

Budget 2021



Proposed 2021 Budget

Presentation to Finance & Administration Committee

Tuesday, January 19, 2021

Ed Archer, Chief Administrative Officer



2021 Proposed Budget Summary



- \$630 million Operating Budget
- \$134 million Capital Budget
- Tabled Draft Budget - 3.9% property tax increase after assessment growth
- Includes impacts of COVID-19 and increases to deliver municipal services

Property Tax Impacts by the Dollar

Budget direction received on November 3

- 3.9% with options to reduce to 3.0% and 2.2%

What a 3.9% Investment Represents for Taxpayers in 2021

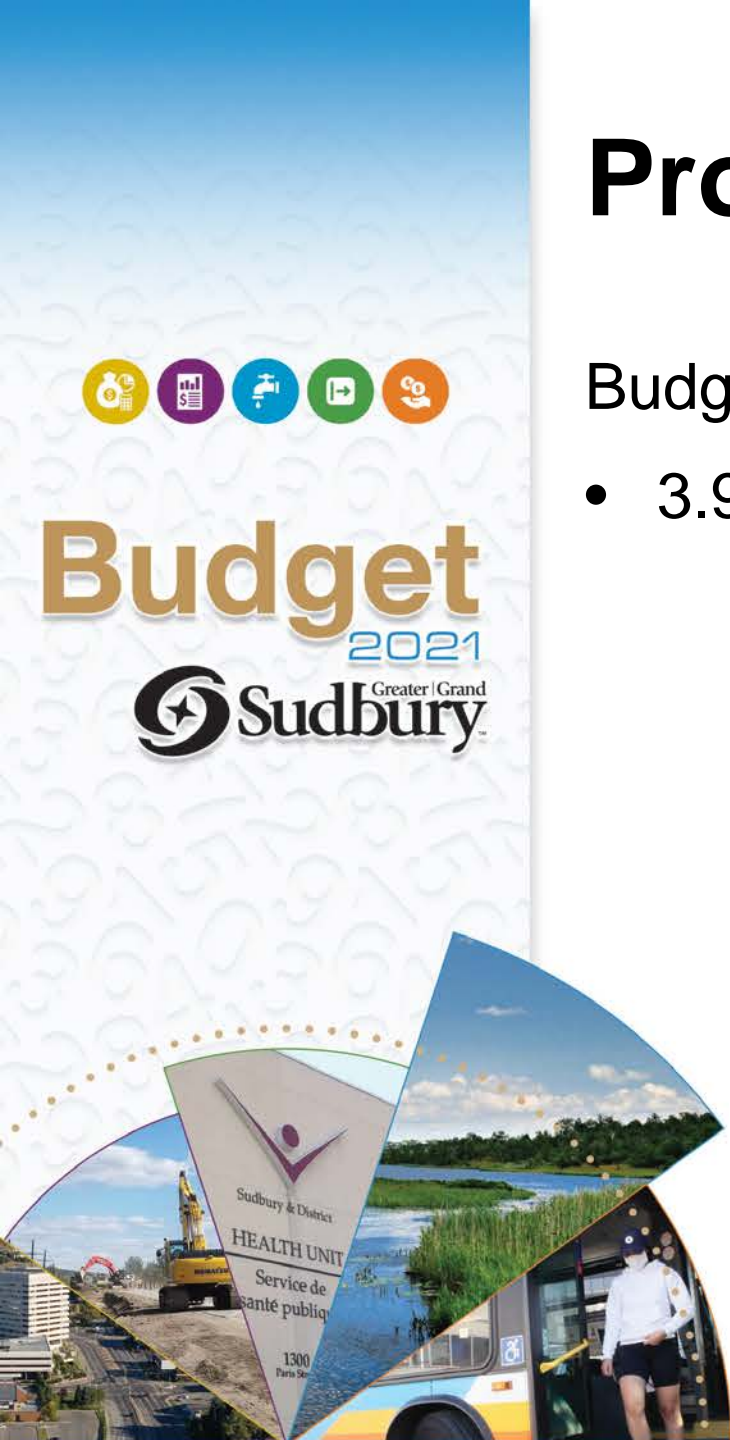
Property Tax Increase	\$230,000	\$350,000	\$450,000
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Annual

Annual 2021 Property Tax increase - 3.9%	\$120	\$183	\$235
2021 Property Tax Increase with special capital levy - 5.4%	\$166	\$253	\$325

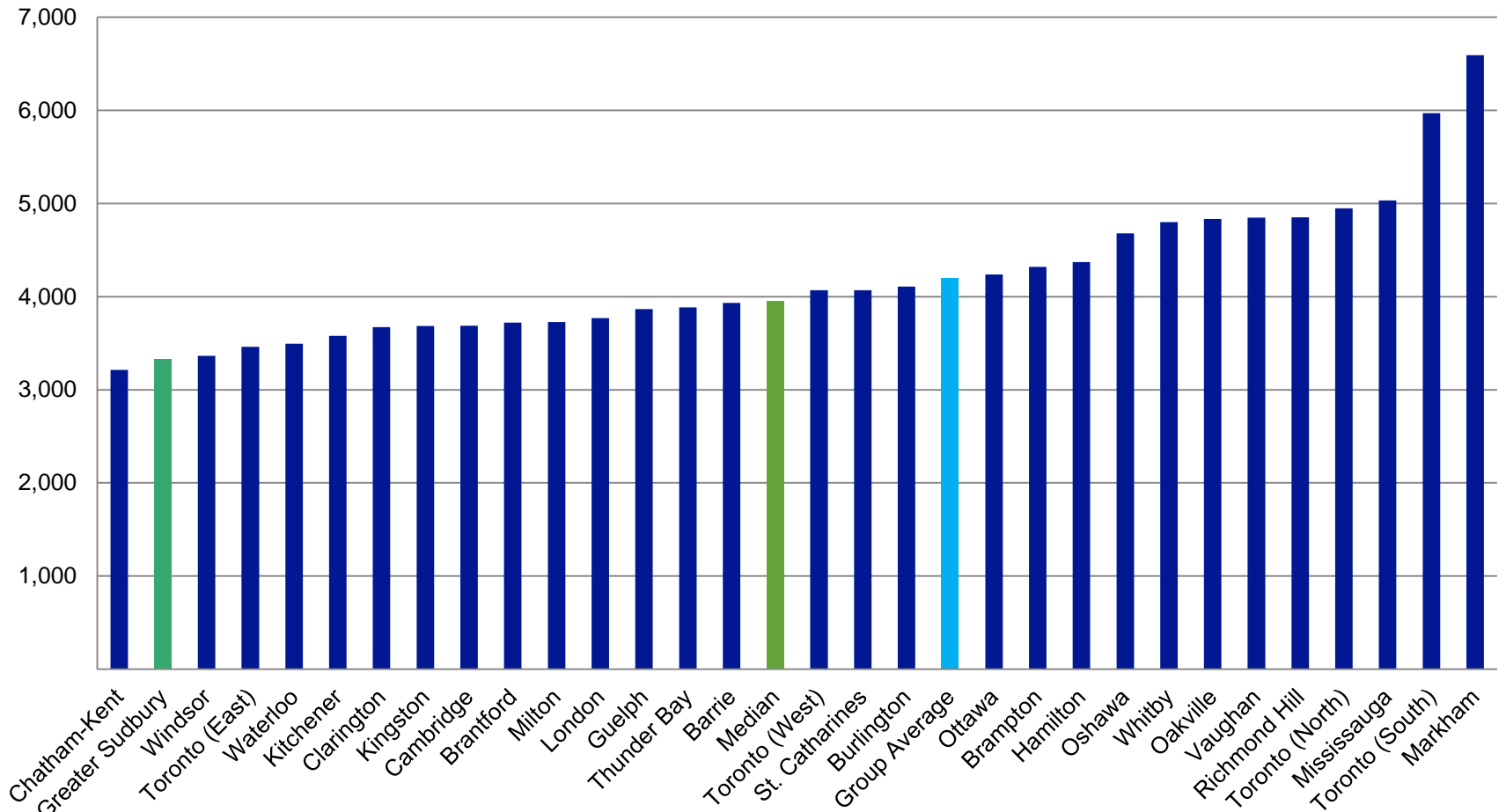
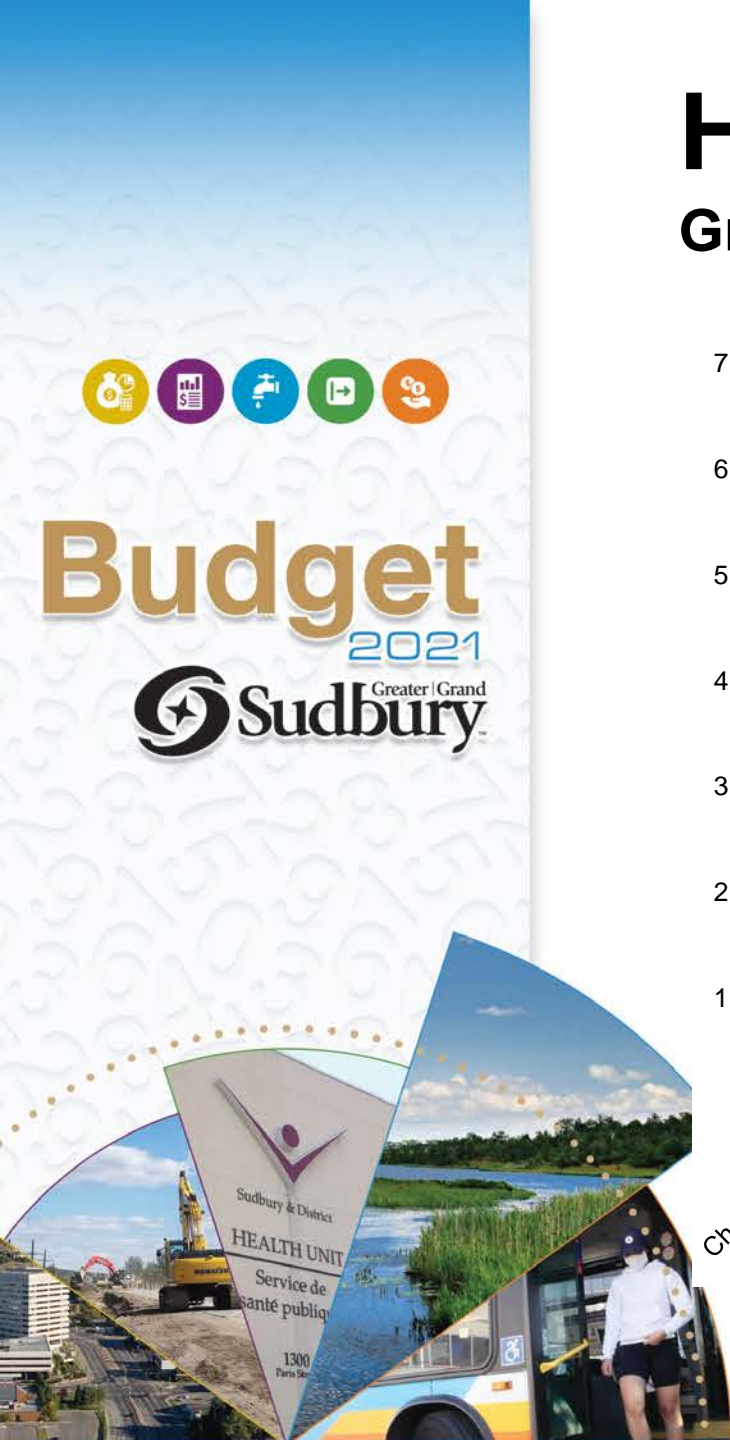
Monthly

Monthly 2021 Property Tax increase - 3.9%	\$10	\$15	\$20
2021 Property Tax Increase with special capital levy - 5.4%	\$14	\$21	\$27



How Do We Measure Up?

