year when no budget provision had been made. During 2013, Council approved a transfer of \$194,000 to this reserve for Emergency Shelters, which is planned to be spent as included in the 2016 Budget.	(534,150)	(534,150)	(340,150)
Organizational Development Reserve	This reserve shall be funded from any annual under expenditures in training related accounts, and shall be used to fund training and development of City staff.	(341,012)	(307,012)	(307,012)
Tax Rate Stabilization Reserve	One half of any annual operating surplus or deficit is contributed to or funded from this reserve. This reserve provides for year-to-year variances in the operating budget.	(2,275,749)	(2,571,379)	(2,329,712)
Tax Rate Stabilization Reserve - Committed	Represents funds committed by Council for a number of one-time programs. The balance includes all of Council's decisions up to 2015 budget as approved by Council.	(385,662)	(257,548)	(201,422)
Vector Borne Disease Reserve	Established to fund the City's share of West Nile Virus/Vector Borne Disease expenditures that may be incurred and levied by the Health Unit.	(125,000)	(107,400)	(107,400)
Auditor General Reserve	This Reserve shall be used to fund initiatives in support of the mandate of the Office of the Auditor General or for related audit projects.	(264,030)	(264,030)	(264,030)
Accessibility Reserve	This Reserve shall be used to fund Accessibility initiative in relation to the Accessibility for Ontarians with Disabilities Act for expenditures such as develop accessibility standards, enforce these standards and for building modifications.	(269,927)	(209,575)	(55,507)
<b>Total Reserves</b>		<b>(5,550,896)</b>	<b>(5,448,445)</b>	<b>(4,359,680)</b>

**Appendix B - General Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
Greater City Sick Leave Reserve Fund	Annual contributions from operating budget to be used to pay out accumulated sick leave credits. Most employees no longer receive sick leave credits, but are covered through weekly indemnity and long term disability. Sick leave credits in existence at the time of the change were left intact, and employees are entitled to a payout of 50% of these credits, to a maximum of 6 months pay, when they retire. Employees at Pioneer Manor and Fire Services still accumulate 1.5 days per month of sick leave. Total CGS liability at the end of 2014 is \$3.9 million.	(3,137,751)	(4,026,881)	(4,101,759)
Police - Sick Leave Reserve Fund	Balance in fund is to pay sick leave and other related payments to retiring Greater Sudbury Police Service employees in accordance with policies of the City of Greater Sudbury and the Police Collective Agreements. Total Police liability at the end of 2014 is \$5.7 million.	(2,354,211)	(2,425,170)	(2,581,061)
Post Employment Benefits Reserve Fund	Funded from the Pensioners cost centre, balances in this reserve are to be used for the purpose of funding post employment expenses.	(1,535,797)	(1,506,652)	(1,421,786)
Police Services Post 65 Employment Benefits Reserve Fund	The Police have set up this reserve fund to provide for retirees' benefits past the age of 65. This reserve fund can be funded from net expenditures in the Police operating budget and budgeted contributions.	(486,932)	(496,696)	(506,629)
Human Resources (HR) Management Reserve Fund	Balance in fund indicates favourable claims experience. To be used to fund claims and absorb fluctuations in benefit costs. Can also be used for any initiatives targeted to reduce or control expenses to the benefit plans and sick leave reserve fund. In addition, an unfunded liability of \$30.3 million at the end of 2014 relating to post-employment benefits exists.	(3,595,135)	(1,905,433)	(744,438)
H.R. Committed - Succession Planning	Approved by Council for succession planning and outreach recruitment.	(1,563,993)	(1,278,047)	(1,080,792)
H.R. Committed	Approved by Council for claims stabilization, other potential liabilities and the employee rewards and recognition program.	(5,035,720)	(4,831,906)	(5,079,605)
WSIB (Workplace Safety Insurance Board) Reserve Fund	Established through contributions from operating by assessing 'premiums' on payroll. The reserve is used to pay invoices from WSIB and to pay rehabilitation expenses. The reserve ensures there is no detrimental impact on the operating budget. Pioneer Manor employees are classified under Schedule 1 while all other City employees are classified under Schedule 2 and thus self-insured. The balance in this reserve fund should be maintained in order to have funds available should the City experience any catastrophic loss.	(4,060,311)	(4,179,351)	(4,399,397)
WSIB Reserve Fund - Committed	Amount set aside as a contingency for catastrophic events.	(3,162,557)	(3,603,915)	(3,963,915)

