

2017 Budget Overview

Moving Our City Forward

Finance and Administration
Committee

November 15, 2016

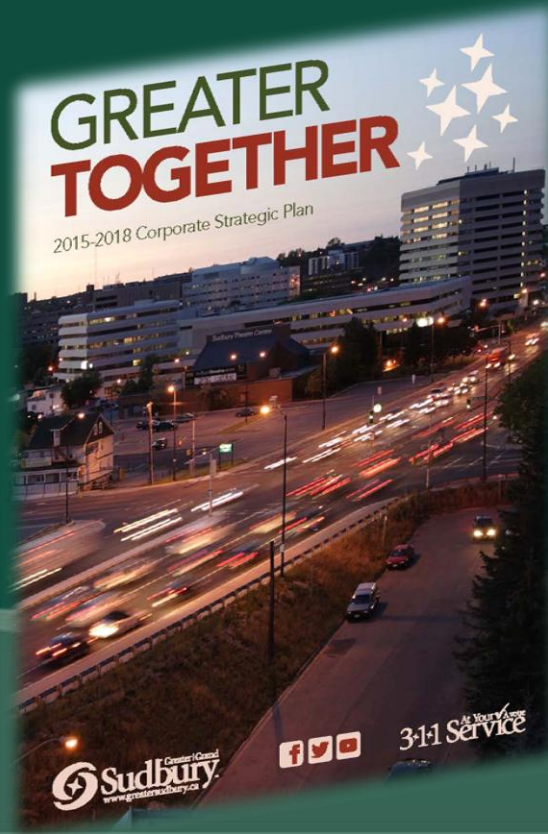


Purpose of this Presentation

This presentation provides a summary of the key features of the 2017 Budget and the issues it intends to address.

Following Council's Strategic Plan

City activities and budget are guided by Council's Strategic Plan, the community's change agenda.



New Budget Document

- Emphasis on describing plans and priorities, supported by financial information
- Addresses need for a focused document that emphasizes strategy execution



Continuous Management Cycle

Strategic Planning

- Receive strategic direction
- Develop strategies to achieve goals
- Risk analysis
- Capacity consideration



Annual Planning

- Set objectives for the planning period
- Plan strategies
- Identify inputs, activities and outputs
- Allocate resources



Program Delivery

Measuring, Monitoring, and Assessing Results

- Measure and monitor results
- Assess progress
- Compare actual results to planned results
- Explain variances



Performance Reporting

- Report results against plans
- State why information is credible and balanced
- Demonstrate use of and learning from results



Learning & Adjusting

2017 Budget

- Maintains current services and service levels
- Contains an ambitious capital program and proposes service enhancements for Council's approval
- Recommends a property tax increase that reflects Council's directions
- Recommends a special capital levy for infrastructure renewal
- Proposes a water & wastewater rate increase that reflects the long range financial plan

2017 Expenditure Changes

\$537 million operating budget

- A 3.6% increase in the property tax levy:
 - 1.3% Provincially mandated plus decrease in OMPF
 - 0.9% Outside Boards (Police, SDHU, NDCA)
 - 0.3% Policy driven inflation on capital envelopes
 - 0.9% Increase for existing municipal services
 - 0.2% Increase for proposed service level changes

Proposed Service Level Changes

Consistent with Council's directions, proposals for service changes are separately presented with a business case for Council's review.

- Net cost of \$433,000
- One new permanent position
- Increased reliance on non-tax revenues to reduce need for tax subsidy

