

**2014
Operating
Budget**

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		483	483	-	0	483	-
Crew Hours		75,066	75,283	0.3	0	75,283	0.3
Part Time Hours		108,697	112,966	3.9	274	113,240	4.2
Overtime Hours		5,290	7,185	35.8	0	7,185	35.8
Revenues							
Levies	(522,034)	(522,034)	(522,034)	-	0	(522,034)	-
Provincial Grants & Subsidies	(40,000)	(40,000)	(40,000)	-	0	(40,000)	-
User Fees	(67,380,729)	(67,375,864)	(70,062,918)	(4.0)	(600,000)	(70,662,918)	(4.9)
Contr from Reserve and Capital	(2,142,111)	(1,484,468)	(1,324,297)	10.8	(23,490)	(1,347,787)	9.2
Other Revenues	(281,433)	(273,433)	(286,883)	(4.9)	0	(286,883)	(4.9)
Total Revenues	(70,366,307)	(69,695,799)	(72,236,132)	(3.6)	(623,490)	(72,859,622)	(4.5)
Expenses							
Salaries & Benefits	45,949,550	46,226,340	47,073,608	1.8	10,738	47,084,346	1.9
Materials - Operating Expenses	12,855,926	12,336,383	12,500,958	1.3	8,456	12,509,414	1.4
Equipment Expenses	99,000	85,795	85,795	-	0	85,795	-
Energy Costs	10,531,436	10,764,858	11,116,204	3.3	4,296	11,120,500	3.3
Purchased/Contract Services	21,368,661	18,974,143	19,830,838	4.5	0	19,830,838	4.5
Debenture & Insurance Costs	2,750,859	2,701,599	2,700,235	(0.1)	0	2,700,235	(0.1)
Prof Development & Training	217,198	215,746	224,961	4.3	0	224,961	4.3
Grants - Transfer Payments	83,236	84,236	84,236	-	0	84,236	-
Contr to Reserve and Capital	56,208,750	56,217,958	58,075,537	3.3	600,000	58,675,537	4.4
Internal Recoveries	3,564,904	3,782,890	3,947,380	4.3	0	3,947,380	4.3
Total Expenses	153,629,520	151,389,948	155,639,752	2.8	623,490	156,263,242	3.2
Net Budget	83,263,213	81,694,150	83,403,620	2.1	0	83,403,620	2.1

INFRASTRUCTURE SERVICES DEPARTMENT

To provide the following services in accordance with Council's budgetary approvals and Provincial regulations in a manner best serving the interests of the City taxpayers: engineering, design, construction and maintenance of the City's roadways, water and waste water systems, storm sewers and municipal/agricultural drains; operation of water and waste water treatment plants; transportation planning and traffic engineering; forestry services; fleet and transit services.

**2014
Operating
Budget**

Operating Budget Summary	
Description	
This area is responsible for the preparation and presentation of reports to Council; Coordination of departmental activities; provide engineering guidance to Roads, Water / Waste Water projects from design through construction; Respond to inquiries from the general public; Liaison with approval and funding agencies.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		2	2	-	0	2	-
Expenses							
Salaries & Benefits	307,476	308,030	314,592	2.1	0	314,592	2.1
Materials - Operating Expenses	14,000	14,000	14,000	-	0	14,000	-
Purchased/Contract Services	1,300	1,000	1,000	-	0	1,000	-
Prof Development & Training	26,210	26,000	26,000	-	0	26,000	-
Internal Recoveries	(139,896)	(139,866)	(142,236)	(1.7)	0	(142,236)	(1.7)
Total Expenses	209,090	209,144	213,356	2.0	0	213,356	2.0
Net Budget	209,090	209,144	213,356	2.0	0	213,356	2.0

**2014
Operating
Budget**

Operating Budget Summary	
Description	
This section provides the necessary buildings and facilities for public works maintenance and operating activities. The City operates out of five depots:	
- Frobisher	
- St. Clair	
- Suez	
- Rayside	
- Black Lake	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		3,670	3,670	-	0	3,670	-
Revenues							
Other Revenues	(18,000)	(18,000)	(18,450)	(2.5)	0	(18,450)	(2.5)
Total Revenues	(18,000)	(18,000)	(18,450)	(2.5)	0	(18,450)	(2.5)
Expenses							
Salaries & Benefits	413,391	421,210	430,210	2.1	0	430,210	2.1
Materials - Operating Expenses	127,200	124,230	125,620	1.1	0	125,620	1.1
Energy Costs	399,118	399,118	419,885	5.2	0	419,885	5.2
Purchased/Contract Services	366,187	356,040	356,340	0.1	0	356,340	0.1
Debeniture & Insurance Costs	20,820	20,820	21,395	2.8	0	21,395	2.8
Internal Recoveries	(155,912)	(153,912)	(153,324)	0.4	0	(153,324)	0.4
Total Expenses	1,170,804	1,167,506	1,200,126	2.8	0	1,200,126	2.8
Net Budget	1,152,804	1,149,506	1,181,676	2.8	0	1,181,676	2.8



Engineering Services

2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		50	50	-	0	50	-
Part Time Hours		14,255	14,255	-	0	14,255	-
Overtime Hours		4,015	4,015	-	0	4,015	-
Revenues							
User Fees	(80,775)	(73,675)	(75,886)	(3.0)	0	(75,886)	(3.0)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(80,775)	(73,675)	(75,886)	(3.0)	0	(75,886)	(3.0)
Expenses							
Salaries & Benefits	5,142,268	5,043,090	5,111,951	1.4	0	5,111,951	1.4
Materials - Operating Expenses	136,504	119,314	128,314	7.5	0	128,314	7.5
Energy Costs	51,554	46,554	57,765	24.1	0	57,765	24.1
Purchased/Contract Services	88,624	170,948	169,923	(0.6)	0	169,923	(0.6)
Prof Development & Training	34,800	34,600	35,010	1.2	0	35,010	1.2
Grants - Transfer Payments	7,736	8,736	8,736	-	0	8,736	-
Contr to Reserve and Capital	25,200	25,200	25,200	-	0	25,200	-
Internal Recoveries	(5,405,911)	(5,374,768)	(5,461,013)	(1.6)	0	(5,461,013)	(1.6)
Total Expenses	80,775	73,675	75,886	3.0	0	75,886	3.0
Net Budget	0	0	0	83.3	0	0	83.3

ENGINEERING SERVICES

To provide engineering and technical expertise for the City's infrastructure system including roads, bridges, storm and sanitary sewers, water and waste water treatment plants, water distribution systems, municipal buildings and facilities. Services include both short and long term planning in all areas.

Provide detailed design, drafting, construction supervision, surveying and materials testing on all capital and maintenance projects.

Provide technical assistance to other city departments, the general public, and the development community.

Provide technical assistance to the Growth & Development Department - Development Engineering Section on all proposed subdivisions and site plan control agreements, building permit applications, minor variances, severances, letters of tolerance, etc.

In accordance with OMBI methodology, these costs are allocated to roads, water waste water and solid waste.



Water - Wastewater Summary

2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		137	137	-	0	137	-
Crew Hours		39,142	39,142	-	0	39,142	-
Part Time Hours		5,163	5,163	-	0	5,163	-
Revenues							
Levies	(522,034)	(522,034)	(522,034)	-	0	(522,034)	-
User Fees	(58,388,123)	(58,159,974)	(60,855,385)	(4.6)	(600,000)	(61,455,385)	(5.7)
Contr from Reserve and Capital	(423,227)	(365,418)	(264,437)	27.6	0	(264,437)	27.6
Other Revenues	(79,600)	(79,600)	(79,600)	-	0	(79,600)	-
Total Revenues	(59,412,984)	(59,127,026)	(61,721,456)	(4.4)	(600,000)	(62,321,456)	(5.4)
Expenses							
Salaries & Benefits	12,351,823	13,327,817	13,398,078	0.5	0	13,398,078	0.5
Materials - Operating Expenses	3,511,495	4,025,445	4,025,445	-	0	4,025,445	-
Energy Costs	3,892,154	3,933,031	4,110,128	4.5	0	4,110,128	4.5
Purchased/Contract Services	8,191,887	6,713,267	7,149,599	6.5	0	7,149,599	6.5
Debenture & Insurance Costs	1,796,640	1,749,860	1,736,540	(0.8)	0	1,736,540	(0.8)
Prof Development & Training	65,198	75,198	75,198	-	0	75,198	-
Grants - Transfer Payments	25,500	25,500	25,500	-	0	25,500	-
Contr to Reserve and Capital	26,315,354	25,935,812	27,754,528	7.0	600,000	28,354,528	9.3
Internal Recoveries	6,390,027	6,468,190	6,745,120	4.3	0	6,745,120	4.3
Total Expenses	62,540,078	62,254,120	65,020,136	4.4	600,000	65,620,136	5.4
Net Budget	3,127,093	3,127,094	3,298,680	5.5	0	3,298,680	5.5

WATER WASTEWATER
2014 Operating Budget Variances (in '000's)