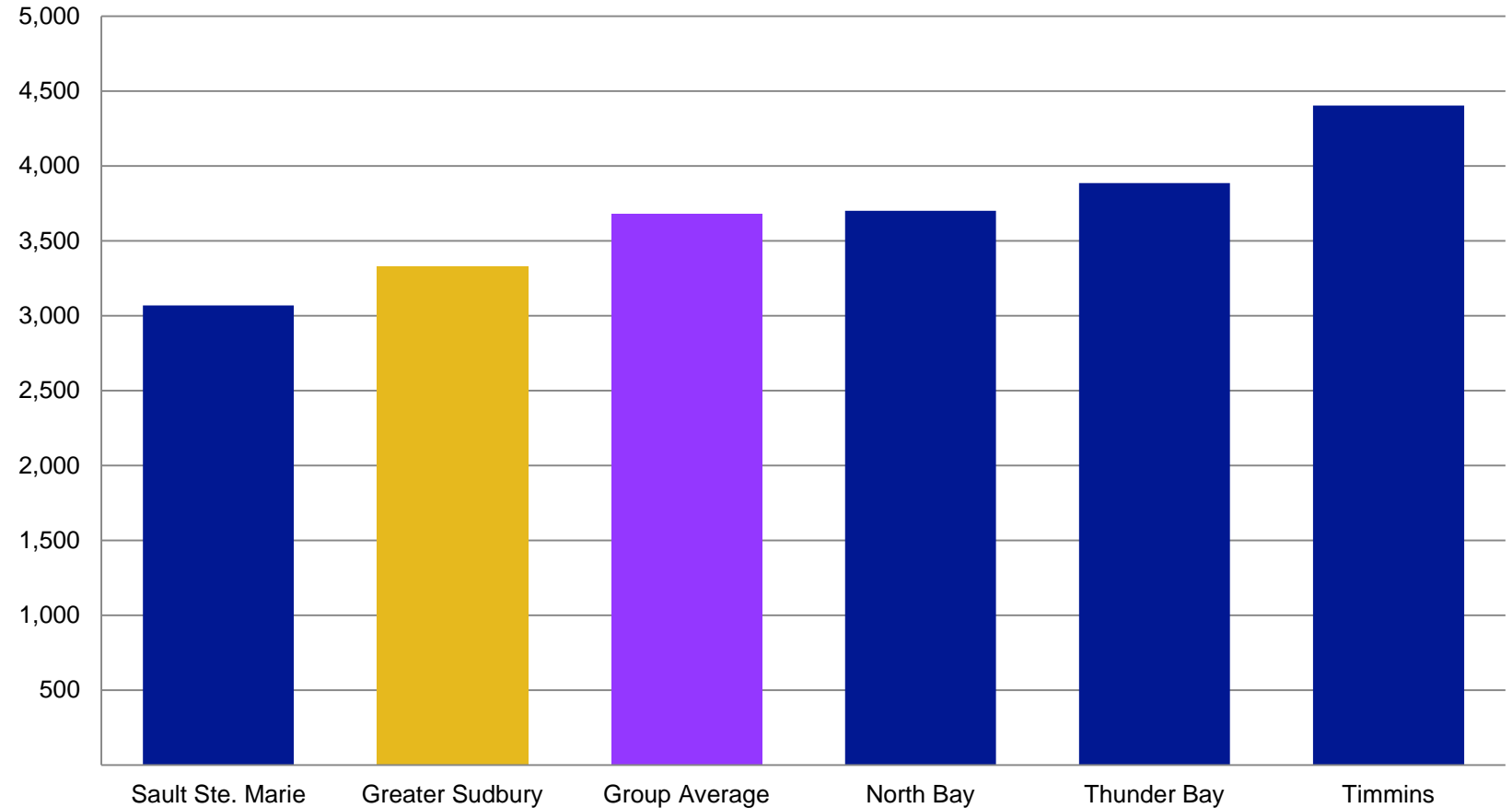
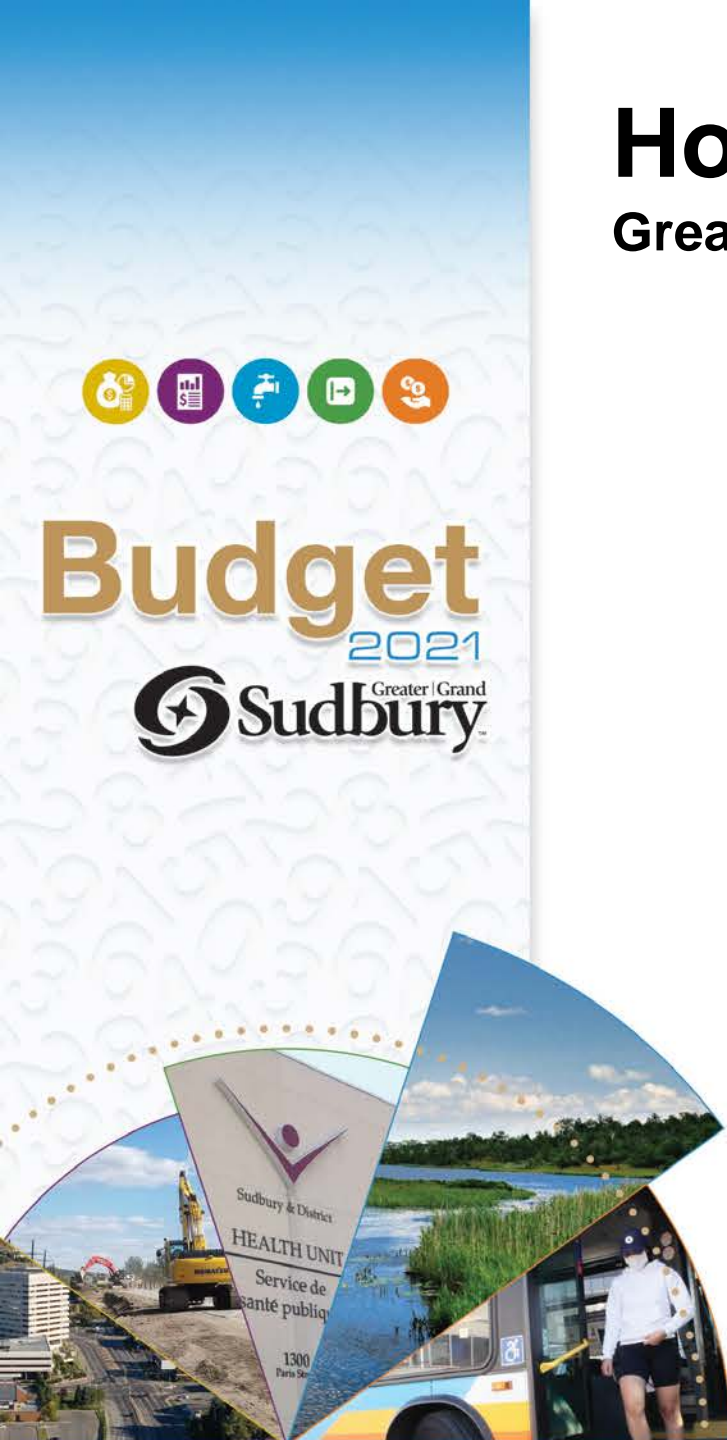
Greater Sudbury Property Taxes Among the Lowest in Ontario



2020 BMA Study

How Do We Measure Up?