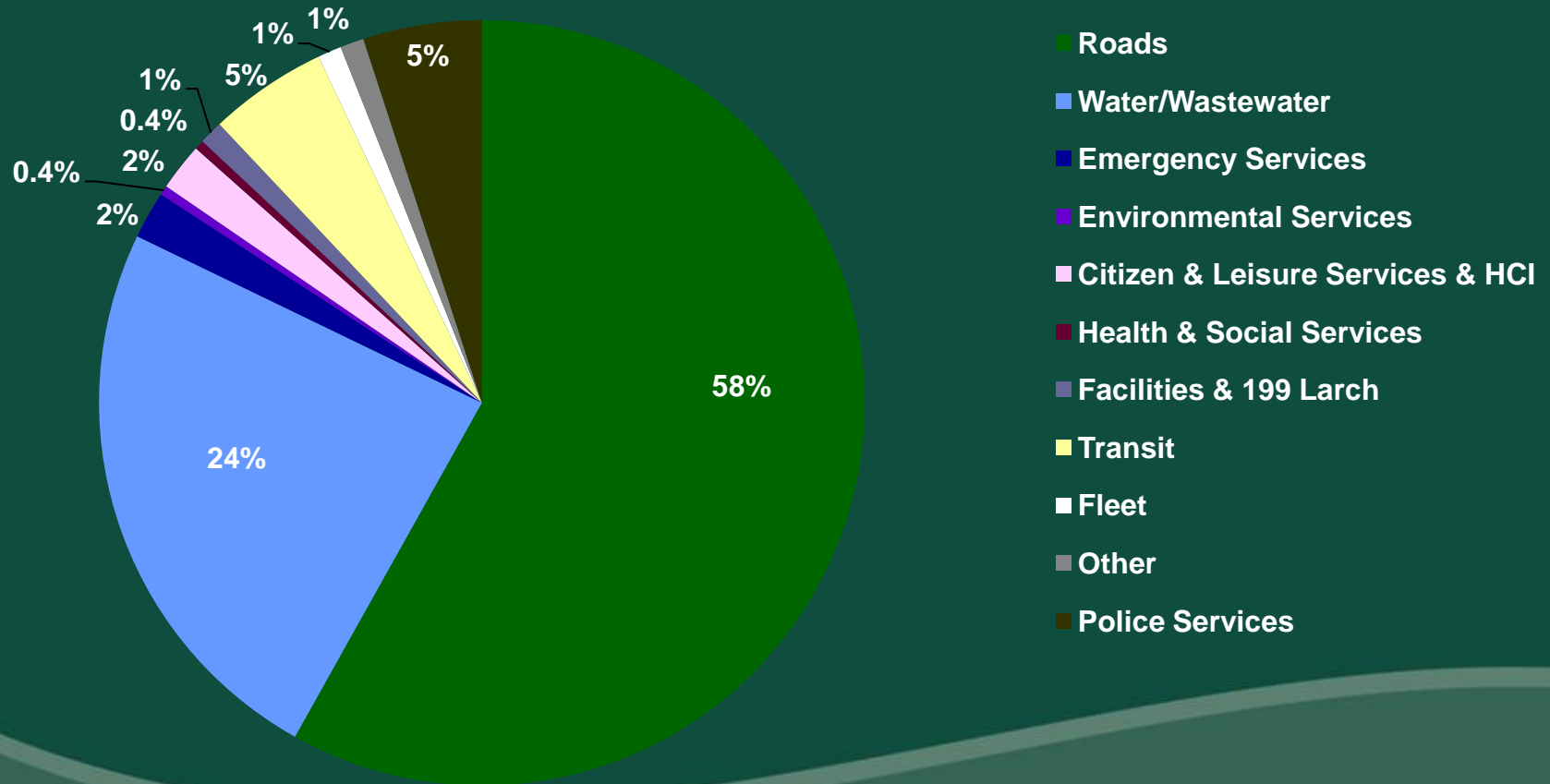
Property Tax Impact on Typical Household (\$230,000)

