

## Corporate Rev and Exp Summary

### Operating Budget Summary

Description

### 2013 Operating Budget

	2012	2013
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	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		457	457	-	0	457	-
<b>Revenues</b>							
Levies	(10,060,595)	(10,173,140)	(10,158,400)	0.1	0	(10,158,400)	0.1
Provincial Grants & Subsidies	(36,062,000)	(36,043,343)	(34,963,400)	3.0	0	(34,963,400)	3.0
User Fees	0	0	0	-	0	0	-
Investment Earnings	(10,524,872)	(9,674,872)	(10,017,379)	(3.5)	0	(10,017,379)	(3.5)
Contr from Reserve and Capital	(1,556,545)	(1,556,545)	0	100.0	0	0	100.0
Other Revenues	(2,925,000)	(2,898,003)	(2,920,000)	(0.8)	0	(2,920,000)	(0.8)
<b>Total Revenues</b>	<b>(61,129,012)</b>	<b>(60,345,903)</b>	<b>(58,059,179)</b>	<b>3.8</b>	<b>0</b>	<b>(58,059,179)</b>	<b>3.8</b>
<b>Expenses</b>							
Salaries & Benefits	16,640	16,640	16,557	(0.5)	0	16,557	(0.5)
Materials - Operating Expenses	2,532,554	2,547,806	2,547,806	-	0	2,547,806	-
Equipment Expenses	35,000	102,240	0	(100.0)	0	0	(100.0)
Purchased/Contract Services	0	0	0	-	0	0	-
Debenture & Insurance Costs	2,000,000	2,000,000	2,000,000	-	0	2,000,000	-
Grants - Transfer Payments	361,345	361,345	304,800	(15.6)	86,317	391,117	8.2
Contr to Reserve and Capital	45,000	45,000	45,000	-	0	45,000	-
<b>Total Expenses</b>	<b>4,990,539</b>	<b>5,073,031</b>	<b>4,914,163</b>	<b>(3.1)</b>	<b>86,317</b>	<b>5,000,480</b>	<b>(1.4)</b>
<b>Net Budget</b>	<b>(56,138,473)</b>	<b>(55,272,872)</b>	<b>(53,145,016)</b>	<b>3.8</b>	<b>86,317</b>	<b>(53,058,699)</b>	<b>4.0</b>

## **CORPORATE REVENUE AND EXPENDITURES**

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This section of the budget records all general or non-departmental revenues and expenses of the Municipality including:

- Tax write offs, Provincially mandated tax rebates
- Payment in lieu of taxation
- Supplementary taxes
- Elderly tax assistance
- Grants and subsidies
- Investment income
- Interest on tax arrears
- Greater Sudbury Utility (GSU) interest revenue
- Slot revenue
- United Way campaign
- Certain grants to non-profit organizations
- Commitment to Northern Ontario School of Architecture
- Contribution to Health Sciences North

**2013  
Operating  
Budget**

<b>Operating Budget Summary</b>	
<b>Description</b>	
This section includes payments-in-lieu of taxes, power generating dams grants and revenue associated with supplementary taxation. This section also includes tax write offs, elderly tax assistance, which is a \$200 rebate for qualifying homeowners. Provincially mandated programs for vacancy rebates and charity rebates are funded from this section.	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
<b>Revenues</b>							
Levies	(10,060,595)	(10,173,140)	(10,158,400)	0.1	0	(10,158,400)	0.1
Provincial Grants & Subsidies	(622,400)	(603,743)	(622,400)	(3.1)	0	(622,400)	(3.1)
Other Revenues	(45,000)	(45,000)	(45,000)	-	0	(45,000)	-
<b>Total Revenues</b>	<b>(10,727,995)</b>	<b>(10,821,883)</b>	<b>(10,825,800)</b>	<b>-</b>	<b>0</b>	<b>(10,825,800)</b>	<b>-</b>
<b>Expenses</b>							
Materials - Operating Expenses	2,520,000	2,535,252	2,535,252	-	0	2,535,252	-
Grants - Transfer Payments	232,000	232,000	232,000	-	0	232,000	-
Contr to Reserve and Capital	45,000	45,000	45,000	-	0	45,000	-
<b>Total Expenses</b>	<b>2,797,000</b>	<b>2,812,252</b>	<b>2,812,252</b>	<b>-</b>	<b>0</b>	<b>2,812,252</b>	<b>-</b>
<b>Net Budget</b>	<b>(7,930,995)</b>	<b>(8,009,631)</b>	<b>(8,013,548)</b>	<b>-</b>	<b>0</b>	<b>(8,013,548)</b>	<b>-</b>