**Appendix B - General Reserve Funds (interest bearing)**



**Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
Election Expenses Reserve Fund	This reserve fund is replenished, between Elections, through an annual contribution to the fund which spreads the cost across four years between elections. This fund is also used for Inaugurations, Recounts, By-Elections, Ward Boundary Reviews and Election Compliance Audit Costs.	(892,359)	(1,080,076)	(1,301,678)
Insurance Reserve Fund	Funded through contributions from operating and used to fund adjuster expenses and the deductible portion of claims. There are many outstanding claims, with the deductible portion of most claims being \$50,000. The fund is required to ensure that claims can be covered with no impact on the Operating Fund. If deductible limits or claims experience should increase, the annual contributions to this reserve fund may also have to be increased.	(1,790,686)	(1,593,271)	(1,552,456)
Pioneer Manor Donations Reserve Fund	Funded through fund raising activities and to be used for projects deemed to be beneficial to residents of Pioneer Manor.	(50,361)	(55,588)	(63,199)
Industrial Reserve Fund	Established from net proceeds of land sales in the Industrial Park and to be used for the expansion or creation of Industrial Parks. Also, includes funding committed for the Mountain Street stormwater project.	(2,226,897)	(2,301,766)	(2,567,767)
Industrial Reserve Fund - Committed	Committed by Council primarily for completion of an environmental assessment for Walden Industrial Park and Industrial Land Infrastructure Assessment, as well as funds set aside for the Mountain Street stormwater management project.	(712,750)	(1,498,280)	(1,473,280)

**Appendix B - General Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
Community Initiatives Reserve Fund	Funded through contributions from operating with Council approval for community projects with the funds being either conditional or required at a later time.	(30,329)	(34,948)	(35,647)
Community Initiatives Reserve Fund - Committed	Funds Committed for AMRIC as per 2014 Budget option and expected to be paid by the end of 2015.	(200,000)	-	-
Business Centre Reserve Fund	Originally established by the former Regional Municipality of Sudbury from the Industrial Reserve Fund, has continued through contributions from partners in the Business Centre. The balance therefore is not completely attributable to the City. The Business Centre was created to help businesses become established and viable. Surpluses and deficits in the Business Centre are credited to or debited from this fund.	(577,375)	(416,202)	(250,837)
Roads Winter Control Reserve Fund	Established in 2003 in accordance with Long Term Financial Plan recommendations as a stabilization reserve. May be used to offset Winter Control over expenditures. This fund is capped at \$5 million.	(3,061,700)	(3,123,093)	(3,185,555)
VETAC Reserve Fund	Funded through donations and to be used for projects recommended by the Vegetation Enhancement Technical Advisory Committee, as authorized by Council.	(4,878)	(4,975)	(5,075)
Police Services Donations Reserve Fund	Under control of the Police Services Board and to be used for crime prevention initiatives.	(105,051)	(112,267)	(114,513)
Police Services Board Reserve Fund	Funded from the Greater Sudbury Police Services Board Auctions, as well as interest earned and monies recovered as a result of seized property. This reserve fund is to be used for charitable or other events the Board deems suitable.	(36,375)	(38,674)	(39,447)
Cemeteries Reserve Fund	This reserve fund is funded through any annual cemetery operating surplus and is to be used only to fund cemetery deficits and for cemetery capital projects.	(105,699)	(196,322)	(323,023)
Cemeteries Reserve Fund - Committed	Funds approved from previously approved Capital Budgets for various projects. It also include annual loan payment for Mausoleum Phase 5, which the funds are transferred annually from uncommitted.	(182,998)	(111,292)	-
Economic Development Reserve Fund	Authorization of Council is required to contribute to or expend from this Reserve Fund.	(64,086)	(71,329)	(75,677)
Economic Development Reserve Fund - Committed	Committed funds for various projects as approved by Council.	(297,132)	(146,105)	(118,740)
<b>Subtotal General Reserve Funds</b>		<b>(35,271,083)</b>	<b>(35,038,241)</b>	<b>(34,986,279)</b>

