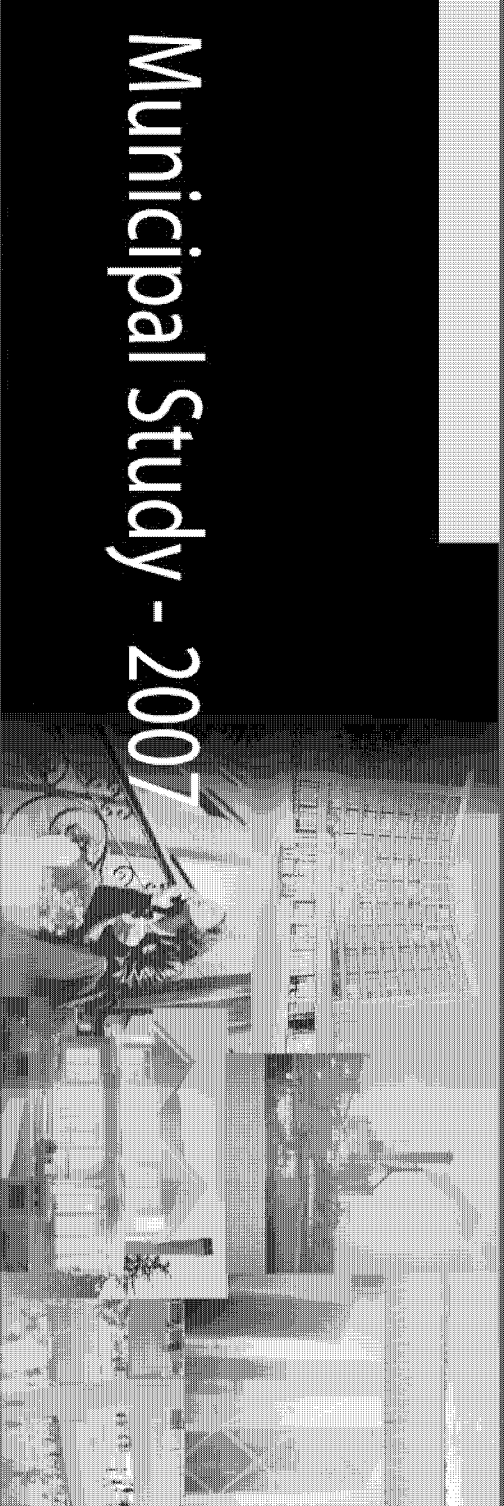


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# **Municipal Study 2007**

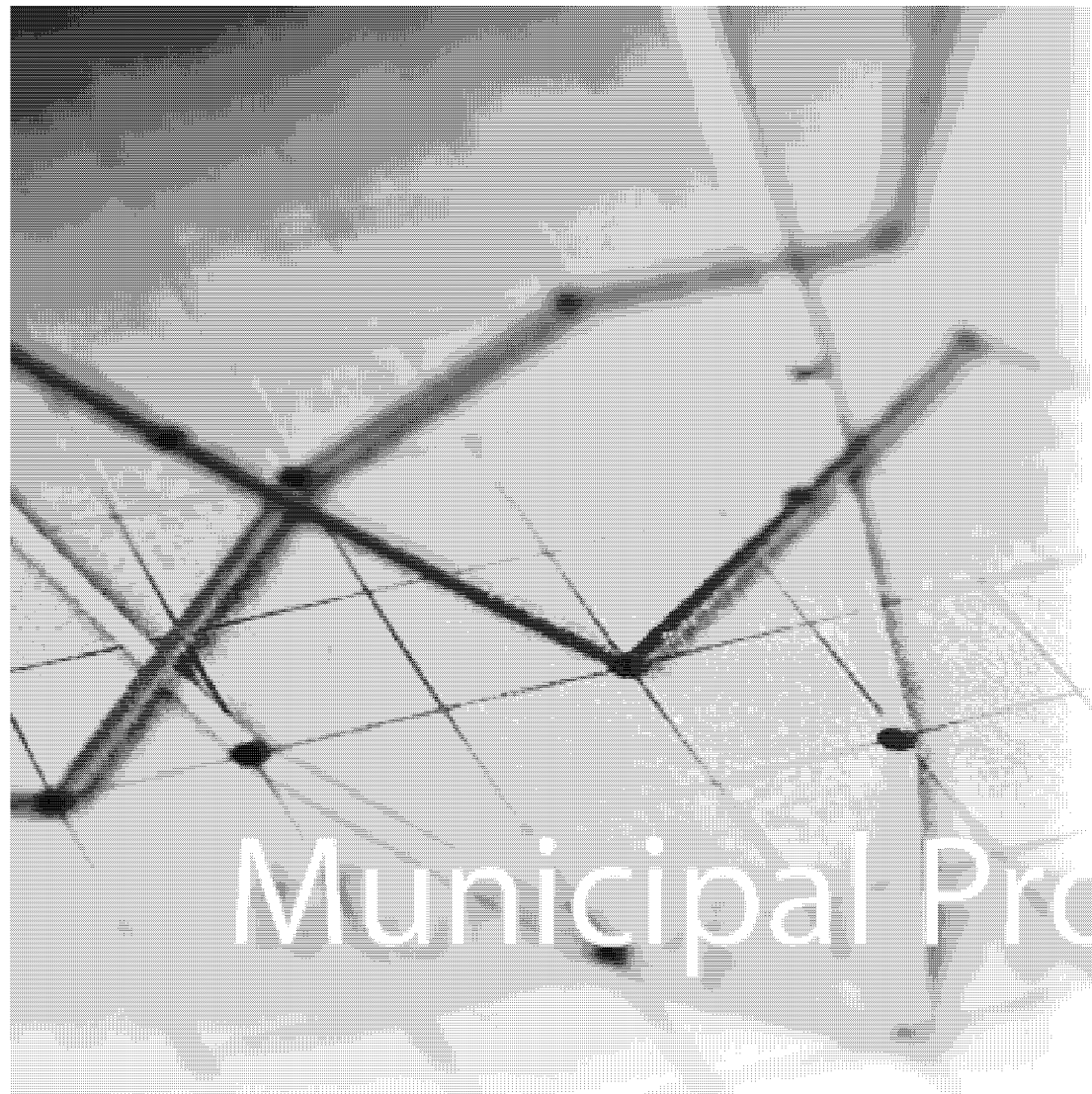
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## **City of Greater Sudbury**

# Presentation

- ❑ Provide an update on the 2007 Municipal Study
- ❑ 79 municipalities in the study
  - Presentation focuses on municipalities with populations greater than 100,000
- ❑ Municipal Profile
- ❑ Municipal Financial Information
- ❑ Select User Fees
- ❑ Tax Policies, Tax Rates
- ❑ Comparison of Relative Taxes
- ❑ Water/Sewer Comparisons
- ❑ Taxes as a % of Income



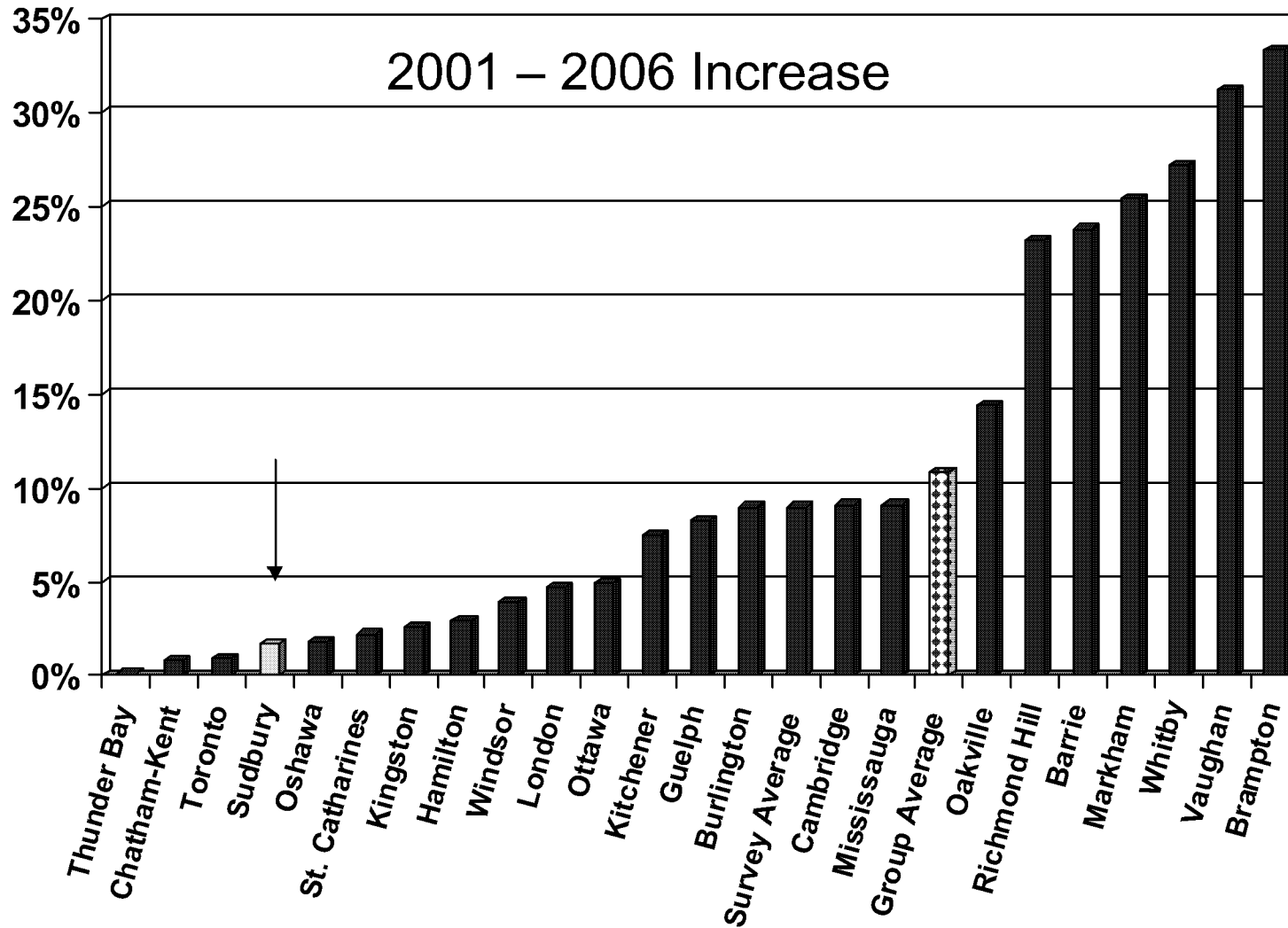


# Municipal Profile

2007 Municipal Study

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# Population Statistics



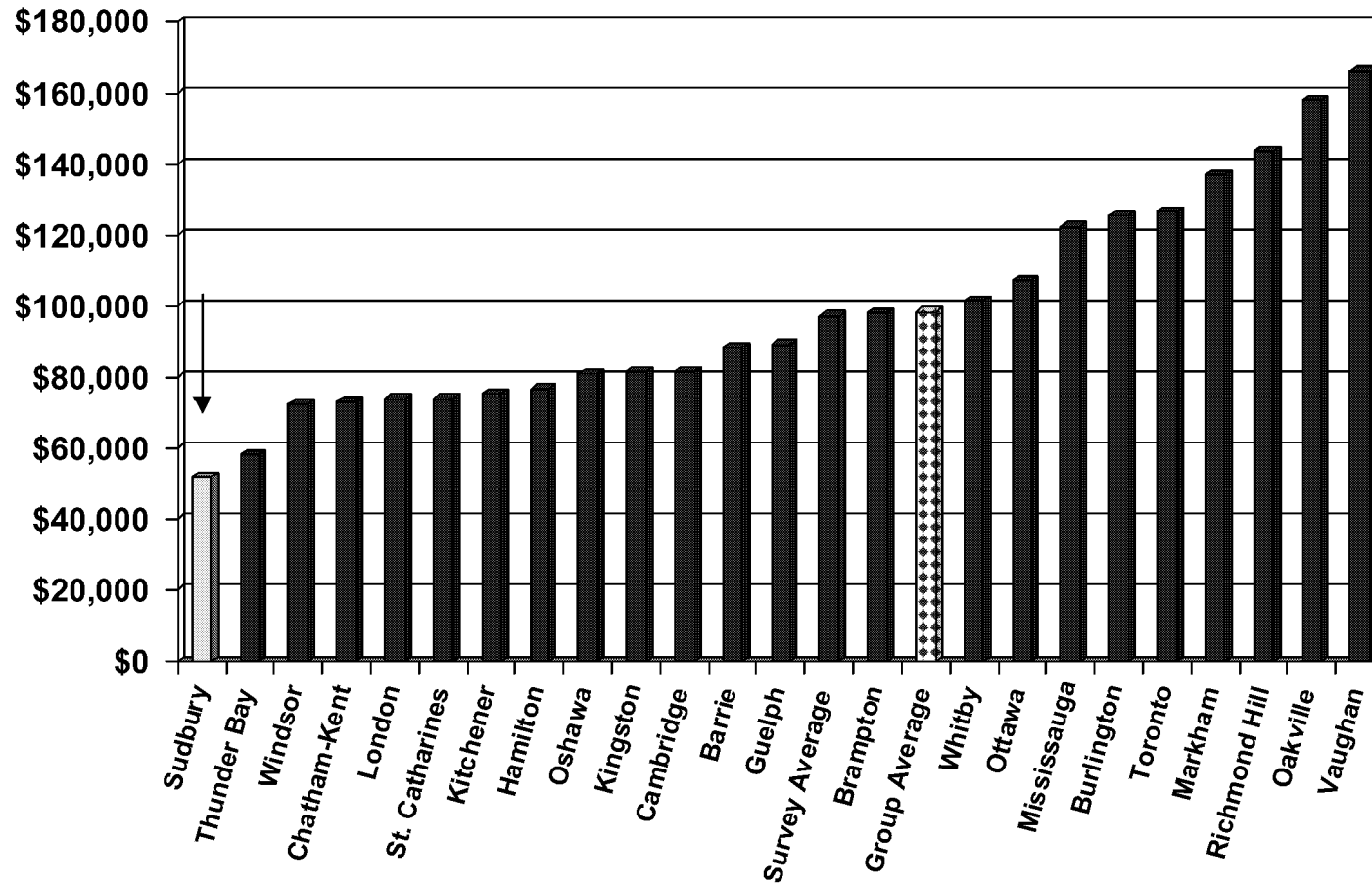
Sudbury's increase is 1.7% (01-06) compared to the survey average of 9.0%

