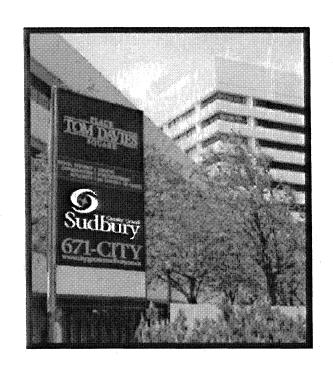
Agenda Ordre du Jour

Councillor/Conseiller
Ted Callaghan
Chair/Présidente

Councillor/Conseiller
Russ Thompson
Vice-Chair/Vice-Président



For the Finance Committee Meeting to be held

Monday, November 23, 2009

at 4:30 p.m

Council Chamber Tom Davies Square

Pour la réunion du Comité des finances qui aura lieu

lundi le 23 novembre 2009

à 16 h 30

dans la Salle du Conseil Place Tom Davies





Finance Committee AGENDA

FORTY-FIRST MEETING OF THE FINANCE COMMITTEE
TO BE HELD ON MONDAY, NOVEMBER 23, 2009 AT 4:30 P.M.
IN THE COUNCIL CHAMBER, TOM DAVIES SQUARE

COUNCILLOR CALLAGHAN, CHAIR

(PLEASE ENSURE CELL PHONES AND PAGERS ARE TURNED OFF)

The Council Chamber of Tom Davies Square is accessible to persons with disabilities. 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) 674-4455, extension 2471. 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.

DECLARATIONS OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

OUTSIDE BOARDS PRESENTATIONS

PAGE NO.

1. Sudbury and District Board of Health (ELECTRONIC PRESENTATION)

(FOR INFORMATION ONLY)

- ➤ Ron Dupuis, Chair, Sudbury and District Board of Health
- > Penny Sutcliffe, Medical Officer of Health, Sudbury & District Health Unit

MANAGERS' REPORTS

- Report dated November 17, 2009 from the Chief Financial Officer/Treasurer regarding 2010 Operating Budget Status Report.
 (RECOMMENDATION PREPARED)
- Report dated November 13, 2009 from the Director of Human Resources and Organizational Development regarding Professional Development Budget Review.
 5 - 8 (RECOMMENDATION PREPARED)
- 4. Report dated November 18, 2009 from the General Manager of Community
 Development regarding Splash Parks Postponing Capital Projects.

 9 10

 (FOR DIRECTION)

REVIEW OF BUDGET REDUCTION OPTIONS

(BUDGET REDUCTION OPTIONS CIRCULATED UNDER SEPARATE COVER)

REVIEW OF BUDGET ENHANCEMENT OPTIONS

(BUDGET ENHANCEMENT OPTIONS CIRCULATED UNDER SEPARATE COVER)

CORRESPONDENCE FOR INFORMATION ONLY

- Report dated November 4, 2009 from the General Manager of Growth &
 Development regarding Community Hall Groups and Lottery Licensing.
 11 33
 (FOR INFORMATION ONLY)
- 6. Report dated November 10, 2009 from the General Manager of Infrastructure Services regarding 2009 Road Projects List. 34 36 (FOR INFORMATION ONLY)
- 7. Report dated November 10, 2009 from the General Manager of Infrastructure Services regarding Performance Measurement Roads. 37 39 (FOR INFORMATION ONLY)
- 8. Report dated November 10, 2009 from the General Manager of Infrastructure Services regarding New Drains & Maintenance. 40 42 (FOR INFORMATION ONLY)

CORRESPONDENCE	FOR	INFORMATION	ONLY	(continued)

PAGE NO.

- Report dated November 18, 2009 from the General Manager of Infrastructure
 Services regarding Capital Allocation Water/Wastewater.
 (FOR INFORMATION ONLY)
- 10. Report dated November 18, 2009 from the General Manager of Infrastructure Services regarding Fluoride Costs. 46 47 (FOR INFORMATION ONLY)
- 11. Report dated November 16, 2009 from the General Manager of Growth & Development regarding Hybrid Vehicle Performance and Return on Investment. 48 50 (FOR INFORMATION ONLY)
- 12. Report dated November 16, 2009 from the General Manager of Growth & Development regarding Deferring Proposed 2010 Fleet Acquisitions. 51 54 (FOR INFORMATION ONLY)
- 13. Report dated November 12, 2009 from the Chief of Emergency Services regarding Deferring Emergency Services Vehicle Replacements. 55 57 (FOR INFORMATION ONLY)
- 14. Report dated November 17, 2009 from the Fire Chief regarding Deferral of Vehicle Purchases Fire Services. 58 60 (FOR INFORMATION ONLY)
- 15. Report dated November 17, 2009 from the Fire Chief regarding Maximizing Cost Recoveries Fire Services. 61 62 (FOR INFORMATION ONLY)
- 16. Report dated November 17, 2009 from the Fire Chief regarding Hydrants. 63 65 (FOR INFORMATION ONLY)
- 17. Report dated November 17, 2009 from the Fire Chief regarding Advertising Costs Fire Services. 66 68 (FOR INFORMATION ONLY)
- 18. Report dated November 18, 2009 from the Chief Financial Officer/Treasurer regarding Ontario Sales Tax Harmonization. 69 72 (FOR INFORMATION ONLY)
- 19. Report dated November 12, 2009 from the Director of Human Resources and Organizational Development regarding Ratio of Management Staff to Employees at the City of Greater Sudbury. 73 75 (FOR INFORMATION ONLY)

VOTING ON BUDGET OPTIONS

REVIEW OF VOTING RESULTS

2010 PARKING LOT REVIEW

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

ADJOURNMENT (RESOLUTION PREPARED)

COUNCILLOR TED CALLAGHAN CHAIR, FINANCE COMMITTEE

FRANCA BORTOLUSSI COUNCIL SECRETARY

Request for Recommendation Finance Committee



			Type o	f Decision			
Meeting Date	November 23, 2009		Report Date	November 17, 2009			
Decision Requested	Yes	Х	No	Priority	Х	High	Low
	Direction C	nly		Type of Meeting	х	Open	Closed

Report Title 2010 Operating Budget Status Report

	Budget Impact/Policy Implication	Recommendation
Х	This report has been reviewed by the Finance Division and the funding source has been identified.	
		That the Finance Committee accept the report dated November 17, 2009 from the Chief Financial Officer/Treasurer and approve the adjustments to the base budget in the amount of \$826,292 as outlined in the report.
X	Background Attached	Recommendation Continued

Recommended by the Department

Recommended by the C.A.O.

