



Budget

2023

Proposed 2023 Budget

Presentation to Finance and Administration Committee

Tuesday, January 17, 2023

Kevin Fowke, General Manager of Corporate Services

Ed Archer, Chief Administrative Officer

Inclusive, Modern and Reliable Services





2023 Proposed Budget Summary



- \$701 million Operating Budget (municipal and service partners)
- \$155 million Capital Budget
- \$94 million Water and Wastewater Budget
- Significant challenges – after adjustments, meets budget direction for a 3.7% property tax change
- Maintains services and service levels
- Makes important investments in roads, facilities and community services





Planning Context



- Inflation
- Supply chain disruptions
- Tight labour market
- Growing service demand
- Support for supervised consumption and transitional housing services
- Legislative changes



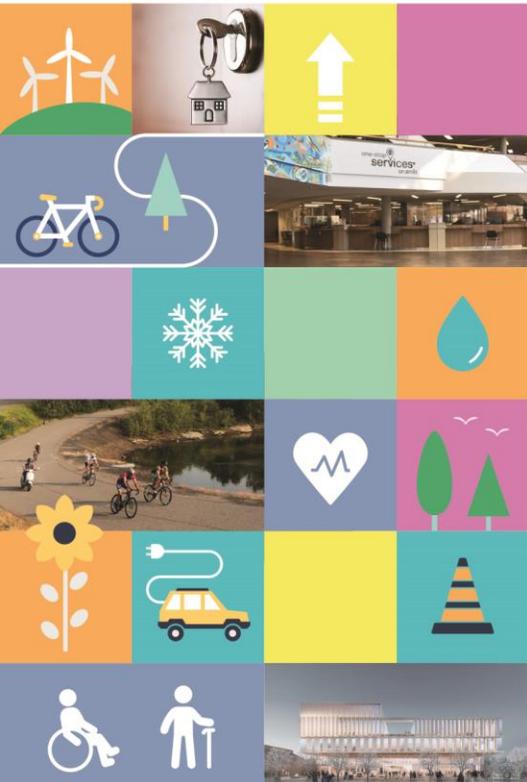


How We Balanced The 2023 Budget



Budget 2023

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- Projected a 9.3% increase based on current plans, anticipated price/cost changes
- \$17.8 million in adjustments needed to fulfill Council's direction of 3.7% increase
- January 12 – Police Board approved a budget higher than initial projections, creating a need for \$1.3 million in additional adjustments to meet 3.7% budget direction





How We Balanced The 2023 Budget



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Adjust capital budget inflation	\$5,400,000
Revise vacancy management	\$2,700,000
Investment income	\$3,600,000
Defer plan to build reserves	\$3,100,000
Removal of 199 Larch contribution to reserve	\$1,000,000
Fuel price adjustments	\$600,000
Adjust winter control budget	\$500,000
Fire training from reserve	\$500,000
Benefit rate adjustments	\$400,000
Decrease in OMPF	(\$700,000)
Increase in natural gas	(\$800,000)
Other (net with other increases)	<u>\$1,500,000</u>
Total changes	\$17,800,000





Property Tax Changes

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What a 3.7% + 1.5% investment represents for taxpayers

Current Value Assessment of your Home (2016)	\$230,000	\$350,000	\$450,000
Annual			
2023 Property Tax Increase - 3.7%	\$122	\$186	\$239
3.7% with Accelerated Infrastructure Renewal Levy - 5.2%	\$172	\$262	\$336
Annual - With GSPS Board Approved Budget			
2023 Property Tax Increase - 4.1%	\$136	\$206	\$265
4.1% with Accelerated Infrastructure Renewal Levy - 5.6%	\$185	\$282	\$362



