

Inclusive, Modern and Reliable Services



# 2023 Annual Report

For the Year Ending  
December 31, 2023



PO Box 5000, Station A  
200 Brady St.  
Sudbury, Ontario P3A 5P3

311 Live Chat  
[311.greatersudbury.ca](http://311.greatersudbury.ca)  
705.671.2489 (long distance)

[greatersudbury.ca](http://greatersudbury.ca)

 **Sudbury** Greater Grand



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# 2023 Annual Report

For the Year Ending  
December 31, 2023



**Divisions responsible for preparing the 2023  
Annual Report:**

Financial Services  
Communications and Community Engagement

# 2023 Annual Report

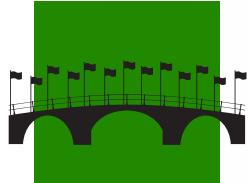
In 2023, City Council updated the Strategic Plan, which reflects the unique nature of our community and Council's key priorities. Actions to address the priorities do not reflect all the City's responsibilities to its residents and businesses, but highlight the changes Council wants to make, which it believes are fundamentally important for the community's sustainability, economic competitiveness, and quality of life.



## Asset Management and Service Excellence



## Economic Capacity and Investment Readiness



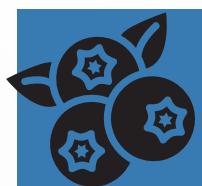
## Climate Change



## Housing



## Create a Healthier and More Vibrant Community



## Advance Caring Services Post-Pandemic



# Table of Contents

## Introduction

A Message from Mayor Paul Lefebvre .....	4
Greater Sudbury City Council .....	6
Message from Ed Archer, CAO .....	8
Executive Leadership Team .....	8
About Our Community .....	10
Measuring Performance .....	12
Municipal Benchmarking Network Canada .....	13
Awards and Recognition 2023 .....	13
Plans that Shape our Decisions .....	14
Strategic Plan .....	14
Service Areas Deliver Strategic Priorities .....	16
1.0 Asset Management and Service Excellence .....	18
2.0 Economic Capacity and Investment Readiness .....	22
Large Projects .....	24
3.0 Climate Change .....	28
4.0 Housing .....	30
5.0 Create a Healthier and More Vibrant Community .....	32
6.0 Advance Caring Services Post-Pandemic .....	36

## Financial Information

Message from Kevin Fowke, General Manager of Corporate Services .....	38
2023 Service Reporting Highlights .....	39
Financial Reporting .....	42
Financial Reporting Achievement .....	42
Annual Report and Consolidated Financial Statement .....	42
External Auditors .....	43
Audit Committee .....	43
Financial Management .....	43
Long-Term Financial Plan .....	43
Debt Financing .....	44
Sinking Fund – Outperforming Expectations .....	44
Corporate Risk .....	45
Reserves and Reserve Funds .....	46
2023 Reserves and Reserve Funds Balance .....	46
Our Benchmark .....	47
Budget Process .....	49



Water/Wastewater Budget .....	49
Financial Condition .....	50
Sustainability .....	50
Flexibility .....	51
Vulnerability .....	52
Credit Rating .....	53
2023 Financial Results .....	54
Highlights .....	54
Focus on Infrastructure Renewal .....	55
Consolidated Statement of Financial Position .....	57
Revenues .....	59
Expenses .....	61
Accumulated Surplus .....	63
Consolidated Statement of Change in Net Financial Assets .....	64

## Consolidated Financial Statements

Consolidated Financial Statements .....	65
Notes to Consolidated Financial Statements .....	75

## Sinking Fund

Financial Statements of Sinking Fund .....	111
Notes to Sinking Fund .....	118

## Trust Fund

Financial Statements of Trust Fund .....	121
Notes to Trust Fund Statements .....	128

## 2023 Statistical Information

Consolidated Statement of Financial Position .....	131
Consolidated Statement of Operations and Accumulated Surplus .....	132
Reserves and Reserve Funds .....	133
Revenue and Expense Categories .....	135

## A Message from Mayor Paul Lefebvre

I am pleased to share with you the 2023 Annual Report highlighting the City of Greater Sudbury's progress and achievements of the year. My first full year as your Mayor was extremely rewarding and provided me with the opportunity to hear from residents in all areas of our community. I am immensely proud of the achievements of our municipality over the last year and am eager to see ongoing progress over the next several years.

This term, we updated the City's Strategic Plan and developed the municipality's first multi-year budget to provide a long-term view of the vision and key priorities for our community moving forward. This allows us to invest in longer-term projects and priorities that will contribute to the growth and prosperity of our community.

One key priority is enhancing our city's economic capacity and investment readiness. In 2023 we actively engaged with local businesses, entrepreneurs and investors through the Future-Ready Development Services Committee, which identified opportunities to support development in Greater Sudbury. The municipality also launched PRONTO, a web-based electronic permitting solution for the public, providing increased transparency and efficiency in the building permit application process. Actions like these will continue to ensure that our community is ready for growth and development opportunities.

Another priority has been ensuring access to safe, affordable and suitable housing. In 2023, Greater Sudbury was awarded funding from the Province for exceeded our 2023 housing targets by 156 per cent and we are well on our way of meeting our target of creating 3,800 new units by 2031. To assist in achieving this goal, staff completed a background study in 2023 on potential official plan and zoning by-law updates to expand affordable and attainable housing options. We also began construction on several housing complexes such as a 40-unit transitional housing complex for those experiencing homelessness and who require support services, a 38-unit complex for those who are precariously housed and a 14-unit seniors' building owned and operated by the Greater Sudbury Housing Corporation. Projects like these are critical to ensuring that all residents have a safe place to live and reinforce our reputation as a compassionate and caring community.

We invested in our infrastructure to ensure the viability of existing assets while making improvements to our roads and transportation networks to support increased growth and long-term sustainability. We also worked to promote active and healthy lifestyles and reduce our environmental footprint through active transportation improvements and projects like the Paris-Notre Dame bikeway.

In further support of addressing the impacts of climate change, we developed plans to support these efforts, such as the Greater Sudbury Community Climate Change Adaptation Plan (CCCAP) and the Urban Forest Master Plan. The City's partnerships with community groups and residents are essential to ensuring a sustainable future for generations.

Moving our community forward and embracing change and growth cannot be done without a spirit of collaboration among staff, Council, the business community and residents. As your Mayor, I encourage you to get involved in engagement efforts and collaborate with us in shaping the future of our community.



**Paul Lefebvre**  
Greater Sudbury Mayor



# Our Municipality and Key Priorities



## Greater Sudbury City Council

City Council is the decision-making body for the corporation of the City of Greater Sudbury. It makes decisions about municipal services and service levels and determines how these are provided to residents.

Our Council is composed of the Mayor, who represents the city as a whole, and 12 councillors, each of whom represents a ward, or geographic area, of the community.

In early 2024, the Greater Sudbury community experienced the tragic loss of two council members, Councillor Michael Vagnini of Ward 2 and Councillor Gerry Montpellier of Ward 3. Both were devoted advocates for their communities and champions of initiatives in their respective Wards.



Michael Vagnini, Ward 2



Gerry Montpellier, Ward 3

In March 2024, City Council voted unanimously to appoint candidates from the 2022 Municipal and School Board Election to fill the two vacant Council offices. On March 19, 2024, a by-law was passed to formally appoint Eric Benoit to the office of Councillor for Ward 2 and Michel Brabant to the office of Councillor for Ward 3.

## Greater Sudbury City Council (2022-2026)

**Paul Lefebvre**  
Mayor

**Mark Signoretti**  
Ward 1

**Michael Vagnini**  
Ward 2

**Gerry Montpellier**  
Ward 3

**Pauline Fortin**  
Ward 4

**Mike Parent**  
Ward 5

**René Lapierre**  
Ward 6

**Natalie Labbée**  
Ward 7

**Al Sizer**  
Ward 8

**Deb McIntosh**  
Ward 9

**Fern Cormier**  
Ward 10

**Bill Leduc**  
Ward 11

**Joscelyne Landry-Altmann**  
Ward 12

### Beginning March 2024

**Eric Benoit**  
Ward 2

**Michel Brabant**  
Ward 3



## **Message from Ed Archer, Chief Administrative Officer**

This 2023 Annual Report describes the achievements and progress made by the City of Greater Sudbury over the last year. Through the development of new policies, progress on key projects and implementing strategies that are actively transforming the physical landscape of our community, your local government is improving municipal services and enhancing the quality of life for all who live here.

These outcomes reflect the commitment of municipal staff who work diligently to deliver the services our community needs. Their innovation, expertise and drive ensured the delivery of many innovative projects, reliable services, and customer service improvements over the last year. Together, we contribute to a community that offers opportunities, services and a lifestyle that make Greater Sudbury a desirable place to live.

A top priority has been investing in our city's aging infrastructure. In 2023, a robust capital plan ensured that significant bridge and road infrastructure projects were initiated on key corridors such as the Kingsway, the Paris Street Bridge and Notre Dame Avenue. To sustain the quality of life that Greater Sudburians enjoy, library refurbishments were completed, along with arena roof replacements, pool refurbishments, community centre upgrades and repairs to parks depots. In line with our commitment to sustainability and customer service, we invested in various transit-related projects such as bus replacements, bus rapid transit corridors and major mobility hubs to ensure public transportation meets resident needs. Many of the projects initiated in 2023 will continue into 2024 or see completion this year.

In 2023, we also prepared the City's first multi-year budget, which includes an operating budget for 2024-2025 and a capital plan from 2024-2027. This allows us to strengthen focus on City Council's key priorities and long-term outcomes.

None of these achievements would have been possible without the input and engagement of residents and collaboration with service partners.

I, along with all staff, remain dedicated to providing high quality performance, delivering ongoing improvements to customer service, and demonstrating how our services meet the daily needs of our community. I look forward to seeing the outcomes of our joint efforts in growing and enhancing our city.



**Ed Archer**  
Chief Administrative Officer

## **Executive Leadership Team**

**Ed Archer**  
Chief Administrative Officer

**Kathryn O'Leary**  
Executive Co-ordinator to  
the CAO

**Kevin Fowke**  
General Manager of  
Corporate Services

**Tony Cecutti**  
General Manager of  
Growth and Infrastructure

**Steve Jacques**  
General Manager of  
Community Development

**Joseph Nicholls**  
General Manager of  
Community Safety

**Meredith Armstrong**  
Director of Economic  
Development

**Marie Litalien**  
Director of Communications  
and Community Engagement

The Chief Administrative Officer (CAO) ensures the successful implementation of Council's decisions and leads the administration of the organization. Supported by an Executive Co-ordinator, the CAO works with a team of executive leaders.

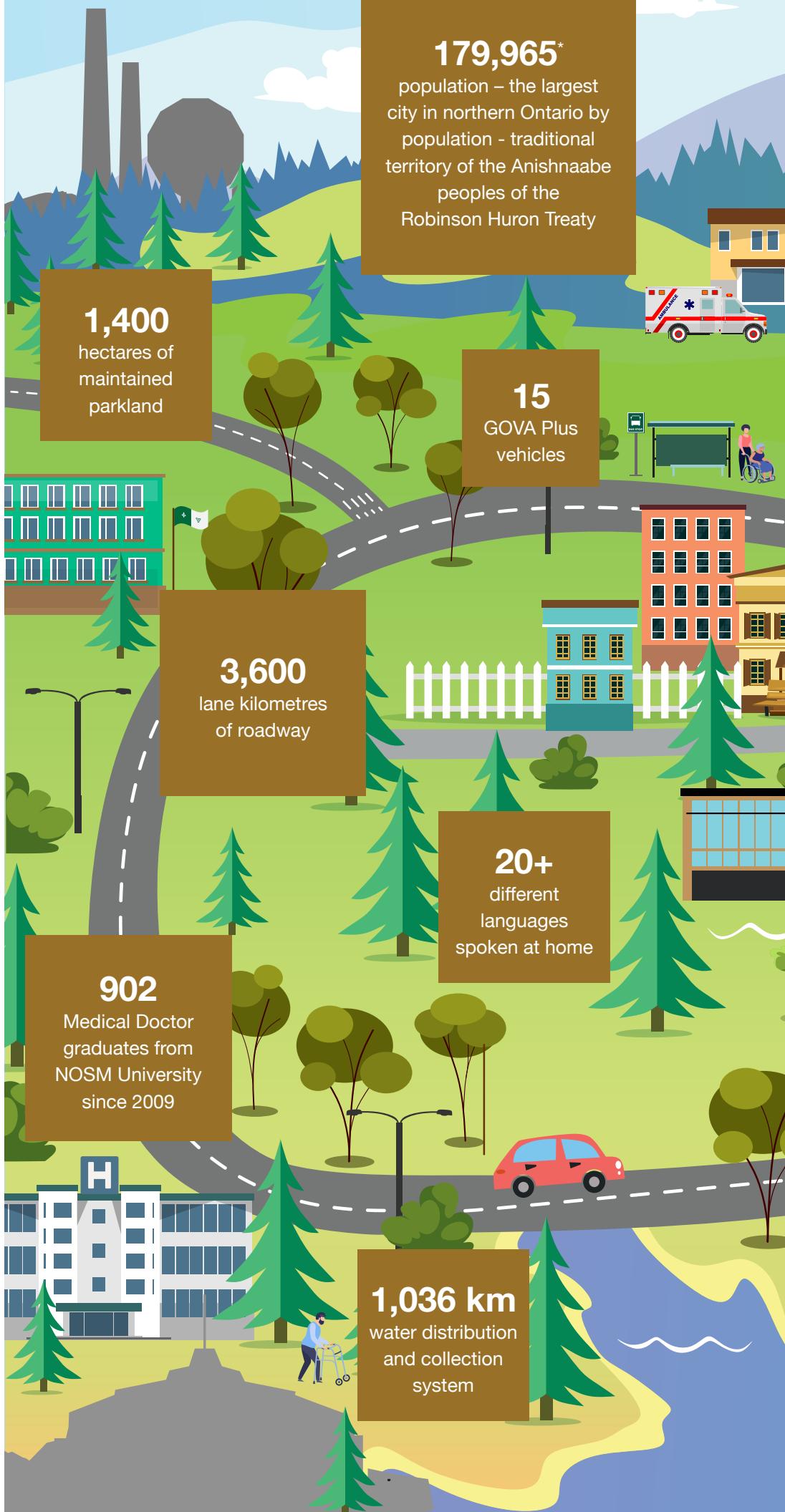
There are four General Managers accountable for four City departments: Corporate Services, Community Development, Community Safety and Growth and Infrastructure.

Each General Manager reports directly to the CAO and they, along with the Executive Co-ordinator and key advisory positions that include Communications and Economic Development, make up the organization's Executive Leadership Team (ELT).



# About Our Community

Greater Sudbury is a vibrant and diverse community. Our expansive landscape of both rocky terrain and open fields is enhanced by our many parks, trails and lakes. Community members come from a variety of cultures and backgrounds, each enriching our community with their own traditions. This beautiful landscape and cultural richness, together with our post-secondary institutions, tourist destinations and numerous amenities, are all interwoven to create our community's unique identity.



\* Statistics Canada Population Estimates, July 1, by census division, 2021 boundaries, release date May 22, 2024



**3,186**  
square kilometres  
the largest  
municipality in  
Ontario by land area

**48**  
lines of service

**5.2 M**  
GOVA transit  
trips

**12**  
municipal  
wards

**13**  
libraries

**37%**  
bilingual  
population

**88**  
Nations on  
the Bridge  
of Nations

**3**  
landfill  
sites

**330**  
freshwater  
lakes

**5**  
post-secondary institutions:  
Cambrian College,  
Collège Boréal, Laurentian  
University, NOSM University,  
University of Sudbury

# Measuring Performance

The City of Greater Sudbury is committed to continuous improvement. The best way to make things better is by measuring progress toward goals and objectives. Key Performance Indicators (KPIs) support measurement and comparison across municipalities, building understanding about the delivery of municipal services and providing important context for decision making.

## World Council on City Data (WCCD)

The World Council on City Data (WCCD) certifies cities across the globe under ISO 37120, the first international standard for city data. Through WCCD, a global network of more than 100 cities shares comparable and independently verified municipal data in accordance with the ISO standard. The City of Greater Sudbury has received Platinum Certification, the highest certification level offered by the Canada-based, global leader in standardized city data. Data helps us see how Greater Sudbury compares to cities on a global level.

## BMA Study

Greater Sudbury compares its financial performance to other communities via the BMA Municipal Study. Using standard data definitions and common measurement bases to support meaningful comparisons, the latest comparisons in 2023 show Greater Sudbury has the third lowest property taxes out of the 33 municipalities with a population greater than 100,000.



### Population >100,000

**Greater Sudbury \$3,682**  
Group Average \$4,628

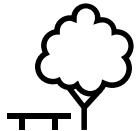
For a detached bungalow - 2023 BMA Report

# Municipal Benchmarking Network Canada

The Municipal Benchmarking Network of Canada (MBNCan) is a network of 12 Canadian cities that collaborate to produce and share consistent performance data for 36 services. This helps identify opportunities for improving services, reducing risk and strengthening business planning. The City of Greater Sudbury reports Key Performance Indicators in the annual budget document, online, and through numerous reports to Council.

The City often produces results that are above the median when looking at individual performance indicators measured by MBNCan. The median represents data in the middle of a set. The median is important because it helps to give a clear picture of what “typical service levels” look like. Unlike the average, which could be influenced by extreme outliers, comparisons to the median offer insights about how our services look compared to a typical municipal service. Based on current comparisons, our city regularly demonstrates service that exceeds more than 50% of other similar-size or larger cities.

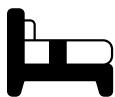
In comparison to the municipal medians:



With almost 3 times more hectares of parkland, Greater Sudbury's operating cost per hectare of parkland is \$2,928, compared to the municipal median of \$12,359.



The City's average nightly number of emergency shelter beds available per 100,000 population is 45.2 compared to the municipal median of 40.27.



Greater Sudbury has a significantly higher number of long-term care beds per population 75 years of age and up of 0.098, compared to the municipal median of 0.072.

## Awards and Recognition 2023

- Blue Flag certification for Moonlight Beach and Bell Park Main Beach – Blue Flag Canada
- Maintained credit rating of AA+ Stable – Standard and Poor's Global Ratings
- Gold Award for the Hit Refresh Ad Campaign in the Digital Marketing and Communications Campaigns category | Integrated Marketing – dotCOMM Awards 2023
- Gold Award for the Summer Student Recruitment Campaign – Electronic Media/Social Media/Interactive Media/Video – Hermes Creative Awards
- Honourable mention for the Bike Month education campaign – Print Media/Design/Marketing Materials – Hermes Creative Awards
- Gold Award for GOVA Information Video – Web-Based/Web Video/Informational Video – MarCom Awards
- Best Public Sector GIS' at the BeSpatial Conference - BeSpatial is a geospatial and information non-profit organization in Ontario



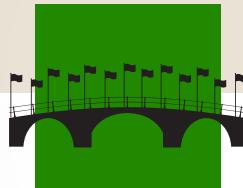
# Plans that Shape our Decisions

The 2019-2027 City of Greater Sudbury Strategic Plan and other guiding documents influence our direction, inform staff's recommendations, and support decisions made by Council. The Strategic Plan provides a roadmap to ensure sustainability and improved outcomes as the City evolves and grows. The icons below represent key priorities within the Strategic Plan. Below each icon are plans and guiding documents that support these priorities.



## Asset Management and Service Excellence

- Community Safety Station Asset Renewal Plan
- Community Housing Renewal Strategy
- COMPASS
- Corporate Asset Management Plan
- Corporate Information Technology Strategic Plan
- Customer Service Strategy
- Enterprise Asset Management Policy
- Greater Sudbury Transit Action Plan
- Human Capital Management Plan
- Long-Term Financial Plan
- Roads 10-Year Financial Plan
- Supplemental Road Rehabilitation Program
- Transportation Master Plan
- Water/Wastewater 10-Year Financial Plan
- Water/Wastewater Master Plan



## Economic Capacity and Investment Readiness

- Downtown Master Plan
- Economic Development Strategic Plan
- Economic Recovery Strategic Plan
- Employment Land Strategy
- From the Ground Up – A Community Economic Development Plan
- Innovation Blueprint
- Official Plan
- Tourism Strategy 2019-2023

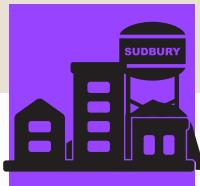


## Climate Change

- Biodiversity Strategic Plan
- Community Energy and Emissions Plan (CEEP)
- Greater Sudbury Community Climate Change Adaption Plan
- Subwatershed Study and Stormwater Master Plans
- Watershed Study and Master Plan

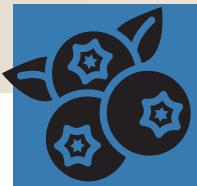
## Strategic Plan

The 2023 Annual Report provides highlights of the progress on Council's Strategic Plan 2019-2027. For more information on the priorities and to view details of the plans that shape our decisions, please visit [greatersudbury.ca/plans](http://greatersudbury.ca/plans).



## Housing

- Encampment Response Guide
- Housing and Homelessness Plan
- Housing Revitalization Plan
- Ten-Year Housing and Homelessness Plan



## Create a Healthier and More Vibrant Community

- Brownfield Strategy and Community Improvement Plan
- City of Greater Sudbury Emergency Response Plan
- Diversity Policy
- Downtown Community Improvement Plan
- From the Ground Up – A Community Economic Development Plan
- Greater Sudbury Cultural Plan
- Greater Sudbury Transit Accessibility Plan
- Parks, Open Space and Leisure Master Plan
- Population Health: A Call to Action 2018-2028
- Public Art Master Plan
- Tourism Strategy
- Town Centre Community Improvement Plan
- Greater Sudbury Transit Action Plan
- Transportation Master Plan



## Advance Caring Services Post-Pandemic

- Greater Sudbury Encampment Response Plan
- Housing and Homelessness Plan
- Social Housing Revitalization Plan

# Service Areas Deliver Strategic Priorities

The City of Greater Sudbury is a single-tier municipality, which means it is responsible for all municipal services and assumes all responsibilities set out under the Municipal Act and other provincial legislation. The City has 48 different service areas, and each one is important to members of our community.



## Resident Health and Safety

We are committed to keeping our community safe and healthy. These services ensure community and individual safety through first response, infrastructure maintenance and improvements, education, and enforcement.

- Animal control and shelter services
- Security, by-law and parking services
- Building permits and approvals\*
- Emergency management, public safety, planning and prevention\*
- Fire services
- Paramedic services\*
- Community paramedicine
- Stormwater services\*
- Water services\*
- Wastewater services\*
- Police services
- Traffic and transportation
- Public Health Sudbury & Districts
- Conservation Sudbury

Legend: \*legislated services



## Transportation Services

With our large geographical area, the routes that connect us to our destinations are critical. These services maintain and improve the transit systems, roads, bike lanes and walking paths that help us get around our community.

- Roads operations and maintenance\*
- Public infrastructure design and construction
- Transit
- Greater Sudbury Airport



## Corporate Services

Corporate services are the backbone of the City's operations. These divisions ensure front-line services can be delivered efficiently and effectively, keeping our residents safe, healthy and connected.

- Information technology
- Legal services\*
- Provincial offences court\*
- Governance and oversight\*
- Revenue services\*
- Accounting, purchasing and payroll
- Financial planning, budgeting and support services
- Human resources
- Real estate and property services
- Fleet services
- Audits and operations reviews



## Quality of Life

Your municipality is committed to maintaining and improving the quality of life of residents. These services give us opportunities to live, play, learn and come together.