Lorella Hayes
Chief Financial Officer / Treasurer

Chief Administrative Officer

2010 Operating Budget Status Report

Date: November 17, 2009

Report Prepared By

Division Review

Ed Stankiewicz
Manager of Financial Planning & Policy

Executive Summary

This report will provide Finance committee with an update of the current status of the 2010 Operating Budget.

Background

On October 13, 2009 staff provided the Committee with the 2010 Operating Budget overview. The net budget was reflecting an increase of 5.8% and at that time staff had estimated assessment growth at 1.5%. The resulting tax impact for the base budget was 4.3%.

Assessment Growth

Staff had estimated assessment growth at 1.5% when the budget was tabled. However, in reviewing the preliminary assessment control totals for the 2010 taxation year, the anticipated growth did not materialize.

The assessment growth was affected by a number of write-offs; the most significant being the loss of the Nickel Refinery. In addition, the Industrial tax ratio for 2010 has to be reset downward as a result of tax policy constraints. This alone is responsible for a .15% loss in assessment. When all preliminary assessment control totals are accounted for, the assessment growth for 2010 is 1.3%. Staff has been in contact with the Municipal Property Assessment Corporation (MPAC) to determine if additional entries may be forthcoming. The MPAC representative stated that there may be a few entries still to be made but that this will not be significant in magnitude. Therefore, it appears the growth figure will be 1.3%. This leaves the tax increase at 4.5% prior to any adjustments.

Adjustments to the Base Budget

A number of adjustments are to be made to the base budget. Last week the City was informed that the grant from Waste Diversion Ontario (WDO) for 2010 will be increased by \$360,000. Also, staff have identified an efficiency through technology that allows for a reduction in fax machines totalling \$12,000. In an attempt to assist Council in achieving an acceptable tax increase, staff have once again reviewed their budgets in the area of professional development, office expenses, consultants, professional assistance and equipment purchases. Staff is proposing a 10% reduction in professional development, not inclusive of membership and association dues worth \$120,000. Also proposed is a 5% to 8% reduction in the other areas previously mentioned worth \$251,000. Community Development has also indicated that there could be a deferral of expenditures at the Archive Building for a period of one year which is worth \$50,000.

2

Title: 2010 Operating Budget Status Report

Date: November 17, 2009

In addition, the Police Services Board presented its budget at the November 16, 2009 Finance Committee meeting and the approved budget was \$33,000 less than the figure contained in Council's budget binder.

The Sudbury and District Health Unit will be presenting its budget to the Finance Committee on November 23, 2009 and another adjustment may be required at that time.

Currently the adjustments to the base budget total \$826,000 and are worth about .4% of the levy. With these adjustments, the current tax increase stands at 4.1%.

Budget Reduction Options

The budget reduction options available for Council's consideration are worth approximately \$2 million and included in these options are reductions to Capital, funding of Transit operations with Gas Tax funding and increased user fees for taxation and tipping fees to name a few.

If all of these options are approved, the tax increase is reduced by 1.1% down to a 3.0% tax increase for 2010.

Summary

Staff is recommending that Council approve the adjustments to the base budget in the amount of \$826,292 as outlined in the attached table.

Also included on the table detailing the current status of the budget, is a list of additional potential budget reductions. If all reduction options are accepted, the resulting municipal tax increase would be 3.0% over 2009.

2010 Operating Budget Status Report

			Tax Impact
Preliminary net budget	186,540,638	197,434,432	5.8%
Estimated assessment growth			-1.3%
Sub Total			4.5%
Adjustments to base:			
Environmental Services - additional revenues		(360,000)	-0.19%
Reduction in number of fax machines		(12,000)	-0.01%
Reduction in Professional Development		(120,000)	-0.06%
Other Expense reductions		(251,000)	-0.13%
Deferral of Archives expenditures		(50,000)	-0.03%
Police Services budget reduction		(33,292)	-0.02%
Sudbury and District Health Unit		TBD	TBD
Total of Adjustments to Base		(826,292)	<u>-0.4%</u>
Proposed Tax Reduction Options			
Transit Provincial Gas Tax funding - operating		(300,000)	-0.16%
Transit Provincial Gas Tax funding - ridership		(15,000)	-0.01%
Capital - roll back inflationary rates		(670,000)	-0.36%
Capital - roll back to 2008 levels		(647,500)	-0.35%
Amend taxation user fees		(135,000)	-0.07%
Increase culvert application fees		(52,630)	-0.03%
Increase tipping fees	_	(210,000)	-0.11%
Total Tax Reduction Options	_	(2,030,130)	<u>-1.1%</u>
Duamaged Not Tour In success the Same			
Proposed Net Tax Increase (before			
approved enhancements)		194,578,010	3.0%
	- Comment		

Request for Recommendation Finance Committee



Type of Decision									
Meeting Date November 23rd, 2009				Report Date		November 13th, 2009			
Decision Requested	Х	Yes	No		Priority		High	X	Low
	Dir	ection O	nly		Type of Meeting	Х	Open		Closed

Report Title PROFESSIONAL DEVELOPMENT BUDGET REVIEW

Budget Impact/Policy Implication This report has been reviewed by the Finance Division and the funding source has been identified. THAT Council adopt staff's recommendation to reduce the Professional Development Budget for 2010 by ten (10%) percent excluding legally required re-certifications. X Background Attached Recommendation Recommendation

Recommended by the Department

Recommended by the C.A.O.

Patrick Thomson, Director of Human Resources and Organizational Development

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer

Date: November 13th, 2009

Report Prepared By

Patrick Thomson, Director of Human Resources

and Organizational Development

Division Review

Patrick Thomson, Director of Human Resources and Organizational Development

BACKGROUND

Council retained Berkeley Management Consultants in 2005 to review the management structure and effectiveness at CGS. Their final report indicated repeatedly an urgent need for CGS to invest in training and development, finding our investment in training wholly inadequate: "Sudbury needs to invest in organizational development, especially training and succession planning." (Pages 14-15 - Final Report).

The total expenditures on professional development related expenditures includes legally required certifications and maintenance of credentials (e.g. Professional Engineering fees), mandatory health and safety training, travel expenditures for meetings, association fees, as well as formal training and development costs.

In addition, the organization made a commitment to take steps to address the issues arising from the Employee Survey conducted in the Spring of 2008, both corporately and through efforts at the departmental level. Some of these efforts involved directing professional development monies to issues raised in the survey. When looking at the results of the survey and how CGS compares with top-performing organizations on training satisfaction, there was a difference of 25.5% between the average scale score of the top-performing organizations (82.1%) and the average scale score by CGS Employees (56.5%). This indicator supports the accepted view that there is a positive relationship between the level of training and development and organizational performance.

BENCHMARK RESULTS

A report by The Conference Board of Canada in 2001 found that Canadian organizations spend an average of one point eight (1.8%) percent of their payroll on training and development and provide an average of thirty (30) hours of training per Employee.

