City of Greater Sudbury
2009 Budget Overview

Finance Committee Meeting
October 13, 2009

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2010 Budget - Key Highlights

2010 Base Tax Increase 4.3%

- Includes all core municipal services
- Estimate for Police Services, SDHU and NDCA
- Net of assessment growth

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2010 Budget - Key Highlights

Net 2010 Tax Increase Consists Of:

Base Budget	3.0%
Add: Estimate of Outside Boards	0.9%
Add: Annualization of Prior Year Approvals	0.4%
Base Budget Tax Increase	4.3%

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Key Principles Of The Base Budget

- Council's approved initiatives are funded within the budget
- Legislative and contractual obligations are satisfied
- Council approved service and standard levels are maintained
- Cost of providing services is minimized
- Other revenue sources are maximized to minimize impact on property taxes

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2010 Budget: Next Steps

Base Budget	**4.3%**
Less: Budget Reduction Target	**(2.3% to 1.3%)**
Target: Municipal Tax Increase	**2 to 3%**
Budget Reductions Required to Meet Council's Target (net of enhancements)	$4.3 to 2.4 M

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2010 Budget

	2009 Final	2010	Municipal Tax Levy Increase
Expenditures	$510M	$521M	-
Revenue	($323M)	($324M)	-
Net Levy	**$186M**	**$197M**	**5.8 %**
Assessment Growth			(1.5%)
Net Municipal Tax Increase			**4.3%**
Targeted Reductions			(1.3 % to 2.3%)
2010 Target Municipal Tax Increase			**2 to 3%**

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2010 Budget

2010 Total Budget	$521.5M
2009 Total Budget	$509.9M
Increase	$11.6M
Less: Change in Grants and Other Revenues	$0.7M
Net Municipal Levy Increase	$10.9M

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2010 Budget Major Variances

Major Highlights:	Gross Budget Increase of $11.6M	Municipal Tax Levy Increase of $10.9M	Tax Levy Impact 5.8%
Provincially Funded Programs	$7.9M	$1.1M	0.6%
Revenue Reductions	($1.1M)	$2.3M	1.2%
Net Expenditure Increases	$6.9M	$5.1M	2.7%
Police Services, NDCA and SDHU	$1.8M	$1.6M	0.9%
Annualization of Prior Year's Approvals	$0.8 M	$0.8M	0.4%
Reduction of 2009 One–Time Funding	($7.9M)	-	
Water Wastewater	$3.2M	-	

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2010 Budget Challenges - Revenues

- $400,000 decline in Payment in Lieu of Taxes
- $800,000 decline in investment income
- $700,000 decline in Transit User Fees
- No increase in Pioneer Manor provincial revenues
- No benefit from upload of ODSP
- Uncertainty regarding OMPF one-time funding

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2010 Budget Challenges - Expenditures

- Solid Waste contracts: recycling, organics, hazardous waste - $1.1 million
- Winter maintenance - $500,000 increase for potholes and materials
- Inflation and contractual increases
- Inflation on capital envelopes - $800,000
- Annualization of prior year approvals - $800,000

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2010 Budget Opportunities

- Estimated Assessment Growth: 1.5%
  - To be confirmed in November
- Federal Gas Taxes: $5.6 M to $10.1 M
  - Fund incremental spending on capital projects improving clean air, clean water, reduced greenhouse gas emissions
- Provincial Gas Taxes:
  - Available for transit ridership growth initiatives