## TAXATION LEVY

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### Levies

As previously reported to Council, a positive variance of \$200,000 for Federal and Provincial payments in lieu of taxation will occur for 2012. The 2013 budget has been increased to reflect the 2012 actual payments in lieu received plus an anticipated 2013 increase.

In an effort to offset the shortfall in OMPF grant funding for the 2012 budget, supplementary taxation revenue was increased by \$400,000 to \$3.2 Million. As Council was informed, this was an aggressive estimate based on historical trends of supplementary property assessments. In previous years, the backlog of valuating properties from increased development resulted in considerable revenue as the supplementary rolls provided supplementary and omitted assessments for up to 3 years (current and 2 previous years) on a large number of properties and this resulted in significant positive variances. For 2012, this no longer appears to be the case. The City will be receiving 2 supplementary rolls in November and December. Based on the review of MPAC preliminary data it appears that for the most part the supplementary rolls are reflecting the current year and sometimes one previous year. As a result, it appears that the projected actual will be \$300,000 less than budgeted for 2012. Staff has reduced this budget for 2013 accordingly. Revised estimates will be provided to the Finance and Administration Committee as more up to date information is received.

**2013  
Operating  
Budget**

<b>Operating Budget Summary</b>	
<b>Description</b>	
<p>This area reflects all components of funding under the Ontario Municipal Partnership Fund (OMPF) with the exception of the Social Programs Grant.            These components consist of:            -Assessment Equalization Grant            -Northern Grant            -Special One-time funding to Stabilize Grant            -Transitional Grant            The Social Program component of the grant resides in the Community Development section as it reflects funding relative to the Social Programs expenditures combined in that section.</p>	

	2012		Base Budget	2013			
	Projected Actual	Budget		% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
<b>Revenues</b>							
Provincial Grants & Subsidies	(35,439,600)	(35,439,600)	(34,341,000)	3.1	0	(34,341,000)	3.1
Contr from Reserve and Capital	0	0	0	-	0	0	-
<b>Total Revenues</b>	<b>(35,439,600)</b>	<b>(35,439,600)</b>	<b>(34,341,000)</b>	<b>3.1</b>	<b>0</b>	<b>(34,341,000)</b>	<b>3.1</b>
<b>Net Budget</b>	<b>(35,439,600)</b>	<b>(35,439,600)</b>	<b>(34,341,000)</b>	<b>3.1</b>	<b>0</b>	<b>(34,341,000)</b>	<b>3.1</b>

# GRANTS AND SUBSIDIES

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## Revenues

### **Provincial Grants and Subsidies**

The 2013 OMPF allocation notice was received from the Ministry of Finance in November 2012 and resulted in an increase of approximately \$1.3 million more than management's estimate in the base budget tabled on November 6th. As a result, the additional OMPF funding was used to pay for the following 2013 one-time budget options:

- Homelessness operational top-up – \$194,000
- Physician & Nurse Practitioner recruitment incentive program – \$200,000
- Crime Stoppers grant – \$50,000
- Capreol Waterfront Community Improvement Plan (CIP) – \$35,000
- Levack Onaping CIP – \$35,000
- Learning City initiative program – \$35,000
- Roads maintenance funding – \$425,000
- Balance applied to reduce taxation - \$368,239

Overall, the OMPF grant declined as a result of continued upload of Ontario Works benefits, and upload of court security. For 2013, the City will receive \$34.3 million, down from \$35.4 million in 2012.