If the one point eight (1.8%) percent of payroll benchmark were to be used for CGS, a total of \$3.4 MM, (1.8% of \$191 MM in payroll) would be expended on training and development (approximately two (2x) times what is currently spent on all professional development expenditures).

Title: Professional Development Budget Review

Date: November 13th, 2009

The need to invest in Employees is well known:

"... we conclude that this under investment in training and development might lead to a gap in essential knowledge and skills, and if Canadian organizations are going to be able to compete effectively, they must increase their investments in the development of human capital." (Managing Performance Through Training and Development, Alan M. Saks and Robert R. Haccoun, 2004).

The benchmark identified in The Conference Board of Canada Report was six (6%) percent of payroll for those organizations identified as "highly productive". Interestingly, the Report also highlighted the fact that Canadian organizations spend less on training than organizations in the United States, Europe, Asia and the Pacific Rim (e.g. organizations in the United States spend \$1,115 per Employee compared to \$859 per Employee in Canada).

RESULTS OF CGS INVESTMENT IN TRAINING

A pre-training and post-training 360 degree assessment done by the sixty (60) Managers involved with a fifteen (15) day Master's Certificate in Municipal Management Program, showed a positive improvement in individual performance. Specifically, the average scores showed an improvement in eight (8) of the fourteen (14) competencies, as a result of investing in their leadership skills development.

The fourteen (14) leadership competencies that were evaluated included: Problem Solving, Time Management, Planning, Goal Setting, Performance Leadership, Organizing, Team Development, Delegation, Participation, Integrating Differences, Providing Feedback, Stress Processing, Maintaining Integrity, Commitment.

Given the above information, we believe a reduction in professional development expenditures is not in line with the strategic goals Council adopted from the Berkeley Report to invest more in Employee training to position CGS to achieve higher levels of organizational performance and continue to face the challenges presented by our looming succession planning problem.

RECOMMENDATION:

The SMT believes that it is vital to continue to invest in Employee training to position CGS to achieve higher levels of organizational performance and continue to face the challenges presented by our looming succession planning problem. However, given the challenges faced in this Budget process, the SMT is recommending a ten (10%) percent reduction in Professional Development Budget, with the exception of professional certification dues which are mandatory. This amounts to a reduction of

Title: Professional Development Budget Review

Date: November 13th, 2009

\$120,000 on the tax levy and an additional reduction on the Water/Wasterwater levy.

Among the initiatives staff will explore to assist us in achieving this reduction will be a supplement to our policy framework, which will guide future investment decisions in professional development and training.

Request for Recommendation **Finance Committee**



		Туре о	f Decision				
Meeting Date	November 23, 2009		Report Date	November 18, 2009			
Decision Requested	Yes	No	Priority	Х	High	Low	
	Direction Only	X	Type of Meeting	х	Open	Closed	

Report Title	
Splash Parks – Postponing Capital Projects	

	Budget Impact/Policy Implicatio	on		
X	This report has been reviewed by the F and the funding source has been identif	inance Division led.		
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		THE SECOND STATE SECOND STATE SECOND		
		TELEVISION AND AUTO-		
		experiments and the second sec		
		And a proper section of the section		
	Background Attache	ed [Recommenda	tion Continued

Recommended by the Department

Catherine Matheson General Manager of Community Development Recommended by the C.A.O.

Doug Nadorozny Chief Administrative Officer

Report Prepared By	Division Review
Réfal Carré Director of Leisure Services	

During the 2010 capital budget deliberations, the Finance Committee requested that staff review the option of postponing the splash parks for one year.

The splash parks were identified for funding as part of the 2010 Community Development capital envelope. The capital funds were reallocated as per available capital funding and the splash parks were identified as eligible for funding under 'Investing in Ontario' grant [IOA].

The department recommends the following options to Council:

- 1] Approval to proceed with the splash parks as originally recommended to Council as part of the 2010 capital funded projects.
- 2] Replace the splash parks with Community Development unfunded capital.

Projects as follows:

> Arena Health & Safety Retrofits [Construct elevated platforms, replacement of rubber tiles in the dressing rooms, TSSA/Workplace health & safety recommendations]	\$350,000
> Jim Gordon Boardwalk [Health & safety upgrades]	\$150,000
> Bike Path at Bell Park	\$100,000

Request for Recommendation **Finance Committee**



				Туре о	f Decision				
Meeting Date	eeting Date November 16, 2009		Report Date	November 4, 2009					
Decision Requested		Yes	х	No	Priority		High	x	Low
	Dir	ection O)nly		Type of Meeting	х	Open		Closed

	Report Title	
Community	Hall Groups and Lottery Licensing	

Confindinty Train Grou	ps and Lottery Licensing
Budget Impact/Policy Implication	
This report has been reviewed by the Finance Division and the funding source has been identified.	
There is no financial impact on the 2010 budget	FOR INFORMATION ONLY

Background Attached Recommendation Continued

Recommended by the Department

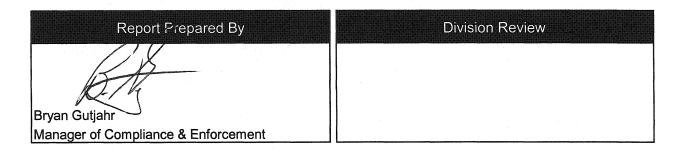
General Manager of Growth & Development

Recommended by the C.A.O.

Doug Nadorpzny Chief Administrative Officer

Title: Community Hall Groups and Lottery Licensing

Date: November 4, 2009



BACKGROUND

At the Finance Committee meeting of October 19, 2009, a question was raised as to whether or not community halls and their groups could obtain lottery licences to supplement their fundraising activities. In particular the following groups were mentioned:

- Wahnapitae Community Centre,
- Skead Community Centre,
- Penage Road Playground Association,
- Beaver Lake Community Centre,
- Carol Richard Park Community Centre
- Kukagami Campers' Association .

In order to be eligible to obtain a lottery license, a group must fall into one of several catagories. These include: Registered Charitable or Non-Profit Groups and/or Organizations who's main object is a charitable benefit to the community or a public benefit to the community, and operated on a non-profit basis.

For administrative purposes, eligible organizations with other purposes beneficial to the community must fall within the following six catagories:

- 1) Culture and the Arts
- 2) Health and Welfare
- 3) Amateur Sports Groups
- 4) Enhancement of Youth
- 5) Enhancement of Public Safety and;
- 6) Community service organization, i.e. Lions' Club, Legion, etc

As such, the listed groups may apply for a lottery license, however, they must fall within the listed catagories to be eligible. Failing this, these groups could look to alternative fundraising activities such as bake sales and public dinners.

