



Greater Grand
Sudbury

Budget 15

Corporate Revenues and Expenses



Corporate Rev and Exp Summary

2015 Operating Budget

Operating Budget Summary	
Description	

	2014		2015				
	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		457	457	-	(457)	0	(100.0)
<u>Revenues</u>							
Levies	(10,092,505)	(10,584,413)	(10,110,284)	4.5	0	(10,110,284)	4.5
Provincial Grants & Subsidies	(31,456,400)	(31,456,400)	(28,468,100)	9.5	0	(28,468,100)	9.5
Licensing & Lease Revenues	(201,949)	(200,000)	(200,000)	-	0	(200,000)	-
Investment Earnings	(11,305,623)	(10,374,914)	(10,430,701)	(0.5)	0	(10,430,701)	(0.5)
Contr from Reserve and Capital	(56,000)	(300,000)	0	100.0	(5,999,090)	(5,999,090)	(1,899.7)
Other Revenues	(2,701,575)	(2,645,000)	(2,495,000)	5.7	(1,250,000)	(3,745,000)	(41.6)
Total Revenues	(55,814,052)	(55,560,727)	(51,704,085)	6.9	(7,249,090)	(58,953,175)	(6.1)
<u>Expenses</u>							
Salaries & Benefits	16,500	23,619	24,123	2.1	(24,123)	0	(100.0)
Materials - Operating Expenses	2,340,637	2,582,554	2,172,554	(15.9)	(1,525)	2,171,029	(15.9)
Rent and Financial Expenses	280,000	245,000	245,000	-	0	245,000	-
Debt Repayment	2,100,000	2,350,000	2,100,000	(10.6)	0	2,100,000	(10.6)
Grants - Transfer Payments	338,517	369,117	282,517	(23.5)	50,000	332,517	(9.9)
Contr to Reserve and Capital	11,773	45,000	45,000	-	1,250,000	1,295,000	2,777.8
Total Expenses	5,087,427	5,615,290	4,869,194	(13.3)	1,274,352	6,143,546	9.4
Net Budget	(50,726,625)	(49,945,437)	(46,834,891)	6.2	(5,974,738)	(52,809,629)	(5.7)

CORPORATE REVENUES AND EXPENSES

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
- Ontario Municipal Partnership Fund
- Investment income
- Interest on tax arrears
- Greater Sudbury Utility (GSU) interest revenue
- OLG slot revenue
- United Way campaign
- Certain grants to non-profit organizations
- Annual contribution to Laurentian University (School of Architecture)
- Annual contribution to Health Sciences North and Northeastern Ontario Regional Cancer Centre



Revenue Summary

2015 Operating Budget

Operating Budget Summary	
Description	

2014	2015
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	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Levies	(10,092,505)	(10,584,413)	(10,110,284)	4.5	0	(10,110,284)	4.5
Provincial Grants & Subsidies	(31,456,400)	(31,456,400)	(28,468,100)	9.5	0	(28,468,100)	9.5
Other Revenues	(11,773)	(45,000)	(45,000)	-	0	(45,000)	-
Total Revenues	(41,560,678)	(42,085,813)	(38,623,384)	8.2	0	(38,623,384)	8.2
Expenses							
Materials - Operating Expenses	2,105,000	2,570,000	2,160,000	(16.0)	0	2,160,000	(16.0)
Grants - Transfer Payments	175,000	210,000	175,000	(16.7)	0	175,000	(16.7)
Contr to Reserve and Capital	11,773	45,000	45,000	-	0	45,000	-
Total Expenses	2,291,773	2,825,000	2,380,000	(15.8)	0	2,380,000	(15.8)
Net Budget	(39,268,905)	(39,260,813)	(36,243,384)	7.7	0	(36,243,384)	7.7



**2015
Operating
Budget**

Operating Budget Summary	
Description	
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 and elderly tax assistance, which is a \$275 rebate for qualifying homeowners. Provincially mandated programs for vacancy rebates and charity rebates are funded from this section.	

