

Proposed 2024-2025 Budget

Presentation to Finance and Administration Committee

Wednesday, November 15, 2023

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Community Engagement

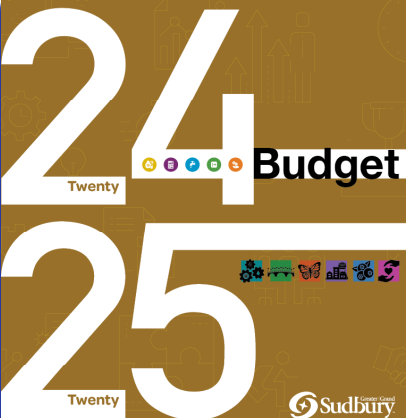
Multi-Year Budget

- ▶ City's first multi-year budget
 - ▶ Two-year (2024-2025) operating budget
 - ▶ Four-year (2024-2027) capital budget
- ▶ Many benefits
 - ▶ Shows how we connect strategy and long-term planning to budgeting
 - ▶ Easier for residents to see planned asset improvements, service changes
 - ▶ More efficient use of staff time and corporate resources



Summary

- ▶ \$765 million (2024) and \$794 million (2025) Operating Budget
- ▶ \$859 million four-year Capital Budget
- ▶ \$97 million (2024) and \$102 million (2025) Water and Wastewater Budget
- ▶ Meets budget direction for a 4.7% property tax change in each year
 - ▶ + 1.5% accelerated infrastructure renewal levy in each year
 - ▶ + 0.5% in 2024 to protect against significant price changes
- ▶ Maintains services and service levels, with minor adjustments
- ▶ Makes important investments in roads, facilities and community services



Planning Context

- ▶ Inflation
- ▶ Supply chain disruptions
- ▶ Tight labour market
- ▶ Growing service demand
- ▶ Support for transitional housing services
- ▶ Accelerated infrastructure renewal levy and improving reserves
- ▶ Legislative changes

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How We Balanced the Budget

- ▶ September budget update report projected a 7.7% and 4.8% tax levy change to maintain services based on current plans and anticipated changes
- ▶ Approximately \$10.5 million in adjustments to fulfill Council's direction for a plan with no more than a 4.7% tax levy change



How We Balanced the Budget

Revenue Adjustments	(\$5,171,000)
Operating Efficiencies	(\$4,793,000)
User Fee Changes	(\$1,126,000)
Winter Control Budget Adjustment	(\$750,000)
Increase Vacancy Management Budget	(\$655,000)
Contract Cost Changes	<u>\$2,038,000</u>
Total Changes	\$10,457,000

