

SECTION 2

FINANCE COMMITTEE PRESENTATION

June 18, 2007

City of Greater Sudbury

Consolidated Municipal Financial Information
December 31, 2006



City of Greater Sudbury



■ **The Consolidated Information includes the financial activities for:**

- Greater Sudbury Housing Corporation
- City of Greater Sudbury CDC
- Metro Centre Management Board
- Flour Mill BIA
- Library Board
- Greater Sudbury Police Services Board

■ **Equity inclusion for:**

- Greater Sudbury Utilities Inc. – Net Income \$2,267,821
- Sudbury Airport CDC – Net Income \$409,982
- Sudbury CDC – Net Income - NIL

CICA's PSAB Generally Accepted Accounting Principles (GAAP) For Local Governments

- ✓ **Accrual Basis of Accounting**
- **Capital Assets:**
 - Capital expenditures are reported as an expenditure
 - Effective January 1, 2009 municipalities will be required to record Capital Assets on the Balance Sheet and depreciate on an annual basis.
- **Fund Accounting - Current, Capital, and Reserve Funds**
- ✓ **Notes to Financial Statements form an integral part**

City of Greater Sudbury
Schedule of Revenue (in 000's)



	2006	2005 (Restated)
Revenue:		
Transfer payments	\$ 211,438	189,416
Taxation	164,244	156,098
User charges	88,315	84,226
Investment	11,431	9,083
Fines and penalties	4,594	4,969
Other	9,628	8,989
Net income of government business enterprises	2,678	1,095
	\$ 492,328	453,876

5

City of Greater Sudbury
Schedule of Current Expenditures



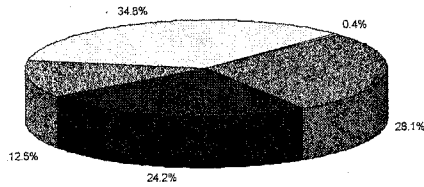
	2006	2005
General government	\$ 17,080	14,663
Protection to persons and property	63,163	58,860
Transportation services	44,239	39,900
Environmental services	43,453	43,629
Health services	20,033	20,118
Social and family services	147,648	144,131
Social housing	26,561	26,366
Recreation and cultural services	28,271	26,109
Planning and economic development	9,403	9,756
	\$ 399,851	383,532

6

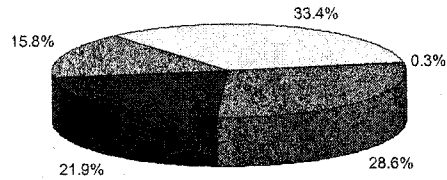
City of Greater Sudbury
City's Expenditures



2005



2006



7

City of Greater Sudbury
Schedule of Capital Expenditures



	2006	2005
General government	\$ 5,174	3,783
Protection to persons and property	4,582	3,663
Transportation services	34,682	22,505
Environmental services	17,330	15,800
Health services	5,005	1,895
Social and family services	1,592	1,197
Social housing	2,394	2,304
Recreation and cultural services	3,297	2,006
Planning and economic development	963	1,758
	\$ 75,019	54,911

8

City of Greater Sudbury



Consolidated Schedule of Financial Activities

	2006	2005 (Restated)
Revenues	\$ 492,328	453,876
Expenditures		
Current	(399,851)	(383,532)
Capital	(75,019)	(54,911)
Excess of revenue over expenditures	17,458	15,433
Debt reduction	(3,878)	(2,863)
Employee future benefits	1,733	1,471
Solid waste post-closure liabilities	596	1,013
Change in fund balance	\$ 15,909	15,054

9

City of Greater Sudbury



Change in Fund Balances

	2006	2005 (Restated)
Local boards	\$ (67)	5
Reserves and reserve funds	19,283	10,942
Capital	(5,985)	3,012
Equity in government enterprises	2,678	1,095
Change in fund balance	\$ 15,909	15,054

10

City of Greater Sudbury
Consolidated Financial Position



	2006	2005
Assets:		
Cash and investments	\$ 107,188	91,317
Accounts receivable	39,771	31,570
Taxes receivable	8,542	9,714
Other current assets	1,940	2,102
Long-term investments	39,492	35,637
	196,933	170,340
Inventory	918	596
Investment in government business	82,139	79,461
	\$ 279,990	250,397

11

City of Greater Sudbury
Consolidated Financial Position (cont'd)



	2006	2005
		(Restated)
Liabilities:		
Accounts payable	\$ 52,659	46,625
Future obligations	48,531	46,201
Deferred revenue	19,026	11,386
Long-term liabilities	48,117	51,996
	\$ 168,333	156,208

12

City of Greater Sudbury
Consolidated Financial Position (cont'd)



	2006	2005
		(Restated)
Municipal Position:		
Current	\$ 54	121
Capital	34,619	40,604
Reserves and reserve funds	88,809	69,526
Equity in government enterprises	82,139	79,461
	205,621	189,712
Amounts to be recovered:		
Reserves and reserve funds	(5,325)	(5,368)
From future revenues	(88,637)	(90,155)
Net Municipal Position	\$ 111,659	94,189

