

2019 Budget Overview

Finance and Administration Committee

January 22, 2019

Investments In Our Community

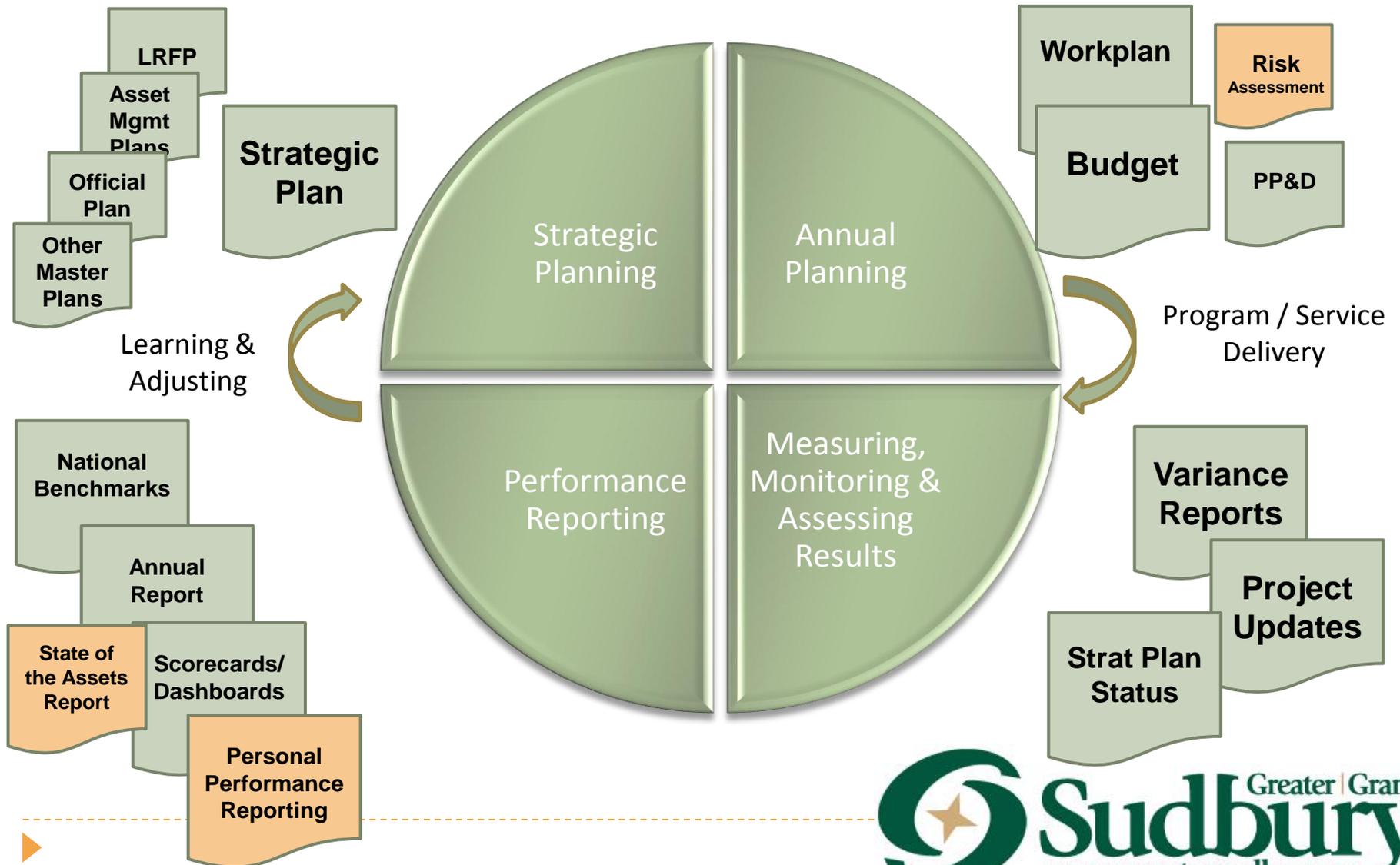
The 2019 Budget makes significant investments that reflect important quality of life enhancements:

- ▶ Infrastructure maintenance and renewal
 - ▶ \$46.6 M for roads
 - ▶ \$2.3 M for drainage projects
- ▶ \$18.5 M for roads winter maintenance
 - ▶ \$1.1 M for sidewalk snow clearing
- ▶ Improved transit routes
- ▶ Increased security in public spaces
- ▶ Investments in large projects

