

**2013
Operating
Budget**

Operating Budget Summary	
Description	

Description	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		480	479	(0.2)	0	479	(0.2)
Crew Hours		75,291	75,066	(0.3)	0	75,066	(0.3)
Part Time Hours		111,795	107,985	(3.4)	0	107,985	(3.4)
Overtime Hours		6,870	5,290	(23.0)	0	5,290	(23.0)
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	(63,638,256)	(64,053,321)	(66,192,214)	(3.3)	(1,300,000)	(67,492,214)	(5.4)
Contr from Reserve and Capital	(1,755,956)	(1,737,453)	(1,484,468)	14.6	0	(1,484,468)	14.6
Other Revenues	(186,233)	(68,233)	(156,433)	(129.3)	0	(156,433)	(129.3)
Total Revenues	(66,142,479)	(66,421,041)	(68,395,149)	(3.0)	(1,300,000)	(69,695,149)	(4.9)
Expenses							
Salaries & Benefits	44,024,526	44,248,607	45,298,681	2.4	0	45,298,681	2.4
Materials - Operating Expenses	11,934,610	12,118,095	12,394,219	2.3	0	12,394,219	2.3
Equipment Expenses	85,795	85,795	85,795	-	0	85,795	-
Energy Costs	10,509,442	11,112,208	10,814,858	(2.7)	0	10,814,858	(2.7)
Purchased/Contract Services	17,743,189	18,841,200	18,432,807	(2.2)	533,500	18,966,307	0.7
Debenture & Insurance Costs	2,656,342	2,622,113	2,701,599	3.0	0	2,701,599	3.0
Prof Development & Training	216,398	213,597	215,746	1.0	0	215,746	1.0
Grants - Transfer Payments	84,236	84,236	84,236	-	0	84,236	-
Contr to Reserve and Capital	54,132,752	52,245,261	54,349,458	4.0	1,868,500	56,217,958	7.6
Internal Recoveries	3,382,184	3,795,208	4,604,098	21.3	0	4,604,098	21.3
Total Expenses	144,769,474	145,366,320	148,981,497	2.5	2,402,000	151,383,497	4.1
Net Budget	78,626,995	78,945,279	80,586,348	2.1	1,102,000	81,688,348	3.5

INFRASTRUCTURE SERVICES DEPARTMENT

To provide the following services in accordance with City 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.

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Description	
This area is responsible for the preparation and presentation of reports to City 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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		2	2	-	0	2	-
Expenses							
Salaries & Benefits	318,322	312,322	306,427	(1.9)	0	306,427	(1.9)
Materials - Operating Expenses	34,000	14,000	14,000	-	0	14,000	-
Purchased/Contract Services	1,000	1,000	1,000	-	0	1,000	-
Prof Development & Training	26,000	26,000	26,000	-	0	26,000	-
Internal Recoveries	(147,328)	(141,328)	(137,596)	2.6	0	(137,596)	2.6
Total Expenses	231,994	211,994	209,831	(1.0)	0	209,831	(1.0)
Net Budget	231,994	211,994	209,831	(1.0)	0	209,831	(1.0)

**2013
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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	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		3,670	3,670	-	0	3,670	-
Revenues							
Other Revenues	(18,000)	0	(18,000)	(100.0)	0	(18,000)	(100.0)
Total Revenues	(18,000)	0	(18,000)	(100.0)	0	(18,000)	(100.0)
Expenses							
Salaries & Benefits	430,091	410,091	410,091	-	0	410,091	-
Materials - Operating Expenses	100,700	97,300	99,230	2.0	0	99,230	2.0
Energy Costs	460,049	454,950	399,118	(12.3)	0	399,118	(12.3)
Purchased/Contract Services	349,095	377,095	381,040	1.0	0	381,040	1.0
Debenture & Insurance Costs	21,924	21,924	20,820	(5.0)	0	20,820	(5.0)
Internal Recoveries	(156,860)	(168,860)	(148,172)	12.3	0	(148,172)	12.3
Total Expenses	1,204,999	1,192,500	1,162,127	(2.5)	0	1,162,127	(2.5)
Net Budget	1,186,999	1,192,500	1,144,127	(4.1)	0	1,144,127	(4.1)

PUBLIC WORKS DEPOTS

Variance Explanations:

Energy Costs

The decrease in energy costs is the result of a reduction in the price for Natural Gas.



Engineering Services

2013
Operating
Budget

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		48	48	-	0	48	-
Part Time Hours		14,255	14,255	-	0	14,255	-
Overtime Hours		4,015	4,015	-	0	4,015	-
Revenues							
User Fees	(73,529)	(71,529)	(73,675)	(3.0)	0	(73,675)	(3.0)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(73,529)	(71,529)	(73,675)	(3.0)	0	(73,675)	(3.0)
Expenses							
Salaries & Benefits	4,765,304	4,768,502	4,868,962	2.1	0	4,868,962	2.1
Materials - Operating Expenses	134,314	119,314	119,314	-	0	119,314	-
Energy Costs	46,410	46,410	46,554	0.3	0	46,554	0.3
Purchased/Contract Services	167,948	172,948	170,948	(1.2)	0	170,948	(1.2)
Prof Development & Training	34,475	34,475	34,600	0.4	0	34,600	0.4
Grants - Transfer Payments	8,736	8,736	8,736	-	0	8,736	-
Contr to Reserve and Capital	25,200	25,200	25,200	-	0	25,200	-
Internal Recoveries	(5,108,857)	(5,104,056)	(5,200,640)	(1.9)	0	(5,200,640)	(1.9)
Total Expenses	73,530	71,529	73,675	3.0	0	73,675	3.0
Net Budget	0	0	0	100.0	0	0	100.0

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.

Variance Explanations:

Full Time Positions

There was a transfer of an employee from Financial Support Services which is offset by a reduction of a position to fulfill the commitment of attrition approved during the 2012 budget process.



Water-Waste Water Summary

Operating Budget Summary

Description

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2012

2013

	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		136	136	-	0	136	-
Part Time Hours		3,075	5,163	67.9	0	5,163	67.9
Crew Hours		39,142	39,142	-	0	39,142	-
Revenues							
Levies	(522,034)	(522,034)	(522,034)	-	0	(522,034)	-
User Fees	(54,583,260)	(55,184,572)	(56,859,974)	(3.0)	(1,300,000)	(58,159,974)	(5.4)
Contr from Reserve and Capital	(297,467)	(297,467)	(365,418)	(22.8)	0	(365,418)	(22.8)
Other Revenues	(69,600)	(9,600)	(79,600)	(729.2)	0	(79,600)	(729.2)
Total Revenues	(55,472,361)	(56,013,673)	(57,827,026)	(3.2)	(1,300,000)	(59,127,026)	(5.6)
Expenses							
Salaries & Benefits	12,132,249	12,604,168	12,965,645	2.9	0	12,965,645	2.9
Materials - Operating Expenses	3,384,886	4,012,536	3,980,362	(0.8)	0	3,980,362	(0.8)
Energy Costs	3,580,456	4,179,545	3,933,031	(5.9)	0	3,933,031	(5.9)
Purchased/Contract Services	6,309,518	6,992,733	6,758,350	(3.4)	0	6,758,350	(3.4)
Debenture & Insurance Costs	1,707,232	1,707,232	1,749,860	2.5	0	1,749,860	2.5
Prof Development & Training	75,000	73,199	75,198	2.7	0	75,198	2.7
Grants - Transfer Payments	25,500	25,500	25,500	-	0	25,500	-
Contr to Reserve and Capital	25,551,153	23,665,506	24,635,812	4.1	1,300,000	25,935,812	9.6
Internal Recoveries	5,940,268	5,987,155	6,937,269	15.9	0	6,937,269	15.9
Total Expenses	58,706,262	59,247,574	61,061,027	3.1	1,300,000	62,361,027	5.3
Net Budget	3,233,901	3,233,901	3,234,000	-	0	3,234,000	-

WATER WASTE WATER
2013 Operating Budget Variances (in '000's)

		Gross
2012 Base Operating Budget		59,248
Expenditure Changes		
Salaries and Benefits		
Movement through grid, increased benefits etc	276	
Source protection implementation	85	361
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Materials		
Decrease in chemicals	(73)	
Net increases (including growth)	41	(32)
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Energy Costs		
Anticipated consumption decreases (net of growth)		(246)
Purchased Services		
Road Restoration (net)	(300)	
Other net increases	65	(235)
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Debentures and Insurance		
Increase in internal borrowing costs	68	
Insurance and Taxes	(25)	43
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Prof Development & Training		
Source Protection Officer training		2
Provisions to Capital		
Inflation - NRBCPI 4.1%		970
Internal Recoveries		
Fleet costs	46	
Engineering	223	
Program Support	135	
Water billings and collections (GSU)	301	
Pavement degradation(annualized)	30	
Other net increases	215	950
	<hr/>	
2013 Base Operating Budget		<u><u>61,061</u></u>

WATER/WASTE WATER SUMMARY

Major Variance Analysis:

Expenditures:

1. Salaries and Benefits increased by approximately \$361,000 or 2.9%. The increase is mainly due to a legislated contract Risk management Inspector responsible for the enforcement of part IV of The Clean Water Act, in addition to normal increases as employees move through salary grids.
2. Materials and Operating Expenses decreased by approximately \$32,000 or 0.8%. The small decrease is attributable to the decrease demand for chemicals in waste water treatment operations offset by other net increases in materials required in other departments.
3. Energy Costs decreased by approximately \$246,000 or 5.9% due primarily to reduced consumption resulting from several energy saving initiatives such as reduced process tank usage and replacement of pumps with high efficiency units.
4. Purchased and Contract Services decreased by approximately \$235,000 or 3.4%. The decrease is largely attributed to budgeted reductions in road restoration contracts of \$300,000 offset by moderate contractual increases in other areas.
5. Debenture & Insurance Costs have increased by approximately \$43,000 or 2.5% to reflect an increase in internal borrowing costs on capital projects offset by decreases in insurance premiums.
6. Provision to Reserves and Capital has increased by approximately \$970,000 or 4.1%, as a result of inflation to the capital envelopes in accordance with policy.
7. Internal Recoveries have increased by approximately \$950,000 or 15.9% due primarily to an increase in interdepartmental allocations for engineering and program support 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. In 2001, the costs associated with fire protection were calculated and the amount has been increased annually by 2% in accordance with policy.

For purposes of the Financial Plan developed in 2011, the amounts of fire protection costs were recalculated using a methodology provided by the American Water Works Association. The cost of fire protection was calculated at \$3.4 million, of which \$2.9 million was funded through the municipal levy. Although the Financial Plan phased in the difference over three years, staff is recommending a ten-year phase-in period, resulting in a levy amount of \$3.2 million for 2012. This amount remains flat for 2013 when budgeted operating costs for water were factored into the methodology employed by the Plan.



Water-Waste Water Admin.

2013
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Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		33	33	-	0	33	-
Part Time Hours		3,075	5,163	67.9	0	5,163	67.9
Revenues							
User Fees	(81,748)	(53,575)	(55,182)	(3.0)	0	(55,182)	(3.0)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(81,748)	(53,575)	(55,182)	(3.0)	0	(55,182)	(3.0)
Expenses							
Salaries & Benefits	3,743,400	3,692,189	3,878,451	5.0	0	3,878,451	5.0
Materials - Operating Expenses	39,009	39,009	44,000	12.8	0	44,000	12.8
Energy Costs	377,033	377,033	358,815	(4.8)	0	358,815	(4.8)
Purchased/Contract Services	41,135	46,135	59,033	28.0	0	59,033	28.0
Prof Development & Training	75,000	73,199	75,198	2.7	0	75,198	2.7
Grants - Transfer Payments	0	0	0	-	0	0	-
Internal Recoveries	(4,193,829)	(4,173,990)	(4,360,315)	(4.5)	0	(4,360,315)	(4.5)
Total Expenses	81,748	53,575	55,182	3.0	0	55,182	3.0
Net Budget	0	0	0	(100.0)	0	0	(100.0)

WATER/WASTE WATER ADMIN

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

Variance Explanations:

Part Time Hours/Salaries and Benefits

The increase is a result of a contract Risk Management Inspector position approved by Council at the July 10, 2012 Finance and Administration meeting. This is a legislated position required for the enforcement of Part IV of the Clean Water Act.



Water Service Summary

Operating Budget Summary

Description

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**2013
Operating
Budget**

2012

2013

	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 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	(26,627,935)	(26,792,591)	(27,647,912)	(3.2)	0	(27,647,912)	(3.2)
Contr from Reserve and Capital	(297,467)	(297,467)	(365,418)	(22.8)	0	(365,418)	(22.8)
Other Revenues	(60,000)	0	(70,000)	(100.0)	0	(70,000)	(100.0)
Total Revenues	(27,217,444)	(27,322,100)	(28,315,372)	(3.6)	0	(28,315,372)	(3.6)
Expenses							
Salaries & Benefits	3,870,004	4,037,796	4,111,886	1.8	0	4,111,886	1.8
Materials - Operating Expenses	2,095,657	2,317,447	2,348,047	1.3	0	2,348,047	1.3
Energy Costs	1,484,393	1,769,936	1,750,805	(1.1)	0	1,750,805	(1.1)
Purchased/Contract Services	2,646,680	2,722,630	2,769,280	1.7	0	2,769,280	1.7
Debtenture & Insurance Costs	1,016,592	1,016,592	1,075,225	5.8	0	1,075,225	5.8
Contr to Reserve and Capital	12,368,420	11,331,885	11,796,492	4.1	0	11,796,492	4.1
Internal Recoveries	6,969,800	7,359,816	7,697,637	4.6	0	7,697,637	4.6
Total Expenses	30,451,546	30,556,102	31,549,372	3.3	0	31,549,372	3.3
Net Budget	3,234,102	3,234,002	3,234,000	-	0	3,234,000	-



5220 Water Revenues

2013
Operating
Budget

Operating Budget Summary	
Description	
Water revenues represent the portion of water production and supply costs recovered directly from water customers.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
User Fees	(26,447,412)	(26,601,702)	(27,451,297)	(3.2)	0	(27,451,297)	(3.2)
Other Revenues	(60,000)	0	(70,000)	(100.0)	0	(70,000)	(100.0)
Total Revenues	(26,507,412)	(26,601,702)	(27,521,297)	(3.5)	0	(27,521,297)	(3.5)
Net Budget	(26,507,412)	(26,601,702)	(27,521,297)	(3.5)	0	(27,521,297)	(3.5)

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 (2012 - \$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 (2012 - \$1.134 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 (2012 – 113.3%) 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 (particularly 2008 and 2009), leading to less outdoor watering
- Customers using less water in response to increased prices
- Increasing instances of tampering

In 2006 consumption was 16.3 million cubic metres and decreased to 14.5 million cubic metres in 2011. The consumption used to set the rate in 2012 was 14.3 million cubic metres. Staff is in the process of estimating consumption for 2013 which will be used for the purposes of water and wastewater rate setting.

Variance Explanations:

Other Revenues

The increase in this category reflects actual, particularly bulk water revenues.



5223 Water-Debt and Contr to Cap

2013
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 existng water systems.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Levies	(232,042)	(232,042)	(232,042)	-	0	(232,042)	-
Contr from Reserve and Capital	(219,867)	(219,867)	(287,818)	(30.9)	0	(287,818)	(30.9)
Total Revenues	(451,909)	(451,909)	(519,860)	(15.0)	0	(519,860)	(15.0)
Expenses							
Debenture & Insurance Costs	219,867	219,867	287,818	30.9	0	287,818	30.9
Contr to Reserve and Capital	12,368,420	11,331,885	11,796,492	4.1	0	11,796,492	4.1
Total Expenses	12,588,287	11,551,752	12,084,310	4.6	0	12,084,310	4.6
Net Budget	12,136,378	11,099,843	11,564,450	4.2	0	11,564,450	4.2

WATER-DEBT & CONTRIBUTION TO CAPITAL

Variance Explanations:

Debenture & Insurance Costs / Contribution from Reserves & Capital

This increase represents the incremental interest costs on internally financed projects, specifically the Valley East Wells completed in 2012. This is fully funded from the Water Capital envelope.






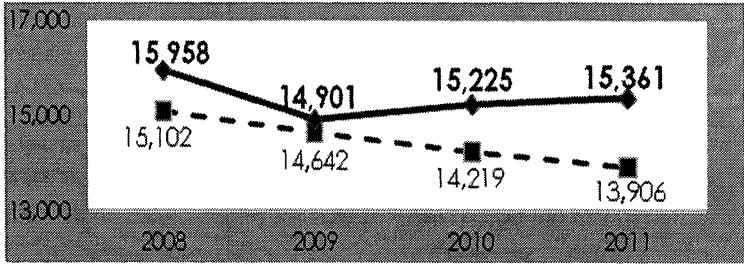
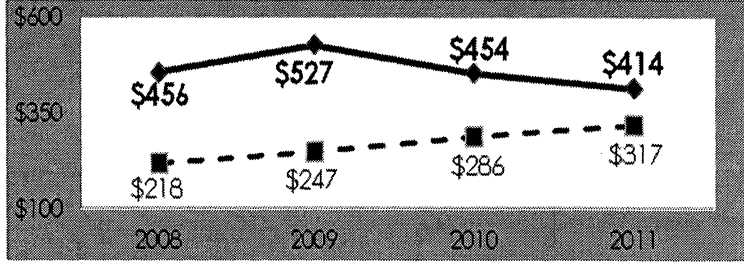
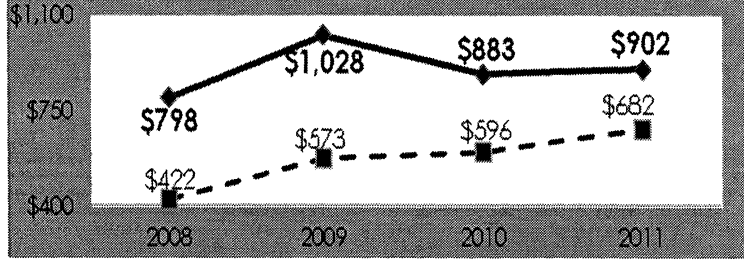
5226 Water Treatment