		Gross
2013 Base Operating Budget		62,254
Expenditure Changes		
Salaries and Benefits		
Negotiated wages, decreased benefits etc		70
Energy Costs		
Anticipated rate increases		177
Purchased Services		
AVL & Utility Locates	240	
Vale - purchased W and WW	185	
Other net increases	<u>12</u>	437
Debentures and Insurance		
Decrease in internal borrowing costs	(101)	
Insurance and Taxes	<u>87</u>	(14)
Provisions to Capital		
Biosolids Phase -in (year 2 of 3)	1,300	
Inflation - NRBCPI 2.0%	<u>519</u>	1,819
Internal recoveries		
Engineering	124	
Water billings and collections	123	
Other net increases	<u>30</u>	<u>277</u>
2014 Base Operating Budget		<u><u>65,020</u></u>

WATER/WASTEWATER SUMMARY

Major Variance Analysis:

Expenditures:

1. Salaries and Benefits increased by approximately \$70,000 or .5%. The increase is mainly due to contractually negotiated increase offset by decreases to benefit costs.
2. Energy Costs increased by approximately \$177,000 or 4.5% due primarily to anticipated rate increases.
3. Purchased and Contract Services increased by approximately \$437,000 or 6.5%. The increase is largely attributed to anticipated increases in purchased water and wastewater costs from Vale as well as projected costs necessary to provide utility locate services under the mandatory Ontario one-call system.
4. Debenture & Insurance Costs have decreased by approximately \$14,000 or .8% to reflect a decrease in internal borrowing costs on capital projects offset by increases in property taxes on city owned facilities.
5. Provision to Reserves and Capital has increased by approximately \$2.4 Million or 9.3%, as a result of the \$1.3 million 2014 share of previously approved Biosolids phase-in funding, \$600,000 for approved 2014 budget option combined with inflation to the capital envelopes in accordance with policy.
7. Internal recoveries have increased by approximately \$277,000 or 4.3% due primarily to an increase in interdepartmental allocations for engineering and related disciplines as a result of revisions to the allocation methodology, as well as projected increases to the City's service agreement with Greater Sudbury Utilities.

WATER/WASTE WATER SUMMARY

The City operates a total of 9 separate water systems and 13 wastewater treatment facilities (plants or lagoons), distributed across Greater Sudbury. The investment in water and wastewater services is significant, with the replacement value of its infrastructure estimated to be in excess of \$2.3 billion.

FIRE PROTECTION LEVY

The City currently funds the water costs related to fire protection from the municipal levy. Typical of municipal water system design, the City's water system has extra capacity that allows for increased water flows for firefighting purposes and this extra capacity has a cost in terms of oversized infrastructure (water mains, pumps, storage tanks) and higher operating expenses.

For purposes of the Financial Plan developed in 2011, the amount of fire protection costs were recalculated using a methodology provided by the American Water Works Association. For 2014 that amount should be approximately \$3.6M but is being set as \$3.3M representing a phased-in amount.



Water - Wastewater Admin.

2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		34	34	-	0	34	-
Part Time Hours		5,163	5,163	-	0	5,163	-
Revenues							
User Fees	(55,182)	(55,182)	(56,838)	(3.0)	0	(56,838)	(3.0)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(55,182)	(55,182)	(56,838)	(3.0)	0	(56,838)	(3.0)
Expenses							
Salaries & Benefits	3,889,569	4,063,563	4,103,952	1.0	0	4,103,952	1.0
Materials - Operating Expenses	36,000	44,000	44,000	-	0	44,000	-
Energy Costs	358,815	358,815	356,856	(0.5)	0	356,856	(0.5)
Purchased/Contract Services	129,033	59,033	46,135	(21.8)	0	46,135	(21.8)
Prof Development & Training	65,198	75,198	75,198	-	0	75,198	-
Grants - Transfer Payments	0	0	0	-	0	0	-
Internal Recoveries	(4,289,249)	(4,411,243)	(4,569,304)	(3.6)	0	(4,569,304)	(3.6)
Total Expenses	189,366	189,366	56,837	(70.0)	0	56,837	(70.0)
Net Budget	134,184	134,184	0	(100.0)	0	0	(100.0)

WATER/WASTEWATER ADMIN

Reflected here are costs related to the administration and supervision of the Water / Wastewater Services, as well as fleet costs which are allocated to Water and Wastewater through internal allocations.



Water Service Summary

2014 Operating Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		18,936	18,936	-	0	18,936	-
Revenues							
Levies	(232,042)	(232,042)	(232,042)	-	0	(232,042)	-
User Fees	(27,991,176)	(27,647,912)	(28,401,984)	(2.7)	(600,000)	(29,001,984)	(4.9)
Contr from Reserve and Capital	(423,227)	(365,418)	(264,437)	27.6	0	(264,437)	27.6
Other Revenues	(70,000)	(70,000)	(70,000)	-	0	(70,000)	-
Total Revenues	(28,716,445)	(28,315,372)	(28,968,463)	(2.3)	(600,000)	(29,568,463)	(4.4)
Expenses							
Salaries & Benefits	3,839,976	4,192,326	4,205,597	0.3	0	4,205,597	0.3
Materials - Operating Expenses	2,112,647	2,367,647	2,367,647	-	0	2,367,647	-
Energy Costs	1,680,928	1,750,805	1,838,670	5.0	0	1,838,670	5.0
Purchased/Contract Services	4,075,680	2,749,680	3,045,570	10.8	0	3,045,570	10.8
Debenture & Insurance Costs	1,100,731	1,075,225	1,036,117	(3.6)	0	1,036,117	(3.6)
Contr to Reserve and Capital	11,796,492	11,796,492	12,032,422	2.0	600,000	12,632,422	7.1
Internal Recoveries	7,232,904	7,506,110	7,741,120	3.1	0	7,741,120	3.1
Total Expenses	31,839,358	31,438,285	32,267,143	2.6	600,000	32,867,143	4.5
Net Budget	3,122,913	3,122,913	3,298,680	5.6	0	3,298,680	5.6



5220 Water Revenues

2014
Operating
Budget

Operating Budget Summary	
Description	
Water revenues represent the portion of water production and supply costs recovered directly from water customers.	
Approved Budget Option: Increase capital envelopes by \$600,000 in accordance with the WWW Financial Plan	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
User Fees	(27,794,561)	(27,451,297)	(28,199,470)	(2.7)	(600,000)	(28,799,470)	(4.9)
Other Revenues	(70,000)	(70,000)	(70,000)	-	0	(70,000)	-
Total Revenues	(27,864,561)	(27,521,297)	(28,269,470)	(2.7)	(600,000)	(28,869,470)	(4.9)
Net Budget	(27,864,561)	(27,521,297)	(28,269,470)	(2.7)	(600,000)	(28,869,470)	(4.9)

WATER REVENUES

On July 1, 2001, the City adopted a fully user-pay basis for water and wastewater services, whereby the full cost would be funded through user fees except for a percentage of costs that relate to fire protection capacity.

Under the City's current rate structure, customers are charged a fixed monthly service fee (2013 - \$15.71 residential) that varies based on the size of the water service as well as a variable consumption charge calculated on a per cubic meter basis (2013 - \$1.171 per cubic metre), with revenues from the variable charge accounting for approximately two-thirds of user fee revenues. In the absence of meters for wastewater inflows, user fees for wastewater are calculated as a percentage of water rates (2013 – 111.9%) and as such, incorporate both a fixed and variable component.

Consistent with similar trends across the province, consumption of water has been decreasing since amalgamation and this decline can be attributed to many factors, including:

- Conservation of water through education and technology such as water saving devices
- Wet summers leading to less outdoor watering
- Customers using less water in response to increased prices
- Increasing instances of tampering

In 2013 consumption was budgeted at 14.3M cubic metres and it is anticipated that the 2013 actual consumption levels will be 14.4M cubic metres. For 2014 staff is projecting consumption levels of 14.3M cubic metres

Approved Budget Option:

- Increase capital envelopes by \$600,000 in accordance with the WWW Financial Plan

**2014
Operating
Budget**

Operating Budget Summary	
Description	
To reflect water debt repayments and contributions to capital for water projects which fund capital spending on water projects including the replacment of existing water systems.	
Approved Budget Option: Increase capital envelopes by \$600,000 in accordance with the WWW Financial Plan	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Levies	(232,042)	(232,042)	(232,042)	-	0	(232,042)	-
Contr from Reserve and Capital	(345,627)	(287,818)	(186,837)	35.1	0	(186,837)	35.1
Total Revenues	(577,669)	(519,860)	(418,879)	19.4	0	(418,879)	19.4
Expenses							
Debenture & Insurance Costs	287,818	287,818	186,837	(35.1)	0	186,837	(35.1)
Contr to Reserve and Capital	11,796,492	11,796,492	12,032,422	2.0	600,000	12,632,422	7.1
Total Expenses	12,084,310	12,084,310	12,219,259	1.1	600,000	12,819,259	6.1
Net Budget	11,506,641	11,564,450	11,800,380	2.0	600,000	12,400,380	7.2

WATER-DEBT & CONTRIBUTION TO CAPITAL

Variance Explanations:

Debenture & Insurance Costs / Contribution from Reserves & Capital

This decrease represents the reduction in interest costs on internally financed projects, as projects such as the Wahnapiatae WTP Upgrade has been paid off and the Levack Water Supply will be paid off by 2015. These interest costs are fully funded from the Water Capital envelope.

Approved Budget Option:

- Increase capital envelopes by \$600,000 in accordance with the WWW Financial Plan



5226 Water Treatment

2014
Operating
Budget

Operating Budget Summary	
Description	Reflected are the costs associated with the production of clean, potable water meeting regulatory requirements for quality, as well as providing adequate quantity and pressure to water customers.

