

SECTION 2

FINANCE COMMITTEE PRESENTATION

June 21, 2006

City of Greater Sudbury

Consolidated Municipal Financial Information December 31, 2005

Presentation to Finance Committee

By Lorella Hayes

June 21, 2006

City of Greater Sudbury



■ The Consolidated Information includes the financial activities for:

- Greater Sudbury Housing Corporation
- City of Greater Sudbury CDC
- Metro Centre Management Board
- Flour Mill BIA
- Library Board
- Greater Sudbury Police Services Board

City of Greater Sudbury



■ Equity inclusion for:

- Greater Sudbury Utilities Inc. – Net Income \$876,000
- Sudbury Airport CDC – Net Income \$219,000
- Sudbury CDC – Net Income - \$0

CICA's PSAB Generally Accepted Accounting Principles (GAAP) For Local Governments



- ◆ **Accrual Basis of Accounting**
- ◆ **Capital Assets:**
 - Capital expenditures are reported as an expenditure
 - Effective January 1, 2009 municipalities will be required to record Capital Assets on the Balance Sheet and depreciate on an annual basis.
- ◆ **Fund Accounting - Current, Capital, and Reserve Funds**
- ◆ **Changes in Accounting Policies**
 - One restatement is disclosed in note 1 (I) & explained in report for accrued financial obligations
- ◆ **Notes to Financial Statements form an integral part**

City of Greater Sudbury

Schedule of Revenue (in 000's)



	2004	2005
Revenue:		
Transfer payments	\$ 176,449	189,416
Taxation	145,232	156,098
User charges	79,576	84,226
Investment	7,854	9,223
Fines and penalties	4,891	4,969
Other	9,934	8,973
Net income of government business enterprises	(139)	1,095
	\$ 423,797	454,000

City of Greater Sudbury

Schedule of Current Expenditures



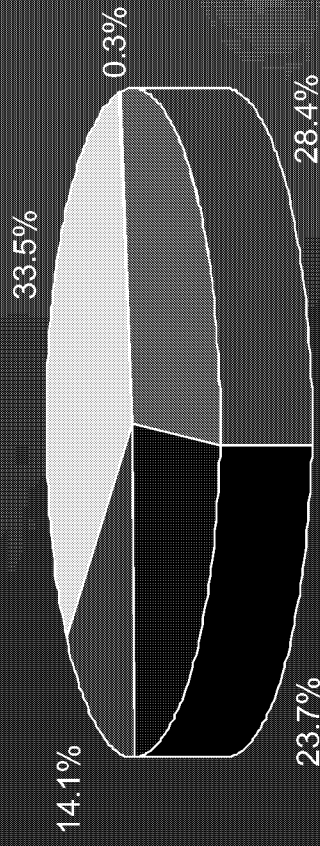
	2004	2005
General government	\$ 16,087	14,663
Protection to persons and property	53,037	58,860
Transportation services	39,140	39,900
Environmental services	43,518	43,629
Health services	18,664	20,118
Social and family services	136,043	144,131
Social housing	25,604	26,366
Recreation and cultural services	26,058	26,109
Planning and economic development	8,644	9,756
	\$ 366,795	383,532

City of Greater Sudbury

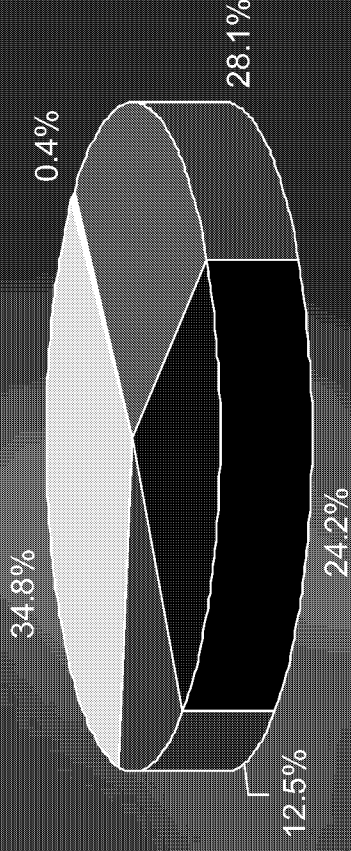
City's Expenditures



2004



2005



- Salaries, Wages, Benefits
- Long-term Debt Charges
- Current Materials, Services, Rents
- External Transfers
- Capital