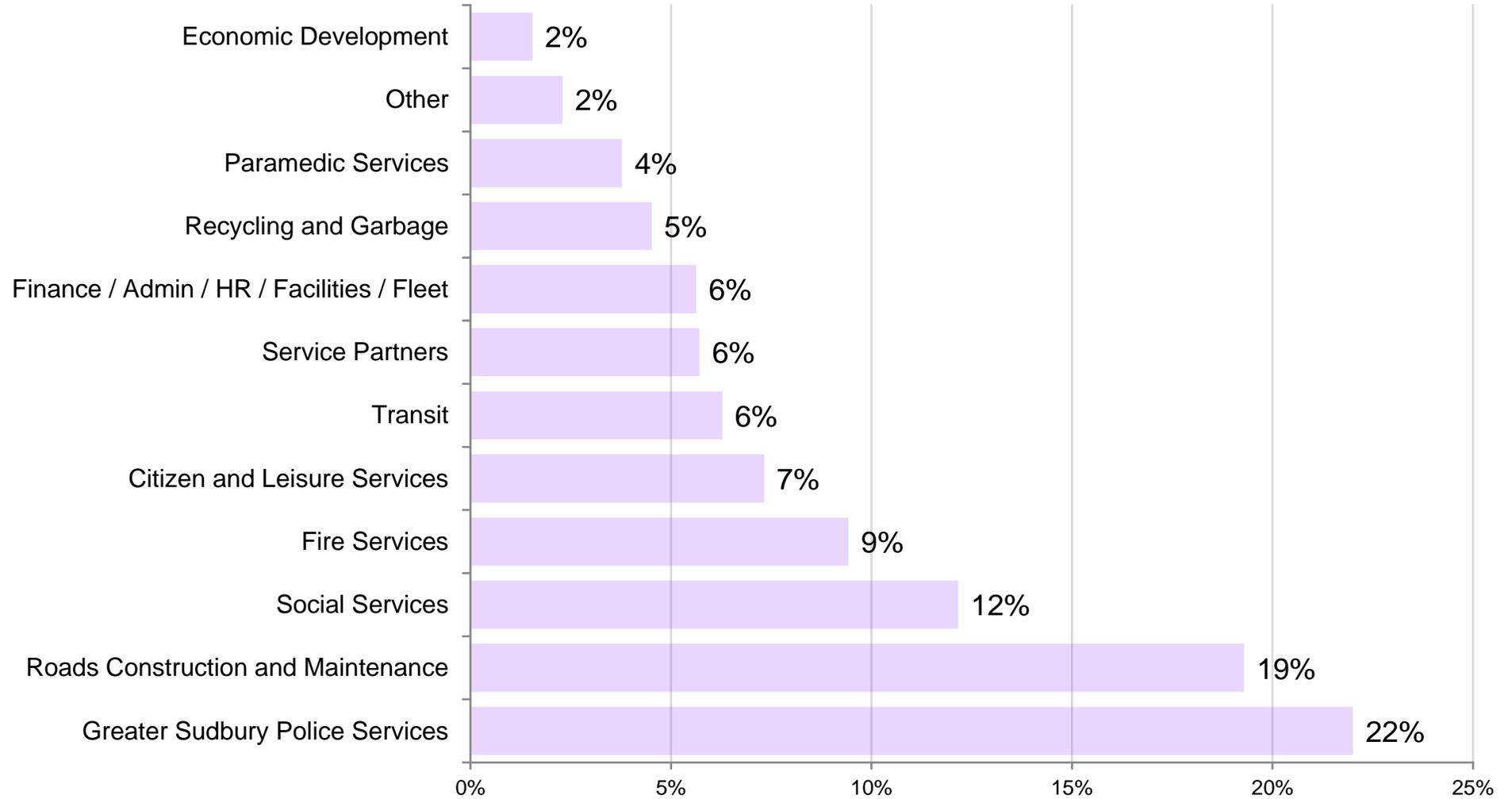


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Where Your Property Taxes Go