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		5,693	5,693	-	0	5,693	-
Revenues							
User Fees	0	0	0	-	0	0	-
Total Revenues	0	0	0	-	0	0	-
Expenses							
Salaries & Benefits	1,049,408	1,038,695	1,050,057	1.1	0	1,050,057	1.1
Materials - Operating Expenses	1,380,377	1,485,377	1,485,377	-	0	1,485,377	-
Energy Costs	1,680,928	1,750,805	1,838,670	5.0	0	1,838,670	5.0
Purchased/Contract Services	987,390	991,390	1,105,740	11.5	0	1,105,740	11.5
Debtenture & Insurance Costs	812,913	787,407	849,280	7.9	0	849,280	7.9
Internal Recoveries	58,629	138,629	109,969	(20.7)	0	109,969	(20.7)
Total Expenses	5,969,645	6,192,303	6,439,093	4.0	0	6,439,093	4.0
Net Budget	5,969,645	6,192,303	6,439,093	4.0	0	6,439,093	4.0

WATER TREATMENT

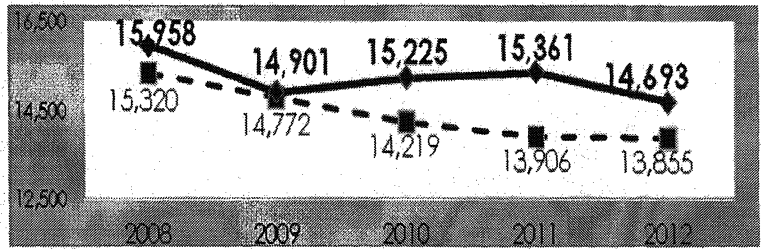


OMBI Performance Benchmarks

————— CGS result

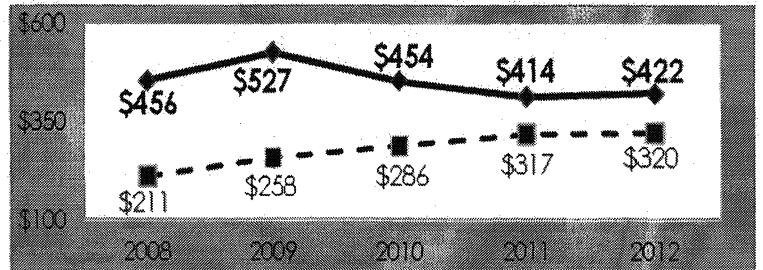
----- Median result
Integrated
systems only

Megalitres of Water Treated per 100,000 Population



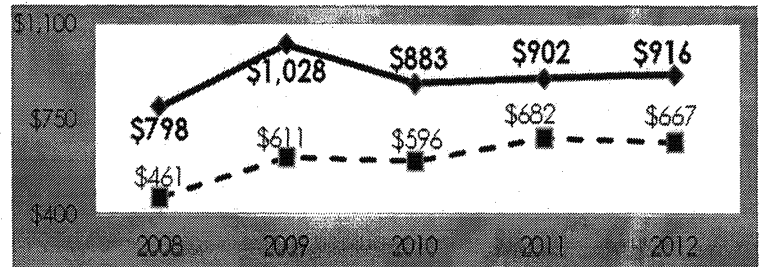
[WATR 210]

Operating Cost for the Treatment of Drinking Water per Megalitre Treated



[WATR 310]

Operating Cost for the Treatment and Distribution of Drinking Water per Megalitre Treated



[WATR 315]

OMBI data is current as at August 26, 2013.



5232 Water Engineering Costs

2014
Operating
Budget

Operating Budget Summary	
Description	
Reflected here are engineering costs associated with water, in the form of internal charges from the departments for the General Manager of Infrastructure, Financial Support Services, Engineering Services, Design and Drafting and Construction Services.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0		0	0	-
Expenses							
Internal Recoveries	1,432,724	1,530,887	1,597,693	4.4	0	1,597,693	4.4
Total Expenses	1,432,724	1,530,887	1,597,693	4.4	0	1,597,693	4.4
Net Budget	1,432,724	1,530,887	1,597,693	4.4	0	1,597,693	4.4



Water System Repair and Mtce

2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		13,243	13,243	-	0	13,243	-
Revenues							
User Fees	(196,616)	(196,616)	(202,514)	(3.0)	0	(202,514)	(3.0)
Contr from Reserve and Capital	(77,600)	(77,600)	(77,600)	-	0	(77,600)	-
Total Revenues	(274,216)	(274,216)	(280,114)	(2.2)	0	(280,114)	(2.2)
Expenses							
Salaries & Benefits	2,790,568	3,153,631	3,155,540	0.1	0	3,155,540	0.1
Materials - Operating Expenses	732,270	882,270	882,270	-	0	882,270	-
Energy Costs	0	0	0	-	0	0	-
Purchased/Contract Services	3,088,290	1,758,290	1,939,830	10.3	0	1,939,830	10.3
Contr to Reserve and Capital	0	0	0	-	0	0	-
Internal Recoveries	5,741,551	5,836,594	6,033,458	3.4	0	6,033,458	3.4
Total Expenses	12,352,679	11,630,785	12,011,098	3.3	0	12,011,098	3.3
Net Budget	12,078,464	11,356,570	11,730,984	3.3	0	11,730,984	3.3

WATER SYSTEM REPAIR & MAINTENANCE

Reflected are the costs of maintenance and repair to the City's extensive water distribution system.

Variance Explanations:

Purchased/Contract Services

The increase in this category is to reflect historical actual expenditures for watermain, valve and curb box repairs and has been funded by an anticipated reduction in road and property restoration costs.

WATER SYSTEM REPAIR & MAINTENANCE



OMBI Performance Benchmarks

————— CGS result

----- Median result
Integrated
systems only

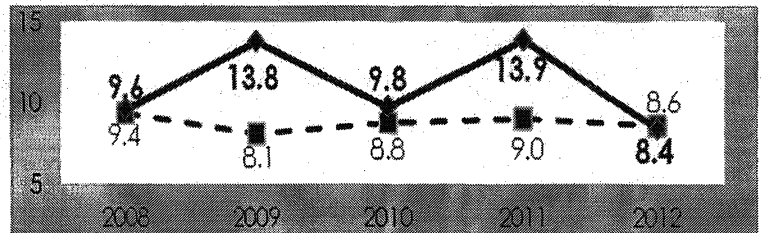
Age of Pipe

Population Density
(of Serviced Area)

2011 data	Age of Pipe	Population Density
CGS	47.0	215
Median	40.0	848

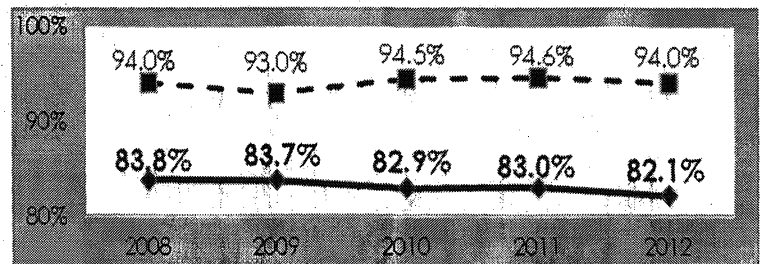
[WATR 120 & 009]

Number of Water Main Breaks per 100 KM of Distribution Pipe



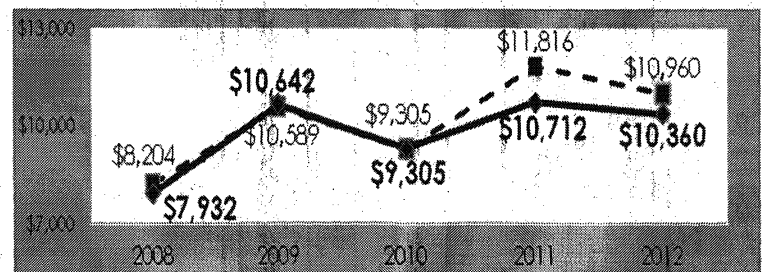
[WATR 410]

Percentage of Households Served by Municipal Water



[WATR 220]

Operating Cost for the Distribution of Drinking Water per Kilometer of Water Distribution Pipe



[WATR 305]

OMBI data is current as at August 26, 2013.