Attached is a report requested by Councillor Callaghan regarding Lottery Licensing Policies and Procedures as well the Power Point Presentation delivered to Council by the Solicitor for the Alcohol and Gaming Commission of Ontario)AGCO)

Request for Recommendation Priorities Committee



Type of Decision										
Meeting	Meeting May 16, 2007			Report Date		April 18, 2007				
Decision Requ	uested		Yes	1	No	Priority	1	High		Low
Direction Only			Type of Meeting	1	Open		Closed			

	Report Title	
Charitable	e Gaming and the Role of the Muni	cipality

Budget Impact / Policy Implication

This report has been reviewed by the Finance Division and the funding source has been identified.

Recommendation

There is no budget impact	FOR INFORMATION ONLY
Background Attached	Recommendation Continued

Recommended by the Department

Recommended by the C.A.O.

Doug Nadorozny General Manager of Growth & Development Mark Mieto Chief Administrative Officer

Date: April 18, 2007

Report Prepared By	Division Review			
Bryan Gutjahr Manager of Compliance & Enforcement Services				

BACKGROUND:

As part of the Constellation Report, staff have been requested to review licencing procedures in particular, options to make regulations simpler and less onerous.

As a result, staff have prepared this report outlining policies and procedures that are required by Provincial and Federal Legislation. Staff have also been in contract with the Alcohol and Gaming Commission of Ontario (AGCO) and made them aware of concerns brought forward by both Council and special interest groups.

GAMING AND LOTTERIES

In order to better understand the policies and procedures regarding lottery licencing, staff offers the following synopsis:

CHARITABLE LOTTERY LICENCING

The Alcohol and Gaming Commission of Ontario (AGCO) is responsible for administration of lottery licencing programs in the Province. Municipalities and the AGCO are responsible for issuing lottery licences to eligible charitable and religious organizations. Eligible charitable and religious organizations may raise funds through provincially or municipally licenced lottery events

Lotteries should be viewed as a supplement or alternative to the organizations other fundraising ventures such as membership fees and grants and donations.

There are five key elements that form the framework for charitable gaming in Ontario:

- i) The Criminal Code of Canada
- ii) The Gaming Control Act of Ontario
- iii) The Order in Council
- iv) The Terms and Conditions and
- V) The Lottery Licencing Policy Manual (LLPM)
- i) Criminal Code of Canada

The Criminal Code actually defines what types of gaming are illegal and it assigns to the Provinces the responsibility to regulate legal gaming.

ii) Gaming Control Act of Ontario

This Act requires registration of suppliers of gaming equipment and materials, bingo hall operators and ticket sellers

Date: April 18, 2007

iii) Order-In-Council

Is an Order of the Lieutenant Governor in Council of Ontario that sets out the authority and procedures for licencing of charitable organizations and also sets the limits of municipal licencing.

iv) Terms and Conditions

Are the terms and conditions that may be attached to a licence issued by the Municipality that are in addition to terms and conditions set by the Province.

v) Lottery Licence Policy Manual Is the manual issued by the Province which is used by the Municipality's Licencing Officers to determine eligibility and use of proceeds.

THE ROLE OF THE REGISTRAR OF ALCOHOL AND GAMING

The Registrar has authority in three main areas:

- 1. To administer and enforce the Gaming Control Act
- 2. To administer lottery licencing framework that governs all charitable lottery licencing in the Province, including;
 - Determining the eligibility criteria for organizations to conduct and manage lottery events
 - Setting policies and terms and conditions
 - Setting licencing fees
 - Prescribing the form of an application, a licence and a licence report
 - Develop financial reporting requirements
 - Providing education and support to municipal licencing officials
- 3. To issue lottery licences for events including:
 - Bingo events, prize board exceeds \$5,500
 - Super Jackpot bingos
 - Raffle events prize board exceeds \$50,000
 - Provincial break open tickets
 - All social gaming events

THE ROLE OF MUNICIPALITIES

The Order-In-Council gives municipal council the authority to issue licences for most lottery events within their community, these include:

- Bingo events prize board up to \$5,500
- Raffles prizes up to \$50,000
- Break Open tickets sold within municipality
- Bazaar Gaming events and
- Media Bingos

Municipal Councils may also develop additional criteria through by-laws and policies for making

Date: April 18, 2007

licencing decision and administering lottery licencing however this criteria cannot contravene criteria established by the registrar.

THE ROLE OF LOTTERY LICENCING OFFICER

ie Role of Lottery Licencing Officer

Municipal Licencing Officials must:

- Determine whether or not an organization is eligible for lottery licencing, according to the guidelines as set out in the Lottery Licence Policy Manual (LLPM)
- Issue and administer licences in a fair and equitable manner, consistent with policies set out in the LLPM
- Ensure the licences meet the requirements of the Criminal Code, Order-In-Council and Terms and Conditions

What is Eligible?

The Licencing Officer must review all documentation submitted to determine eligibility of the applicant.

The decision to licence is based on what is considered eligible.

Eligible Organizations

Fall within two catagories

- Charitable organizations: the organization's purposes and objects are all charitable
- 2) Non-Profit Organizations with charitable objects: this organization was a mixture of charitable and not charitable purposes.

It's charitable mandate must fall within one of the four charitable classifications.

"Charitable" refers to organizations which provide programs for:

- 1. The Relief of Poverty
 - i.e. food banks, soup kitchens, provide clothing, furniture
- 2. The Advancement of Education
 - significant training, development of mental faculties, teaching institutions or schools
- 3. The Advancement of Religion
 - places of worship, churches, mosques, temples and religious congregations
- 4. Other Charitable Purposes Beneficial to the Community
 - Must provide a public not a private benefit
 - Include activities that benefit the whole community
 - Promotion of arts and culture
 - Culture, Ethnic, native, historic or heritage
 - Youth sporting activities

Date: April 18, 2007

Ineligible Organizations

These include but not limited to:

- Professional Associations
- Government Agencies or Bodies
- Political Groups
- Political Parties
- Adult Hobby Groups
- For Profit, Members Only or Private Sports Clubs and for Profit Adult Sport Teams and Leagues

Eligible use of proceeds must:

Once a Licencing Official has determined an applicant is eligible to receive a licence, then the Official must examine the intended use of lottery funds

- Used to advance the charitable purposes of the group
- Used for the direct delivery of those purposes
- Used towards the organizations stated mandate

Ineligible Use of Proceeds:

Organizations may not use lottery proceeds for:

- Fundraising activities
- Legal fees
- Volunteer recognition
- Foreign aid
- Out of pocket expenses for volunteers
- Academic and sports awards
- Out of Province travel (unless written approval given by Municipality)

Summary:

Within this report, staff have attempted to show Council and the public the enormous role the municipality plays when determining eligibility for a lottery license. As can be seen there are many procedures and policies set out by the Province that must be adhered to.