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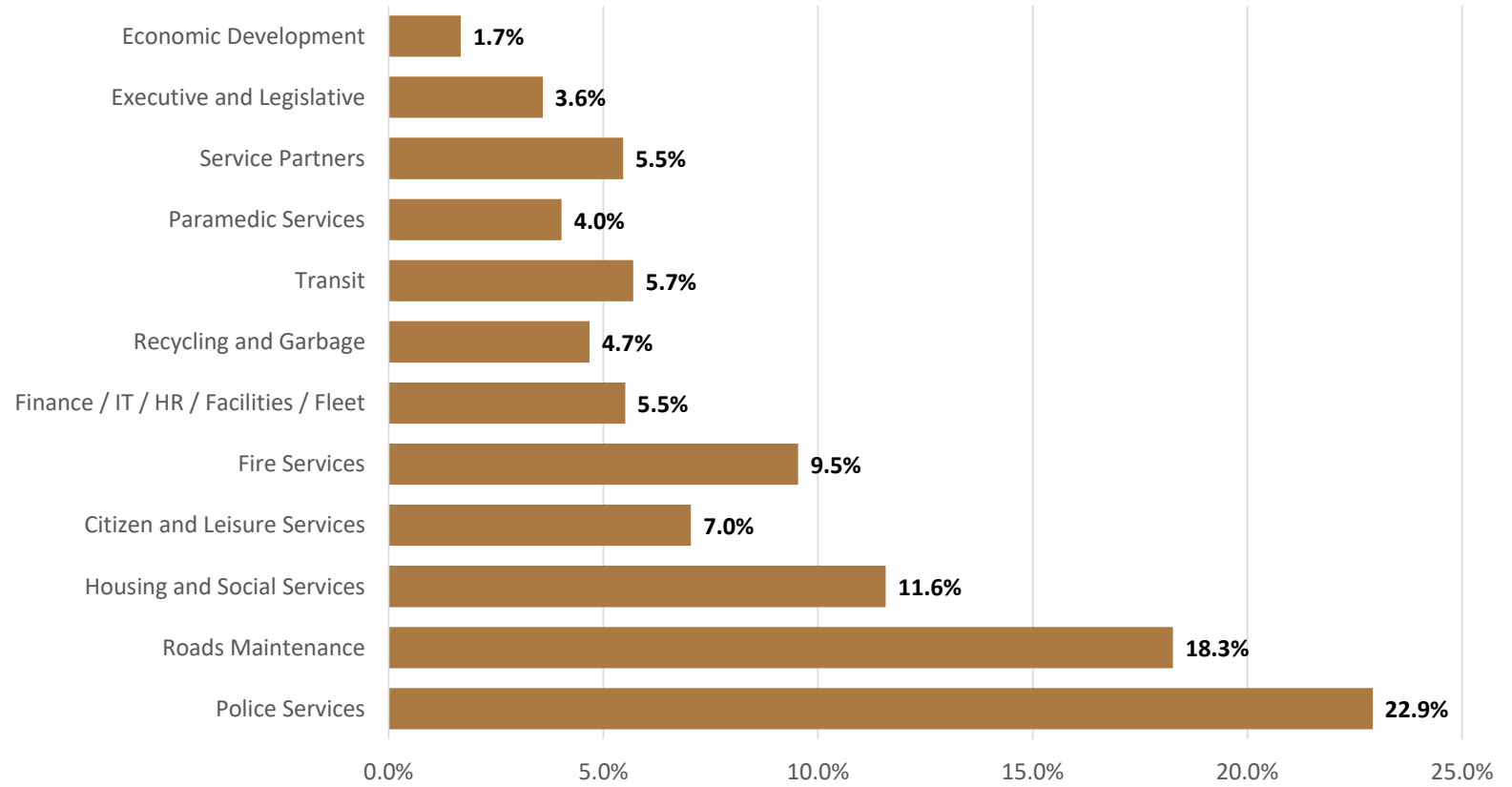
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Property Tax Impact