- Service requests and inquiries (311 Services)
- Communications and engagement
- Community housing\*
- Parks and open space (Cemeteries\*)
- Recreation programming
- Recreation facilities
- Community grants
- Museums
- Library services
- Children services\*
- Long-term care
- Social services  
(Shelters and homelessness, Ontario Works\*)



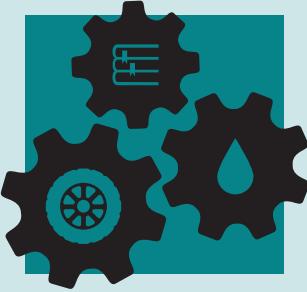
## Community Sustainability

A sustainable community has the right pieces in place to support and strengthen a bright future for the residents of our city. We continue to build a strong future for Greater Sudbury through improvements in policies and strategies.

- Economic development
- Land use planning\*
- Environmental planning and energy initiatives
- Land use development\*
- Environmental services\*
- Intergovernmental relations

Legend: \*legislated services





## 1.0 Asset Management and Service Excellence

**Maximize value of investments in physical infrastructure and initiatives that enable reliable service delivery and promote economic competitiveness.**



### \$119 million capital budget

(excluding water and wastewater and police) ensured the best investment choices were made by including projects based on carefully selected criteria and focusing on the highest priorities

- **\$50 million** in bridge and road infrastructure (\$16 million for bridges and \$24 million for roads).
- **\$13.2 million** for arena roof replacements, pool refurbishments, community centre upgrades and repairs to parks depots.
- **\$9.8 million** continued investment for various transit-related projects such as bus replacements, bus rapid transit corridors and major mobility hubs.

#### Goal 1.1: Optimize asset service life through the establishment of maintenance plans

Completed a Corporate Asset Management Plan for all asset classes with current levels of service.

Completed a Housing Supply Strategy supported by updated population projections, housing supply and demand analysis, housing as-of-right zoning review, and surplus school best practice review for adaptive re-use for residential and community services.

Initiated a Transit Hub Feasibility Study to consider the most effective location and infrastructure at each of the three Major Mobility Hubs.

## **GOAL 1.2: Establish sustainable asset service levels to assess results from maintenance and renewal efforts**

Updated the Water and Wastewater Asset Management Plan.

Completed 27,050 square metres of large asphalt patches at 18 locations.

Installed 6,650 metres of active transportation, including sidewalks and trails, at 13 locations.

Installed 9,830 metres of concrete curb and gutter and performed 1,150 metres of watermain lining.

Completed nearly 4,000 metres of sanitary lining at 20 locations.

Replaced 1,320 metres of watermain, 5,360 metres of sanitary sewer and 2,020 metres of storm sewer.

Installed 72 new streetlights, 850 metres of culverts at 22 locations and 2,490 metres of new guide rail at 14 locations.

Tendered four new water/wastewater facility projects, including almost \$17 million for infrastructure improvements at the St. Charles Lift Station.

Rehabilitated nine sports courts.

## **GOAL 1.3: Maximize value of relationships with provincial and federal governments to support community infrastructure goals**

### **\$133 million total investment in our infrastructure:**

- **\$29.7 million federal funding**
- **\$26.3 million provincial funding**
- **\$77 million municipal funding**

### **Highlighted projects**

- **\$59 million** into the city's roads, stormwater, and active transportation networks, as well as bridges and large culverts, of which \$21.1 million was funded by the federal government and \$11.5 million from the Province.
- **\$4.7 million** for transit bus replacements as well as continued progress on major mobility hubs and transit technology projects. This included \$1.9 million from the federal government and \$2.1 million from the Province.
- **\$9.2 million** in provincial funds were provided towards the Pioneer Manor Bed Redevelopment project.
- **\$7.3 million** for the Lorraine Street transitional housing project of which \$5.7 million was funded by the federal government and \$900,000 from the Province.
- **\$2.4 million** for various leisure projects including outdoor court resurfacing and Fielding Park trail improvements, of which \$1 million was funded by the federal government and \$700,000 from the Province.



## **GOAL 1.4: Reinforce infrastructure for new development**

Established the Future-Ready Development Services Committee of Council ensure support for growth is timely and efficient and the municipality has the capacity, best-in-class policies and processes to support anticipated growth in residential and non-residential development over the next 10 to 15 years.

Initiated studies and detailed designs for the upgrade of infrastructure to support development in the community including the Ramsey Lift Station, Don Lita Lift Station, Spruce Lift Station and the Jacob Lift Station.

Completed projects complementary to Large Projects, including Downtown Sudbury Strategic Parking Plan update and Strategic Public Realm Improvements for Downtown Sudbury.

Implemented a new policy that increases the number of model homes in new subdivisions to increase development during the subdivision approvals process.

Developed and launched the Employment Land Community Improvement Plan (CIP) incentive program to attract and support expansion and new development in strategic employment areas identified in the Employment Land Strategy.

Developed plans to support community growth and quality of life, including the Population Projection Update, Whitson River Trail, Greater Sudbury Community Climate Change Adaptation Plan (CCCAP), Urban Forest Master Plan, Parkland Subdivision Standards, Nodes and Corridors amendment and the Public Art Master Plan.

Amended the Strategic Core Areas Community Improvement Plan to introduce a Tax Increment Equivalent Grant in the City's strategic corridors, for developments greater than 30 units and a 10-year program for developments greater than 100 units.

## **GOAL 1.5: Demonstrate innovation and cost-effective service delivery**

Prepared the City's first multi-year budget, which includes an operating budget for 2024-2025 and a capital plan from 2024-2027 to emphasize work towards strategic priorities and long-term outcomes.

Implemented transit planning/run cutting technology which improved efficiency and system reliability for conventional transit services.

In support of the City's Customer Service Strategy, aligned all GOVA customer service inquiries with 311 and the Customer Relationship Management (CRM) system.

Established a Data, Analytics and Change division to deliver advanced analytics to support an evidence-driven and result-driven approach to managing services, process improvements, decision-making and problem solving.

Launched PRONTO, a web-based electronic permitting solution for the public, providing increased transparency and efficiency in the building permit application process.

Improved service delivery by implementing automation and technology improvements, including a municipal easement GIS database, aerial mapping data and drones to assist with asset identification and capital projects.

Automated new workflows to capture spatial data from aerial flying program.

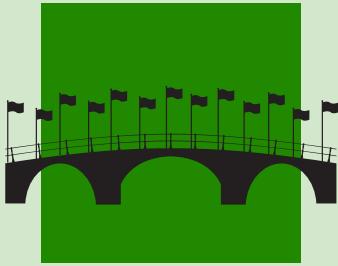
Improved the development process by reviewing existing processes for efficiencies, initiating a tracking dashboard, completing a Development Fee Review Study, and delegating authority to staff to pass bylaws on rezoning applications for temporary uses and to remove holding designations.

Conducted a review of the 2019-2022 Customer Service Strategy to enhance corporate-wide service delivery and delivered 32 corporate customer service training sessions for 350 staff.

Automated several steps of the recruiting process by building upon software tools originally developed to implement the myJOBS portal for applicants.

Began delivering property tax bills electronically through the 311 web portal.





## 2.0 Economic Capacity and Investment Readiness

**Maintain resiliency and competitiveness through investments in people and resources and through collaboration with other public sector agencies, host First Nations and other levels of government.**



### Goal 2.1: Build economic development initiatives to support existing businesses, attract new businesses and promote entrepreneurship

Developed and launched the Employment Land Community Improvement Plan (CIP) incentive program to attract and support expansion and new development in strategic employment areas as identified in the Employment Land Strategy adopted by Council in 2022.

Regional Business Centre's Starter Company Plus program achieved its highest retention rate to date, with 21 out of 22 committed entrepreneurs successfully completing the three-month training program. Additionally, the 12 entrepreneurs who submitted business plans were awarded a total of \$60,000 in grants.

Created the Future-Ready Development Services Committee to review development services, including permit application processing, development approvals, inspections and orders, and related investment and business development initiatives.

### Goal 2.2: Seize the momentum resulting from Greater Sudbury Innovation Blueprint process

Celebrated the 50th anniversary of Greater Sudbury's regreening efforts and the release of the Jane Goodall – Reasons for Hope IMAX film that features the Sudbury regreening story.

Hosted the the second BEV In-Depth: Mines to Mobility conference, which attracted hundreds of attendees from across Ontario to discuss the future of the battery electric vehicle industry. Presenters and delegates included industry leaders, researchers, and technical experts.

## **Goal 2.3: Strengthen business and development processes and services to support business growth**

Welcomed two inaugural cohorts to Innovation Quarters/Quartiers de l’Innovation downtown business incubator to support early-stage businesses.

- Supported 19 businesses
- Participants benefited from 200 hours of personalized and group mentorship
- 18 specialized training sessions attracted a combined total of 371 participants

The program’s impact extended beyond training, with 10 new jobs created, contributing to a total of 51 positions post-entry into the program.

Supported 48 business startups and expansions through the City’s Regional Business Centre and the Innovation Quarters.



## **Goal 2.4: Revitalize Greater Sudbury’s downtown and town centres with public investment that supports private investment**

Hosted numerous events and projects throughout the year allowing residents to celebrate and rediscover Greater Sudbury while supporting downtown revitalization including:

- The opening of YES Theatre’s Refettorio project on Durham Street, sponsored by the City through the Greater Sudbury Development Corporation’s annual Tourism Development Fund (TDF).
- The continuation of the City’s Patio Program in collaboration with the BIA. The 2023 Patio Program was a success, with 17 patios open downtown and in various areas of the city.

The Downtown Business Improvement Area (BIA), with funding from the Greater Sudbury Development Corporation (GSDC), contracted Go-Give for the Welcoming Streets program and is now employing two full-time outreach workers whose primary function is to be visible in the downtown core, creating personal relationships and supporting business owners.



# Large Projects

## Arena/Event Centre

In September 2023, Council directed staff to provide detailed analysis on two options for the replacement of the Sudbury Community Arena: a new build event centre and a renovation of the existing facility.

Based on this analysis, a new event centre provided the best opportunity to meet Council's objectives with the least impact, the greatest opportunity for complementary investment and the least risk during construction. This option directly provides capital investments that support community goals for downtown renewal, asset renewal, climate change leadership and economic development.

On April 16, 2024, City Council voted unanimously to proceed with building a new event centre in Greater Sudbury's downtown South District for an estimated cost of \$200 million.

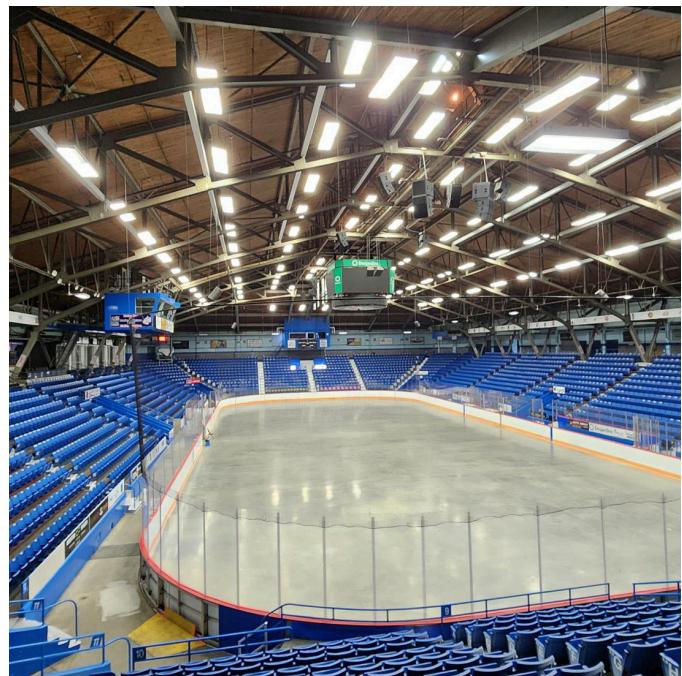
Considering the funds currently available, this estimate will require up to \$135 million in additional financing, which falls well within both Council's debt management policy and provincial limits on municipal debt levels.

Funds to repay the debt will come from a combination of adjustments resulting from the ongoing Core Service Review update, the Enterprise Asset Management Plan update, private contributions, alternate revenue sources such as the Municipal Accommodation Tax and a portion of the special infrastructure renewal levy.

Together, these funding sources help manage financial implications that would otherwise require future property tax levy increases.

In 2024, staff will prepare, issue, evaluate and award the necessary Request for Proposal to procure a lead architect and engineering team for the project. They will also:

- Identify a site for the new event centre in the south district.
- Prepare a request for expressions of interest to begin the engagement process with the private sector to realize south district redevelopment.
- Begin the process to secure additional debt financing following a timeline that reflects market conditions and project cash flow requirements.
- Adjust the financing plan so that it does not introduce a new special capital levy or a new increase in the tax levy, but instead directs the use of funds identified as savings from service reviews currently underway, assigns non-tax revenue sources such as the municipal accommodation tax and, if required, allocates funds raised from the special capital levy to support the city's asset renewal needs.



## Downtown Redevelopment

In 2023, City Council voted to acquire several properties in the downtown south district to advance redevelopment and reiterate their support for economic development priorities and strategic goals. This is an important step as City Council pursues a new arena downtown. This historic investment:

- Signals council's intention to make downtown renewal happen.
- Sends a strong message to the community and the private sector that they intend to lead with a focus on our city's future.
- Aligns with our core value to demonstrate foresight by acting today in the interests of tomorrow.

At their meeting on October 24, 2023, Council voted to purchase 151, 153 and 161 Brady St., 211 and 219-211 Shaughnessy St., 170 Van Horne St., 212 and 222 Minto St., and 212 Romanet Lane. Previously acquired properties and signed agreements include 247 and 241-243 Shaughnessy St. and 300 and 324-326 Elgin St.

During their November 28, 2023 meeting, Council voted to pursue the expropriation process with respect to 187 Shaughnessy St., in the event that the City and property owner are unable to negotiate a purchase price for the property.

Properties acquired to date cost approximately \$12 million, funded through the previously borrowed Event Centre capital funds. Costs associated with the acquisition of 187 Shaughnessy St. are yet to be determined.

A healthy, active and successful downtown makes a positive statement about the prosperity of a city, sending a confident message to future residents, businesses and investors. Thoughtful investments in community infrastructure, specifically in the South District of the downtown, will show an important first impression and welcoming image for those entering Greater Sudbury.

## Cultural Hub at Tom Davies Square

On November 28, 2023, Council approved plans for the development of a Cultural Hub at Tom Davies Square. This will involve retrofitting both 200 Brady St. and 199 Larch St. to include: a new Central Library, the Art Gallery of Sudbury and the Sudbury Multicultural and Folk Arts Association.

The project will provide residents with a variety of services in one convenient centralized location, and supports the City's commitment to accessibility, environmental sustainability, multiculturalism, social inclusion and culture.

To make room for these new services at Tom Davies Square, a Municipal Services Relocation project will move some municipal services from 200 Brady St. to the provincial tower at 199 Larch St. This is made possible by post-pandemic changes to the Province's business operations, which has made a significant amount of space available within 199 Larch St.

The project's total budget of \$65 million includes up to \$37 million in municipal funding, with funds provided by debt already secured. If funding from Cultural Hub partners and/or external funding sources is less than anticipated, Council approved the provision of additional municipal funds up to the approved budget amount, using funds from the previously secured debt for this project, to an upset limit of \$64.5 million.

In April 2024, Teeple Architects was selected as the consultant for the design of the project, in a collaborative partnership with Two Row Architect and Yallowega Architecture, through a competitive RFP process. Schematic design will begin in Q2 2024. Public consultation will be incorporated into various stages of the project, and construction is expected to begin in mid-2025.



## **Goal 2.5: Review key core services and service levels**

The Long-term Financial Plan is updated annually to reflect the evolving financial environment. It covers 10 years, from 2024 to 2033. It offers the ability to model potential financial and service scenarios and describe the City's financial position under those scenarios, taking into account variables such as external funding requirements, the anticipated tax levy and debt and reserve balances.

Continued work toward service-based reporting by focusing on core services and conducting service level reviews.

## **Goal 2.6: Leverage Greater Sudbury's public sector assets and intergovernmental partnerships to generate new economic activity**

Developed a Housing Supply Strategy that sets a path to achieve Greater Sudbury's housing target for the next 10 years, fill key gaps in the housing supply and ensure residents have access to housing options that meet their needs at all stages of life, regardless of income level.

Continued participation in the Rural Northern Immigration Pilot program through Immigration, Refugees and Citizenship Canada.

## **Goal 2.7: Build on opportunities from our clustered network of health and educational institutions**

Continued to build relationships with the Northern Ontario School of Medicine (NOSM) University learners as potential recruits, supporting them to set up roots in Greater Sudbury, and providing opportunities to highlight practice opportunities available across the community. In 2023, staff worked to re-establish in-person recruitment, retention and welcome/orientation events, which had pivoted to virtual or were cancelled entirely due to the pandemic.

Worked with local family physician groups to identify capacity for eligible sites to be considered by Practice Ready Ontario candidates. Practice Ready Ontario is a provincial practice ready assessment program available to internationally trained family physicians with the aim of obtaining an independent practice certificate in Ontario.

Continued participation on the HSN Medical Human Resources Planning Committee which oversees physician recruitment, collaborates on long-term medical HR planning, supports medical staff development aligned with organizational goals, aids in succession planning, and addresses the ongoing needs of education partners.



## **Goal 2.8: Invest in transformative facilities, spaces and infrastructure that support economic activity**

Amended the Strategic Core Areas Community Improvement Plan to introduce an incentive program for multi-residential development along the City's strategic corridors. The new program provides a five-year Tax Increment Equivalent Grant (TIEG) for developments greater than 30 units and a 10-year program for developments greater than 100 units.

Issued building permits for projects in multiple sectors with a combined construction value of \$267.1 million. These included:

- An addition to Pioneer Manor long-term care facility.
- The St. Joseph's bed conversion project valued at \$17.6 million.
- Sudbury Courthouse upgrades valued at \$9.1 million.
- Construction of a new 40-unit apartment building.
- Vale's new substation and e-House building valued at \$3.3 million.
- The addition of the new drift as part of Dynamic Earth's *Go Deeper* expansion project valued at \$4.9 million.
- A new industrial mining building (FNX Mining) valued at \$5.9 million.



## **Goal 2.9: Support the attraction, integration and retention of a highly skilled workforce**

Approved 524 applications to apply for permanent residency through the Rural and Northern Immigration Pilot (RNIP) program. When compared to 2022, this is a 102 per cent increase in approved applications (259 applications). Greater Sudbury is one of 11 Canadian communities selected to participate in the program, which addresses local labour force shortages while encouraging immigration and population growth.

The Hit Refresh/Se renouveler 2023 campaign to grow and attract talent to Greater Sudbury focused on attracting Canadian and international workers to hitrefreshsudbury.ca and sharing content on the City of Greater Sudbury and Invest Sudbury social media pages. The campaign provided a positive brand outcome with sharing stories of the individuals who live, work, and play in Greater Sudbury, and will be updated and relaunched in 2024.

## **Goal 2.10: Develop strategies to support Indigenous economic development partnerships and opportunities**

Continued the partnership with Water First Education and Training to provide First Nations youth with opportunities to obtain internships and experience towards water operator licensing.

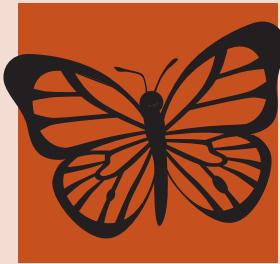
Strengthened relationships with urban Indigenous Non-Government Organizations and local First Nations.

## **Goal 2.11: Launch initiatives to attract and retain more newcomers**

Approved 524 individuals to apply for permanent residency through the Rural and Northern Immigration Pilot program.

Welcomed 1,024 newcomers to Greater Sudbury.





## 3.0 Climate Change

Demonstrate leadership in the development and promotion of ideas, policies, and actions that positively influence global climate conditions.



The Community Energy and Emissions Plan (CEEP) is the long-term plan to reduce carbon emissions and pollution in Greater Sudbury. The goal is to explore energy opportunities as a community, and create a clean local energy future that supports jobs and economic development while improving quality of life and addressing climate change impacts.

The CEEP follows decades of energy and emissions reduction initiatives in the community and responds to City Council's Climate Emergency declaration on May 28, 2019, which included a commitment to achieve net zero emissions by 2050. That means reducing greenhouse gas emissions caused by human activity to as close to zero as possible and removing the remaining emissions from the atmosphere. The CEEP was unanimously approved by Council on September 22, 2020.

### Community Climate Change Adaptation Plan (CCCAP)

The Community Climate Change Adaptation Plan (CCCAP) is a long-term plan to improve resilience in our community to climate change and extreme weather events, reduce our risk and vulnerability, and bounce back quickly from events such as flooding, extreme heat and power outages.

To develop the CCCAP, City staff, Atikameksheng Anishnawbek, Wahnapitae First Nation, community groups and residents were engaged to collectively identify key vulnerabilities for our region related to climate change and bring forward actions to reduce the risks or impacts.

Six overarching theme areas were identified, along with 17 objectives tied to these themes and numerous actions.

The changing climate presents uncertainty, but by developing the CEEP and the CCCAP, the City of Greater Sudbury is actively working to reduce greenhouse gases and enable our community to be better prepared and resilient to changes that may come.

## **Goal 3.1: Support ecological sustainability**

Implemented a Climate Action Annual Report to update on the progress of CEEP and CCCAP projects and goals.

The Strong Neighbours Climate Change Resilience Project supported community groups and members to take on projects in their neighbourhoods that will help to mitigate the impacts of climate change.

Continued the Battery Electric Bus Feasibility Study and Fleet Transition Plan with over \$115,838 in funding approved in principle through the Zero Emission Transit Fund (ZETF) to support the CEEP goal for Transit to be fully electric by 2035.

Hosted the second annual Battery Electric Vehicle (BEV) In-Depth: Mines to Mobility conference in May 2023 to advance BEV economy opportunities in northern Ontario, attracting 280 delegates.

Converted 73 lane kilometres of roads from salt to sand routes. The estimated annual average reduction in salt use on these roads is approximately 1,600 metric tons. Reduction in salt use is a priority in protecting our environment and drinking water.

Celebrated the 50th anniversary of Greater Sudbury's regreening efforts and the release of the Jane Goodall – Reasons for Hope IMAX film that features the Sudbury regreening story.



## **Goal 3.2: Develop and strengthen strategies and policies to mitigate and/or adapt to impacts of climate change**

Upgraded 18,230 water meters to new Automated Meter Infrastructure bringing the total to 47,696 in 2023. The updated meters decrease energy use in the drinking water treatment and distribution system by improving the level and quality of water consumption data in support of effective plant utilization, facility planning and long-term asset renewal plans. The initiative, a multi-year project to replace and upgrade the water meters in every home and business in the city is now complete.

Developed Complete Streets Guidelines which provides road design recommendations for all users and transportation modes, including pedestrians, cyclists, transit users and vehicles.

Developed plans to support community growth and mitigate/adapt to the impacts of climate change such as the Greater Sudbury Community Climate Change Adaptation Plan (CCCAP) and the Urban Forest Master Plan.

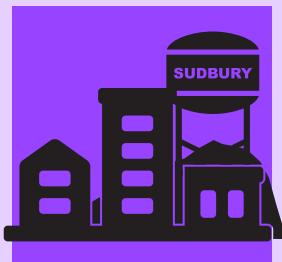
## **Goal 3.3: Build climate resiliency into existing programs**

Introduced an electric zamboni to the City's fleet in support of CEEP targets.

Continued development of the Solid Waste Management Plan, with the first two phases completed and third phase expected to reach completion in Q1 of 2024. This plan will help to optimize landfill space, achieve climate change goals, reduce and divert waste, improve convenience and operate cost effectively.