3.6% Property Tax Increase (annual) \$100

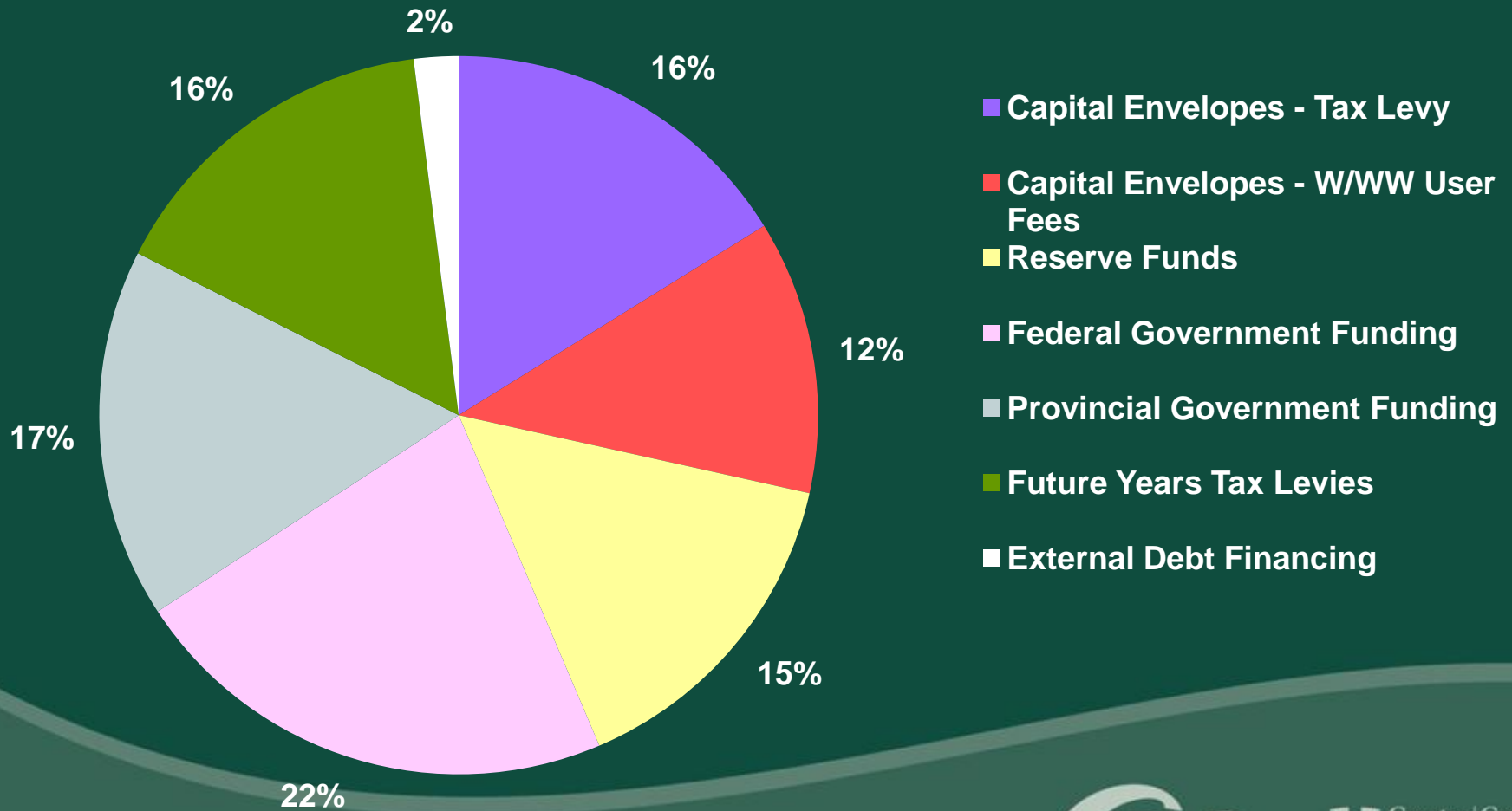
| | |
|--------------|--------|
| Monthly Cost | \$8.28 |
|--------------|--------|

(Based on a home in the former City of Sudbury.)