Greater Sudbury Property Taxes Among the Lowest In Northern Ontario



2020 BMA Study

Long-term Plans

► Council's Strategic Plan Priorities



Asset
Management
and Service
Excellence



Business
Attraction,
Development
and
Retention



Climate
Change



Economic
Capacity
and
Investment
Readiness



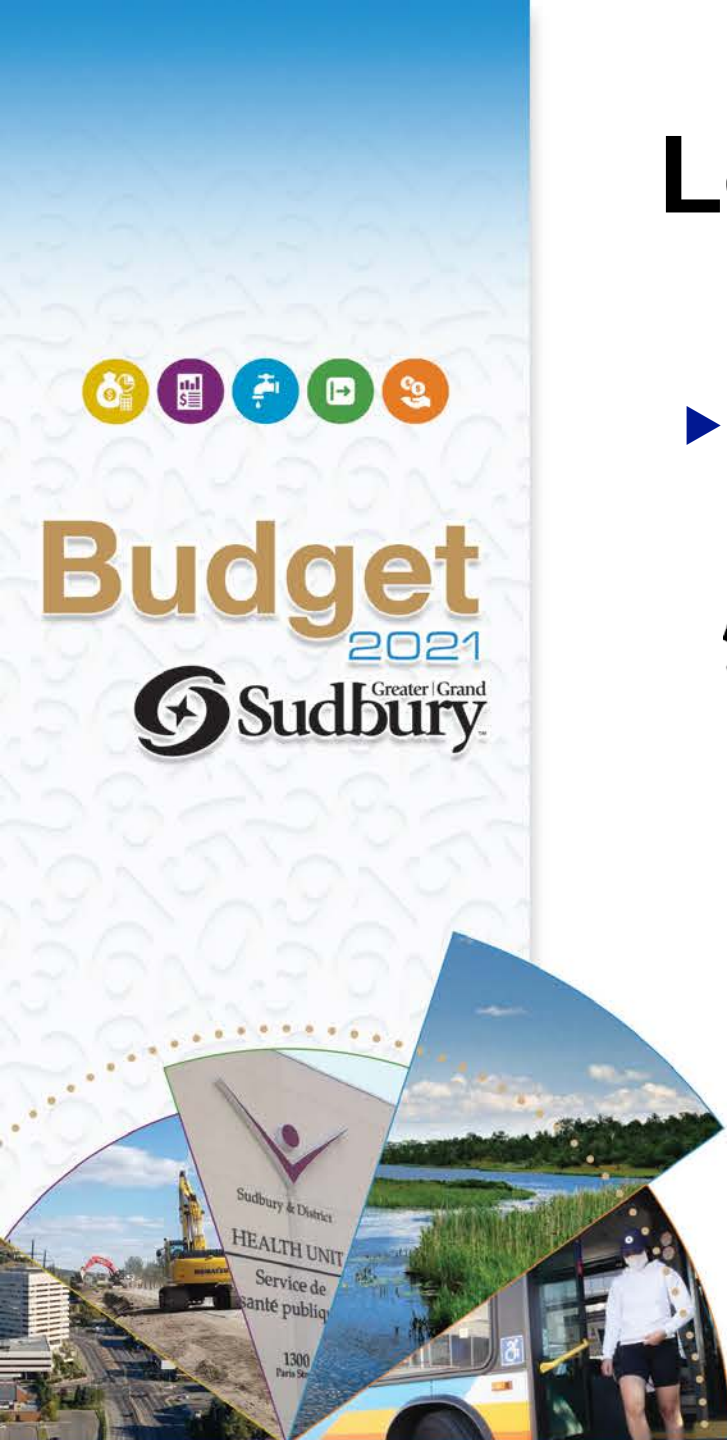
Housing



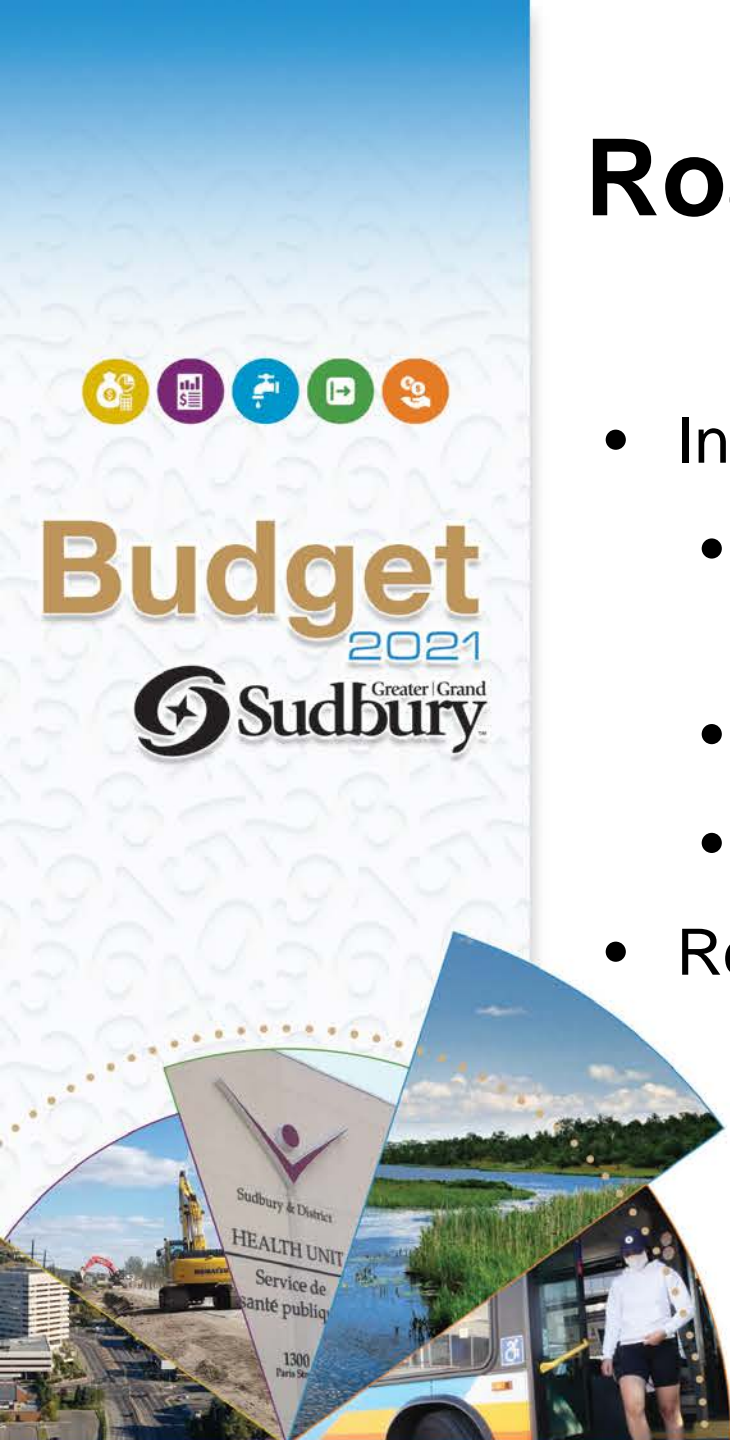
Create a
Healthier
Community



Strengthen
Community
Vibrancy



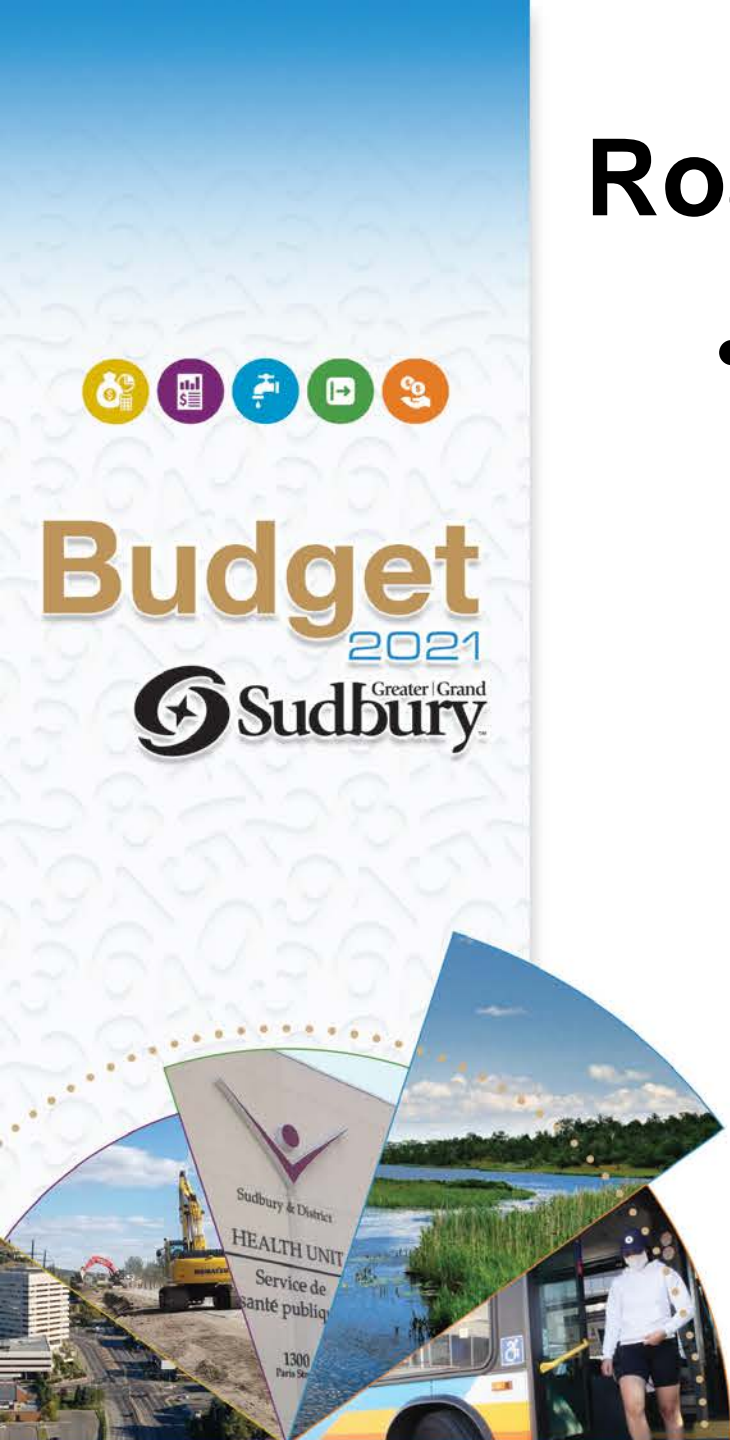
Roadmap to Build the 2021 Budget



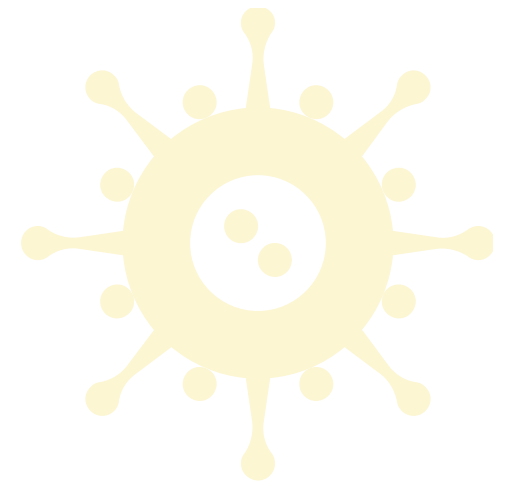
- Initial Budget Tax Increase – 7.9% (after assessment growth)
 - Funding from one-time sources for COVID-19 – 1.6% or \$4.7 million
 - Additional COVID-19 Funding – 0.6% or \$1.8 million
 - Service Level Changes – 1.8% or \$5.1 million
- Revised Tax Levy Increase – 3.9% (after assessment growth)

Roadmap to Build the Budget

- Service Level Adjustments
 - Enterprise-wide service level adjustments
 - Limited hiring of summer students and administrative adjustments
 - Selected service level adjustments
 - Alternatives for museums, pools and arenas
 - Accepting increased risk
 - Deferral of debt repayments, reducing capital recoveries for fleet as well as fuel prices