The Alcohol and Gaming Commission understands some of the difficulties encountered by the Licencing Offices when determining eligibility. They have made themselves available to us for interpretation and support. Municipal staff also recognize the misunderstanding and frustration experienced by some groups and attempt to assist them anyway we can. However, as can be seen there are many rules and policies that must be followed.

Staff have listened to the applicant groups concerns, one of which is the lengthy and somewhat complicated eligibility application. Staff have reviewed this application and we now offer a much shorter, more user friendly application for eligibility. This new application is now available at the Citizen Service Centers and we have already received positive feedback. (sample attached)

Date: April 18, 2007

City staff have also been in constant contact with the AGCO making them aware of the concerns brought forward from Council and the public regarding accessibility to lottery licences for seniors groups.

Just last December, Don Bourgeois, Solicitor for the AGCO, held a meeting in Valley East with several seniors' groups and Shelley Martel, M.P.P. As a result of this meeting Mr. Bourgeois advised that he would bring this matter to the attention of the AGCO for a possible review of the lottery licence policy manual. It is hoped that by summer 2007 the AGCO would have completed the review and that we might see some positive changes.

AGCO - Lottery Licensing

Presentation to Council for the City of Greater Sudbury May 16, 2007

- Gambling in Canada is illegal unless the activities fall within exemptions provided for in the Criminal Code (Canada)
- The Criminal Code is federal legislation
- Ontario cannot "amend" the Criminal Code constitutional jurisdiction of the Parliament criminal law is exclusively within the of Canada
- administered within the Criminal Code The Lottery Licensing program is

Criminal Code of Canada

- General prohibition against "gambling" unless activities fall within exemptions set out in Criminal Code
- the regulation is with respect to an exemption legislate, provinces may regulate gaming - if Although exclusive federal jurisdiction to from the general prohibition
- sets out exemption for charitable or religious organizations conducting and managing a Paragraph 207(1)(b) of the Criminal Code lottery scheme

Order in Council 2688/93, as amended

- designates the Registrar and municipal councils to issue licences pursuant to para. 207(1)(b)
- licences issued by Registrar or municipal councils OIC sets out certain terms and conditions to all
- OIC authorizes Registrar and municipal councils to impose additional terms and conditions
- failure to comply with terms and conditions results in within the exemption – see also subsections 207(2) violation of *Criminal Code* as activities no longer fall and (3)

Policy Manual

- under the Criminal Code and with respect to - assists in assessing eligibility for a licence policy objectives
 - use of proceeds generally
- use of proceeds in specific circumstances
- Modernization of Lottery Licensing Policy Manual - May 2005 and regular updates

Gaming Control Act, 1992

- suppliers businesses and employees - provides for the registration of gaming
- applies to charitable gaming, casinos, charity casinos and slot facilities
- require licensees to use services of registered terms and conditions to licences and GCA gaming supplier, i.e., bingo hall operator
- standards established for certain supplies and services, i.e., Standards for Suppliers of Goods and Services - Bingo

Modernization of Charitable Gaming

- initiative started in late 2004
- broad consultation within the sector, including municipalities, suppliers, and charities
- professional advice on revenue models for bingo halls and break open tickets
- substantial changes based on balance of flexibility and accountability
- substantial work by AGCO and the sector, Bingo Revenue Model has been focus of including municipalities, suppliers and

- Lottery Licensing Policy Manual deals with eligibility to assist municipal licensing officers
- analysis to ensure that an organization is Eligibility assessment requires a detailed "eligible" and that its proposed use of proceeds are "eligible"
- The law of charities is not "easy"
- But compliance is needed to ensure that the activities fall within the exemption provided for in 207(1)(b)

Law of Charities

- 1. Relief of Poverty
- 2. Advancement of Religion
- 3. Advancement of Education
- Other Purposes Beneficial to the Public that is charitable in nature

Senior Citizen Centres and Programs for Senior Citizens

- Courts have recognized support to "the aged" may be charitable
- Falls under either "relief of poverty" or "other purposes beneficial to the public" depending upon activity
- Beneficial to the Community" within the Health assistance in analysis under "Other Purposes Lottery Licensing Policy Manual provides and Welfare category

- Majority of members is 60 years of age or older
- Provide social and recreational programs community and available to all seniors to seniors if to assist remain active in
- Benefit is not limited to exclusive group
- Facility may be eligible if all seniors in the community have reasonable access

Senior Citizens Centres

- Establish, operate and maintain a senior education, cultural activities and other citizens centre to provide recreation, programs for senior citizens
- Must be independent of government as provided for in Lottery Licensing Policy Manual
- Social Clubs to alleviate loneliness and solation

To Whom it May Concern:

The City of Greater Sudbury recognizes that seniors groups play an integral part within the Community by offering programs and activities that benefit all seniors and that lotteries, bingos, raffles, bazaars and nevadas are important sources of funding for these activities and programs.

All gaming activities including lotteries, bingos, raffles, bazaars and nevadas are regulated by the Provincial Government through the Alcohol and Gaming Commission and the Gaming Control Act of Ontario. The City of Greater Sudbury, in particular, the Licencing Section has been mandated by the Province to accept and review applications for local gaming activities and to issue licences when satisfied that all requirements for the licence have been met.

In the Fall of 2006, the Province of Ontario recognized concerns brought forward regarding seniors issues and the eligibility of seniors' groups in obtaining licences for gaming activities.

As such, in April of 2007, the Province introduced new legislation that would clarify what constitutes a seniors group and what activities and programs would be considered acceptable for licencing purposes. (attached)

The City, through its Licencing Section, can assist seniors' groups in determining if they are eligible for a lottery licence and ensuring that proceeds from the lottery are disbursed in accordance to the provisions of the Province's Lottery Licencing Policy Manual.

By way of this letter, the City of Greater Sudbury would like to reinforce that if your seniors' group has any questions regarding eligibility, please feel free to contact the City Licencing Section in particular, Pat Faulkner, Licencing Officer, by dialing 311, extension 2469.

Alcohol and Gaming Commission of Ontario Gaming Registration & Lotteries Commission des alcools et des jeux de l'Ontario Inscription pour les jeux et loteries

90 Sheppard Avenue East Suite 200 Toronto, ON M2N 0A4 90, avenue Sheppard Est Bureau 200 Toronto ON M2N 0A4

416 326-8700 1 800 522-2876 toll free in Ontario / sans frais en Ontario



April, 2007

IMPORTANT NOTICE

SENIOR CITIZEN CENTRES AND PROGRAMS FOR SENIOR CITIZENS

Senior Citizen Centres and Senior Citizen Clubs may be eligible for lottery licences under "Other Purposes Beneficial to the Community", within the Health and Welfare category. Eligibility is to be determined based on the organization, proposed use of funds and the types of programs that are provided.