Source: Stats Canada

2007 Municipal Study

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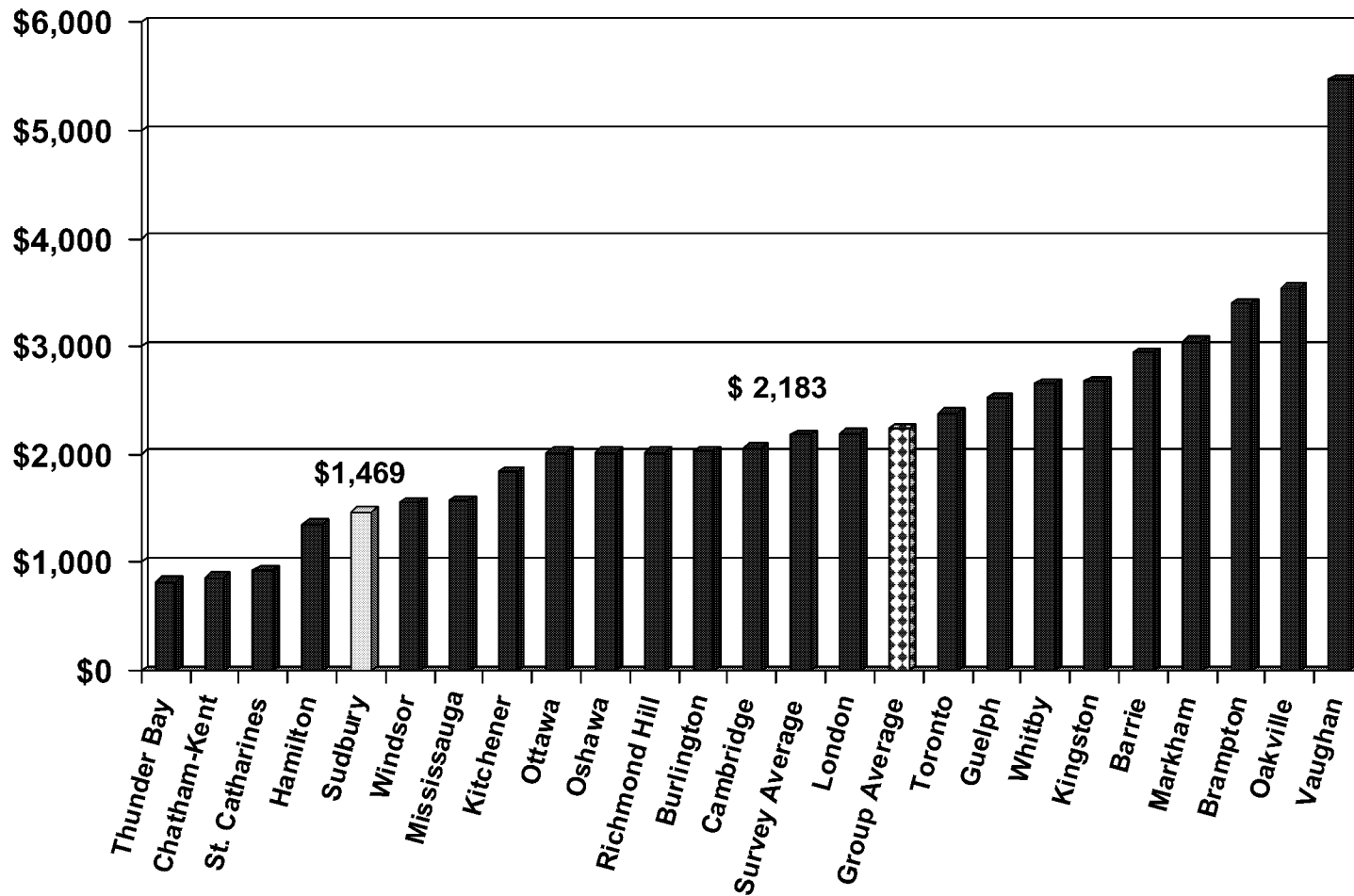
# 2007 Unweighted Assessment per Capita



In comparison to the full 79 municipalities, Sudbury is the 4<sup>th</sup> lowest

All Northern Ontario municipalities have a lower than average unweighted assessment per capita

# 2006 Construction Value per Capita

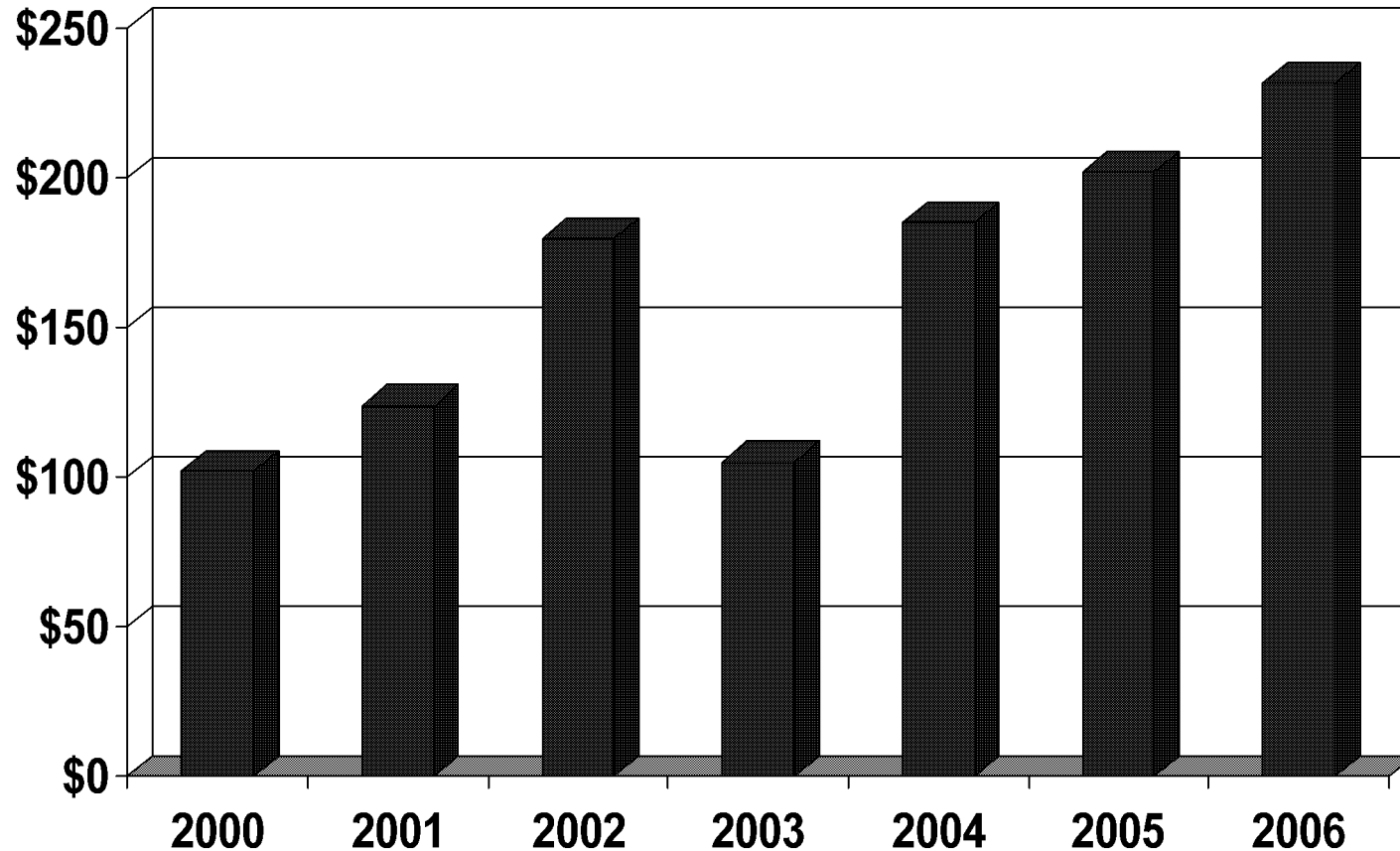


While the 2006 activity is lower than the survey average, Sudbury's activity is higher than other Northern municipalities such as Timmins, Thunder Bay and SSM

Building permit value per capita provides an indication of the relative activity in each municipality

# Building Permit Activity Trend

Sudbury Building Permit Construction Value (in millions)



Construction value has been trending upward since 2003

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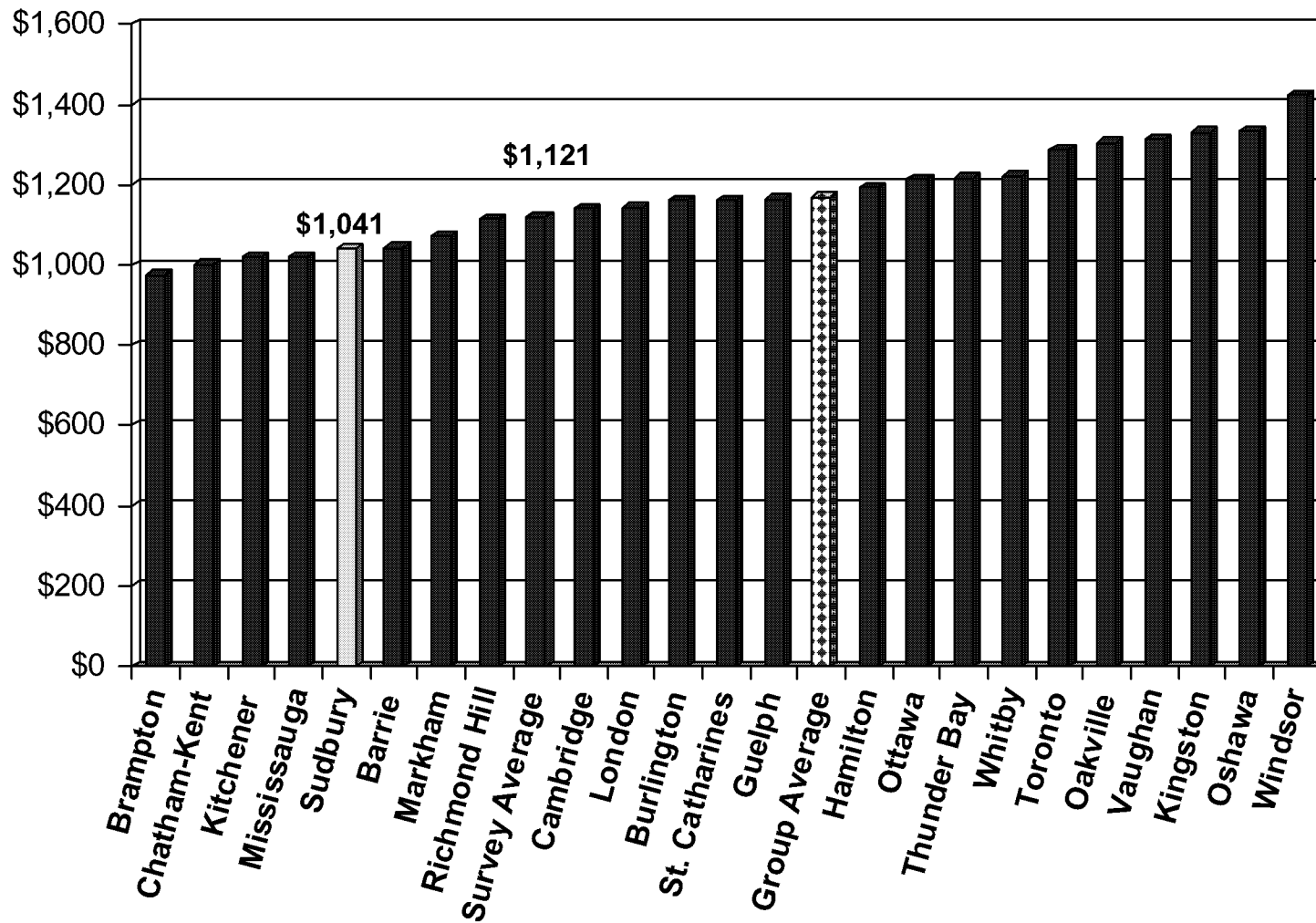


# Municipal Financial Information

2007 Municipal Study

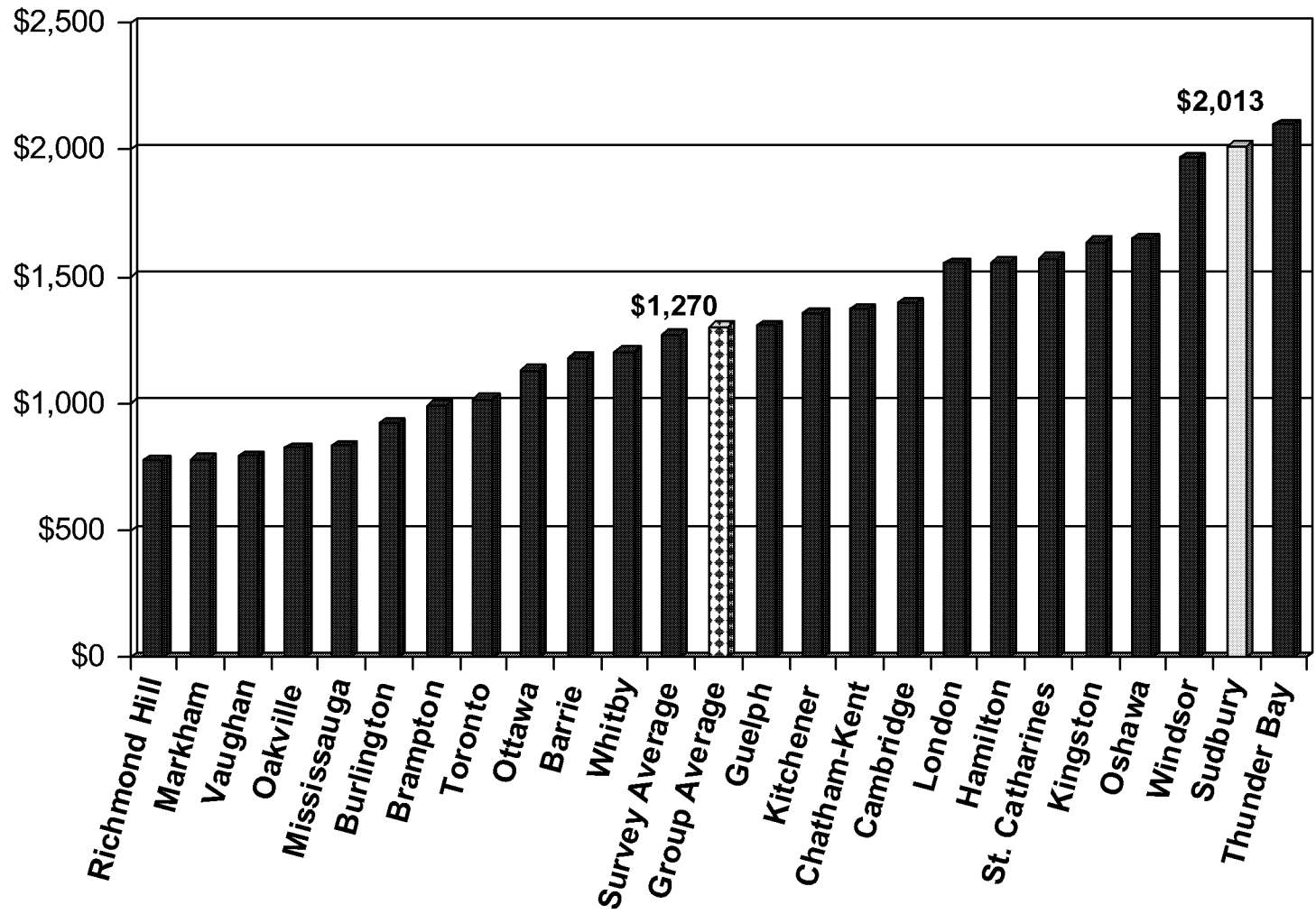
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# Net Municipal Levy per Capita



Below survey and group average and lower than all other Northern municipalities in the Study