13

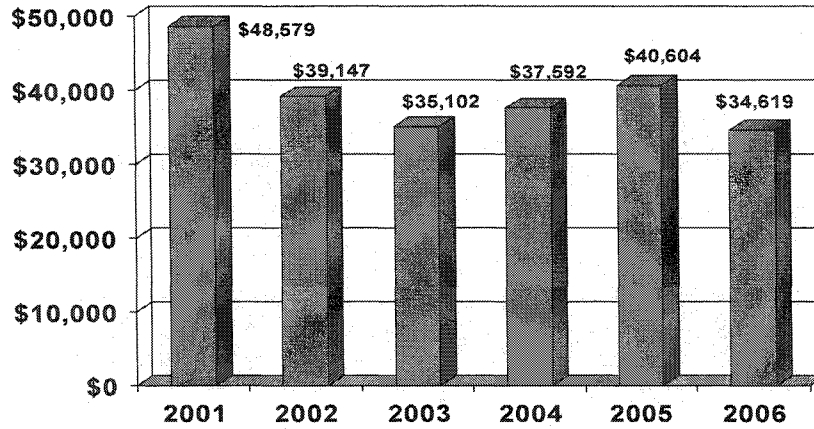
City of Greater Sudbury
Capital Fund Continuity



	2006	2005
Capital Fund balance, beginning of year	\$ 40.6M	\$ 37.6M
Add: Net unexpended (expended) capital funds	(6.0M)	3.0M
Capital Fund balance, end of year	\$ 34.6M	\$ 40.6M

14

Capital Fund Trends



15

City of Greater Sudbury

Reserve and Reserve Fund Continuity



	2006	2005
		(Restated)
Reserve and Reserve Funds, beginning of year	69.5	58.6
Add: Operating Surplus	1.5	4.9
Add: Program specific under expenditures	2.7	4.0
Add: Interest earned by reserve funds	2.7	1.8
Add Other approved transfers	12.4	0.2
Reserve and Reserve Funds, end of year	88.8	69.5

16

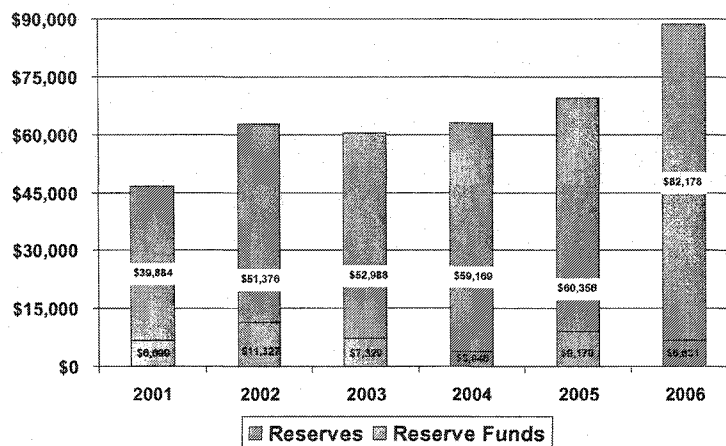
Program Specific Budget Variances



Water Reserve Fund (service funded by user fees)	\$ 0.3M
Waste Water Reserve Fund (service funded by user fees)	0.6M
Capital Financing Reserve Fund – Information Technology	0.6M
Building Services Reserve Fund (Bill 124)	0.4M
Capital Financing Reserve Fund – Police Services	0.2M
Organization Development Reserve	0.2M
Other (Cemeteries, 199 Larch, Parking)	0.4M
Total	\$ 2.7M

17

Trends in Reserve and Reserve Funds



18

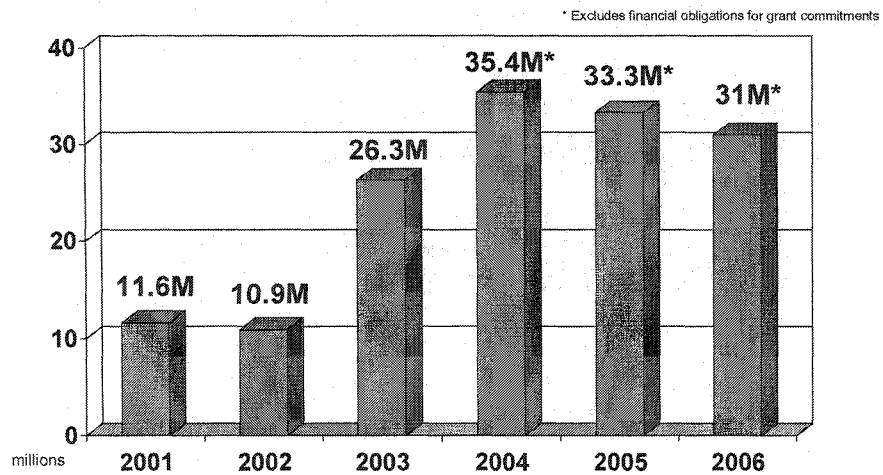
Debt to Reserves Ratio



	CGS Debt to Reserves Ratio	BMA Study Avg Debt to Reserves Ratio
2001	0.2	N/A
2002	0.2	0.7
2003	0.4	0.8
2004	0.5	0.8
2005	0.5	0.8
2006	0.4	TBD

19

Long Term Debt Trends



20

Questions?