Budget Document

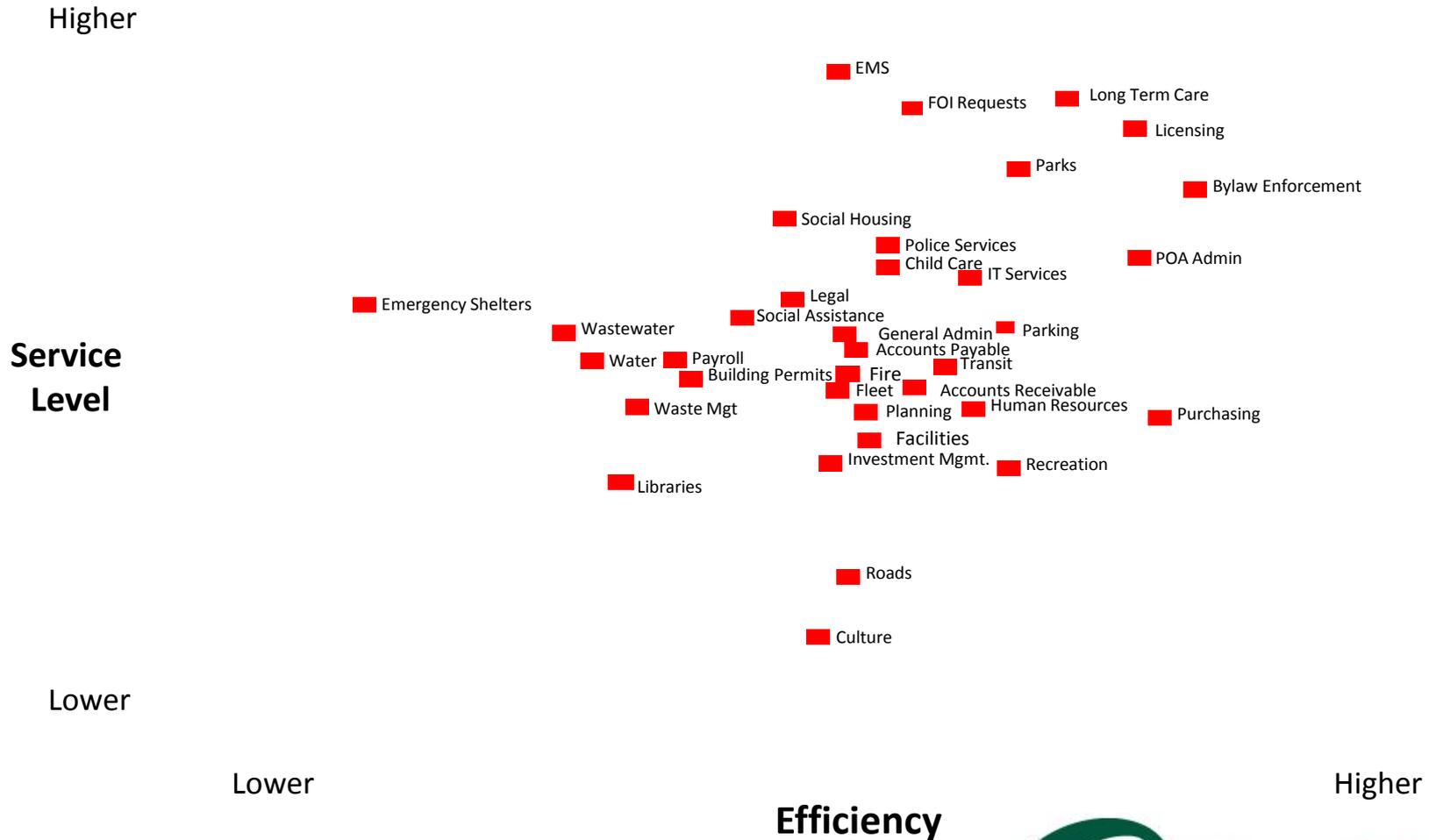
- ▶ Emphasizes service performance and measurable results, aligned with Council's strategic priorities
- ▶ Provides important context, through the use of performance indicators and business plans, for understanding services and service levels
- ▶ Describes how service efforts align with longer-term strategies like the Long Range Financial Plan