2017 Capital Budget – Service Areas



2017 Capital Budget – Financing Plan



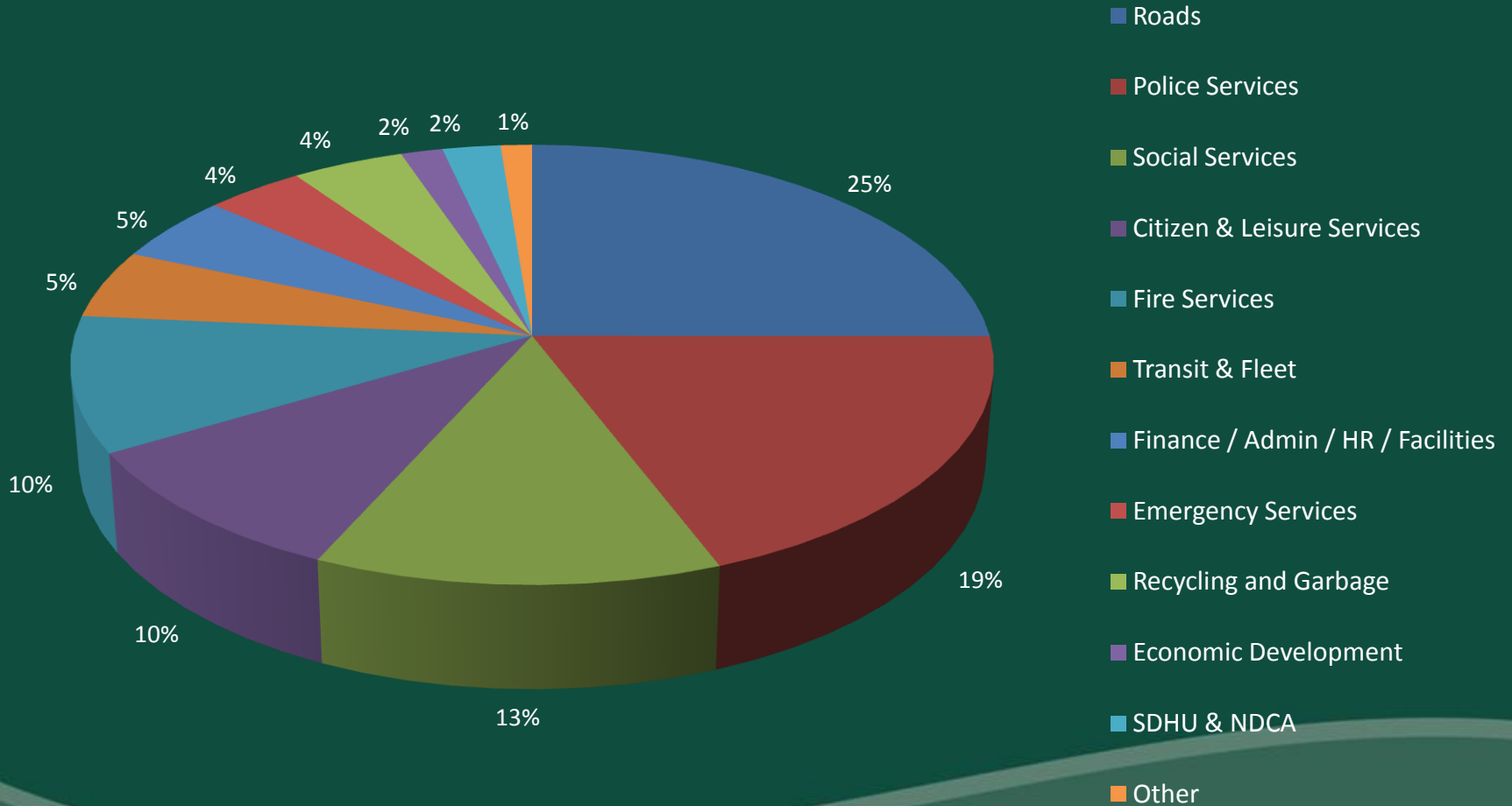
1.5% Special Capital Levy

- Provides flexibility in anticipation of increased reliance on debt financing
- Helps manage risk – our assets need more and timely renewal investments
- Generates \$3.6 million, which could translate into supporting up to \$50 million of debt financing