2013
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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 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	975,343	998,408	1,019,408	2.1	0	1,019,408	2.1
Materials - Operating Expenses	1,386,587	1,435,177	1,465,777	2.1	0	1,465,777	2.1
Energy Costs	1,484,393	1,769,936	1,750,805	(1.1)	0	1,750,805	(1.1)
Purchased/Contract Services	963,885	964,340	1,010,990	4.8	0	1,010,990	4.8
Debtenture & Insurance Costs	796,725	796,725	787,407	(1.2)	0	787,407	(1.2)
Internal Recoveries	123,745	123,745	138,629	12.0	0	138,629	12.0
Total Expenses	5,730,678	6,088,331	6,173,016	1.4	0	6,173,016	1.4
Net Budget	5,730,678	6,088,331	6,173,016	1.4	0	6,173,016	1.4

WATER TREATMENT

	OMBI Performance Benchmarks	
	 CGS result	 Median result Integrated systems only
Megalitres of Water Treated per 100,000 Population	 <p>[WATR 210]</p>	
Operating Cost for the Treatment of Drinking Water per Megalitre Treated	 <p>[WATR 310]</p>	
Operating Cost for the Treatment and Distribution of Drinking Water per Megalitre Treated	 <p>[WATR 315]</p>	
OMBI data is current as at August 24, 2012.		



5232 Water Engineering Costs

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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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Expenses							
Internal Recoveries	1,444,362	1,444,362	1,641,974	13.7	0	1,641,974	13.7
Total Expenses	1,444,362	1,444,362	1,641,974	13.7	0	1,641,974	13.7
Net Budget	1,444,362	1,444,362	1,641,974	13.7	0	1,641,974	13.7

WATER ENGINEERING COSTS

Variance Explanation:

Internal Recoveries

The increase reflects the projected engineering costs for 2013 based upon the realignment of resources dedicated to supporting Water Services.



Water System Repair and Mtce

2013
Operating
Budget

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		13,243	13,243	-	0	13,243	-
Revenues							
User Fees	(180,523)	(190,889)	(196,616)	(3.0)	0	(196,616)	(3.0)
Contr from Reserve and Capital	(77,600)	(77,600)	(77,600)	-	0	(77,600)	-
Total Revenues	(258,123)	(268,489)	(274,216)	(2.1)	0	(274,216)	(2.1)
Expenses							
Salaries & Benefits	2,894,661	3,039,388	3,092,478	1.7	0	3,092,478	1.7
Materials - Operating Expenses	709,070	882,270	882,270	-	0	882,270	-
Energy Costs	0	0	0	-	0	0	-
Purchased/Contract Services	1,682,795	1,758,290	1,758,290	-	0	1,758,290	-
Contr to Reserve and Capital	0	0	0	-	0	0	-
Internal Recoveries	5,401,693	5,791,709	5,917,034	2.2	0	5,917,034	2.2
Total Expenses	10,688,219	11,471,657	11,650,072	1.6	0	11,650,072	1.6
Net Budget	10,430,097	11,203,168	11,375,857	1.5	0	11,375,857	1.5

WATER SYSTEM REPAIR & MAINTENANCE

Water main repairs as recommended by the Auditor General will be done either by expanded scope excavation or trench boxes. There are increased costs associated with the expanded scope excavation that are offset by savings using trench boxes and therefore there are no reductions. This is consistent with the Auditor General's findings tabled in the report of April 2012.

WATER SYSTEM REPAIR & MAINTENANCE

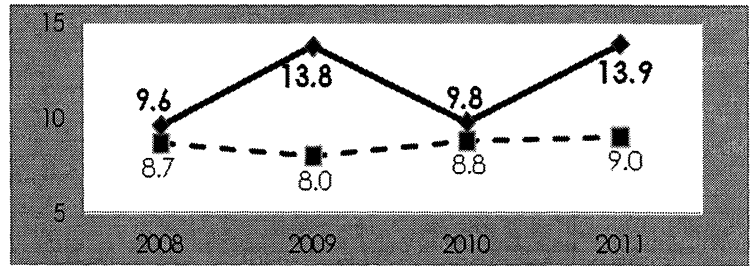


OMBI Performance Benchmarks

————— CGS result

----- **Median result**
Integrated systems only

Number of Water Main Breaks per 100 KM of Distribution Pipe



[WATR 410]

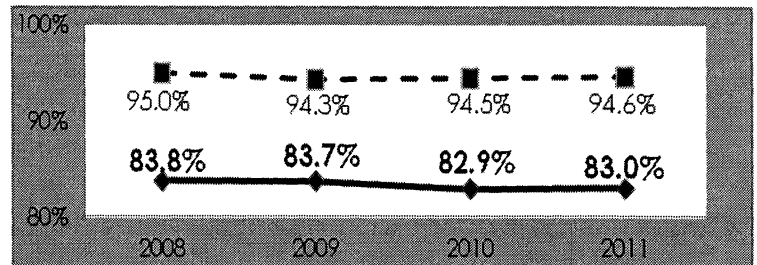
Age of Pipe

Population Density (of Serviced Area)

2011 data	Age of Pipe	Population Density
CGS	46.0	215
Median	40.0	841

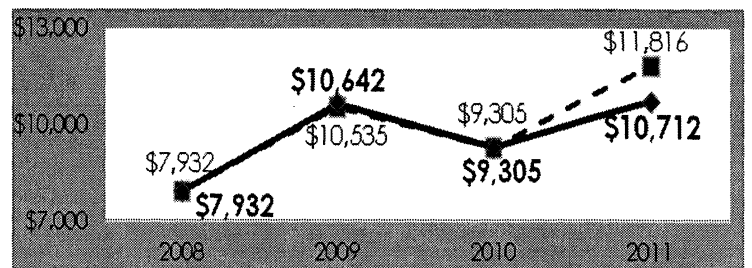
[WATR 120 & 009]

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 24, 2012.



Waste Water Services Summary

Operating Budget Summary

Description

--

2013
Operating
Budget

2012

2013

	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 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	(27,687,953)	(28,093,851)	(28,904,989)	(2.9)	(1,300,000)	(30,204,989)	(7.5)
Total Revenues	(27,977,945)	(28,383,843)	(29,194,981)	(2.9)	(1,300,000)	(30,494,981)	(7.4)
Expenses							
Salaries & Benefits	3,628,903	4,031,871	4,064,171	0.8	0	4,064,171	0.8
Materials - Operating Expenses	1,101,530	1,437,250	1,363,985	(5.1)	0	1,363,985	(5.1)
Energy Costs	1,717,770	2,031,316	1,822,088	(10.3)	0	1,822,088	(10.3)
Purchased/Contract Services	1,880,673	1,851,873	1,956,167	5.6	0	1,956,167	5.6
Debtenture & Insurance Costs	690,640	690,640	674,635	(2.3)	0	674,635	(2.3)
Grants - Transfer Payments	25,500	25,500	25,500	-	0	25,500	-
Contr to Reserve and Capital	13,182,733	12,333,621	12,839,320	4.1	1,300,000	14,139,320	14.6
Internal Recoveries	5,749,994	5,981,671	6,449,115	7.8	0	6,449,115	7.8
Total Expenses	27,977,744	28,383,742	29,194,981	2.9	1,300,000	30,494,981	7.4
Net Budget	(201)	(101)	0	100.0	0	0	100.0



5250 Waste Water Revenue

2013
Operating
Budget

Operating Budget Summary	
Description	
These revenues represent the recovery of Waste Water treatment and maintenance costs directly from waste water services customers.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
User Fees	(27,687,953)	(28,093,851)	(28,904,989)	(2.9)	(1,300,000)	(30,204,989)	(7.5)
Total Revenues	(27,687,953)	(28,093,851)	(28,904,989)	(2.9)	(1,300,000)	(30,204,989)	(7.5)
Net Budget	(27,687,953)	(28,093,851)	(28,904,989)	(2.9)	(1,300,000)	(30,204,989)	(7.5)

WASTE WATER 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 (2012 - \$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 (2012 - \$1.134 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 (2012 – 113.3%) 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 (particularly 2008 and 2009), leading to less outdoor watering
- Customers using less water in response to increased prices
- Increasing instances of tampering

In 2006 consumption was 16.3 million cubic metres and decreased to 14.5 million cubic metres in 2011. The consumption used to set the rate in 2012 was 14.3 million cubic metres. Staff is in the process of estimating consumption for 2013 which will be used for the purposes of water and wastewater rate setting.