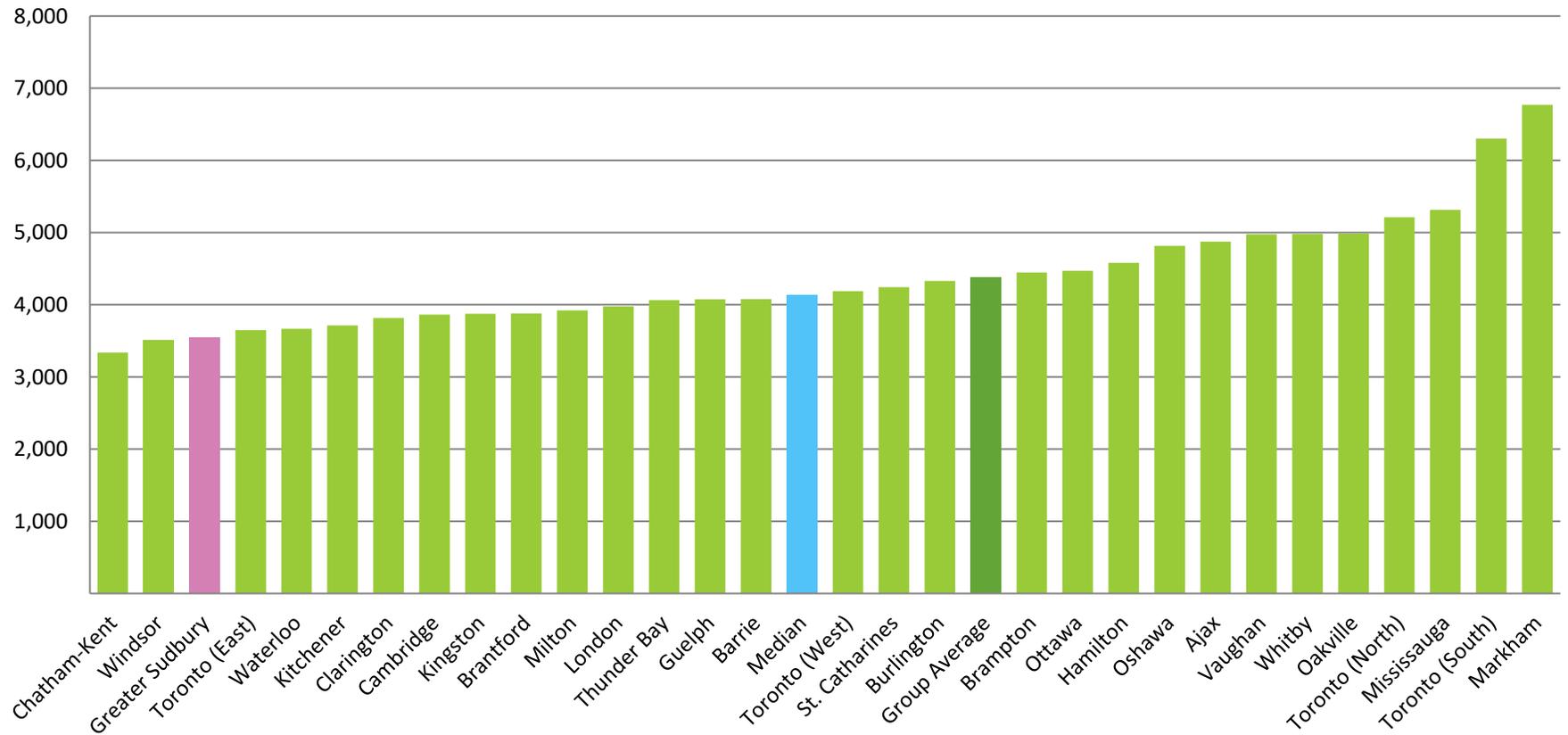
How Do We Measure Up?

Greater Sudbury Property Taxes Among the Lowest in Ontario

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2022 BMA Study






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Operating Budget – Significant Price Changes

- Fuel and diesel for vehicles and equipment – from \$5.6 million to \$7.4 million
- Utilities (natural gas, hydro and water) – from \$16.9 million to \$18.2 million
- Insurance – from \$5.2 million to \$5.7 million
- Winter sand and salt – budget increase of \$536,000






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Operating Budget – Significant Innovations and Efficiency Improvements