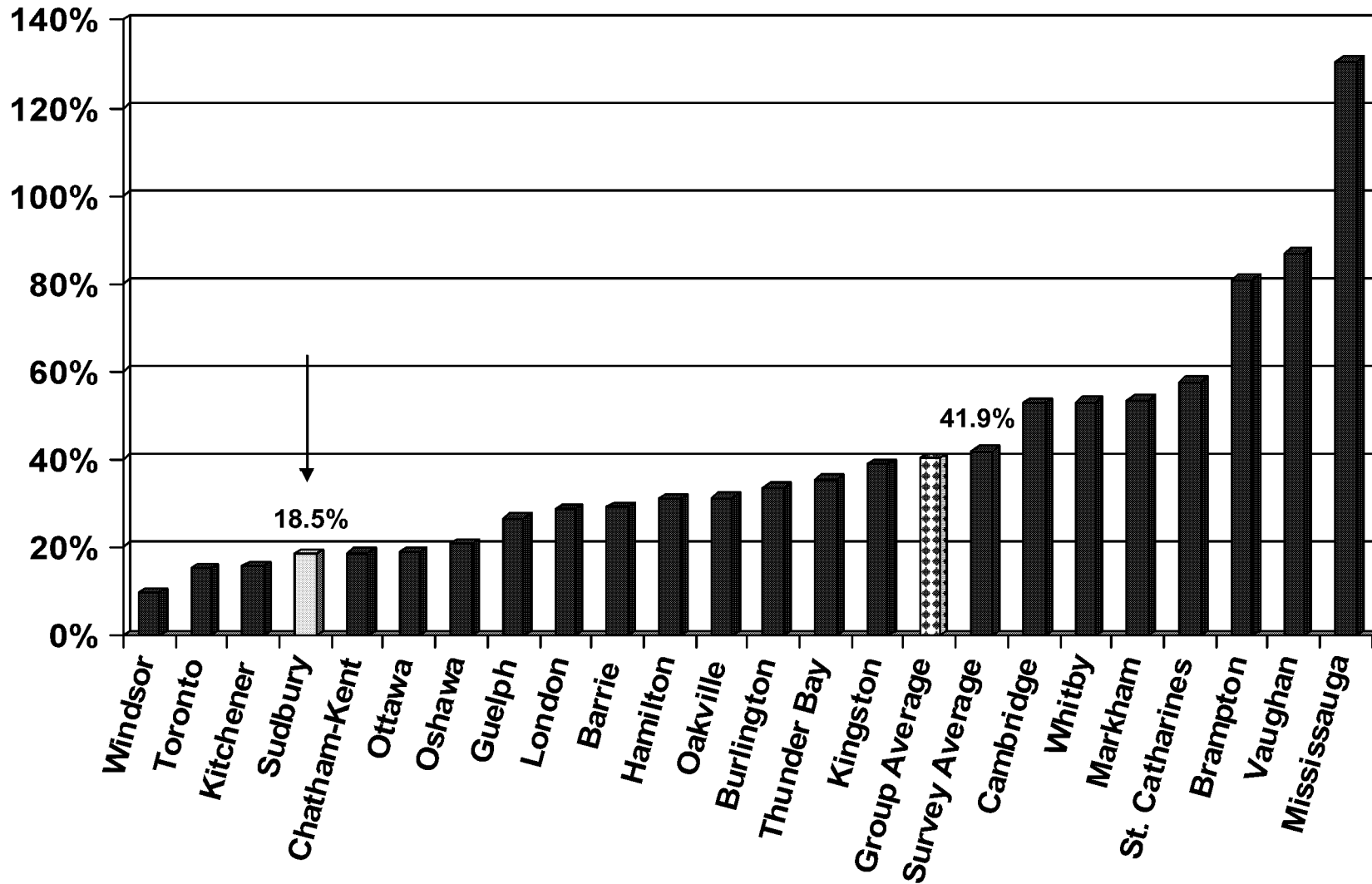
# Net Levy per \$100,000 Assessment



Above survey and group average

# Reserves as a % of Total Expenditures

Source 2006 FIR



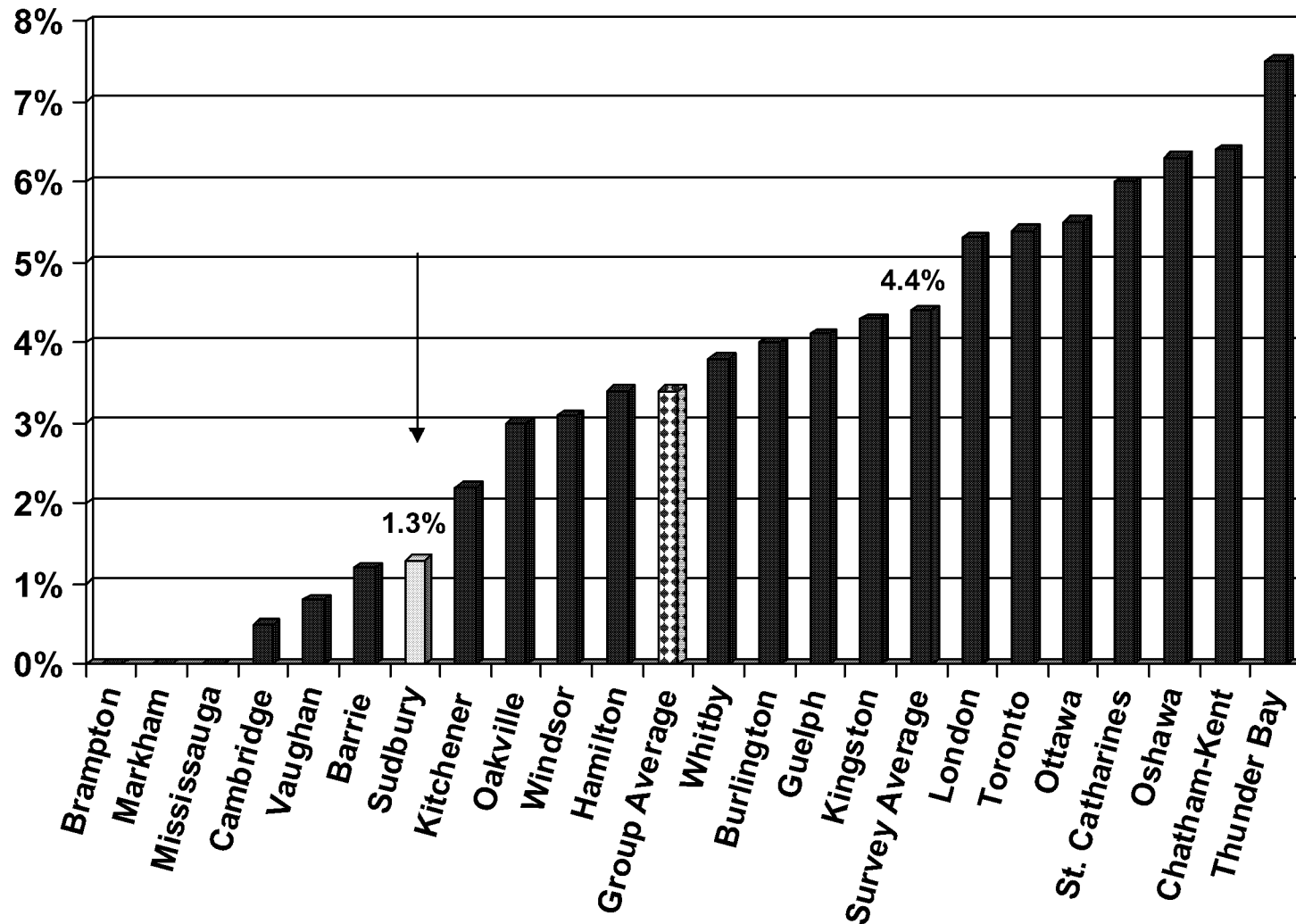
Lower than average reserves

2007 Municipal Study

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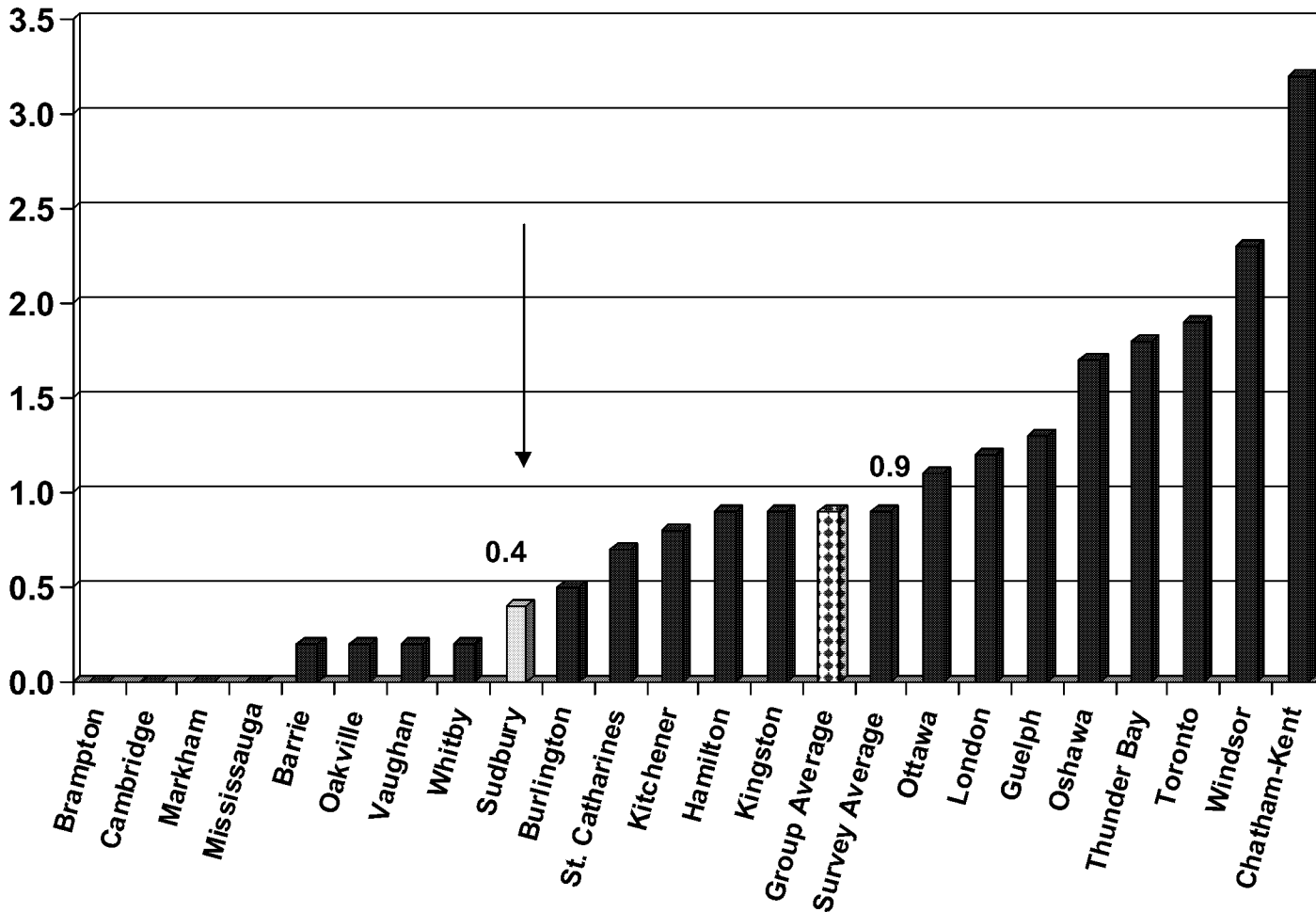
# Debt Charges as a % of Total Expenditures

Source 2006 FIR



Debt in Sudbury is significantly lower than the survey average

# Outstanding Debt to Reserve Ratio



Recommended to have a ratio 1:1

For every dollar of reserves, the municipality has \$0.40 of debt - Sudbury's low level of debt places its debt to reserve ratio amongst the lowest in the survey, lower than other Northern municipalities such as Thunder Bay, North Bay and SSM

Source 2006 FIR

2007 Municipal Study

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## Expenditures Per Capita

Services Per Capita	Sudbury	100,000 + Population	Total Survey Average
Planning & Zoning	\$ 17	\$ 17	\$ 19
Fire	\$ 112	\$ 129	\$ 111
Transit	\$ 57	\$ 77	\$ 52
Police	\$ 235	\$ 245	\$ 220
Recreation Programming and Facilities (Combined)	\$ 65	\$ 69	\$ 68
Library	\$ 43	\$ 43	\$ 36
Waste Disposal	\$ 7	\$ 6	\$ 17
Assistance to the Aged	\$ 24	\$ 23	\$ 20
Storm	\$ 12	\$ 10	\$ 13
Roadways	\$ 207	\$ 105	\$ 113
Recycling	\$ 30	\$ 19	\$ 17
Ambulance	\$ 52	\$ 32	\$ 52
General Assistance	\$ 162	\$ 151	\$ 144
Winter Control	\$ 94	\$ 26	\$ 23
Waste Collection	\$ 26	\$ 18	\$ 16
Public Health	\$ 39	\$ 24	\$ 24
Child Care	\$ 22	\$ 19	\$ 16
Social Housing	\$ 102	\$ 94	\$ 81

The services above the blue line are at or below the average for the municipalities with 100,000 or greater populations

The services below the blue line are above the average for the municipalities with 100,000 or greater populations

## Select MPMP Comparisons

Service MPMP	Sudbury	100,000 + Population	Total Survey Average
Transit Operating Costs Per Regular Service Passenger trip	\$ 3.15	\$ 3.33	\$ 4.63
Waste Disposal Costs Per Tonne	\$ 43	\$ 55	\$ 69
Fire Costs Per \$100,000 Assessment	\$ 1.82	\$ 1.36	\$ 1.21
Roadways Operating Costs Per Lane Km	\$ 2,292	\$ 1,868	\$ 2,065
Recycling Costs Per Tonne	\$ 183	\$ 135	\$ 136
Winter Control Operating Costs Per Lane Km	\$ 3,609	\$ 1,936	\$ 1,371
Waste Collection Cost Per Tonne	\$ 108	\$ 77	\$ 80

below the average for the municipalities with populations of 100,000 or greater

above the average for the municipalities with populations of 100,000 or greater

- Low assessment base and large land area contribute to higher Fire costs
- Large geographic areas contributes to higher waste collection costs
- Winter control is impacted by weather conditions
  - Amongst lowest in Northern municipalities

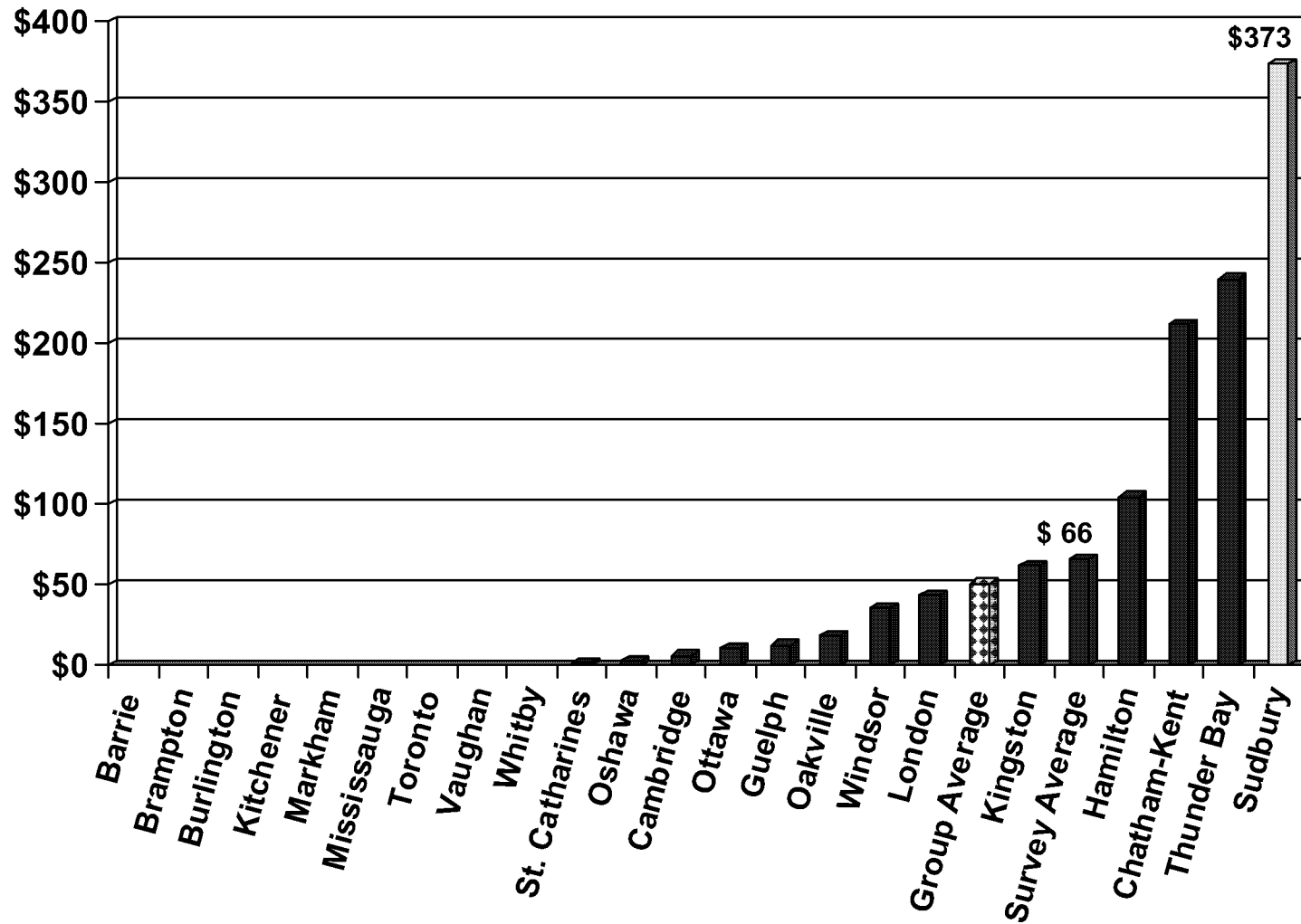


## Select User Fees as a % of Expenditures

Service	Sudbury	Survey Average
Waste Disposal	79%	51%
Transit	43%	38%
Cemetery	86%	49%
Recreation Programming	14%	61%
Planning & Zoning	16%	31%
Recreation Facilities, Other	41%	30%