City of Greater Sudbury

Schedule of Capital Expenditures



	2004	2005
General government	\$ 2,746	3,783
Protection to persons and property	3,574	3,663
Transportation services	18,947	22,505
Environmental services	18,774	15,800
Health services	758	1,895
Social and family services	9,051	1,197
Social housing	2,310	2,304
Recreation and cultural services	1,656	2,006
Planning and economic development	2,622	1,758
	\$ 60,438	54,911

City of Greater Sudbury



Consolidated Schedule of Financial Activities

	2004	2005
Revenues	\$ 423,796	454,000
Expenditures		
Current	(366,795)	(383,532)
Capital	(60,438)	(54,911)
Excess (deficiency) of revenue over expenditures	(3,437)	15,557
Debt financing	11,950	0
Debt reduction	(3,717)	(2,863)
Employee future benefits	1,146	1,471
Solid waste post-closure liabilities	2,571	1,013
Change in fund balance	\$ 8,513	15,178

City of Greater Sudbury

Change in Fund Balances



	2004	2005
Local boards	\$ 27	5
Reserves and reserve funds	2,791	11,066
Capital	2,490	3,012
Equity in government enterprises	3,205	1,095
Change in fund balance	\$ 8,513	15,178

City of Greater Sudbury

Consolidated Financial Position



	2004	2005
Assets:		
Cash and investments	\$ 93,087	91,317
Accounts receivable	23,571	31,570
Taxes receivable	10,007	9,714
Other current assets	2,110	2,102
Long-term investments	24,165	35,637
	152,940	170,340
Inventory	830	596
Investment in government business	78,366	79,461
	\$ 232,136	250,397

City of Greater Sudbury

Consolidated Financial Position (cont'd)



	2004	2005
Liabilities:		
Accounts payable	41,181	46,625
Future obligations	43,708	46,201
Deferred revenue	9,590	6,430
Long-term liabilities	54,069	51,996
	\$ 148,548	\$ 151,252

City of Greater Sudbury



Consolidated Financial Position (cont'd)

	2004	2005
Municipal Position:		
Current	\$ 116	121
Capital	37,592	40,604
Reserves and reserve funds	63,416	74,482
Equity in government enterprises	78,366	79,461
	179,490	194,668
Amounts to be recovered:		
Reserves and reserve funds	(5,362)	(5,368)
From future revenues	(90,540)	(90,155)
Net Position	\$ 83,588	99,145

