

2025 Questions and Answers (Updated November 28, 2024)

Responses will be left blank until a response is provided. Questions and responses will be updated weekly.

City of Greater Sudbury

1. How much money do we spend on T.V commercials throughout our corporation?

The amount spent on television commercials for the years 2020 to 2023 are reflected in the chart below. As of November 15, 2024 year-to-date costs for television commercials amounted to approximately \$39,000.

2020	2021	2022	2023	YTD 2024
\$62,979	\$52,912	\$75,462	\$55,557	\$38,528

2. How much money are we spending on consultants corporate wide, if we decided to reduce that portfolio in each department by two too three percent how much money would we save?

The 2025 operating budget for consultants is \$315,077 (this excludes funded costs). For every 1% reduction, the 2025 operating budget would decrease by \$3,151. The 2025 operating budgets for consultants by department are as follows:

Housing Administration	\$ 6,500
Infrastructure Capital Planning	\$ 17,113
Long-Term Care	\$ 20,604
Office of the Mayor	\$ 24,000
Planning & Development	\$ 59,080
Financial Services	\$ 89,500
Linear Infrastructure Services (Roads)	\$ 98,280
	\$ 315,077

The City retains consultants for a few reasons. One reason is to supplement skills that are not readily available within the skills and competency of the existing staff complement. A second reason is to supplement the volume of staff available to deliver a service that can be offered within the competency of existing staff, but in certain circumstances there are an insufficient number of staff available to deliver the desired service. Another reason the City retains consultants is to deliver services that would otherwise be a conflict for City staff to deliver.

In practical terms, an arbitrary reduction in consulting services budget would result in a reduction in service, either to a given project which planned to use external expertise or because internal resources would have to be diverted from other planned work. Further direction from Council would be beneficial

for staff to provide a more fulsome response as to the service implications of a cut in consulting services, or an alternative adjustment in the Operating Budget.

3. I've noticed that transit expenses have increased over the years, but we haven't introduced any new routes. So, what's the factors that are driving these cost and could we reduce overtime in this department?

From 2018 to 2025, the overall transit service expense budget has been increased on an average of six percent related to general wage increase, fleet maintenance, energy costs, contracted services inflation, and service level adjustments (increased diesel fuel, service hours).

As part of the Transit Action Plan 2019, a network wide route restructure (GOVA) was approved with better routes, better schedules, and better service increasing annual service hours by 15,285 hours for total annual service hours of 190,000. The COVID-19 pandemic occurred six months later in 2020 causing an emergency reduction of service levels. Responding to normal resumption of pre-COVID community activity, service hours were slowly reimplemented as record breaking ridership increases were seen across the system. In response to further ridership increases upwards of 40%, a business case was presented to Council for the 2024-2025 budget approving the implementation of 11,000 additional hours into conventional transit service commencing in 2024 to resume service hours aligning with the GOVA launch in 2019. These hours were also used to implement new Route 106 Valley-Dominion, and address challenges with congestion and over capacity buses due to unprecedented ridership increases.

While costs have increased, transit revenue has also increased due to a trending ridership growth as well as Council's decision to increase fare rates during 2024-2025 budget deliberations. Transit's budgeted net operating levy for 2024 was lower by \$1.6 million compared to 2023, due to increased ridership and fare rate change.

Overtime forms part of a transit agency's normal service level delivery aligning with collective bargaining agreements, statutory holiday service, and service span. Overtime also occurs:

- In response to construction, weather, and accidents.
- Due to employee absence to ensure maintenance of existing service levels, which may otherwise cause cancellation of trips.
- To cover long-term and short-term disability.
- Due to a 21-hour service span, scheduled overtime is required on work assignments to accommodate route running time, as not every run can be broken evenly into 8-hour assignments.

To mitigate overtime:

- Staff have worked to reduce scheduled overtime on work assignments utilizing new and improved transit scheduling software.
- Staff have adjusted route time points to allow increased route recovery time responding to unforeseen delays.
- Staff have completed recruitment of 12 additional part-time bus operators.