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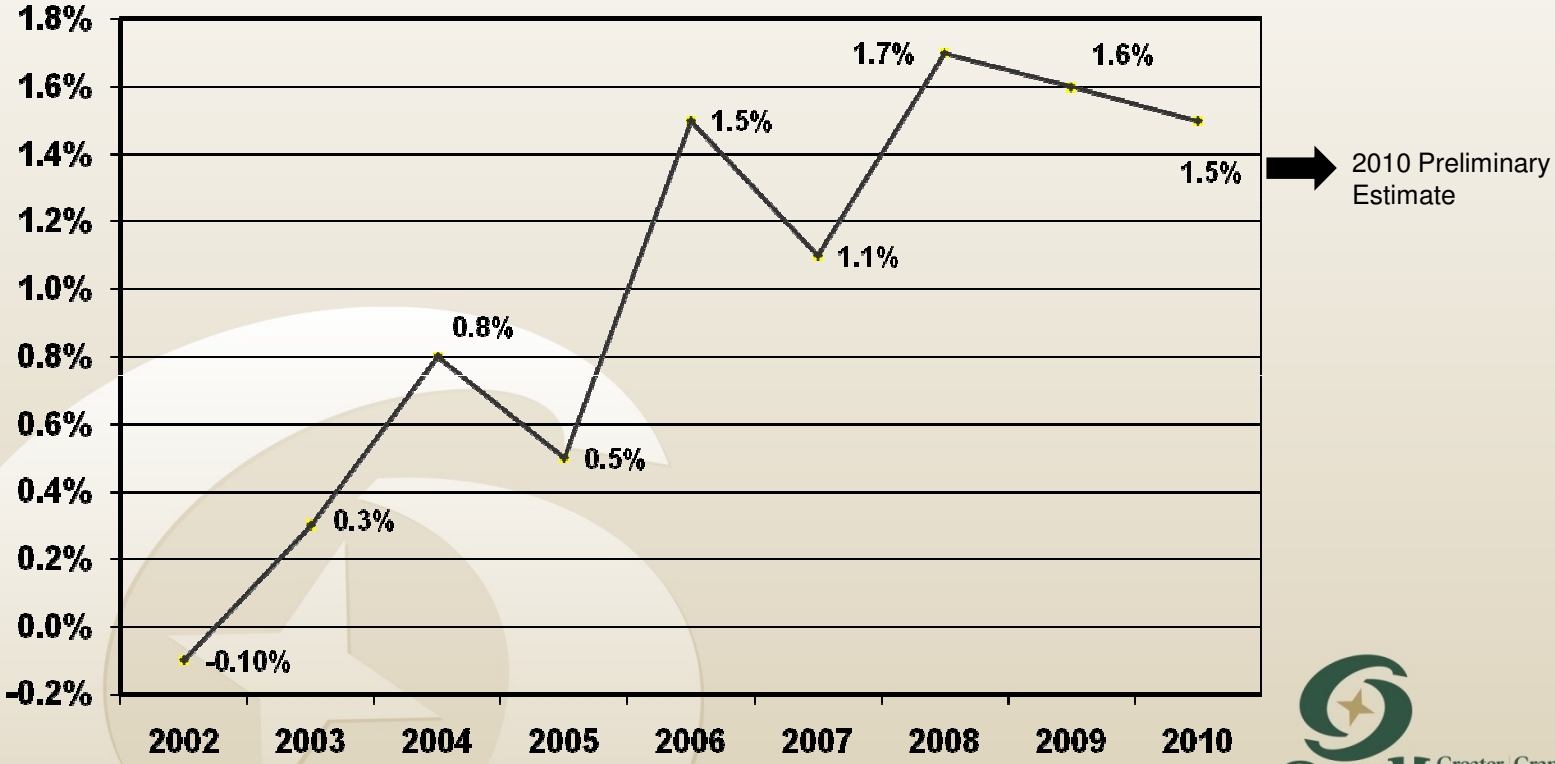
Assessment Growth 2002 to 2010