- With the exception of Recreation Programming and Planning & Zoning, the City's user fees as a percentage of expenditures are above the survey average

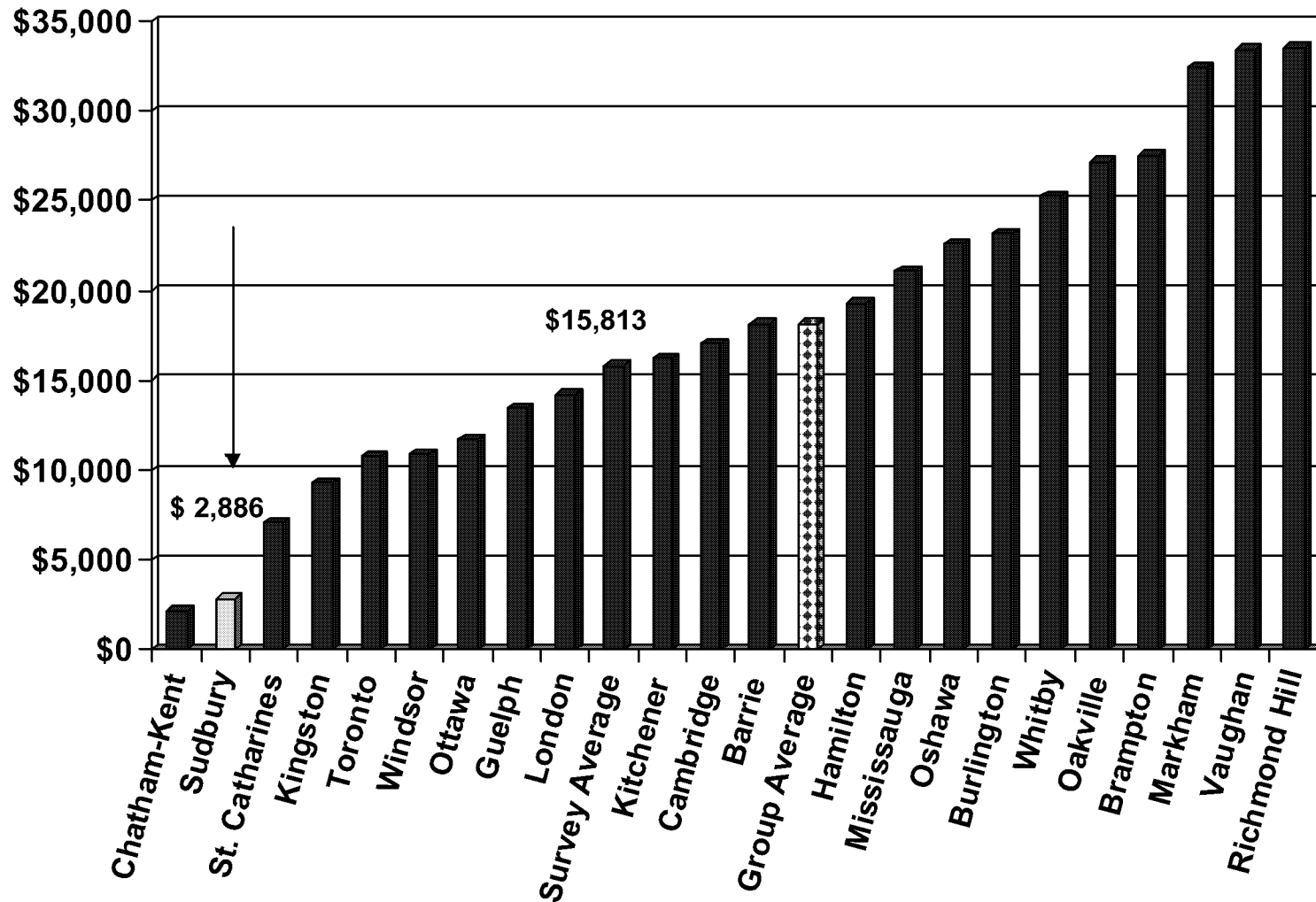
# OMPF Grant per Capita



Highest in the survey

2007 Municipal Study

# Development Charges – Single, Semi-Detached



Amongst the lowest residential development charges



# Tax Policies

2007 Municipal Study

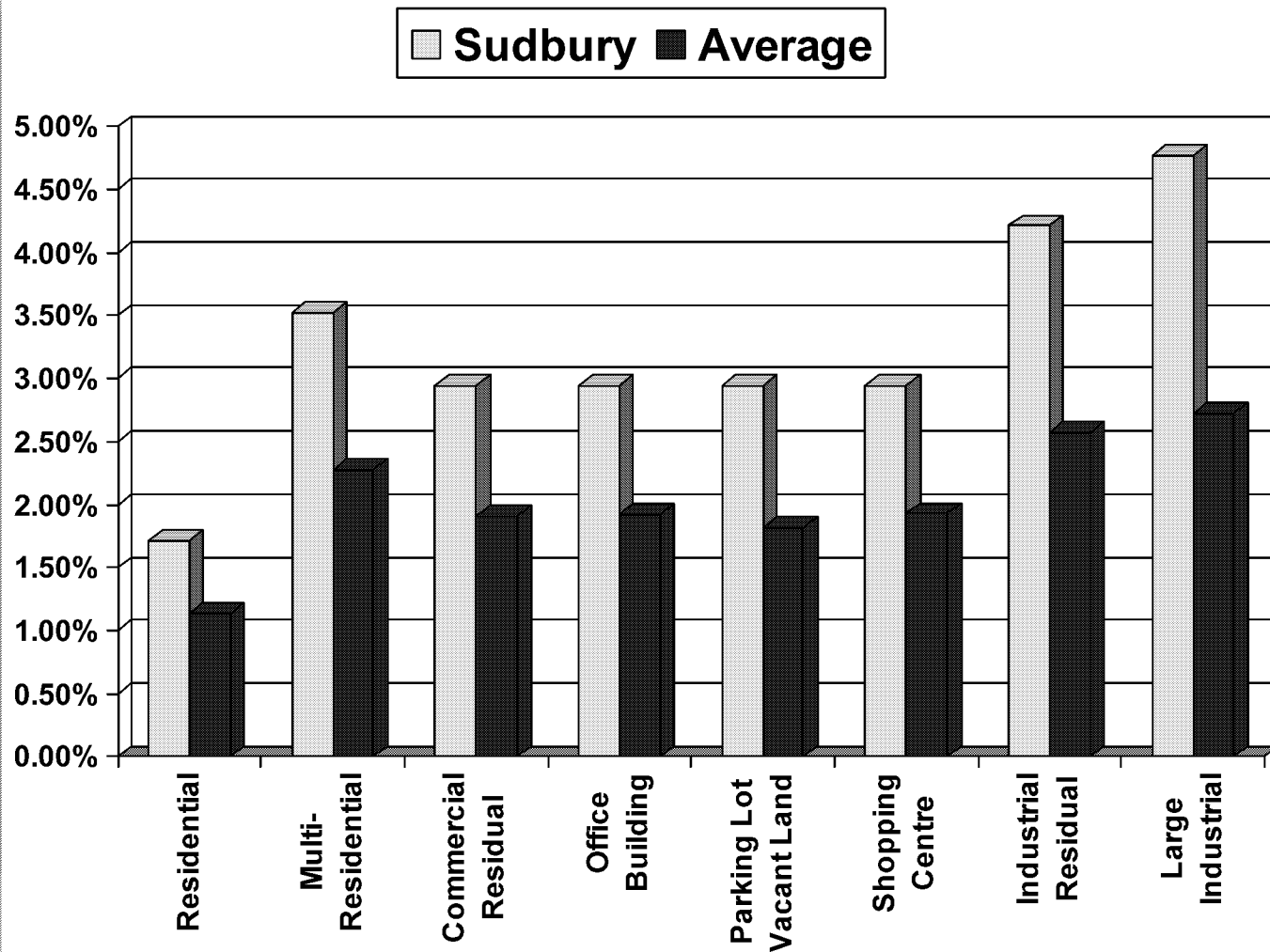
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## Summary of Tax Ratios - 2007

<b>Property Type</b>	<b>Sudbury Ratio</b>	<b>Survey Average</b>
Multi-Residential	2.0591	2.1175
Commercial	1.7206	1.7536
Industrial (Residual)	2.5596	2.3034
Industrial (Large)	2.9012	3.0009

- ❑ With the exception of Industrial (Residual), Sudbury's ratios are lower than the survey average for each class

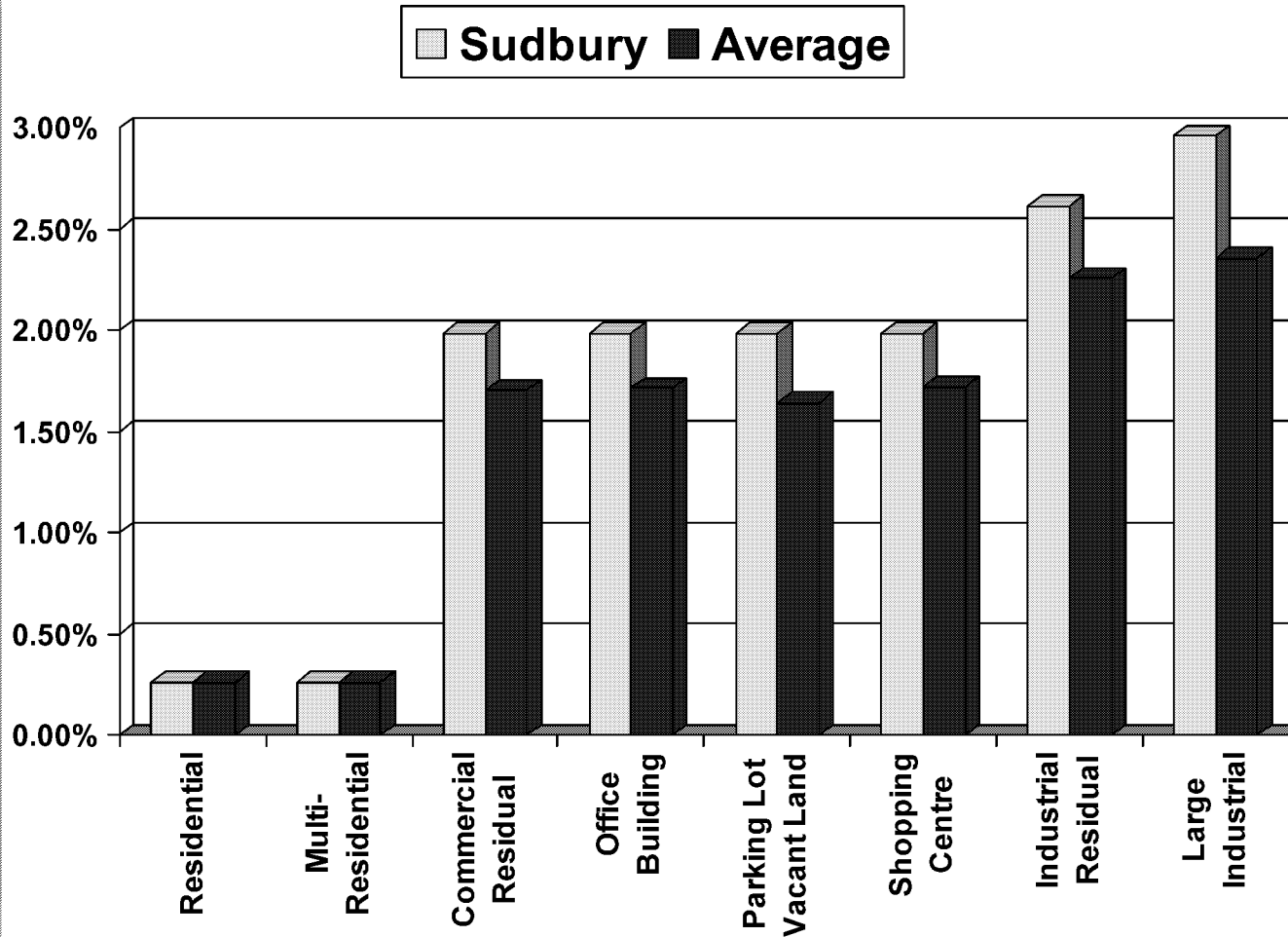
# Municipal Tax Rates



Municipal tax rates are higher than the survey average in all categories

Below average spending but low assessment base results in higher municipal tax rates

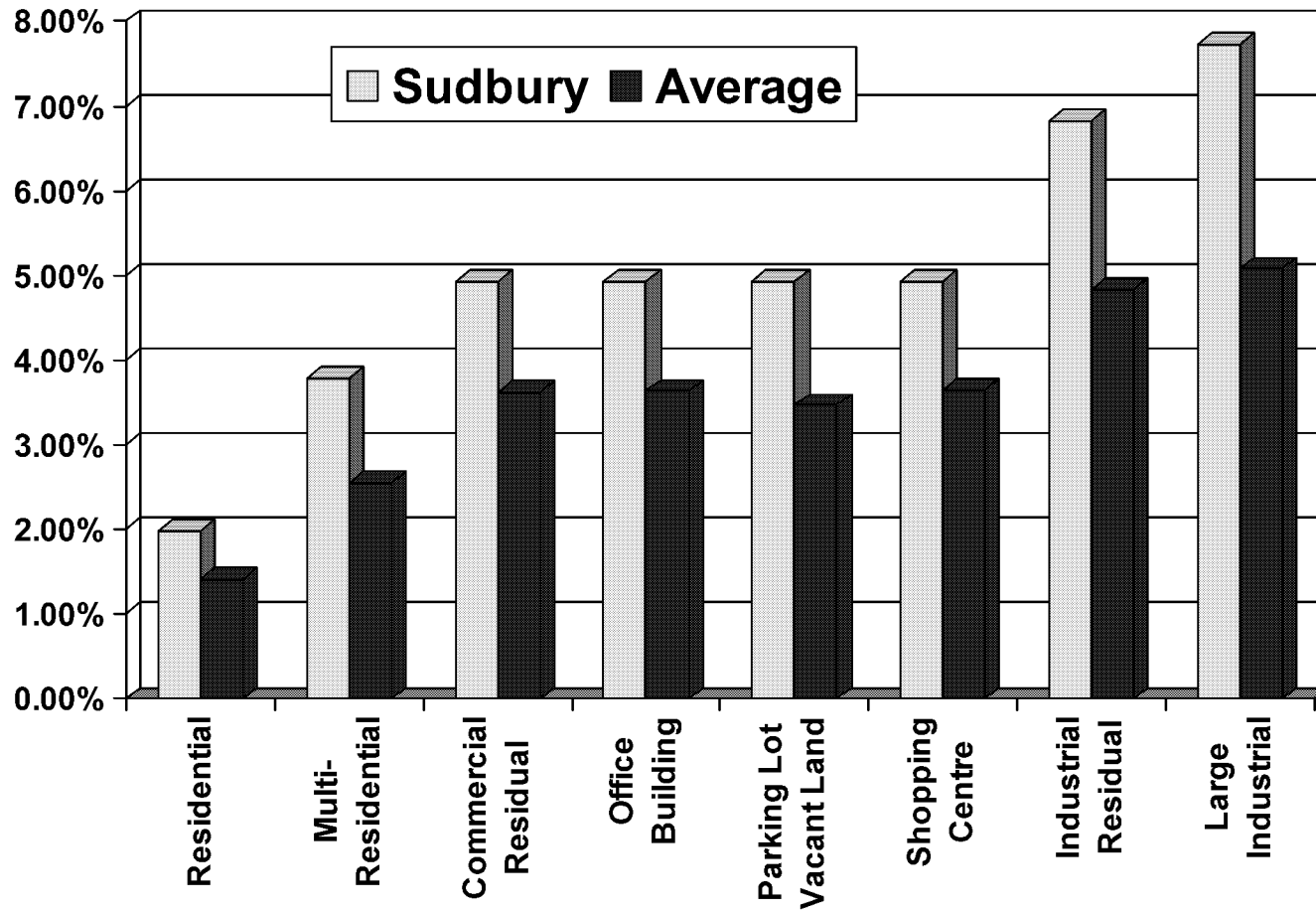
# Education Tax Rates



Education rates in the commercial and industrial classes are higher than the survey average