Continuous Management Cycle

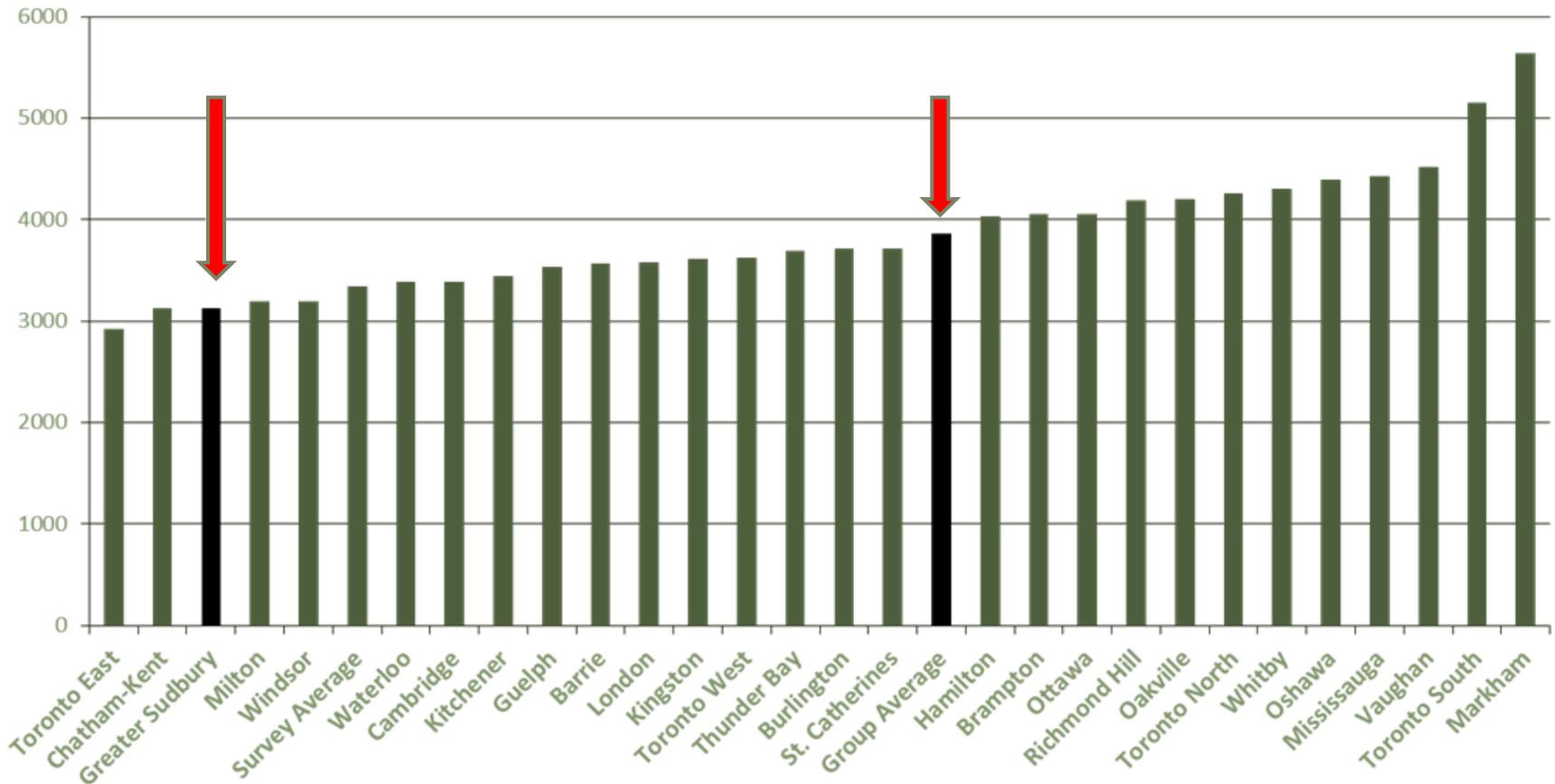


2017 Benchmarking Results

Greater Sudbury Compared to MBNCan Median

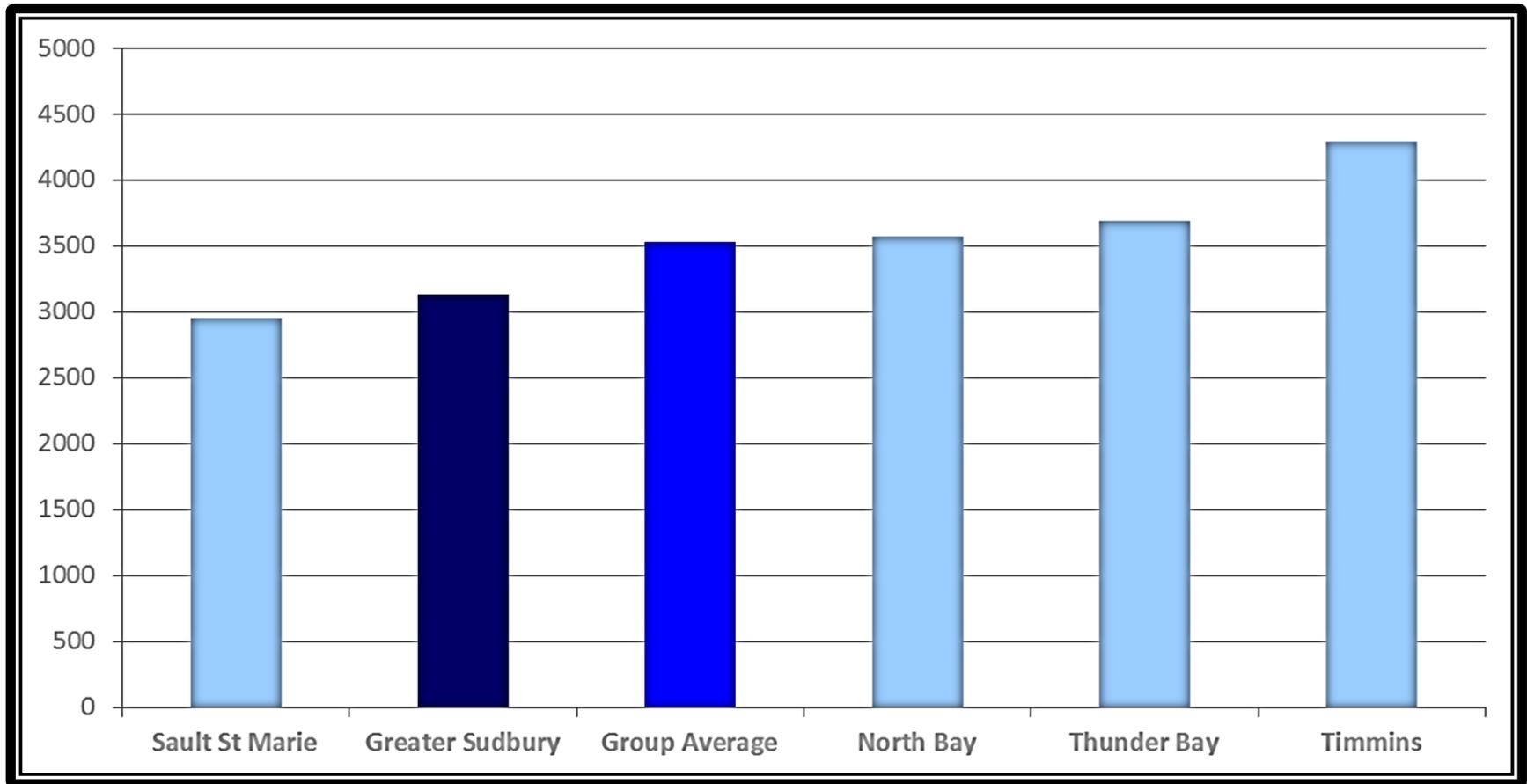


Greater Sudbury's Property Taxes Are Among the Lowest in Ontario



2017 BMA Study

Greater Sudbury's Property Taxes Are Among the Lowest In Northern Ontario

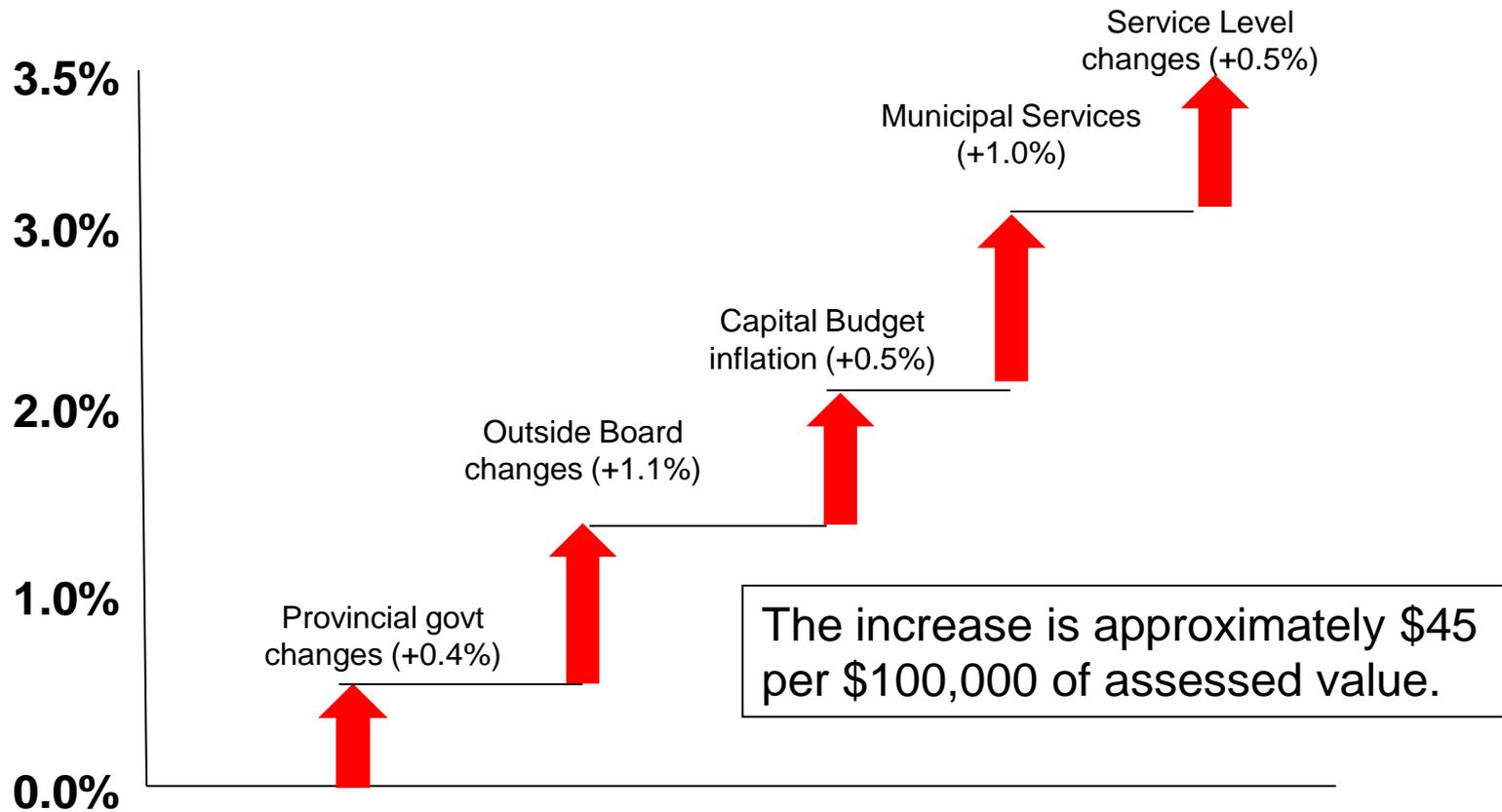


2017 BMA Study

2019 Budget

- ▶ Reflects Council's directions
- ▶ Maintains current services and service levels
- ▶ Contains the City's first enterprise wide prioritized capital program and proposes service enhancements for Council's approval
- ▶ Recommends a special capital levy for infrastructure renewal
- ▶ Proposes a water & wastewater rate increase that reflects the long range financial plan

Why Is The Budget Increasing?

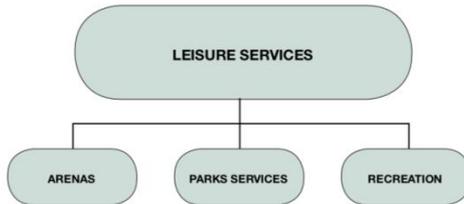


We Are In Approximately 60 Lines of Business

OPERATING BUDGET

OPERATING BUDGET

LEISURE SERVICES



OVERVIEW

The Leisure Services Division provides opportunities for citizens to access physical recreation and leisure activities through direct provision and support to volunteers. The division provides both management and coordination to the community's leisure and recreation system, as well as fosters and develops community partnerships and engagement. Leisure Services manages the operation of community arenas, community centres and halls, recreational facilities, playing fields, parks and aquatics, all of which are community resources that support both direct and indirect program delivery. The division is organized into three sections: Arenas, Parks Services and Recreation.