The courts have recognized that support to the aged through programs that improve physical and mental health is sufficient by itself to be considered charitable. The types of programs that are eligible include, for example, those that provide relief from loneliness and isolation of the aged, and improve their mobility and fitness. An organization that is established to operate and maintain a senior citizens centre to provide recreation, cultural activities and other programs for senior citizens may be eligible for licensing.

Senior Groups that provide the following programs and services to benefit the majority of seniors in the community may be eligible for licensing:

- 1. A senior citizen group is one in which a majority of its members is sixty (60) years of age or older.
- 2. Groups that provide social and recreational programs to seniors so they remain active in the community may be eligible for lottery licensing. These programs must be available to all seniors in the community who wish to participate.

Avril 2007

AVIS IMPORTANT

LES CENTRES POUR PERSONNES AGEES ET LES PROGRAMMES A L'INTENTION DES PERSONNES AGEES

Les centres pour personnes âgées et les clubs pour personnes âgées peuvent être admissibles à l'octroi de licences de loterie en vertu d'« autres motifs avantageux pour la communauté », au sein de la catégorie de la santé et du bien-être. L'admissibilité est déterminée en fonction de l'organisme, de l'usage proposé des fonds et des types de programmes offerts.

Les tribunaux ont reconnu que l'appui accordé aux personnes âgées par l'entremise de programmes qui améliorent la santé physique et mentale est suffisant en soi pour être considéré comme une œuvre de bienfaisance. Les types de programmes admissibles incluent, par exemple, ceux qui allègent la solitude et l'isolement des personnes âgées et qui améliorent leur mobilité et leur santé physique. Un organisme qui est fondé pour gérer et entretenir un centre pour personnes âgées afin d'offrir des activités récréatives et culturelles ainsi que d'autres programmes aux personnes âgées peut être admissible à l'octroi d'une licence.

Les groupes pour personnes âgées qui offrent les programmes et les services suivants à l'avantage de la plupart des personnes âgées de la communauté peuvent être admissibles à l'octroi d'une licence :

- 1. Un groupe de personnes âgées est considéré comme tel lorsque la majorité de ses membres sont âgés d'au moins soixante (60) ans.
- 2. Les groupes qui proposent des programmes sociaux et récréatifs aux personnes âgées afin qu'elles demeurent actives au sein de la communauté peuvent être admissibles à l'octroi d'une licence de loterie. Ces programmes doivent être accessibles à toutes les personnes âgées qui souhaitent y participer.

- 3. Benefit shall not be restricted to an exclusive group.
- 4. A seniors group that operates a facility in which all seniors in the community have reasonable access may be considered eligible.
- 5. To establish, operate and maintain a senior citizens centre to provide recreation, education, cultural activities and other programs for senior citizens.
- 6. Activities directed towards the alleviation of loneliness and isolation, such as social clubs.

Lottery Licensing Officers shall review the group's eligibility documents to determine the programs and services being provided, and whether or not the majority of its membership is 60 years of age or older. The programs they provide must benefit a majority of its membership.

In regards to using lottery proceeds for maintenance of their buildings, Lottery Licensing Officers must determine whether the expenses are reasonable and necessary in carrying out their programs and services. Maintenance cost may include utilities, property taxes, liability insurance on the building, cleaning and maintenance.

- 3. Les avantages ne doivent pas être restreints à un groupe en particulier.
- 4. Un groupe de personnes âgées qui dirige une installation dans laquelle toutes les personnes âgées au sein de la communauté ont un accès raisonnable peut être considéré comme admissible.
- 5. Afin de mettre sur pied, de diriger et d'entretenir un centre pour personnes âgées dans le but d'offrir des activités récréatives, éducatives et culturelles ainsi que d'autres programmes à l'intention des personnes âgées.
- 6. Les activités qui visent à l'allégement de la solitude et de l'isolement, comme les clubs sociaux.

Les agents de délivrance des licences de loterie doivent examiner les documents d'admissibilité du groupe afin de déterminer les programmes et les services qui sont offerts et si la majorité de ses membres sont ou non âgés d'au moins soixante (60) ans. Les programmes qu'ils offrent doivent profiter à la majorité de ses membres.

En ce qui concerne l'utilisation des recettes de la loterie pour l'entretien de leurs bâtiments, les agents de délivrance des licences de loterie doivent déterminer si les dépenses sont raisonnables et nécessaires à la mise en œuvre de leurs programmes et services. Les frais d'entretien peuvent inclure les services publics, les impôts fonciers, l'assurance de responsabilité civile sur le bâtiment, le nettoyage et l'entretien.

Budget Impact/Policy Implication



Recommendation

			Туре о	f Decision			
Meeting Date	November	16, 2	2009	Report Date		November 10), 2009
Decision Requested	Yes	X	No	Priority	X	High	Low
	Direction C	nly		Type of Meeting	Х	Open	Closed

Report Title	
2009 Road Projects List	

= 22 get in poort one) in prosince.	
This report has been reviewed by the Finance Division and the funding source has been identified.	
There is no financial implication.	For information only.
X Background Attached	Recommendation Continued
Recommended by the Department	Recommended by the C.A.O.

NOV 09/09

R. G. (Greg) Clausen, P. Eng. General Manager of Infrastructure Services Doug Nadorożny
Chief Administrative Officer

Title: 2009 Road Projects List Date: November 10, 2009

Page: 2

Report Prepared By

Peter Chiesa, P. Eng.

Manager of Project Engineering

Division Review

Kevin Shaw, B. Comm., P. Eng. **Director of Engineering Services**

Background:

Further to Councillor Dutrisac's request at the Finance Committee meeting of October 26, 2009, this report provides the location of the 31 road projects, for which tender specifications and construction drawings have been prepared; and also lists the shovel ready projects.

A copy of the 2009 Road Projects list is attached.