This impacts the relative taxes on various property classes

# Total Tax Rates







# Comparison of Relative Taxes

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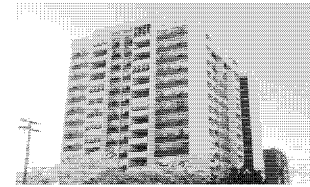
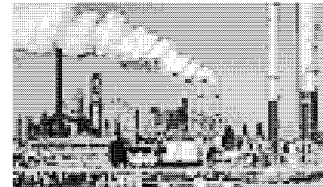
# Property Types

- Detached Bungalow
- Senior Executive

- Neighbourhood Shopping
- Office Building
- Hotel
- Motel

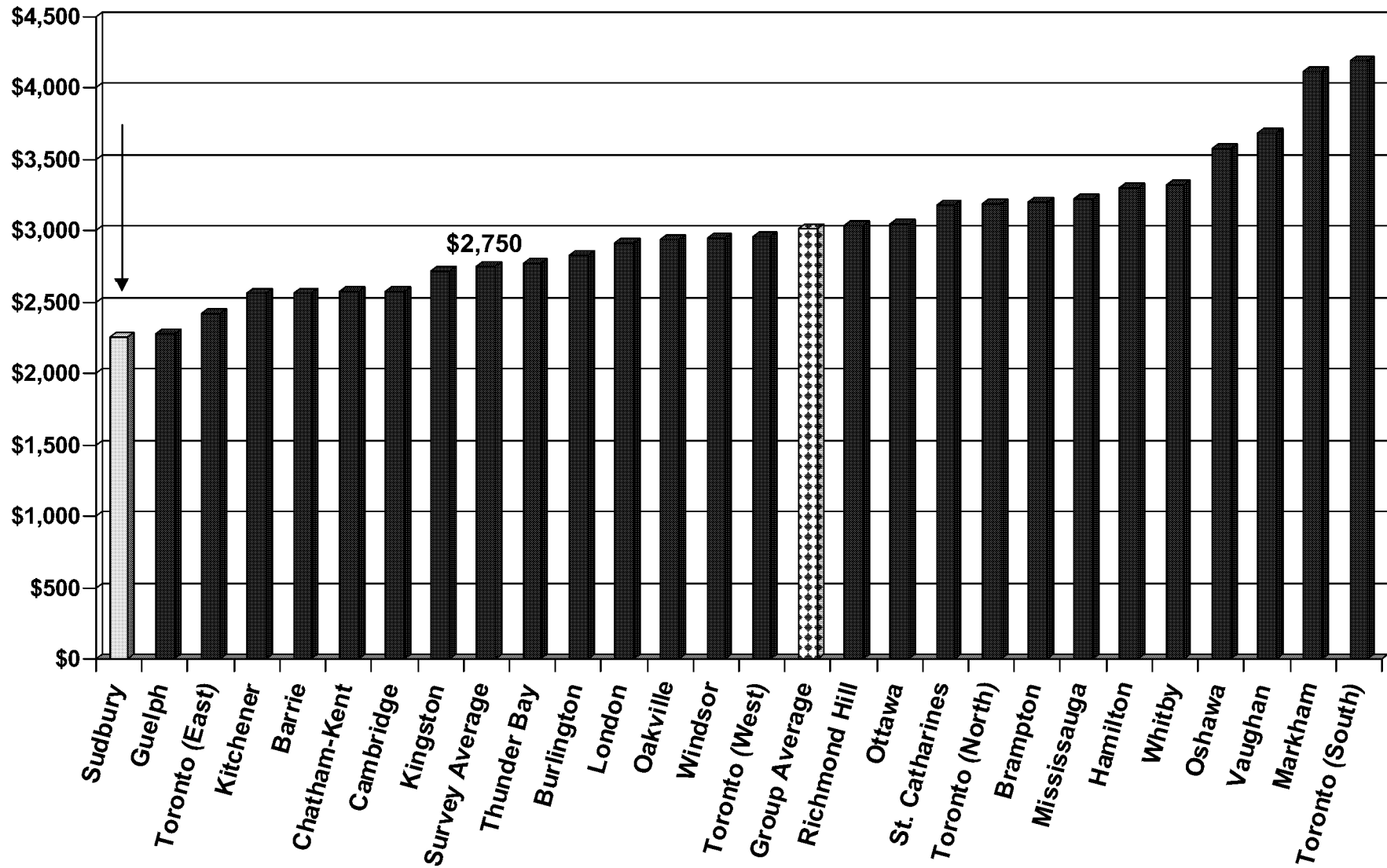
- Walk-up Apartment
- High-rise Apartment

- Vacant Land Industrial
- Large Industrial
- Standard Industrial

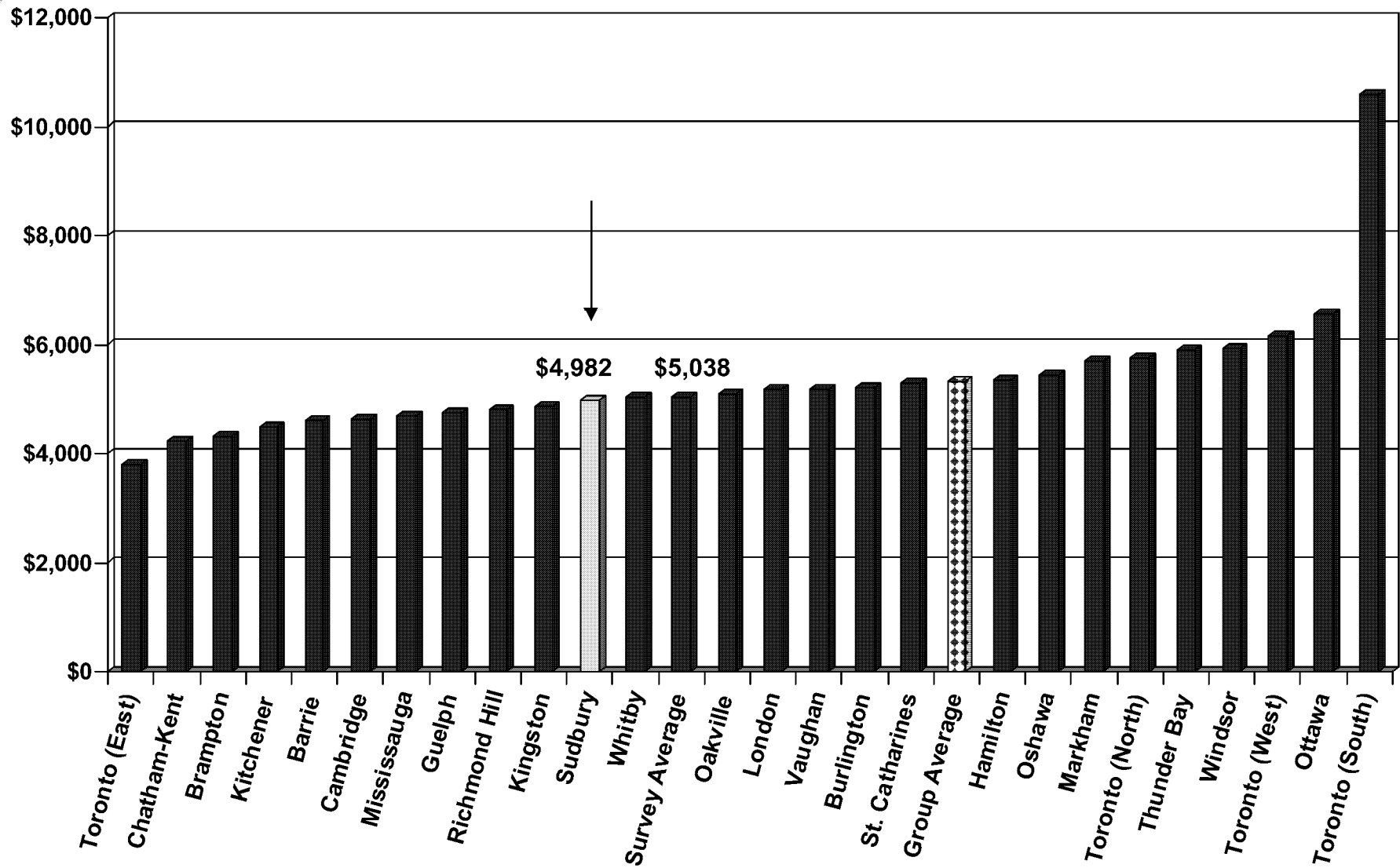


- Comparable properties are used across the 79 municipalities
- Multiple properties are included in each municipality
- Focus should be on the trends rather than the absolutes

# Residential Detached Bungalow



# Senior Executive



## Residential - Summary

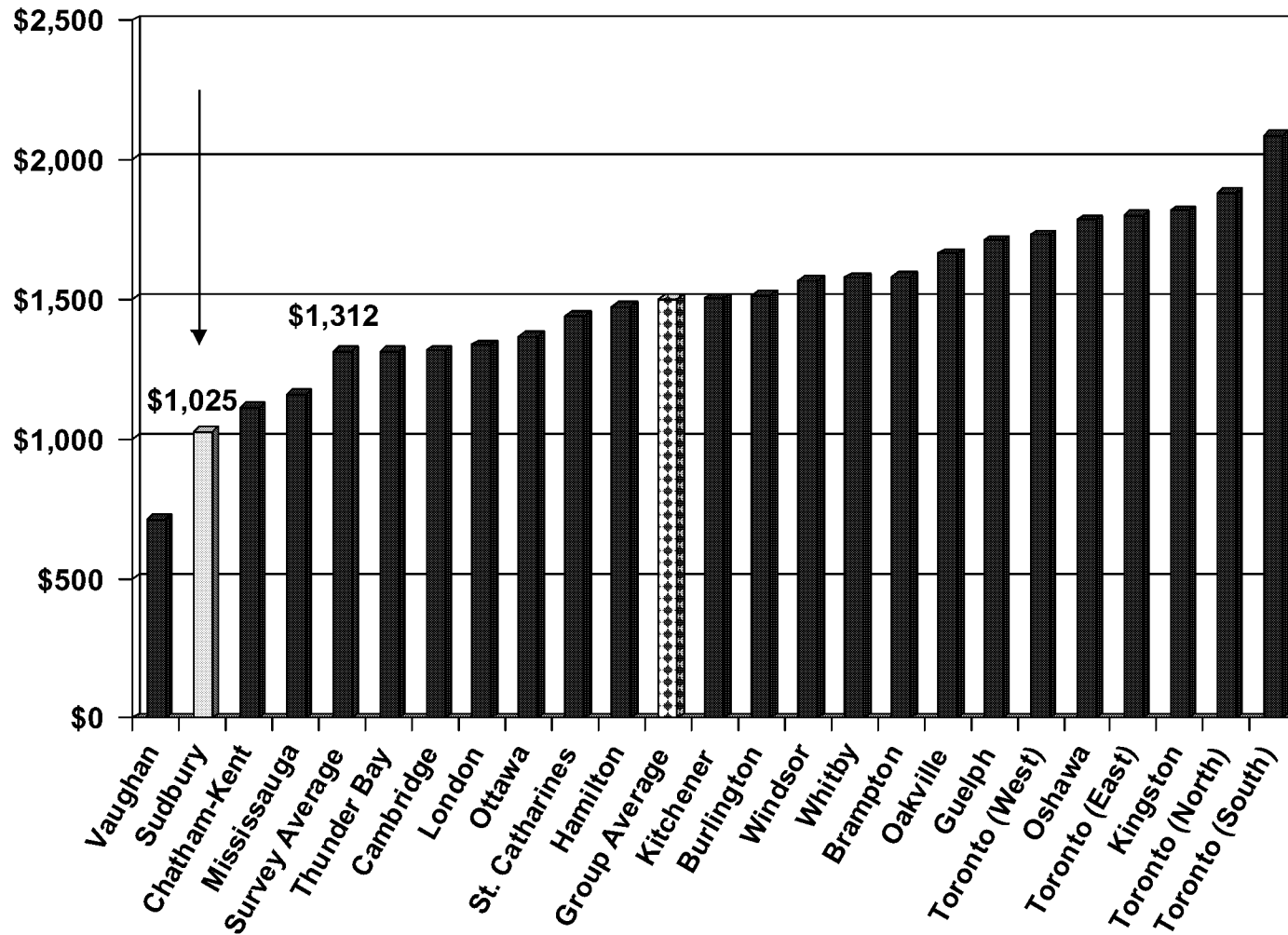
- ❑ In relation to the other 79 municipalities in the survey, Sudbury's relative tax position for the blended two residential classes is "low-mid"

**low-mid**

- ❑ In relation to municipalities 100,000 or greater, Sudbury is "low"

**low**

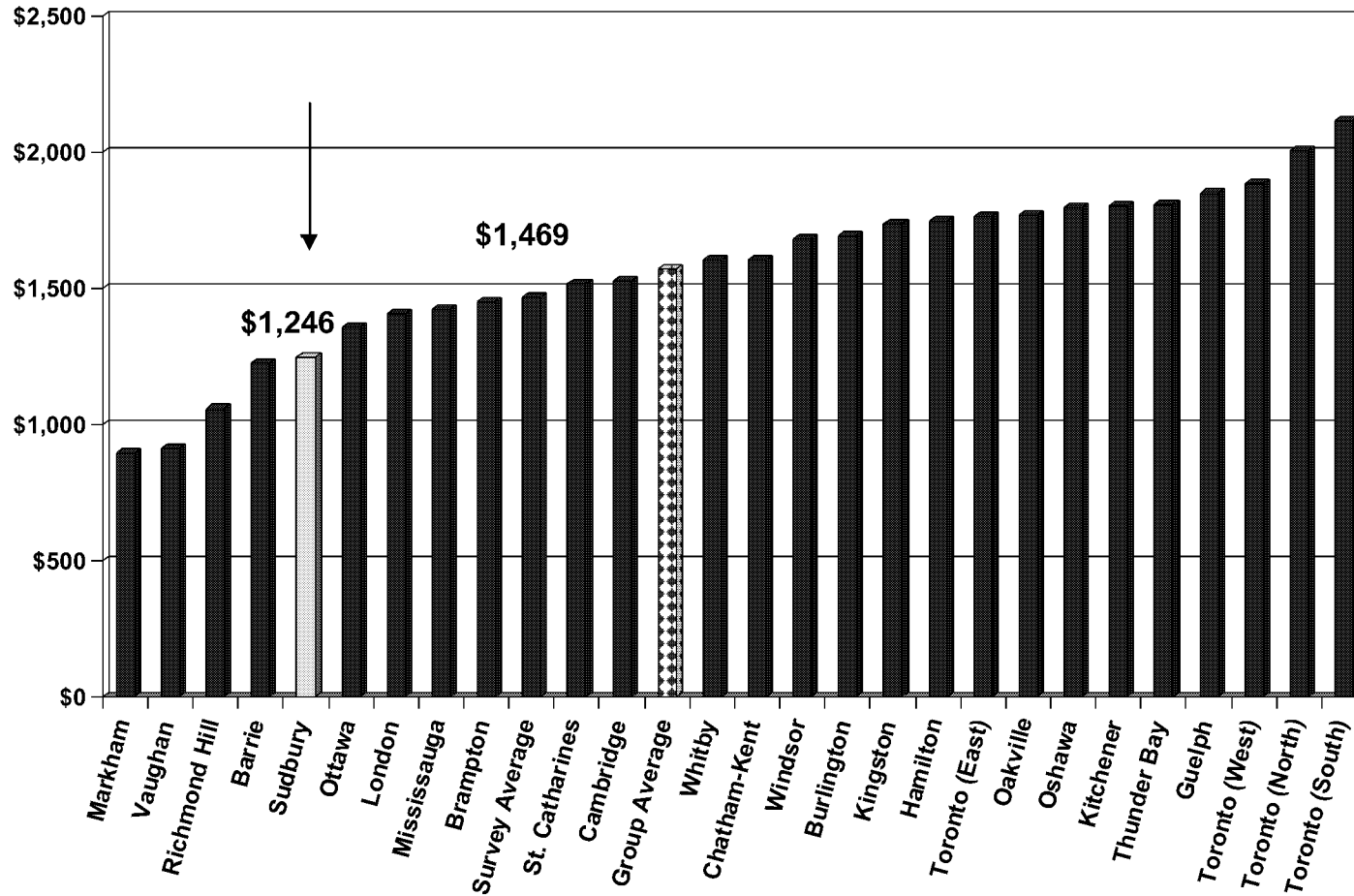
# Multi-Residential Walk Up (per unit)