5253 W W Debt and Cont to Cap

**2013
Operating
Budget**

Operating Budget Summary	
Description	
To reflect waste water contribution to capital for waste water projects, which fund capital spending on waste water projects including the replacement of existing waste water systems.	
Approved Budget Option: Increase funding for biosolids facility by an additional \$1,300,000 annually over the next three years	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 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	13,182,733	12,333,621	12,839,320	4.1	1,300,000	14,139,320	14.6
Total Expenses	13,208,233	12,359,121	12,864,820	4.1	1,300,000	14,164,820	14.6
Net Budget	12,918,241	12,069,129	12,574,828	4.2	1,300,000	13,874,828	15.0

WASTE WATER DEBT AND CONTRIBUTION TO CAPITAL

Approved Budget Option:

Increase funding for biosolids facility by an additional \$1.3 Million annually over the next 3 years.

CGS Budget Option		Year:	2013
Category: Council/Committee Resolution	Type: Enhancement	Fund: Operating	
Department: 5253 W W Debt and Cont to Cap	Division: Infrastructure Services		
Request: Increase funding for biosolids facility by an additional \$1,300,000 annually over the next 3 years			
Description/Impact:			
<p>The proposed project price requires debt repayments and estimated operating costs totaling approximately \$6.2 million per annum. In prior budget deliberations Council approved an allocation of \$2.2 million from the wastewater capital envelope to partially fund the annual debt repayments. As forecasted in the WWW Financial Plan, a further budget increase was anticipated to support the operations and maintenance of the facility. Based on the proposed price and 25% funding from PPP Canada, a wastewater budget increase of approximately \$4.0 million is required to fund the annual debt repayments and operating and maintenance costs.</p> <p>Staff is recommending that this increase be phased in from 2013 to 2015, resulting in an increase of \$1.3 million to the wastewater budget in each of those years. This 3 year phase-in is recommended as the annual budget allocation is required in 2015, the year the facility is fully operational. The phase in amount represents an increase to the overall water and wastewater rates of 2.5% in 2013 and approximately the same for 2014 and 2015.</p>			
Impact on Staffing (Negative if Reduction)		Net Budget Increase (Negative if Reduction)	
Full Time Postion(s):	0	Permanent:	\$0
		One-time:	\$0
		Notes:	Increase for 2013, 2014 and 2015.

Status: Approved



5256 Waste Water Treatment

Operating Budget Summary

Description

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

**2013
Operating
Budget**

2012

2013




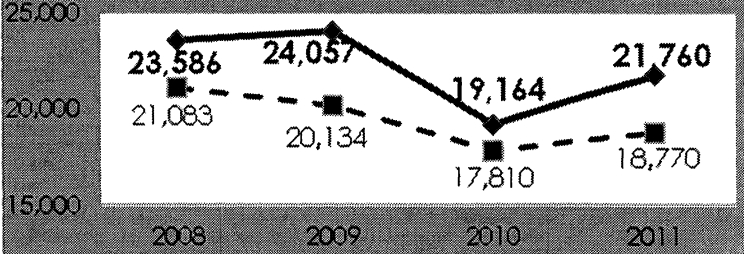
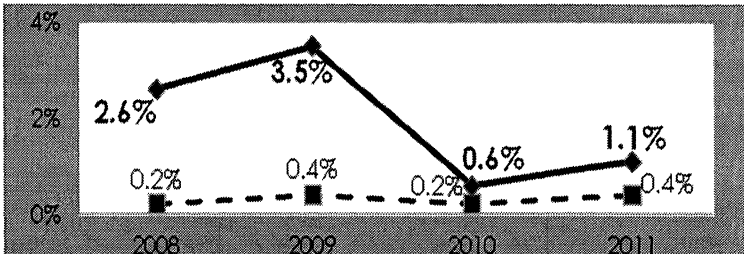
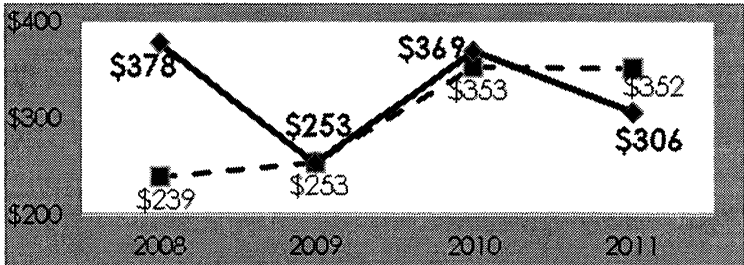
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		8,179	8,179	-	0	8,179	-
Expenses							
Salaries & Benefits	1,723,173	1,845,347	1,845,347	-	0	1,845,347	-
Materials - Operating Expenses	999,860	1,335,580	1,262,315	(5.5)	0	1,262,315	(5.5)
Energy Costs	1,717,770	2,031,316	1,822,088	(10.3)	0	1,822,088	(10.3)
Purchased/Contract Services	1,358,883	1,441,843	1,456,913	1.0	0	1,456,913	1.0
Debenture & Insurance Costs	690,640	690,640	674,635	(2.3)	0	674,635	(2.3)
Internal Recoveries	219,043	219,043	247,931	13.2	0	247,931	13.2
Total Expenses	6,709,369	7,563,769	7,309,229	(3.4)	0	7,309,229	(3.4)
Net Budget	6,709,369	7,563,769	7,309,229	(3.4)	0	7,309,229	(3.4)

WASTE WATER TREATMENT

Variance Explanations:

Energy Costs

The reduction in this category reflects the actual reduction in the consumption of energy resulting from a number of initiatives including but not limited to reduced process tank usage and replacement of pumps with high efficiency units.

	OMBI Performance Benchmarks	
	 CGS result	 Median result Integrated systems only
Megalitres of Wastewater Treated per 100,000 Population	 <p>[WWTR 210]</p>	
Percentage of Wastewater Estimated to have Bypassed Treatment	 <p>[WWTR 110]</p>	
Operating Cost of Wastewater Treatment & Disposal per Megalitre Treated	 <p>[WWTR 310]</p>	
OMBI data is current as at August 24, 2012.		

**2013
Operating
Budget**

Operating Budget Summary	
Description	
Reflected are engineering costs associated with Waste Water 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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0		0	0	-
<u>Expenses</u>							
Internal Recoveries	1,186,756	1,186,756	1,212,158	2.1	0	1,212,158	2.1
Total Expenses	1,186,756	1,186,756	1,212,158	2.1	0	1,212,158	2.1
Net Budget	1,186,756	1,186,756	1,212,158	2.1	0	1,212,158	2.1



WW System Repair and Mtce

2013
Operating
Budget

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		4,026	4,026	-	0	4,026	-
Expenses							
Salaries & Benefits	1,905,730	2,186,524	2,218,824	1.5	0	2,218,824	1.5
Materials - Operating Expenses	101,670	101,670	101,670	-	0	101,670	-
Energy Costs	0	0	0	-	0	0	-
Purchased/Contract Services	521,790	410,030	499,254	21.8	0	499,254	21.8
Internal Recoveries	4,344,195	4,575,872	4,989,026	9.0	0	4,989,026	9.0
Total Expenses	6,873,385	7,274,096	7,808,774	7.4	0	7,808,774	7.4
Net Budget	6,873,385	7,274,096	7,808,774	7.4	0	7,808,774	7.4