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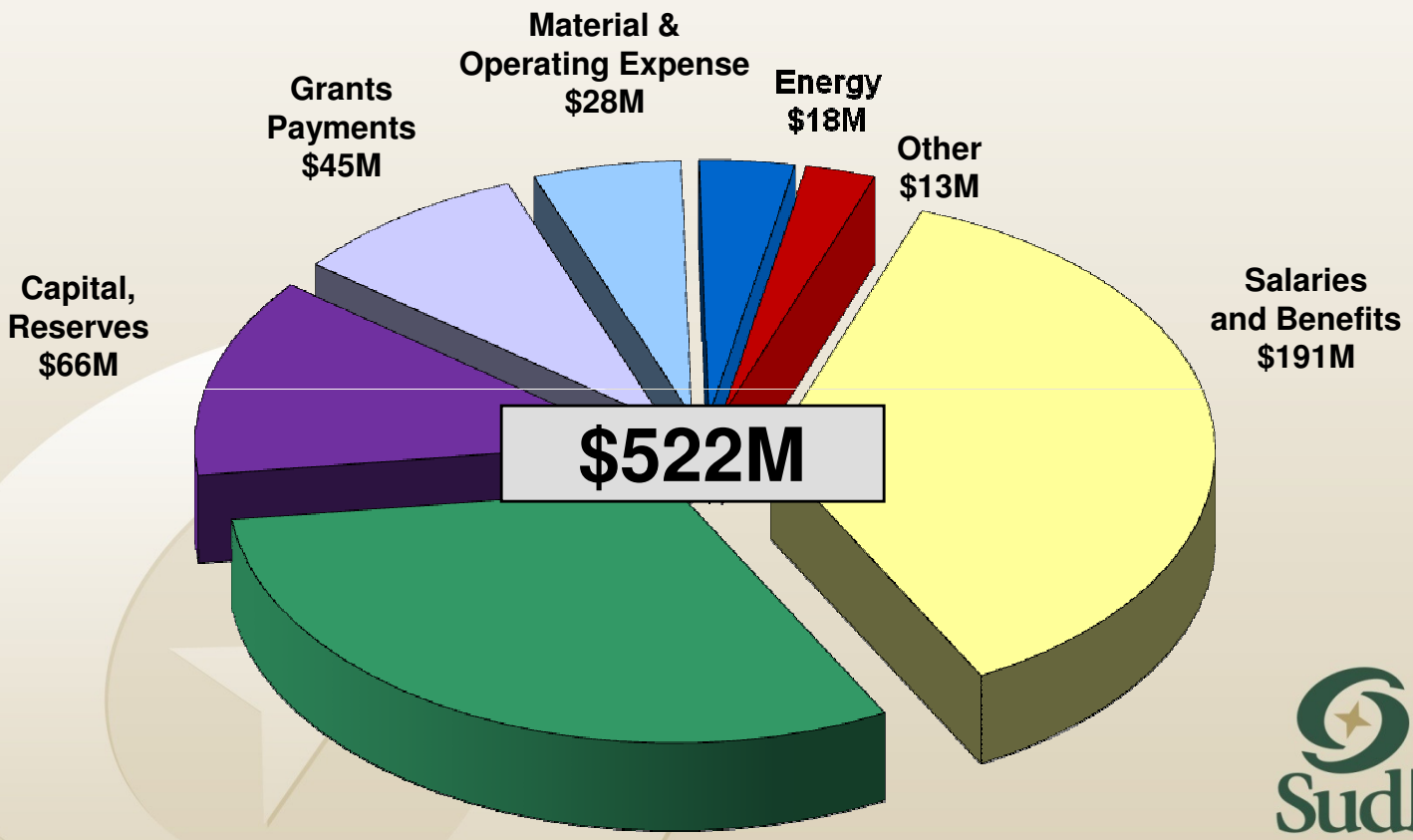
How 2010 Operating Dollars are Spent



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2010 OMPF

- 2010 Grant formula not yet confirmed by the Ministry of Finance
- Uncertainty: 2010 one-time funding
- Based on historical formula:
  - Social Programs Grant will decrease
  - Assessment Equalization Grant will decrease
  - No change in Northern Grant

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Mandatory vs. Discretionary Services

	2010 Gross Expenditure	2010 Tax Levy	% of Tax Levy
Mandatory Services	$ 224M	$82M	42%
Discretionary Services	$297M	$115M	58%
Total	$521M	$197M	100%

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2010 Budget Schedule

Budget Overview and Tabling of Budget	October 13, 2009
Review of Base Budget	October 13th, 19th and 26th
Capital Budget	November 4 & 5
Water and Wastewater Budget Review Review and Voting on Budget Reduction and Enhancement Options, Outside Boards	November 16th November 16th to 30th
Final Overview and Approval by Council	December 2 or 9th
Property Tax Policy	Spring 2010

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Questions

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