SERVICES

Arenas

- Operates and maintains 16 ice pads across 14 municipal arenas.
- Oversees the agreement with the Sudbury Wolves Hockey Club for the use and occupation of the Sudbury Community Arena.
- Manages seven community halls attached to arena facilities.
- Provides support for over 50 annual tournaments and events hosted at arena facilities.

Parks Services

- Maintains 1,400 hectares of parkland, including 189 playgrounds.
- Maintains more than 360 flower beds and 180 planters within City parkland.

- Maintains 49 ball diamonds, 59 soccer fields, 19 half and 21 full basketball courts, and 56 tennis courts.
- Provides inspection and maintenance of community centres, splash pads, off-leash dog parks, field houses and other leisure facilities.
- Maintains 173 km of non-motorized, recreational trails.
- Maintains outdoor rinks, the Ramsey Lake Skating Path and Queen's Athletic Skating Oval.

Recreation

- Maintains, operates and supervises five pools and provides supervision at seven beaches during the summer.

- Coordinates programming and events at the Grace Hartman Amphitheatre, Memorial Park, Bell Park and other leisure facilities.
- Offers programming opportunities including day camps, summer playground programs, youth drop-in centres and adult interest courses.
- Provides programming for Adanac and Lively Ski Hills.
- Supports volunteer groups and stakeholders, including neighbourhood associations, Volunteer Sudbury and sports associations in the delivery of recreation and leisure services.
- Operates five fitness centres and manages contracts for three seasonal trailer parks.

2018 ACCOMPLISHMENTS

- Playground Revitalization Strategy in partnership with United Way Centraide North East Ontario and installing 12 new playgrounds as part of Phase 1.
- Completion of the St. Joseph's Parking Lot redevelopment resulting in additional green space, improved stormwater management, parking and enhanced access to the waterfront at Bell Park.
- Opened four new splash pads in the communities of Capreol, Coniston (donated by Lopes Ltd.), Garson and Onaping (grant from the Canada 150 Infrastructure Program).
- Presented an affordable access to recreation strategy to Council.
- Initiated the implementation of the PerfectMind platform to replace the City's leisure program registration and facility booking software.
- Completed a review of children and youth direct programming.
- Converted the under-utilized tennis courts at O'Connor Playground to create the City's first dedicated pickleball facility.
- Supported the launch of the Sudbury Five, the new local franchise of the National Basketball League of Canada.
- Hosted the 2018 Telus Cup, Canada's National Midget Hockey Championships, at the Sudbury Community Arena.

STRATEGIC ISSUES AND OPPORTUNITIES

- Parks and leisure infrastructure is aging and in need of strategic renewal.
- New investment should come in the form of multi-purpose facilities, where appropriate, for operational efficiencies and to provide greater support to sport development and tourism.
- With the aging population of Greater Sudbury, there has been a decline in program participation and volunteerism. This trend provides an opportunity to revamp programs, engage new volunteers and repurpose existing facilities, for example the use of tennis courts to play pickleball.
- Our aging population requires increased accessibility considerations for facilities and parks providing the opportunity to strategically invest capital dollars and leverage available grants to remove physical barriers.
- Traditional sports are becoming unaffordable for many individuals and families providing the opportunity for further development of affordable access to recreation programs.
- Investment in recreation and promotion of opportunities is important to combat inactivity trends.
- Busy lifestyles have led to a decreased interest in structured, organized programs. Increased demand for more drop-in, self-scheduled activities.
- Declining ice rental revenues present an opportunity to re-evaluate operating schedules and fee structures.

KEY DELIVERABLES FOR 2019

- Implement additional phases of the Playground Revitalization Strategy in partnership with United Way North East Ontario.
- Conduct a review of the Parks, Open Space and Leisure Master Plan (2014) reconfirming direction, priorities and accomplishments.
- Implement the Affordable Access to Recreation Strategy given Council approval.
- Development of a Play Charter for the City of Greater Sudbury.
- Improve customer service and communications with residents through the implementation of the PerfectMind platform, the City's leisure program registration and facility booking software.

We Are In Approximately 60 Lines of Business

OPERATING BUDGET

- Review and update the City's Corporate Sponsorship Policy in order to secure funding and develop partnerships to invest in new leisure infrastructure.