2021 Budget Risks

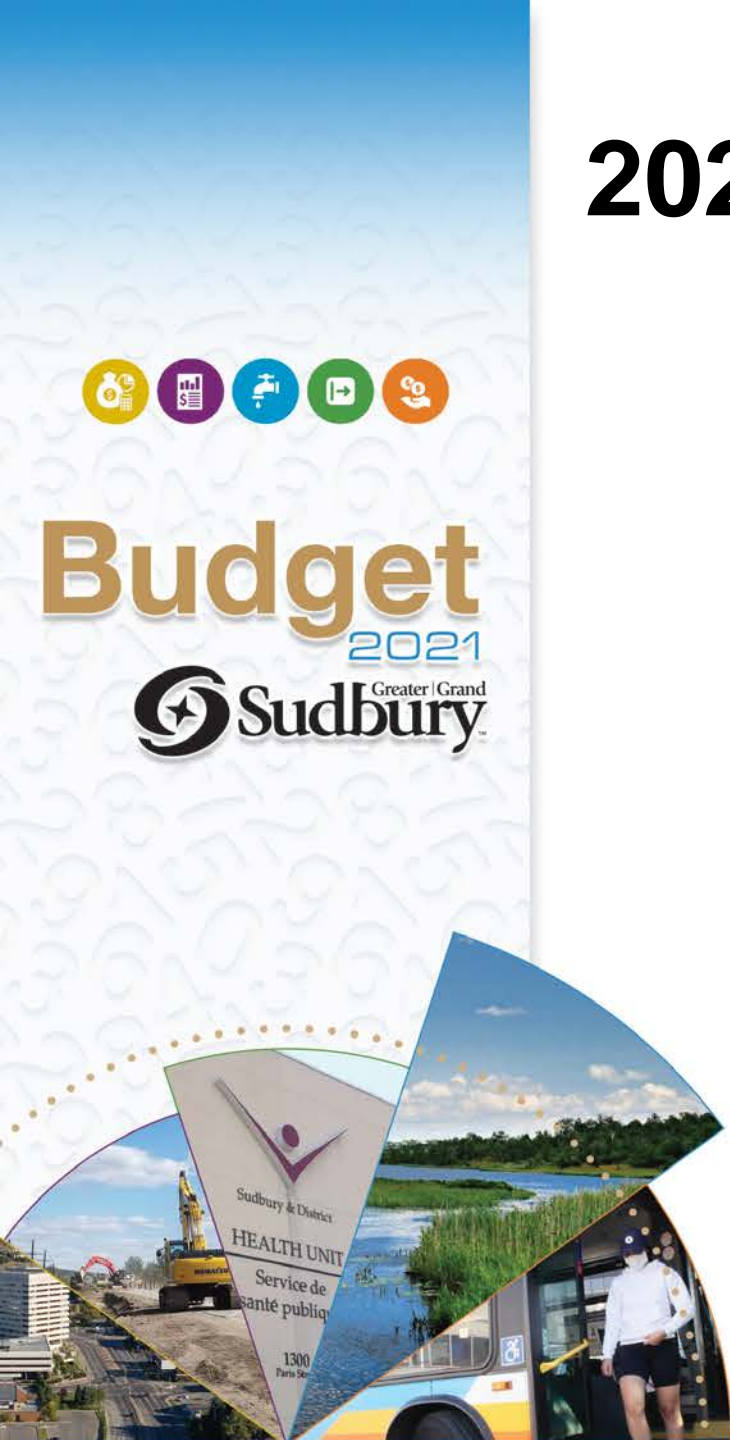


COVID-19

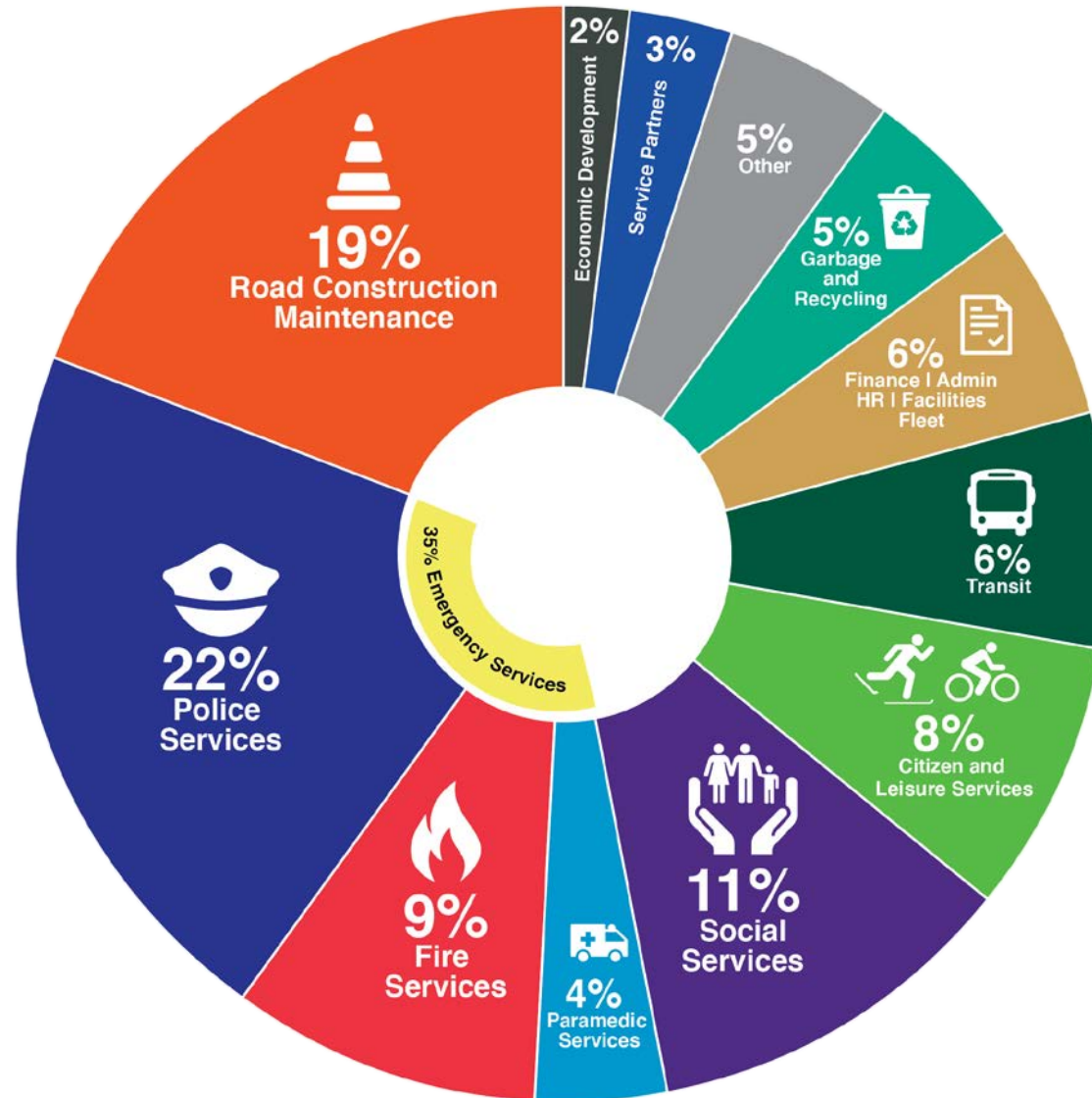
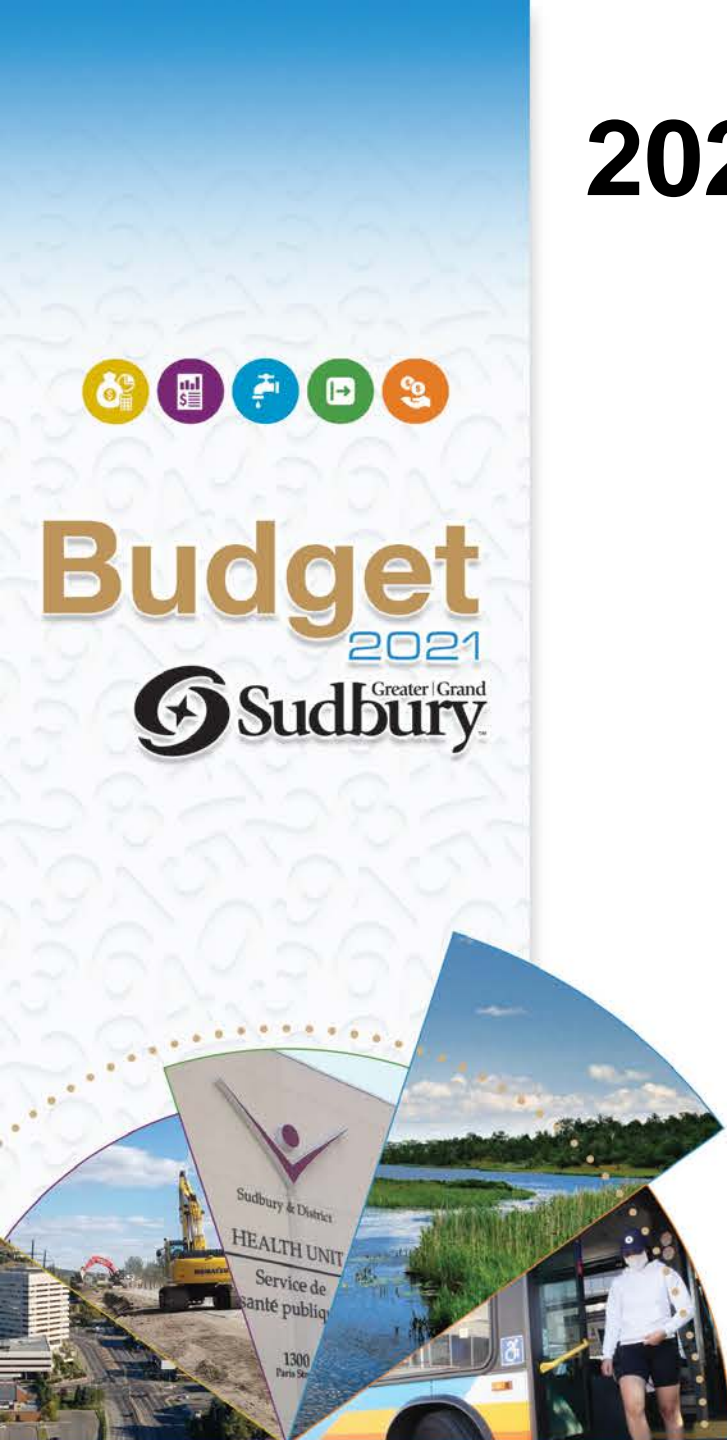
- Decreasing revenues
- Higher PPE expenditures
- Enhanced homelessness and social service initiatives
- Impacts for service partners