AS REQUESTED AS REQUESTED

		2009 PROJECTS
NUMBER	CONTRACT # ENG	DESCRIPTION
1	09-16	MR8 CULVERT REPLACEMENT - 200m NORTH OF SERVICE RD
2	09-17	PRECEAST CULVERT INSTALLATION - GRAHAM RD, JUMBO RD, 6TH AVE & LANDRY ST
3	09-18	MR55 HMA OVERLAY & COLD IN-PLACE RECYCLING WITH EXPANDED ASPHALT
4	09-19	PARIS ST (MR80) ROAD WIDENING & STM SEWER - WALFORD RD TO YORK ST
5	09-20	MADISON AVE RECONSTRUCTION — MANHATTAN CRT TO LANSING AVE
6	09-21	MINTO ST BRIDGE REHABILITATION
7.	09-22	SOUTHVIEW DR - TRAFFIC CALMING MEASURES
8	09-23	PRECAST CULVERT INSTALLATIONS NORMA, CKSO, WEST BAY, GORDON LAKE, LORNE FALLS
9 (1)	09-24	VERMILLION RIVER BRIDGE - DESMARAIS RD (MR96)
10	09-25	CONCRETE CURB & SIDEWALK - REPLACEMENT & ROAD UPGRADING - VARIOUS LOCATIONS
11	09-26	GRAN 'A' OVERBUILDING & SURFACE TREATMENT - VARIOUS LOCATIONS
12	09-27	CRACK SEALING - VARIOUS LOCATIONS
13	09-28	ASPHALT/CONCRETE REINSTATEMENT - SOUTH SECTION
14	09-29	ASPHALT/CONCRETE REINSTATEMENT - S/E SECTION
15	09-30	ASPHALT/CONCRETE REINSTATEMENT - N/E, N/W, S/W SECTION
16	09-31	HMA SPREADER LAID PATCHES - VARIOUS LOCATIONS
17	09-32	LAKE NEPAHWIN STORMWATER QUALITY CONTROL-SITE #1 BETWEEN 1690 & 1720 PARIS ST
18	09-33	LAKE NEPAHWIN STORMWATER QUALITY CONTROL-SITE #2 PARKING LOT @ 1770 PARIS ST
19	09-34	LAKE NEPAHWIN STORMWATER QUALITY CONTROL-SITE #3 1920 PARIS ST
20	09-35	LAKE NEPAHWIN STORMWATER QUALITY CONTROL-SITE #4 LADY ASHLEY CRT
21	09-36	LAKE NEPAHWIN STORMWATER QUALITY CONTROL-SITE #5 LOACH'S RD & ORIOLE DR
22	09-37	LAKE NEPAHWIN STORMWATER QUALITY CONTROL-SITE #6 NEPAHWIN AVE & WALFORD RD
23	09-38	VAL CARON DRAIN-CONTRACT #1 INDUSTRIAL SUBDIVISION & 400m UPSTREAM DRAIN A
24	09-39	VAL CARON DRAIN-CONTRACT #2 400m EAST OF BELISLE DR TO MR80
25	09-40	VAL CARON DRAIN-CONTRACT #6 CLEARING & GRUBBING
26	09-59	VAL CARON DRAIN - CONTRACT 3 MR 80 CROSSING AND WORK UP TO SWM OUTLET
27	09-63	STE ANNE RD - PEDESTRIAN TRAFFIC SIGNALS
28	ISD09-2	INSTALLATION PRECAST BOX CULVERTS LASALLE EAST
29	ISF09-1	FALCONBRIDGE HWY (MR86)
30 (2)	ISF09-2	LORNE/BRADY/KINGSWAY (MR55) - TENDERED, NOT FUNDED, CANCELLED.
31	ISF09-3	PARIS/NOTRE DAME (MR80)
32	ISF09-4	LASALLE (MR71)
33 (3)	ISF09-5	MAIN (MR15) - TENDERED, TENDER CLOSED, NOT FUNDED, CANCELLED.

NOTES:

- CONTRACT SPECIFICATION / DRAWINGS WERE READY FOR TENDERING. ESTIMATE FOR REHABILITATION WAS HIGH AND CONTRACT WAS NOT TENDERED. RETENDERING IN 2010 FOR A NEW BRIDGE.
- 2) CONTRACT WAS TENDERED, BUT CANCELLED BEFORE AWARD. INFRASTRUCTURE STIMULUS FUNDING ANNOUNCEMENT DID NOT INCLUDE THIS PROJECT.
- 3) CONTRACT WAS AWARDED, BUT CANCELLED. INFRASTRUCTURE STIMULUS FUNDING ANNOUNCEMENT DID NOT INCLUDE THIS PROJECT.





. Type of Decision						
Meeting Date	November	23, 2	.009	Report Date	November 10), 2009
Decision Requested	Yes	x	No	Priority	High	Low
	Direction O	nly		Type of Meeting	Open	Closed

Report Title Performance Measurement - Roads

	Budget Impact/Policy Implication	
X	This report has been reviewed by the Finance Division and the funding source has been identified.	
	and the funding source has been identified.	For Information.
	Background Attached	Recommendation Continued

Recommended by the Department

Recommended by the C.A.O.

Greg Clausen, P. Eng.
Manager of Infrastructure Services

Doug Nadorozny
Chief Administrative Officer

Title: Performance Measurement - Roads

Report Prepared By

Date: November 10, 2009

Division Review

Shawn Turner

Manager of Financial and Support Services

Robert M. Falcioni, P. Éng.

Director of Roads and Transportation

Background

During the October 26th, 2009 Finance Committee meeting, Council requested a report on the dollar increases of Performance Measurements for the Roads Division. This request is Number 15 on the Parking Lot list.

The three performance measures of concern are:

1. Operating Cost for Paved (Hard Top) Roads per Lane KM

CGS Result: The increase in operating costs for paved roads from 2007 to 2008 is a result of a \$1.5M increase in the summer maintenance budget. The budget increase was comprised of a \$750,000 permanent increase and a \$750,000 one time increase to the 2008 Roads summer maintenance budget. This \$1.5M increase was used entirely for paved roads.

OMBI Median: The median increased from \$1,196 to \$2,214 from 2007 to 2008. As the median is simply the number separating the higher half of a group of numbers from the lower half, a variation in one municipalities results could have a large impact on the median. This was the case in 2008 where London reported an operating cost for paved roads of \$2,214 per lane KM versus only \$976 in 2007. This positioned London as the mid-point and as such is the median for the group.

As can be seen above, the median has its drawbacks as a point of reference. The average can also be used as a comparator. The average was \$1,914 and \$2,314 for 2007 and 2008 respectively.

2. Operating Cost for Winter Maintenance of Roadways per Lane KM

The increase in operating costs from 2007 to 2008 for Winter Maintenance is a result of varying degrees of winter weather. In 2007 the City experienced mild temperatures with below average snowfall and as a result incurred a \$1.5M surplus in winter maintenance activities. Conversely, in 2008, a greater than average snowfall resulted in a \$3.1M deficit in winter maintenance activities. Included in the 2008 winter maintenance cost was the approved increase in supervision of \$210,000.

OMBI Median: The median increased from \$3,084 to \$4,513 from 2007 to 2008. The large increase is primarily a result of the above average snowfall experienced by the province in 2008. In this case Sudbury was the mid-point and as such is the median.

Title: Performance Measurement - Roads

Date: November 10, 2009

The average was \$3,089 and \$4,272 for 2007 and 2008 respectively.