Other Revenues and Expenses

**2013  
Operating  
Budget**

Operating Budget Summary	
Description	
Approved Budget Options: 1) Provide an annual grant to St. Gabriel's Villa for property tax relief of 15%	
2) Provide Crime Stoppers with a one time grant	
3) Provide an annual grant to the Alzheimer Society for taxes to be paid equivalent to residential rates	

	2012		2013				
	Projected Actual	Budget	Base Budget	% 2012 Budget	Approved Budget Options	Approved Budget	% 2012 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		457	457	-	0	457	-
<b>Revenues</b>							
User Fees	0	0	0	-	0	0	-
Investment Earnings	(10,524,872)	(9,674,872)	(10,017,379)	(3.5)	0	(10,017,379)	(3.5)
Contr from Reserve and Capital	(1,556,545)	(1,556,545)	0	100.0	0	0	100.0
Other Revenues	(2,880,000)	(2,853,003)	(2,875,000)	(0.8)	0	(2,875,000)	(0.8)
<b>Total Revenues</b>	<b>(14,961,417)</b>	<b>(14,084,420)</b>	<b>(12,892,379)</b>	<b>8.5</b>	<b>0</b>	<b>(12,892,379)</b>	<b>8.5</b>
<b>Expenses</b>							
Salaries & Benefits	16,640	16,640	16,557	(0.5)	0	16,557	(0.5)
Materials - Operating Expenses	12,554	12,554	12,554	-	0	12,554	-
Equipment Expenses	35,000	102,240	0	(100.0)	0	0	(100.0)
Purchased/Contract Services	0	0	0	-	0	0	-
Debenture & Insurance Costs	2,000,000	2,000,000	2,000,000	-	0	2,000,000	-
Grants - Transfer Payments	129,345	129,345	72,800	(43.7)	86,317	159,117	23.0
Contr to Reserve and Capital	0	0	0	-	0	0	-
<b>Total Expenses</b>	<b>2,193,539</b>	<b>2,260,779</b>	<b>2,101,911</b>	<b>(7.0)</b>	<b>86,317</b>	<b>2,188,228</b>	<b>(3.2)</b>
<b>Net Budget</b>	<b>(12,767,878)</b>	<b>(11,823,641)</b>	<b>(10,790,468)</b>	<b>8.7</b>	<b>86,317</b>	<b>(10,704,151)</b>	<b>9.5</b>

## OTHER REVENUES AND EXPENSES

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This section contains investment earnings, slots revenue, interest earned on taxes, utility and own projects.

Also, included in this section is the City's commitment to the Northern Ontario School of Architecture of \$1 Million per year ending in 2019 and the contribution to Health Sciences North of \$1 Million per year until 2023 as well as CGS's role in contributing to the annual United Way Campaign.

### Variance Explanations:

#### **Contribution from Reserve / Grants – Transfer Payments**

In 2012 there was a one-time contribution from reserves totaling \$1.5 Million to fund the revenue shortfall of the Ontario Municipal Partnership Fund. More specifically, a draw from the Human Resources Management Reserve for \$500,000 and a one time contribution from the Tax Rate Stabilization Reserve of \$1 Million was approved. There was also a one-time option to provide a grant to Vale Inco Hospice for 2008-2010 property taxes in the amount of \$56,545, funded from Tax Rate Stabilization Reserve. These contributions reduced the 2012 tax levy and have been removed from the 2013 budget.

#### **Equipment Expenses**

Sufficient funding exists with the corporate infrastructure capital envelope, and thus the annual operating equipment budget allocation has been reduced in the 2013 budget. This funding has been transferred to Capital to fund the fire capital shortfall.