Wastewater Services Summary

2014 Operating Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		12,205	12,205	-	0	12,205	-
Revenues							
Levies	(289,992)	(289,992)	(289,992)	-	0	(289,992)	-
User Fees	(30,089,874)	(30,204,989)	(32,137,116)	(6.4)	0	(32,137,116)	(6.4)
Total Revenues	(30,379,866)	(30,494,981)	(32,427,108)	(6.3)	0	(32,427,108)	(6.3)
Expenses							
Salaries & Benefits	3,661,141	4,143,951	4,176,980	0.8	0	4,176,980	0.8
Materials - Operating Expenses	1,148,518	1,389,468	1,389,468	-	0	1,389,468	-
Energy Costs	1,851,088	1,822,088	1,913,212	5.0	0	1,913,212	5.0
Purchased/Contract Services	2,399,684	1,930,684	2,040,564	5.7	0	2,040,564	5.7
Debtenture & Insurance Costs	695,909	674,635	700,423	3.8	0	700,423	3.8
Grants - Transfer Payments	25,500	25,500	25,500	-	0	25,500	-
Contr to Reserve and Capital	14,518,862	14,139,320	15,722,106	11.2	0	15,722,106	11.2
Internal Recoveries	5,949,160	6,239,331	6,458,855	3.5	0	6,458,855	3.5
Total Expenses	30,249,862	30,364,977	32,427,108	6.8	0	32,427,108	6.8
Net Budget	(130,004)	(130,004)	0	100.0	0	0	100.0



5250 Wastewater Revenue

2014
Operating
Budget

Operating Budget Summary	
Description	
These revenues represent the recovery of wastewater treatment and maintenance costs directly from wastewater services customers.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0		0	0	-
Revenues							
User Fees	(30,089,874)	(30,204,989)	(32,137,116)	(6.4)	0	(32,137,116)	(6.4)
Total Revenues	(30,089,874)	(30,204,989)	(32,137,116)	(6.4)	0	(32,137,116)	(6.4)
Net Budget	(30,089,874)	(30,204,989)	(32,137,116)	(6.4)	0	(32,137,116)	(6.4)

WASTEWATER REVENUE

On July 1, 2001, the City adopted a fully user-pay basis for water and wastewater services, whereby the full cost would be funded through user fees except for a percentage of costs that relate to fire protection capacity.

Under the City's current rate structure, customers are charged a fixed monthly service fee (2013 - \$15.71 residential) that varies based on the size of the water service as well as a variable consumption charge calculated on a per cubic meter basis (2013 - \$1.171 per cubic metre), with revenues from the variable charge accounting for approximately two-thirds of user fee revenues. In the absence of meters for wastewater inflows, user fees for wastewater are calculated as a percentage of water rates (2013 – 111.9%) and as such, incorporate both a fixed and variable component.

Consistent with similar trends across the province, consumption of water has been decreasing since amalgamation and this decline can be attributed to many factors, including:

- Conservation of water through education and technology such as water saving devices
- Wet summers leading to less outdoor watering
- Customers using less water in response to increased prices
- Increasing instances of tampering

In 2013 consumption was budgeted at 14.3M cubic metres and it is anticipated that the 2013 actual consumption levels will be 14.4M cubic metres. For 2014 staff is projecting consumption levels of 14.3M cubic metres



5253 WW Debt and Cont to Cap

2014
Operating
Budget

Operating Budget Summary	
Description	To reflect wastewater contribution to capital for wastewater projects, which fund capital spending on wastewater projects including the replacement of existing wastewater systems.

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Levies	(289,992)	(289,992)	(289,992)	-	0	(289,992)	-
Total Revenues	(289,992)	(289,992)	(289,992)	-	0	(289,992)	-
Expenses							
Grants - Transfer Payments	25,500	25,500	25,500	-	0	25,500	-
Contr to Reserve and Capital	14,518,862	14,139,320	15,722,106	11.2	0	15,722,106	11.2
Total Expenses	14,544,362	14,164,820	15,747,606	11.2	0	15,747,606	11.2
Net Budget	14,254,370	13,874,828	15,457,614	11.4	0	15,457,614	11.4

W W DEBT AND CONT TO CAPITAL

Variance Explanations:

Contribution to Reserve & Capital

During 2013 budget deliberations, Council approved a three year phase-in of additional Biosolids debt repayment and operating costs. The annual funding increase is \$1.3 million for 2013 through 2015. This increase represents the 2014 share of that increase combined with the annual inflationary increase to the capital envelope in accordance with policy.

**2014
Operating
Budget**

Operating Budget Summary	
Description	
Reflected are the costs associated with the production of quality effluents meeting regulatory requirements and minimizing environmental degradation.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		8,179	8,179	-	0	8,179	-
Expenses							
Salaries & Benefits	1,885,347	1,882,256	1,913,790	1.7	0	1,913,790	1.7
Materials - Operating Expenses	1,076,848	1,287,798	1,287,798	-	0	1,287,798	-
Energy Costs	1,851,088	1,822,088	1,913,212	5.0	0	1,913,212	5.0
Purchased/Contract Services	1,600,430	1,431,430	1,526,310	6.6	0	1,526,310	6.6
Debenfure & Insurance Costs	695,909	674,635	700,423	3.8	0	700,423	3.8
Internal Recoveries	247,931	247,931	258,350	4.2	0	258,350	4.2
Total Expenses	7,357,553	7,346,138	7,599,883	3.5	0	7,599,883	3.5
Net Budget	7,357,553	7,346,138	7,599,883	3.5	0	7,599,883	3.5

WASTEWATER TREATMENT

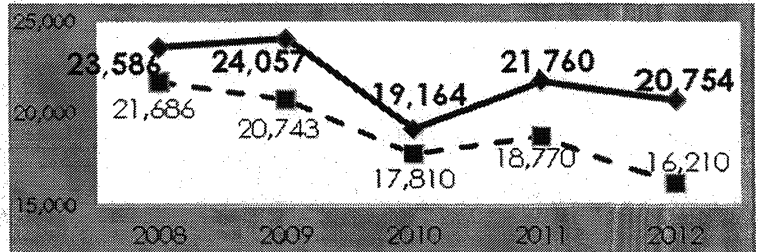


OMBI Performance Benchmarks

CGS result

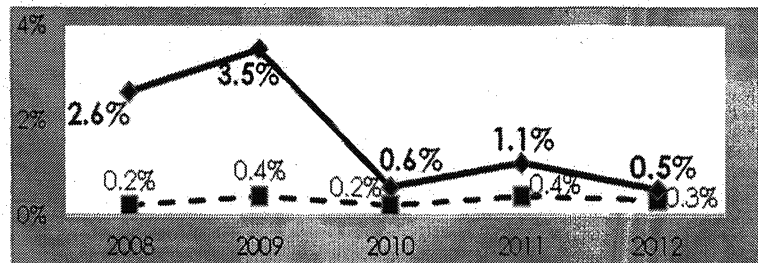
Median result
Integrated
systems only

Megalitres of Wastewater Treated per 100,000 Population



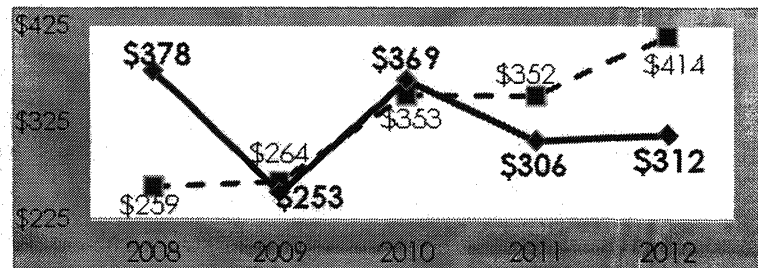
[WWTR 210]

Percentage of Wastewater Estimated to have Bypassed Treatment



[WWTR 110]

Operating Cost of Wastewater Treatment & Disposal per Megalitre Treated



[WWTR 310]

OMBI data is current as at August 26, 2013.

**2014
Operating
Budget**

Operating Budget Summary	
Description	
Reflected are engineering costs associated with wastewater in the form of internal charges from the departments of the General Manager of Infrastructure Services, Financial Support Services, Engineering Services, Design and Drafting and Construction Services.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0		0	0	-
Expenses							
Internal Recoveries	1,082,154	1,082,154	1,138,021	5.2	0	1,138,021	5.2
Total Expenses	1,082,154	1,082,154	1,138,021	5.2	0	1,138,021	5.2
Net Budget	1,082,154	1,082,154	1,138,021	5.2	0	1,138,021	5.2



WW System Repair and Mtce


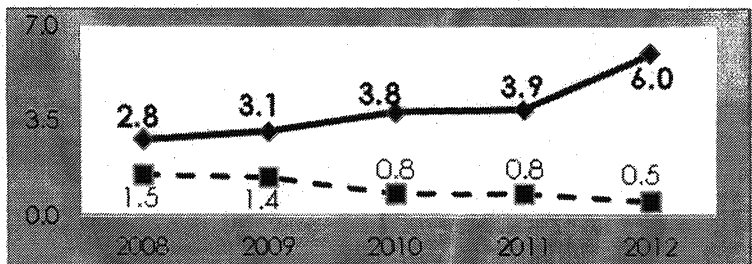
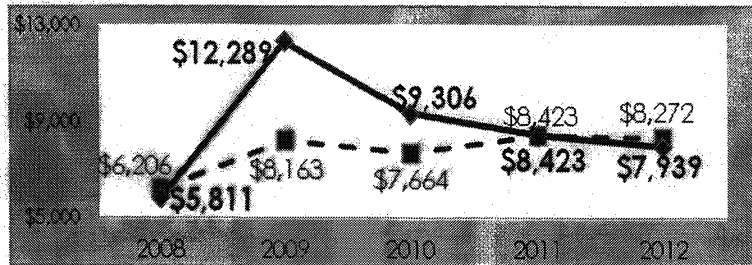
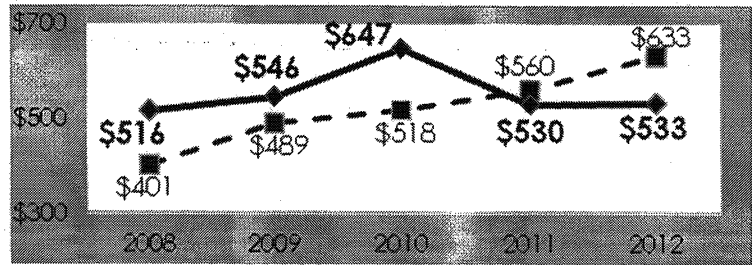
2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		4,026	4,026	-	0	4,026	-
Expenses							
Salaries & Benefits	1,775,794	2,261,695	2,263,190	0.1	0	2,263,190	0.1
Materials - Operating Expenses	71,670	101,670	101,670	-	0	101,670	-
Energy Costs	0	0	0	-	0	0	-
Purchased/Contract Services	799,254	499,254	514,254	3.0	0	514,254	3.0
Internal Recoveries	4,619,075	4,909,246	5,062,484	3.1	0	5,062,484	3.1
Total Expenses	7,265,793	7,771,865	7,941,598	2.2	0	7,941,598	2.2
Net Budget	7,265,793	7,771,865	7,941,598	2.2	0	7,941,598	2.2

WW SYSTEM REPAIR & MTCE

Reflected are the costs of maintenance and repair to the City's extensive wastewater collection system.