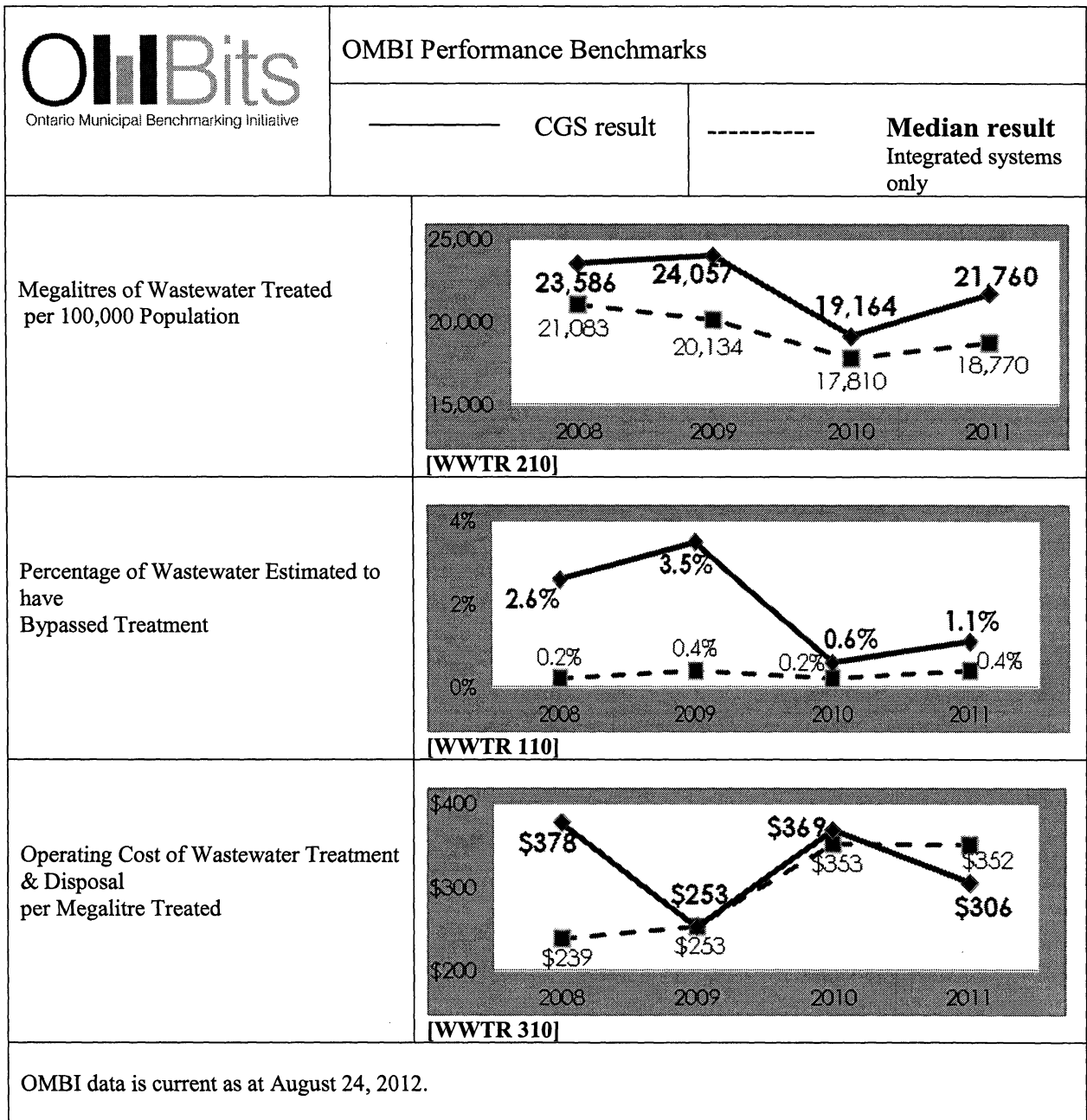
WW SYSTEM REPAIR & MTCE

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

Variance Explanations:

Purchased/Contract Services

The increase in this category is to reflect historical actual expenditures for sewer manhole repairs and has been funded through a reduction in road and property restoration costs.





Roads Maintenance Summary

2013 Operating Budget

Operating Budget Summary	
Description	
Approved Budget Options: 1) Provide permanent funding to enhance road maintenance for a .3% tax increase 2) Provide one time funding of \$425,000 for road maintenance 3) Provide permanent funding of \$35,000 for stormwater management	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		143	142	(0.7)	0	142	(0.7)
Part Time Hours		16,240	16,240	-	0	16,240	-
Overtime Hours		100	100	-	0	100	-
Crew Hours		32,479	32,254	(0.7)	0	32,254	(0.7)
Revenues							
Provincial Grants & Subsidies	(40,000)	(40,000)	(40,000)	-	0	(40,000)	-
User Fees	(767,069)	(708,570)	(724,270)	(2.2)	0	(724,270)	(2.2)
Contr from Reserve and Capital	(59,510)	(59,510)	(59,510)	-	0	(59,510)	-
Other Revenues	(44,700)	(42,700)	(42,900)	(0.5)	0	(42,900)	(0.5)
Total Revenues	(911,279)	(850,780)	(866,680)	(1.9)	0	(866,680)	(1.9)
Expenses							
Salaries & Benefits	11,713,893	11,909,947	12,084,361	1.5	0	12,084,361	1.5
Materials - Operating Expenses	4,755,798	4,718,765	4,942,152	4.7	0	4,942,152	4.7
Equipment Expenses	0	0	0	-	0	0	-
Energy Costs	3,266,226	3,153,521	3,200,780	1.5	0	3,200,780	1.5
Purchased/Contract Services	6,165,774	6,659,221	6,457,309	(3.0)	533,500	6,990,809	5.0
Debenture & Insurance Costs	44,154	44,154	43,906	(0.6)	0	43,906	(0.6)
Prof Development & Training	47,230	46,230	46,255	0.1	0	46,255	0.1
Contr to Reserve and Capital	25,650,583	25,648,739	26,715,568	4.2	568,500	27,284,068	6.4
Internal Recoveries	10,107,410	10,361,372	10,296,505	(0.6)	0	10,296,505	(0.6)
Total Expenses	61,751,068	62,541,949	63,786,836	2.0	1,102,000	64,888,836	3.8
Net Budget	60,839,789	61,691,169	62,920,156	2.0	1,102,000	64,022,156	3.8

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 Roads Maintenance budget reflects a 6 year historical average of work units completed.

Approved Budget Options:

1. Based on the 10 year Financial Plan presented to Council, there is an overall infrastructure deficit of \$700 Million with an annual investment requirement in operating and capital of \$117 Million to be sustainable. Currently the combined funding gap for operating and capital is \$42 Million. Council approved permanent funding of \$642,000 to enhance road maintenance for a .3 % tax levy increase, and an additional one time funding of \$425,000.
2. Provide permanent funding of \$35,000 for storm water management

ROADS MAINTENANCE SUMMARY

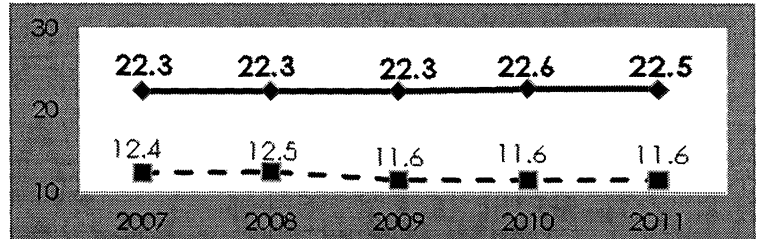


OMBI Performance Benchmarks

————— CGS result

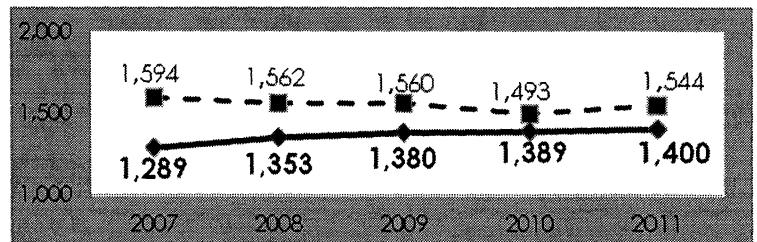
----- Median result
Single-tier only

Number of Lane Kilometers (KM)
per 1,000 Population



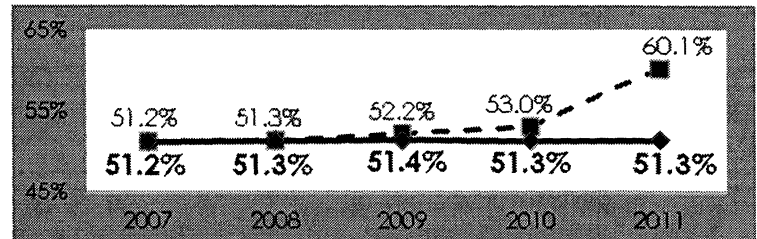
[ROAD 206]

Vehicle KM Travelled per Lane KM -
Major Roads
(in 1,000s)



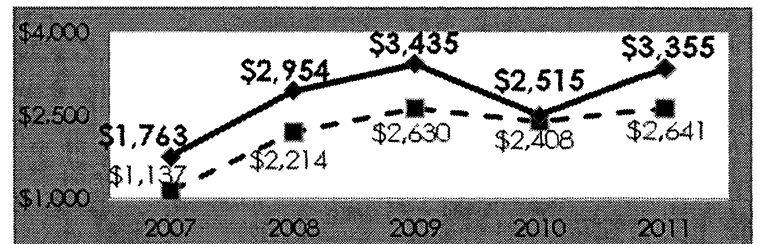
[ROAD 112]

Percentage of Paved Lane KM where
Condition is Rated
Good to Very Good



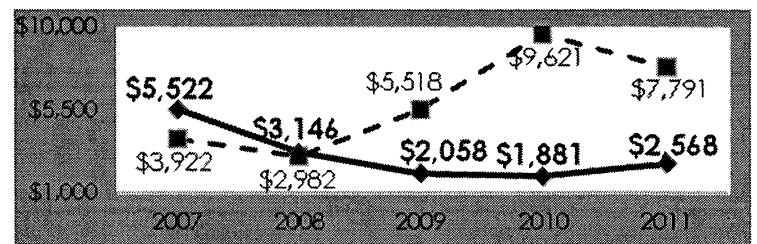
[ROAD 405]

Operating Cost for Paved (Hard Top)
Roads per Lane KM



[ROAD 901]

Operating Cost for Unpaved (Loose
Top) Roads per Lane KM



[ROAD 902]

OMBI data is current as at August 24, 2012.

CGS Budget Option

Year: 2013

Category: Council/Committee Resolution

Type: Enhancement

Fund: Operating

Department: 5310 Surface and Shoulder

Division: Infrastructure Services

Request: Provide permanent funding to enhance road maintenance for a .3% tax increase

Description/Impact:

At the September 18, 2012 Finance and Administration Committee meeting it was requested that budget options be developed to provide Council with an opportunity to enhance funding for the Roads Division. Three options were developed for Council's consideration. This option will present the first of three options.