Water Wastewater Budget

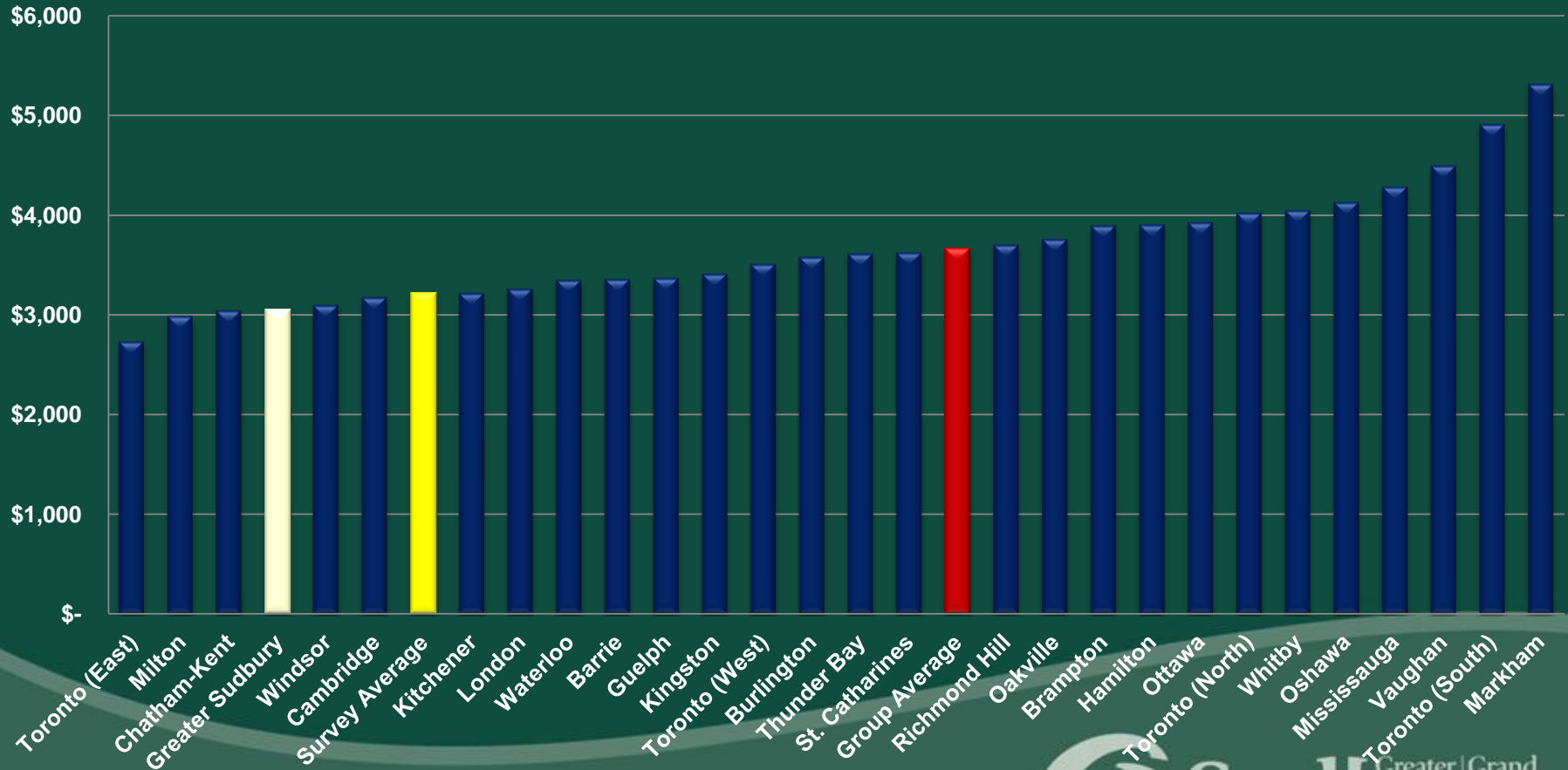
- Maintains current services and service levels
- Recommended rate increase of 7.4%, consistent with the long range financial plan
- Enhances Capital Budget
- Annual impact on a typical user of 200 M³ - \$77
- Monthly cost - \$6.38
- Includes the city's portion for Clean Water/Wastewater Fund projects

Your Property Tax Breakdown



How do we compare to other municipalities in Ontario?

