

Request for Recommendation Finance Committee



Type of Decision

Meeting Date	December 5, 2005			Report Date	December 5, 2005		
Decision Requested	Yes	X	No	Priority	X	High	Low
	Direction Only			Type of Meeting	X	Open	Closed

Report Title

Comparison of Property Taxes and Water and Wastewater Costs

Policy Implication & Budget Impact

This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified.

Recommendation


FOR INFORMATION ONLY.

X

Background Attached

Recommendation Continued

Recommended by the Department

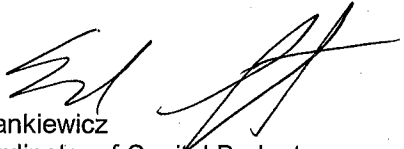

L. Hayes
Chief Financial Officer / Treasurer

Recommended by the C.A.O.


M. Mieto
Chief Administrative Officer

Date: December 5, 2005

Report Prepared By


E. Stankiewicz
Co-Ordinator of Capital Budget

Division Review

C. Mahaffy
Manager of Financial Planning and Policy

Background

At the November 30, 2005 Finance Committee meeting Councillor Rivest requested that a comparison between Sudbury and other northern Ontario communities be prepared relative to property taxes and water and wastewater costs.

2005 was the first year that all five major northern municipalities were represented in the BMA municipal study.

The attached charts, which represent the five largest northern communities; Sudbury, Thunder Bay, North Bay, Sault Ste Marie and Timmins, reflect the property taxes on a detached bungalow and water and wastewater costs for each municipality.

Chart 1 - Property Taxes

In the first chart, which compares only property taxes, Sudbury rates the lowest for residential taxes.

Chart 2 - Water and Wastewater Costs

This chart shows the high cost of water and wastewater for the consumer in Greater Sudbury. There are a number of reasons why Sudbury's expenditures are higher than the rest of the group. As mentioned previously, our geography, topography and our rock structure provide many challenges in providing these services, leading to increased costs. In addition, at least one of the other municipalities do not have full cost recovery for these services, thus reflecting a lower cost for water and wastewater. Staff are currently conducting a brief survey of the municipalities to determine whether they have a Sustainable Capital Asset Management Program (SCAMP) as Sudbury does to ensure sustainability. This program, which allows the City of Greater Sudbury to ensure that these services will be sustainable, adds approximately 2% each year to the water and wastewater charges. From 2002 to 2005 this has added \$3.5 million to water and wastewater costs and is responsible for approximately \$70 of the average bill.

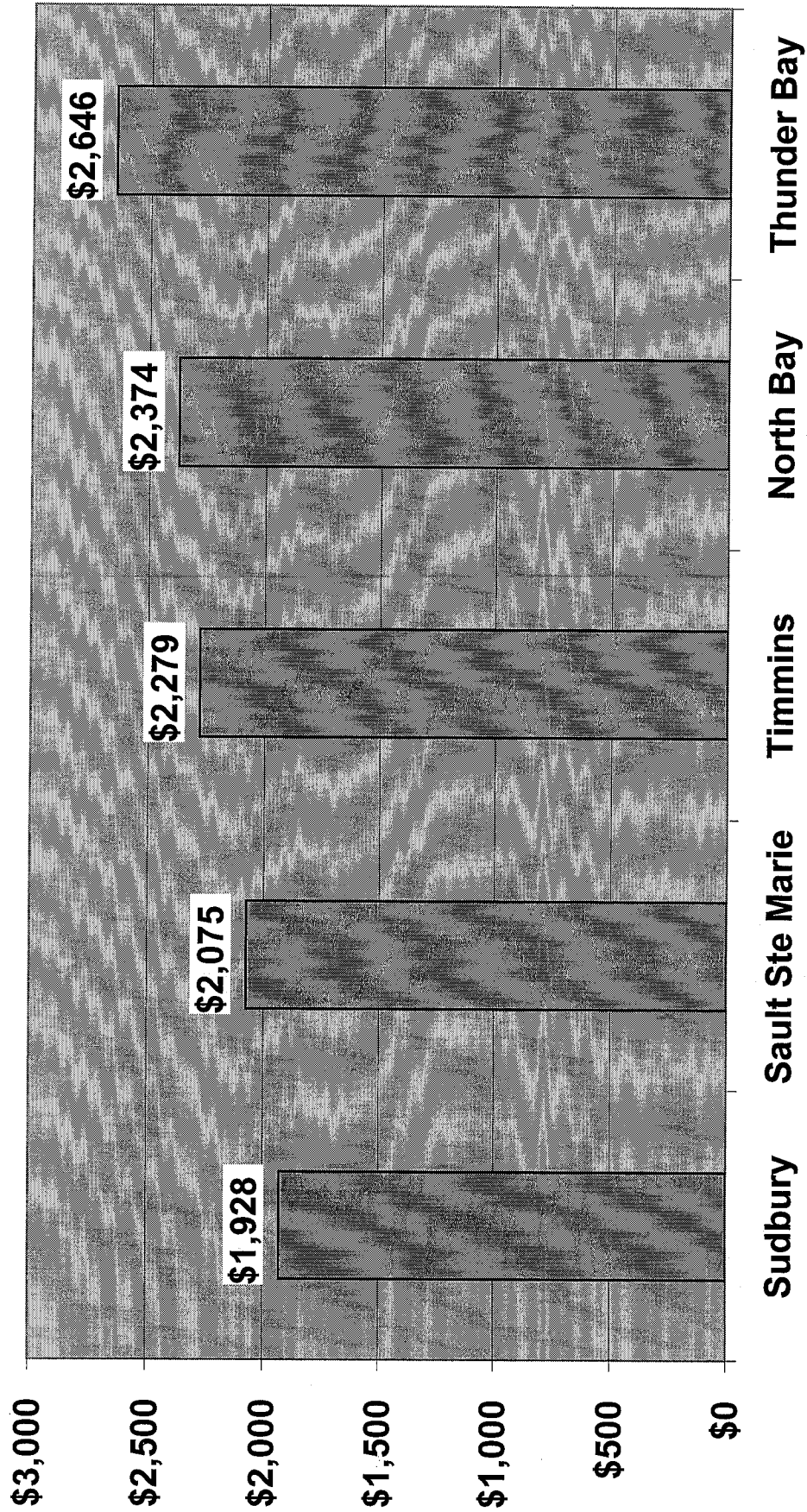
Chart 3 - Property Taxes and Water and Wastewater Costs