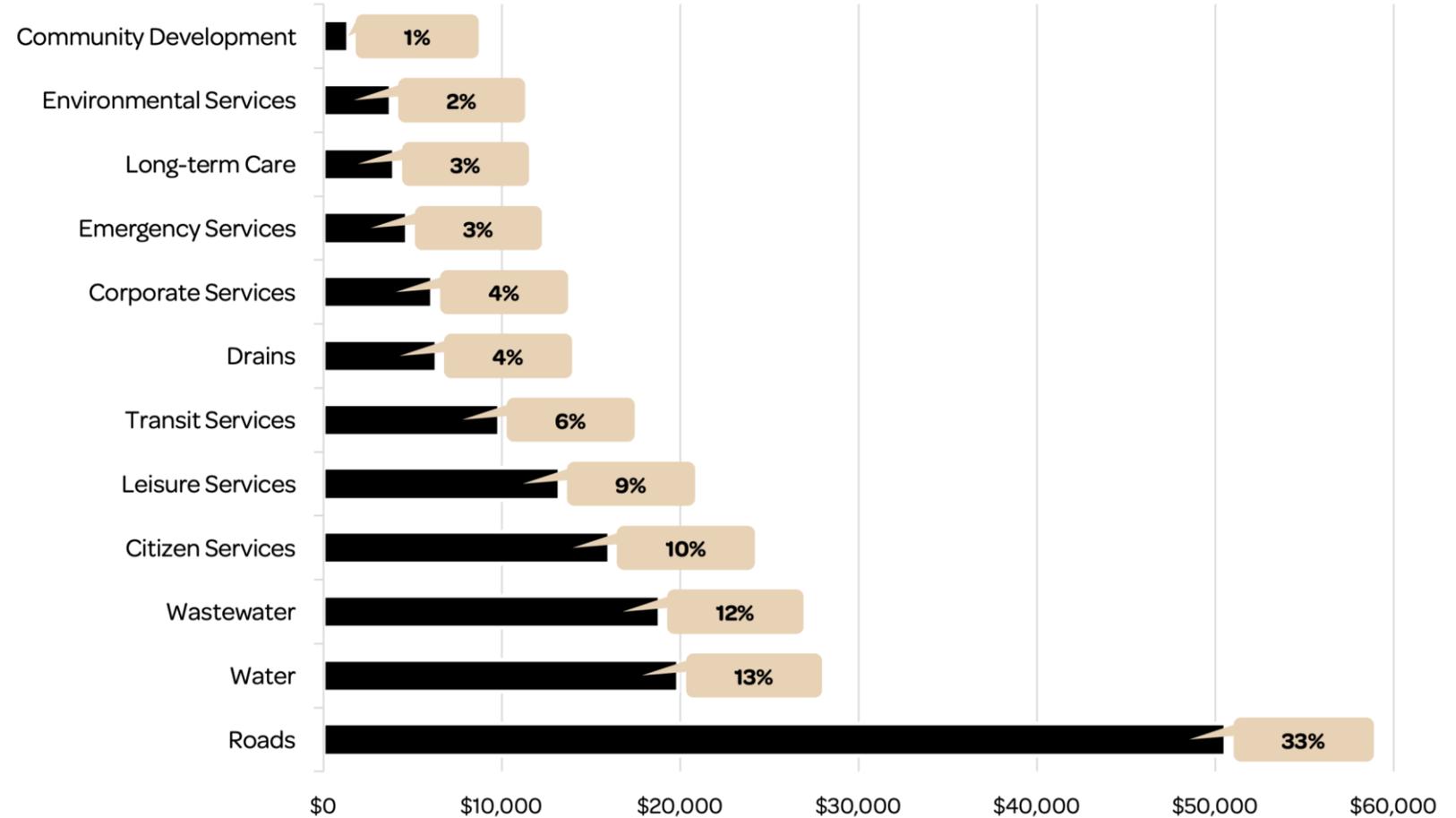
- Pooling of administrative resources
- One-Stop Services – \$250,000/year
- Credit/Debit Card – \$157,000/year
- COMPASS – new opportunities for process reviews and workload management





