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**TWENTIETH MEETING OF THE FINANCE COMMITTEE  
TO BE HELD ON MONDAY, DECEMBER 6, 2004 AT 5:30 P.M.  
IN THE COUNCIL CHAMBER, TOM DAVIES SQUARE**

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**DINNER WILL BE SERVED AT 4:45 P.M. IN THE COUNCILLORS' LOUNGE**

**COUNCILLOR GAINER, CHAIR**

***(PLEASE ENSURE CELL PHONES AND PAGERS ARE TURNED OFF)***

The Council Chamber of Tom Davies Square is wheelchair accessible. Please speak to the City Clerk prior to the meeting if you require a hearing amplification device. Persons requiring assistance are requested to contact the City Clerk's Office at least 24 hours in advance of the meeting if special arrangements are required. Please call (705) 671-2489, extension 2475. Telecommunications Device for the Deaf (TTY) (705) 688-3919. Copies of Agendas can be viewed on the City's web site at [www.greatersudbury.ca](http://www.greatersudbury.ca).

1. Declarations of Pecuniary Interest

**PRESENTATIONS/DELEGATIONS**

**PAGE NO.**

{NONE}

**ROUTINE MANAGEMENT REPORTS**

{NONE}

**CORRESPONDENCE - INFORMATION ONLY**

2. Report dated 2004-12-03, with attachments, from the General Manager of Corporate Services regarding Bond Rating. **1 - 5**  
**(FOR INFORMATION ONLY)**

(At the Council meeting of 2004-11-25, Councillor Kett requested an information report on the process for establishing a credit rating for the City of Greater Sudbury.)

3. Report dated 2004-12-02 from the General Manager of Corporate Services regarding Economic Development/Community Loan Reserve Fund. **6 - 7**  
**(FOR INFORMATION ONLY)**

(This reserve was established in 1999 by the former Region, with funding in the amount of \$1 million from the Industrial Reserve Fund.)

4. Report dated 2004-11-29, with attachments, from the General Manager of Public Works regarding M.R. #80, McCrea Heights. **8 - 103**  
**(FOR INFORMATION ONLY)**

(At the Finance Committee meeting of 2004-11-23, the Committee requested previous reports dealing with MR 80 in McCrea Heights.)

**2005 CURRENT BUDGET REVIEW**

5. Demonstration of the Voting Process.  
▸ Ron St. Onge, Web Administrator/Developer
6. Voting on 2005 Current Budget Options. *Current Budget Enhancement Options Voting Package* enclosed.

***Following the Voting Process there will be a 15 minute break.***

7. Review Results of Voting and Determination of tentative Funding Line.

8. Presentation indicating the order in which Council is to deal with the 2005 Capital Budget portion of the agenda.

- Review of the Roads Criteria and Overview of the 2005 Roads Program
- Review of the Capital Funding Options
- Direction on COMRIF funding and Managed Debt
- Approval of 2005 Capital Budget
- Review of the 2005 Capital Budget Options

9. Report dated 2004-11-30, with attachments, from the General Manager of Public Works regarding Criteria for Capital Roads Prioritization. **104 - 108**

(Council has stated that its top priority for the remainder of its term is to increase capital allocations for road construction and rehabilitation. As the funding allocations increase in the next few years, Council has asked for criteria whereby projects are selected in a rational, defensible manner. A two step process is being proposed by staff.)

**RECOMMENDATION:** THAT Council approve the criteria for prioritizing Capital Road projects, as outlined in the report dated November 30, 2004.

10. A presentation by the General Manager of Corporate Services regarding the Capital Funding Options. (Capital Funding Options to be found on Pages 1-7 immediately after black tab entitled "Capital Budget" in Budget document.)  
**(ELECTRONIC PRESENTATION) (FOR INFORMATION ONLY)**

11. Report dated 2004-12-06 from the General Manager of Corporate Services regarding 2005 Capital Budget - Managed Debt Financing.  
**(RESOLUTION PREPARED)**

(This report recommends that Council approve Option 4, page 5 of the 2005 Capital Budget Report found in the Budget document.)

**RECOMMENDATION:** THAT Council approve Option 4 as presented in the 2005 Capital Budget Report;

AND THAT Council direct staff to take the appropriate actions necessary to secure financing to accomplish an additional \$45 million road infrastructure project that will qualify under the Canada-Ontario Municipal Rural Infrastructure Fund ("COMRIF") eligibility criteria;

AND THAT Council direct staff to make an application with COMRIF for 2/3 funding under that program.