#### **Investment earnings**

As a result of the uncertainty of the global economic conditions, the bond market has been volatile allowing the City to sell bonds which has resulted in additional capital gains in the amount of approximately \$750,000. In addition, the interest earned on tax arrears has exceeded budgeted expectations resulting in an overall projected surplus of approximately \$850,000.

The 2013 Budget has been increased by approximately \$340,000 based on cash flow projections and expected rate of return.

### Approved Budget Options:

The following options have been approved for inclusion in the 2013 budget:

- Provide an annual grant to St. Gabriel's Villa for property tax relief of \$25,317.
- Provide a one-time grant to Crime Stoppers for \$50,000.
- Provide an annual grant of \$11,000 to the Alzheimer's Society to reduce their property taxes to be equivalent of residential taxes.



<b>CGS Budget Option</b>		<b>Year:</b>	2013
<b>Category:</b> Council/Committee Resolution	<b>Type:</b> Enhancement	<b>Fund:</b> Operating	
<b>Department:</b> 0120 Other Revenues	<b>Division:</b> Corporate Revenue-Expenditure		
<b>Request:</b> Provide an annual grant to St Gabriel's Villa for property tax relief of 15%			
<b>Description/Impact:</b>			
At the Finance & Administration Committee meeting on Sept 18, 2012, staff was directed to prepare a budget option to provide a grant to Villa St. Gabriel Villa in regards to a request from St. Joseph's Health Centre for a grant representing a property tax rebate of 15% (portion not funded by Ministry) for 2013 and future years in the amount of \$25,317.			
<b>Impact on Staffing (Negative if Reduction)</b>		<b>Net Budget Increase (Negative if Reduction)</b>	
<b>Full Time Postion(s):</b>	0	<b>Permanent:</b>	\$25,317
		<b>One-time:</b>	\$0
		<b>Notes:</b>	

**Status:** Approved

**CGS Budget Option**

**Year:** 2013

**Category:** Council/Committee Resolution

**Type:** Enhancement

**Fund:** Operating

**Department:** 0120 Other Revenues

**Division:** Corporate Revenue-Expenditure

**Request:** Provide Crime Stoppers with a one time grant

**Description/Impact:**

Sudbury Crime Stoppers has requested funding from the City to replace lost funding previously received through court diversions.

Sudbury Crime Stoppers believes this funding will accomplish two council goals:

1. Continue to take Sudbury along the path of a "Safe Community"
2. Maintain fiscal responsibility by ensuring that money spent in one area will eliminate the need to spend perhaps even more money in another area.

Police Services currently provides facilities and personnel to support this organization.

Impact on Staffing (Negative if Reduction)	Net Budget Increase (Negative if Reduction)
<p><b>Full Time Postion(s):</b> 0</p>	<p><b>Permanent:</b> \$0</p> <p><b>One-time:</b> \$50,000</p> <p><b>Notes:</b> Option funded from OMPF surplus</p>

**Status:** Approved

<b>CGS Budget Option</b>	<b>Year:</b> 2013
<b>Category:</b> Council/Committee Resolution	<b>Type:</b> Enhancement <b>Fund:</b> Operating
<b>Department:</b> 0120 Other Revenues	<b>Division:</b> Corporate Revenue-Expenditure
<b>Request:</b> Provide annual grant to the Alzheimer Society for taxes to be paid equivalent to residential rates	
<b>Description/Impact:</b>	
At the Finance & Administration Committee meeting on November 28, 2012, staff was directed to prepare a budget option to provide an annual grant equivalent to have the Alzheimer Society paying it tax obligation as if it was at the residential tax rate after the application of the charity rebate.	
<b>Impact on Staffing (Negative if Reduction)</b>	<b>Net Budget Increase (Negative if Reduction)</b>
<b>Full Time Postion(s):</b> 0	<b>Permanent:</b> \$11,000 <b>One-time:</b> \$0 <b>Notes:</b>

**Status:** Approved