	OMBI Performance Benchmarks										
	———— CGS result	----- Median result Integrated systems only									
Age of Pipe Population Density (of Service Area)	<table border="1"> <thead> <tr> <th>2012 data:</th> <th>Age of Pipe</th> <th>Population Density</th> </tr> </thead> <tbody> <tr> <td>CGS</td> <td>44.0</td> <td>266</td> </tr> <tr> <td>Median</td> <td>40.0</td> <td>874</td> </tr> </tbody> </table>		2012 data:	Age of Pipe	Population Density	CGS	44.0	266	Median	40.0	874
2012 data:	Age of Pipe	Population Density									
CGS	44.0	266									
Median	40.0	874									
	[WWTR 105 & 009]										
Number of Wastewater Main Backups per 100 KM of Wastewater Main Pipe											
	[WWTR 405]										
Operating Cost of Wastewater Collection/Conveyance per Kilometer of Pipe											
	[WWTR 305]										
Operating Cost of Wastewater Collection/Conveyance & Treatment/Disposal per Megalitre Treated											
	[WWTR 315]										
OMBI data is current as at August 26, 2013.											



Roads Maintenance Summary

2014 Operating Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		143	143	-	0	143	-
Overtime Hours		100	100	-	0	100	-
Part Time Hours		16,240	16,240	-	0	16,240	-
Crew Hours		32,254	32,471	0.7	0	32,471	0.7
Revenues							
Provincial Grants & Subsidies	(40,000)	(40,000)	(40,000)	-	0	(40,000)	-
User Fees	(424,092)	(724,920)	(388,507)	46.4	0	(388,507)	46.4
Contr from Reserve and Capital	(684,884)	(59,510)	(59,860)	(0.6)	0	(59,860)	(0.6)
Other Revenues	(42,900)	(42,900)	(42,900)	-	0	(42,900)	-
Total Revenues	(1,191,876)	(867,330)	(531,267)	38.7	0	(531,267)	38.7
Expenses							
Salaries & Benefits	12,405,152	12,317,083	12,607,934	2.4	0	12,607,934	2.4
Materials - Operating Expenses	5,356,212	4,942,152	4,958,566	0.3	0	4,958,566	0.3
Equipment Expenses	0	0	0	-	0	0	-
Energy Costs	3,200,780	3,200,780	3,326,227	3.9	0	3,326,227	3.9
Purchased/Contract Services	7,793,016	6,990,809	7,449,074	6.6	0	7,449,074	6.6
Debenture & Insurance Costs	43,906	43,906	64,794	47.6	0	64,794	47.6
Prof Development & Training	46,395	46,255	47,145	1.9	0	47,145	1.9
Contr to Reserve and Capital	26,934,068	27,284,068	27,254,599	(0.1)	0	27,254,599	(0.1)
Internal Recoveries	10,235,391	10,172,208	10,452,546	2.8	0	10,452,546	2.8
Total Expenses	66,014,919	64,997,261	66,160,885	1.8	0	66,160,885	1.8
Net Budget	64,823,043	64,129,931	65,629,618	2.3	0	65,629,618	2.3

ROADS MAINTENANCE SUMMARY

To reflect the cost associated with the delivery of roads, transportation and drainage services within the City of Greater Sudbury.

Variance Explanations:

Crew Hours

The change in crew hours is a result of adjusting the work plan to account for growth in the road network.

ROADS MAINTENANCE SUMMARY



OMBI Performance Benchmarks

———— CGS result

----- Median result

Single-tier only

<p>Operating Cost for Paved (Hard Top) Roads per Lane KM</p>	<p>[ROAD 901]</p>
<p>Vehicle KM Travelled per Lane KM - Major Roads (in 1,000s)</p>	<p>[ROAD 112]</p>
<p>Percentage of Paved Lane KM where Condition is Rated Good to Very Good</p>	<p>[ROAD 405]</p>
<p>Operating Cost for Unpaved (Loose Top) Roads per Lane KM</p>	<p>[ROAD 902]</p>

OMBI data is current as at August 27, 2013.

**2014
Operating
Budget**

Operating Budget Summary	
Description	
This represents the contribution to capital for roads and drainage capital projects.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Expenses							
Contr to Reserve and Capital	26,670,561	26,670,561	26,987,222	1.2	0	26,987,222	1.2
Total Expenses	26,670,561	26,670,561	26,987,222	1.2	0	26,987,222	1.2
Net Budget	26,670,561	26,670,561	26,987,222	1.2	0	26,987,222	1.2

Operating Budget Summary

Description

2014
Operating
Budget

2013 2014

	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		139	139	-	0	139	-
Crew Hours		0	0	-	0	0	-
Part Time Hours		11,830	11,830	-	0	11,830	-
Revenues							
User Fees	(115,615)	(466,915)	(120,423)	74.2	0	(120,423)	74.2
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(115,615)	(466,915)	(120,423)	74.2	0	(120,423)	74.2
Expenses							
Salaries & Benefits	3,511,339	3,401,608	3,460,435	1.7	0	3,460,435	1.7
Materials - Operating Expenses	31,660	29,900	29,900	-	0	29,900	-
Equipment Expenses	0	0	0	-	0	0	-
Energy Costs	97,433	97,433	83,291	(14.5)	0	83,291	(14.5)
Purchased/Contract Services	145,546	143,946	140,425	(2.4)	0	140,425	(2.4)
Debenture & Insurance Costs	43,906	43,906	64,794	47.6	0	64,794	47.6
Prof Development & Training	46,395	46,255	47,145	1.9	0	47,145	1.9
Contr to Reserve and Capital	70,000	420,000	70,000	(83.3)	0	70,000	(83.3)
Internal Recoveries	(3,830,663)	(3,716,133)	(3,775,568)	(1.6)	0	(3,775,568)	(1.6)
Total Expenses	115,615	466,915	120,422	(74.2)	0	120,422	(74.2)
Net Budget	0	0	0	(17.9)	0	0	(17.9)

ROADS ADMINISTRATION

Variance Explanations:

User Fees & Contribution to Reserve and Capital

The change reflects the closure of the Podolsky Mine and the resulting loss of revenue from Quadra FNX for hauling ore from the Podolsky Mine during half load season.



Summer Maintenance

2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		18,027	18,016	(0.1)	0	18,016	(0.1)
Revenues							
User Fees	(120,130)	(125,130)	(128,884)	(3.0)	0	(128,884)	(3.0)
Contr from Reserve and Capital	(59,510)	(59,510)	(59,860)	(0.6)	0	(59,860)	(0.6)
Total Revenues	(179,640)	(184,640)	(188,744)	(2.2)	0	(188,744)	(2.2)
Expenses							
Salaries & Benefits	4,580,410	4,674,662	4,793,400	2.5	0	4,793,400	2.5
Materials - Operating Expenses	2,237,335	2,313,035	2,317,520	0.2	0	2,317,520	0.2
Energy Costs	713,215	713,215	679,009	(4.8)	0	679,009	(4.8)
Purchased/Contract Services	2,827,305	2,896,660	2,774,071	(4.2)	0	2,774,071	(4.2)
Internal Recoveries	4,274,506	4,240,860	4,489,613	5.9	0	4,489,613	5.9
Total Expenses	14,632,770	14,838,431	15,053,613	1.5	0	15,053,613	1.5
Net Budget	14,453,130	14,653,791	14,864,869	1.4	0	14,864,869	1.4

SUMMER MAINTENANCE SUMMARY

To provide summer maintenance of the City's road system involving maintenance of asphalt and gravel road surfaces, sidewalks and curbs, drainage structures, forestry, as well as traffic and safety control devices.

In order to provide the recommended maintenance standards, it has been identified that the summer roads maintenance budget requires an additional \$4 million annually. The 2014 summer maintenance budget has been developed utilizing information obtained from the zero base budget build while adhering to the Base Budget Preparation Policy.