Completed the program design phase of the home energy retrofit financing project.





## 4.0 Housing

**Improve access for all citizens, especially vulnerable populations, to safe, affordable, attainable and suitable housing options.**



### Goal 4.1: Expand affordable and attainable housing options

Completed background study on potential official plan and zoning by-law updates to expand affordable and attainable housing options. Implementation is anticipated in 2024.

Implemented the Transitional Housing Program at a temporary location in partnership with Health Sciences North to support 13 individuals who have experienced chronic homelessness.

Updated Strategic Core Areas CIP to provide financial incentives to encourage multi-residential developments along strategic corridors.

Developed a draft Housing Supply Strategy supported by updated population projections, housing supply and demand analysis, housing as-of-right zoning review, and surplus school best practice review for adaptive re-use for residential and community services. The final Strategy is expected to be presented to Council in summer 2024 for adoption.

Began construction on a 40-unit transitional housing complex for those experiencing homelessness, mental health challenges and addictions and who require support services.

Began construction on a 38-unit non provider housing complex for those who are precariously housed or ready to move into permanent housing from the transitional housing complex.

Began construction on a 14-unit seniors' building that is owned and operated by Greater Sudbury Housing Corporation. Seniors will be selected from the centralized wait list.

## **Goal 4.2: Revitalize and improve existing housing stock**

Completed asset renewal projects including elevator modernizations at 166 Louis St. and 1960A Paris St., replacement of an emergency generator at 720 Bruce Ave. and installation of an accessibility ramp to the patio and garden area at 166 Louis St.

Oversaw and funded 27 capital repair projects with community housing providers and 26 capital repair projects with Urban Native Housing, based on assessed needs and available provincial funds.

Worked with community housing providers to streamline the process for requesting capital repairs and assist those with the greatest need. Approximately \$4,078,400 in capital funding assistance was provided to community housing providers for various capital projects.

Began the process of negotiating new service agreements with community housing providers who have reached end of mortgage.

Implemented new community housing local directives in response to legislative updates from the Ministry of Municipal Affairs and Housing.

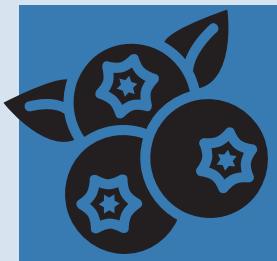
## **Goal 4.3: Develop and promote solutions to support existing housing choices**

Enhanced safety measures through increased Municipal Law Enforcement Officers (MLEO) hours and patrols, installation of additional security cameras and collaboration with police for increased presence.

## **Goal 4.4: Solidify the City's role in Greater Sudbury Housing operations**

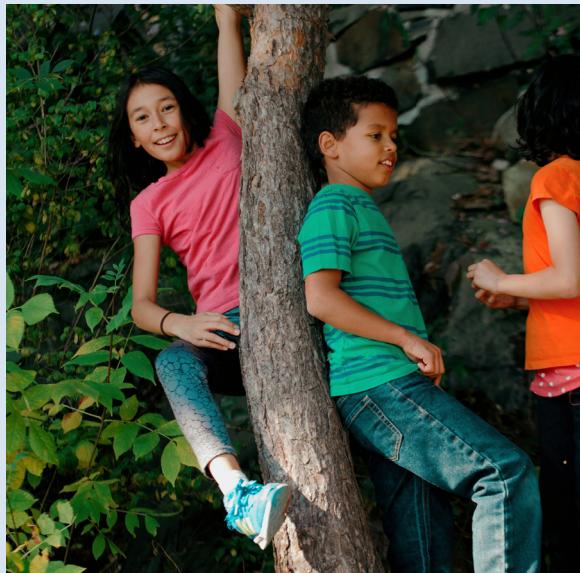
Hosted monthly pop-ups at 1960 and 1920 Paris St. to provide support to residents by allowing tenants to meet with staff from either social services or housing where they live. Staff assist residents with items such as annual review paperwork, maintenance requests, complaints, and provide referrals to services, programs and funding.





## 5.0 Create a Healthier and More Vibrant Community

**Contribute to lifestyles and economic activity through community amenities, events, facilities and municipal policies.**



### Goal 5.1: Advance population health agenda

Restructured and renamed the Population Health Safety and Well-Being Advisory Panel to the Community Safety and Well-Being Panel to harmonize current community efforts around the priorities outlined in the plan.

The Older Adult Advisory Panel, supported by the City, hosted the Older Adult Summit, Weaving Community Fabric Together for Older Adults event for over 300 participants, where over 60 agencies shared information about programs and services for older adults and their caregivers.

In partnership with Public Health Sudbury & Districts, hosted the Greater Sudbury Summit on Toxic Drugs on December 7 and 8, 2023 where 189 community and agency leaders, including leaders from within Indigenous communities and people with lived and living experience of substance use, came together to listen, learn, and reflect. Over 150 ideas were generated to address the issue, and the Summit identified priorities for action in health promotion and stigma, wrap-around supports and substance use care.

Launched permanent 24/7 service level for Security Enforcement Municipal Law Enforcement Officers to support community safety and well-being. The program further supports downtown, housing, transit and parks. The overnight service supports Community Housing.

Corporate Security and By-law continued to lead encampment operations and support Social Services staff in connecting underhoused individuals to services and resources.

Established a new four-year agreement with Canadian Red Cross to support personal disaster assistance when residents become displaced due to an emergency or disaster. The agreement is supported by the City Council approved Personal Disaster Grant.

## **Goal 5.2: Invest in infrastructure to support community recreation with focus on quality of life**

Completed the revitalization of eight playgrounds through a partnership with FedNor Canada (Community Revitalization Fund) and the revitalization of the Moonlight Beach playground in partnership with United Way Centraide North East Ontario.

Completed the revitalization of outdoor sports courts at Delki Dozzi Sports Complex, Elmview Playground, Lorne Brady Park, Sixth Avenue Playground, Twin Forks Playground, Ryan Heights Playground, Downe Playground and Elm West Playground as part of the Outdoor Court Revitalization Project funded in part through the Investing in Canada Infrastructure Program.

Launched the Aquatic Service and Facility Review, which will guide and manage short- and long-term investments in aquatic services in the future.

## **Goal 5.3: Strengthen Indigenous relations towards reconciliation**

Finalized an enhanced engagement framework and action plan with local community partners and Indigenous service providers to implement the Stronger Together Host Community operating plan for First Nations communities displaced due to flooding or wildfires.

Established an Indigenous Relations Specialist position and strengthened relationships with urban Indigenous Non-Government Organizations and local First Nations.

Provided Indigenous cultural awareness training for staff, and advanced work to address municipal obligations outlined in Calls to Action from the National Truth and Reconciliation Commission.

## **Goal 5.4: Work with health partners to determine appropriate role in local health team development**

Delivered integrated services to seniors with complex needs in the community by establishing a “made in Sudbury” Community Paramedicine program that partners with long-term care, is aligned with the Age-Friendly Community Strategy of Council’s Strategic Plan, and the Paramedic Services Medical Director.

Expanded the Community Paramedic Program, through extended funding from Ontario Health for 2023-2024, supporting Alternate Level of Care (ALC) patients living in the community.

Implemented a paramedic resource through expanded Designated Offload Nurse Program funding from the Ministry of Health to reduce the impact of ambulance offload delays.

## **Goal 5.5: Build community pride through internal and external promotion of the city**

In collaboration with community leaders, designed an “Innovation Blueprint” that defines actions the municipality, broader public sector and private sector can take to leverage the advantages provided by the community’s talent, land, resources and financial tools.

Supported 88 local companies at the Prospectors & Developers Association of Canada conference and hosted the Sudbury Mining Cluster Reception, attended by 500 delegates and supported by 21 Greater Sudbury-based sponsors.

In 2023, Greater Sudbury hosted several events, including multiple events for Curling Canada and the Travel Media Association of Canada’s annual conference, which saw a direct economic impact of \$227,500.



## **Goal 5.6: Align initiatives with goal of community vibrancy**

Provided \$241,125 through the Tourism Development Fund for projects and initiatives that support the tourism sector, in coordination with the Tourism Development Committee.

Hosted 15 major events with an economic impact of \$850,000.

Established a Museums and Heritage Advisory Panel.

Developed a strategic plan for Museum Services.

Developed a Public Art Master Plan.

Approved 524 applications to apply for permanent residency through the Rural and Northern Immigration Pilot (RNIP) program for our community. This represents 1,024 new residents in our community, including family members. This is a 102 per cent increase in approved applications from 2022 (259 applications) and a 108 per cent increase in new residents from 2022 (492 residents).

The Regional Business Centre's Starter Company Plus program achieved its highest retention rate in 2023, with 21 out of 22 committed entrepreneurs successfully completing the three-month training program.

Innovation Quarters welcomed its two inaugural cohorts in 2023, supporting a total of 19 companies.

## **Goal 5.7: Develop and implement policies, practices and enabling technologies that encourage meaningful engagement at the neighbourhood and community level**

As part of a focus on building community vibrancy, and in alignment with customer service goals, established the Community Initiatives and Partnership Section to act as a one-stop resource for local community groups and volunteers.

Developed the Community Led Project Guide to support volunteers and groups interested in building new or enhancing existing parks and recreation infrastructure.

Coordinated planning and logistics for 12 Mayor and Councillor Town Hall meetings throughout the community.

Conducted a review of the 2019-2022 Customer Service Strategy to enhance corporate-wide service delivery.

311 successfully launched 10 new service request types. This continues to expand our abilities to service residents at first point of contact.

Conducted a review of the 2001 French Language Services Policy to modernize the delivery of this service for the community.





## 6.0 Advance Caring Services Post-Pandemic

**Effect change within the community to improve health, economic and social outcomes for all residents.**



### Goal 6.1: Maintain commitment to excellence in resident life and care at Pioneer Manor

Began construction on Pioneer Manor bed redevelopment – a five-storey, 160-bed wing that will update an existing 149 structurally non-compliant beds and create 11 new beds. Occupancy is slated for mid-2026.

Enhanced staffing to increase direct care time for residents. Pioneer Manor achieved three-hours and 42-minutes of direct care per resident (409,716 floor hours) in accordance with the provincial 2023/24 Long-Term Care Staffing Increase Funding Policy.

Received Accreditation with Commendation (surpassed the fundamental requirements of the accreditation program) from Accreditation Canada. This is a significant improvement from 2018, with Pioneer Manor moving from Accredited to Accredited with Commendation.

Implemented a Quality Council to improve quality care, with representation from residents, families, staff, physicians and pharmacy. Quality Council is a collaborative approach to care and decision making.

Through a strengthened partnership with Maison McCulloch Hospice, created Palliative Care Champions, a new palliative care program tailored to volunteers, and provided education to further enhance care at Pioneer Manor.

Enhanced the pain management program to increase bedside care, initiated a Code Butterfly process, and restarted the annual resident memorial service

Enhanced staff education programs - trained key staff in the Gentle Persuasion Approach and began roll out to front-line staff. Trained 38 staff to be minimal lift champions to support a sustainable training program to prevent staff injuries during resident lifts/transfers.

Resident and family satisfaction survey results increased from overall satisfaction of 86 per cent in 2022, to 95 per cent satisfaction in 2023.

Re-established large resident group programming, worship services and day trips.

## **Goal 6.2: Continue to demonstrate commitment to employee well-being, and health and safety**

Initiated the iCARE Project to establish an enterprise-wide Occupational Health and Safety Quality Management System.

Expanded the Community Safety Peer Support Network (PSN) to provide support to all City staff to improve employee resiliency and mental health recovery.

Developed a diversity, equity and inclusion policy that will serve to guide policies and practices.

## **Goal 6.3: Innovate to deliver best in class emergency services**

Finalized an enhanced engagement framework and action plan with local community partners and Indigenous service providers to implement the Stronger Together Host Community operating plan for First Nations communities displaced due to flooding or wildfires.

Established a new four-year agreement with Canadian Red Cross to support personal disaster assistance when residents become displaced due to an emergency or disaster. The agreement is supported by the City Council approved Personal Disaster Grant.

Developed an advanced training platform for suppression staff in the technical disciplines with a specific focus on hazardous materials, water rescue and auto extrication programs.

Recruited, hired, and trained nine new full-time suppression firefighters, two of which were from our volunteer (on-call) firefighter ranks.

Delivered integrated services to seniors with complex needs in the community by establishing a “made in Sudbury” Community Paramedicine program that partners with long-term care, is aligned with the Age-Friendly Community Strategy of Council’s Strategic Plan, and the Paramedic Services Medical Director.

Expanded the Community Paramedic Program through extended funding from Ontario Health for 2023-2024 supporting Alternate Level of Care patients living in the community.

## **Goal 6.4: Continue to innovate in provision of community housing**

Applied to the Canada-Ontario Housing Benefit (COHB) on behalf of interested households. The COHB provides a portable rent subsidy to households who qualify for Rent-Geared-to-Income subsidy and is distributed by the Ministry of Finance.

Supported 63 households at risk of losing their rental unit based on their low-income status with a \$250 allowance to offset their rental costs until they are offered a subsidized unit through the centralized waitlist. Housing Services offers a housing allowance to assist those households on the waitlist who are at risk of losing their rental unit based on their low-income status.



## **Message from Kevin Fowke, General Manager of Corporate Services**

The City of Greater Sudbury is very fortunate to be served by a capable cadre of financial and communications professionals and I'm pleased to be a part of the team that gets to present annual results in this 2023 Greater Sudbury Annual Report. These professional staff are the driving force behind the City of Greater Sudbury's award winning budgets and annual reports. For several years in a row, Greater Sudbury has won the Government Finance Officers Association (GFOA) Distinguished Budget Award and, for prior reports like this one, the GFOA Canadian Award for Excellence in Financial Reporting.

This year, we have implemented accounting standards for asset retirement obligations and re-evaluated the way we report financial instruments like investments, savings and cash. The costs associated with retiring the City's considerable building stock, its landfill properties and lands that may have been contaminated are now reflected in new liabilities.

As a growing community with aging infrastructure, we have significant capital requirements to maintain the state of good repair necessary to meet desired levels of service for community members and to plan for future growth. The strategies outlined in our Long-Term Financial Plan act as a guide for us to anticipate and respond to emerging issues and changes in how we operate. City Council has demonstrated tremendous resolve in following that plan and taking a long-term perspective to the financial challenges we face. As a result, you will see a continued trajectory of record capital investment in 2023, along with investments in areas that help the City manage risk, and a long-term focus on asset renewal to support service sustainability. The pages that follow provide an overview of the outcomes from our service efforts.



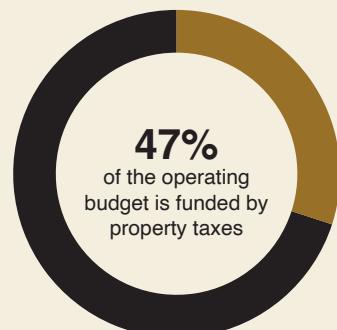
**Kevin Fowke**  
General Manager of Corporate Services

June 7, 2024

## **STANDARD & POOR'S**

The McGraw Hill Companies

**AA+**  
**Stable**

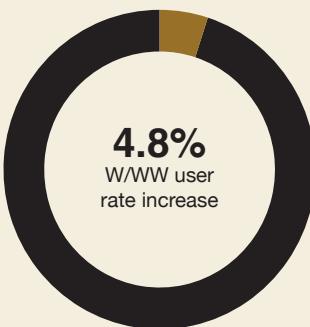


**4.6%**  
**Tax Increase**



**\$350,000**  
Property Value

**\$19/month**  
Tax Bill Increase



# 2023 Service Reporting Highlights



**\$708M** operating budget



**\$47.8M**

in road maintenance and renewal including snow plowing, pothole patching, storm sewer maintenance, streetlight maintenance and street sweeping.



**\$1.3M**

for two additional full-time ambulances, representing an additional 24 hours of vehicle coverage daily



**\$354,000**

for enhanced security services for Greater Sudbury Housing



**\$400**

increase in the annual Elderly Tax Rebate from \$250 to \$400



**\$313,500**

for improved technology for volunteer firefighters



**\$119M** capital budget



**\$50M**

in bridge and road infrastructure



**\$13.2M**

for arena roof replacements, pool refurbishments, community centre upgrades and repairs to parks depots



**\$9.8M**

continued investment for various transit-related projects such as bus replacements, bus rapid transit corridors and major mobility hubs



**\$3.8M**

for projects to sustain recycling, landfill and transfer station services



**\$800,000**

for library refurbishments





# 2023 Financial Information

FOR THE YEAR ENDING DECEMBER 31, 2023



Government Finance Officers Association

**Canadian Award  
for  
Financial Reporting**

Presented to

**City of Greater Sudbury**

**Ontario**

For its Annual  
Financial Report  
for the Year Ended

**December 31, 2022**

*Christopher P. Morill*  
Executive Director/CEO

# Financial Reporting

## Financial Reporting Achievement

The Government Finance Officers Association (GFOA) established an award program to encourage municipal governments throughout the United States and Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

The Canadian Award for Financial Reporting Achievement is presented for an easily readable and efficiently organized annual report whose contents conform to program standards. The annual report must go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance the understanding of financial reporting by municipal governments and address user needs.

The City of Greater Sudbury has published an annual report since 2012 and has earned this award annually since its initial publication, demonstrating the City's high standards in financial reporting supported by transparency and full disclosure.

## Annual Report and Consolidated Financial Statement

The Executive Leadership team with the guidance of the Director of Finance/Chief Financial Officer is responsible for all information contained in the Annual Report. This report provides the annual consolidated financial statement for CGS for the year ending December 31, 2023, prepared in accordance with legislation and with generally accepted accounting principles for public sector entities as defined in the Public Sector Accounting Handbook.

The Consolidated Financial Statements include all organizations that are owned or controlled by the City. Some entities are fully consolidated, which means the financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. Government enterprises are recorded using the modified equity method, which means that the accounting principles are not adjusted to conform to those of the City, and inter-entity transactions and balances are not eliminated.

The budget presented in the 2023 audited financial statements has been restated to conform to the Public Sector Accounting Standards. The standards require that all interfund transfers, capital expenditures and debt principal repayments be removed, and amortization, employee future benefits and asset retirement obligations be included. Note 20 to the financial statements reconciles the 2023 operating and capital budgets, as approved by Council, adding the approved consolidated board budgets in-year budget adjustments in accordance with the Operating Budget Policy and adjusted for the items noted above.

## **External Auditors**

The City's external auditors are KPMG LLP, Chartered Accountants. The role of the external auditors is to express an opinion on the annual Consolidated Financial Statements based on their audit. The auditors express their opinion in their Independent Auditor's Report that is attached to the Consolidated Financial Statements. Their opinion confirms that the statements are free from material misstatement. The external auditors are also responsible to advise management and Council of any control or operational issues identified during the audit.

## **Audit Committee**

The Audit Committee is mandated to provide oversight to the Auditor General and to the external auditors. The Committee's responsibilities are to review internal and external reports, including the Auditor General's reports and work plans, to approve the external auditors' annual audit plan, and to review the annual audited consolidated financial statements and external audit finding reports.

## **Financial Management**

The City of Greater Sudbury maintains appropriate systems of internal controls to ensure effective financial management, reliable and relevant financial information, and assets are safeguarded. Management systems, policies and by-laws are in place for financial management, accounting, budgeting and other processes as required to ensure that transactions are appropriately authorized and recorded, and the integrity and completeness of financial records are assured. Key policies and by-laws include the Delegation Bylaw, Purchasing Bylaw, Reserve and Reserve Fund Bylaw, Operating Budget Policy, Capital Budget Policy, Purchasing Authority Policy, Debt Management and Investment Policy.

Staff provide financial information throughout the year with updated reports on projected operating results and capital project status updates.

## **Long-Term Financial Plan**

The City of Greater Sudbury Corporate Strategic Plan (2019-2027) outlines a priority to maintain a long-term financial plan enabling the City to anticipate and respond to emerging issues and changes in its operating environment.

The Long-Term Financial Plan allows the City to better understand the long-term impact of financial decisions made today. This planning helps manage resources over the long term and offers more flexibility to meet infrastructure requirements while maintaining a manageable level of debt to support ongoing services and fiscal sustainability.

The Plan is updated annually to reflect the evolving financial environment. It covers 10 years, from 2023 to 2032. It offers the ability to model potential financial and service scenarios and describes the City's financial position under those scenarios, considering variables such as external funding requirements, the anticipated tax levy and debt and reserve balances. This information is used as a benchmark for operating and capital budgeting and forecasting.

The key components of long-term financial planning are described in the next sections.



## Debt Financing

Over the last five years, City Council approved debt financing for several projects. The information below provides details and context on how debt financing affects our overall financial position.

The corporation has a Debt Management Policy that limits its annual debt repayment to no more than 10 per cent of annual net revenue. Currently, less than 4 per cent of net revenue is required to fund debt repayments. These levels are both well below the provincially imposed maximum for municipalities, which establishes a limit of no more than 25 per cent of net revenue. The municipality's debt policy includes principles that indicate debt should be affordable, sustainable and structured in a way that those who benefit from the asset pay for the debt.

The policy sets out principles to describe the projects in which debt can be used, including:

- New, non-reoccurring infrastructure renewal requirements.
- Self-supporting programs and facilities.
- Projects where the cost of deferring expenditures exceeds debt servicing costs.
- Debt with terms no longer than the anticipated life of the funded asset.

While debt can provide increased capital funding, the amount owing, plus the related interest, must be paid in future years from operating funds. Debt is a trade-off between increased fiscal flexibility in the short-term versus reduced fiscal flexibility over the term of the repayment.

While interest costs can increase a project's total cost, debt financing may still be the preferred choice during periods of rapid construction cost escalation, where securing a firm price now could avoid inflationary increases later.

## Sinking Fund – Outperforming Expectations

The Municipal Act allows for the use of a sinking fund to set aside money for the repayment of long-term debt. A sinking fund can be thought of as a savings account dedicated to a specific obligation you know is coming. In this case, the obligation is the promise to pay back principal on debt the City has issued. The sinking funds mature in 2050, which matches the term of the City's long-term debt. As payments are made to the sinking funds, the amount of long-term debt decreases. We are literally "setting aside" an annual amount so that we are prepared to pay the full amount owing at the end of the term. The liability referred to as long-term debt on the statement of financial position is decreasing each time a payment is made and surplus is achieved in the sinking fund.

Annual contributions to the sinking funds are invested in accordance with the investment policy approved by Council. If a higher rate of interest can be realized by investments in the sinking funds than the rate of interest on the long-term debt, then surpluses in the sinking funds can be used to pay the debt back sooner or make smaller payments into the fund in the future.

This year the sinking fund generated \$613,000 in investment income (2022 - \$314,000). The City's Sinking Fund Financial Statements show a surplus fund balance of \$3.6 million (2022 - \$3.4 million) after only three years of contributions, which means we will certainly be able to settle long-term debt obligations as they come due.

# Corporate Risk

Managing risk is a routine part of the municipal decision-making process. To best support City Council and staff in identifying, recognizing, evaluating and mitigating risks, the City has developed an Enterprise Risk Management (ERM) policy and implementation framework.

A mature process is in place to assess and report on risk at all levels of the corporation. Most risks are identified and mitigated at a divisional level, while those with the potential for more significant, enterprise-wide impacts are reviewed by the Executive Leadership Team (ELT) and reported to City Council.