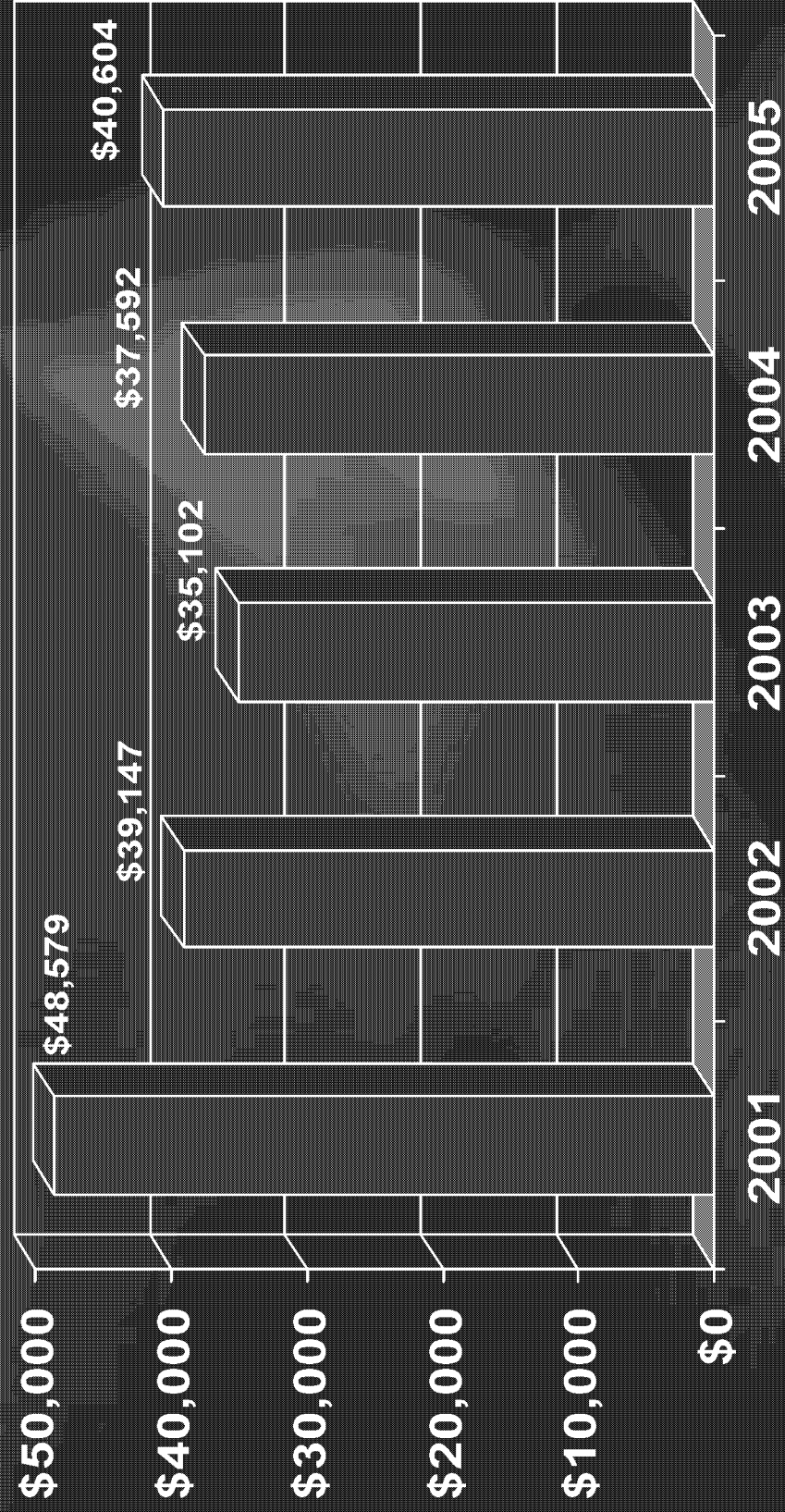
City of Greater Sudbury

Capital Fund Continuity



	2004	2005
Capital Fund balance, beginning of year	\$ 33.2M	37.6M
Add: Net unexpended capital funds	4.4	3.0
Capital Fund balance, end of year	\$ 37.6M	40.6M

Capital Fund Trends



City of Greater Sudbury

Reserve and Reserve Fund Continuity



	2004	2005
Reserve and Reserve Funds, beginning of year	\$ 60.6M	63.4M
Add: Operating Surplus (Deficit)	0.0	4.9
Add: Program specific under expenditures	2.6	4.0
Add: Interest earned by reserve funds	1.5	1.8
Add (Less): Other approved transfers	(1.3)	0.4
Reserve and Reserve Funds, end of year	\$ 63.4M	74.5M

2005 Operating Surplus - Major Variances



Supplementary and PIL Taxation	\$ 2.0M
One-time CRF reconciliation	0.8
Under-expenditures in Housing	1.4
Under-expenditures in Ontario Works	1.5
Solid Waste	1.6
Over-expenditures in Fire Services	(1.5)
Vehicle Repairs / Fleet	(0.6)
Other net items	(0.3)
Less: Council Commitments for 2006 One-time items	\$ 4.9M
	(3.0)
50/50 Contribution to Tax Rate Stabilization and Capital Finance and Reserve Fund - General	\$ 1.9M

Major Highlights - \$3 M



Homelessness	\$588,000
NDCA	\$250,000
Fire Equipment	\$245,000
Park Security	\$100,000
Rainbow Routes	\$289,000
Election	\$255,000
Prefunding Blueprint Savings	\$530,000
Maison La Paix	\$200,000

Program Specific Budget Variances



Water Reserve Fund (service funded by user fees)	\$ 1.37M
Waste Water Reserve Fund (service funded by user fees)	.89
Capital Financing Reserve Fund – Information Technology	1.01
Building Services Reserve Fund (Bill 124)	.38
Capital Financing Reserve Fund – Police Services	.23
Organization Development Reserve	.15
Reserve for Libraries / Citizen Service Centres	.01
Total	\$ 4.04M