4. Is there any contracts or commitments ending for 2024 that we could redirect those funds towards our business cases.

The City's Debt Management Policy states that when preparing the budget, any decrease in annual debt repayments shall be offset by a corresponding increase to the general capital plan. This allows the general capital plan to increase while having no impact on the operating budget.

Any debt/commitment retirements have already been considered and included in the four-year capital plan. There are no additional long-term commitments that are set to expire between now and 2027.

5. Why are we dipping into reserves to fund the Elgin street project of 9 million dollars that should actually be part of the event centre project budget as the water main works is actually supporting this project. If the arena event centre in the south district wasn't moving forward how much longer could we postpone this capital work or what alternative options would we have available to us.

Over the last decade, Elgin Street has experienced several operational challenges related to water and wastewater service interruptions. During the recent Larch Street project there were issues with connecting the new water main. The condition of the underground infrastructure was worse than expected. This project is required in the near term, with the proposal to advance the project into the four-year approved capital project to align the construction timing with the Event Centre. If the business case is not approved, this project will be proposed during the next capital budget cycle and there will likely be additional maintenance costs and service disruptions. If approved in the next capital budget cycle, then construction will occur during the initial operating years of the Event Centre.

The watermain work is not necessary to support the construction of the new event centre and arena. There is sufficient watermain piping in close proximity to the project site that will support the water and fire flow demand in the South District. The watermain work is a necessary asset renewal and refurbishment initiative that has been identified in the Asset Management Plan for some time.

Staff are proposing to accelerate this work to complete some of the necessary road and watermain improvements in advance of construction of the new events centre. This will minimize disruption to businesses downtown and to people accessing the events centre and South District after the arena is constructed.

6. With the business case for the Tom Davis court yard , which is actually improvements that come under our accessibility policy, why isn't this part of the 65 million dollars Included in the Hub project.

The existing conditions of the Paris and Brady facing sides of Tom Davies Square do not offer a compliant ramp access that meets the requirements of the Accessibility for Ontarians with Disabilities Act. This business case proposes the redesign and construction of the Paris facing courtyard and includes a legislative compliant ramp connection to the Paris and Brady intersection.

In November 2023, a report to Council discussed the Cultural Hub at Tom Davies Square (TDS). In addition to discussing the proposed Cultural Hub project, the discussion in November included historical investment approved by Council demonstrating Council's commitment of maintaining the facility, and

planned, but not yet funding capital investment for facility lifecycle interventions. The Paris facing courtyard and waterproofing need was identified as a planned, but not yet funded lifecycle intervention. Council carried Resolutions CC2023-287-A1, CC2023-288-A1, CC2023-289 and CC2023-290 during the November meeting.

Per Council request in November 2023, the Cultural Hub will include an accessible ramp. The most appropriate, cost effective, and buildable option for this ramp is an addition to the exterior of Tom Davies Square along the Paris facing side. The addition to the building is included in the budget for the cultural hub. The repair and refurbishment to the exterior courtyard is not included in the budget for the cultural hub. The business case is being presented to Council during this budget cycle because there are cost efficiencies of doing the work in tandem with the Cultural Hub project.

The business case identifies an infrastructure lifecycle intervention that is required in the coming years. However, it is not essential to the successful delivery of the Cultural Hub. The business case is an option for Council to consider.

7. When we go out for bids for various projects why aren't we including the tipping fees in the contracts vs making it another line item that contractors now need to add additional expenses in the contract which in turn cost the city more money over in the bidding process.

The rate for the City's tipping fees is included as a unit cost in tendered contracts, ensuring competitive pricing. Therefore, there is a net zero cost to the City as the associated revenue is recorded within Environmental Services.