At the July 13, 2021, meeting of the Finance and Administration Committee, the corporation's first annual Enterprise Risk Register was presented. The document allows Council and the public to understand the nature and potential implications of enterprise-wide risks and the mitigation strategies being applied to each. The tracking of residual risk over time identifies trends and emerging risks and enhances both staff and Council's understanding of where additional interventions or investments might be required to ensure the strategic goals of the corporation can be realized.

**There are nine enterprise-wide risks, as follows:**

## **1. Financial Resources**

Misalignment may exist between financial resource allocations and Council's priorities.

## **2. Response to Environmental or Economic Change**

The corporation, or the city as a whole, may be insufficiently resilient to respond to environmental or economic shocks.

## **3. Economic Competitiveness**

Global connections and business attraction and development efforts may be insufficient for ensuring Greater Sudbury's economic competitiveness.

## **4. Resident Trust and Confidence**

Communications and engagement efforts may be insufficient for building resident trust and confidence.

## **5. Employee Engagement and Retention**

Existing human capital management policies and practices may be insufficient for attracting, managing, developing and retaining top talent to support existing and future operations.

## **6. Information Security**

Information entrusted to the corporation may be inadequately protected from unauthorized access.

## **7. Internal Resources**

Corporate service delivery may be insufficiently supported by appropriate technology, datasets, training or equipment.

## **8. Asset Renewal**

Asset renewal investments may be insufficient to maintain acceptable condition and service levels. With a historic focus on minimizing property taxes that prompted the deferral of a variety of asset renewal investment needs, the City has a significant level of capital asset and infrastructure renewal requirements. This includes the renewal and replacement of roads, water and wastewater mains, equipment and facilities.

## **9. Climate Change**

The corporation may be unprepared for the effects of climate change.



These risks informed staff's development of the draft 2023 Budget in a variety of ways. For example, they informed choices about operating plans, influenced the capital project prioritization process and prompted the development of business cases for Council's review, all to manage the potential for these risks to become real and reduce the corporation's ability to achieve its desired objectives.

## Reserves and Reserve Funds

Reserves are funds authorized by Council to be set aside for future capital and operating needs. They are a key component of the City's long-term financial strategy. There are 53 reserves (both uncommitted and committed) maintained by the City for four main purposes:

- To support the sustainability of assets by providing for the renewal, major maintenance and replacement of existing capital assets.
- To smooth the financial impact of unplanned cost increases or revenue reductions, or to stabilize fluctuations on property taxation and/or other fees.
- To respond to or capitalize on opportunities that could impact services such as government matching grants, private sector partnerships or other alternative service delivery methods.
- To fund new capital assets identified in the long-term corporate strategy to address community growth.

Reserves are governed through the Reserves, Reserve Funds and Trust Funds Bylaw and the Reserve Policy.

In early 2021, Council passed a Reserve Policy as well as changes to the Reserve Fund Bylaw that establishes minimum levels for specific reserve funds. At the end of 2023, 10 of the City's 21 reserves (with recommended minimums) were below the minimum range and 11 were at or above. There are 15 reserves (excluding committed reserves) that do not have a recommended minimum level. This generally reflects a historical practice where funds were not set aside in a systematic way for the eventual replacement of capital assets that were put into service. Other reserves where minimum balances are not being met are intended for future expenditures whose timing and amounts are uncertain. This includes the corporation's tax rate stabilization, winter control, post-employment benefits and insurance reserves.

## 2023 Reserves and Reserve Funds Balance

In 2023, the City's reserves increased by 12 per cent from approximately \$195 million at the beginning of 2023 to \$221 million at the end of 2023. This increase represents a net contribution of \$26 million to reserves, primarily due to the distribution of the year-end surplus and funds from the sale of scattered housing units by the Greater Sudbury Housing Corporation.

Self-sustaining reserves (mainly water and wastewater services and tax rate stabilization uncommitted) account for eight per cent of reserves, operating reserves account for six per cent of the reserve balance and capital reserves represent 76 per cent of the balance.

Forty-one per cent of the reserves have been committed by Council toward specific projects, while the remaining 59 per cent is uncommitted. These funds will be used to fund future capital projects or address funding requirements for changes to existing projects, operating deficits (which can arise when revenues are lower than budgeted and/or expenses higher than budgeted), liabilities such as sick leave, Workplace Safety Insurance Board (WSIB), post-employment benefits or other human resource matters, or other unplanned or unforeseen events such as storm damage and recovery not covered by insurance policies, asset failures, or a pandemic, such as COVID-19. These are balances as of December 31, 2023, and do not reflect the use of reserves used to fund projects approved in the 2024 Budget.

The 2024 capital budget has approximately \$35.5M of capital projects committed to fund from reserves/reserve funds. Part of this amount would be offset by contributions from the operating budget to reserve funds to fund capital projects, such as City fleet, Paramedic Services and Police.

## Our Benchmark

### How is the City doing?

Key Performance Indicator	Municipal Comparison Average (2023 BMA Study)	City of Greater Sudbury
Discretionary Reserves as a per cent of Own Source Revenues	50.5%	38.8%
Water Reserves as a per cent of Own Source Revenues	123.52%	35.6%
Wastewater Reserves as a per cent of Own Source Revenues	149.89%	52.86%

### What Do These Indicators Mean?

This indicator shows the total value of funds held in reserves and reserve funds compared to a single year's own source revenue and is a strong indicator of financial sustainability.

Reserves offer liquidity which enhances the municipality's flexibility in addressing operating requirements and in permitting the municipality to temporarily fund capital projects internally, allowing it time to access debt markets and take advantage of favorable conditions.

Currently approximately 41 per cent of the reserve balance has been committed for various capital projects. Ensuring adequate contributions to reserves has been an important part of long-term planning for the City.



## Reserves and Reserve Funds

(In thousands of dollars)

Reserves and Reserve Funds (\$000's)	2023		2022	
	Uncommitted	Committed	Uncommitted	Committed
<b>Reserves</b>				
Tax Rate Stabilization	<b>8,070</b>	<b>8,746</b>	3,995	11,435
Organizational Development Reserve	<b>909</b>	<b>110</b>	728	486
Holding Account - General	<b>13,573</b>	-	3,293	-
Holding Account - Water/Wastewater	<b>15,770</b>	-	4,621	-
Consolidated Entities	<b>3,438</b>		4,065	-
<b>Total Reserves</b>	<b>41,760</b>	<b>8,856</b>	16,703	11,922
<b>Reserve Funds</b>				
Human Resource Costs	<b>9,991</b>	<b>5,795</b>	7,785	6,179
Election	<b>1,216</b>	-	1,051	-
Insurance	<b>1,171</b>	-	1,348	-
Parking	<b>2,166</b>	<b>463</b>	2,021	793
Other	<b>1,257</b>	<b>1,643</b>	1,603	1,655
Social Housing	<b>15,673</b>	<b>5,987</b>	9,818	13,001
Library and Citizen Services	<b>2,155</b>	<b>447</b>	1,720	501
Economic Development	<b>2,835</b>	<b>2,099</b>	4,271	476
Winter Road Control	<b>3,768</b>	-	3,582	-
Police Services	<b>4,361</b>	<b>930</b>	2,756	1,105
Capital Reserve Fund - Fleet/Equipment	<b>2,101</b>	<b>2,060</b>	718	3,770
Capital Reserve Fund - Police	<b>2,124</b>	<b>11,171</b>	3,154	8,855
Capital Reserve Fund - General	<b>29,577</b>	<b>28,903</b>	16,193	37,872
Capital Reserve Fund - W/WW	<b>6,794</b>	<b>18,186</b>	4,952	24,300
Capital Reserve Fund - EMS	<b>3,746</b>	<b>3,999</b>	3,753	3,052
<b>Total Reserve Funds</b>	<b>88,933</b>	<b>81,684</b>	64,727	101,559
<b>TOTAL RESERVE AND RESERVE FUNDS</b>	<b>130,693</b>	<b>90,540</b>	81,430	113,481

# Budget Process

The municipal operating and capital budgets are prepared using the following process:

1. Staff receive direction from City Council regarding expectations for service levels and the level of taxation associated with their service choices.
2. Staff analyze workload requirements, in accordance with City Council's budget directions, and identify resource requirements.
3. Staff prepare financial information in accordance with operating and capital budget policies to support preliminary reviews that identify inflationary pressures, contract cost changes and material price changes. Business cases for service level changes or fee changes are prepared for deliberation by Finance and Administration Committee.
4. The Executive Leadership Team reviews the proposed budget and then provides City Council with the recommended operating and capital budgets for deliberation and final approval.

Budgets are monitored in accordance with the operating and capital budget policies. Staff present the Finance and Administration Committee with variance reports, which update the Committee on service outcomes, the corporation's financial activity throughout the year and projected financial position to the end of the fiscal year.

City Council is also responsible for funding the budgets of our service partners, which include:

- Greater Sudbury Public Library Board
- Sudbury Airport Community Development Corporation
- Conservation Sudbury
- Public Health Sudbury & Districts
- Greater Sudbury Police Service

## Water/Wastewater Budget

Unlike the municipal tax levy, which is applied to all properties in the city to support a variety of services provided to the community, water/wastewater services are paid for by roughly 48,000 residential and non-residential customers.

In 2019, a revised long-range financial plan covering the period 2021 to 2039 recommended an annual rate increase of 4.8 per cent over the next 20 years to achieve financial sustainability. Council approved a 4.8 per cent rate increase for 2023. In accordance with legislation, the plan must be updated prior to the City applying for renewals to its drinking water licences in the fall of 2024.



# Financial Condition

The Public Sector Accounting Board (PSAB) has a Statement of Recommended Practice, which offers guidance to public sector entities regarding discussions about their financial condition.

A city's financial condition reflects its financial health in the context of the overall economic and financial environment, as well as its ability to meet service commitments to the public and financial obligations to creditors, employees and others. PSAB's recommendations define a government's financial condition using the elements of sustainability, flexibility and vulnerability.

See the Glossary for a description of the calculation of all financial condition indicators.

## Sustainability

Sustainability is the ability of a municipality to maintain existing service levels and meet existing requirements without increasing its relative debt or property tax levels.

The ratio of financial assets to liabilities at 1.28 is comparable to the prior year and continues to be within the recommended range of 0.75 to 1.5. The City remains at the higher end of this range, indicating that we are more liquid than our comparators. This results in the opportunity to leverage more resources that could be applied to municipal services and remain within the recommended range of the Long-Term Financial Plan.

The reserves and reserve funds per household increased to \$2,919. This is within the target range, however, as noted previously, 41 per cent is committed. Capital additions as a percentage of amortization expense (139 per cent) decreased compared to the prior year.



Sustainability Indicators	Target	2023	2022	2021	2020	2019
Financial assets to financial liabilities	0.75 to 1.50	<b>1.28</b>	1.23	1.46	1.41	1.66
Total reserves and reserve funds per household	\$2,000 to \$3,500	<b>\$2,919</b>	\$2,572	\$2,451	\$2,067	\$1,830
Total operating expenses as a percentage of taxable assessment	2.0% to 3.5%	<b>2.8%</b>	2.6%	2.4%	2.3%	2.4%
Capital additions as a percentage of amortization expense	150% to 250%	<b>138.8%</b>	145.5%	119.3%	161.1%	213.9%
Taxes receivable as a percentage of taxes levied	n/a	<b>3.4%</b>	3.0%	3.1%	3.2%	2.8%

## Flexibility

Flexibility reflects the municipality's ability to increase its financial resources to address additional commitments and changes to service levels. This is done by increasing property tax revenues, increasing reserve balances or by taking on additional debt.

When analyzing the flexibility indicators, the two major factors to consider are reserves and debt. Compared to other municipalities, discretionary reserve funds are lower than the average, which indicates we do not have as much flexibility as comparators to use reserve funds to immediately address unanticipated expenditures.

The City's debt per household ratio is below the target range as well as the debt servicing costs. There is still capacity for increased borrowing, which was noted in the Long-Term Financial Plan and by S&P Global when it issued its credit rating analysis. This is important since reserves are relatively low. Debt, particularly combined with funding opportunities from senior levels of government, is a viable, partial funding solution to address asset renewal needs.



	2023	2022	2021	2020	2019	
Flexibility Indicators	Target					
Residential taxes per household	\$3,000 to \$5,000	<b>\$2,856</b>	\$2,696	\$2,588	\$2,472	\$2,349
Debt per household	up to \$10,000	<b>\$4,300</b>	\$4,466	\$3,279	\$3,454	\$927
Residential taxes as a percentage of household income	3.0 to 5.0%	<b>4.04%</b>	4.03%	3.92%	3.85%	3.79%
Total taxation as a percentage of total assessment	1.0% to 2.5%	<b>1.48%</b>	1.41%	1.36%	1.30%	1.27%
Debt servicing costs (interest and principal) as a percentage of net revenues	up to 10%	<b>3.94%</b>	4.39%	4.45%	3.24%	1.98%
Net book value of tangible capital assets as a percentage of historical cost of tangible capital assets	40% to 60%	<b>46.3%</b>	48.1%	48.5%	49.2%	49.3%



## Vulnerability

Vulnerability is the degree to which the City is dependent on, and therefore more vulnerable to changes in, funding sources outside its control. The risk of increased reliance on funding from other levels of government is that the City does not directly control or influence the amount or timing of such revenues.

The City receives several funding grants from senior levels of government including Ontario Municipal Partnership Fund allocations, provincial and federal gas taxes, and funding agreements with numerous provincial partners including the Ministry of Health, the Ministry of Long-Term Care, the Ministry of Education and the Ministry of Children, Community and Social Services.

Historically, the City's ability to rely on federal and provincial funding has remained consistent as shown by minor fluctuations in government transfers to total revenue. It may be perceived that a higher ratio indicates higher vulnerability. However, increased ratios may also result from new funding for specific capital projects. The City will continue to maximize grant revenue, when possible, to help address infrastructure requirements.



	2023	2022	2021	2020	2019	
Vulnerability Indicators	Target					
Ratio of government transfers to total revenue	n/a	<b>0.26</b>	0.27	0.26	0.27	0.28
Operating grants as a percentage of total revenues	10% to 25%	<b>21.7%</b>	22.5%	22.4%	23.2%	22.0%
Capital grants as a percentage of total capital expenditures	10% to 25%	<b>48.1%</b>	30.6%	29.2%	22.6%	26.0%

# Credit Rating

From 2018 to 2021, the municipality received an AA debt rating from Standard & Poor's (S&P) Global Ratings with a stable outlook.

In June 2022, S&P Global Ratings revised the City's AA credit rating to AA+ with a stable outlook. This was reaffirmed by S&P in August 2023 during its annual review.

The credit rating is an assessment of the municipality's financial health based on factors such as historic financial performance, policies, economic growth and long-term plans. It influences the interest rate paid on any new debt the City takes on, such as the financing required for asset renewal, or for initiatives that support growth and economic activity throughout the municipality.

This strong financial position enables the City to continue to move forward on the strategic priorities of City Council, while maintaining economic capacity, investment readiness and competitiveness as a hub for health care and employment in northern Ontario.

Key Rating Factors	Score
Institutional framework	1
Economy	2
Financial management	2
Budgetary performance	2
Liquidity	1
Debt burden	2
Stand-alone credit profile	aa+
Issuer credit rating	AA+

S&P Global Ratings bases its ratings on non-U.S. local and regional governments (LRGs) on the six main rating factors in this table. The institutional framework is assessed on a six-point scale: 1 is the strongest and 6 the weakest score. Our assessments of economy, financial management, budgetary performance, liquidity, and debt burden are on a five-point scale, with 1 being the strongest score and 5 the weakest. The stable outlook reflects the expectation that in the next two years, a healthy mining sector will help expand the economy. It is also expected that the City will continue to execute its large capital program, resulting in moderately higher after-capital deficits, but that it will continue to generate healthy operating surpluses.



# 2023 Financial Results

The Annual Report includes the Consolidated Financial Statements of the City of Greater Sudbury for the year ended December 31, 2023. These financial statements have been prepared by Finance in accordance with Generally Accepted Accounting Principles as established by the Public Sector Accounting Board and have been audited by KPMG, LLP. The Independent Auditor's Report expresses an unqualified audit opinion.

## Highlights

The Consolidated Financial Statements include the following entities which are owned or controlled by the City

### Fully consolidated entities include:

- Greater Sudbury Housing Corporation
- Greater Sudbury Police Service Board
- Downtown Sudbury Business Improvement Area
- Flour Mill Business Improvement Area
- Greater Sudbury Public Library Board
- Greater Sudbury Sinking Fund

### In addition, the City invests in two Government Business Enterprises (GBEs):

- Greater Sudbury Airport Community Development Corporation
- Greater Sudbury Utilities Inc.

### Key financial highlights for 2023 are as follows

- The 2023 Consolidated Statement of Financial Position reports net financial assets of \$213 million, an increase of \$39 million from \$174 million in 2022.
- The City's accumulated surplus increased from \$1.857 billion in 2022 to \$1.944 billion at December 31, 2023. Over 95 per cent of the accumulated surplus is comprised of equity in tangible capital assets and funds for capital projects, which represents the service capacity available for future periods.
- The City's reserves and reserve funds (which are included in the accumulated surplus) increased by \$26 million from \$195 million in 2022 to \$221 million in 2023.
- The 2023 Consolidated Statement of Operations and Accumulated Surplus indicated an annual surplus of \$87 million compared to \$47 million in 2022.
- Revenues increased by \$81 million from 2022. Council approved a property tax increase of 4.6 per cent and a water rate increase of 4.8 per cent, which is reflected in the increase in taxation and user revenues for 2023.
- Expenses increased by \$41 million from 2022. Significant increases were \$5 million related to environmental services, \$22 million for social and family services, \$5 million related to protection of persons and property, \$5 million related to social housing and \$3 million related to recreational and cultural services.

## Focus on Infrastructure Renewal

The capital budget and spending represent investments in infrastructure assets owned by the City. These assets include roads, buildings, water and wastewater pipes, equipment and vehicles used by staff to provide services to residents, and facilities used by residents to enjoy the services provided by the municipality.

Below are the key infrastructure renewal projects approved in the 2023 capital budget.

Planned Capital Investment	2023	Budget
Bridges and Culverts Replacement and Rehabilitation		\$16.3M
Junction East - Cultural Campus		\$14.1M
Road and Water/Wastewater Improvements		\$13.3M
Watermain Priority Projects		\$6.2M
Lively Sewer Upgrades - Phase 2		\$5.6M
Accelerated Bus Fleet Replacement Program		\$4.6M
Water Treatment Plant Asset Renewals and Upgrades		\$4.5M
Sewer Priority Replacement and Rehabilitation		\$4.3M
Arterial/Collector Roads Rehabilitation and Resurfacing		\$4M
Dennie Street and Crescent Avenue Storm Sewer Improvements		\$4M
Fleet Replacement Program		\$3.7M
Bus Rapid Transit Corridors		\$3.7M
Pioneer Manor Bed Redevelopment		\$3.6M
St. Charles Lift Station Upgrades		\$3M
Depot Master Plan - Frobisher Salt/Sand Storage Facility		\$3M



Throughout 2023, there continued to be infrastructure renewal on projects approved in budgets prior to and in 2023 such as:

Actual Capital Investment	2023 Spend
Bridges and Culverts Replacement and Rehabilitation	\$18.8M
Arterial/Collector Roads Rehabilitation and Resurfacing	\$16.9M
Roads with Water/Wastewater Improvements	\$12.5M
Pioneer Manor Bed Redevelopment	\$8.2M
Lorraine Street-Transitional Housing	\$7.3M
Watermain Priority Replacement and Rehabilitation	\$7.1M
Downtown Event Centre	\$6.9M
Automated Meter Infrastructure	\$6.0M
Water Treatment Plants	\$4.9M
Sewer Priority Replacement and Rehabilitation	\$4.8M
Fleet Replacement Program	\$4.7M
Replacement Transit Buses	\$4.4M
Outdoor Court Resurfacing	\$2.3M

# Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position is the municipal equivalent of the private sector's Balance Sheet. Among other details, it reports on two key indicators: net financial assets and accumulated surplus.

## Financial Assets Summary

Public Sector Accounting Board standards for reporting require the City to distinguish between financial and non-financial assets. Financial assets are assets on hand, which could be used to discharge liabilities or finance future operations. The difference between financial assets and liabilities, or net financial assets, is an indicator of the City's ability to finance future activities and to meet its liabilities and commitments. Non-financial assets represent economic resources that will be employed by the City to deliver programs and provide services in the future.

The City's financial assets are mostly comprised of investments, investments in Government Business Enterprises (GBE), accounts receivable and cash. Financial assets increased by \$43 million in 2023 to \$980 million compared to \$937 million in 2022.

The City's investments ended the year at \$633 million which is a decrease of \$38 million from 2022. This was in large part due to an increase in cash of \$50 million for 2023 that was invested in January 2024.



	2023	2022	2021	2020	2019
<b>Financial assets (\$000's)</b>	\$	\$	\$	\$	\$
Cash	<b>72,179</b>	22,480	13,510	14,138	16,439
Taxes receivable	<b>12,983</b>	11,189	11,125	11,074	9,304
Accounts receivable	<b>115,912</b>	89,604	76,431	80,930	76,857
Investment in GBE	<b>145,231</b>	142,765	140,845	135,436	117,133
Investments	<b>633,352</b>	671,399	550,518	514,370	305,473
<b>TOTAL ASSETS</b>	<b>979,657</b>	937,437	792,429	755,948	525,206



## Financial Liabilities Summary

The City's financial liabilities are mostly comprised of long-term liabilities, accounts payable and employee benefit obligations. Financial liabilities have increased by \$3 million from \$763 million in 2022 to \$766 million in 2023.

Long-term liabilities for 2023 total \$326 million, a decrease of \$12 million from 2022. The change is due to debt principal repayments.

Accounts payable and accrued liabilities had no change but can fluctuate year to year based on the receipt of invoices and timing of payment and the number and size of projects in the year.

The City receives funds for specific purposes under legislation, regulation or agreements that are internally recorded as Obligatory Reserve Funds. These restricted funds are included in liabilities as Deferred Revenue on the Statement of Financial Position. Employee benefit obligations have increased by \$5 million from 2022. The largest portion of the increase relates to the Workplace Safety Insurance Board (WSIB) liability as the costs to the City continue to be impacted by Post-Traumatic Stress Disorder (PTSD), chronic stress and presumptive cancer claims.



	2023	2022	2021	2020	2019
	Restated				
<b>Financial liabilities (\$000's)</b>	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	133,094	133,098	111,461	117,525	99,966
Deferred revenue - obligatory reserve funds	62,602	64,469	68,563	56,025	55,191
Deferred revenue - other	27,483	14,484	16,690	10,891	4,669
Employee benefit obligations	90,973	85,759	78,126	72,152	68,860
Solid waste management facility liability	-	-	19,243	17,502	15,535
Asset retirement obligation	124,020	124,407	-	-	-
Contaminated sites	2,262	2,272	-	-	-
Long-term liabilities	325,923	338,481	248,538	261,802	70,264
<b>TOTAL LIABILITIES</b>	<b>766,357</b>	<b>762,970</b>	<b>542,621</b>	<b>535,897</b>	<b>314,485</b>

# Consolidated Statement of Operations and Accumulated Surplus

The Consolidated Statement of Operations and Accumulated Surplus is the municipal equivalent of the private sector's Statement of Income and Retained Earnings. It provides a summary of the revenues, expenses and surplus for the reporting period, and outlines the changes in accumulated surplus.

It is important to note that a surplus does not indicate there is extra cash to spend. Please refer to the Statement of Cash Flows for additional information regarding changes in the cash balance of the City.

## Revenues

The City's revenues are used to provide and maintain existing service levels and sustain infrastructure. Revenues are comprised of government transfers, taxation, user charges, investment income, fines and penalties, other revenues and net earnings from Government Business Enterprises (GBE).