It is proposed that \$321,000 be allocated to expand resurfacing projects in the capital program. The remaining \$321,000 would be used to patch large areas via the Roads operating budget. The large patches would be completed using contracted services.

If approved, this option would increase the municipal tax levy by 0.3% and would result in \$642,000 increase to the Roads budget.

Impact on Staffing (Negative if Reduction)	Net Budget Increase (Negative if Reduction)
<p>Full Time Postion(s): 0</p>	<p>Permanent: \$642,000</p> <p>One-time: \$0</p> <p>Notes:</p>

Status: Approved

CGS Budget Option		Year: 2013
Category: Council/Committee Resolution	Type: Enhancement	Fund: Operating
Department: 5310 Surface and Shoulder	Division: Infrastructure Services	
Request: Provide one time funding of \$425,000 for road maintenance		
Description/Impact: At the November 29th Finance and Administration Committee meeting, Council voted to provide one time funding of \$425,000 for road maintenance.		
Impact on Staffing (Negative if Reduction)		Net Budget Increase (Negative if Reduction)
Full Time Postion(s): 0		Permanent: \$0 One-time: \$425,000 Notes: Option funded from OMPF surplus

Status: Approved

CGS Budget Option	Year: 2013	
Category: Council/Committee Resolution	Type: Enhancement	Fund: Operating
Department: 5305 Roads Contr To Capital	Division: Infrastructure Services	
Request: Provide permanent funding of 35,000 for stormwater management		
Description/Impact:		
<p>At the November 28, 2012 Finance and Administration Committee meeting it was requested that options be developed to provide Council with the opportunity to enhance funding for Stormwater Management. In particular, funding was to be directed towards Subwatershed Planning.</p> <p>Subwatershed plans provide information to decision-makers on the use and management of water and land that compatibly integrate natural systems with existing and proposed municipal systems.</p> <p>Subwatershed plans should reflect the goals of the Source Water Protection Plan and Water/Wastewater Master Plans but are tailored to tributary, local issues, and provide guidance on site-specific watershed planning issues. They are typically developed in a consultative manner, respecting input from other government agencies, interest groups and the general public.</p> <p>There are numerous subwatersheds within the municipality. If approved staff will prioritize these subwatersheds and report to the Operations Committee in 2013 with a recommended course of action.</p>		
Impact on Staffing (Negative if Reduction)	Net Budget Increase (Negative if Reduction)	
Full Time Postion(s): 0	Permanent: \$35,000 One-time: \$0 Notes:	

Status: Approved



5305 Roads Contr To Capital

2013
Operating
Budget

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

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Expenses							
Contr to Reserve and Capital	25,074,026	25,074,026	26,102,061	4.1	568,500	26,670,561	6.4
Total Expenses	25,074,026	25,074,026	26,102,061	4.1	568,500	26,670,561	6.4
Net Budget	25,074,026	25,074,026	26,102,061	4.1	568,500	26,670,561	6.4

Roads Administration

2013
Operating
Budget

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		139	138	(0.7)	0	138	(0.7)
Crew Hours		0	0	-	0	0	-
Part Time Hours		11,830	11,830	-	0	11,830	-
Revenues							
User Fees	(461,801)	(461,801)	(466,915)	(1.1)	0	(466,915)	(1.1)
Contr from Reserve and Capital	0	0	0	-	0	0	-
Total Revenues	(461,801)	(461,801)	(466,915)	(1.1)	0	(466,915)	(1.1)
Expenses							
Salaries & Benefits	3,180,905	3,168,463	3,232,738	2.0	0	3,232,738	2.0
Materials - Operating Expenses	30,000	29,708	29,900	0.6	0	29,900	0.6
Equipment Expenses	0	0	0	-	0	0	-
Energy Costs	97,977	97,977	97,433	(0.6)	0	97,433	(0.6)
Purchased/Contract Services	142,170	145,170	143,946	(0.8)	0	143,946	(0.8)
Debenture & Insurance Costs	44,154	44,154	43,906	(0.6)	0	43,906	(0.6)
Prof Development & Training	47,230	46,230	46,255	0.1	0	46,255	0.1
Contr to Reserve and Capital	385,000	385,000	420,000	9.1	0	420,000	9.1
Internal Recoveries	(3,465,635)	(3,454,901)	(3,547,262)	(2.7)	0	(3,547,262)	(2.7)
Total Expenses	461,801	461,801	466,915	1.1	0	466,915	1.1
Net Budget	0	0	0	100.0	0	0	100.0

ROADS ADMINISTRATION

Variance Explanations:

Full Time Positions

Reduction of one position to fulfill the commitment of attrition approved during the 2012 budget process.



Summer Maintenance

2013
Operating
Budget

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		18,186	18,027	(0.9)	0	18,027	(0.9)
Revenues							
User Fees	(120,474)	(121,474)	(125,130)	(3.0)	0	(125,130)	(3.0)
Contr from Reserve and Capital	(59,510)	(59,510)	(59,510)	-	0	(59,510)	-
Total Revenues	(179,984)	(180,984)	(184,640)	(2.0)	0	(184,640)	(2.0)
Expenses							
Salaries & Benefits	4,522,271	4,547,623	4,617,110	1.5	0	4,617,110	1.5
Materials - Operating Expenses	2,246,651	2,180,910	2,313,035	6.1	0	2,313,035	6.1
Energy Costs	737,445	737,445	713,215	(3.3)	0	713,215	(3.3)
Purchased/Contract Services	2,323,230	2,336,320	2,363,160	1.1	533,500	2,896,660	24.0
Internal Recoveries	4,130,392	4,130,960	4,238,449	2.6	0	4,238,449	2.6
Total Expenses	13,959,989	13,933,258	14,244,969	2.2	533,500	14,778,469	6.1
Net Budget	13,780,005	13,752,274	14,060,329	2.2	533,500	14,593,829	6.1

SUMMER MAINTENANCE SUMMARY

To provide summer maintenance of the City's road system involving maintenance of asphalt and gravel road surfaces, sidewalks and curbs, along with sweeping and flushing activities. To provide for traffic and safety control devices. To maintain all drainage structures.

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 2013 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

Operating Budget Summary

Description

2013 Operating Budget

2012 2013

	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Crew Hours		14,293	14,227	(0.5)	0	14,227	(0.5)
Revenues							
User Fees	(104,795)	(66,795)	(67,225)	(0.6)	0	(67,225)	(0.6)
Other Revenues	(44,700)	(42,700)	(42,900)	(0.5)	0	(42,900)	(0.5)
Total Revenues	(149,495)	(109,495)	(110,125)	(0.6)	0	(110,125)	(0.6)
Expenses							
Salaries & Benefits	3,623,801	3,806,100	3,841,240	0.9	0	3,841,240	0.9
Materials - Operating Expenses	2,472,960	2,501,960	2,593,030	3.6	0	2,593,030	3.6
Energy Costs	480,804	480,804	467,132	(2.8)	0	467,132	(2.8)
Purchased/Contract Services	2,932,893	3,435,817	3,203,515	(6.8)	0	3,203,515	(6.8)
Contr to Reserve and Capital	0	0	0	-	0	0	-
Internal Recoveries	4,809,396	5,061,296	5,060,786	-	0	5,060,786	-
Total Expenses	14,319,854	15,285,977	15,165,703	(0.8)	0	15,165,703	(0.8)
Net Budget	14,170,360	15,176,482	15,055,578	(0.8)	0	15,055,578	(0.8)

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

2012 Year-end Projection:

As a result of favorable weather conditions, the winter roads budget is approximately \$1 million under spent. The under expenditures were largely a result of a decreased requirement for snow removal, sanding, salting and plowing.

Fiscal Sustainability:

Snow removal maintenance budgets have been reduced by approximately \$170,000, based on a historical 6 year average of actual spending.

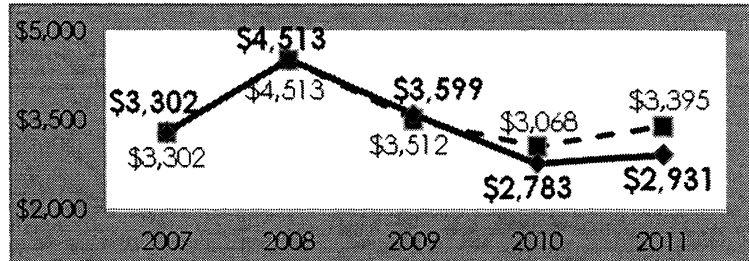
WINTER MAINTENANCE SUMMARY



OMBI Performance Benchmarks

————— CGS result
----- Median result
Single-tier only

Operating Cost for Winter Maintenance of Roadways per Lane KM



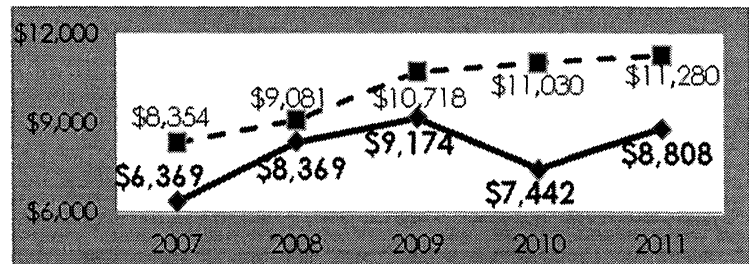
[ROAD 903]

Percentage of Winter Events Meeting New Municipal Winter Level of Service

CGS and Single-tier Median results: 100% for the years 2006 through 2011

[ROAD 250]

Roads Operating Cost (All Functions) per Lane KM



[ROAD 308]

OMBI data is current as at August 24, 2012.