What a 4.7% + 1.5% + 0.5% investment represents for taxpayers

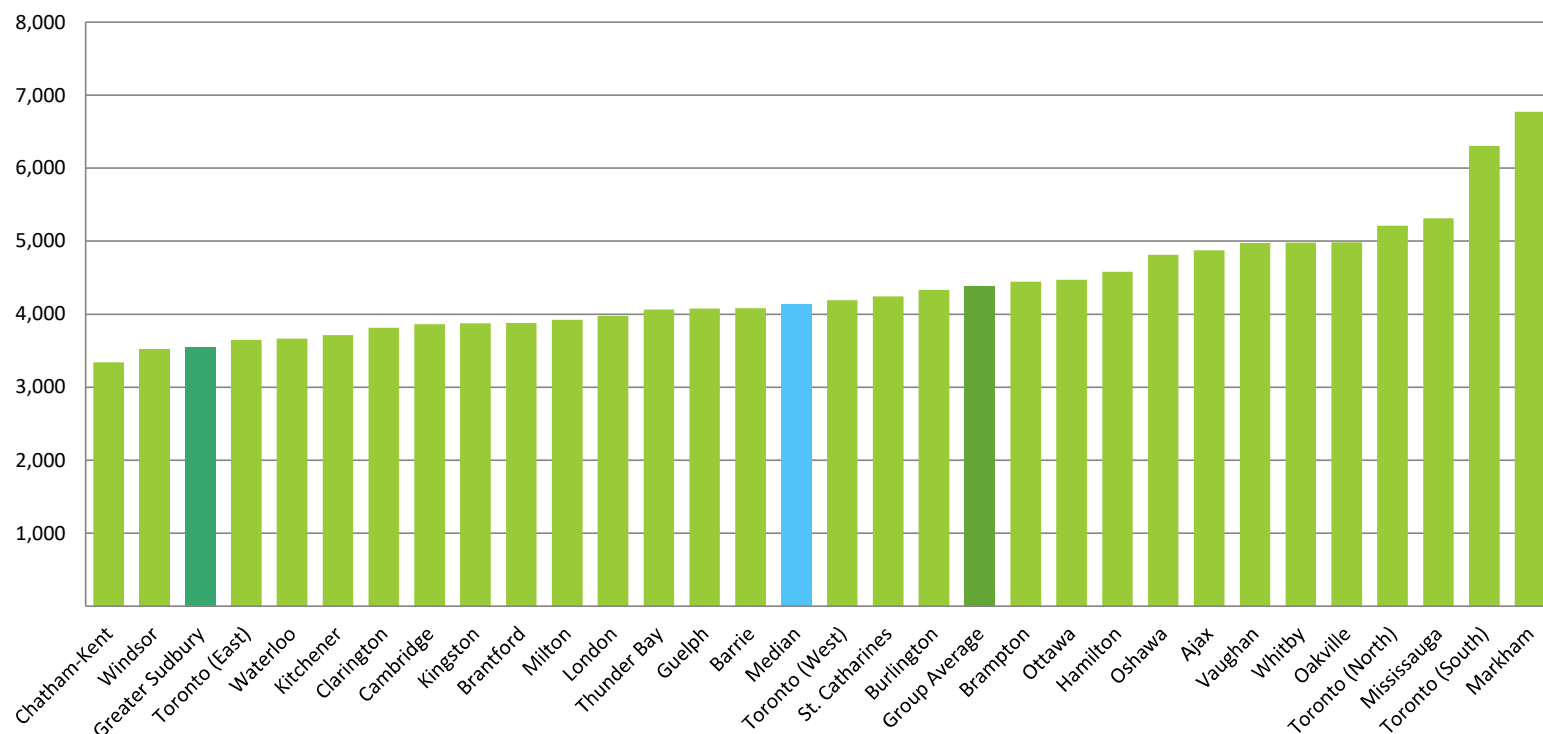
	2024			2025		
Current Value Assessment of your Home (2016)	\$ 230,000	\$ 350,000	\$ 450,000	\$ 230,000	\$ 350,000	\$ 450,000
Annual						
Property Tax Increase - 4.7%	\$ 162	\$ 246	\$ 317	\$ 173	\$ 263	\$ 338
Property Tax Increase with accelerated infrastructure renewal levy - 6.2%	\$ 213	\$ 325	\$ 418	\$ 228	\$ 347	\$ 446
Property Tax Increase with accelerated infrastructure renewal levy and Contribution to Reserve - 6.7%	\$ 231	\$ 351	\$ 451	n/a	n/a	n/a

Where Your Property Taxes Go



How Do We Measure Up?