2023 Capital Project Budget – \$155 million

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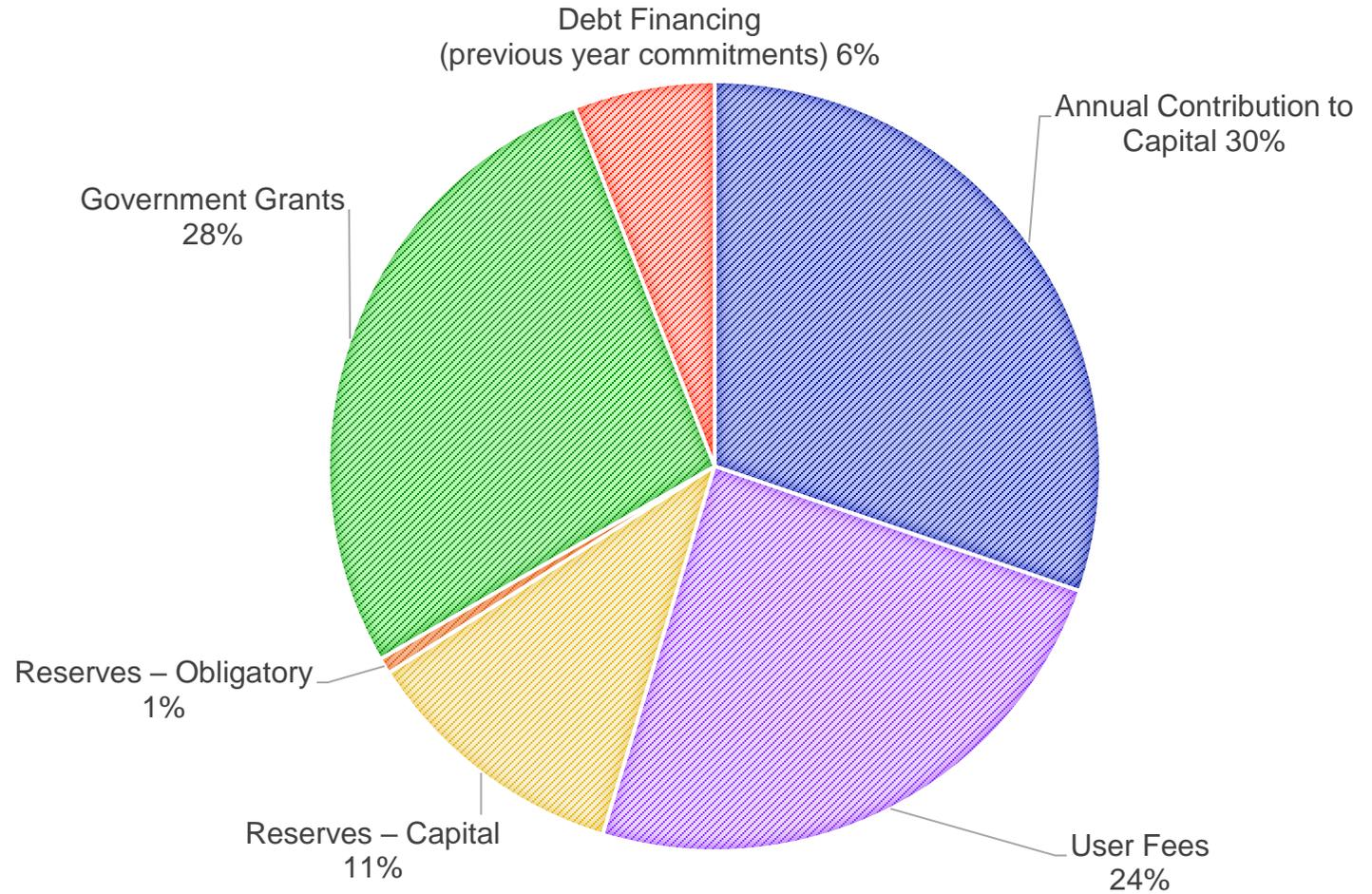


2023 Capital Funding Plan



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No new debt required in 2023





2023 Capital Investment Summary



Significant amount of road work – nearly one-third of the capital budget



Substantial asset renewal work in other asset categories such as drains, various facilities, landfills, fire vehicles, equipment and leisure services



Improved community resilience – water and wastewater projects that will improve quality, reliability and customer service





Business Cases for Service Level Changes

Provided as directed by Council resolutions:

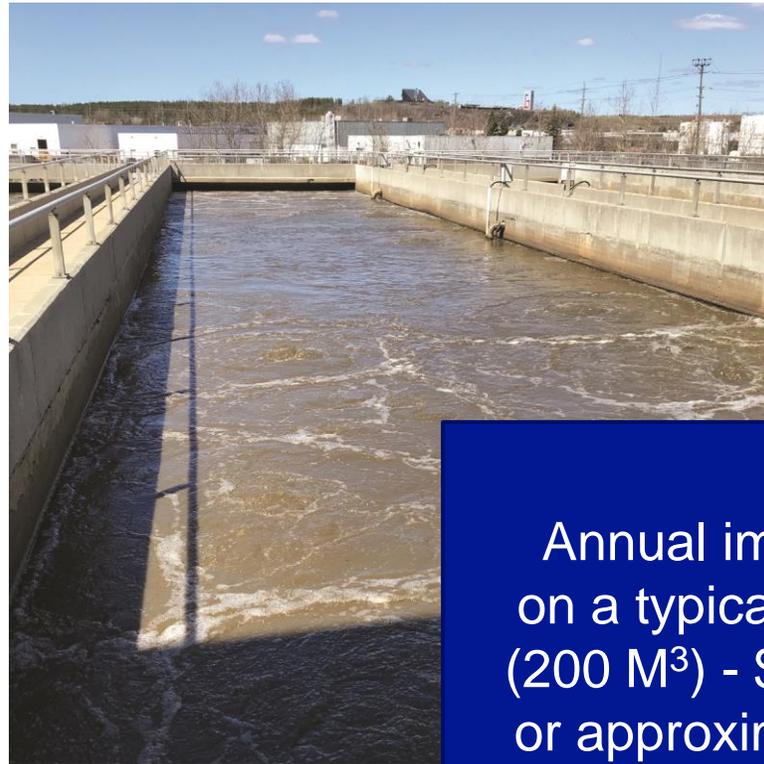


- \$6.5 million as directed (2023 impact)
- \$1.4 million in incremental service level adjustments that could reduce net levy
- Total of 45 business cases
- Future year impacts, if approved





Water/Wastewater Budget



Annual impact on a typical user (200 M³) - \$70.56 or approximately \$5.88/month

- ▶ 100% user-pay
- ▶ Maintains current services and service levels
- ▶ Rate increase of 4.8%, consistent with the Long-term Financial Plan





Service Partners

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Greater Grand
Sudbury
airport | aéroport

Conservation
Sudbury

Self-funded; no effect on tax levy

7.2% or \$80,881 increase over 2022 budget;
56% of its budget from the tax levy*

Public Health
Santé publique
SUDBURY & DISTRICTS

3.2% or \$247,811 increase over 2022 budget;
28% of its budget from the tax levy

GREATER GRAND SUDBURY
POLICE

5.66% or \$3,894,417 increase over 2022 budget;
92% of its budget from the tax levy**

GREATER SUDBURY PUBLIC LIBRARY
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DU GRAND SUDBURY

7.4% or \$635,554 increase over 2022 budget
93% of its budget from the tax levy

*Estimated budgets as of December 15, 2022

**GSPS Board approved budget as of January 12, 2023






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Next Steps

January to March

- ▶ Councillors and community review proposed budget
- ▶ Council Q&A process starting January 17th
- ▶ Budget deliberations in February and March
- ▶ March – Council decisions






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Key Messages

- Tax and rate changes below inflation
- Continued support for important public services
- Focus on economic development and asset renewal
- Makes important investments in roads, facilities and community services





Budget Engagement Next Steps



2023 Budget Engagement Overview Report shared with City Council
Will be available publicly at:

- ▶ <https://overtoyou.greatersudbury.ca>
<https://atoilaparole.grandsudbury.ca/>
- ▶ <https://www.greatersudbury.ca/budget>
<https://www.grandsudbury.ca/budget>

Virtual town halls (dates to be confirmed) on the proposed budget

Additional feedback opportunities will once again be available through Over to You and via 311.



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**Corporate
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