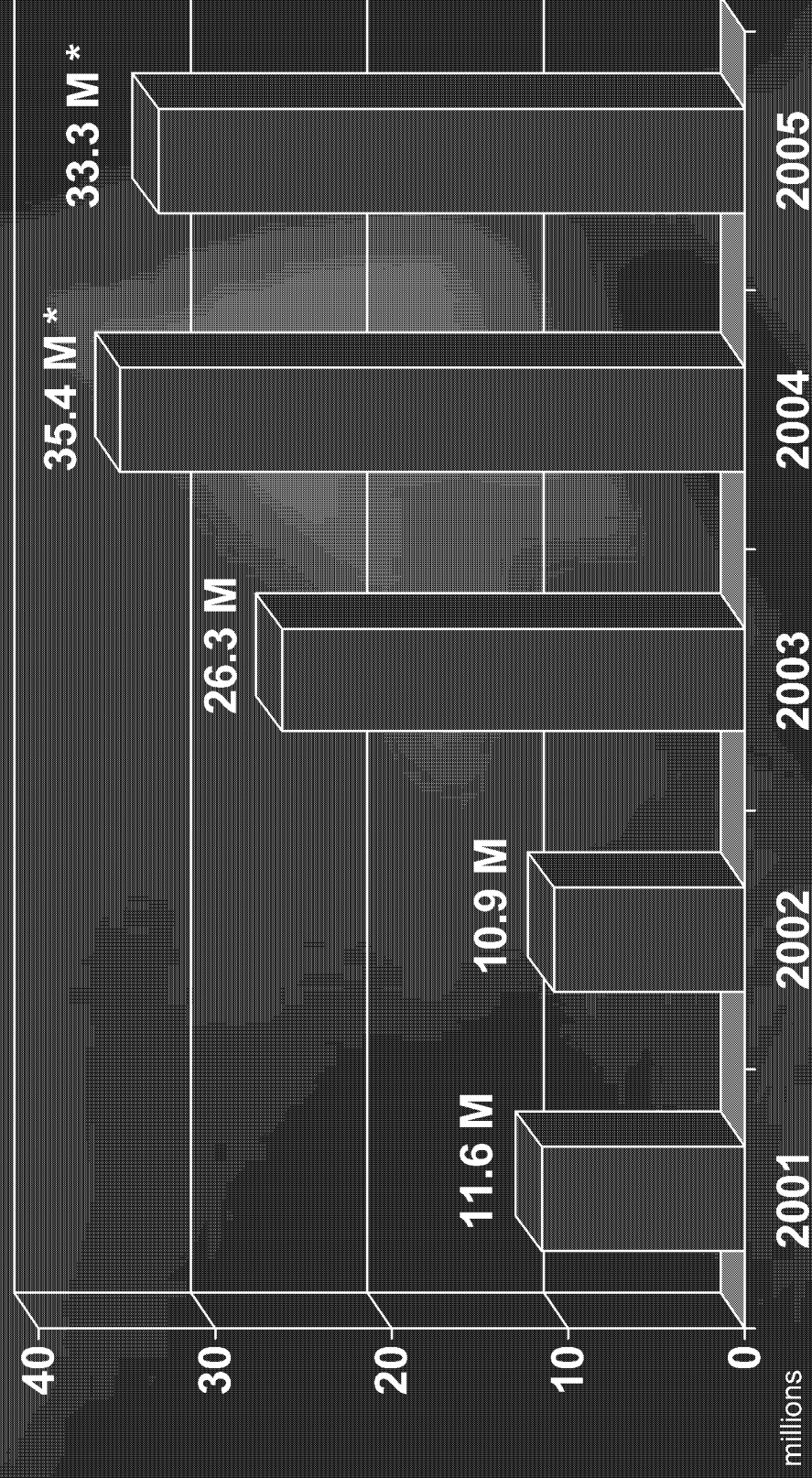
Trends in Reserve and Reserve Funds



Long Term Debt Trends



* Excludes financial obligations for grant commitments



Debt to Reserves Ratio



	CGS Debt to Reserves Ratio	BMA Study Avg Debt to Reserves Ratio
2001	0.2	N/A
2002	0.2	0.7
2003	0.4	0.8
2004	0.5	0.8
2005	0.5	N/A