5370 Road Engineering Costs

2013
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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0		0	0	-
Expenses							
Internal Recoveries	4,958,233	4,965,911	4,882,891	(1.7)	0	4,882,891	(1.7)
Total Expenses	4,958,233	4,965,911	4,882,891	(1.7)	0	4,882,891	(1.7)
Net Budget	4,958,233	4,965,911	4,882,891	(1.7)	0	4,882,891	(1.7)



5390 Streetlighting

2013
Operating
Budget

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

2012		2013					
------	--	------	--	--	--	--	--

	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0		0	0	-
Expenses							
Energy Costs	1,950,000	1,837,295	1,923,000	4.7	0	1,923,000	4.7
Purchased/Contract Services	542,000	520,015	524,850	0.9	0	524,850	0.9
Internal Recoveries	5,736	5,736	5,248	(8.5)	0	5,248	(8.5)
Total Expenses	2,497,736	2,363,046	2,453,098	3.8	0	2,453,098	3.8
Net Budget	2,497,736	2,363,046	2,453,098	3.8	0	2,453,098	3.8

**2013
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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 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	15,600	16,444	16,692	1.5	0	16,692	1.5
Purchased/Contract Services	195,000	196,000	196,000	-	0	196,000	-
Contr to Reserve and Capital	191,557	189,713	193,507	2.0	0	193,507	2.0
Internal Recoveries	0	0	0	-	0	0	-
Total Expenses	402,157	402,157	406,199	1.0	0	406,199	1.0
Net Budget	362,157	362,157	366,199	1.1	0	366,199	1.1

**2013
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.

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		4	4	-	0	4	-
Part Time Hours		3,150	3,150	-	0	3,150	-
Overtime Hours		100	100	-	0	100	-
Revenues							
User Fees	(80,000)	(58,500)	(65,000)	(11.1)	0	(65,000)	(11.1)
Total Revenues	(80,000)	(58,500)	(65,000)	(11.1)	0	(65,000)	(11.1)
Expenses							
Salaries & Benefits	371,317	371,317	376,582	1.4	0	376,582	1.4
Materials - Operating Expenses	6,187	6,187	6,187	-	0	6,187	-
Energy Costs	0	0	0	-	0	0	-
Purchased/Contract Services	30,481	25,899	25,838	(0.2)	0	25,838	(0.2)
Internal Recoveries	(330,712)	(347,630)	(343,607)	1.2	0	(343,607)	1.2
Total Expenses	77,273	55,773	65,000	16.5	0	65,000	16.5
Net Budget	(2,727)	(2,727)	0	100.0	0	0	100.0



Transit and Fleet Summary

2013
Operating
Budget

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		151	151	-	0	151	-
Overtime Hours		2,755	1,175	(57.4)	0	1,175	(57.4)
Part Time Hours		78,225	72,327	(7.5)	0	72,327	(7.5)
Crew Hours		0	0	-	0	0	-
Revenues							
User Fees	(8,214,398)	(8,088,650)	(8,534,294)	(5.5)	0	(8,534,294)	(5.5)
Contr from Reserve and Capital	(1,398,979)	(1,380,476)	(1,059,540)	23.2	0	(1,059,540)	23.2
Other Revenues	(53,933)	(15,933)	(15,933)	-	0	(15,933)	-
Total Revenues	(9,667,310)	(9,485,059)	(9,609,767)	(1.3)	0	(9,609,767)	(1.3)
Expenses							
Salaries & Benefits	14,664,668	14,243,577	14,663,194	2.9	0	14,663,194	2.9
Materials - Operating Expenses	3,524,912	3,156,180	3,239,161	2.6	0	3,239,161	2.6
Equipment Expenses	85,795	85,795	85,795	-	0	85,795	-
Energy Costs	3,156,301	3,277,782	3,235,375	(1.3)	0	3,235,375	(1.3)
Purchased/Contract Services	4,749,854	4,638,203	4,664,160	0.6	0	4,664,160	0.6
Debenture & Insurance Costs	883,032	848,803	887,013	4.5	0	887,013	4.5
Prof Development & Training	33,693	33,693	33,693	-	0	33,693	-
Grants - Transfer Payments	50,000	50,000	50,000	-	0	50,000	-
Contr to Reserve and Capital	2,905,816	2,905,816	2,972,878	2.3	0	2,972,878	2.3
Internal Recoveries	(7,252,449)	(7,139,075)	(7,143,268)	(0.1)	0	(7,143,268)	(0.1)
Total Expenses	22,801,622	22,100,774	22,688,001	2.7	0	22,688,001	2.7
Net Budget	13,134,312	12,615,715	13,078,233	3.7	0	13,078,233	3.7

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. Transit and Fleet will continue to work towards creating more efficiencies as we move towards the completion of the Lorne St. project.

2012 Year-end Projected Variance

A net over expenditure of approximately \$520,000 in this division is projected in the following areas: Transit Services predicts a year end over expenditure of approximately \$335,000 as a result of an understatement of contractual obligations, transit operator overtime and increased wage costs due to staff on modified work programs. Handi-Transit costs are anticipated to be \$160,000 over budget as a result of transportation adjustment costs and increased rider demand. Fleet Services is projected to be over budget by approximately \$25,000 as a result of increased maintenance costs for the City's aging fleet.



Greater Sudbury Transit Serv.

**2013
Operating
Budget**

Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		113	113	-	0	113	-
Part Time Hours		61,233	55,335	(9.6)	0	55,335	(9.6)
Overtime Hours		1,580	0	(100.0)	0	0	(100.0)
Revenues							
User Fees	(7,572,232)	(7,437,477)	(7,834,678)	(5.3)	0	(7,834,678)	(5.3)
Contr from Reserve and Capital	(1,239,657)	(1,239,657)	(919,147)	25.9	0	(919,147)	25.9
Other Revenues	(53,933)	(15,933)	(15,933)	-	0	(15,933)	-
Total Revenues	(8,865,822)	(8,693,067)	(8,769,758)	(0.9)	0	(8,769,758)	(0.9)
Expenses							
Salaries & Benefits	11,199,826	10,795,110	11,167,141	3.4	0	11,167,141	3.4
Materials - Operating Expenses	1,371,611	1,306,012	1,369,616	4.9	0	1,369,616	4.9
Equipment Expenses	23,873	23,873	23,873	-	0	23,873	-
Energy Costs	3,014,694	3,013,175	2,987,227	(0.9)	0	2,987,227	(0.9)
Purchased/Contract Services	1,039,854	1,009,747	1,054,581	4.4	0	1,054,581	4.4
Debenture & Insurance Costs	591,114	587,429	597,500	1.7	0	597,500	1.7
Prof Development & Training	26,364	26,364	26,364	-	0	26,364	-
Grants - Transfer Payments	50,000	50,000	50,000	-	0	50,000	-
Contr to Reserve and Capital	539,066	539,066	561,168	4.1	0	561,168	4.1
Internal Recoveries	858,583	858,583	930,081	8.3	0	930,081	8.3
Total Expenses	18,714,985	18,209,359	18,767,550	3.1	0	18,767,550	3.1
Net Budget	9,849,163	9,516,292	9,997,792	5.1	0	9,997,792	5.1

GREATER SUDBURY TRANSIT SERVICES

Transit Services 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 eight areas of the city. It is anticipated that the Greater Sudbury transit system will provide transportation to more than 5,000,000 passengers this year, covering a total distance of over 3,400,000 kilometers and providing 138,100 vehicle hours of service.

2013 Budget Variance:

Salaries & Benefits

There are two highlights in this area:

The overall changes in salaries, benefits and part-time hours are primarily the result of a more detailed budget build and realignment of part time hours and contractual obligations based on 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 the current levels of service.

Secondly, there is also a slight modification in the service level for an existing route, which is currently funded through the ridership growth envelope (Provincial Gas Tax) as approved by the Operations Committee.

Contribution from Reserve

The decrease in this area is a direct result of ridership funding phase outs for two initiatives:

- University Pass funding (\$100,000)
- Operational Cost funding (\$200,000)

These initiatives have been phased out in accordance with the transit long term financial plan, as approved by Council. As well, a draw from the Provincial gas tax reserve for approximately \$1.058 Million for ridership growth initiatives has been included, as per approval from the Operations Committee.