Greater Sudbury Property Taxes Among the Lowest in Ontario



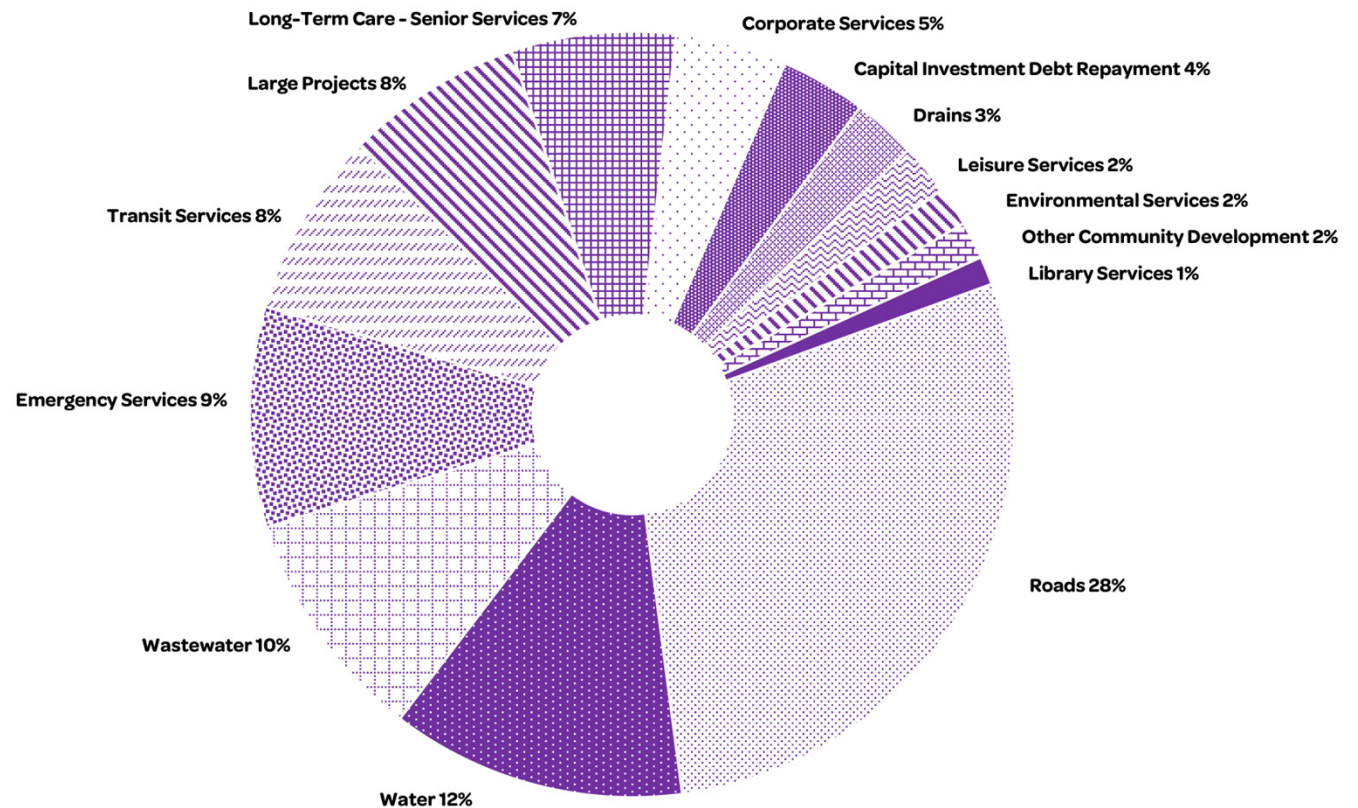
Operating Budget

Notable Service Cost Changes

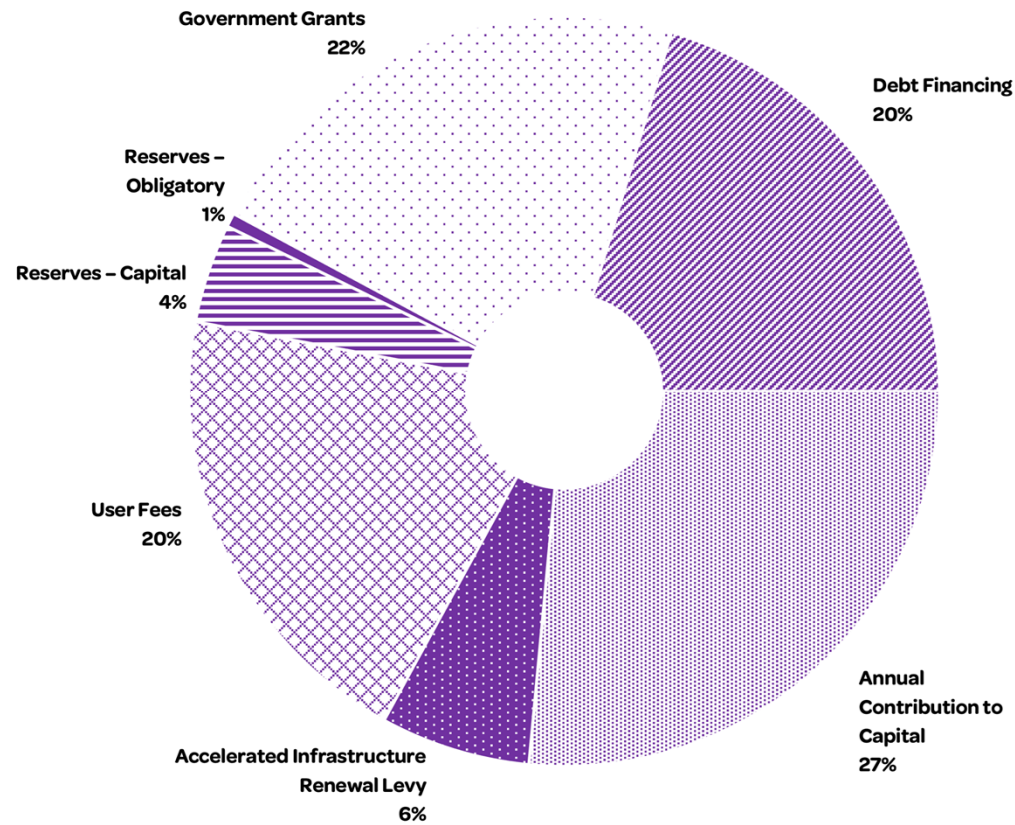
- ▶ Contractual increases due to inflation and labour shortages between 2023 and 2025
 - ▶ Fire Services \$4.0 million
 - ▶ Transportation Network \$3.8 million
 - ▶ Community Housing \$2.7 million
 - ▶ Environmental Services \$2.2 million



2024-2027 Capital Project Budget – \$858.7 million



2024 – 2027 Capital Funding Plan



Recommended new debt in 2025

2024 - 2027 Capital Investment Summary



Nearly one-third of the capital budget to roads



Community Safety Station Revitalization



Pioneer Manor Bed Redevelopment



Asset renewal in drains, facilities, landfills, fire vehicles, equipment



Water and wastewater projects

Business Cases for Service Level Changes



Provided as directed by Council resolutions:

- ▶ \$4.9 million and \$8.9 million (2024 and 2025 impact)
- ▶ 33 business cases
- ▶ Business cases for options to achieve a further 0.8% tax levy reduction to be presented in December
- ▶ Future year impacts, if approved



Water and Wastewater Budget



Annual impact
on a typical user
(200 M³)
\$73.24 for 2024
\$76.47 for 2025

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

Service Partners



Self-funded; no effect on tax levy



59% of its budget from the tax levy*