Winter Maintenance

2014
Operating
Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		14,227	14,455	1.6	0	14,455	1.6
Revenues							
User Fees	(121,347)	(67,875)	(72,250)	(6.4)	0	(72,250)	(6.4)
Contr from Reserve and Capital	(625,374)	0	0	-	0	0	-
Other Revenues	(42,900)	(42,900)	(42,900)	-	0	(42,900)	-
Total Revenues	(789,621)	(110,775)	(115,150)	(3.9)	0	(115,150)	(3.9)
Expenses							
Salaries & Benefits	3,917,240	3,843,740	3,921,486	2.0	0	3,921,486	2.0
Materials - Operating Expenses	3,080,030	2,593,030	2,604,959	0.5	0	2,604,959	0.5
Energy Costs	467,132	467,132	543,926	16.4	0	543,926	16.4
Purchased/Contract Services	4,076,915	3,203,515	3,768,964	17.7	0	3,768,964	17.7
Contr to Reserve and Capital	0	0	0	-	0	0	-
Internal Recoveries	5,316,694	5,110,567	5,196,770	1.7	0	5,196,770	1.7
Total Expenses	16,858,011	15,217,984	16,036,105	5.4	0	16,036,105	5.4
Net Budget	16,068,390	15,107,209	15,920,955	5.4	0	15,920,955	5.4

WINTER MAINTENANCE SUMMARY

To provide an acceptable level of winter control services within approved guidelines in the areas of:

- Snow removal
- Snowplowing roads and lanes
- Opening drainage ditches
- Winter maintenance of sidewalks
- Sanding and salting streets
- Pothole patching

Variance Explanations:

Energy Costs

The increase is a result of the reallocation of fuel budgets from summer to winter maintenance based on historical consumption.




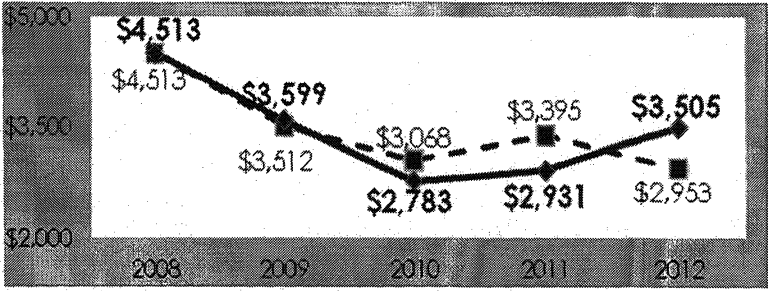
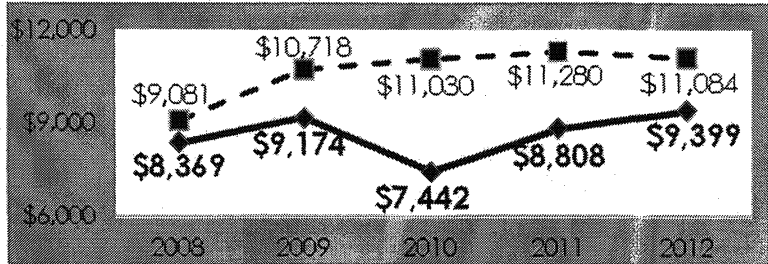
Purchased/Contract Services

The increase is largely attributable to the new winter control contract.

2013 Year End Projection:

The net over expenditure for Winter Roads maintenance as a result of the increased requirement for salting, sanding, plowing and snow removal is \$1.5 Million. This section is weather dependant, therefore, making it challenging to project a potential year end position for this area. In accordance with the Reserves and Reserve Fund bylaw, any Roads Winter Control over expenditures may be funded from the Roads Winter Control Reserve Fund. The Winter Roads over expenditure has been mitigated slightly by the deliberate curtailing of expenditures in Summer Roads Maintenance resulting in the overall projection of a deficit of \$1.3 Million for this Division.

WINTER MAINTENANCE SUMMARY

	OMBI Performance Benchmarks	
	 CGS result	 Median result Single-tier only
Operating Cost for Winter Maintenance of Roadways per Lane KM		
	[ROAD 903]	
Percentage of Winter Events Meeting New Municipal Winter Level of Service	CGS and Single-tier Median results: 100% for the years 2006 through 2012	
	[ROAD 250]	
Roads Operating Cost (All Functions) per Lane KM		
	[ROAD 308]	
OMBI data is current as at August 27, 2013.		

**2014
Operating
Budget**

Operating Budget Summary	
Description	
To reflect costs associated with Roads in the form of charge backs from the sections for General Manager, Financial Support Services, Engineering Services, Design and Drafting and Construction Services.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0		0	0	-
Expenses							
Internal Recoveries	4,814,194	4,879,172	4,913,661	0.7	0	4,913,661	0.7
Total Expenses	4,814,194	4,879,172	4,913,661	0.7	0	4,913,661	0.7
Net Budget	4,814,194	4,879,172	4,913,661	0.7	0	4,913,661	0.7



5390 Streetlighting

2014
Operating
Budget

Operating Budget Summary	
Description	Provides for the energy and maintenance of the City's streetlighting system.

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0		0	0	-
Expenses							
Energy Costs	1,923,000	1,923,000	2,020,000	5.0	0	2,020,000	5.0
Purchased/Contract Services	524,850	524,850	540,450	3.0	0	540,450	3.0
Internal Recoveries	5,248	5,248	5,561	6.0	0	5,561	6.0
Total Expenses	2,453,098	2,453,098	2,566,011	4.6	0	2,566,011	4.6
Net Budget	2,453,098	2,453,098	2,566,011	4.6	0	2,566,011	4.6

**2014
Operating
Budget**

Operating Budget Summary	
Description	Co-ordinate and administer municipal / agricultural drainage programs for existing and new drains. To provide for drainage supervision costs and to reflect contributions to capital and reserves for municipal / agricultural drains.

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		1,260	1,260	-	0	1,260	-
Revenues							
Provincial Grants & Subsidies	(40,000)	(40,000)	(40,000)	-	0	(40,000)	-
User Fees	0	0	0	-	0	0	-
Total Revenues	(40,000)	(40,000)	(40,000)	-	0	(40,000)	-
Expenses							
Salaries & Benefits	16,363	16,593	20,197	21.7	0	20,197	21.7
Purchased/Contract Services	193,800	196,000	199,326	1.7	0	199,326	1.7
Contr to Reserve and Capital	193,507	193,507	197,377	2.0	0	197,377	2.0
Internal Recoveries	0	0	0	-	0	0	-
Total Expenses	403,670	406,100	416,900	2.7	0	416,900	2.7
Net Budget	363,670	366,100	376,900	2.9	0	376,900	2.9

**2014
Operating
Budget**

Operating Budget Summary	
Description	
To provide for the safe, orderly and efficient movement of people and goods. Carry out transportation planning to address the present and future needs. Evaluate, design, maintain and install traffic devices. Review and evaluate site plans and zoning applications. Participate in all official and secondary plans. Direct and carry out annual data collection programs. Review and issue permits dealing with roads, traffic movement including driveway entrances, wide loads, street occupancy, etc.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		4	4	-	0	4	-
Overtime Hours		100	100	-	0	100	-
Part Time Hours		3,150	3,150	-	0	3,150	-
Revenues							
User Fees	(67,000)	(65,000)	(66,950)	(3.0)	0	(66,950)	(3.0)
Total Revenues	(67,000)	(65,000)	(66,950)	(3.0)	0	(66,950)	(3.0)
Expenses							
Salaries & Benefits	379,800	380,480	412,416	8.4	0	412,416	8.4
Materials - Operating Expenses	7,187	6,187	6,187	-	0	6,187	-
Energy Costs	0	0	0	-	0	0	-
Purchased/Contract Services	24,600	25,838	25,838	-	0	25,838	-
Internal Recoveries	(344,587)	(347,505)	(377,491)	(8.6)	0	(377,491)	(8.6)
Total Expenses	67,000	65,000	66,950	3.0	0	66,950	3.0
Net Budget	0	0	0	(100.0)	0	0	(100.0)



Transit and Fleet Summary

2014 Operating Budget

Operating Budget Summary	
Description	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		151	151	-	0	151	-
Overtime Hours		1,175	3,070	161.3	0	3,070	161.3
Part Time Hours		73,039	77,308	5.8	274	77,582	6.2
<u>Revenues</u>							
User Fees	(8,487,739)	(8,417,295)	(8,743,140)	(3.9)	0	(8,743,140)	(3.9)
Contr from Reserve and Capital	(1,034,000)	(1,059,540)	(1,000,000)	5.6	(23,490)	(1,023,490)	3.4
Other Revenues	(140,933)	(132,933)	(145,933)	(9.8)	0	(145,933)	(9.8)
Total Revenues	(9,662,672)	(9,609,768)	(9,889,073)	(2.9)	(23,490)	(9,912,563)	(3.2)
<u>Expenses</u>							
Salaries & Benefits	15,329,441	14,809,110	15,210,843	2.7	10,738	15,221,581	2.8
Materials - Operating Expenses	3,710,515	3,111,242	3,249,013	4.4	8,456	3,257,469	4.7
Equipment Expenses	99,000	85,795	85,795	-	0	85,795	-
Energy Costs	2,987,830	3,185,375	3,202,200	0.5	4,296	3,206,496	0.7
Purchased/Contract Services	4,927,647	4,742,079	4,704,902	(0.8)	0	4,704,902	(0.8)
Debenture & Insurance Costs	889,493	887,013	877,506	(1.1)	0	877,506	(1.1)
Prof Development & Training	44,595	33,693	41,608	23.5	0	41,608	23.5
Grants - Transfer Payments	50,000	50,000	50,000	-	0	50,000	-
Contr to Reserve and Capital	2,934,128	2,972,878	3,041,210	2.3	0	3,041,210	2.3
Internal Recoveries	(7,358,794)	(7,188,942)	(7,493,713)	(4.2)	0	(7,493,713)	(4.2)
Total Expenses	23,613,854	22,688,243	22,969,363	1.2	23,490	22,992,853	1.3
Net Budget	13,951,182	13,078,475	13,080,290	-	0	13,080,290	-

TRANSIT AND FLEET SUMMARY

To administer and deliver services related to transit, handi-transit, fleet services, Lorne Street depot, school safety and the driver certification program. During 2014, Transit and Fleet Services will continue to work towards creating more efficiencies as we move towards the completion of the Lorne St. project, working on implementing a transit route rationalization strategy as well as revisiting the corporate wide fleet rate structure.