Other Considerations

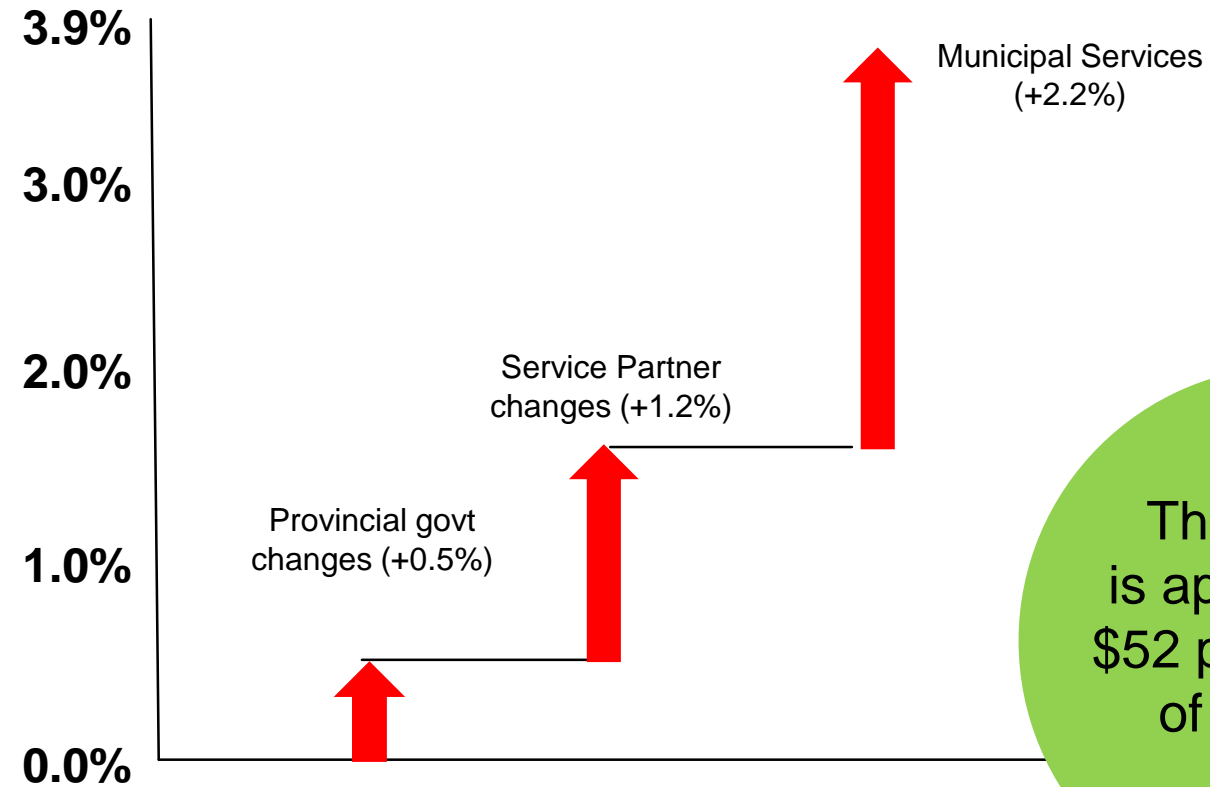
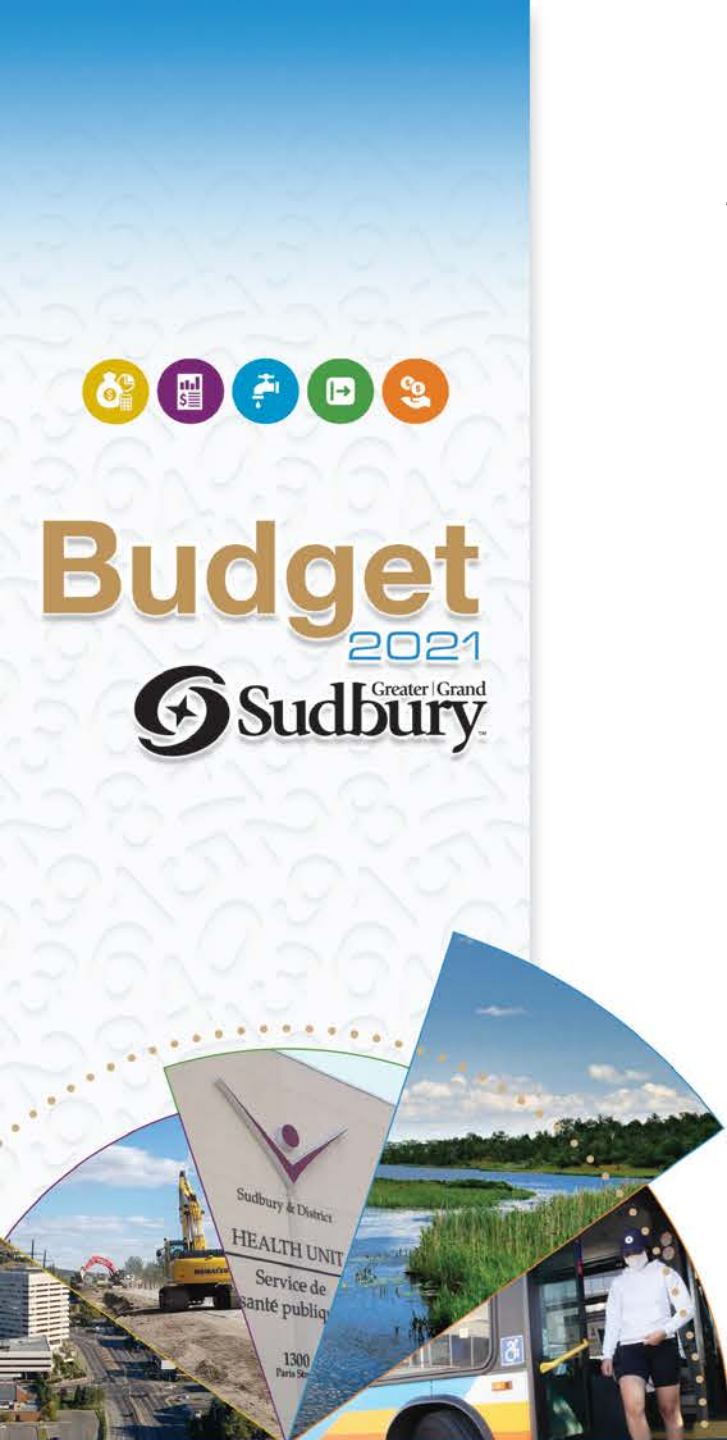
- Asset condition
- Local economy reliance on commodity prices (base metals)
- Economic development
- Funding from senior levels of government



2021 Operating Budget – \$630 Million



2021 Budget Increases



The increase is approximately \$52 per \$100,000 of assessed value

2021 Operating Budget Pressures



Budget
2021
Greater | Grand
Sudbury

COVID-19
Impacts

Roads
maintenance
and winter
control

Contractual
increases

Employee
Benefit and
WSIB
changes

Loss of
revenue

Utility
costs

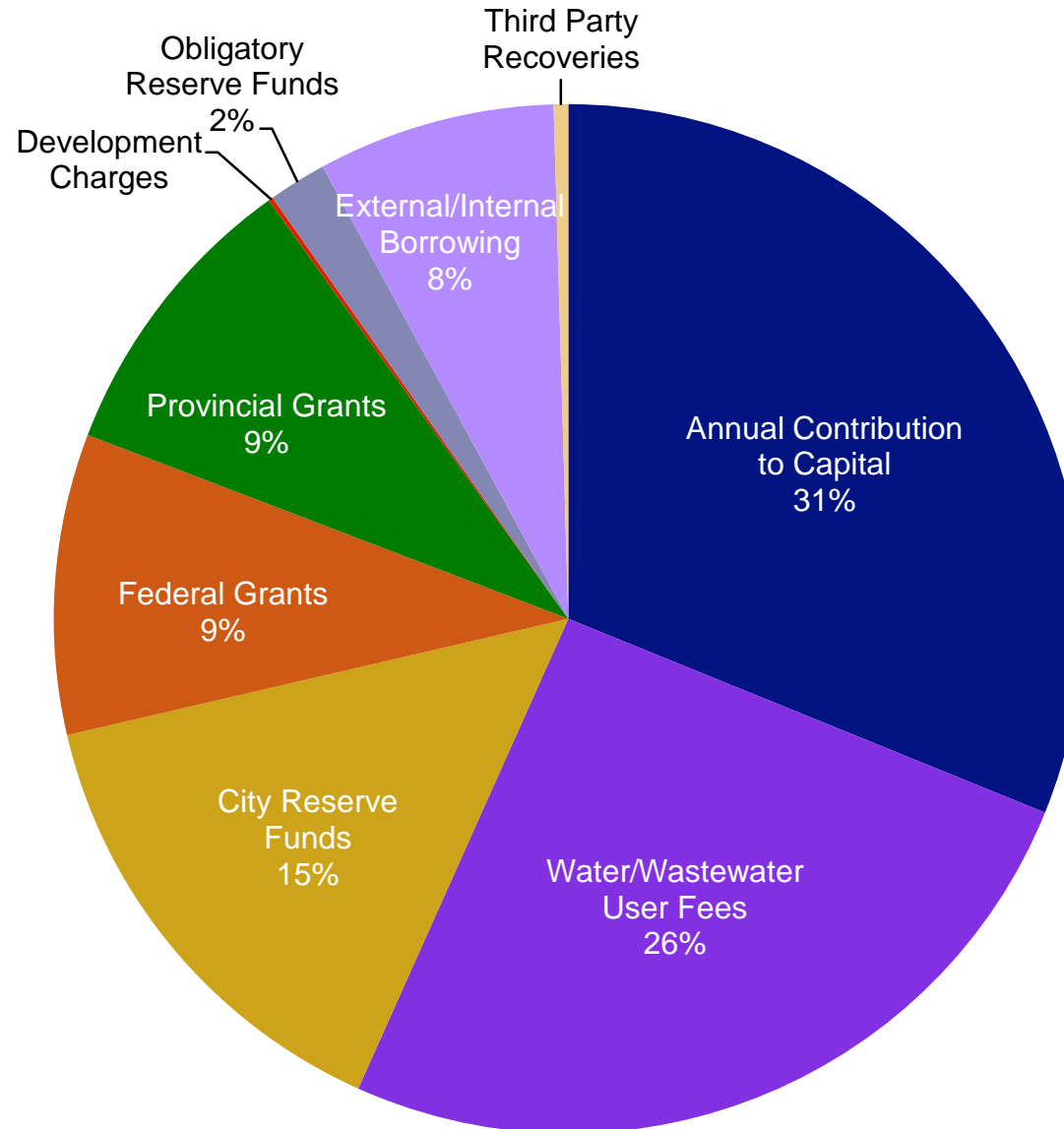
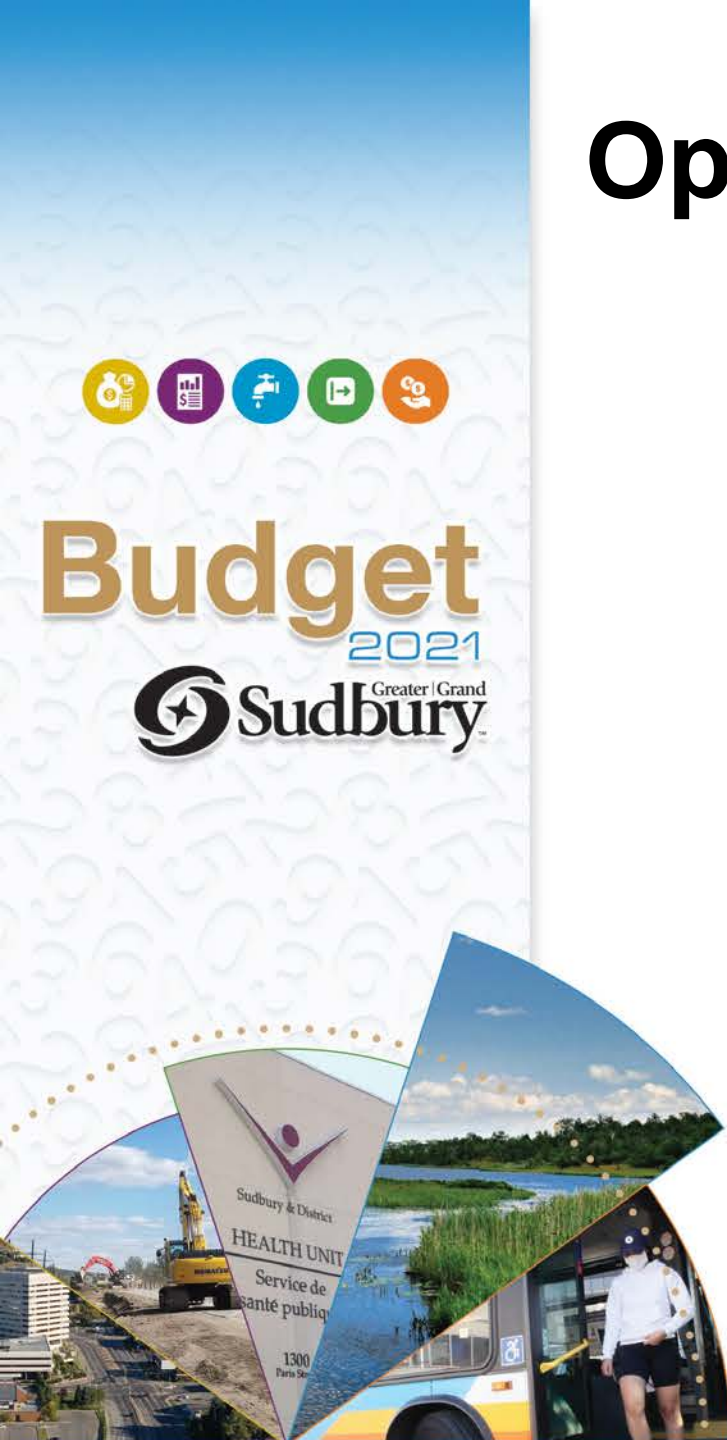
Service
Partners