	2014		2015				
	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Levies	(10,092,505)	(10,584,413)	(10,110,284)	4.5	0	(10,110,284)	4.5
Other Revenues	(11,773)	(45,000)	(45,000)	-	0	(45,000)	-
Total Revenues	(10,104,278)	(10,629,413)	(10,155,284)	4.5	0	(10,155,284)	4.5
Expenses							
Materials - Operating Expenses	2,105,000	2,570,000	2,160,000	(16.0)	0	2,160,000	(16.0)
Grants - Transfer Payments	175,000	210,000	175,000	(16.7)	0	175,000	(16.7)
Contr to Reserve and Capital	11,773	45,000	45,000	-	0	45,000	-
Total Expenses	2,291,773	2,825,000	2,380,000	(15.8)	0	2,380,000	(15.8)
Net Budget	(7,812,505)	(7,804,413)	(7,775,284)	0.4	0	(7,775,284)	0.4

TAXATION LEVY

Variance Explanation:

Levies

The 2015 budget has been decreased by \$400,000 to reflect the actual 2014 supplementary taxation payments and payments in lieu of taxation received.

Materials-Operating Expenses

The 2015 budget for tax writeoffs has been decreased by \$400,000 to reflect the continued reduction in property assessment appeals and the elimination of various properties that failed tax sale.

**2015
Operating
Budget**

Operating Budget Summary	
Description	
This area reflects all components of funding under the Ontario Municipal Partnership Fund (OMPF).	

	2014		2015				
	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Provincial Grants & Subsidies	(31,456,400)	(31,456,400)	(28,468,100)	9.5	0	(28,468,100)	9.5
Total Revenues	(31,456,400)	(31,456,400)	(28,468,100)	9.5	0	(28,468,100)	9.5
Net Budget	(31,456,400)	(31,456,400)	(28,468,100)	9.5	0	(28,468,100)	9.5

GRANTS AND SUBSIDIES

As part of 2014 Provincial Budget, it was announced that the OMPF reduction would be accelerated in the 2015 allocations to municipalities. Originally, the reduction from 2014 to 2015 was to be \$25 Million, however the Ministry of Finance revised the 2015 reduction to \$35 Million. This resulted in an additional \$10 Million reduction collectively for Ontario municipalities.

The OMPF remains an important revenue source to the City's budget. The Association of Municipalities of Ontario (AMO) recognizes this and the following is an excerpt from its 2015 pre-budget submission:

"The provincial upload of many social assistance and court security costs from the property tax base has been highly beneficial to the municipal sector as a whole. Financial risk is diminished. However, the upload has affected different municipalities in different ways and the OMPF remains critically important to many municipalities."

2015 Impact to the City of Greater Sudbury	(\$ millions)
Decline in OMPF	(\$3.0)
Ontario Works Upload (Community Development Budget)	<u>\$0.8</u>
Subtotal	(\$2.2)
Court Security and Prisoner Transportation Upload (Police Budget)	<u>\$0.6</u>
Impact to the Operating Budget	<u>(\$1.6)</u>

The 2015 OMPF Allocation Notice for the City of Greater Sudbury is on the next page.

**Ontario Municipal Partnership Fund (OMPF)
2015 Allocation Notice**



City of Greater Sudbury

23103

2015 Highlights for the City of Greater Sudbury

- The City of Greater Sudbury's combined benefit of the 2015 OMPF and provincial uploads totals \$57,304,700 which is the equivalent of 26% of the City's municipal property tax revenue.
- The City's combined benefit includes:
 - \$28,468,100 through the OMPF
 - \$28,836,600 benefit resulting from the provincial uploads
- This exceeds the City's 2014 combined benefit by \$58,800 and payments received in 2004 by \$2,707,700.

A Total 2015 OMPF \$28,468,100

1. Assessment Equalization Grant	-
2. Northern Communities Grant	\$16,055,600
3. Rural Communities Grant	-
4. Northern and Rural Fiscal Circumstances Grant	\$2,357,900
5. Transitional Assistance	\$10,054,600

B 2015 Combined Benefit of OMPF and Provincial Uploads (Line B1 + Line B2) \$57,304,700

1. Total OMPF (Equal to Line A)	\$28,468,100
2. Provincial Uploads	\$28,836,600

C Other Ongoing Provincial Support \$13,730,900

1. Public Health	\$7,184,400
2. Land Ambulance	\$4,036,500
3. Provincial Gas Tax Program	\$2,510,000

D Key OMPF Data Inputs

1. Households	74,851
2. Total Weighted Assessment per Household	\$273,980
3. Rural and Small Community Measure	11.8%
4. Northern and Rural Municipal Fiscal Circumstances Index	3.5
5. 2015 Guaranteed Level of Support	90.5%
6. 2014 OMPF (Line A from 2014 Allocation Notice)	\$31,456,400

Ontario Municipal Partnership Fund (OMPF) 2015 Allocation Notice



City of Greater Sudbury

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2015 OMPF Allocation Notice - Line Item Descriptions