Revenues increased by \$81 million from \$734 million in 2022 to \$815 million in 2023.

Government transfers in total were \$232 million, an increase of \$32 million from \$201 million in 2022. The increase in transfers were mainly related to the new Canada-wide Early Learning and Child Care (CWELCC) funding and bed revitalization for Pioneer Manor.

Taxation for 2023 was \$17 million higher than 2022, primarily due to a tax increase of 4.6 per cent, as approved by Council through the annual budget process.

User charges increased by \$15 million from 2022. This is a result of the reopening of leisure programming and increased transit ridership.

Other revenues increased by \$17 million mainly due to the increase in investment income.

GBEs contributed \$2.4 million to the 2023 annual surplus.





	2023	2022	2021	2020	2019
<b>Revenues (\$000's)</b>	\$	\$	\$	\$	\$
Government Transfers, Provincial	<b>200,079</b>	176,368	164,116	170,819	160,598
Government Transfers, Federal	<b>32,314</b>	24,275	19,001	12,862	25,217
Taxation	<b>343,213</b>	326,152	311,769	298,381	282,721
User Charges	<b>162,145</b>	147,220	133,614	131,791	136,412
Investment Income	<b>39,646</b>	19,676	10,740	14,950	12,489
Fines and Penalties	<b>6,747</b>	5,503	5,318	4,733	5,979
Other	<b>28,429</b>	32,910	43,278	18,319	27,664
GBE Net Earnings	<b>2,466</b>	1,920	5,409	18,303	2,988
<b>TOTAL REVENUES</b>	<b>815,039</b>	734,024	693,245	670,158	654,068

Note that 62 per cent (64 per cent in 2022) of the City's revenue is attributed to taxation and user fees which are determined and approved through the annual budget process.

# Expenses

Expenses represent the City's costs to provide a wide range of services to the community. Expenses increased by \$41 million from \$687 in 2022 to \$728 million in 2023 to maintain existing service levels.

## Expenses by Function

City services are provided by departments and their activities are reported by function in the financial statements as determined by the Ministry of Municipal Affairs and Housing.

Social and Family Services increased by \$23 million from \$136 million to \$159 million due to a \$15 million increase in childcare costs and a \$7 million increase at Pioneer Manor. Additional provincial and federal funding was received to support these services.



	2023	2022	2021	2020	2019
Restated					
Expenses by Function (\$000's)	\$	\$	\$	\$	\$
General Government	<b>29,154</b>	31,148	27,743	33,749	27,448
Protection Services	<b>127,274</b>	121,842	119,925	108,346	107,935
Transportation Services	<b>137,340</b>	136,405	117,345	118,586	125,510
Environmental Services	<b>110,992</b>	106,058	102,539	102,922	99,190
Health Services	<b>39,753</b>	38,808	36,104	34,436	31,912
Social and Family Services	<b>159,388</b>	136,868	121,726	117,431	119,578
Social Housing	<b>46,925</b>	42,311	39,696	38,365	40,125
Recreation and Cultural Services	<b>60,201</b>	57,457	44,155	39,736	46,807
Planning and Development	<b>17,158</b>	16,525	13,624	11,857	12,066
<b>TOTAL EXPENSES</b>	<b>728,185</b>	687,422	622,857	605,428	610,571



## Expenses by Category

Expenses are also broken down by major expense categories: salaries, wages and benefits, materials, contract services, grants and transfer payments, amortization and other.

Salaries, wages and benefits have increased by \$14 million. The increase is related to general wage increases and temporary additional staffing and wage enhancements funded by the province for Pioneer Manor.

Materials remained relatively constant from the previous year with a slight increase of \$2 million from 2022.

Contract services increased by \$19 million mainly due to the increased cost for child care of \$15 million, which was offset by provincial funding.



	2023	2022	2021	2020	2019
Restated					
Salaries, wages and employee benefits	<b>317,098</b>	303,128	284,408	271,808	268,079
Materials	<b>124,102</b>	121,760	103,641	106,149	110,963
Contract services	<b>133,240</b>	114,246	96,355	90,671	99,891
Grants and transfer payments	<b>58,241</b>	53,955	48,896	50,290	51,967
Amortization	<b>82,814</b>	81,875	80,121	78,484	75,626
Other	<b>12,690</b>	12,457	9,436	8,026	4,045
<b>TOTAL EXPENSES</b>	<b>728,185</b>	687,422	622,857	605,428	610,571

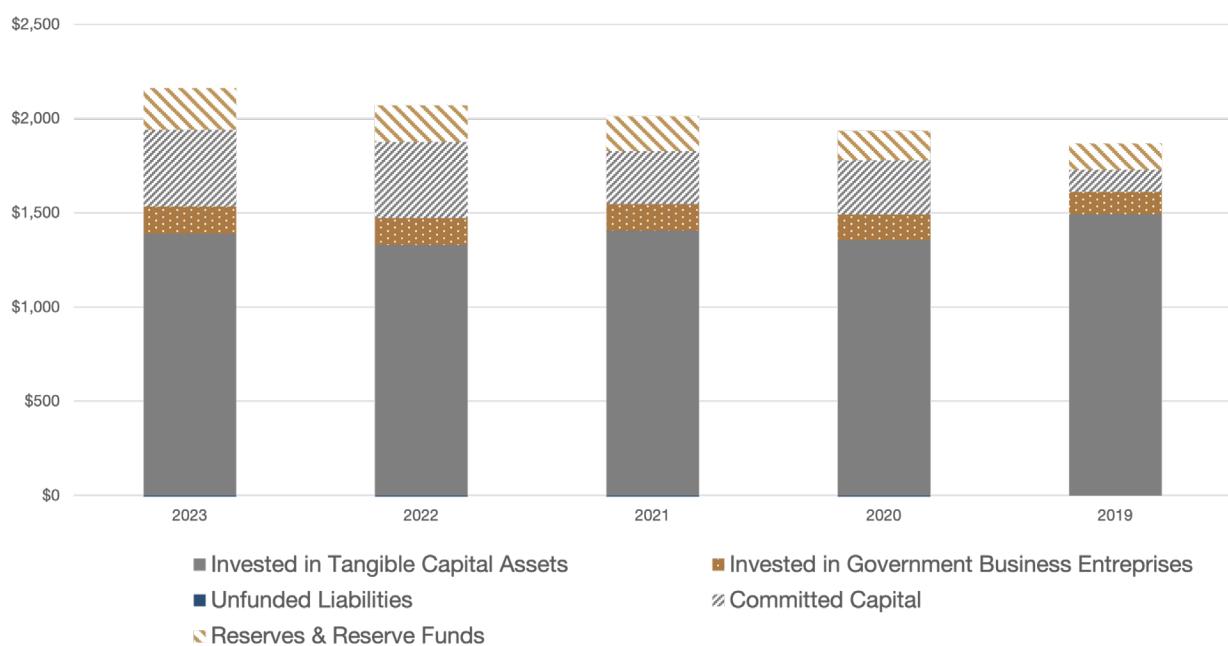
## Accumulated Surplus

The accumulated surplus is the amount by which all assets, including tangible capital assets, exceed liabilities. An accumulated surplus indicates a government has net resources to provide services in future reporting periods.

The City has an accumulated surplus of \$1.944 billion which is an increase of \$87 million from 2022.

Reserves and reserve funds total \$221 million compared to \$195 million in 2022. A portion of the reserve funds are committed to previous Council-approved capital budgets and other projects until spent on the related project. Approximately \$91 million of the total reserve funds are committed.

**Accumulated Surplus (\$000's)**

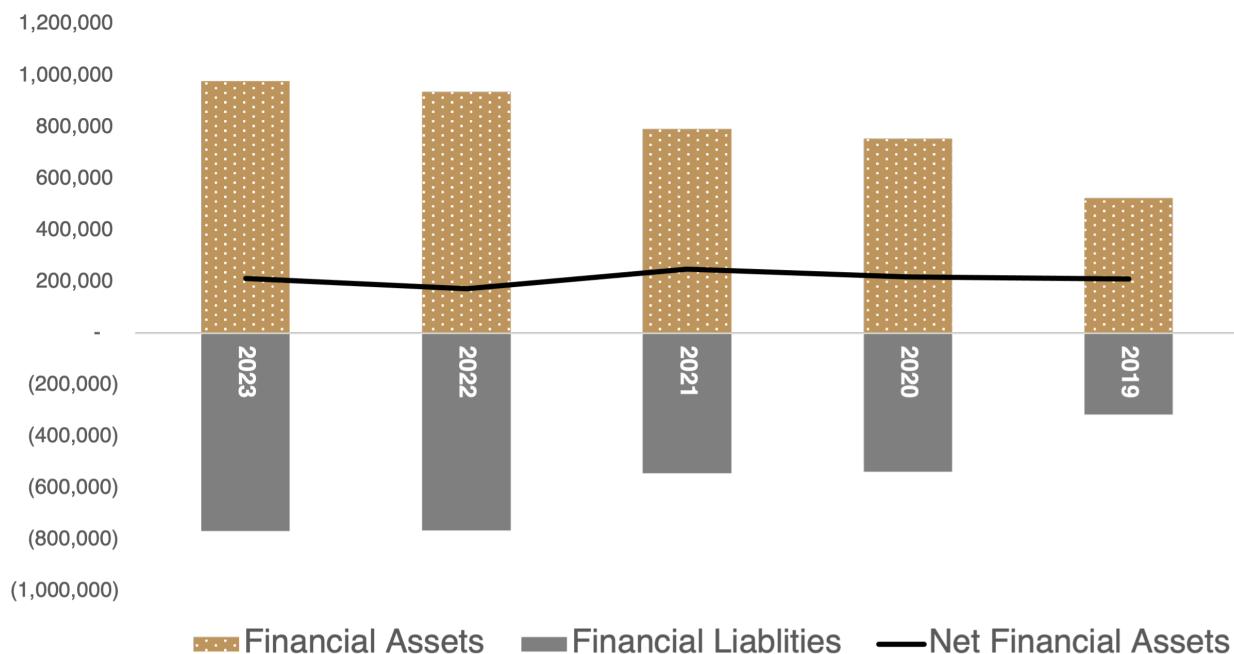


# Consolidated Statement of Change in Net Financial Assets

The Consolidated Statement of Change in Net Financial Assets summarizes the change in net financial assets due to annual operations, tangible capital asset transactions and changes in other non-financial assets.

The City's net financial asset position is positive, indicating that it has the financial resources available to meet cost increases or revenue losses.

## Net Financial Assets



# 2023 Consolidated Financial Statements

FOR THE YEAR ENDING DECEMBER 31, 2023



Consolidated Financial Statements of

# **CITY OF GREATER SUDBURY**

And Independent Auditor's Report thereon

Year ended December 31, 2023

## **Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of the City of Greater Sudbury (the "City") are the responsibility of the City's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. A summary of the significant accounting policies is described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The City's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by Management.

Council meets with Management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the City. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the City's consolidated financial statements.



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Ed Archer  
Chief Administrative Officer



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Kevin Fowke  
General Manager, Corporate Services





**KPMG LLP**  
Times Square  
1760 Regent Street, Unit 4  
Sudbury, ON P3E 3Z8  
Canada  
Telephone 705 675 8500  
Fax 705 675 7586

## INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the City of Greater Sudbury

### ***Opinion***

We have audited the accompanying consolidated financial statements of the City of Greater Sudbury, (the City), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2023, and its consolidated results of operations and accumulated surplus, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Emphasis of Matter – Comparative Information***

We draw attention to Note 2 to the financial statements (“Note 2”), which explains that certain comparative information presented for the year ended December 31, 2022 has been restated as a result of the modified retroactive adoption of the asset retirement obligation standard. Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

### ***Other Matter – Comparative Information***

As part of our audit of the financial statements for the year ended December 31, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2022 as a result of a change in accounting policy. In our opinion, such adjustments are appropriate and have been properly applied.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

### ***Auditors' Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.





Page 3

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

*KPMG LLP*  
\_\_\_\_\_  
*[Handwritten signature]*

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

August 30, 2024

# CITY OF GREATER SUDBURY

Consolidated Statement of Financial Position  
(in thousands of dollars)

December 31, 2023, with comparative information for 2022

	2023	2022		
	(Restated - note 2)			
<b>Financial assets</b>				
Cash	\$ 72,179	\$ 22,480		
Taxes receivable (note 4)	12,983	11,189		
Accounts receivable (note 5)	115,912	89,604		
Investment in Government Business Enterprises (note 6 (a))	145,231	142,765		
Investments (note 7)	633,352	671,399		
	<u>979,657</u>	<u>937,437</u>		
<b>Financial liabilities</b>				
Accounts payable and accrued liabilities (note 8)	133,094	133,098		
Deferred revenue - obligatory reserve funds (note 10)	62,602	64,469		
Deferred revenue - other (note 11)	27,483	14,484		
Employment benefit obligations (note 12)	90,973	85,759		
Asset retirement obligations (note 13)	124,020	124,407		
Contaminated sites (note 18)	2,262	2,272		
Long-term liabilities (note 14)	325,923	338,481		
	<u>766,357</u>	<u>762,970</u>		
Net financial assets	213,300	174,467		
<b>Non-financial assets</b>				
Tangible capital assets (note 15)	1,714,607	1,668,292		
Inventory of supplies	9,056	8,260		
Prepaid expenses	7,120	6,210		
	<u>1,730,783</u>	<u>1,682,762</u>		
Contractual rights and contingent assets (note 17)				
Contractual obligations and commitments (note 18)				
Accumulated surplus (note 19)	\$ 1,944,083	\$ 1,857,229		

The accompanying notes are an integral part of these consolidated financial statements.



# CITY OF GREATER SUDBURY

Consolidated Statement of Operations and Accumulated Surplus  
(in thousands of dollars)

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget	2023 Actual	2022 Actual
	(note 20)		(Restated - note 2)
<b>Revenue:</b>			
Government transfers			
Provincial	\$ 197,179	\$ 200,079	\$ 176,368
Federal	32,642	32,314	24,275
Taxation (note 21)	341,328	343,213	326,152
User charges	156,527	162,145	147,220
Investment income	22,746	39,646	19,676
Fines and penalties	7,199	6,747	5,503
Other revenues (note 22)	20,027	28,429	32,910
Government Business Enterprises net earnings (note 6 (b))	2,856	2,466	1,920
<b>Total revenue</b>	<b>780,504</b>	<b>815,039</b>	<b>734,024</b>
<b>Expenses:</b>			
General government	22,963	29,154	31,148
Protection services	124,623	127,274	121,842
Transportation services	131,737	137,340	136,405
Environmental services	108,941	110,992	106,058
Health services	38,829	39,819	38,808
Social and family services	161,278	159,322	136,868
Social housing	38,576	46,925	42,311
Recreational and cultural services	55,831	60,201	57,457
Planning and development	15,843	17,158	16,525
<b>Total expenses</b>	<b>698,621</b>	<b>728,185</b>	<b>687,422</b>
<b>Annual surplus</b>	<b>81,883</b>	<b>86,854</b>	<b>46,602</b>
Accumulated surplus, beginning of year	1,857,229	1,857,229	1,911,955
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(101,328)
<b>Accumulated surplus, end of year</b>	<b>\$ 1,939,112</b>	<b>\$ 1,944,083</b>	<b>\$ 1,857,229</b>

The accompanying notes are an integral part of these consolidated financial statements.

# CITY OF GREATER SUDBURY

Consolidated Statement of Change in Net Financial Assets  
(in thousands of dollars)

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 20)	2023 Actual	2022 Actual (Restated - note 2)
Annual surplus	\$ 81,883	\$ 86,854	\$ 46,602
Acquisition of tangible capital assets	(157,955)	(130,935)	(102,887)
Amortization of tangible capital assets	74,729	82,814	81,875
Gain on sale of tangible capital assets	-	1,441	(974)
Proceeds on sale of tangible capital assets	-	365	8,357
	<u>(1,343)</u>	<u>40,539</u>	<u>32,973</u>
Use of inventory	-	(796)	(1,412)
Prepaid expenses	-	(910)	(571)
Change in net financial assets	<u>(1,343)</u>	<u>38,833</u>	<u>30,990</u>
Net financial assets, beginning of year	174,467	174,467	249,808
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(106,331)
Net financial assets, end of year	<u>\$ 173,124</u>	<u>\$ 213,300</u>	<u>\$ 174,467</u>

The accompanying notes are an integral part of these consolidated financial statements.



# CITY OF GREATER SUDBURY

Consolidated Statement of Cash Flows  
(in thousands of dollars)

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
	(Restated - note 2)	
<b>Cash provided by (used in):</b>		
Operating activities:		
Annual surplus	\$ 86,854	\$ 46,602
Items not involving cash:		
Amortization of tangible capital assets	82,814	81,875
Gain on sale of tangible capital assets	1,441	(974)
Developer contributions of tangible capital assets	(2,143)	(3,330)
Change in employee benefit obligations	5,214	7,633
Change in contaminated sites liability	(10)	227
Change in asset retirement obligation	(639)	-
Accretion expense	911	877
Equity income in Government Business Enterprises	<u>(2,466)</u>	<u>(1,920)</u>
	171,976	130,990
Change in non-cash assets and liabilities:		
Increase in accounts and taxes receivable	(28,365)	(13,237)
Increase in inventory of supplies	(796)	(1,412)
Increase in prepaid expenses	(910)	(571)
Increase in accounts payable and accrued liabilities	259	21,637
Decrease in deferred revenue - obligatory reserve funds	(1,867)	(4,093)
Increase (decrease) in deferred revenue - other	12,999	(2,206)
Net change in cash from operating activities	153,296	131,108
Financing activities:		
Long-term debt issued	-	103,000
Debt principal repayments	(10,990)	(9,220)
Financial obligations payments	(800)	(3,250)
Capital lease payments	<u>(155)</u>	<u>(274)</u>
Net change in cash from financing activities	<u>(11,945)</u>	90,256
Capital activities:		
Proceeds on sale of tangible capital assets	365	8,357
Cash used to acquire tangible capital assets	<u>(129,451)</u>	<u>(99,556)</u>
Net change in cash from capital activities	<u>(129,086)</u>	(91,199)
Investing activities:		
Purchase of investments	37,434	(121,195)
Net change in cash from investing activities	37,434	(121,195)
Net change in cash	49,699	8,970
Cash, beginning of year	22,480	13,510
Cash, end of year	<u>\$ 72,179</u>	<u>\$ 22,480</u>
<b>Supplementary information:</b>		
Interest received	\$ 26,658	\$ 10,392
Interest paid	<u>10,161</u>	<u>9,643</u>

The accompanying notes are an integral part of these consolidated financial statements.

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements  
(in thousands of dollars)

Year ended December 31, 2023

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The City of Greater Sudbury is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes including the Municipal Act, 2001, Provincial Offences Act and other legislation.

## 1. Significant accounting policies:

The consolidated financial statements of the City of Greater Sudbury (the "City") are prepared by management in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

### (a) Reporting entity:

#### (i) Consolidated entities:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City. These boards, organizations and entities include:

Greater Sudbury Housing Corporation  
Greater Sudbury Police Services Board  
Downtown Sudbury  
Flour Mill Business Improvement Area  
Greater Sudbury Public Library Board

All interdepartmental and inter-organizational assets and liabilities and revenue and expenses have been eliminated.

The City maintains separate fund for the purpose of providing for periodic repayments on debt to be retired by means of sinking funds. The financial activity and position of this fund are disclosed separately in the sinking funds financial statements.

#### (ii) Related entities:

These consolidated financial statements do not reflect the assets, liabilities, sources of financing, expenses and the activities of the following boards, organizations and entities which are not under the control of Council:

Nickel District Conservation Authority  
Board of Health for the Sudbury & District Health Unit  
The City of Greater Sudbury Community Development Corporation



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued)

### (a) Reporting entity (continued):

#### (ii) Related entities (continued):

The following contributions were made by the City to these entities:

	2023	2022
Nickel District Conservation Authority	\$ 1,166	\$ 1,122
Board of Health Sudbury & Districts	8,056	7,808
The City of Greater Sudbury Community Development Corporation	1,587	1,576
	<hr/> \$ 10,809	<hr/> \$ 10,506

#### (iii) Investment in Government Business Enterprises:

Government Business Enterprises ("GBE") include the Greater Sudbury Utilities Inc./Services Publics du Grand Sudbury Inc. ("GSU"), and the Sudbury Airport Community Development Corporation ("SACDC"), and are accounted for by the modified equity method.

Under the modified equity method, the business enterprise's accounting principles are not adjusted to conform with those of the City and inter-organization transactions and balances are not eliminated.

#### (iv) Accounting for school board transactions:

The taxation, other revenues, expenses, assets and liabilities of Le Conseil Scolaire de District Catholique du Nouvel-Ontario, Sudbury Catholic District School Board, Rainbow District School Board and Conseil Scolaire Du District Du Grand Nord De L'Ontario are not reflected in these consolidated financial statements.

### (b) Revenue recognition:

#### Government transfers:

Government transfers are transfers from senior levels of government that are not the result of an exchange transaction and are not expected to be repaid in the future. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. A transfer with eligibility criteria is recognized as revenue when the transfer is authorized and all eligibility criteria have been met. A transfer with or without eligibility criteria but with stipulations is recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except where and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the City.

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (b) Revenue recognition (continued):

#### Taxation and related revenues:

Annually, the City bills and collects property tax revenues for municipal purposes as well as provincial education taxes on behalf of the Province of Ontario (the “Province”) for education purposes. The authority to levy and collect property taxes is established under the Municipal Act, 2001, the Assessment Act, the Education Act, and other legislation.

The amount of the total annual municipal property tax levy is determined each year through Council’s approval of the annual operating budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council approved policies, in order to raise the revenues required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund the cost of education on a Province wide basis.

Property assessments, on which property taxes are based, are established by the Municipal Property Assessment Corporation (“MPAC”), a not-for-profit corporation funded by all of Ontario’s Municipalities. The current value assessment (“CVA”) of a property represents an estimated market value of a property as of a fixed date. Assessed values for all properties within the municipality are provided to the City in the returned assessment roll in December of each year.

The amount of property tax levied on an individual property is the product of the CVA of the property (assessed by MPAC), the municipal tax rate for the class (approved by Council) and the education rates (approved by the Province), together with any adjustments that reflect Council approved mitigation or other tax policy measures, rebate programs, etc.

Property taxes are billed by the City twice annually. The interim billing, issued in February is based on approximately 50% of the total property taxes in the year, and provides for the cash requirements of the City for the initial part of the year. Final bills are issued in June.

Taxation revenues are recorded at the time tax billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The City may receive supplementary assessment rolls over the course of the year from MPAC, identifying new or omitted assessments. Property taxes for these supplementary and/or omitted amounts are then billed according to the approved tax rate for the property class and on the supplementary/omitted due dates approved by Council.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (b) Revenue recognition (continued):

#### Taxation and related revenues (continued):

Taxation revenues in any year may also be reduced by reductions in assessment values resulting from assessment and/or property tax appeals. Each year, an amount is identified within the annual operating budget and accrued in the consolidated financial statements to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenues (i.e. uncollectible amounts, write offs, etc.).

In the City of Greater Sudbury, annual property tax increases for properties within the commercial, industrial and multi-residential tax classes have been subject to limitations on the maximum allowable year-over-year increase since 1998, in order to mitigate dramatic tax increases due to changes in assessed values.

#### User charges:

User charges relate to various programs, and fees imposed based on specific activities, such as: transit fees, leisure services, water, wastewater and solid waste. Revenue is recognized when the activity is performed or when the services are rendered.

#### Fines and penalties:

Fines and penalties revenue is primarily generated from the Provincial Offences Administration (“POA”) office.