Asset
condition

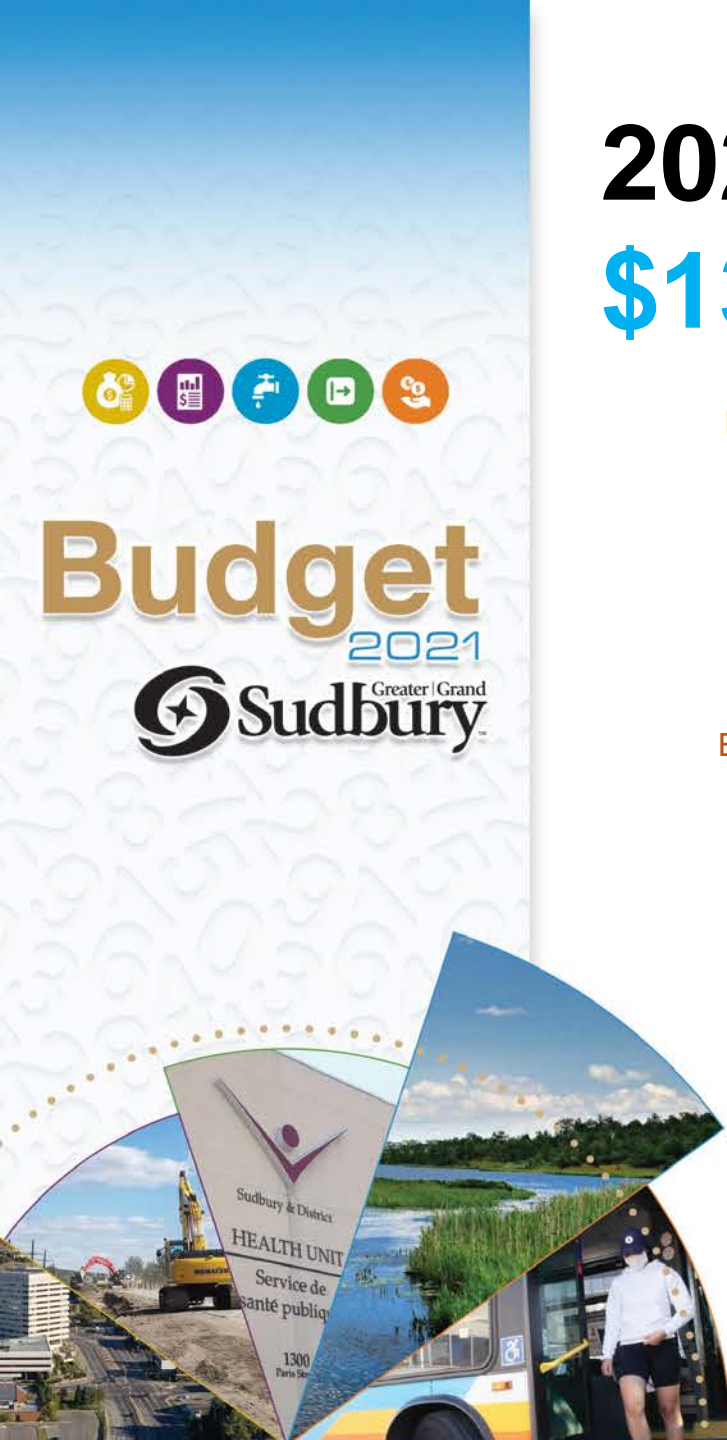
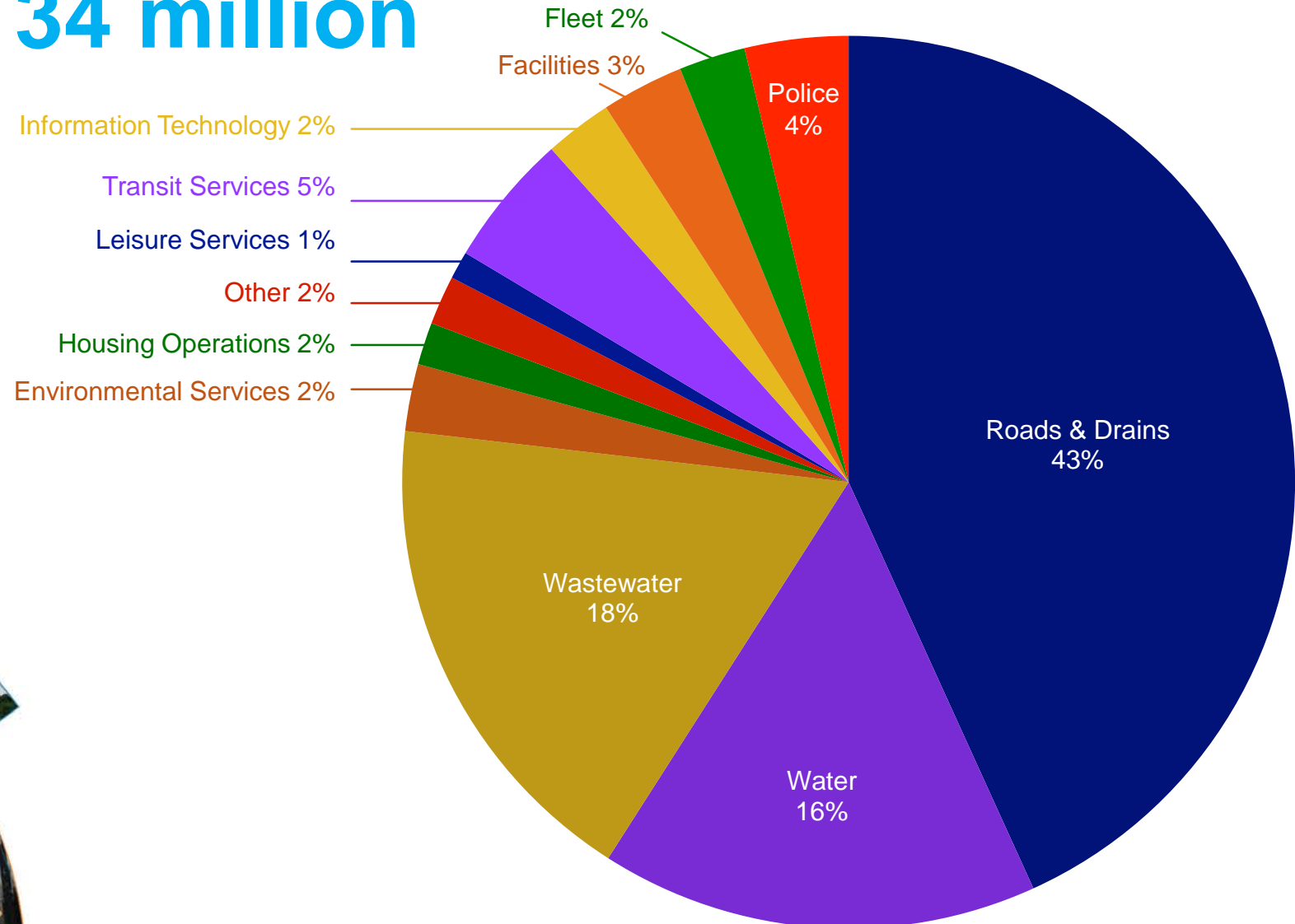
Assessment
Growth



