

## Appendix D – Alternative Model Financial Plan

The Enterprise Asset Management Plan was presented to Committee in August 2021 and includes comprehensive asset condition data for a large portion of City assets. The plan provides details to facilitate the best possible decisions regarding construction, operation, maintenance, renewal, replacement, expansion, and disposal of infrastructure assets while minimizing risk and cost and maximizing service delivery.

This financial plan scenario reflects funding the annual capital investment deficit of \$50 million (tax levy) equally over the next 10 years to realize a sustainable capital program in 2032. The revenues and expenses projection are summarized as follows and reflect an average 6.0% increase (5.0% net of assessment growth).

### CITY OF GREATER SUDBURY Long-Term Financial Plan

Forecasted Operating Budget  
(In thousands of dollars)

	Budgeted 2022	2023	2024	2025	2026	2027	Forecasted 2028	2029	2030	2031	2032	Ten Year Total
Revenues	342,504	349,894	353,495	360,412	367,612	375,109	382,916	391,046	399,512	408,331	417,518	3,805,846
Expenditures	657,062	700,452	727,496	754,900	783,382	813,187	844,222	876,526	910,026	945,083	981,601	8,336,876
<b>Municipal Levy</b>	<b>\$ 314,559</b>	<b>\$ 350,558</b>	<b>\$ 374,001</b>	<b>\$ 394,488</b>	<b>\$ 415,769</b>	<b>\$ 438,078</b>	<b>\$ 461,306</b>	<b>\$ 485,480</b>	<b>\$ 510,514</b>	<b>\$ 536,752</b>	<b>\$ 564,084</b>	<b>\$ 4,531,030</b>
							<b>Average Annual Increase</b>				<b>6.0%</b>	

Associated financial indices are as follows:

#### FINANCIAL INDICATORS

	2022	2023	2024	2025	2026	Forecasted 2027	2028	2029	2030	2031	2032
<b>Sustainability</b>											
Financial assets to financial liabilities	1.26	1.26	1.26	1.26	1.30	1.35	1.41	1.48	1.56	1.65	1.92
Reserve and reserve funds per household	\$ 1,777	\$ 1,526	\$ 1,358	\$ 1,250	\$ 1,204	\$ 1,435	\$ 1,734	\$ 2,105	\$ 2,552	\$ 3,080	\$ 3,697
Operating expenses as a percentage of taxable assessment	2.88%	3.04%	3.12%	3.21%	3.30%	3.39%	3.48%	3.58%	3.68%	3.79%	3.89%
Capital additions as a percentage of amortization expense	228%	149%	160%	164%	159%	161%	159%	163%	167%	171%	175%
Total debt per household	\$ 4,570	\$ 4,489	\$ 4,420	\$ 4,362	\$ 4,305	\$ 4,246	\$ 4,186	\$ 4,125	\$ 4,064	\$ 4,002	\$ 3,939
Total Reserves per Capita	\$ 801	\$ 689	\$ 615	\$ 567	\$ 547	\$ 654	\$ 791	\$ 962	\$ 1,169	\$ 1,414	\$ 1,700
Total Debt per Capita	\$ 2,149	\$ 2,118	\$ 2,094	\$ 2,074	\$ 2,054	\$ 2,033	\$ 2,012	\$ 1,990	\$ 1,967	\$ 1,944	\$ 1,920
<b>Flexibility</b>											
Debt to Reserve Ratio	2.57	2.94	3.26	3.49	3.58	2.96	2.41	1.96	1.59	1.30	1.07
Residential taxes per household	\$ 2,928	\$ 3,251	\$ 3,456	\$ 3,631	\$ 3,813	\$ 4,003	\$ 4,200	\$ 4,404	\$ 4,615	\$ 4,834	\$ 5,062
Residential taxation as a percentage of household income	2.72%	2.96%	3.08%	3.18%	3.27%	3.37%	3.46%	3.56%	3.66%	3.76%	3.85%
Total taxation as a percentage of total assessment	1.38%	1.52%	1.61%	1.68%	1.75%	1.83%	1.90%	1.98%	2.07%	2.15%	2.24%
Debt servicing costs as a percentage of total revenues	2.90%	3.18%	2.91%	2.68%	2.56%	2.46%	2.37%	2.28%	2.17%	2.09%	2.01%
Net book value of tangible capital assets as a percentage of historical cost	50.7%	50.5%	50.3%	50.1%	49.9%	49.7%	49.6%	49.5%	49.5%	49.5%	49.5%
<b>Vulnerability</b>											
Operating grants as a percentage of total revenues	21.0%	20.1%	19.3%	18.6%	18.0%	17.3%	16.7%	16.0%	15.4%	14.9%	17.5%
Capital grants as a percentage of total capital expenditures	27.0%	24.1%	25.5%	23.2%	18.3%	16.2%	11.6%	10.9%	10.3%	9.7%	9.2%