There are several reasons to include tipping fees as a cost item on a contract including, but not limited to:

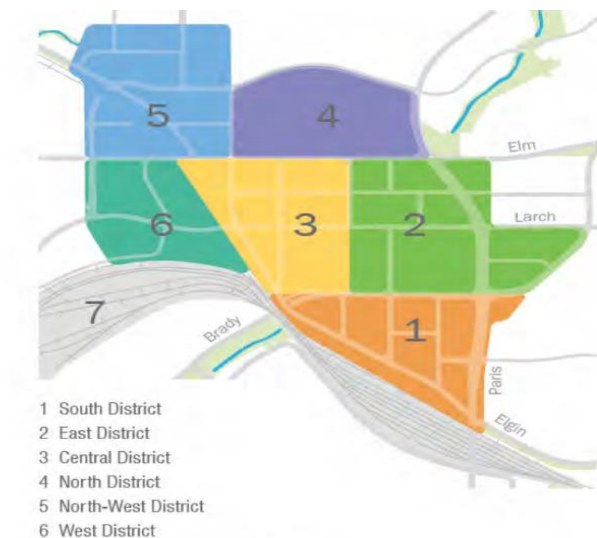
- Ensuring accurate project costing.
- Ensuring accurate revenue tracking in Environmental Services.
- Ensuring waste from sources other than City projects is not being disposed at the landfill.
- Encouraging recycling.
- Ensuring landfill rates are not disproportionately high for other private and residential users due to lack of internal recovery of costs.

8. Could staff please identify all capital expenditures in the 4 year capital budget for the south district.

There are several capital projects within the south district area of Downtown Sudbury which include:

Capital Project	Budget
Downtown Event Centre Building (exclusive of land acquisition and demolition)	\$200.0 million
Land Acquisition and Demolition costs	\$20.0 million
Bridges Program – Elgin Pedestrian	\$0.9 million
Community Safety Station Revitalization – Station 1 Van Horne Renovation	\$16.2 million
Land Acquisition and Demolition costs for 352-362 Elgin	\$2.0 million

Figure 1: Map of Districts of Downtown Sudbury



9. Could staff please identify all capital cost in the 4 year budget for the hub centre.

The Cultural Hub Project budget as per Council Resolution CC2023-287 is \$65.0 million.

A summary of previously approved projects within the 2024-2028 capital budget for Tom Davies Square include:

Summary of Approved Capital Budget for TDS					
	2024	2025	2026	2027	Total
199 Larch Elevator Replacement and Upgrades (2023)*	\$ 600,000	\$ -	\$ -	\$ -	\$ 600,000
200 Brady Domestic Cold Water Meter	\$ 19,291	\$ -	\$ -	\$ -	\$ 19,291
TDS Storm Piping	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 4,000,000
199 Larch Exterior Wall Sealants	\$ -	\$ -	\$ -	\$ 277,911	\$ 277,911
199 Larch Storm Sump Pumps	\$ -	\$ -	\$ -	\$ 31,017	\$ 31,017
199 Larch Concrete Retaining Wall Structure	\$ -	\$ -	\$ -	\$ 62,034	\$ 62,034
TDS Backup Unit Heat Pump	\$ -	\$ -	\$ -	\$ 37,220	\$ 37,220
190 Brady Police Tower - Fan Coil Unit (Heat Pumps)	\$ -	\$ -	\$ -	\$ 217,118	\$ 217,118
	\$619,291	\$1,000,000	\$1,000,000	\$2,625,300	\$5,244,591

*Reflects 2024 cashflow only. Total project budget is approximately \$1.5 million.

10. In the past budget years we have always had a year end surplus, moving forward in the 2025 budget how much money is staff anticipated having at the year end of 2025.

In Ontario, municipalities are required by Section 289 and 290 of the Municipal Act to plan balanced operating budgets. This means that expenses must equal revenues every year. While variances can occur in-year due to external factors, staff anticipate no variance for 2025.

11. What was the budget for fire fighter (career) salaries in 2024 and how much money did we budget for in overtime in 2024. What's the budget amount for firefighters (career) salaries for 2025 and how much are we currently budgeting for in overtime in 2025. Now I believe we hired four new firefighters in 2024 and wouldn't see a reduction in overtime for the first six months so how will this change in 2025.

The 2024 and 2025 budgeted salaries and overtime for career firefighters is reflected below. The additional career firefighters hired in September 2024 will reduce our dependence on overtime going forward into 2025. Career suppression is expecting one retirement in 2025, any additional unplanned absences in 2025 will result in further demand for overtime to meet the minimum staffing levels contained within the collective bargaining agreement and minimum fire ground staffing. While it is too early to know what our overtime will be in 2025, Fire Services is anticipating being on budget in 2025.