KEY PERFORMANCE INDICATORS

Measure Name	Measure Category	CGS results		Median 2017
		2016	2017	
Operating Cost of Parks per Person	Service Level	\$56	\$61	\$67
Utilization Rate for Directly Provided Registered Programs	Customer Service	66%	71%	74%

OPERATING BUDGET

LEISURE SERVICES | 2019 BUDGET SUMMARY

	Actuals			Budget		Budget Change	
	2016 Actuals	2017 Actuals	2018 Projected Actuals	2018 Budget	2019 Budget	Dollar Change	% Change
Revenues							
Provincial Grants and Subsidies	(78,354)	(88,827)	(70,358)	(66,700)	(66,700)	-	0.0%
Federal Grants and Subsidies	(18,919)	(25,992)	(16,800)	(12,641)	(12,641)	-	0.0%
User Fees	(7,929,536)	(8,035,984)	(8,135,381)	(8,533,918)	(8,512,003)	21,915	-0.3%
Licensing and Lease Revenues	(483,945)	(499,931)	(577,389)	(561,706)	(545,094)	16,612	-3.0%
Investment Earnings	(6,226)	(3,394)	(7,000)	(5,565)	(5,565)	-	0.0%
Contr from Reserve and Capital	(610,186)	(295,903)	(237,162)	(232,037)	(408,849)	(176,812)	76.2%
Other Revenues	(79,077)	(86,020)	(83,914)	(136,158)	(113,460)	22,698	-16.7%
Total Revenues	(9,206,243)	(9,036,051)	(9,128,004)	(9,548,725)	(9,664,312)	(115,587)	1.2%
Expenses							
Salaries and Benefits	14,600,962	14,433,585	15,028,565	15,049,380	15,417,027	367,647	2.4%
Materials - Operating Expenses	3,568,017	3,592,851	3,757,744	4,081,480	4,263,265	181,785	4.5%
Energy Costs	4,845,010	4,821,242	4,953,689	5,027,409	5,173,050	145,641	2.9%
Rent and Financial Expenses	107,463	175,878	262,102	149,318	229,491	80,173	53.7%
Purchased/Contract Services	1,195,850	1,293,396	1,248,523	1,168,107	1,200,123	32,016	2.7%
Debt Repayment	247,630	240,088	232,037	232,037	306,469	74,432	32.1%
Grants - Transfer Payments	570,475	558,596	546,817	545,508	570,868	25,360	4.6%
Contr to Reserve and Capital	1,092,164	868,642	753,023	753,023	758,950	5,927	0.8%
Internal Recoveries	2,279,579	2,289,892	2,255,423	2,315,638	2,290,933	(24,705)	-1.1%
Total Expenses	28,507,150	28,274,170	29,037,923	29,321,900	30,210,176	888,276	3.0%
Net Budget	19,300,907	19,238,119	19,909,919	19,773,175	20,545,864	772,689	3.9%

Staffing Complement

	2018 Budget	2019 Budget
Full-Time Positions	86	87
Part-Time Hours	228,882	225,176
Crew Hours	89,654	93,328
Overtime Hours	3,152	3,152