- A** The OMPF grants are described in detail in the OMPF Technical Guide – this document can be found on the Ministry of Finance's website at: <http://www.fin.gov.on.ca/en/budget/ompf/2015>
- A5** If applicable, reflects the amount of transitional support provided to assist the municipality in adjusting to the redesigned OMPF program.
- B1** Sum of 2015 OMPF grants. (Equal to Line A)
- B2** Estimated 2015 benefit of the Province's upload of social assistance benefit program as well as court security and prisoner transportation costs.
- C1** The estimated 2015 municipal benefit of the Province's 75 per cent share of public health funding relative to its 50 per cent share in 2004. In two-tier systems, this benefit is identified at the upper-tier level. Actual municipal savings may not correspond with the Allocation Notice due to budget approvals made by the local Boards of Health. Municipalities may provide additional funding beyond their obligated cost share. Any additional municipal funding is not included in the calculation of the public health figure.
- C2** The estimated 2015 municipal benefit of the Province's 50 per cent share of land ambulance funding is relative to its share in 2005. This incremental increase in land ambulance funding delivers on the Province's commitment to strengthen land ambulance services and maintain the 50:50 sharing of land ambulance costs. In two-tier systems, this benefit is identified at the upper-tier level.
- C3** Funding provided to the municipality through the 2014-15 provincial gas tax program.
- D2** Refers to the total assessment for a municipality weighted by the tax ratio for each class of property (including payments in lieu of property taxes retained by the municipality) divided by the total number of households.
- D3** Represents the proportion of a municipality's population that resides in rural areas or small communities. For additional information see the 2015 OMPF Technical Guide.
- D4** The northern and rural Municipal Fiscal Circumstances Index (MFCI) measures a municipality's fiscal circumstances relative to other northern and rural municipalities in the province, and ranges from 0 to 10. A lower MFCI corresponds to relatively positive fiscal circumstances, whereas a higher MFCI corresponds to more challenging fiscal circumstances. For additional information see the 2015 OMPF Technical Guide.
- D5** Represents the guaranteed level of support the municipality will receive from the Province through the 2015 OMPF. For additional information see the 2015 OMPF Technical Guide.
- D6** 2014 OMPF allocation.

Note: Provincial funding and other ongoing provincial support initiatives rounded to multiples of \$100.



Other Revenues and Expenses

2015 Operating Budget

Operating Budget Summary
Description
Approved Budget Options: 1) One time draw from reserve funds of \$2,188,240 2) One time funding from cancellation of capital projects \$3,300,000 3) Transfer of one time funding from uncommitted HCI Funds of \$510,850 from previous council 4) Set a one-time target of \$1,000,000 from the sale of Municipal properties deemed to be surplus and if realized contribute to reserve 5) Set a target to generate \$250,000 in new advertising revenue and if realized contribute to reserve 6) Recruit a volunteer for United Way or no backfilling of seconded staff 7) Provide an annual grant of \$50,000 to Crime Stoppers

	2014		2015				
	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		457	457	-	(457)	0	(100.0)
Revenues							
Licensing & Lease Revenues	(201,949)	(200,000)	(200,000)	-	0	(200,000)	-
Investment Earnings	(11,305,623)	(10,374,914)	(10,430,701)	(0.5)	0	(10,430,701)	(0.5)
Contr from Reserve and Capital	(56,000)	(300,000)	0	100.0	(5,999,090)	(5,999,090)	(1,899.7)
Other Revenues	(2,689,802)	(2,600,000)	(2,450,000)	5.8	(1,250,000)	(3,700,000)	(42.3)
Total Revenues	(14,253,374)	(13,474,914)	(13,080,701)	2.9	(7,249,090)	(20,329,791)	(50.9)
Expenses							
Salaries & Benefits	16,500	23,619	24,123	2.1	(24,123)	0	(100.0)
Materials - Operating Expenses	235,637	12,554	12,554	-	(1,525)	11,029	(12.1)
Rent and Financial Expenses	280,000	245,000	245,000	-	0	245,000	-
Debt Repayment	2,100,000	2,350,000	2,100,000	(10.6)	0	2,100,000	(10.6)
Grants - Transfer Payments	163,517	159,117	107,517	(32.4)	50,000	157,517	(1.0)
Contr to Reserve and Capital	0	0	0	-	1,250,000	1,250,000	100.0
Total Expenses	2,795,654	2,790,290	2,489,194	(10.8)	1,274,352	3,763,546	34.9
Net Budget	(11,457,720)	(10,684,624)	(10,591,507)	0.9	(5,974,738)	(16,566,245)	(55.0)

OTHER REVENUES AND EXPENSES

This section contains investment earnings, OLG slots revenue, interest earned on taxes, Greater Sudbury Utility promissory note and own projects.