Salaries and Benefits		
	2024 Budget	2025 Budget
Career suppression	\$ 16,195,191	\$ 17,171,506
Composite career suppression	\$ 2,885,474	\$ 3,003,113
Total Salaries and Benefits Budget - Career Firefighters	\$ 19,080,665	\$ 20,174,619
Overtime		
	2024 Budget	2025 Budget
Career suppression	\$ 913,003	\$ 1,040,393
Composite career suppression	\$ 77,730	\$ 80,061
Total Overtime - Career Firefighters	\$ 990,733	\$ 1,120,454

12. Which department or service is going to have the potential of the biggest over expenditure in 2025 and how will staff counter this within the 2025 budget year without running into financial difficulties.

In reference to question number 10, staff anticipate no variance for 2025.

While staff make every effort to estimate annual budget requirements, several external factors can influence expenditures beyond staff control. Some departments have a greater risk than others for an over expenditure due to political, economic, social, technological, environmental, and legal factors. A few examples are as follows:

- Corporate Revenues and Expenditures
 - Investment income can be influenced by economic factors (interest rates) and political factors (decisions regarding reserve funds and large projects). Council's decision to amend the Investment Policy to increase the long-term investment limits by \$100 million in February 2024 will result in higher yields on long-term investments and reduces the impact of lower yields in the short term.
- Corporate Services
 - Security, By-Law & Parking is heavily influenced by social factors. Parking revenues are trending lower because of the continuation of many downtown employers continuing remote work arrangements. Furthermore, the City is realizing lower than anticipated parking fines and fees due to a frequent requirement to reassign enforcement staff to cover for staff absences and security service requirements downtown, at housing properties, and on Transit. Security and Bylaw have been scheduling more regular parking enforcement downtown and are seeing an increase in fines and fees which is anticipated to translate into increased permit revenue.
- Community Development
 - Social factors described above also affect Leisure and Cemetery Services. The Division continues to incur increased costs associated with illegal dumping, vandalism, and encampment responses. Furthermore, high costs related to unscheduled maintenance of aging infrastructures of arenas, pools, and parks in addition to weather events such as reduced snowfall (environmental) can result in unpredicted maintenance costs or reduced revenues.
The Auditor General's (AG) audit of Parks Services also identified items causing significant variations between budget and actuals. Staff are working with the AG's recommendations and continue to look at ways of reducing the City's asset footprint while maintaining service levels. Reserves and reserve funds offer protection against unanticipated expenditure requirements or lower-than-planned revenues.
- Growth and Infrastructure
 - Linear Infrastructure Services is heavily influenced by the environment, particularly during the winter months. While staff complete an analysis annually to determine the average cost for a winter season, variances do occur. The Winter Control Reserve Fund can be utilized to fund an over expenditure related to winter control.
- Community Safety
 - Paramedic and Fire Services are primarily delivered through staffing of paramedics and firefighters. Unplanned absences drive over expenditures in any given year. There are several ways that service levels are maintained, including utilizing part-time staff, balancing schedules, and offering overtime. The Tax Rate Stabilization Reserve offers protection against over expenditures.

13. Please provide a breakdown of the specific work that was done and the final costs, by location, for the approved capital budget of \$2,315,589 for Library Facilities in 2024. Please provide a breakdown of the specific work, by location, that is planned for the \$5,015,678 in the 2025 capital budget for Library Facilities.

The Library Refurbishment Project which started in 2023 has incurred costs to date of \$430,000. Actual costs will be reported to Council within the annual Capital Project Status Update report. The 2024 and 2025 budget will support the ongoing work planned as detailed below.