Proposed Service Changes

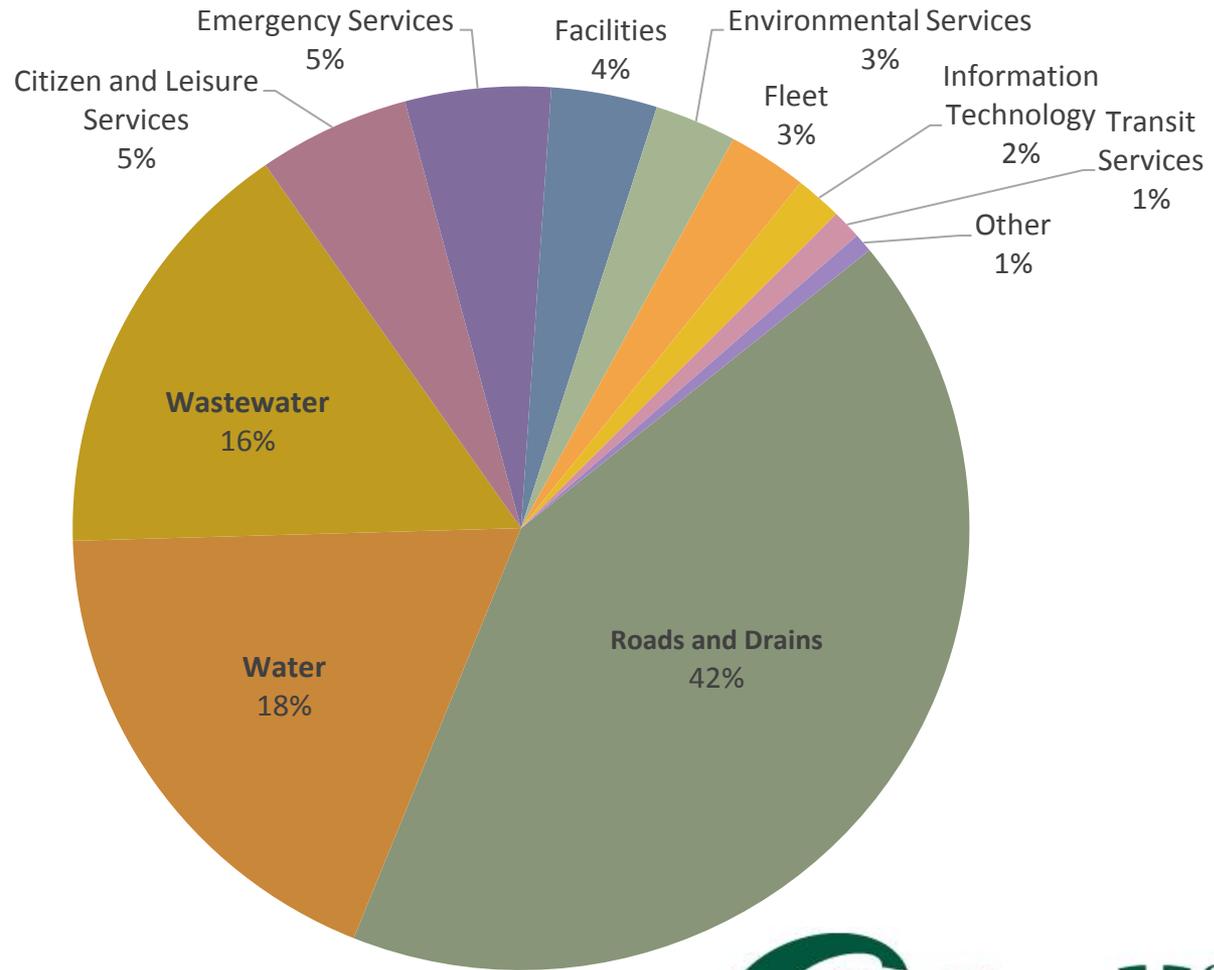
Proposed service changes address the following:

- ▶ Financing for The Junction
- ▶ Staff changes with no tax levy impact
- ▶ Hazardous materials response capability (HAZMAT)
- ▶ Universal recreational programs
- ▶ Resources for capital project delivery

Financial Risks

- ▶ Ontario Municipal Partnership Fund
- ▶ Other Provincial Funding
- ▶ Interest Rates
- ▶ Asset Condition

2019 Capital Budget - \$116.6M



2019 Capital Budget

- ▶ Reflects new Capital Budget Policy
 - ▶ Enterprise wide capital prioritization exercise
 - ▶ Projects reviewed and ranked by a Peer Group
 - ▶ Reviewed by ELT to produce a recommended project list and funding plan
- ▶ Recommended projects include:
 - ▶ Land Property Management System
 - ▶ Customer Relationship Management System
 - ▶ Bridges and arterial roads

Water Wastewater Budget

- ▶ 100% user-pay
- ▶ Maintains current services and service levels
- ▶ Recommended rate increase of 7.4%, consistent with the long range financial plan
- ▶ Enhances Capital Budget by \$2.6 million

Annual impact on a typical user (200 M³) - \$88
or approximately \$7.35/month

Service Partners

- ▶ Sudbury Airport Community Development Corporation
- ▶ Conservation Sudbury
- ▶ Public Health Sudbury & Districts
- ▶ Greater Sudbury Police Service

Next Steps

- ▶ Service Partner Budget Presentations January 22
- ▶ Council and public review
 - ▶ Series of open house-style meetings over the next four weeks
 - ▶ Council Q&A February 5
- ▶ Finance & Administration Committee Meetings
 - ▶ February 19
 - ▶ February 20 (if needed)
 - ▶ February 21 (if needed)
- ▶ Council Approval February 21