Also, included in this section are the City's annual payment of the accrued financial obligations to Health Sciences North and Northeastern Ontario Regional Cancer Centre ending in 2023, Laurentian University (School of Architecture) ending in 2019 as well as CGS's role in contributing to the annual United Way Campaign.

Variance Explanation:

Contribution from Reserve and Capital / Debt Repayment / Grants – Transfer Payments

Removal of one-time funding and expenses for 2014 approved budget options for Advanced Medical Research Institute of Canada (AMRIC) and Crime Stoppers.

Approved Budget Options:

- One-time draw from reserve funds of \$2,188,240
- One-time funding from cancellation of capital projects \$3,300,000
- Transfer of one-time funding from uncommitted HCI Funds \$510,850
- Set a one-time target of \$1,000,000 from the sale of Municipal properties to be surplus and if realized contribute to reserve
- Set a target to generate \$250,000 in new advertising revenue and if realized contribute to reserve
- Recruit a volunteer for United Way or no backfilling of seconded staff. \$25,647
- Provide an annual grant of \$50,000 to Crime Stoppers

2014 Year End Projection:

Corporate Revenues and Expenses are forecasting an overall net positive variance of \$780,000.

Investment earnings is showing a positive variance of \$930,000, which is primarily the result of capital gains on the sale of investments and interest earned on tax arrears. The volatility in the bond market over the last half of 2014 has provided the opportunity to sell bonds at an appreciated value and realize capital gains. There are also other small positive variances totaling \$70,000.

Materials - operating expenses show an over expenditure of \$220,000 due to one-time costs related to the City's HST audit.

The 2014 approved budget option to provide one time funding to AMRIC of \$250,000 funded from reserve was not paid during 2014 as all the grant conditions had not been met by year end. This resulted in a variance in Contribution from Reserve and Debt payments. When all the conditions are met, the funding will be transferred from Reserve to match the payments.



0120 Other Revenues

2015
Operating
Budget

Operating Budget Summary	
Description	

	2014		2015				
	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Revenues							
Licensing & Lease Revenues	(201,949)	(200,000)	(200,000)	-	0	(200,000)	-
Investment Earnings	(11,305,623)	(10,374,914)	(10,430,701)	(0.5)	0	(10,430,701)	(0.5)
Contr from Reserve and Capital	(56,000)	(300,000)	0	100.0	(5,999,090)	(5,999,090)	(1,899.7)
Other Revenues	(2,689,802)	(2,600,000)	(2,450,000)	5.8	(1,250,000)	(3,700,000)	(42.3)
Total Revenues	(14,253,374)	(13,474,914)	(13,080,701)	2.9	(7,249,090)	(20,329,791)	(50.9)
Expenses							
Salaries & Benefits	0	0	0	-	0	0	-
Materials - Operating Expenses	235,237	11,029	11,029	-	0	11,029	-
Rent and Financial Expenses	280,000	245,000	245,000	-	0	245,000	-
Debt Repayment	2,100,000	2,350,000	2,100,000	(10.6)	0	2,100,000	(10.6)
Grants - Transfer Payments	163,517	159,117	107,517	(32.4)	50,000	157,517	(1.0)
Contr to Reserve and Capital	0	0	0	-	1,250,000	1,250,000	100.0
Total Expenses	2,778,754	2,765,146	2,463,546	(10.9)	1,300,000	3,763,546	36.1
Net Budget	(11,474,620)	(10,709,768)	(10,617,155)	0.9	(5,949,090)	(16,566,245)	(54.7)



**2015
Operating
Budget**

Operating Budget Summary	
Description	

2014		2015					
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	Projected Actual	Budget	Base Budget	% 2014 Budget	Approved Budget Options	Approved Budget	% 2014 Budget
Full Time Positions		0	0	-	0	0	-
Part Time Hours		457	457	-	(457)	0	(100.0)
<u>Expenses</u>							
Salaries & Benefits	16,500	23,619	24,123	2.1	(24,123)	0	(100.0)
Materials - Operating Expenses	400	1,525	1,525	-	(1,525)	0	(100.0)
Total Expenses	16,900	25,144	25,648	2.0	(25,648)	0	(100.0)
Net Budget	16,900	25,144	25,648	2.0	(25,648)	0	(100.0)