The planned work in 2025 for library facilities based on 2024 budget of \$2.3 million and 2025 budget of \$5.0 million are as follows:

Library Branch	Planned Work Summary (Projects with significant costs summarized. Small works not shown in summary)	2024	2025
Azilda Gilles Pelland Library	Asphalt driveway, epoxy coated flooring	\$ 57,009	\$ -
Capreol Library	Elevator instead of chair lifts entrance to top floor	\$ -	\$ 2,402,054
Chelmsford Library & Citizen Service Centre	Carpet flooring, gas fired heating boiler, roofing	\$ 1,014,062	\$ -
Coniston Library	Concrete ramp, entrance door	\$ 238,780	\$ -
Copper Cliff Library	Interior Guardrails, windows, roof top units, asphalt paving	\$ -	\$ 1,046,899
Dowling Library & Citizen Service Centre	Asphalt paving, condenser units	\$ -	\$ 691,067
Lively Library & Citizen Service Centre	Flooring, exterior doors	\$ 365,967	\$ -
New Sudbury Library	Roof top units, carpet flooring, plumbing fixtures	\$ 614,707	\$ 19,832
Valley East Library & Citizen Service Centre	Roof top units, asphalt paving, carpet flooring, split face concrete blocks, ceramic tiles walls	\$ 25,064	\$ 855,826
Total Budget		\$2,315,589	\$5,015,678

14. Could you please update the information found on page 75 and 76 of the budget document (Staff complement) showing the current year-end forecast of actual full time staff and actual part time hours for 2024. Please also update or re-confirm the budgeted amounts for 2025.

Please add to this chart the amount of year-to-date and forecasted year-end actual vs. originally budgeted overtime hours in 2024 and the budgeted amounts for 2025.

Please see Appendix 1 for an updated Staff Complement chart for 2024 and 2025 as well as an analysis of changes for 2025.

Appendix 2 will include additional information and will be released the morning of December 2, 2024.

15. What is the 2024 investment income to the end of October for operations. Can some of the investment income be used in 2025 for projects.

As of October 31, 2024, general investment income earned was \$22.6 million compared to a budget of \$13 million. This surplus will form part of the year-end corporate position. In accordance with the Reserves and Reserve Funds By-law, any overall corporate surplus will be contributed equally to the Tax Rate Stabilization Reserve and Capital Financing Reserve Fund – General.

While a portion of this surplus is attributable to Council’s decision to amend the Investment Policy resulting in higher yields on investments, a portion of the surplus is due to a higher portfolio value from unspent capital. It is anticipated that the portfolio value will decrease as capital projects are delivered resulting in a decrease of investment income. Increasing the budget for investment income to match anticipated results in this unique set of circumstances would put significant pressure on future budgets (likely in 2027 and 2028).

Council has discretion to direct funds from the Tax Rate Stabilization Reserve and Capital Financing Reserve Fund – General. However, staff do not recommend one-time revenue sources (reserves) to fund ongoing operating and capital expenditures. The chart below demonstrates the effect of a one-time contribution from reserve in 2025 of \$5 million on the tax levy. In 2026, that contribution from reserve would be reversed, resulting in a net tax levy increase of 1.3% without any other considerations. Essentially, this merely delays the tax levy increase to future years to deliver Council approved service levels. Matching one-time costs with one-time revenue sources, however, would result in zero tax levy changes.

	2024	Current 2025	Revised 2025	2026	2027	2028
Tax Levy (000s)	\$355,658	\$ 376,565	\$ 376,565	\$ 371,565	\$ 376,565	\$ 376,565
Contribution from Reserve		\$ -	\$ (5,000)	\$ 5,000	\$ -	\$ -
Revised Tax Levy (000s)		\$ 376,565	\$ 371,565	\$ 376,565	\$ 376,565	\$ 376,565
Tax Levy Change % (No Assessment Growth)		5.9%	4.5%	1.3%	0.0%	0.0%
Tax Levy Change % (Known Assessment Growth)		4.7%	3.3%			

16. What is the current balance of funds from the 2020 and 2022 debt issued that remain unspent by project currently and how will it decrease in 2025 by month or the end of the year.

17. What rate and balance is being used for the 2025 budget to get to 13 million in income - 11 million from the budget detail report and 2 million increase

18. How much unspent capital is there that is funded from operations and when will it decrease if the City does not have enough project managers?