Average value of property taxes for a detached bungalow for municipalities with a population greater than 100,000

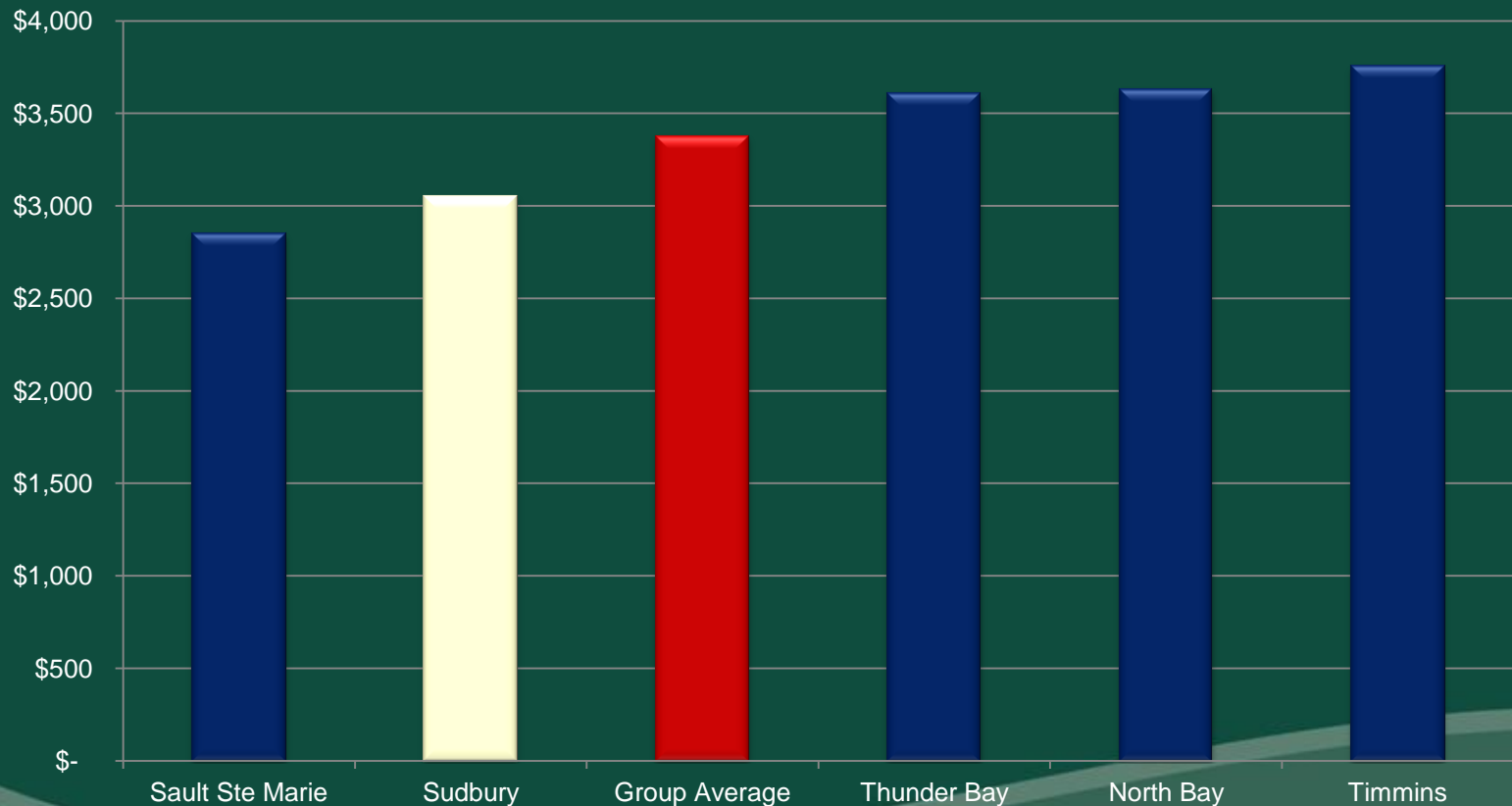


2016 BMA Study



2016 Tax Comparison

Property tax comparison for a typical bungalow - Northern Ontario



The 2017 Budget

- Enhances service in key areas:
 - Improved Transit reliability and access
 - Improved storm water management, reducing risk due to flooding
 - Improved road quality
 - Active transportation investments
 - Improves reliability and responsiveness with replacement apparatus for emergency response
- Makes clear progress on Council's Strategic Plan

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