Tax burden ranking is in the low range for the entire survey

Sudbury is 2<sup>nd</sup> lowest for municipalities with populations 100,000 or greater

# Multi-Residential Mid/High Rise (per unit)



Tax burden is below the survey average

Sudbury is also below the average for municipalities with populations greater than 100,000

## Multi-Residential - Summary

- In relation to the other 79 municipalities in the survey, Sudbury's relative tax position for the blended two multi-residential classes is "low"

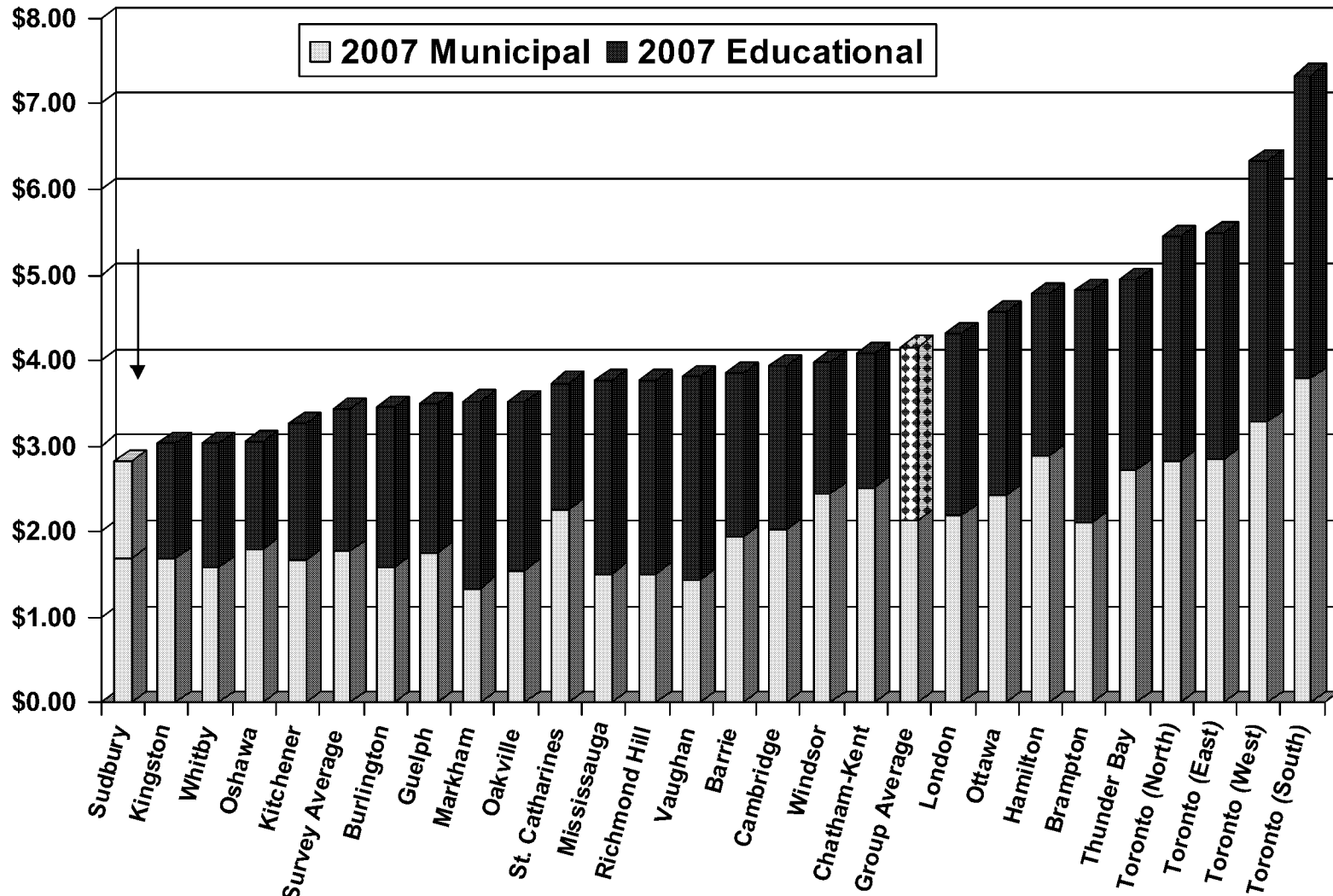
**low**

- In relation to municipalities 100,000 or greater, Sudbury is also "low"

**low**

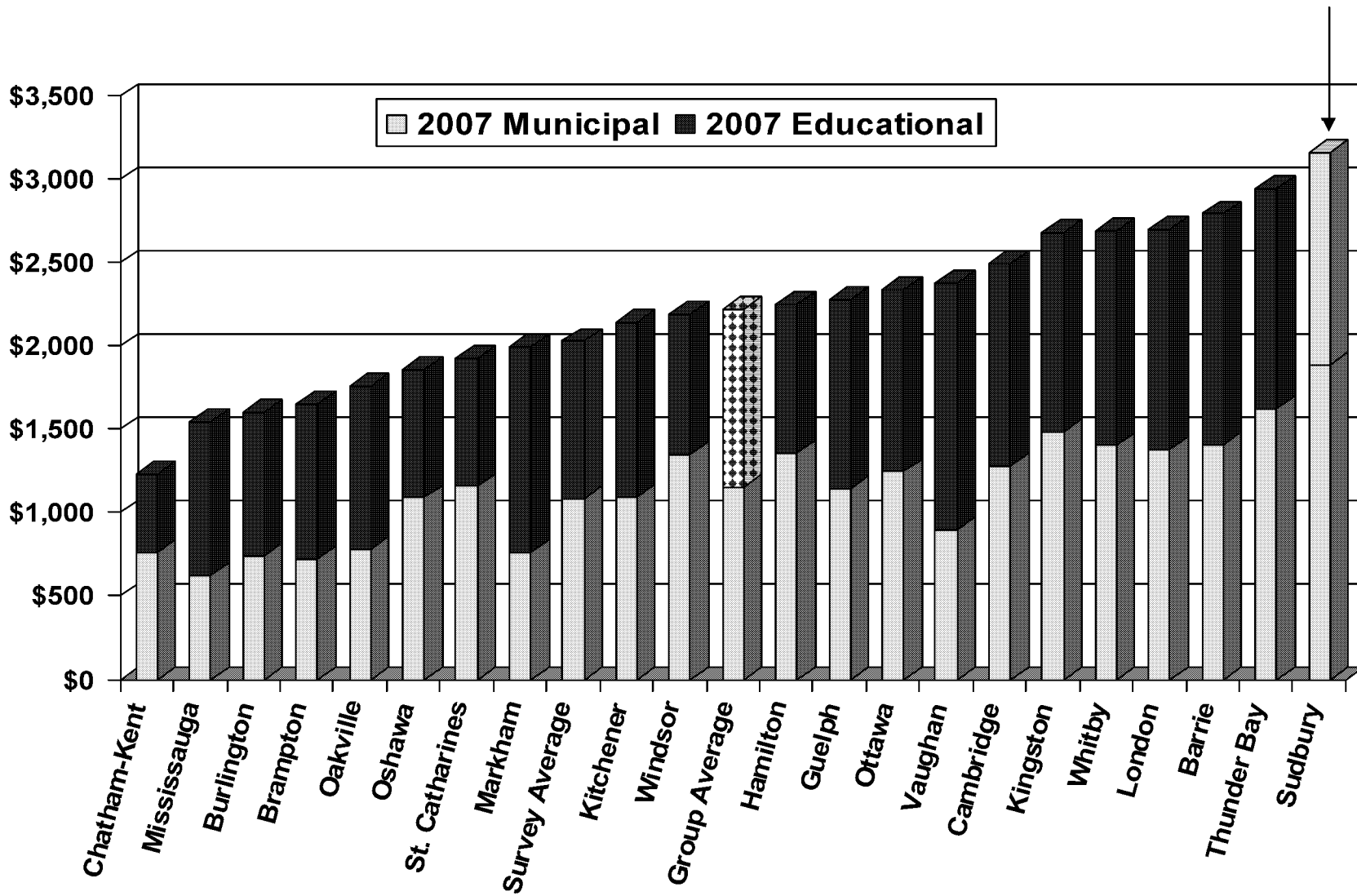


# Neighbourhood Shopping(\$ per sq. ft.)

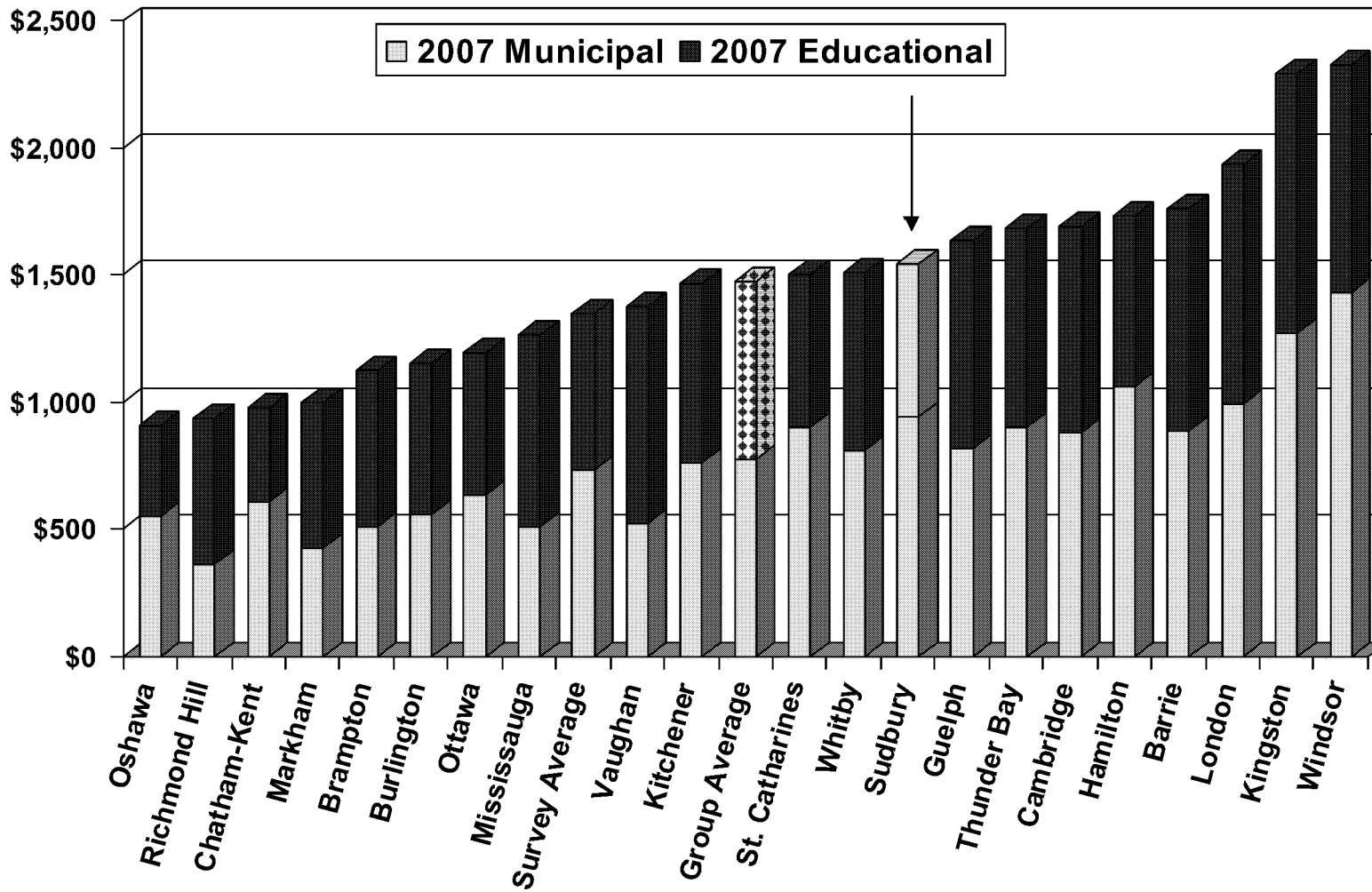


Also low in relation to other Northern municipalities

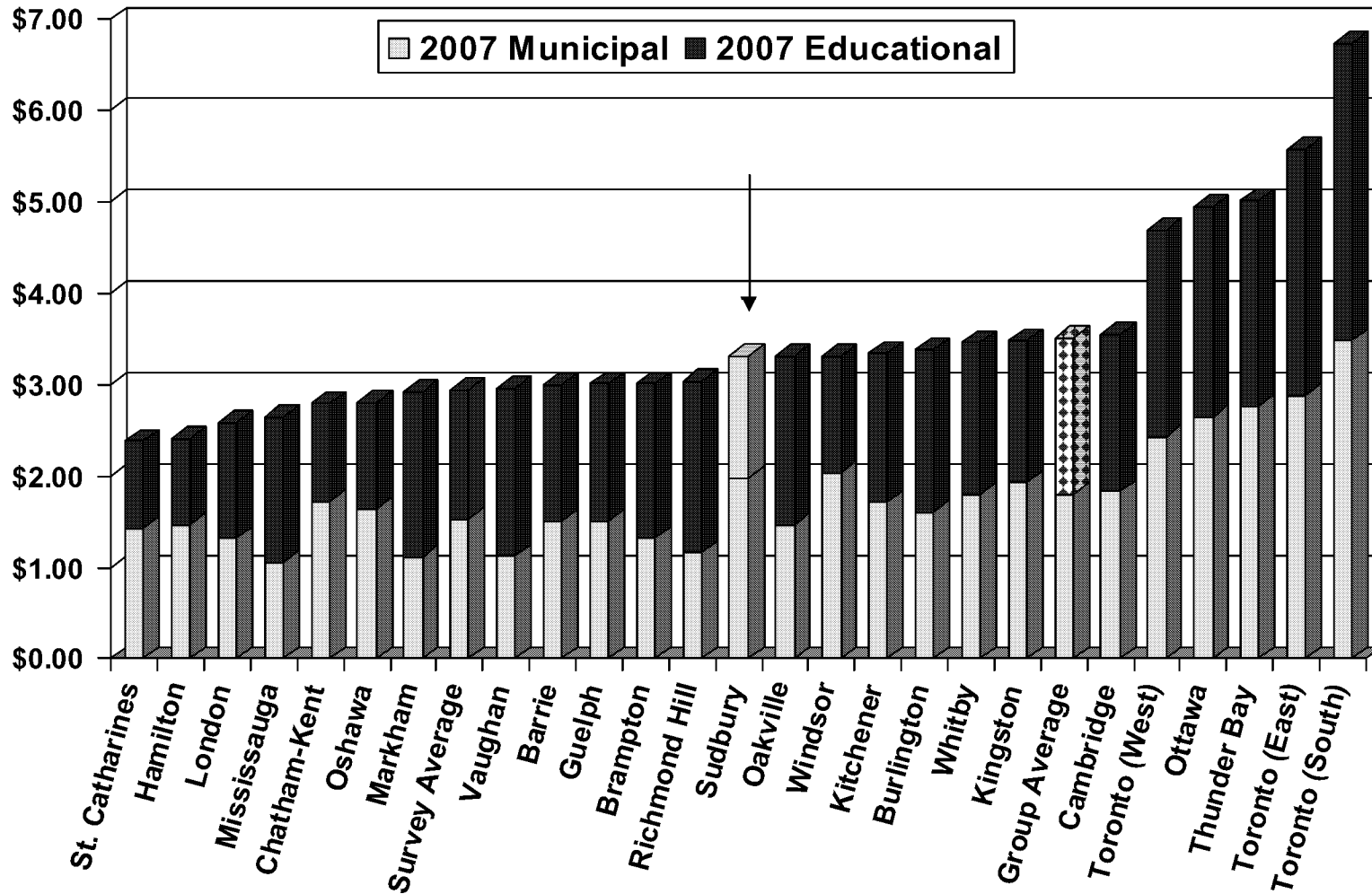
# Hotel (\$ per unit)