The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor License Act, Municipal By-Laws and minor federal offences. The POA governs all aspects of legal process from serving notice to a defendant, to conducting trials, including sentencing and appeals.

Balances arising from operation of the POA office have been consolidated with these consolidated financial statements. The City cannot reliably estimate the collections of this revenue, accordingly, revenue is recognized on the cash basis.

#### Other revenue:

Other revenues are recognized in the year that the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year, are deferred and reported as liabilities.

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (c) Investments and investment income:

Investments are recorded at cost less any amounts written off to reflect a permanent decline in value.

Investment income is reported as revenue in the period earned. Investment income earned on reserve funds that are set aside for specific purposes by legislation, regulation or agreement, is added to the fund balance and forms part of the respective deferred revenue balances.

### (d) Inventory held for resale:

Inventory held for resale, is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

### (e) Pensions and employee benefits:

The City makes contributions to the Ontario Municipal Employees' Retirement System plan ("OMERS"), a multi-employer pension plan, on behalf of most of its employees. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay. Employees and employers contribute jointly to the plan.

Because OMERS is a multi-employer pension plan, the City does not recognize any share of the pension plan deficit, as this is a joint responsibility of all Ontario municipalities and their employees. Employer's contributions for current and past service are included as an expense on the consolidated statement of operations and accumulated surplus.

The amount employer contributed to OMERS and expensed in 2023 was \$20,014 (2022 - \$19,042). The amount of employee contributions to OMERS in 2023 was \$20,014 (2022 - \$19,042). As of December 31, 2023 the OMERS plan, with approximately 613,000 members, has a funding deficit of \$7,571,000 (2022 – deficit \$6,100,000).

Vacation entitlements are accrued for as entitlements are earned.

Sick leave benefits are accrued when they are vested and subject to pay out when an eligible employee leaves the City's employ.

Other post-employment benefits are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. The discount rate used to determine the accrued benefit obligation was determined with reference to the City's cost of borrowing at the measurement date taking into account the cash flows that match the timing and amount of expected benefit payments.

Actuarial gains (losses) on the accrued benefit obligation arise from the difference between actual and expected experiences and from changes in actuarial assumptions used to determine the accrued benefit obligation. These gains (losses) are amortized over the average remaining service period of active employees.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (f) Deferred revenue - obligatory reserve funds:

The City receives certain sub-divider contributions and other revenues under the authority of federal and provincial legislation and City by-laws. These funds, by their nature, are restricted in their use and, until applied to specific expenses, are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

### (g) Deferred revenue – other:

The City receives certain amounts pursuant to funding agreements that may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recorded as deferred revenue and are recognized as revenue in the fiscal year the eligibility criteria has been met (i.e. related expenses are incurred, services are performed) except when stipulations are present and to the extent that the transfer give rise to an obligation that meets the definition of a liability.

### (h) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### (i) Tangible capital assets:

Tangible capital assets ("TCA") are recorded at cost which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life – Years
<hr/>	
General capital:	
Landfill and land improvements	15 - 75 years
Buildings	15 - 60 years
Machinery, furniture and equipment	2 - 50 years
Vehicles	2 - 20 years
Infrastructure:	
Land improvements	25 - 100 years
Plants and facilities	5 - 80 years
Roads infrastructure	10 - 75 years
Water and wastewater infrastructure	15 - 100 years

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# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (h) Non-financial assets (continued):

#### (i) Tangible capital assets (continued):

Landfill sites are amortized using the units of production method based upon the capacity used during the year.

Half of the annual amortization is recorded as amortization expense in the year of acquisition or construction and in the year of disposal. Assets under construction are not amortized until the asset is put into service.

#### (ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

#### (iii) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

#### (iv) Inventory:

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

#### (v) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made or where there was no future benefit related to the asset, the tangible capital asset was recognized at a nominal value. Land, buildings and machinery, furniture and equipment are the categories where nominal values were assigned.

#### (vi) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

#### (vii) Assets under construction:

Assets under construction are not amortized until construction is complete and the facilities come into use.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (i) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to insure retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability for closure of operational sites and post-closure care related to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the City has also been recognized based on estimated future expenses on closure of the site and post-closure care.

The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outline in note 1(h).

### (j) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods.

Significant items subject to such estimates and assumptions include valuation allowances for taxes receivable, accounts receivable and post-employment benefits. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

In addition, the City's implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

Actual results could differ from these estimates.

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 2. Change in accounting policies:

The City adopted the following standards concurrently beginning January 1, 2022 prospectively: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments*.

PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS 3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses. PS 3041 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* no longer applies.

PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 2. Change in accounting policies (continued):

Fair value hierarchy:

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. There was no impact from the adoption of this standard.

### *PS 3280 Asset Retirement Obligations:*

On January 1, 2022, the City also adopted Canadian public sector accounting standard PS 3280 *Asset Retirement Obligations*. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing accounting standard PS 3270 *Solid Waste Landfill Closure and Post-Closure Liability*. The standard was adopted on the modified retroactive basis at the date of adoption.

The City removed the landfill liability that had been recognized to date and recognized an asset retirement obligation upon adoption of PS 3280 on January 1, 2022, using the modified retroactive method. The liability represents the required closure and post-closure care for the landfill sites owned by the City. The landfill sites were purchased at dates between 1950 - 1996, and the liability was measured as of the date of purchase of the sites, when the liability was assumed. As of the date of adoption of the standard, the relevant discount rate is 4% per annum.

On January 1, 2022, the City recognized an additional asset retirement obligation relating to several buildings owned by the City that contain asbestos. The buildings were originally purchased between 1896-2016, and the liability was measured as of the date of purchase of the buildings, when the liability was assumed. The buildings had an expected useful life of 20-50 years, and the estimate has not been changed since purchase.

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 2. Change in accounting policies (continued):

PS 3280 Asset Retirement Obligations (continued):

In accordance with the provisions of this new standard, the City reflected the following adjustments at January 1, 2022:

Landfill obligation:

- A decrease of \$17,198 to the landfill liability to remove the liability recognized to date under PS 3270, and an accompanying increase of \$17,198 to opening accumulated surplus.
- An asset retirement obligation in the amount of \$23,404, representing the original obligation discounted to the present value amount using a rate of 4%, with the following corresponding adjustments:
  - An increase of \$3,847 to the landfill tangible capital asset account, representing the original estimate of the obligation as of the date of purchase.
  - An accompanying increase of \$2,351 to accumulated amortization, representing the years of increased amortization had the liability originally been recognized.
  - A decrease to opening accumulated surplus of \$21,908, as a result of the recognition of the liability and accompanying increase in amortization expense and accretion expense for the years since purchase.

Asbestos obligation:

- An asset retirement obligation in the amount of \$100,125, representing the original obligation discounted to the present value amount using a rate of 4%.
- An increase of \$100,125 to the buildings tangible capital asset account, representing the original estimate of the obligation as of the date of purchase, and an accompanying increase of \$96,618 to accumulated amortization, representing the years of increased amortization had the liability originally been recognized.
- A decrease to opening accumulated surplus of \$96,618, as a result of the recognition of the liability and accompanying increase in amortization expense and accretion expense for the years since purchase.

On a combined basis, the implementation of the new standard has resulted in a decrease in opening accumulated surplus of \$101,328, an increase in net tangible assets of \$5,003 and an increase in financial liabilities of \$106,331 effective January 1, 2022.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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### 3. Accounting standards issued but not yet adopted:

Section PS 3400 *Revenue* is effective for fiscal years beginning on or after April 1, 2023, early adoption is permitted. This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. The City has not yet adopted this standard or determined the effect on the consolidated financial statements.

### 4. Taxes receivable:

	2023	2022
Current taxes and grants in lieu of taxes	\$ 9,674	\$ 8,459
Taxes in arrears	7,499	6,865
	<hr/> 17,173	<hr/> 15,324
Less: allowance for doubtful accounts	(4,190)	(4,135)
<b>Net taxes receivable</b>	<b>\$ 12,983</b>	<b>\$ 11,189</b>

### 5. Accounts receivable:

Accounts receivable consists of the following:

	2023	2022
Government of Canada	\$ 27,919	\$ 18,932
Province of Ontario	12,972	13,040
Other receivables	78,692	60,725
	<hr/> 119,583	<hr/> 92,697
Less: allowance for doubtful accounts	(3,671)	(3,093)
<b>Net accounts receivable</b>	<b>\$ 115,912</b>	<b>\$ 89,604</b>

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 6. Investment in Government Business Enterprises:

The SACDC and GSU are 100% owned and controlled by the City. These corporations are business enterprises of the City and are accounted for on a modified equity basis in these consolidated financial statements.

(a) The investment in Government Business Enterprises consists of the following:

	SACDC	GSU	2023 Total	2022 Total
Balance, beginning of year	\$ 12,413	\$ 130,352	\$ 142,765	\$ 140,845
City's share of operating income for the year	(1,809)	4,275	2,466	1,920
Balance, end of year	\$ 10,604	\$ 134,627	\$ 145,231	\$ 142,765

The investment of \$134,627 in GSU includes a promissory note receivable of \$52,340 (2022 - \$52,340) which is unsecured and bears interest at a rate of 7.25% per annum. The note is repayable in full upon six months written notice from the City.

(b) Supplementary information:

The following tables provide condensed supplementary financial information for the year ended December 31, 2023:

### Financial Position

	SACDC	GSU	2023 Total	2022 Total
Current assets	\$ 3,787	\$ 30,381	\$ 34,168	\$ 30,284
Capital assets	27,303	144,841	172,144	163,656
Other assets	—	27,109	27,109	28,207
Total assets	31,090	202,331	233,421	222,147
Current liabilities	1,767	21,827	23,594	21,149
Note payable to the City of Greater Sudbury	7,839	52,341	60,180	56,034
Long-term liabilities	10,879	45,878	56,757	54,540
Total liabilities	20,485	120,046	140,531	131,723
Net assets	\$ 10,605	\$ 82,285	\$ 92,890	\$ 90,424

The \$7,839 (2022 \$3,694) note payable to the City from SACDC accrues interest at the City's average monthly rate of return on investments plus 1% and has no specified terms of repayment.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 6. Investment in Government Business Enterprises (continued):

### (b) Supplementary information (continued):

By-Law 2022-144 authorized an increased loan to the Sudbury Airport Community Development Corporation to \$12,500. The By-Law provides flexibility to temporarily exceed the \$12,500 limit for bridge financing in order to complete subsidized projects. As at December 31, 2023, the City is in compliance with the requirements of By-Law 2022-144.

	SACDC	GSU	2023 Total	2022 Total
Revenue	\$ 7,181	\$ 148,141	\$ 155,322	\$ 154,734
Expenses	(8,735)	(139,199)	(147,934)	(149,099)
Interest paid to the City of Greater Sudbury	(272)	(3,795)	(4,067)	(3,907)
Other	—	(800)	(800)	(373)
Other comprehensive income (loss)	17	(72)	(55)	565
Net income	\$ (1,809)	\$ 4,275	\$ 2,466	\$ 1,920
Budgeted net income	\$ 92	\$ 2,764	\$ 2,856	\$ 1,852

### (c) Related party transactions:

Related party transactions between the City and its government business enterprises are as follows:

- (i) At December 31, 2023, the City has the following amounts included in the consolidated statement of financial position:

A receivable of \$2,151 (2022 - \$2,094) for water billings collected by GSU on behalf of the City.

A payable of \$30 (2022 - \$15) for electricity and water bill payments collected by the City on behalf of GSU.

- (ii) Revenues included in the Consolidated Statement of Operations and Accumulated Surplus of the City are:

	2023	2022
Property taxes	\$ 538	\$ 520
Interest on promissory note receivable	4,067	3,907
	\$ 4,605	\$ 4,427

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 6. Investment in Government Business Enterprises (continued):

### (c) Related party transactions (continued):

- (iii) Expenses included in the Consolidated Statement of Operations and Accumulated Surplus of the City are:

	2023	2022
Billing and collection services for water and wastewater	\$ 1,910	\$ 1,878
Streetlighting maintenance services	598	685
Streetlighting infrastructure	1,538	34
Electricity	5,858	5,174
Telecommunications	617	620
	<hr/> \$ 10,521	<hr/> \$ 8,391

Transactions with related parties are in the normal course of operations and are recorded at the exchange amount, which is the amount agreed to by the related parties. It is management's opinion that the exchange amount represents fair market value for these services.

## 7. Investments:

	2023 interest rates	2023		2022	
		Market	Cost	Market	Cost
Short-term investments	(1.00% to 6.81%)	\$ 488,608	\$ 483,401	\$ 526,682	\$ 521,400
Long-term investments	(0.00% to 6.43%)	151,534	149,951	145,248	149,999
		<hr/> \$ 640,142	<hr/> \$ 633,352	<hr/> \$ 671,930	<hr/> \$ 671,399

The investments consisting of term deposits, treasury bills, high interest savings accounts and bonds earn rates of return ranging from 0.00% to 6.81% per annum and are recorded at cost adjusted for amortization of discounts and premiums. Maturity dates on long term investments range from 2023 to 2050 (2022 – 2023 to 2050).

By-Law 2013-179 adopted the Investment Policy which allows up to \$150,000 to be invested in long-term instruments (greater than one year). The remainder of the portfolio is restricted to short-term investments (one year and shorter). At December 31, 2023, the City is in compliance with the requirements of By-Law 2013-179.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

## 8. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities consist of the following:

	2023	2022
Government of Canada	\$ 2,981	\$ 2,858
Province of Ontario	5,476	7,941
Other payables	124,637	122,299
Total accounts payable and accrued liabilities	<u>\$ 133,094</u>	<u>\$ 133,098</u>

## 9. Bank indebtedness:

The City has an unsecured demand revolving credit facility in the amount of \$10,000 (2022 - \$10,000) bearing interest at the bank's prime rate less 0.5% for Bankers' Acceptance and 0.9% on loans with an effective rate of 7.2% (2022 – 6.2%) per annum. No amounts were drawn against the facility as at December 31, 2023 and 2022.

## 10. Deferred revenue - obligatory reserve funds:

Deferred revenue - obligatory reserve funds consist of the following:

	December 31, 2022	Externally restricted inflows	Revenue earned	December 31, 2023
Gasoline Tax - Federal	\$ 26,819	\$ 12,016	\$ (18,840)	\$ 19,995
Gasoline Tax - Provincial	3,783	3,131	(1,592)	5,322
Ontario Community Infrastructure Fund	4,806	10,364	(9,657)	5,513
Children's Services – Transition Mitigation Funding	6,296	–	–	6,296
Enabling Accessibility Fund	529	13	–	542
Development Charges Act	6,459	5,216	(3,647)	8,028
Recreational Land (Planning Act)	1,200	303	(24)	1,479
Sub-Divider Contributions	9,105	1,179	(513)	9,771
Building Permit Revenues (Bill 124)	4,736	799	(730)	4,805
Ontario's Main Street Revitalization Initiatives	12	1	–	13
Northern Ontario Resource Development Fund	724	425	(311)	838
	<b>\$ 64,469</b>	<b>\$ 33,447</b>	<b>\$ (35,314)</b>	<b>\$ 62,602</b>

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 11. Deferred revenue – other:

Deferred revenue - other consist of the following:

	December 31, 2022	Externally restricted inflows	Revenue earned	December 31, 2023
Federal government	\$ 325	\$ 345	\$ (327)	\$ 343
Provincial government	12,891	30,545	(17,738)	25,698
Other	904	1,045	(923)	1,026
Consolidated entities	364	416	(364)	416
	\$ 14,484	\$ 32,351	\$ (19,352)	\$ 27,483

## 12. Employee benefit obligations:

Employee benefit obligations consist of the following:

	2023	2022
Future payments required for:		
WSIB obligations	\$ 24,197	\$ 19,904
Accumulated sick leave benefits	5,634	5,519
Other post-employment benefits	39,537	39,520
Liability for Stop Loss Insurance	760	867
Vacation pay	20,845	19,949
	\$ 90,973	\$ 85,759

The City has established reserve funds in the amount of \$10,653 (2022 - \$10,183) to mitigate the future impact of these obligations.

The City is a Schedule 2 employer under the provisions of the Workplace Safety and Insurance Board Act (WSIB), and as such, remits payments to the WSIB as required to fund disability payments.

Accumulated sick leave benefits accrue to certain employees of the City and are paid out either on approved retirement or upon termination or death.

Other post-employment benefits represent the City's share of the cost to provide certain employees with extended benefits upon early retirement.

Liability for stop loss insurance represents future payments for claims relating to catastrophic losses that occurred during the insured period and has exceeded or will exceed the City's deductible.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 12. Employee benefit obligations (continued):

The following table sets out the results as determined by the actuarial valuations completed for the year ended December 31, 2023 for each of the plans.

	WSIB	Sick Leave	Other Post-Employment Benefits	2023 Total	2022 Total
Accrued benefit liability, beginning of year	\$ 19,904	\$ 5,519	\$ 39,520	\$ 64,943	\$ 57,723
Benefit cost	4,332	239	1,609	6,180	5,580
Interest cost	1,361	165	1,319	2,845	2,773
Benefit payments	(4,688)	(199)	(2,773)	(7,660)	(7,031)
Actuarial gain (loss)	29,682	(893)	(2,869)	25,920	19,581
Accrued benefit liability, end of year	50,591	4,831	36,806	92,228	78,626
Unamortized actuarial gain (loss)	(26,394)	803	2,731	(22,860)	(13,683)
	\$ 24,197	\$ 5,634	\$ 39,537	\$ 69,368	\$ 64,943

The total employee benefits expense include the following components:

	WSIB	Sick Leave	Other Post-Employment Benefits	2023 Total	2022 Total
Current period benefit cost	\$ 4,332	\$ 239	\$ 1,609	\$ 6,180	\$ 5,580
Amortization of actuarial gain (loss)	3,288	(90)	(232)	2,966	4,315
Interest expense	1,361	165	1,319	2,845	2,773
	\$ 8,981	\$ 314	\$ 2,696	\$ 11,991	\$ 12,668

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 12. Employee benefit obligations (continued):

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the more significant assumptions made:

	WSIB	Sick Leave	Other Post-Employment Benefits
Expected inflation rate	2.0%	2.0%	2.0%
Expected level of salary increases	N/A	3.1%	3.1%
Discount rate	3.75%	3.75%	3.75%

For other post-employment benefits, as at December 31, 2023, the initial health care trend rate is 5.35% (2022 – 5.35 %) and the ultimate trend rate is 4.35% (2022 – 4.35%) which is expected to be reached in 2031 (2022 – 2031).

## 13. Asset retirement obligations:

The City's asset retirement obligations consist of several obligations as follows:

### (a) Landfill obligation:

The City owns and operates a number of landfill sites. The liability for the closure of operational sites and post-closure care has been recognized under PS 3280 *Asset Retirement Obligations*. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the sites and for 25 years post this date. Post-closure care is estimated to be required for 25 years from the date of site closure. These costs were discounted to December 31, 2023 using a discount rate of 4% per annum.

Post-closure care costs related to inactive landfills are included in the provision for contaminated sites (see note 18(d)).

### (b) Asbestos obligation:

The City owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 *Asset Retirement Obligations*, the City recognized an obligation relating to the removal and post-removal care of the asbestos in these building as estimated at January 1, 2022. Post-closure care is estimated to extend for up to a year following the closure of the building, while demolition and construction continues. Estimated costs have been discounted to the present value using a discount rate of 4% per annum.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 13. Asset retirement obligations (continued):

### (b) Asbestos obligation (continued):

The transition and recognition of asset retirement obligations involved an accompanying increase to the buildings and landfill tangible capital assets and the restatement of prior year balances (see note 2).

Changes to the asset retirement obligation in the year are as follows:

Asset retirement obligation	Landfill closure	Asbestos removal	Balance at December 31, 2023
Opening balance	\$ 24,282	\$ 100,125	\$ 124,407
Accretion expense	911	—	911
Change in estimate	(1,298)	—	(1,298)
<b>Closing balance</b>	<b>\$ 23,895</b>	<b>\$ 100,125</b>	<b>\$ 124,020</b>

Asset retirement obligation	Landfill closure	Asbestos removal	Balance at December 31, 2022
Opening balance	\$ —	\$ —	\$ —
Adjustment on adoption of the asset retirement obligation standard (note 2)	23,404	100,125	123,529
Opening balance as restated	23,404	100,125	123,529
Accretion expense	878	—	878
<b>Closing balance</b>	<b>\$ 24,282</b>	<b>\$ 100,125</b>	<b>\$ 124,407</b>

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 14. Long-term liabilities (continued):

(a) Long-term liabilities consist of the following:

	2023	2022
Debentures (i)	\$ 29,819	\$ 33,019
Sinking fund debentures (ii)	303,000	303,000
Other loans (iii)	12,268	13,209
Capital lease obligations (iv)	289	445
Accrued financial obligations (v)	200	1,000
	345,576	350,673
Total value of sinking fund deposits	(19,653)	(12,192)
<b>Net long-term liabilities</b>	<b>\$ 325,923</b>	<b>\$ 338,481</b>

- i. The debentures bear interest at rates of 3.10% to 5.734%, repayable in aggregate blended monthly payments of \$441, maturing from March 2023 to March 2035.
- ii. The sinking fund debentures bear interest rates of 2.416% to 3.457%, payable semiannually. On an annual basis the City must contribute \$6.8 million to the sinking funds, with the City's sinking fund contributions and associated investment income used to repay the debenture at maturity from March 2047 to March 2050.
- iii. The other loans bear interest at rates of 5.47% to 6.162%, repayable in aggregate blended annual payments of \$354 and an aggregated blended monthly payment of \$116, maturing from March 2025 to May 2035.
- iv. The capital lease obligations bear interest at a rate of 0%, repayable in aggregate blended annual payments of \$274, maturing from Feb 2023 to Dec 2025.
- v. Accrued financial obligations consist of the following:

	Last Year of Obligation	2023	2022
Northeastern Ontario Regional Cancer Centre	2023	\$ —	\$ 211
Health Sciences North	2023	—	489
Health Sciences North (PET Scanner)	2025	200	300
		<b>\$ 200</b>	<b>\$ 1,000</b>



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 14. Long-term liabilities (continued)

- (b) The principal payments on long-term liabilities are due as follows:

2024	\$ 11,039
2025	10,238
2026	10,074
2027	10,204
2028	10,340
Thereafter	164,265
Interest to be earned on sinking funds	109,763
	<hr/>
	\$ 325,923

- (c) The City's long-term liabilities are to be recovered from the following sources:

General municipal revenues	\$ 293,660
Water/wastewater user fees	32,263
	<hr/>
	\$ 325,923

- (d) The City expensed \$19,993 in 2023 (2022 - \$ 9,643) in interest on these borrowings.