28% of its budget from the tax levy*



93% of its budget from the tax levy*



8.6% or \$798,136 increase over 2023 budget

94% of its budget from the tax levy

*Draft budgets as of October 31, 2023

Next Steps

November to December

- ▶ Councillors and community review proposed budget
- ▶ Council Q&A process starting November 15th
- ▶ Budget deliberations and finalization in December



Key Messages

- ▶ Operating cost changes below inflation
- ▶ Substantial infrastructure investments
- ▶ Increasing Policing service levels to address safety and wellbeing
- ▶ Continued investment in social services
- ▶ Investing in the future with a new arena/event centre and a cultural hub that supports growth, employment and investment



Budget Engagement

- ▶ 382 active participants
- ▶ Consistent results from previous years with top five service areas of importance as:
 - ▶ Winter Maintenance (88 %)
 - ▶ Road Maintenance and Construction (86 %)
 - ▶ Drinking Water, Wastewater and Stormwater (82 %)
 - ▶ Emergency Services (77 %)
 - ▶ Garbage and Recycling (75 %)
- ▶ 30 staff ideas to be included in budget finalization report

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Budget Engagement Next Steps

2024/2025 Budget Engagement Overview Report

- ▶ overtoyou.greatersudbury.ca atoilaparole.grandsudbury.ca/
- ▶ greatersudbury.ca/budget grandsudbury.ca/budget

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





Thank You