**2005 CAPITAL BUDGET REVIEW (continued)**

**PAGE NO.**

12. Report dated 2004-12-03 from the General Manager of Corporate Services regarding 2005 Capital Budget.

**109 - 111**

Review of the 2005 Capital Budget and 2006/2007 Capital Forecast.  
**(CAPITAL BUDGET UNDER SEPARATE COVER)**

**RECOMMENDATION:** THAT Council approve the 2005 Capital Budget, as summarized on the following schedule, to allow those projects approved to proceed in a timely fashion;

AND THAT the 2006 and 2007 Capital Forecasts be received.

13. Review of 2005 Capital Budget Options.

**2005 PARKING LOT REVIEW - IF REQUIRED**

14. The Chair of the Finance Committee will review each of the items placed in the Parking Lot during the meeting. The consensus of Council will be required for each item listed in the Parking Lot.

- ▶ Councillor Eldon Gainer, Chair, Finance Committee

**NEXT FINANCE COMMITTEE MEETING**

**DATE: WEDNESDAY, DECEMBER 8, 2004 (Potential Finalization of the Budget)**  
**TIME: 5:30 P.M.**  
**PLACE: COUNCIL CHAMBER**

**10:00 P.M. ADJOURNMENT** (RESOLUTION PREPARED)

**COUNCILLOR ELDON GAINER**  
**CHAIR, 2004 FINANCE COMMITTEE**

**CORRIE-JO CAPORALE**  
**COUNCIL SECRETARY**

# Request for Recommendation Finance Committee

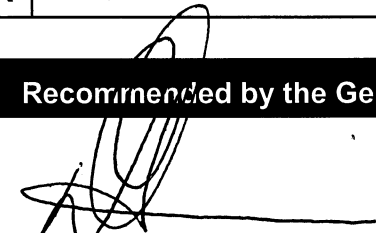


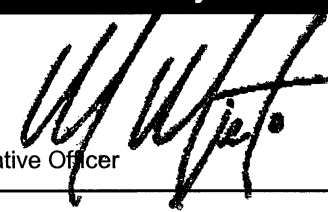
Type of Decision										
Meeting Date	December 6, 2004				Report Date	December 6, 2004				
Decision Requested	<input checked="" type="checkbox"/>	Yes		No	Priority	<input checked="" type="checkbox"/>	High		Low	
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open		Closed	

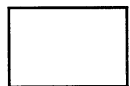
Report Title
2005 Capital Budget - Managed Debt Financing

Policy Implication + Budget Impact	
<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified.
<input checked="" type="checkbox"/>	Background Attached


Recommendation
<p>That Council approve Option <u>4</u> as presented in the 2005 Capital Budget Report; directs staff to take the appropriate actions necessary to secure financing to accomplish an additional \$45 million road infrastructure project that will qualify under the Canada-Ontario Municipal Rural Infrastructure Fund ("COMRIF") eligibility criteria; and directs staff to make an application with COMRIF for 2/3 funding under that program.</p>
Recommendation Continued

Recommended by the General Manager
 D. Wuksinic General Manager of Corporate Services

Recommended by the C.A.O.
 M. Mieto Chief Administrative Officer




**Report Prepared By**



J. Van de Rydt  
Co-Ordinator of Capital Budget & Risk Management

**Division Review**



S. Jonasson  
Director of Finance/City Treasurer

**BACKGROUND**

Several options were presented in the 2005 Capital Budget Report which was included with the 2005 Capital Budget document. Option 4, which is recommended to Council, would have the City issue debt to finance the one-third municipal share of qualifying project expenditures under the COMRIF program. The roads capital program under this set of assumptions would be as follows:

Financing Source	2005	2006	2007	2008	2009	TOTALS
<b>Debt Issued</b>	3,700,000	3,700,000	3,700,000	3,900,000		<b>15,000,000</b>
Capital Envelopes	14,236,510	17,641,380	21,359,190	21,359,190	21,359,190	
Capital Levy	3,157,000	3,299,000				
<b>COMRIF 2/3 Grant</b>	7,300,000	7,300,000	7,300,000	8,100,000		<b>30,000,000</b>
Debt repayment		(393,510)	(787,020)	(1,180,530)	(1,595,310)	
<b>Roads Program</b>	28,393,510	31,546,870	31,572,170	32,178,660	19,763,880	<b>143,455,090</b>

Under this scenario, a \$143 million Roads program could be accomplished with the issue of \$15 million debt. This scenario would allow for an additional \$45 million roads program with the least amount of borrowing, \$15 million, because of the COMRIF 2/3 grant of \$30 million. After making an allowance for debt repayments on the \$15 million debenture (assuming interest at 6.5% over a 15-year term) this option will increase the roads capital program by an extra \$41 million over the doubling of roads capital program previously approved by Council.