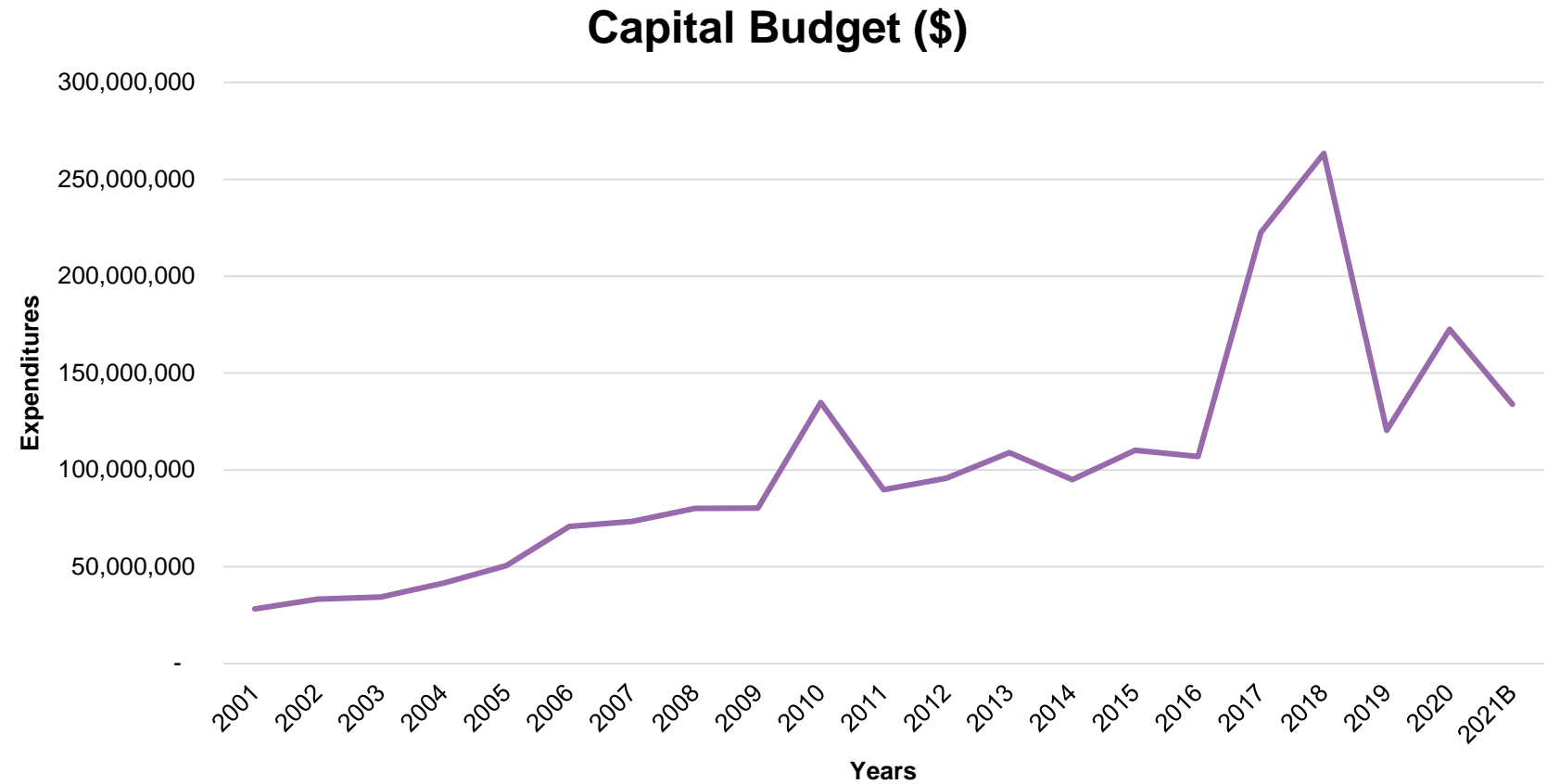
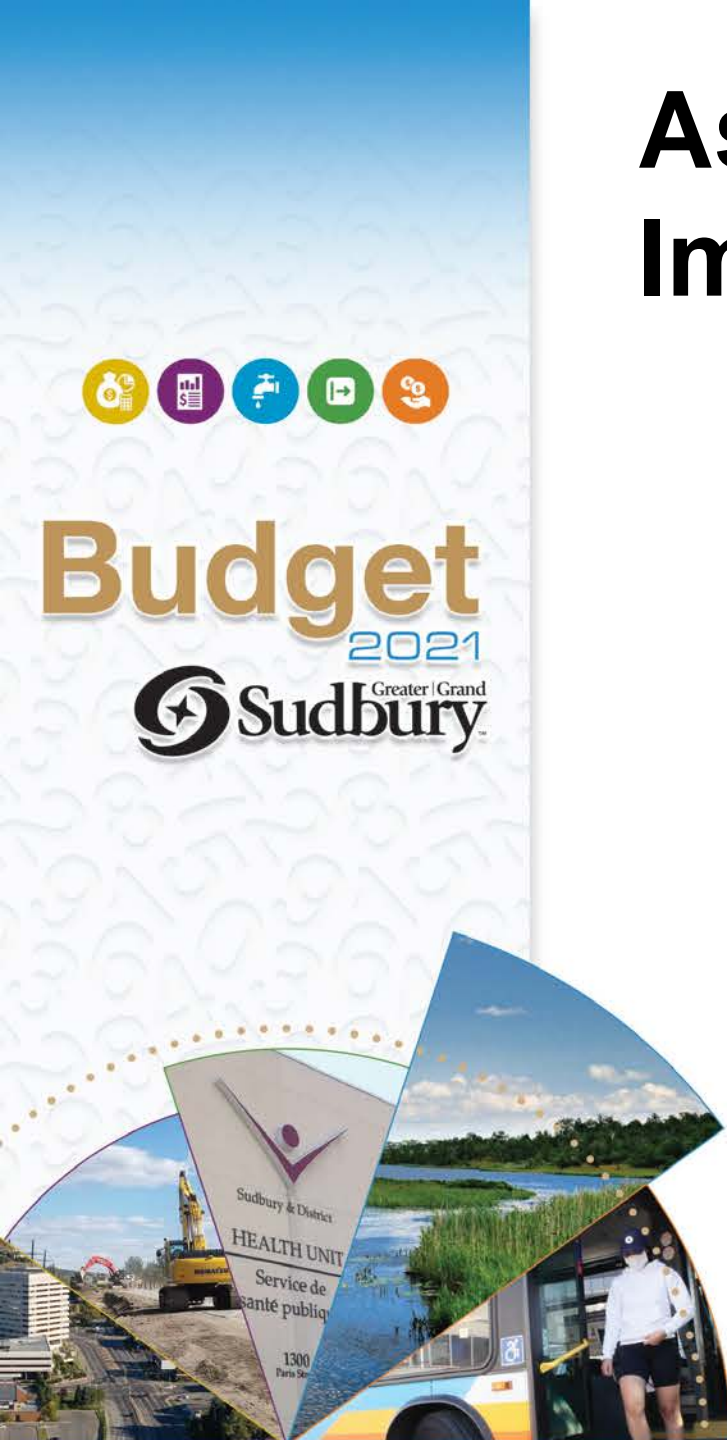
Operating Budget Funding Sources



2021 Capital Projects Budget – \$134 million



Asset Renewal is Increasingly Important



2021 Capital Investment Summary



Budget
2021
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Significant amount of Road work – nearly half of the capital budget



Substantial asset renewal work in other asset categories



Investments in technology to enable customer service improvements and more efficient daily service delivery



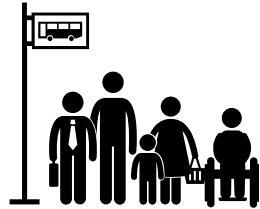
2021 Capital Investment Summary



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Services that support a community experiencing strong economic and employment growth



Investments in various projects to enhance Transit ridership and quality of life



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

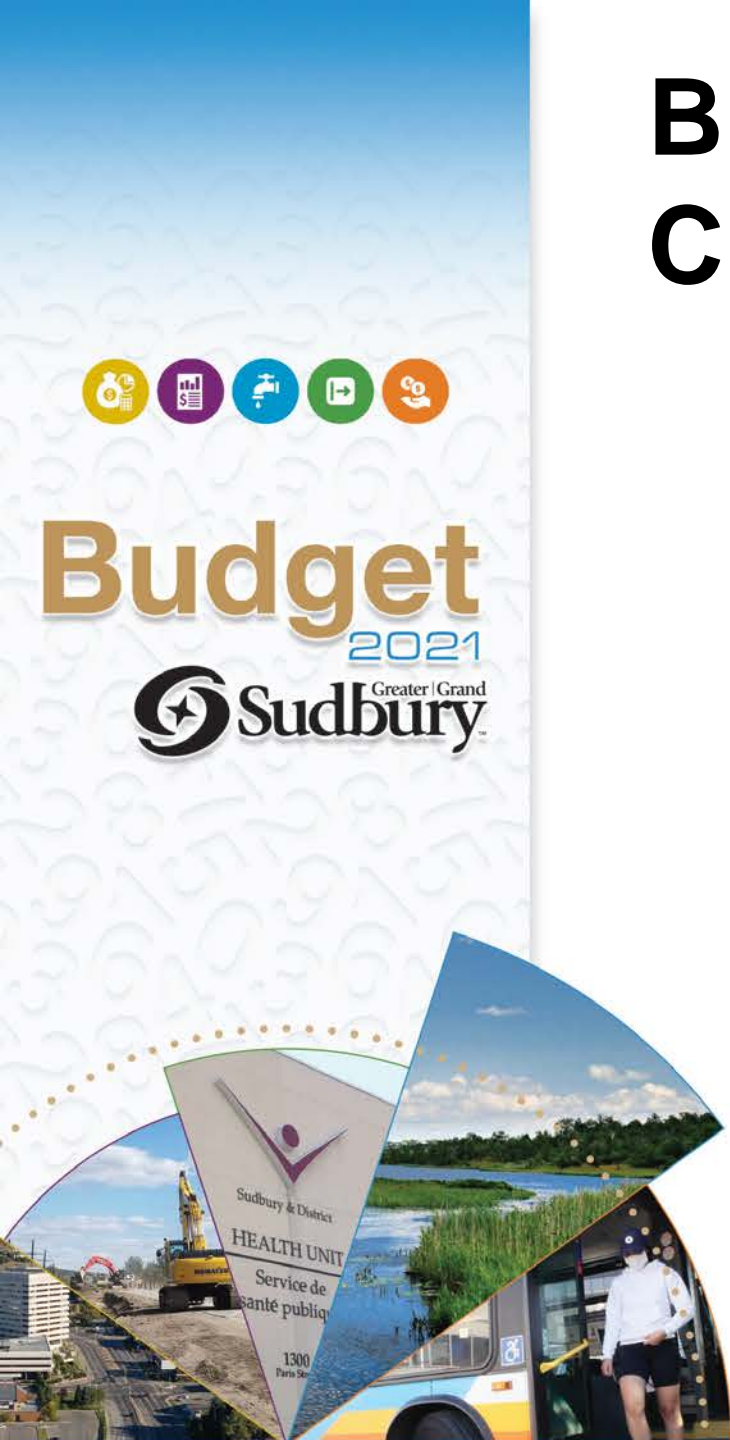


Business Cases for Service Level Changes



Provided as directed by Council resolutions:

- ▶ \$6 million (2021 Impact)
- ▶ Total of 27 business cases
- ▶ Future year impacts, if approved