2013 Year-end Projection:

As previously reported to Council, this Division is experiencing an overall deficit of about \$885,000 which is comprised of \$750,000 in Transit and \$135,000 in Fleet, as a result of various factors. Firstly, Handi-Transit is projecting an over expenditure of \$215,000 to the end of the year which is largely attributed to the increase in number of riders requiring the system. This is offset by a reduction in demand for Transcab services resulting in a projected under expenditure of \$30,000. Operations Committee has approved changes to Handi-Transit policies and procedures in an effort to improve the service for customer and reduce costs where possible.

Bus operators are also projecting an over expenditure of \$340,000 as a result of ongoing unbudgeted modified work program costs, contractual training requirements for new operator hires, and additional costs related to realignment of staffing levels to achieve approved service levels. The realignment has been phased in and should be accurate in the 2014 budget.

Other items contributing to the variance are snow removal costs for bus shelters of \$65,000 and bus parts of \$90,000 which is largely due to heavy winter conditions and higher than normal bus repairs. Lastly, an over expenditure of \$70,000 in depot building repairs is due to above normal maintenance requirements such as storm receptor vacuuming and HVAC maintenance.

**2014
Operating
Budget**

Operating Budget Summary	
Description	
Approved Budget Option: Provide one-time funding of \$23,490 from reserve to extend the Azilda/Chelmsford route to the Lionel E Lalonde Centre	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		112	112	-	0	112	-
Part Time Hours		56,047	61,362	9.5	274	61,636	10.0
Overtime Hours		0	1,895	100.0	0	1,895	100.0
Revenues							
User Fees	(7,786,100)	(7,717,678)	(8,025,000)	(4.0)	0	(8,025,000)	(4.0)
Contr from Reserve and Capital	(1,034,000)	(1,059,540)	(1,000,000)	5.6	(23,490)	(1,023,490)	3.4
Other Revenues	(140,933)	(132,933)	(145,933)	(9.8)	0	(145,933)	(9.8)
Total Revenues	(8,961,033)	(8,910,151)	(9,170,933)	(2.9)	(23,490)	(9,194,423)	(3.2)
Expenses							
Salaries & Benefits	11,667,441	11,184,510	11,534,065	3.1	10,738	11,544,803	3.2
Materials - Operating Expenses	1,382,252	1,241,697	1,217,836	(1.9)	8,456	1,226,292	(1.2)
Equipment Expenses	45,000	23,873	23,873	-	0	23,873	-
Energy Costs	2,891,988	2,937,227	2,938,212	-	4,296	2,942,509	0.2
Purchased/Contract Services	1,082,947	1,132,500	1,094,890	(3.3)	0	1,094,890	(3.3)
Debenture & Insurance Costs	598,493	597,500	608,649	1.9	0	608,649	1.9
Prof Development & Training	32,266	26,364	29,279	11.1	0	29,279	11.1
Grants - Transfer Payments	50,000	50,000	50,000	-	0	50,000	-
Contr to Reserve and Capital	561,168	561,168	572,391	2.0	0	572,391	2.0
Internal Recoveries	956,247	930,355	994,034	6.8	0	994,034	6.8
Total Expenses	19,267,801	18,685,194	19,063,230	2.0	23,490	19,086,720	2.1
Net Budget	10,306,768	9,775,042	9,892,297	1.2	0	9,892,297	1.2

GREATER SUDBURY TRANSIT SERVICES

Transit services, under the conventional system, include the delivery of "urban" and "commuter" transit services under one Greater Sudbury municipal transit system. The system builds on existing routes and services to achieve a seamlessly integrated system allowing passengers to move between urban and commuter areas efficiently and economically. A trans-cab service has been implemented in eleven areas of the city. It is anticipated the Greater Sudbury transit system will provide transportation to close to 5,000,000 passengers this year, covering a total distance of over 4,000,000 kilometers and providing approximately 180,000 hours of bus service.

Variance Explanations:

Salaries & Benefits/Part Time Hours/Overtime Hours

The overall changes in salaries, benefits and part-time hours are primarily the result of further efforts to build and realign the bus operator's work plan. The budget build includes all contractually obligated earnings and benefits, as well as all related operator premiums and operator replacement costs in order to fulfill current levels of Council-approved service.

Contribution from Reserve

The decrease in this area is a direct result of ridership initiative funding in accordance with the transit long term financial plan, as approved by Council. As a result, a draw from the Provincial gas tax (PGT) reserve for \$1 million in ridership growth initiatives has been included, which was also approved per the two year plan by the Operations Committee in 2012. A list of ridership initiatives funded by PGT for 2014 is outlined as follows:

- Transcab service to Radar Base
- One additional Handi-Transit bus
- Extended hours of service (Monday to Saturday)
- Handi-Transit extension of hours to match regular transit route hours
- Transcab extension of hours to match regular transit route hours
- Garson to Downtown route
- Lively route 701
- Double bus on New Sudbury routes
- Youth summer transit pass program
- Transcab route RR15 to Chelmsford
- NPO charter grant program
- One additional Valley East route
- Addition of Azilda/Chelmsford trip on weekdays to close the gap between 10:00am and 12:30pm
- Addition of Valley East route to close the gap between 11:30am and 2:30pm
- Addition of outbound Azilda/Chelmsford trip on Saturdays
- Increase of transcab frequency to Wahnapiatae and Skead
- Addition of Valley East route to close the gap between 9:30pm and 11:30pm

GREATER SUDBURY TRANSIT SERVICES

Approved Budget Option:

- Provide one-time funding of \$23,490 from reserve to extend the Azilda/Chelmsford Route to the Lionel E Lalonde Centre

Transit Route Rationalization

Transit services, in coordination with Finance, will be reviewing the cost recovery of all bus routes and processes to modifying service levels during 2014. The purpose of this initiative is to ensure an effective use of the transit system is being delivered to citizens and that routes are being deployed in areas where sufficient demand exists.

GREATER SUDBURY TRANSIT SERVICES

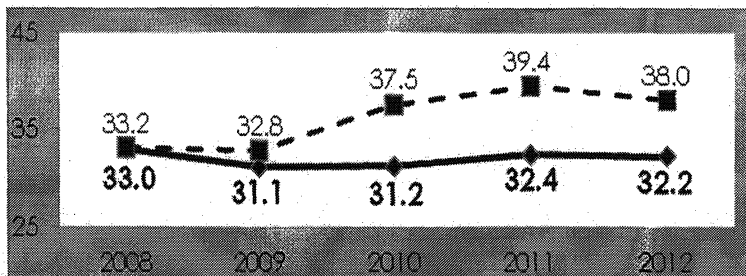


OMBI Performance Benchmarks

CGS result

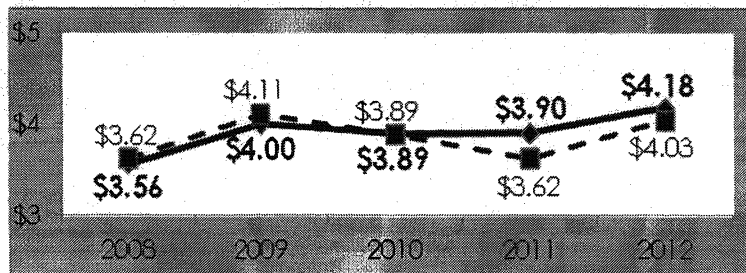
Median result

Number of Conventional Transit Trips per Capita in Service Area



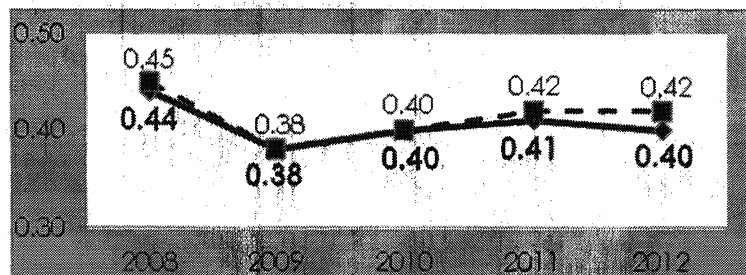
[TRNT 105]

Operating Costs for Conventional Transit per Regular Service Passenger Trip



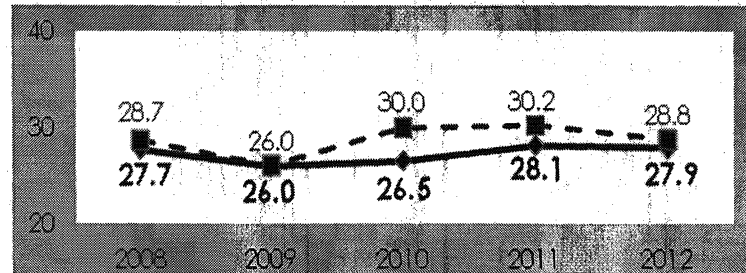
[TRNT 901]

Transit Revenue to Operating Cost Ratio



[TRNT 315]

Passenger Trips per In-service Vehicle Hour



[TRNT 340]

OMBI data is current as at August 22, 2013.