# Motel (\$ per unit)



# Office (\$ per unit)



## Commercial - Summary

- In relation to the other 79 municipalities in the survey, Sudbury's relative tax position

**High**

Office

**Low**

Neighbourhood Shopping

**High**

Hotel/Motel

- In relation to municipalities 100,000 or greater, Sudbury's relative tax position

**Mid**

Office

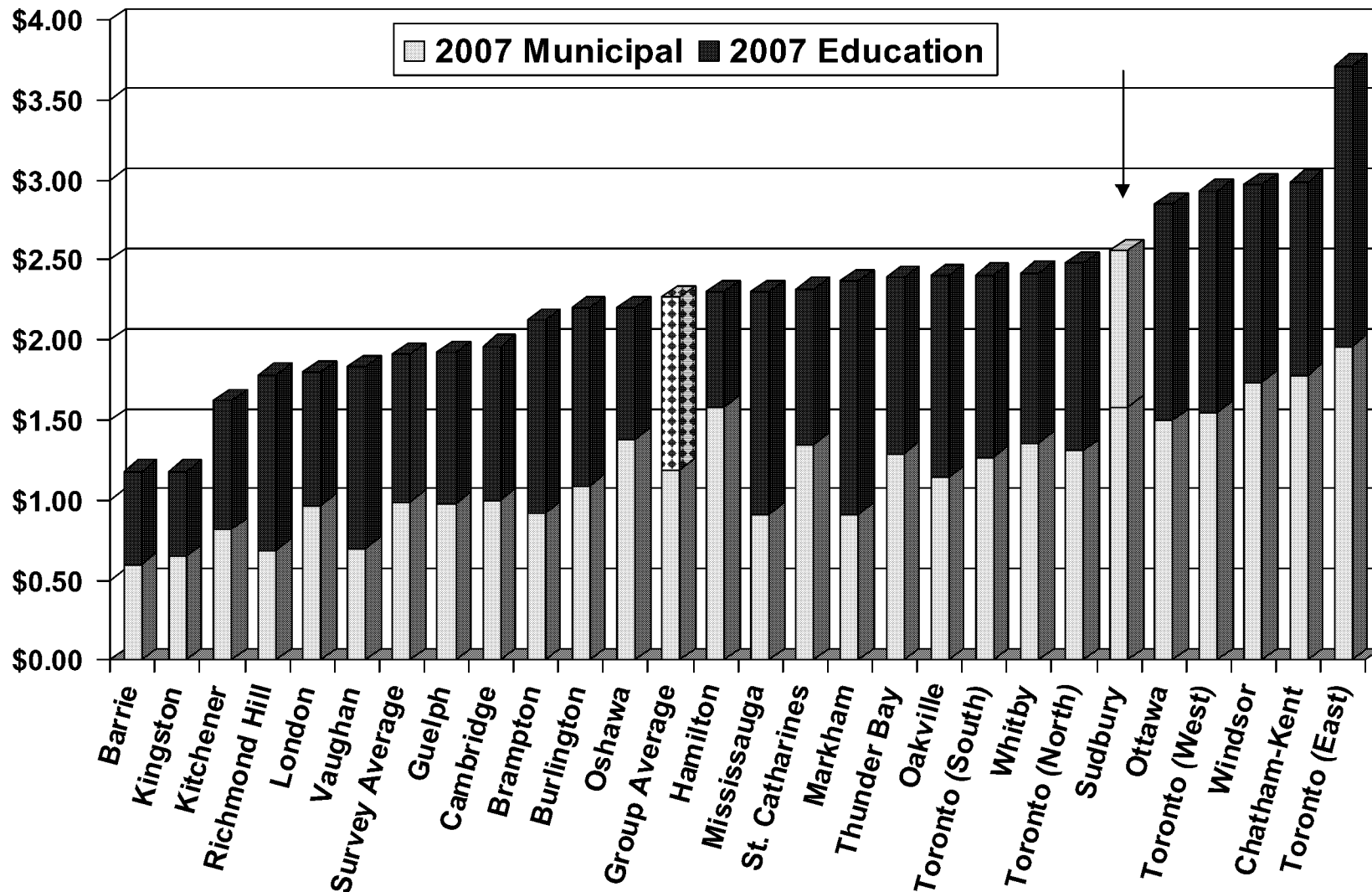
**Low**

Neighbourhood Shopping

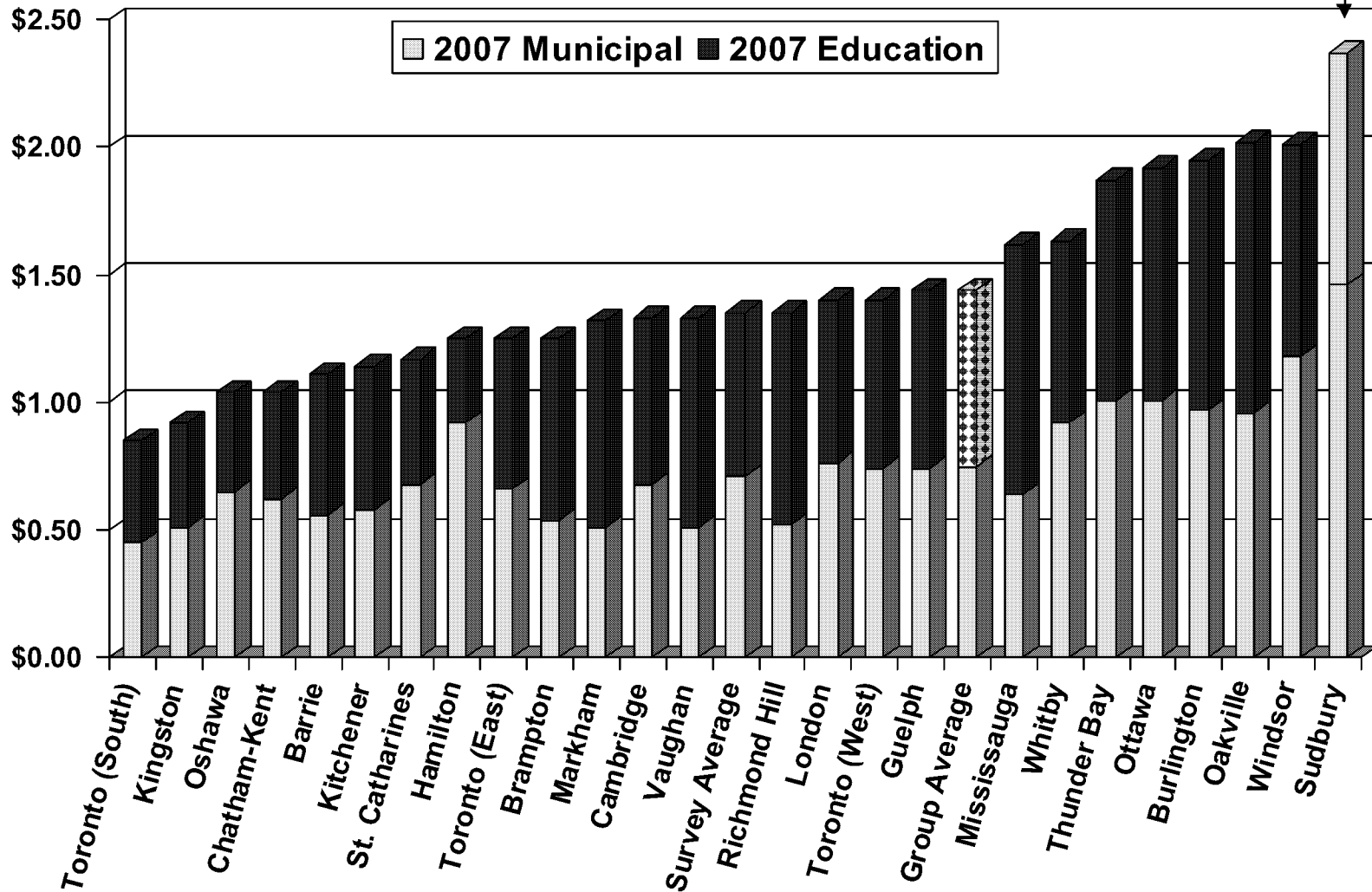
**Mid-High**

Hotel/Motel

# Industrial Standard (\$ per sq. ft.)



# Large Industrial (\$ per sq. ft.)



## Industrial - Summary

- ❑ In relation to the other 79 municipalities in the survey, Sudbury's relative tax position for industrial classes are:

**High**

- ❑ In relation to municipalities 100,000 or greater, Sudbury is also "high"

**High**



## “Like” Property Comparison: Summary

<b>Municipality</b>	<b>Residential</b>	<b>Multi-Residential</b>	<b>Commercial</b>	<b>Industrial</b>
Sudbury Full Survey	low	low	mid-high	high
Sudbury 100,000 + Survey	low	low	mid-high	high



# Comparison of Water/Sewer Costs

2007 Municipal Study

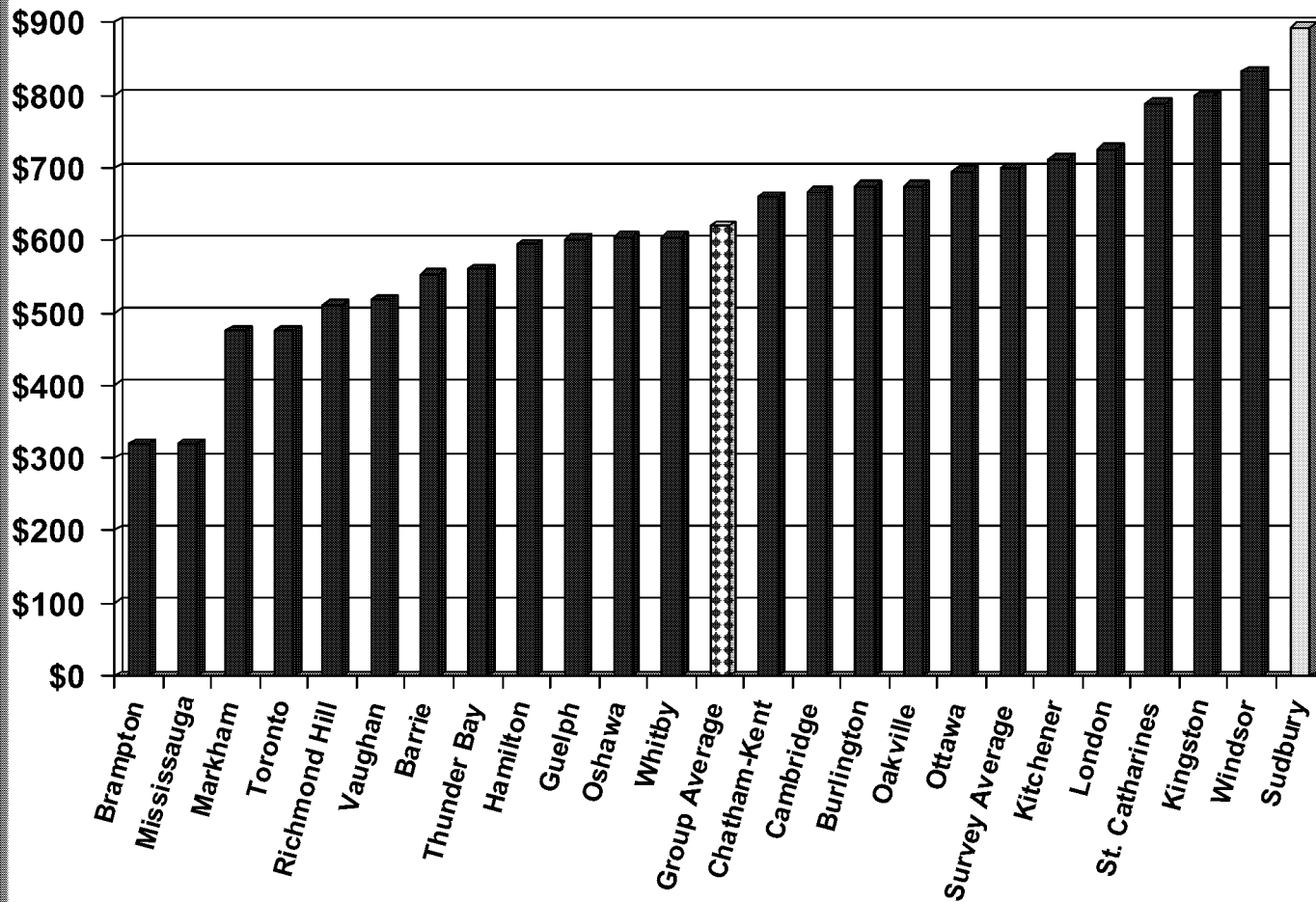
**BMA**  
Management Consulting Inc.