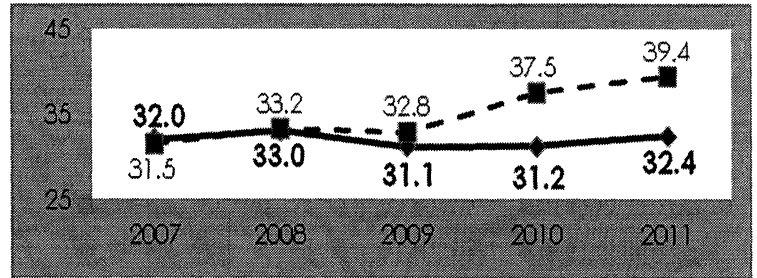
GREATER SUDBURY TRANSIT SERVICES



OMBI Performance Benchmarks

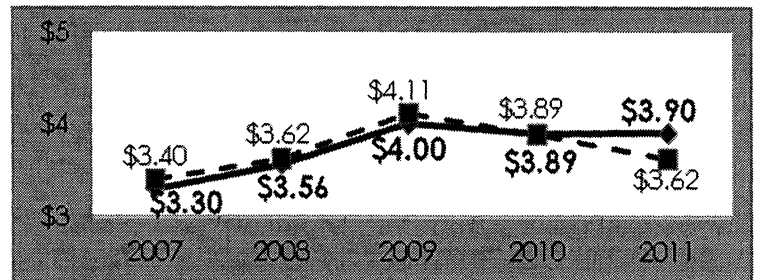
———— CGS result - - - - - Median result

Number of Conventional Transit Trips per Capita in Service Area



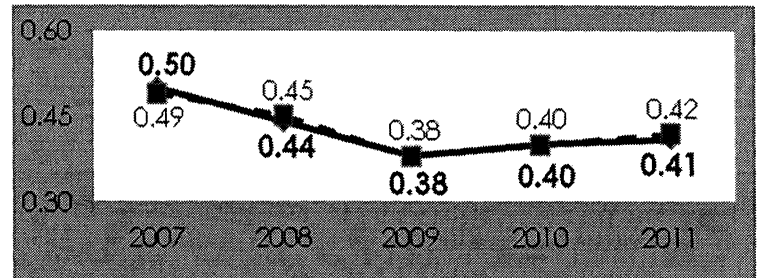
[TRNT 105]

Operating Costs for Conventional Transit per Regular Service Passenger Trip



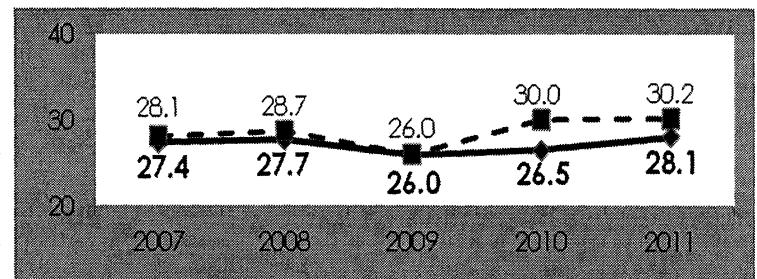
[TRNT 901]

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, 2012.

Handi Transit

Operating Budget Summary

Description

**2013
Operating
Budget**

	2012	2013				
--	------	------	--	--	--	--

	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
User Fees	(265,000)	(274,007)	(282,227)	(3.0)	0	(282,227)	(3.0)
Contr from Reserve and Capital	(140,819)	(140,819)	(140,393)	0.3	0	(140,393)	0.3
Total Revenues	(405,819)	(414,826)	(422,620)	(1.9)	0	(422,620)	(1.9)
Expenses							
Purchased/Contract Services	2,877,000	2,725,000	2,750,434	0.9	0	2,750,434	0.9
Total Expenses	2,877,000	2,725,000	2,750,434	0.9	0	2,750,434	0.9
Net Budget	2,471,181	2,310,174	2,327,814	0.8	0	2,327,814	0.8



Fleet Services

2013
Operating
Budget


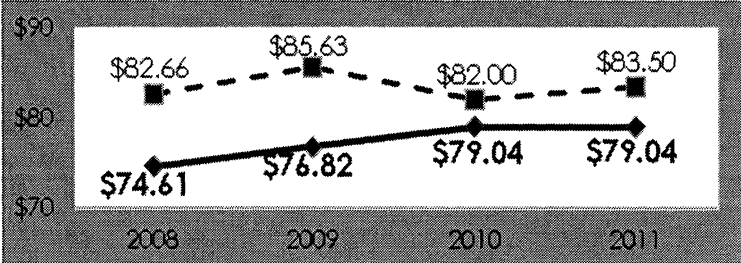
Operating Budget Summary	
Description	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		38	38	-	0	38	-
Overtime Hours		1,175	1,175	-	0	1,175	-
Crew Hours		0	0	-	0	0	-
Part Time Hours		0	0	-	0	0	-
Revenues							
User Fees	(377,166)	(377,166)	(417,389)	(10.7)	0	(417,389)	(10.7)
Contr from Reserve and Capital	(18,503)	0	0	-	0	0	-
Other Revenues	0	0	0	-	0	0	-
Total Revenues	(395,669)	(377,166)	(417,389)	(10.7)	0	(417,389)	(10.7)
Expenses							
Salaries & Benefits	3,114,290	3,197,371	3,241,179	1.4	0	3,241,179	1.4
Materials - Operating Expenses	2,138,301	1,829,168	1,864,545	1.9	0	1,864,545	1.9
Equipment Expenses	61,922	61,922	61,922	-	0	61,922	-
Energy Costs	71,607	71,607	80,173	12.0	0	80,173	12.0
Purchased/Contract Services	832,000	901,456	857,145	(4.9)	0	857,145	(4.9)
Debenture & Insurance Costs	261,374	261,374	258,645	(1.0)	0	258,645	(1.0)
Prof Development & Training	7,329	7,329	7,329	-	0	7,329	-
Contr to Reserve and Capital	2,366,750	2,366,750	2,411,710	1.9	0	2,411,710	1.9
Internal Recoveries	(8,111,032)	(7,997,658)	(8,073,349)	(0.9)	0	(8,073,349)	(0.9)
Total Expenses	742,541	699,319	709,299	1.4	0	709,299	1.4
Net Budget	346,872	322,153	291,910	(9.4)	0	291,910	(9.4)

FLEET SERVICES

Fleet Services provide the coordination and overall maintenance of the City's vehicle and equipment inventory. Other services include the design, specifications and acquisition of Fleet assets, assistance with acquiring temporary vehicle and equipment leases from outside parties at a competitive price, the tracking processing and billing of all vehicle fuel as well as the assessment of aged vehicles and subsequent sale at auction.

In 2011 a revised charge back system was implemented to charge all city-owned vehicles and other equipment based on a monthly rate structure. This structure is formula driven and encompasses elements such as capital replacement, estimated repairs/maintenance, insurance, licensing and appropriate inflation over the asset's useful life. Fuel attributed to each unit will be variable and charged based on actual consumption. The monthly rate structure attempts to promote a corporate wide approach to cost recognition, responsibility, accountability and timely replacement of the city's fixed assets.

	OMBI Performance Benchmarks													
	CGS result	Median result												
Total Number of Municipal Vehicles (served by Fleet Services)	<table border="1" style="margin: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%;">CGS</th> <th style="width: 70%;">Range of totals, OMBI single tiers</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2009</td> <td style="text-align: center;">575</td> <td style="text-align: center;">324 to 3,848</td> </tr> <tr> <td style="text-align: center;">2010</td> <td style="text-align: center;">579</td> <td style="text-align: center;">298 to 4,293</td> </tr> <tr> <td style="text-align: center;">2011</td> <td style="text-align: center;">552</td> <td style="text-align: center;">279 to 4,248</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
	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												
Door Rate (rated charged internally for services)														
OMBI data is current as at August 27, 2012.														

**2013
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 in door 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.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 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	99,456	0	0	-	0	0	-
Materials - Operating Expenses	15,000	21,000	5,000	(76.2)	0	5,000	(76.2)
Energy Costs	70,000	193,000	167,975	(13.0)	0	167,975	(13.0)
Purchased/Contract Services	1,000	2,000	2,000	-	0	2,000	-
Debenture & Insurance Costs	30,544	0	30,868	100.0	0	30,868	100.0
Total Expenses	216,000	216,000	205,843	(4.7)	0	205,843	(4.7)
Net Budget	216,000	216,000	205,843	(4.7)	0	205,843	(4.7)



4750 Crossing Guards

2013
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 42 locations within the City of Greater Sudbury. The School Crossing Guards are deployed during two time periods: morning and afternoon.</p>	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		16,992	16,992	-	0	16,992	-
Expenses							
Salaries & Benefits	251,096	251,096	254,874	1.5	0	254,874	1.5
Materials - Operating Expenses	0	0	0	-	0	0	-
Prof Development & Training	0	0	0	-	0	0	-
Total Expenses	251,096	251,096	254,874	1.5	0	254,874	1.5
Net Budget	251,096	251,096	254,874	1.5	0	254,874	1.5