**Appendix C - Capital Financing and other Capital Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
Land Acquisition Reserve Fund	Funded from net proceeds of sale of surplus property and used to fund purchases of any required property as approved by Council.	(558,621)	(1,466,181)	(1,765,504)
Land Acquisition Reserve Fund - Committed	Funds were committed for any land acquisitions.	(272,500)	-	-
Parking Improvements Reserve Fund	Funded from net proceeds of parking facilities in excess of the net operating budget, and to be used on improvements or expansions to parking facilities.	(2,593,541)	(1,121,372)	(148,234)
Parking Improvements Reserve Fund - Committed	Approved by Council for parking improvements from previously approved capital budgets. Balance at the end of 2015 mainly represents funds for the TDS underground parking garage waterproofing.	(612)	(2,153,216)	(75,000)
Social Housing Capital Reserve Fund	Used to fund Social Housing capital projects authorized by Council. Operating surpluses in this section are to be credited to this reserve fund if the City is in an overall surplus position. Deficits may be funded from this reserve fund. This fund is capped at \$10 million.	(7,388,995)	(7,541,169)	(7,695,992)
Social Housing Capital Reserve Fund - Committed	Approved by Council from annual budget for contingencies.	(200,000)	(200,000)	-
Communications Infrastructure Reserve Fund	Annual budgeted amounts are contributed to this Reserve Fund for the replacement of Communication Infrastructure.	(429,830)	(421,228)	(488,584)
Communications Infrastructure Reserve Fund - Committed	Funds in this reserve are committed for emergency generators at the tower sites.	-	(325,000)	-
CFRF - Information Technology	Funded from any under expenditures in the Information Technology section, if the City is in an overall surplus position. Also funded from any under expenditures in related capital projects. To be used for information technology projects only.	(3,494,152)	(3,559,194)	(3,077,621)
CFRF - Information Technology - Committed	Approved funds from previously approved Capital Budgets for various projects, mainly business applications, as approved by Council.	(497,603)	(512,603)	(306,324)
Equipment & Vehicle Replacement Reserve Fund	Funded through contributions from operating by equipment credits. Proceeds from sale of equipment are also credited to this account	(1,801,925)	(1,924,410)	(2,074,010)
Equipment & Vehicle Replacement Reserve Fund - Committed	Committed funds are to be used to purchase fleet equipment and vehicles as authorized by Council in annual Capital Budgets.	(906,951)	(555,600)	-
Police Equipment & Vehicle Replacement Reserve Fund	Funded through contributions from operating. Annual contribution is scheduled to be fully utilized. This Reserve Fund is controlled by the Police Services Board.	(1,426,197)	(1,562,897)	(1,701,767)
Police Equipment & Vehicle Replacement Reserve Fund - Committed	Committed funds are to be used to purchase new Police equipment and vehicles as determined by the GSPS Board and approved in annual Capital Budgets.	(470,560)	(225,638)	-

**Appendix C - Capital Financing and other Capital Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
CFRF - Transit	Funded through excess funding for capital projects and the proceeds from the sale of used Transit equipment, this Reserve Fund shall be used for Transit capital projects as authorized by Council.	(202,570)	(199,878)	(9,909)
CFRF - Transit - Committed	Committed funds from previously approved Capital Budgets for bus rebuilds and other transit buildings/bus shelters.	(38,326)	(96,031)	(17,766)
Recycling Equipment Replacement Reserve Fund	Funded through contributions from operating. Much of the recycling equipment is 15 years old and will reach the end of its useful life by March 2016. It is anticipated that the equipment will have to be replaced within the next few years, and the full balance of this fund will be required with additional funding needed.	(744,317)	(639,778)	(678,272)
Parks Vehicle & Equipment Replacement Reserve Fund	Funded through an annual budgeted contribution, from excess funds from capital projects, and proceeds from the sale of used parks equipment, to be used on replacement equipment/vehicles.	(136,083)	(165,982)	(196,817)
Parks Vehicle & Equipment Replacement Reserve Fund - Committed	Funds in this committed Reserve are to be used to purchase new Parks equipment and vehicles as approved in previously approved Capital Budgets.	(222,446)	(66,981)	(0)
CFRF - Environmental Services	Funded from surplus funds in Environmental Services capital projects. To be used only for environmental services capital projects. The balance of this reserve fund is required for projects identified in the approved Certificate of Approval for the landfill sites, in particular the Sudbury site which is slated to become the only landfill site in the City once all other sites are closed. The post-closure liabilities amounted to \$13.3 million at the end of 2014. In addition, there is a capital funding gap.	(1,203,385)	(171,270)	(68,814)
CFRF - Environmental Services - Committed	Represents funds approved in previous Capital Budget for various projects, mainly at the Sudbury landfill site.	(816,435)	(1,981,986)	(466,921)
CFRF - CLELC	Funded through surpluses in Lionel E. Lalonde Centre and other Emergency Preparedness Capital Projects. This fund will be used for future capital projects.	(374,499)	(452,348)	(518,433)
CFRF - General	One half of any annual operating surplus or deficit is contributed to or funded from this reserve fund. It is also the only source of funding for capital projects that have no capital envelope or insufficient capital funding.	(1,809,421)	(33,805)	(153,978)
CFRF - General - Committed	Represents funds committed by Council for a number of one-time projects. The balance includes all of Council's decisions to date, mainly the TDS elevator replacement, solar panel project, and funds for The Market development.	(4,921,532)	(5,974,829)	(2,432,139)