# CITY OF GREATER SUDBURY

(in thousands of dollars)

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 15. Tangible capital assets:

Cost	Balance at December 31, 2022	Additions	Disposals / Transfers	Balance at December 31, 2023
<b>General Capital:</b>				
Land	\$ 83,769	\$ 7,472	\$ (120)	\$ 91,121
Landfill and land improvements	55,605	3,732	(659)	58,678
Buildings	381,967	11,505	(730)	392,742
Machinery, furniture and equipment	130,976	6,609	(7,404)	130,181
Vehicles	91,188	9,445	-	100,633
<b>Infrastructure:</b>				
Land improvements	48,739	103	-	48,842
Plants and facilities	454,255	8,625	(303)	462,577
Roads infrastructure	1,498,111	39,740	(3,466)	1,534,385
Water and sewer infrastructure	591,912	27,703	(3,187)	616,428
Assets under construction	60,152	54,783	(38,123)	76,812
<b>Total</b>	<b>\$ 3,396,674</b>	<b>\$ 169,717</b>	<b>\$ (53,992)</b>	<b>\$ 3,512,399</b>
 <b>Accumulated Amortization</b>				
	Balance at December 31, 2022	Amortization Expense	Disposals / Transfers	Balance at December 31, 2023
<b>General Capital:</b>				
Landfill and land improvements	\$ 27,029	\$ 1,889	-	\$ 28,918
Buildings	214,698	10,607	(726)	224,579
Machinery, furniture and equipment	92,120	7,283	(3,221)	96,182
Vehicles	48,736	6,219	(4,030)	50,925
<b>Infrastructure:</b>				
Land improvements	6,882	867	-	7,749
Plants and facilities	261,052	10,178	(218)	271,012
Roads infrastructure	873,898	37,205	(3,139)	907,964
Water and sewer infrastructure	203,967	8,566	(2,070)	210,463
<b>Total</b>	<b>\$ 1,728,382</b>	<b>\$ 82,814</b>	<b>\$ (13,404)</b>	<b>\$ 1,797,792</b>
 <b>Net Book Value</b>				
	Balance at December 31, 2022			Balance at December 31, 2023
<b>General Capital:</b>				
Land	\$ 83,769		\$	\$ 91,121
Landfill and land improvements	28,576			29,760
Buildings	167,269			168,163
Machinery, furniture and equipment	38,856			33,999
Vehicles	42,452			49,708
<b>Infrastructure:</b>				
Land improvements	41,857			41,093
Plants and facilities	193,203			191,565
Roads infrastructure	624,213			626,421
Water and sewer infrastructure	387,945			405,965
Assets under construction	60,152			76,812
<b>Total</b>	<b>\$ 1,668,292</b>			<b>\$ 1,714,607</b>



# CITY OF GREATER SUDBURY

(in thousands of dollars)

Notes to Consolidated Financial Statements

Year ended December 31, 2021

## 15. Tangible capital assets (continued):

Cost	Balance at December 31, 2021	Additions	Disposals / Transfers	Balance at December 31, 2022	(Restated - Note 2)
<b>General capital:</b>					
Land	\$ 88,187	\$ 999	\$ (5,417)	\$ 83,769	
Landfill and land improvements	51,742	3,863	-	55,605	
Buildings	372,924	12,640	(3,597)	381,967	
Machinery, furniture and equipment	128,136	7,321	(4,481)	130,976	
Vehicles	88,044	8,266	(5,122)	91,188	
<b>Infrastructure:</b>					
Land improvements	33,362	15,377	-	48,739	
Plants and facilities	450,103	4,185	(33)	454,255	
Roads infrastructure	1,455,462	51,785	(9,136)	1,498,111	
Water and sewer infrastructure	575,578	19,660	(3,326)	591,912	
Assets under construction	76,359	36,013	(52,220)	60,152	
<b>Total</b>	<b>\$ 3,319,897</b>	<b>\$ 160,109</b>	<b>\$ (83,332)</b>	<b>\$ 3,396,674</b>	
 <b>Accumulated Amortization</b>					
	Balance at December 31, 2021	Amortization Expense	Disposals / Transfers	Balance at December 31, 2022	
					(Restated - Note 2)
<b>General Capital:</b>					
Landfill and land improvements	\$ 25,159	\$ 1,870	\$ -	\$ 27,029	
Buildings	207,063	10,989	(3,354)	214,698	
Machinery, furniture and equipment	88,931	7,392	(4,203)	92,120	
Vehicles	47,683	6,002	(4,949)	48,736	
<b>Infrastructure:</b>					
Land improvements	6,092	790	-	6,882	
Plants and facilities	250,991	10,090	(29)	261,052	
Roads infrastructure	845,287	36,694	(8,083)	873,898	
Water and sewer infrastructure	199,031	8,048	(3,112)	203,967	
<b>Total</b>	<b>\$ 1,670,237</b>	<b>\$ 81,875</b>	<b>\$ (23,730)</b>	<b>\$ 1,728,382</b>	
 <b>Net Book Value</b>					
	Balance at December 31, 2021			Balance at December 31, 2022	
<b>General Capital:</b>					
Land	\$ 88,187			\$ 83,769	
Landfill and land improvements	26,583			28,576	
Buildings	165,861			167,269	
Machinery, furniture and equipment	39,205			38,856	
Vehicles	40,361			42,452	
<b>Infrastructure:</b>					
Land improvements	27,270			41,857	
Plants and facilities	199,112			193,203	
Roads infrastructure	610,175			624,213	
Water and sewer infrastructure	376,547			387,945	
Assets under construction	76,359			60,152	
<b>Total</b>	<b>\$ 1,649,660</b>			<b>\$ 1,668,292</b>	

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 15. Tangible capital assets (continued):

### (a) Assets under construction:

Assets under construction having a value of \$76,817 (2022 - \$60,152) have not been amortized. Amortization of these assets will commence when the asset is put into service.

During the year, the City added \$54,783 (2022 - \$36,019) to assets under construction and transferred \$38,118 (2022 - \$52,220) from assets under construction to tangible capital assets.

### (b) Developer contributions of tangible capital assets:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$2,143 (2022 - \$3,330) comprised of the following:

	2023	2022
General capital:		
Land	\$ 41	\$ 72
Machinery and equipment	362	324
Infrastructure:		
Roads network	877	1,175
Water and wastewater network	863	1,759
Total	<hr/> \$ 2,143	<hr/> \$ 3,330

## 16. Operations of school boards:

Further to note 1(a)(iv), taxation and other revenues generated from the operations of the school boards excluded from reported revenues are comprised of the following:

	2023	2022
Taxation	\$ 50,017	\$ 49,847
Payment in lieu of taxes	137	137
	<hr/> \$ 50,154	<hr/> \$ 49,984



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 17. Contractual rights and contingent assets:

- (a) Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The City's contractual rights arise from contracts entered into for lease agreements. The following table summarizes the contractual rights of the City:
- 

2024	\$ 2,644
2025	2,618
2026	2,517
2027	2,439
2028 and onwards	2,436
	<hr/> \$ 12,654

- (b) Contingent assets:

As of December 31, 2023, certain legal actions are pending in favour to the City. An estimate of the contingency cannot be made since the outcome of these matters is interminable. Should any gain result from the resolution of these matters, such gain would be realized to operations in the year of disposition.

## 18. Contractual obligations and commitments:

- (a) Contracts for capital projects:

The balance of capital works uncompleted under contracts in progress at December 31, 2023 amounts to approximately \$142,766 (2022 - \$56,965). The proposed financing of these obligations is \$121,370 (2022 - \$39,788) from surplus funds and \$21,396 (2022 - \$17,177) from external sources.

- (b) Contracts for services:

The City has entered into contracts with third parties to provide various services to the City. The minimum anticipated payments under these contracts are as follows:

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2024	\$ 39,453
2025	36,270
2026	33,595
2027	19,382
2028 and onwards	31,736
	<hr/> \$ 160,436

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 18. Contractual obligations and commitments (continued):

### (c) Contingent liabilities:

As at December 31, 2023, certain legal actions are pending against the City. An estimate of the contingency cannot be made since the outcome of these matters is indeterminable. Should any loss result from the resolution of these matters, such loss would be charged to operations in the year of disposition.

### (d) Liability for contaminated sites:

A contaminated site is an unproductive site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. A liability for remediation of contaminated sites is recognized when the City is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate for the amount can be made. The City has identified three (2022 – three) inactive landfill sites for which it retains responsibility for all costs relating to closure and post-closure care.

Post-closure care activities for landfill sites are expected to occur in perpetuity and will involve surface and ground water monitoring, maintenance of drainage structures, monitoring leachate and landfill gas, and maintenance of the landfill cover.

The estimated liability for the care of inactive landfill sites is the present value of future cash flows associated with closure and post-closure costs discounted using the City's average long-term borrowing rate of 4.0% (2022 – 3.75%). The estimated present value of future expenditures for post-closure care is \$2,262 (2022 - \$2,272).



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 19. Accumulated surplus:

Accumulated surplus consists of the following:

	2023	2022
	(Restated - note 2)	
Surplus:		
Invested in tangible capital assets	\$ 1,388,785	\$ 1,330,691
Invested in government business enterprises	145,231	142,765
Other	507	665
Committed capital:		
Capital projects not completed	416,527	413,874
Unfinanced capital projects to be recovered through taxation or user charges	(9,045)	(10,296)
Unfunded:		
Contaminated sites obligation	(2,262)	(2,272)
Asset retirement obligations	(124,020)	(124,407)
Employee benefits	(90,122)	(84,801)
Accrued financial obligations	(2,750)	(3,900)
	1,722,851	1,662,319
Reserves	50,615	28,624
Reserve funds	170,617	166,286
	\$ 1,944,083	\$ 1,857,229

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 20. Budget data:

Budget data presented in these consolidated financial statements are based on the 2023 operating and capital budgets approved by Council and Local Boards. The chart below reconciles the approved budget with the budget figures as presented in these consolidated financial statements.

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### Revenues

Approved budget:	
Operating	\$ 697,632
Capital	157,929
Consolidated Boards	23,624
	879,185
Adjustments:	
Transfer from reserves to operating	(12,497)
Recognize revenues from obligatory reserve funds	1,592
In year budget adjustments – operating	8,194
Operating transfer to capital and future years funding	(93,093)
Reclass between revenues and expenses	(432)
Reclassification of taxation bad debt expense	(2,445)
Total revenues	\$ 780,504

### Expenses

Approved budget:	
Operating	\$ 697,631
Capital	157,939
Consolidated Boards	20,768
	876,338
Adjustments:	
Amortization of tangible capital assets	74,729
Transfer to reserves and capital	(101,124)
Reduction due to tangible capital assets	(158,530)
Post-employment benefit expense	7,633
Landfill closure and post-closure expense	(1,512)
In year budget adjustments – operating	8,194
Reclassification of taxation bad debt expense	(2,445)
Debt principal repayments	(11,699)
Reclass between revenues and expenses	(432)
Operating expenses budgeted in capital expensed in current year	7,469
Total expenses	\$ 698,621
Annual surplus	\$ 81,883



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 20. Budget data (continued):

Budget figures have been reclassified for purposes of these consolidated financial statements to comply with Public Sector Accounting Board reporting requirements.

The approved budgets of the Consolidated Boards include amortization. Their budgets also provide figures for the acquisition of tangible capital assets.

## 21. Taxation:

Taxation consists of:

	2023 Budget	2023 Actual	2022 Actual
Municipal tax levy	\$ 332,557	\$ 332,579	\$ 314,819
Supplementary taxation	2,467	3,166	2,501
Assessment appeal revenue	—	—	1,696
Payment in lieu of property taxes	8,727	9,178	8,645
Local improvements	22	—	22
	343,773	344,923	327,683
Rebates and tax concessions	(2,445)	(1,710)	(1,531)
Net municipal taxation	\$ 341,328	\$ 343,213	\$ 326,152

## 22. Other revenues:

Other revenues consist of:

	2023 Budget	2023 Actual	2022 Actual
Gaming and casino revenues	\$ 2,175	\$ 1,777	\$ 1,770
Gain (loss) on sale of land and tangible capital assets	—	(1,321)	974
Donated tangible capital assets	—	2,143	3,330
Donations	11	100	101
Development charges earned	—	3,647	4,085
Sub-divider contributions	730	1,092	1,390
Miscellaneous recoveries/revenues	17,276	20,991	21,260
	\$ 20,192	\$ 28,429	\$ 32,910

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## **23. Trust funds:**

Trust funds amounting to \$19,300 (2022 - \$18,927) administered by the City are not included in the consolidated financial statement of financial position nor have their operations been included in the consolidated statement of operations and accumulated surplus.

## **24. Comparative information:**

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year. These changes have no effect on the annual surplus previously reported in the prior year.

## **25. Segmented disclosure:**

The City is a diversified municipal government institution that provides a wide range of services to more than 166,000 citizens. Services include water, roads, fire, police, emergency medical services, waste management, public transit, recreation programs, economic development, land use planning and health and social services. For management reporting purposes the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information, along with the services they provide, and are as follows:

### General Government

General Government consists of Office of the Mayor, Council expenses, Administrative Services (including Clerks, Elections, Communications, Legal and Information Technology Services), Human Resources, Auditor General and Finance Departments. Areas within the General Government respond to the needs of external and internal clients by providing high quality, supportive and responsive services. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues, relating to governance, strategic planning and service delivery.

### Transportation Services

This area is responsible for management of Roadways including traffic and winter control, Transit services, and the administration and operation of City-owned parking lots. This section also provides employee services to the SACDC.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 25. Segmented disclosure (continued):

### Protection Services

This section consists of Fire, Police, contribution to the Nickel District Conservation Authority, Animal Control, Building Services, Emergency measures and management of Provincial Offences Act. Police Services ensures the safety of the lives and property of citizens; preserves peace and order; prevents crimes from occurring; detect offenders and enforce the law. Fire Services is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection and extinguishment of fires. The Building Services Division processes permit applications and ensure compliance with the Ontario Building Code and with By-Laws enacted by Council.

### Environmental Services

In addition to the management of Waterworks, Sanitary and Storm Sewer systems, this area is responsible for Waste Collection, Waste Disposal and Recycling facilities and programs. This section is responsible for providing clean, potable water meeting all regulatory requirements and responsible for repairing breaks and leaks in the water and sewer system. This section produces quality effluents meeting regulatory requirements and minimizing environmental degradation.

### Health and Social Services

This section consists of Ambulance Services, Social Services including Housing Services, Childcare, Assistance to Aged Persons, Cemetery Services as well as the City's contribution to the Health Unit and Hospital. The Social Services division is responsible for the administration and delivery of the Ontario Works Act. Ontario Works is an employment based, provincially mandated program, cost-shared with the Ministry of Community and Social Services. To enable low-income families to pursue employment and educational opportunities, Children Services deliver child care services and assist with costs of child care via the provision of subsidies. Pioneer Manor is a Long-Term Care facility providing 24-hour care and services to 433 residents. Housing Services reflects the cost of administering and delivering social housing programs downloaded from the Province.

### Recreation and Cultural Services

This section provides public services that contribute to neighborhood development and sustainability through the provision of recreation and leisure services such as fitness and aquatic programs and provides management of arenas and leisure facilities. This section also contributes to the information needs of the City's citizens through the provision of library and cultural services and by preserving local history and managing archived data.

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 25. Segmented disclosure (continued):

### Planning and Development Services

The goal of this section is to offer coordinated development services in order to maximize economic development opportunities. The Planning and Development Division ensures that the City of Greater Sudbury is planned and developed in accordance with the Ontario Planning Act, Provincial policies and good planning principles so that Sudbury is an enjoyable and beautiful community to live, work, play and shop. This section also provides leadership in matters relating to landscape restoration, ecosystem health, biological integrity, energy conservation, air and lake water quality.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, certain government grants and other revenue are apportioned to services based on a percentage of operations.



# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements  
(in thousands of dollars)

Year ended December 31, 2023

## 25. Segmented disclosure (continued)

	General Government	Protection Services	Transportation Services	Environmental Services	Health and Social Services	Recreation and Cultural Services	Planning and Development	Government Business Enterprises	2023 Total	2022 Total	(Restated - (note 2))
<b>Revenue:</b>											
Transfer payments	\$ 21,685	\$ 7,361	\$ 37,472	\$ 170	\$ 161,537	\$ 2,352	\$ 1,816	\$ -	\$ 232,393	\$ 200,643	
Taxation	31,368	107,784	75,379	18,935	63,409	34,043	12,295	-	343,213	326,152	
User charges	4,560	7,499	10,393	101,976	26,787	10,167	753	-	162,145	147,220	
Other	44,438	4,856	6,487	8,234	6,536	1,530	2,741	2,466	77,288	60,009	
	102,051	127,500	129,731	129,315	258,279	48,092	17,605	2,466	815,039	734,024	
<b>Expenses:</b>											
Salaries, wages and benefits	35,279	101,459	39,989	24,436	82,700	23,750	9,485	-	317,098	303,128	
Materials	9,505	12,785	29,010	23,226	27,836	18,844	2,896	-	124,102	121,760	
Contract services	4,505	2,020	20,102	37,600	65,609	1,985	1,419	-	133,240	114,246	
Grants and transfer payments	4,669	1,184	15	67	48,520	1,841	1,945	-	58,241	53,955	
Amortization of tangible capital assets	1,393	4,574	43,038	21,265	6,601	5,499	444	-	82,814	81,875	
Other	745	512	2,746	1,719	2,291	4,512	165	-	12,690	12,458	
Allocation of shared expenses	(26,942)	4,740	2,440	2,679	12,509	3,770	804	-	-	-	
	29,154	127,274	137,340	110,992	246,066	60,201	17,158	-	728,185	687,422	
<b>Annual surplus (deficit)</b>	<b>\$ 72,897</b>	<b>\$ 226</b>	<b>\$ (7,609)</b>	<b>\$ 18,323</b>	<b>\$ 12,213</b>	<b>\$ (12,109)</b>	<b>\$ 447</b>	<b>\$ 2,466</b>	<b>\$ 86,854</b>	<b>\$ 46,602</b>	

# CITY OF GREATER SUDBURY

Notes to Consolidated Financial Statements (continued)  
(in thousands of dollars)

Year ended December 31, 2023

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## 26. Supplementary financial information:

Schedule of Revenues and Expenses – Library:

	2023	2022
<b>Revenue:</b>		
Government transfers (note 1)	\$ 403	\$ 403
Fines and fees	62	48
Other	44	30
	<u>509</u>	<u>481</u>
<b>Expenses:</b>		
Salaries, wages and benefits	5,784	5,340
Materials and contract services	3,812	3,568
	<u>9,596</u>	<u>8,908</u>
<b>Deficiency of revenues over expenses</b>	<b>\$ (9,087)</b>	<b>\$ (8,427)</b>

1. The government transfer are comprised of the following:

Provincial:			
Ministry of Tourism and Culture - operating	\$ 403	\$ 403	





Financial Statements of

**CITY OF GREATER SUDBURY  
Sinking Fund**

And Independent Auditor's Report thereon

Year ended December 31, 2023





**KPMG LLP**  
Times Square  
1760 Regent Street, Unit 4  
Sudbury, ON P3E 3Z8  
Canada  
Telephone 705 675 8500  
Fax 705 675 7586

## INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the City of Greater Sudbury

### ***Opinion***

We have audited the financial statements of City of Greater Sudbury – Sinking Fund (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies  
(Hereinafter referred to as the “financial statements”)

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of City of Greater Sudbury - Sinking Fund as at December 31, 2023, and its results of operations for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***Auditor's Responsibilities for the Audit of the Financial Statements*** section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

October 21, 2024

# THE CITY OF GREATER SUDBURY

## SINKING FUND

Statement of Financial Position  
(in thousands of dollars)

December 31, 2023, with comparative information for 2022

	2023	2022
<b>Assets</b>		
Cash	\$ -	\$ 129
Investments (note 5)	19,040	11,832
Accrued interest	613	231
	<hr/> \$ 19,653	<hr/> \$ 12,192

### Liabilities and Net Assets

Accounts payable and accrued liabilities	\$ 18	\$ 11
Actuarial requirements (note 1)	16,025	8,740
	<hr/> 16,043	<hr/> 8,751
Accumulated surplus	3,610	3,441
	<hr/> \$ 19,653	<hr/> \$ 12,192

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director



# THE CITY OF GREATER SUDBURY

## SINKING FUND

Statement of Operations and Accumulated Surplus  
(in thousands of dollars)

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
City of Greater Sudbury:		
Contributions	\$ 6,848	\$ 4,204
Investment income	612	314
	7,460	4,518
Expenses:		
Changes in actuarial requirements (note 1)	7,285	4,435
Audit fees	6	6
	7,291	4,441
Annual surplus	169	77
Accumulated surplus, beginning of the year	3,441	3,364
Accumulated surplus, end of year	\$ 3,610	\$ 3,441

See accompanying notes to financial statements.

# THE CITY OF GREATER SUDBURY

## SINKING FUND

Statement of Cash Flows  
(in thousands of dollars)

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 169	\$ 77
Items not involving cash:		
Amortization of net premium on investments	27	27
	<hr/> 196	<hr/> 104
Change in non-cash working capital items:		
Accrued interest	(382)	(146)
Accounts payable and accrued liabilities	7	5
Actuarial requirements	7,285	4,435
Net change in cash from operating activities	<hr/> 7,106	<hr/> 4,398
Investing activities:		
Acquisition of investments	(7,235)	(7,655)
Decrease in cash during the year	<hr/> (129)	<hr/> (3,257)
Cash, beginning of year	129	3,386
Cash, end of year	<hr/> \$ - \$ 129	<hr/>

See accompanying notes to financial statements.



# CITY OF GREATER SUDBURY

## Sinking Fund

### Notes to Financial Statements

Year ended December 31, 2023  
(in thousands of dollars)

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The City of Greater Sudbury - Sinking Fund (the "Fund") is a separate fund maintained for the purpose of providing periodic repayments for debt to be retired by means of sinking fund. The amount issued was \$303,000,000 with a maturity date of March, 2050.

#### **1. Significant accounting policies:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The significant accounting policies are summarized below:

(a) Basis of accounting:

The Fund follows the accrual basis of accounting for revenues and expenditures.

(b) Revenue recognition:

Contributions are recognized in the year receivable. Interest income is recognized as revenue when earned.

(c) Investments:

Investments are recorded at amortized cost. The discounts or premiums on investments are amortized on a straight-line basis over the term of the investment.

Investment purchases are accounted for on the settlement date. There are no transaction costs incurred in the purchase of investments.

(d) Provision of actuarial requirements:

The actuarial requirements of the Fund represent the amount required which, together with interest compounded annually, will be sufficient to retire the related debenture at maturity.

#### **2. Change in accounting policies:**

The Fund adopted the following standards concurrently beginning January 1, 2022 prospectively: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments*.

PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS 3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

# CITY OF GREATER SUDBURY

## Sinking Fund

Notes to Financial Statements

Year ended December 31, 2023  
(in thousands of dollars)

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### 2. Change in accounting policies (continued):

PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses. PS 3041 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* no longer applies.

PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date.

Fair value hierarchy:

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. There was no impact from the adoption of this standard.





Financial Statements of

## **CITY OF GREATER SUDBURY TRUST FUNDS**

And Independent Auditor's Report thereon

Year ended December 31, 2023





**KPMG LLP**  
Times Square  
1760 Regent Street, Unit 4  
Sudbury, ON P3E 3Z8  
Canada  
Telephone 705 675 8500  
Fax 705 675 7586

## INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the City of Greater Sudbury

### ***Opinion***

We have audited the financial statements of The City of Greater Sudbury Trust Funds (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
  - the statement of operations and changes in fund balances for the year then ended
  - the statement of cash flows for the year then ended
  - and notes to the financial statements, including a summary of significant accounting policies
- (Hereinafter referred to as the “financial statements”)

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The City of Greater Sudbury Trust Funds as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor's Responsibilities for the Audit of the Financial Statements***” section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





Page 3

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*  
\_\_\_\_\_  
*[Handwritten signature]*

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

October 21, 2024

# CITY OF GREATER SUDBURY TRUST FUNDS

Statement of Financial Position

December 31, 2023, with comparative information for 2022  
(in thousands of dollars)



	Home for The Aged Residents' Fund	Subdividers' Deposits	Miscellaneous	Fednor Project - Business Planning Initiative (note 4)	Cemetery Pre-Need	Cemetery Care and Maintenance	Total 2023	Total 2022
<b>Assets</b>								
Cash	\$ 151	1,147	-	-	1,503	9,074	\$ 1,298	\$ 1,234
Due from City of Greater Sudbury (note 3)	-	7,388	37	-	-	-	18,002	17,693
Loans receivable	-	-	-	117	-	-	117	117
Allowance for doubtful loans	-	-	-	(117)	-	-	(117)	(117)
	\$ 151	8,535	37	-	1,503	9,074	\$ 19,300	\$ 18,927
<b>Liabilities and Fund Balances</b>								
Accounts payable	\$ -	8,535	-	-	1,503	9,074	\$ -	\$ 73
Fund balances	\$ 151		37	-	1,503	9,074	\$ 19,300	\$ 18,854
	\$ 151	8,535	37	-	1,503	9,074	\$ 19,300	\$ 18,927

See accompanying notes to financial statements.