Water/Wastewater Budget



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

Annual impact
on a typical user
(200 M³) - \$64.19
or approximately
\$5.34/month

Service Partners



Self-funded; no effect on tax levy



7% increase over 2020 Budget;
54% of its budget from the tax levy



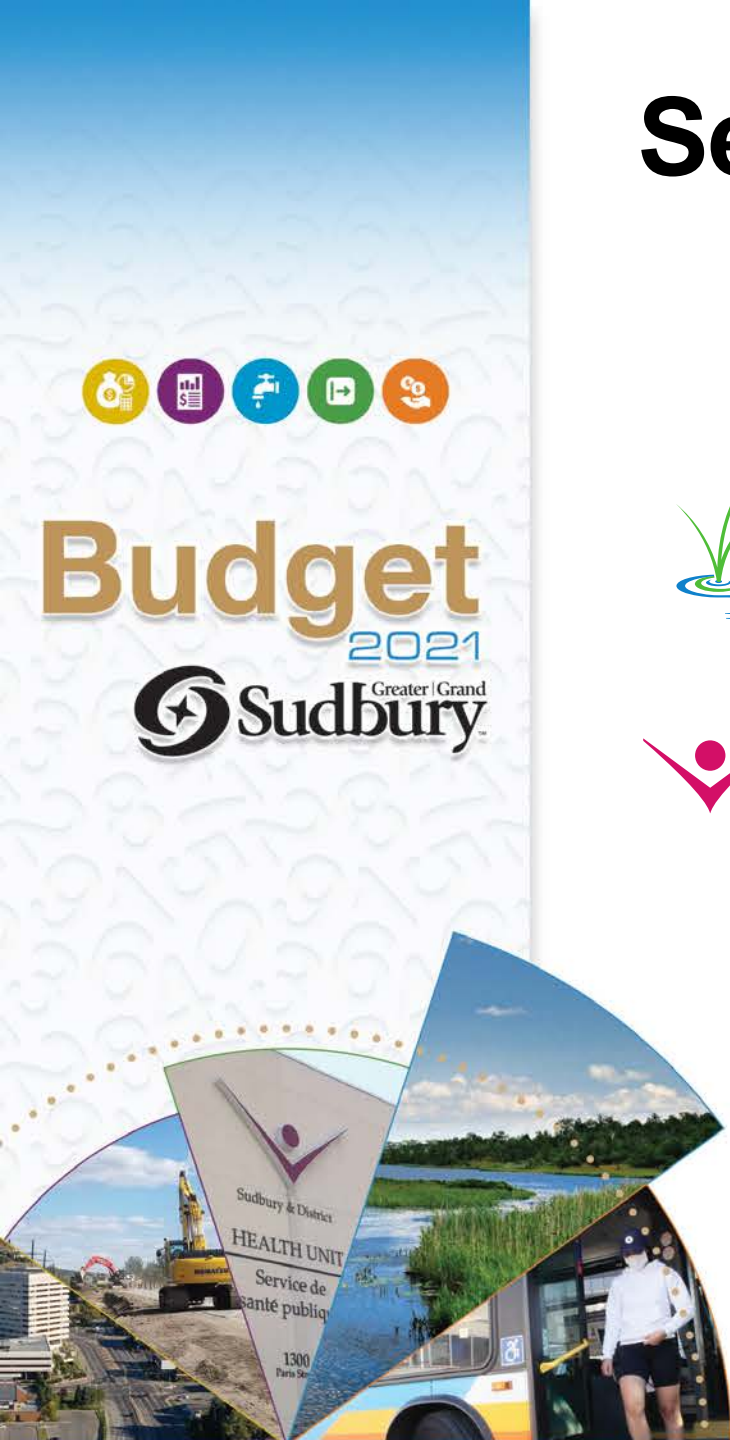
5% increase over 2020 Budget;
30% of its budget from the tax levy



4.8% increase over 2020 Budget;
92% of its budget from the tax levy



5.7% increase over 2020 budget
transitioning to new governance model



Options for Lowering the Tax Levy



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Options for a lower
tax levy change in
accordance with
Council's direction



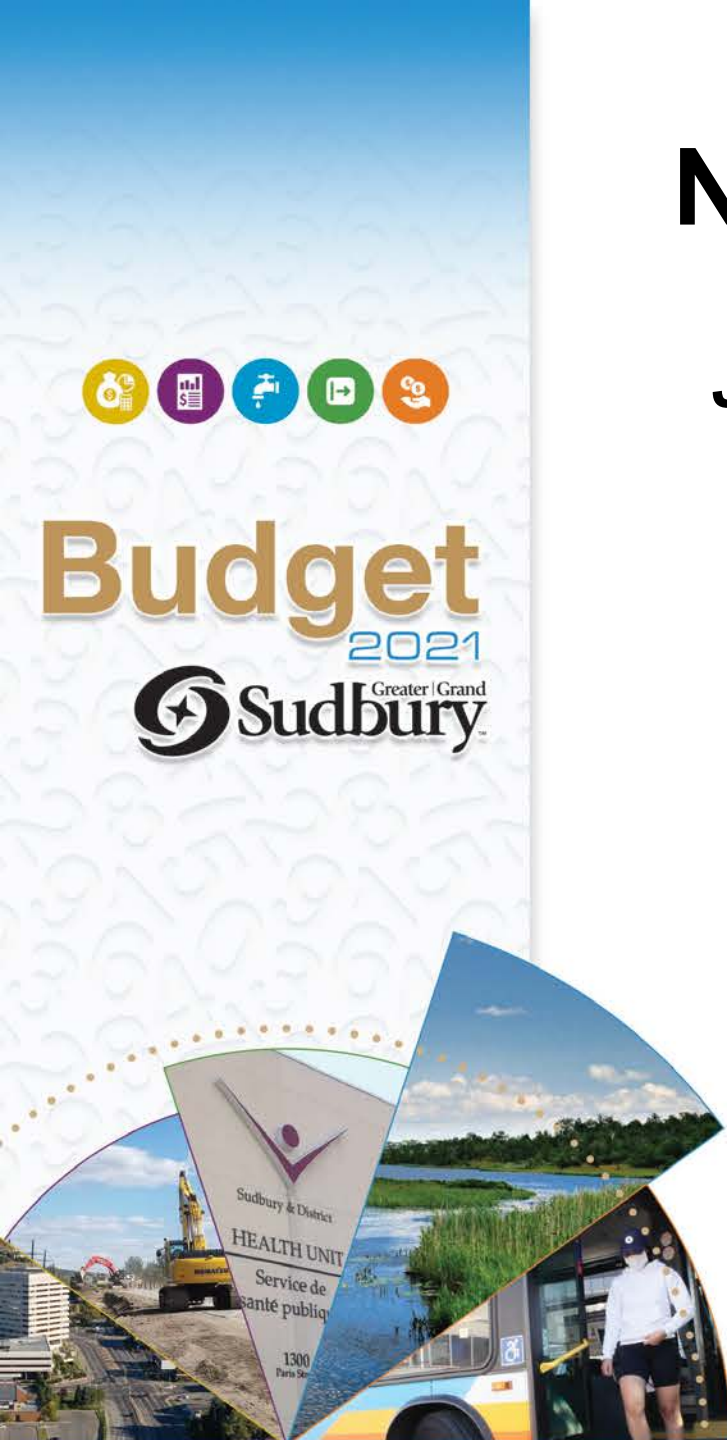
To be published as part of
the staff report containing
the motions to support
deliberations



Next Steps: 2021 Budget Schedule

January – March Schedule

- ▶ Review of proposed budget by Members of Council
- ▶ Council Q&A process from January 19 to budget finalization
- ▶ Budget deliberations in February and March 2021
- ▶ March 2021 – Approval of Operating and Capital Budgets



Budget Engagement Results

November 27, 2020 to January 15, 2021



2,600

Visits to the Over
to You Budget page
(1,100 for 2020)

507

Surveys completed
(164 for 2020)

160

Ideas received
(22 in 2020)



22

Visits to the the À toi la parole
Budget project page
(6 in 2020)

4

surveys completed
(0 for 2020)



Budget Engagement Results

Top 3 services identified as very important:



2021

91%

Drinking Water,
Wastewater and
Stormwater

83%

Winter
Maintenance

77%

Road Maintenance
and Construction

2020

87%

Road Maintenance
and Construction
and Winter
Maintenance

81%

Emergency
Services

80%

Drinking Water,
Wastewater and
Stormwater



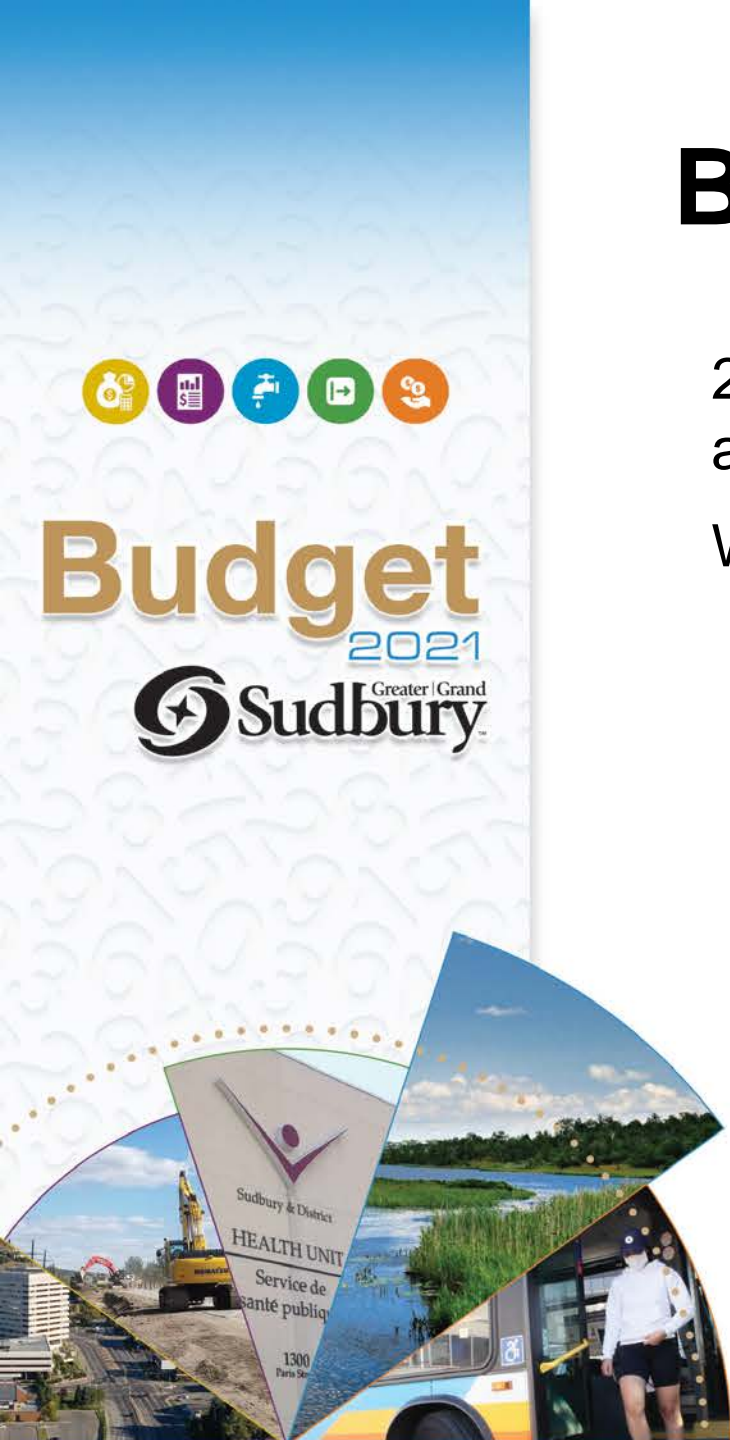
Budget Engagement Next Steps

2021 Engagement Overview Report shared with City Council as soon as finalized:

Will be available publicly at:

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

February 10, 2021: Proposed Budget virtual information session for the community – details will be shared soon.



**Office of the
Chief
Administrative
Officer**

**Corporate
Services**

**Community
Development**

**Growth and
Infrastructure**

**Community
Safety**