**Appendix C - Capital Financing and other Capital Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
CFRF - Peoplesoft / ERP	Funded from under expenditures in related capital projects. To be used only for Peoplesoft / ERP projects.	(1,107,273)	(981,530)	(1,012,076)
CFRF - Peoplesoft / ERP - Committed	Funds committed from previously approved capital projects for various Peoplesoft/ERP upgrades and initiatives.	(339,905)	(545,810)	-
CFRF - Planning	Funded from under expenditures in related capital projects. To be used only for Planning projects.	(220,333)	(241,711)	(265,304)
CFRF - Planning - Committed	Funds committed from previously approved capital projects, mainly funding available for growth related projects for the City's share of costs relating to the City's Policy on Development Cost Sharing.	(725,564)	(937,928)	(735,428)
CFRF - Administrative	Funded from any under expenditures in related capital projects. To be used only for corporate infrastructure (i.e. telephone systems, docutech equipment, etc.).	(26,777)	(32,033)	(33,861)
CFRF - Administrative - Committed	Represents funds committed by Council for various projects from previously approved Capital Budgets.	(559,267)	(59,359)	(21,759)
CFRF - Buildings	Funded from under expenditures in related capital projects. To be used only for assets (buildings) projects.	(373,550)	(183,353)	(34,651)
CFRF - Buildings - Committed	Previously approved funds for salt domes, depots and Tom Davies Square projects as approved in previous Capital Budgets.	(541,365)	(721,739)	(365,136)
199 Larch Building Reserve Fund	Established at time of purchase of 199 Larch, with annual contributions. To be used to offset any major capital repairs, thus preventing a substantial impact on the operating budget. Surpluses in this section shall be credited to the reserve fund and deficits are to be funded from this reserve fund. All funds committed in previously approved Capital Budgets.	(722,855)	(892,478)	(0)
CFRF - Police Services	Funded from under expenditures in related capital projects and from net under expenditures in the Police Services operating budget provided the City is in a surplus position. Will be used to fund any Police Services operating budget over expenditures or Police Services capital projects. Reserve is under the control of Police Services Board.	(2,589,853)	(1,557,063)	(1,803,060)
CFRF - Police Services - Committed	Committed funds for various projects from previously approved Capital Budgets, mainly relating to the headquarters improvements/expansion development.	(2,143,719)	(3,812,791)	(3,537,500)
Drainage and Stormwater Management Reserve Fund	Funded from the operating budget. These funds are used to fund the municipal share of the construction costs of new drains or drainage and stormwater management capital projects.	(940,392)	(623,043)	(1,116,941)