**2014
Operating
Budget**

Operating Budget Summary	
Description	
In January of 2005, Handi-Transit was fully harmonized, signifying Handi-Transit's hours of service are the same as those of conventional transit.	
The advisory panel for persons with physical disabilities has been invaluable in guiding the policies and decisions related to the transportation of the physically disabled in the past and will continue to play an important role in assisting staff and council with all decisions related to this very important service in the future.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
User Fees	(300,000)	(282,227)	(290,694)	(3.0)	0	(290,694)	(3.0)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(300,000)	(282,227)	(290,694)	(3.0)	0	(290,694)	(3.0)
Expenses							
Purchased/Contract Services	2,985,000	2,750,434	2,750,867	-	0	2,750,867	-
Total Expenses	2,985,000	2,750,434	2,750,867	-	0	2,750,867	-
Net Budget	2,685,000	2,468,207	2,460,173	(0.3)	0	2,460,173	(0.3)

HANDI TRANSIT SERVICES

Handi-transit services provide both urban and commuter services to citizens with disabilities and who are unable to ride on the conventional system. A third party contractor services the Greater Sudbury area and adheres to the City's standards on delivering quality services to its users and attendants.

Handi-Transit Recommendations for 2014

As approved during the September 17th 2013 Operations Committee meeting, the following recommendations are to be implemented effective January 1st 2014 and are as follows:

- All new applicants be assessed and current users be reassessed using the new application process. A key change to highlight is the hiring of a third party certified physical mobility specialist, working at arm's length, to complete the assessment of every existing user and new applicant.
- Fare parity be implemented to match fare structure on the conventional system
- Hours to accept booking requests be extended to include weeknights, weekends and statutory holidays

It should be noted that fare parity and booking request hours are in accordance with Accessibility for Ontarians with Disabilities Act (AODA) requirements. The changes to the application process are the result to assist city staff by ensuring that the Handi-Transit service is only available to be used by persons who cannot use the conventional transit system.

**2014
Operating
Budget**

Operating Budget Summary	
Description	

Description	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		39	39	-	0	39	-
Overtime Hours		1,175	1,175	-	0	1,175	-
Part Time Hours		0	0	-	0	0	-
Revenues							
User Fees	(401,639)	(417,389)	(427,446)	(2.4)	0	(427,446)	(2.4)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Other Revenues	0	0	0	-	0	0	-
Total Revenues	(401,639)	(417,389)	(427,446)	(2.4)	0	(427,446)	(2.4)
Expenses							
Salaries & Benefits	3,298,000	3,371,231	3,435,634	1.9	0	3,435,634	1.9
Materials - Operating Expenses	2,318,263	1,864,545	2,026,177	8.7	0	2,026,177	8.7
Equipment Expenses	54,000	61,922	61,922	-	0	61,922	-
Energy Costs	45,842	80,173	87,150	8.7	0	87,150	8.7
Purchased/Contract Services	858,000	857,145	857,145	-	0	857,145	-
Debenture & Insurance Costs	261,000	258,645	246,582	(4.7)	0	246,582	(4.7)
Prof Development & Training	12,329	7,329	12,329	68.2	0	12,329	68.2
Contr to Reserve and Capital	2,372,960	2,411,710	2,468,819	2.4	0	2,468,819	2.4
Internal Recoveries	(8,315,041)	(8,119,297)	(8,487,747)	(4.5)	0	(8,487,747)	(4.5)
Total Expenses	905,353	793,403	708,011	(10.8)	0	708,011	(10.8)
Net Budget	503,714	376,014	280,565	(25.4)	0	280,565	(25.4)

FLEET SERVICES

Fleet services aim to provide an efficient acquisition, non-preventable and routine maintenance and replacement program for the City's vehicle and equipment fleet. The costs related to servicing, insuring, licensing and eventual replacing of the fleet are intended to be recovered from user departments through a monthly fleet rate charge.

Fleet Rate Review – 2014




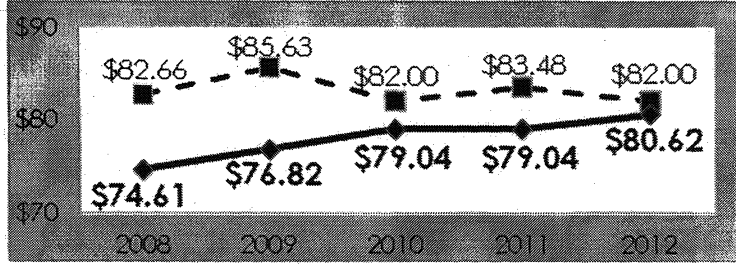
A comprehensive review of the fleet rate calculation and the creation of a corporate wide service level agreement for all users are expected to be completed in 2014. The fleet rate review will include the analysis of historical actual costs by vehicle category, researching municipal benchmarks to ensure recoveries from Fleet services are allocated properly. A service level agreement is to be created and implemented which establishes in detail what costs are covered in the monthly fleet charge and which are to be absorbed by the operating departments.

These two projects will rely heavily on the expertise of Fleet services and Finance, as well as input from operating departments.

1160 Lorne Transit & Fleet Garage

Staff will be reviewing business processes and explore operational efficiencies when Transit and Fleet services move in to 1160 Lorne near the end of 2014. Human resource capacity, procurement and material pricing, contracted services as well as IBI recommendations will be reviewed and as a result the intention is to permanently reduce budgets and create savings where appropriate.

FLEET SERVICES

	OMBI Performance Benchmarks																
	 CGS result	 Median result Single-tiers only															
<p style="text-align: center;">Total Number of Municipal Vehicles (serviced by Fleet Services)</p>	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th></th> <th>CGS</th> <th>Range of totals, OMBI single tiers</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>575</td> <td>324 to 3,848</td> </tr> <tr> <td>2010</td> <td>579</td> <td>298 to 4,293</td> </tr> <tr> <td>2011</td> <td>552</td> <td>279 to 4,248</td> </tr> <tr> <td>2012</td> <td>553</td> <td>276 to 4,249</td> </tr> </tbody> </table>			CGS	Range of totals, OMBI single tiers	2009	575	324 to 3,848	2010	579	298 to 4,293	2011	552	279 to 4,248	2012	553	276 to 4,249
		CGS	Range of totals, OMBI single tiers														
2009	575	324 to 3,848															
2010	579	298 to 4,293															
2011	552	279 to 4,248															
2012	553	276 to 4,249															
[FLET 240A]																	
<p style="text-align: center;">Door Rate (rated charged internally for services)</p>																	
	[FLET 347]																
OMBI data is current as at August 27, 2013.																	

**2014
Operating
Budget**

Operating Budget Summary	
Description	
The 1160 Lorne St. property will be developed into a centralized Fleet and Transit maintenance facility as well as providing indoor storage for the CGS fleet of buses. It is anticipated that the many synergies that will be realized will result in enhanced efficiency in the overall repairs and maintenance of CGS vehicles and equipment.	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	0	0	0	-	0	0	-
Expenses							
Salaries & Benefits	143,000	0	0	-	0	0	-
Materials - Operating Expenses	10,000	5,000	5,000	-	0	5,000	-
Energy Costs	50,000	167,975	176,837	5.3	0	176,837	5.3
Purchased/Contract Services	200	2,000	2,000	-	0	2,000	-
Debenture & Insurance Costs	30,000	30,868	22,275	(27.8)	0	22,275	(27.8)
Total Expenses	233,200	205,843	206,112	0.1	0	206,112	0.1
Net Budget	233,200	205,843	206,112	0.1	0	206,112	0.1



4750 Crossing Guards

2014
Operating
Budget

Operating Budget Summary	
Description	
<p>The School Crossing Guards is a form of traffic control administered in order to facilitate a safe crossing of the roadway by elementary aged school children. Although municipal school crossings are not a legislative requirement, the City of Greater Sudbury has elected to provide this important service to the children of our community.</p> <p>This service is provided in accordance with the Highway Traffic Act. There are currently 36 locations within the City of Greater Sudbury. The School Crossing Guards are deployed during two time periods: morning and afternoon.</p>	

	2013		2014				
	Projected Actual	Budget	Base Budget	% 2013 Budget	Approved Budget Options	Approved Budget	% 2013 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		16,992	15,946	(6.2)	0	15,946	(6.2)
Expenses							
Salaries & Benefits	221,000	253,369	241,143	(4.8)	0	241,143	(4.8)
Purchased/Contract Services	1,500	0	0	-	0	0	-
Total Expenses	222,500	253,369	241,143	(4.8)	0	241,143	(4.8)
Net Budget	222,500	253,369	241,143	(4.8)	0	241,143	(4.8)

CROSSING GUARDS

Variance Explanations:

Part Time Hours

The overall changes in part-time hours is a result of a reduction in the number of locations as well as a more thorough re-alignment of hours based on the program's needs. Some of the reduction was used to create a regular part-time Lead Crossing Guard position to assist in administering the program as well as continue to monitor and evaluate location activity throughout Greater Sudbury.