## CITY OF GREATER SUDBURY TRUST FUNDS

Statement of Operations and Changes in Fund Balances

Year ended December 31, 2023, with comparative information for 2022  
(in thousands of dollars)

	Home for The Aged Residents' Fund	Subdividers' Deposits	Miscellaneous	Fedor Project - Business Planning Initiative	Cemetery Pre-Need	Cemetery Care and Maintenance	Total 2023	Total 2022
<b>Revenue:</b>								
Plot sales	\$ 1,445	-	-	-	110	259	\$ 369	\$ 428
Receipts from or on behalf of others	-	57	-	-	-	-	1,445	1,110
Interest earned	-	1,053	-	-	75	474	606	264
Subdividers' deposits	-	1,110	-	-	-	-	1,053	1,496
					185	733	3,473	3,298
<b>Expenses:</b>								
Disbursements to or on behalf of residents	1,363	-	-	-	-	-	1,363	1,191
Refunds	-	751	-	-	-	-	751	641
Transfer to City of Greater Sudbury	-	-	60	-	86	767	913	723
	1,363	751	60	-	86	767	3,027	2,555
Annual surplus (deficit)	82	359	(60)	-	99	(34)	446	743
Fund balances, beginning of year	69	8,176	97	-	1,404	9,108	18,854	18,111
<b>Fund balances, end of year</b>	<b>\$ 151</b>	<b>8,535</b>	<b>37</b>	<b>-</b>	<b>1,503</b>	<b>9,074</b>	<b>\$ 19,300</b>	<b>\$ 18,854</b>

See accompanying notes to financial statements.

# CITY OF GREATER SUDBURY

## TRUST FUNDS

### Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022  
(in thousands of dollars)

	2023	2022
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 446	\$ 743
Changes in non-cash working capital items:		
Increase in due from the City of Greater Sudbury	(309)	(801)
Decrease in accounts payable	(73)	(11)
	<hr/> 64	<hr/> (69)
Increase (decrease) in cash during the year	64	(69)
Cash, beginning of year	1,234	1,303
	<hr/> \$ 1,298	<hr/> \$ 1,234
Cash, end of year	<hr/>	<hr/>

See accompanying notes to financial statements.



# CITY OF GREATER SUDBURY

## TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2023  
(in thousands of dollars)

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The City of Greater Sudbury Trust Funds (the "Funds") consists of various trust funds administered by the City of Greater Sudbury (the "City").

The Funds are not subject to income taxes under Section 149 (1) of the Income Tax Act (Canada).

### **1. Basis of presentation:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

These financial statements include trust funds administered by the City as well as those within organizations that are accountable for the administration of their financial affairs and resources to City Council and are owned or controlled by the City. The Fund's financial statements are the responsibility of management and have been prepared in accordance with the accounting policies set out below.

### **2. Significant accounting policies:**

#### **(a) Revenue recognition:**

Revenues from all sources are reported as revenue in the period in which they are earned.

#### **(b) Financial instruments:**

Financial assets and liabilities are recorded at fair value on initial recognition. They are then subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Funds has not elected to carry any such financial assets or liabilities at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Funds determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Funds expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

#### **(c) Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the valuation allowances for receivables. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

# CITY OF GREATER SUDBURY

## TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2023  
(in thousands of dollars)

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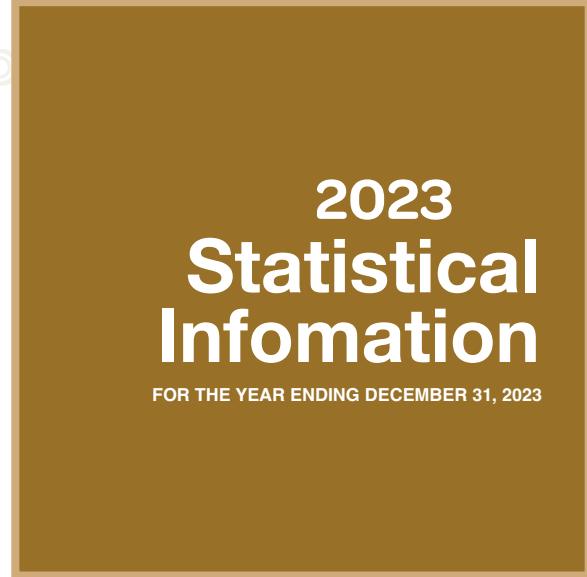
### 3. Due from the City of Greater Sudbury:

At December 31, 2023, the Funds have amounts due from the City of \$18,002 (2022 - \$17,693) that arose as a result of investment and banking transactions due to the City maintaining bank accounts or holding investments on behalf of the Funds. These amounts are non-interest bearing other than \$1,503 and \$9,074 pertaining to the Cemetery Pre-Need and Cemetery Care and Maintenance Funds which both bear interest at the rate of 5.10% (2022 – 2.31%) and are due on demand.

### 4. Fednor Project Business Planning Initiative:

Fednor has advanced \$117 to be used by the Regional Business Centre, a division of the City, to aid small businesses. The advance is non-interest bearing. The funds were subsequently loaned to small businesses. The loans are non-interest bearing and have been fully provided for. The Regional Business Centre may be asked by Fednor to repay its advance or the advance may be forgiven. To date, Fednor has not asked for repayment or forgiven the advance.





# 2023 Statistical Information

FOR THE YEAR ENDING DECEMBER 31, 2023

**Consolidated  
Statement  
of Financial  
Position**  
(In thousands  
of dollars)

	2023	2022 Restated	2021	2020	2019
<b>Financial assets</b>	\$	\$	\$	\$	\$
Cash	72,179	22,480	13,510	14,138	16,439
Taxes receivable	12,983	11,189	11,125	11,074	9,304
Accounts receivable	115,912	89,604	76,431	80,930	76,857
Investment in GBE	145,231	142,765	140,845	135,436	117,133
Investments	633,352	671,399	550,518	514,370	305,473
	<b>979,657</b>	937,437	792,429	755,948	525,207
<b>Financial liabilities</b>					
Accounts payable and accrued liabilities	133,094	133,098	111,461	117,525	99,966
Deferred revenue - obligatory reserve funds	62,602	64,469	68,563	56,025	55,191
Deferred revenue - other	27,483	14,484	16,690	10,891	4,669
Employee benefit obligations	90,973	85,759	78,126	72,152	68,860
Solid waste management facility liability	-	-	19,243	17,502	15,535
Asset retirement obligation	124,020	124,407	-	-	-
Contaminated sites	2,262	2,272	-	-	-
Long-term liabilities	325,923	338,481	248,538	261,802	70,264
	<b>766,357</b>	<b>762,970</b>	<b>542,621</b>	<b>535,897</b>	<b>314,485</b>
<b>Net financial assets</b>	<b>213,300</b>	<b>174,467</b>	<b>249,808</b>	<b>220,051</b>	<b>210,722</b>
<b>Non-financial assets</b>					
Tangible capital assets	1,714,607	1,668,292	1,649,660	1,609,262	1,555,109
Other	16,176	14,470	12,487	12,254	11,006
	<b>1,730,783</b>	<b>1,682,762</b>	<b>1,662,147</b>	<b>1,621,516</b>	<b>1,566,115</b>
<b>Accumulated Surplus</b>	<b>1,944,083</b>	<b>1,857,229</b>	<b>1,911,955</b>	<b>1,841,567</b>	<b>1,776,837</b>
<b>Total Capital Expenditures</b>	<b>138,699</b>	<b>112,229</b>	<b>125,382</b>	<b>144,855</b>	<b>120,002</b>



**Consolidated  
Statement of  
Operations and  
Accumulated  
Surplus**  
(In thousands  
of dollars)

	2023	2022 Restated	2021	2020	2019
<b>Revenues</b>	\$	\$	\$	\$	\$
Government transfers, provincial	200,079	176,368	164,116	170,819	160,598
Government transfers, federal	32,314	24,275	19,001	12,862	25,217
Taxation	343,213	326,152	311,769	298,381	282,721
User charges	162,145	147,220	133,614	131,791	136,412
Investment income	39,646	19,676	10,740	14,950	12,489
Fines and penalties	6,747	5,503	5,318	4,733	5,979
Other	28,429	32,910	43,278	18,319	27,664
GBE net earnings	2,466	1,920	5,409	18,303	2,988
<b>TOTAL REVENUES</b>	<b>815,039</b>	<b>734,024</b>	<b>693,245</b>	<b>670,158</b>	<b>654,068</b>
<b>Expenses by Object</b>					
Salaries wages and employee benefits	317,098	303,128	284,408	271,808	268,079
Materials	124,102	121,760	103,641	106,149	110,963
Contract services	133,240	114,246	96,355	90,671	99,891
Grants and transfer payments	58,241	53,955	48,896	50,290	51,967
Amortization	82,814	81,875	80,121	78,484	75,626
Other	12,690	12,457	9,436	8,026	4,045
<b>TOTAL EXPENSES</b>	<b>728,185</b>	<b>687,422</b>	<b>622,857</b>	<b>605,428</b>	<b>610,571</b>
<b>Annual surplus</b>	<b>86,854</b>	46,602	70,388	64,730	43,497
<b>Accumulated surplus, beginning of year</b>	<b>1,857,229</b>	1,911,955	1,841,567	1,776,837	1,733,340
Adjustment on adoption of the asset retirement obligation standard	-	(101,328)	-	-	-
<b>Accumulated surplus, end of year</b>	<b>1,961,733</b>	1,911,955	1,841,567	1,776,837	1,733,340
<b>Analysis of Expenses by Function</b> (in thousands of dollars)	2023	2022 Restated	2021	2020	2019
General government	29,154	31,148	27,743	33,749	27,448
Protection services	127,274	121,842	119,925	108,346	107,935
Transportation services	137,340	136,405	117,345	118,586	125,510
Environmental services	110,992	106,058	102,539	102,922	99,190
Health services	39,753	38,808	36,104	34,436	31,912
Social and family services	159,388	136,868	121,726	117,431	119,578
Social housing	46,925	42,311	39,696	38,365	40,125
Recreation and cultural services	60,201	57,457	44,155	39,736	46,807
Planning and development	17,158	16,525	13,624	11,857	12,066
<b>TOTAL EXPENSES</b>	<b>728,185</b>	<b>687,422</b>	<b>622,857</b>	<b>605,428</b>	<b>610,571</b>

# Reserves and Reserve Funds

(In thousands of dollars)

	2023	2022 Restated	2021	2020	2019
<b>Reserves</b>	\$	\$	\$	\$	\$
Tax rate stabilization	16,816	15,431	16,274	13,991	3,705
General government	18,030	8,572	19,105	15,821	2,364
Environmental services	15,770	4,621	3,960	6,098	4,281
Health, social services and housing	-	-	-	2,425	2,299
Planning and development	-	-	-	312	309
<b>TOTAL RESERVES</b>	<b>50,615</b>	<b>28,624</b>	<b>39,339</b>	<b>38,647</b>	<b>12,958</b>
<b>Reserve Funds</b>					
Equipment replacement	6,141	6,491	5,516	4,008	7,478
Employee benefit obligations	11,273	8,849	8,880	10,026	10,988
Insurance	1,171	1,348	1,497	1,342	984
General government	69,020	65,447	51,448	22,954	16,736
Protection services	13,939	11,814	8,200	6,572	6,311
Transportation services	6,397	6,396	5,500	6,470	12,566
Environmental services	24,980	29,253	36,676	39,416	40,681
Health, social services and housing	29,510	29,721	22,222	14,572	12,643
Recreation and cultural services	2,602	2,221	1,885	1,712	997
Planning and development	4,933	4,746	4,605	10,883	16,317
Other	651	-	-	25	18
<b>TOTAL RESERVE FUNDS</b>	<b>170,617</b>	<b>166,286</b>	<b>146,429</b>	<b>117,980</b>	<b>125,719</b>
<b>TOTAL RESERVE AND RESERVE FUNDS</b>	<b>221,233</b>	<b>194,910</b>	<b>185,768</b>	<b>156,627</b>	<b>138,677</b>
<b>Additional Information</b> (in thousands of dollars)					
	2023	2022	2021	2020	2019
<b>NET FINANCIAL ASSETS</b>	213,300	174,467	249,808	220,051	210,722
<b>NET DEBT PER CAPITA</b>	1,963	2,039	1,497	1,577	423
<b>Long-term Liabilities</b>					
Supported by					
Property taxation	293,660	303,839	211,615	222,691	29,054
Water/wastewater user fees	32,263	34,642	36,923	39,111	41,210
	<b>325,923</b>	<b>338,481</b>	<b>248,538</b>	<b>261,802</b>	<b>70,264</b>



<b>Additional Information (continued)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Municipal Statistics</b>					
Population	<b>166,004</b>	166,004	166,000	166,000	166,000
Households	<b>75,967</b>	75,967	75,776	75,791	75,776
<b>Employees</b>					
Full-time employees	<b>2,153</b>	2,104	2,098	2,074	2,032
Part-time hours	<b>1,002,876</b>	1,013,170	914,694	1,023,182	1,002,370
<b>Service Information</b>					
Building permit values (in 000's)	<b>435,221</b>	240,197	291,206	324,115	281,389
Average monthly social assistance case load	<b>3,007</b>	3,021	2,726	3,450	3,527
Lane kilometres of roads	<b>3,585</b>	3,585	3,572	3,572	3,561
Annual volume of treated wastewater (megalitres)	<b>29,072</b>	25,529	24,971	30,570	30,668
Annual volume of treated drinking water (megalitres)	<b>18,709</b>	19,177	19,545	17,744	19,597
Annual disposal of solid waste (tonnes)	<b>89,596</b>	91,774	93,406	97,785	99,796
Annual diversion of solid waste (tonnes)	<b>30,693</b>	35,810	36,408	44,163	40,472
Regular service passenger Transit trips	<b>5,220,997</b>	3,463,228	2,358,113	2,885,960	4,605,502
Tax collection rate	<b>3.4%</b>	3.0%	3.2%	3.3%	2.9%
Property tax levies (net tax increase after assessment growth)	<b>4.6%</b>	3.1%	4.0%	4.8%	4.8%
Property tax collection (in 000's)	<b>\$382,911</b>	\$368,012	\$348,844	\$335,864	\$322,059
<b>Taxable Assessment (\$ millions)</b>					
Residential assessment	<b>\$15,841</b>	\$15,701	\$15,572	\$15,485	\$15,137
Commercial assessment	<b>\$2,434</b>	\$2,396	\$2,374	\$2,358	\$2,251
Industrial assessment	<b>\$501</b>	\$499	\$493	\$495	\$480
<b>Benchmark Information</b>					
Per cent of paved lane km where condition is rated good to very good	<b>41%</b>	41%	40%	40%	41%
Number of conventional transit passenger trips per person in service area per year	<b>34.2</b>	22.7	15.4	19.3	30.8
Number of wastewater main backups per 100 km of waste water main per year	<b>3.7</b>	5.8	5.6	7.3	8.5
Per cent of wastewater estimated to have bypassed treatment	<b>4.26%</b>	0.03%	0.47%	1.40%	0.80%
Number of water main breaks per 100 km of water distribution pipe per year	<b>9.0</b>	10.7	8.2	7.1	6.4
Per cent of residential solid waste diverted for recycling	<b>34.3%</b>	39.0%	39.0%	42.7%	41.4%
<b>Top Employers</b>					
Health Sciences North					
Vale					
City of Greater Sudbury					
Government of Canada - Tax Services					
Rainbow District School Board					

# Revenue and Expense Categories

The following refer to the revenue and expense categories used in the statement of operations, accumulated surplus and related notes.

## Revenues

### Municipal Tax Levy:

This category consists of supplementary taxation and payments-in-lieu of taxation received from government agencies.

### Government Transfer (Provincial):

This category consists of grants received from the Province of Ontario for specific functions such as Ontario Works, Housing Services, Children Services, Emergency Medical Services and the Ontario Municipal Partnership Fund.

### Government Transfer (Federal):

This category consists of grants received from the federal government for specific functions funded through agencies such as FedNor and Human Resources Development Canada.

### User Charges:

This category consists of fees for use of services, such as ice and hall rentals, leisure activities, cemetery fees, library fees, applications for building permits, water/wastewater and transit.

### Investment Income:

This category accounts for all investment income, interest on Greater Sudbury Utility note, interest on tax arrears, and interest earned on internal capital financing.

### Other Revenues:

This category includes revenues such as the Ontario Lottery and Gaming Corporation and Provincial Offences Act fines collected.

## Expenses

### Salaries, Wages and Benefits:

This category consists of compensation for all employees such as salaries, benefits, service pay, overtime, car allowance, and boot and tool allowance.

### Materials:

This category includes items such as office supplies, salt and sand, asphalt, gravel and shop supplies, tax write-offs, insurance, telephone, property taxes and other general expenses.

### Contract Services:

This category consists of items that are outsourced, such as Housing Services providers, Children Services providers, Ontario Works, roads maintenance contracts, vehicle repairs, hired or rental equipment, and professional services.

### Grants and Transfer Payments:

This category consists of any grants given to community groups and outside boards such as Conservation Sudbury, Public Health Sudbury & Districts, Arts and Culture grants, playground grants, and transfer payments to Ontario Works recipients.



## Glossary

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### **Accruals:**

Revenues or expenditures that have been recognized for that fiscal year, but not received or disbursed until a subsequent fiscal year.

### **Assessment:**

The property value determined by Municipal Property Assessment Corporation (MPAC).

### **Assessment Growth:**

The total assessed value of all new properties built, less the value of properties demolished in a given year. An increase in assessment growth allows the municipality to collect the total property tax amount over more properties.

### **Assets:**

Resources owned or held by the City which have monetary value.

### **Base Budget:**

Cost of continuing the existing levels of service in the current budget year.

### **Benchmarking:**

An exercise whereby one organization's results are compared to those of another comparable organization providing the same or similar services based on similar methods or accounting for costs.

### **Budget Document:**

The compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenue and expenditure plan.

### **Capital Budget:**

The annual Council-approved plan for expenditures and revenues to acquire, construct or rehabilitate capital assets.

### **Capital (Debt) Financing:**

Portion of the operating budget required to service the debt assumed from capital expenditures of the current and previous years.

### **Capital Improvement Project:**

Non-routine capital expenditures that generally cost more than \$50,000 resulting in the purchase of equipment, construction, renovation or acquisition of land, infrastructure and/ or buildings with an expected useful life of at least five years. Capital improvement projects are designed to prevent the deterioration of existing infrastructure and respond to and anticipate future growth.

### **Commitments:**

Projected cash flow expenditures beyond the Council-approved budget year that require future year cash flow to complete the approved project. In essence, it allows a project tender to be executed in the current year that requires future year cash flows to complete.

### **Current Value Assessment:**

A valuation placed upon real estate or other property by the Municipal Property Assessment Corporation as a basis for levying taxes.

### **Debt:**

The amount of all obligations for the payment of interest and principal due by certain agreements and by-laws as incurred such as debentures, promissory notes, leases, letters of credit and other financial commitments and guarantees.

### **Debt Ratio:**

Total debt divided by total assets. Used by finance and budget staff to assess the fiscal health of the organization.

### **Encumbrance:**

The formal accounting recognition of commitments to expend resources in the future.

### **External Financing:**

Financing from sources external to the City, such as provincial or federal funding and grant subsidies.

### **Fiscal Year:**

The period designated by the City for the beginning and ending of financial transactions. The fiscal year for the City of Greater Sudbury begins January 1 and ends December 31.

**Infrastructure:**

Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings and parks.

**Infrastructure Renewal Requirement:**

The need for capital investment/infusion to sustain, replace and/or renew aging infrastructure.

**Operating Budget:**

The annual Council-approved plan for expenditures, revenues, staffing levels and service levels for operations from January 1 to December 31 of each year.

**Performance Measures:**

Measurement of service performance indicators that reflect the amount of money spent on services and the resulting outcomes at a specific level of services provided.

**Program Support:**

The allocation of indirect costs to service areas, such as financial services, human resources and information technology.

**Property Tax:**

An individual property assessment multiplied by the property tax rate in a given year.

**Reserves and Reserve Funds:**

Funds generally set aside for significant future purchases, to replace major capital infrastructure, are accumulated to meet growing liability, or to provide a buffer for significant unanticipated expenditures beyond the control of Council.

**Revenue:**

Financial resources received from taxes, user fees and other levels of government.

**Special Capital Levy:**

An amount collected from property taxation that is above the amount currently allocated to fund capital expenditures.

**Taxation Levy:**

The total property tax levied by a municipality.

**Tax Rate:**

A rate used to determine the amount of property tax payable. Taxes on individual properties are calculated by multiplying a property's current value assessment (CVA) by the applicable tax rate.

**Financial Indicators Net Financial Position:**

Difference between liabilities and assets.

**Own Source Revenue:**

Revenues generated directly by the City.

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**Sustainability****Financial Position per Capita:**

Net Financial Position divided by the population.

**Net Financial Liability:**

Net Financial Position divided by the City's own source revenues.

**Asset Consumption Ratio:**

Accumulated amortization expenses over the total gross cost of capital assets. A higher ratio indicates a higher need for replacement.

**Ratio of Financial Assets to Liabilities:**

Total amount of financial assets divided by the total amount of liabilities.

**Ratio of Debt to Revenue:**

Total amount of debt divided by the total amount of revenue.

**Debt per Household:**

Total amount of debt divided by the total number of households.



## **Flexibility**

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### **Tax Discretionary Reserves as a Per cent of Taxation:**

Total amount of tax reserves divided by the total amount of tax revenue collected.

### **Discretionary Reserves as a Per cent of Own Source Revenues:**

Total value of reserves divided by the amount of own source revenue.

### **Total Reserves per Capita:**

Total reserves in relation to population.

## **Vulnerability**

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### **Taxes Receivable as a Per cent of Tax Levied:**

Total amount of taxes receivable divided by the amount of taxes levied.

### **Tax Debt Interest as a Per cent of Own Source Revenues:**

Total amount of tax debt interest divided by the City's own source revenue.

### **Debt to Reserve Ratio:**

Total amount of outstanding debt over the total reserve and reserve fund balances (excluding obligatory reserve funds).

### **Total Debt Charges as a Per cent of Own Source Revenues:**

Total amount of debt principal and interest payments divided by the City's own source revenue.

### **Total Debt Outstanding per Capita:**

Total amount of debt divided by population.

### **Debt Outstanding as a Per cent of Own Source Revenues:**

Total amount of outstanding debt divided by the City's own source revenues.

### **Ratio of Debt Charges to Total Revenue:**

Total amount of debt charges divided by the total amount of revenue.

### **Municipal Taxes as a Per cent of Household Income:**

Average residential taxes divided by the average household income.

### **Rates Covered Ratio:**

Measure of the City's own source revenue divided by the total expenditures.

### **Ratio of Government Transfers to Total Revenue:**

Total amount of federal and provincial transfers divided by the total amount of revenue.