**Appendix C - Capital Financing and Other Capital Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
Drainage and Stormwater Management Reserve Fund - Committed	Funding for Agricultural Drains as per Net Assessments. Also includes funding for Paquette Whitson, Horizon and Mountain Street stormwater management projects as approved by Council. There is also an annual contribution from the Capital Budget for Subwatershed Planning.	(4,589,360)	(5,689,016)	(5,195,187)
CFRF - Roads	Funded from under expenditures in related capital projects. To be used only for Roads capital projects. Increase in the balance of the reserve is due to development charges collected and surplus from capital projects to be used for future capital projects.	(10,246,958)	(11,156,494)	(9,880,912)
CFRF - Roads - Committed	Balance contains funds committed from previous Capital budgets. Also contains previously committed funds from approved capital projects which are currently deferred to a later date, including Maley Drive and several bridge rehabilitations/replacements.	(22,829,844)	(22,313,696)	(18,219,010)
CFRF - Wastewater	Funded from under expenditures in related capital projects and development charges. In addition, surpluses and deficits in this utility are contributed to or funded from this reserve fund. To be used only for Wastewater projects including any project necessitated by the Ministry of the Environment. Used to address any emergency upgrades which may be required, upon authority of Council.	(6,227,946)	(9,485,070)	(8,666,591)
CFRF - Wastewater - Committed	Balance contains funds committed from previous Capital Budgets including the Sudbury Wastewater Treatment Plant - Headhouse. Also includes projects approved by Council Resolution for the preventative plumbing subsidy, rock tunnel inspections/maintenance, primary lagoon upgrades as well as the water stabilization which is based on 10% of revenues as per the Reserve Fund by-law.	(6,734,975)	(5,615,777)	(4,605,716)
CFRF - Water	Funded from under expenditures in related capital projects and development charges. In addition, surpluses and deficits in this utility are contributed to or funded from this reserve fund. To be used only for water projects including any projects necessitated by the Ministry of the Environment. Used to address any emergency upgrades which may be required, upon authority of Council.	(6,257,760)	(3,392,434)	(1,981,021)
CFRF - Water - Committed	The balance contains funds committed from previous Capital budgets including the Wanapitei Water Treatment Plant - Phase 2, Moonlight Avenue, and AMR water meters plus projects deferred to a later date. Also includes water stabilization which is based on 10% of revenues as per the Reserve Fund by-law.	(8,843,826)	(8,617,296)	(6,290,244)

**Appendix C - Capital Financing and Other Capital Reserve Funds (interest bearing)  
Forecast for December 31, 2015 and December 31, 2016**

Account Name		Dec 31, 2014 Audited	Dec 31, 2015 Forecasted	Dec 31, 2016 Forecasted
CFRF - Health and Social Services	Funded from any under expenditures in related capital projects.	(305,806)	(280,610)	(164,857)
CFRF - Health and Social Services - Committed	This amount represents previously approved funds for various projects relating to Social Housing to fund specific projects for the Greater Sudbury Housing Corporation.	(101,873)	(81,722)	-
CFRF - Fire	Funded from under expenditures in related capital projects. To be used only for Fire Services Projects.	(33,893)	(37,618)	(41,408)
CFRF - Fire - Committed	Committed funds from previously approved Capital Budgets mainly for incident management and pumper upgrades.	(151,892)	(151,892)	-
CFRF - Emergency Medical Services	Funded through annual contributions from the Operating Budget. Must be used for ambulance capital projects including all vehicles, equipment and stations. May be subject to having to return funds to Province if not used for projects specific to EMS.	(2,131,669)	(2,292,227)	(1,892,931)
CFRF - Emergency Medical Services - Committed	Funds approved in previous years Capital Budgets for various projects.	(1,462,133)	(442,897)	(6,310)
Library & Citizen Service Centre Reserve Fund	When the City is in a surplus position overall, any Library surplus is contributed to this reserve, and deficits may be funded from this reserve. Also used to finance capital and special projects.	(252,802)	(418,257)	(430,851)
Library & Citizen Service Centre Reserve Fund - Committed	Balance was committed for the Valley East Archives project.	(14,910)	-	-
CFRF - Leisure Services - Committed	Funded from under expenditures in related capital projects. To be used only for Leisure Services capital projects.	(3,233,631)	(1,773,794)	(536,397)
CFRF - Leisure Services	Committed funds for ski lift upgrades/replacement, greening of former St. Joseph's site for Bell Park expansion, solar project at Countryside Arena, as well as funds for future site improvements at Bell Park which have been set aside until Council receives consultant report on Grace Hartman/Bell Park. Also, includes funds recieved from cold drink supplier contract for arena scoreboard replacements at municipal arenas.	(1,182,068)	(1,100,915)	(823,925)
<b>Subtotal Capital Financing Reserve Funds</b>		<b>(115,402,698)</b>	<b>(114,789,949)</b>	<b>(89,537,164)</b>
<b>Total General and Capital Financing Reserve Funds</b>		<b>(150,673,781)</b>	<b>(149,828,190)</b>	<b>(124,523,443)</b>
<b>Total Reserves and Reserve Funds</b>		<b>(156,224,677)</b>	<b>(155,276,635)</b>	<b>(128,883,123)</b>