This final chart reflects the cost to the taxpayer when water and wastewater are combined with the property taxes. In this group the City of Greater Sudbury ranks third.

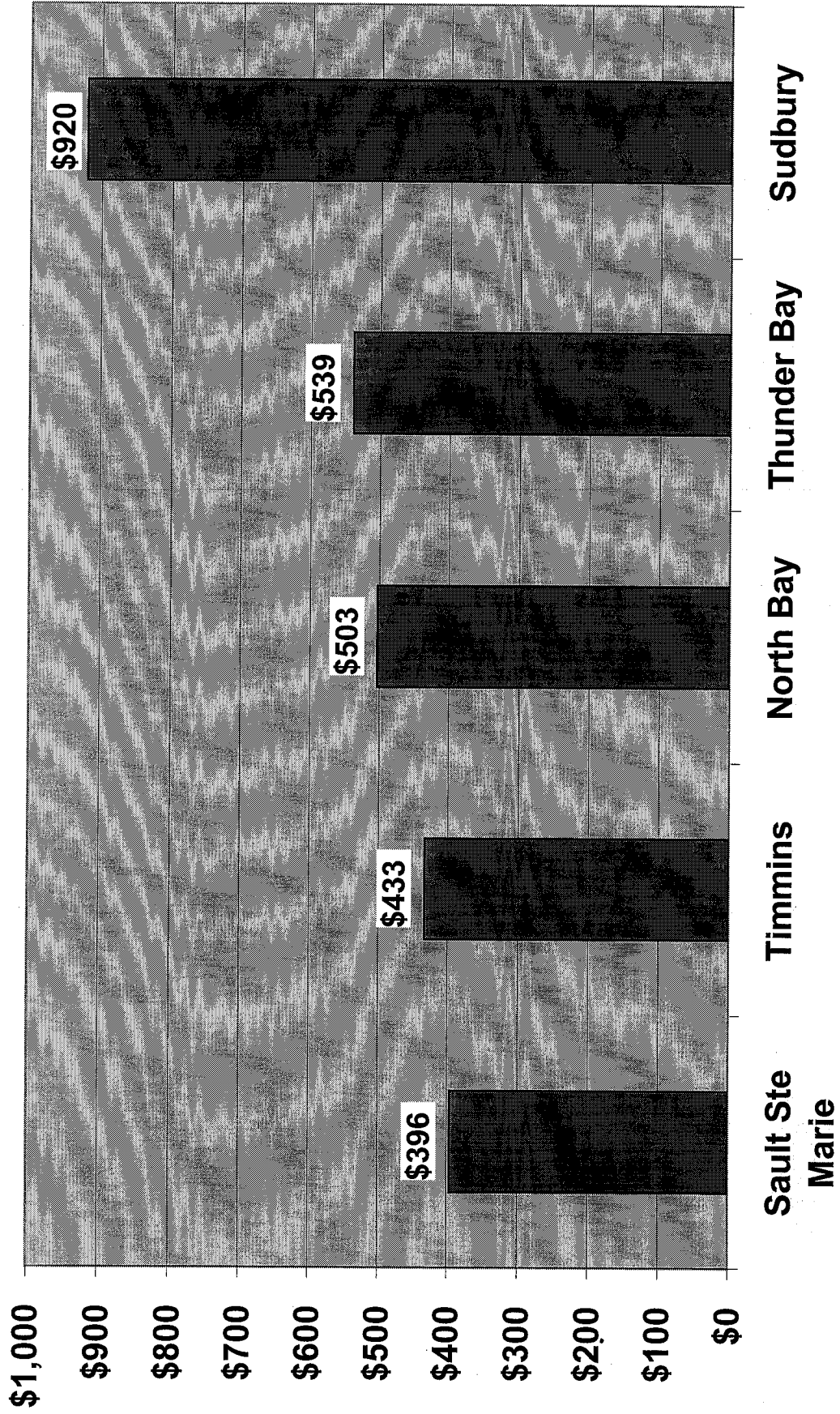
Summary

In summary, the City fairs favourably when compared to northern communities.

2005 Detached Bungalow Property Taxes



Average Water / Wastewater Cost



2005 Detached Bungalow Water/Wastewater & Property Taxes