# Water/Sewer Cost Summary

<b>Municipality - Water &amp; Sewer Costs</b>						
<b>Volume Meter Size</b>	<b>Residential 300 m3 5/8"</b>	<b>Commercial 10,000 m3 2"</b>	<b>Industrial 30,000 m3 3"</b>	<b>Industrial 100,000 m3 4"</b>	<b>Industrial 500,000 m3 6"</b>	<b>Industrial 1,000,000 m3 6"</b>
Sudbury	\$ 894	\$ 20,178	\$ 59,195	\$ 192,499	\$ 949,271	\$ 1,891,950
Survey Average	\$ 700	\$ 18,598	\$ 54,745	\$ 176,558	\$ 871,665	\$ 1,724,486
% difference	28%	8%	8%	9%	9%	10%

- Average residential property
  - Survey average \$700
  - Sudbury \$894

# Residential Water/Sewer Cost



Sudbury's water/sewer cost of \$894 is above the survey average of \$700

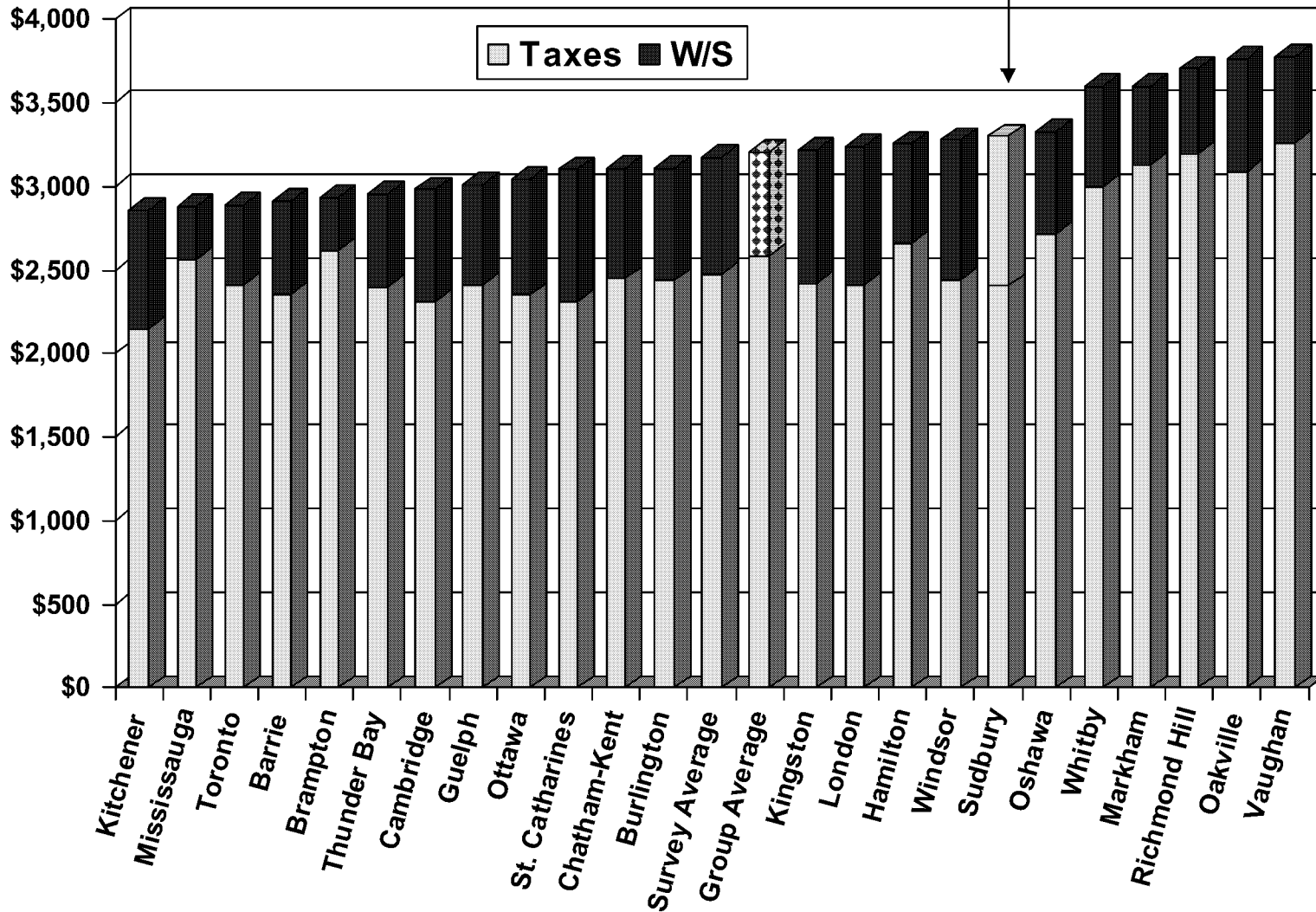
Total survey ranged from \$319-\$1,215

In comparison to municipalities 100,000 or greater, highest in the survey

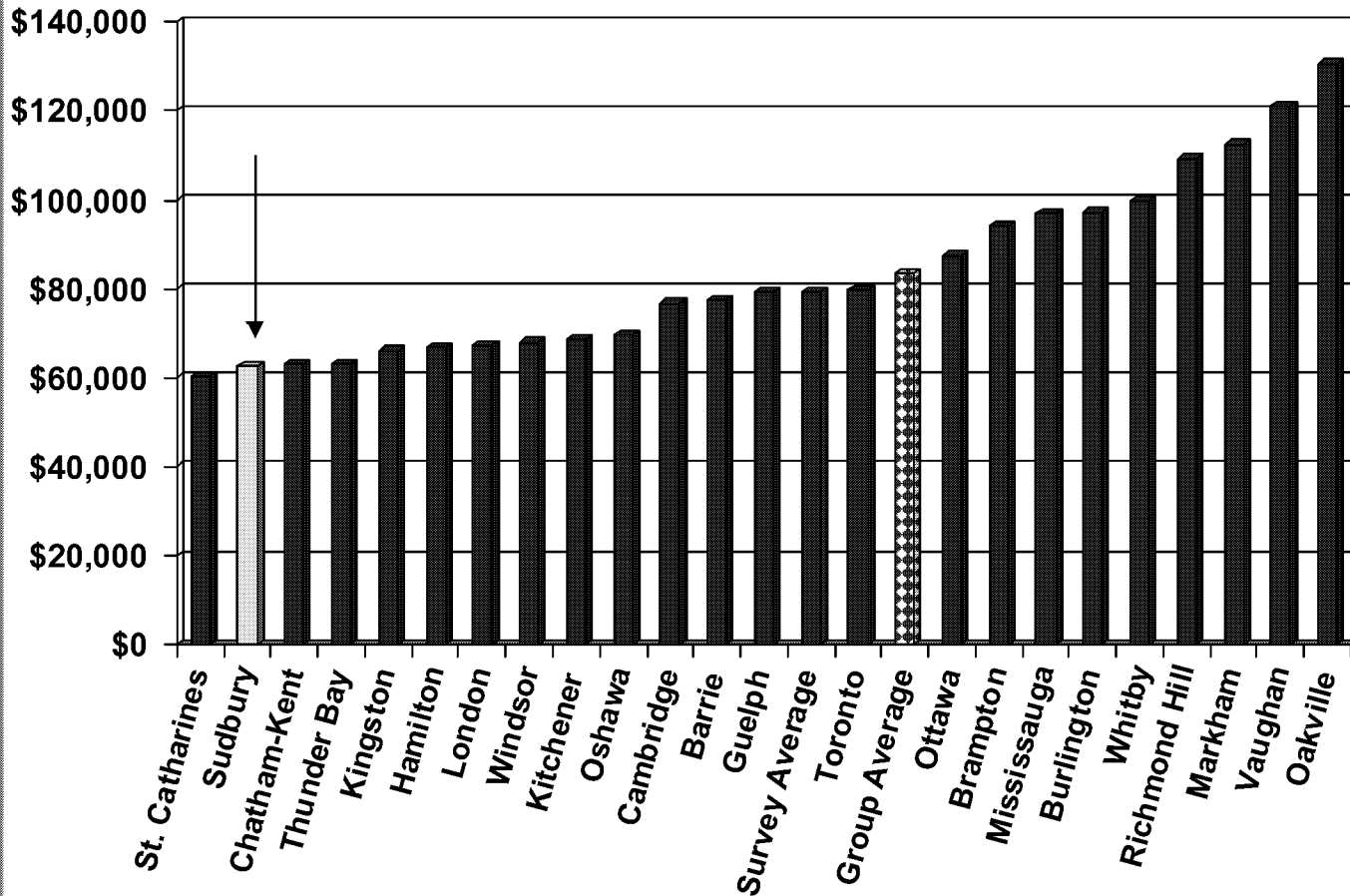


# Taxes as a % of Income

# Bungalow Taxes & Water/Sewer Rates



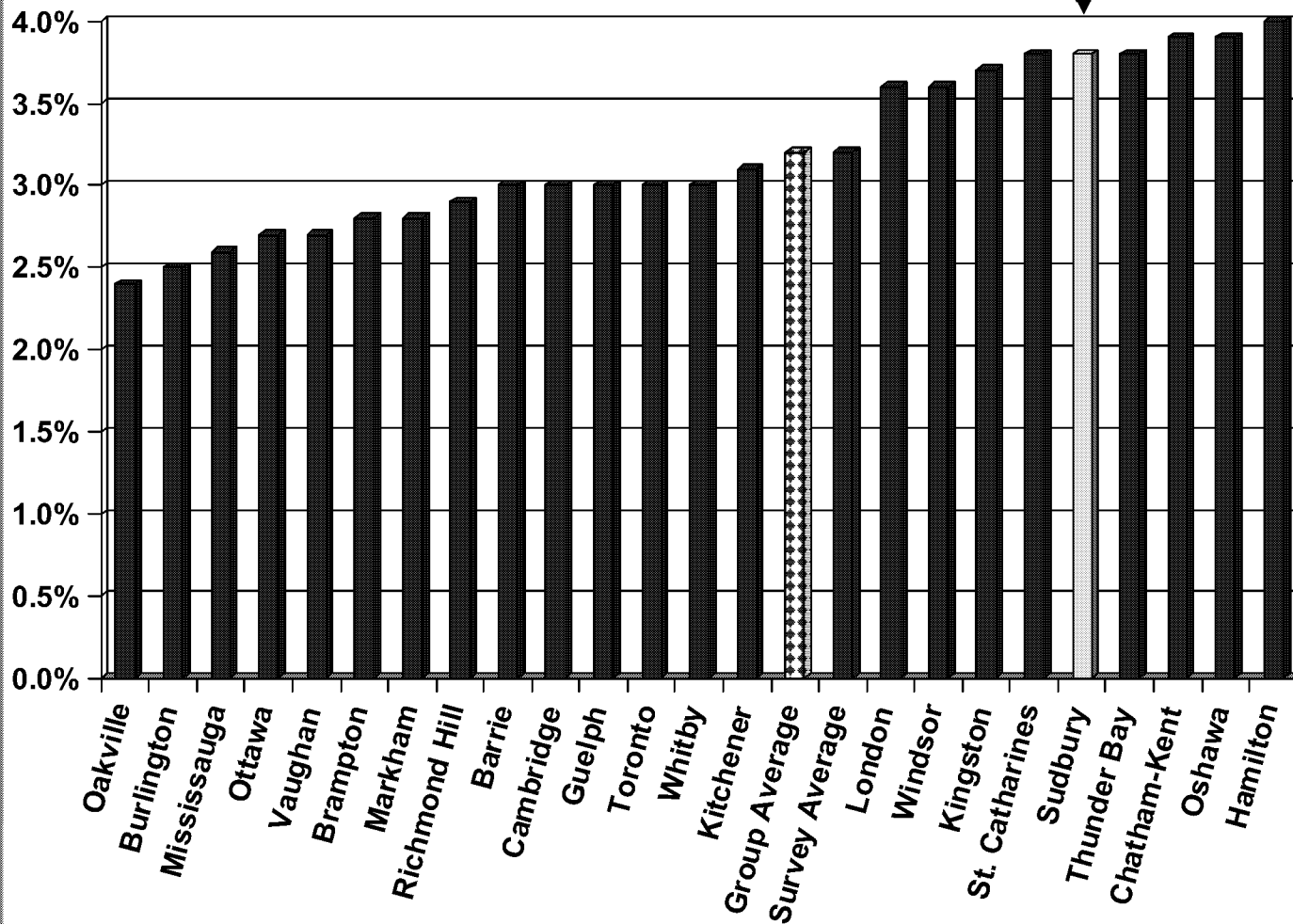
# Average Household Income



Sudbury's average household income (Financial Post 2007) was low in comparison to the total survey of 79 municipalities

Sudbury's average household income was \$62,500 compared to the survey average of \$79,304

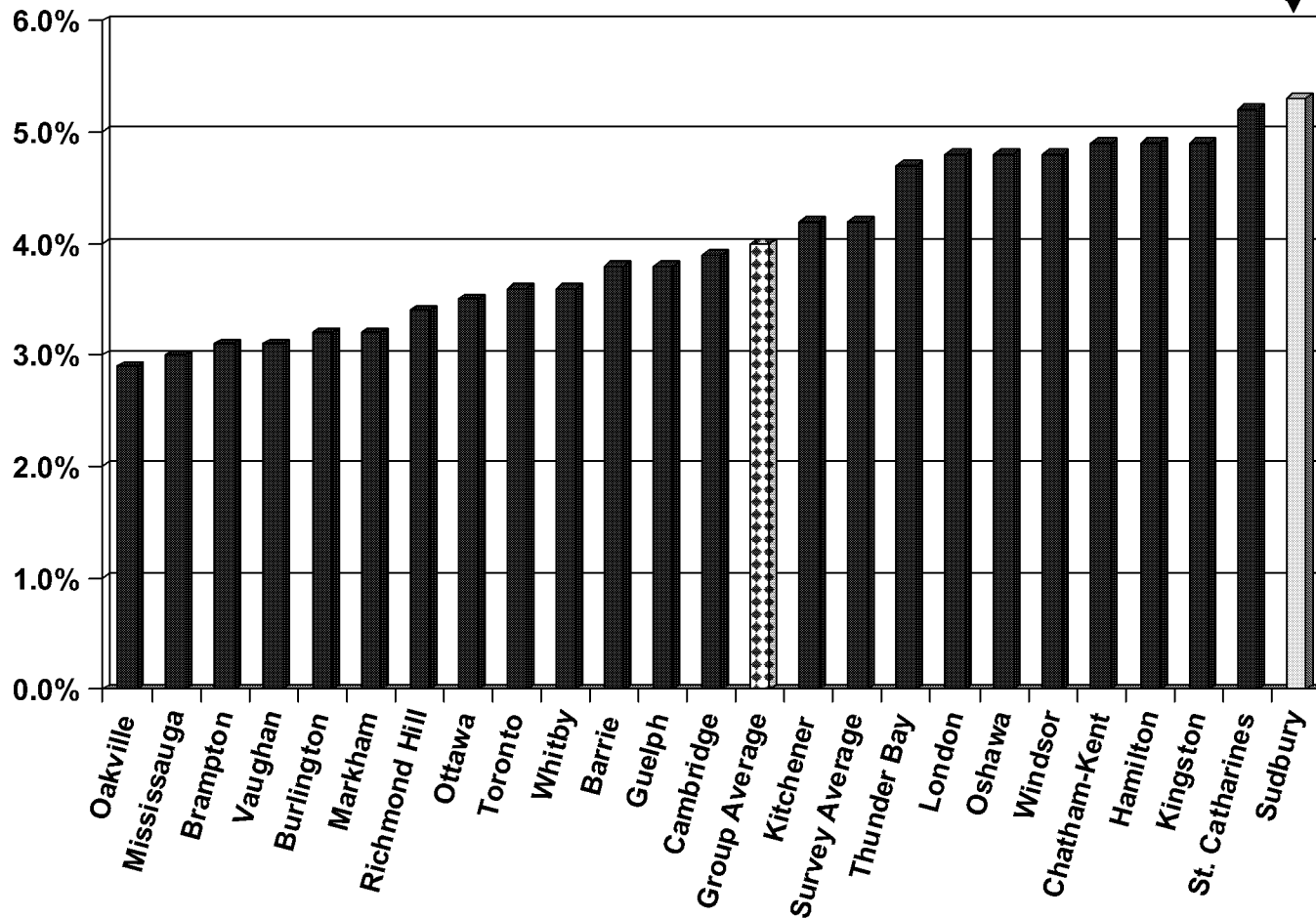
# Property Taxes as a % of Income



Sudbury's property taxes as a percentage of income (3.8%) is above the survey average of 3.2%



# Property Taxes + W/S as a % of Income



Sudbury's property taxes as a percentage of income (5.3%) is above the survey average of 4.2%

Highest in the survey of municipalities 100,000 or greater

## Sudbury Summary

- Unweighted assessment is below average - 4<sup>th</sup> lowest in the entire survey – this poses challenges in funding municipal programs and services
- Building permit activity lower than average but trending upward
- Low net municipal levy per capita
- Relatively low reserves but also low debt
- With the exception of Industrial, Tax Ratios are below the average for all classes of properties
- Low relative tax burden in residential and multi-residential classes
- Mid-High relative tax burdens in commercial and industrial
- Water/Sewer rates ranked high in all categories
- Municipal burden as percentage of income is higher than average in Sudbury driven in part by higher water/sewer costs and lower relative income levels