3. Roads Costs (all functions) per Lane KM

The costs incurred in all functions of roads also increased from 2007 to 2008. The two factors contributing to this increase were the enhanced summer maintenance budget in 2008 of \$1.5M and the shift from a surplus (2007) to a deficit (2008) position in winter maintenance.

OMBI Median: The median increased from \$7,361 to \$8,369 from 2007 to 2008. The large increase is primarily a result of the increased winter maintenance costs. In this case Sudbury was the mid-point and as such is the median.

The average was \$9,774 and \$11,557 for 2007 and 2008 respectively.



			Туре о	f Decision		
Meeting Date	November	23, 2	2009	Report Date	November 10), 2009
Decision Requested	Yes	х	No	Priority	High	Low
	Direction C	nly		Type of Meeting	Open	Closed

Report Title New Drains & Maintenance

85	Budget Impact/Policy Implication	
X	This report has been reviewed by the Finance Division and the funding source has been identified.	
		For Information.
	Background Attached	Recommendation Continued

Recommended by the Department

Greg Clausen, P. Eng.

General Manager of Infrastructure Services

Recommended by the C.A.O.

Doug Nadorozny Chief Administrative Officer

Title: New Drains & Maintenance

Date: November 10, 2009

Division Review

Page:

Robert M. Falcioni, P. Eng

Director of Roads and Transportation Services

Report Prepared By Ron Norton, P. Eng. Drainage Engineer

Background

During the October 26th, 2009 Finance Committee meeting, Council requested a report on Municipal Drains and how they are funded. This request is No. 17 on the Parking Lot List.

Municipal Drains are large drainage channels constructed under the Ontario Drainage Act. The City has over 55 of these drains with a total length of over 160 kilometres. These municipal drains are primarily in the Dowling, Rayside Balfour and Valley East areas to provide drainage to private lands and city roads.

Each municipal drain is constructed on the basis of an engineer's report which is approved by Council and has an implementing bylaw.

Once constructed the city is responsible for maintenance of the municipal drain.

K. Smart Associates are the Drainage Superintendent for maintaining the municipal drains. The drainage superintendent reports to the City's Drainage Engineer.

Operating Budget

Each year there is a pre-determined program of scheduled maintenance work on municipal drains. Additionally, the City also responds to landowner complaints. It is this maintenance work and a contribution to the Agricultural Drains Reserve that determines the operating budget for Municipal/Agricultural Drains. The contribution to reserve is utilized to cover the City's portion of constructing municipal drains as well as funding maintenance of existing drains.

A brief history of maintenance expenditures on municipals drains can be seen in Table 1 below:

<u>TABLE 1</u> <u>Municipal Drains - History of Maintenance Costs</u>

	2005	2006	2007	2008	2009 *
Maintenance Costs	58,580	69,397	218,649	113,943	90,700

^{*} Projected 2009 maintenance costs

Title: New Drains & Maintenance

Date: November 10, 2009

Capital Budget

New municipal drains are approved when Council accepts a drainage petition and appoints an engineer. The costs of a new drain are shared amongst the benefitting landowners. An assessment is determined by the engineer to ascertain which landowner is going to benefit from the new drain and to what degree. The capital cost of the new drain is then allocated to the benefitting landowners. The City share of new drains is funded from the Agricultural Drains Reserve. When a landowner is deemed to be agricultural, the province will also contribute to the construction of the drain.

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	Тур	e of Decision			
Meeting Date	November 23, 2009	Report Date	November 18, 2009		
Decision Requested	Yes x N	o Priority	High	Low	
	Direction Only	Type of Meeting	Open	Closed	

Report Title	
Capital Allocation – Water/Wastewater	

Budget Impact/Policy Implication	
This report has been reviewed by the Finance Division and the funding source has been identified.	
	For Information.
x Background Attached	Recommendation Continued

Recommended by the Department

Recommended by the C.A.O.

Greg Clausen, P.Eng.
General Manager of Infrastructure Services

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer

Title: Capital Allocation – Water/Wastewater

Date: November 18, 2009

Report Prepared By

Division Review

Nick Benkovich

Director of Water/Wastewater Services

Background

During the November 16th, 2009 Finance Committee meeting, Council requested additional information on a series of budgeted capital allocations. Additional information was requested on the following specific items:

1. Water/Wastewater Master Plan

The Master Plan provides a strategic direction and an integrated infrastructure planning and policy framework. It will provide a vision of the future servicing plan for the City that guides its physical development of Water/Wastewater infrastructure for the next 20 years. It will serve as a basis for the planning and approval of infrastructure services to be carried out by the City in support of safety, existing system performance and growth areas.

The Master Plan will evaluate the existing infrastructure, analyze the gaps and estimate future demand in terms of water and wastewater infrastructure. It will set up a strategic direction that provides savings by selecting the most efficient Capital infrastructure projects according to the City's existing and projected future needs.

The Master Plan funding allocations will encompass software modeling for water and wastewater systems, which is partially complete at this time. This modeling software provides an essential tool for assessing future needs, development of project requirements, and assist in the efficient operation of systems. The Master Plan will provide the capability to efficiently analyze capital project alternatives and enable savings for the City by developing a holistic approach and timely delivery of capital projects in systemic fashion. The funding allocation also includes allowance for priority environmental studies (EA's) which emanate from the Master Plan and are mandated by provincial regulation.

Greater Sudbury is in a challenging situation due to its disperse communities, numerous water and wastewater systems, aging infrastructure, longer linear assets and high infrastructure and facility to population density.

To fund these initiatives, W/WW has allocated a total of approximately \$2.7 million for the period from 2007 -2010. While it is expected that the plan document will only require a portion of this allocation, the remaining funding will be used for modeling and environmental assessment studies as indicated above. We expect that a more definitive cost breakdown and estimate will become available as the Master Plan progresses.

The Master plan project has begun and is expected to be complete in 2012.

Page 2

2. Work Management System, Data Management Initiative, GIS Integration

Water & Wastewater Services relies on a number of business software applications to support the safety and efficiency of our facilities and to help manage and report on a wide variety of activities ranging from laboratory data, production data, maintenance documentation, flow and pressure monitoring etc. Much of the information collected is required to be reported to regulatory authorities on a timely basis.

Many of our current business system applications in support of W/WW Operations have become outdated and are in need of upgrading to meet standards. Current systems are labour intensive and time consuming. This allocation will provide necessary funding for the assessment, development, and eventual implementation of renewed business systems to support operations and maintenance activities. Renewed systems are expected to enhance analytical data capabilities and free resources for other priorities.

In addition, this funding will assist with the development of an integrated GIS database for W/WW assets as part of the larger CGS GIS strategy.

To fund these initiatives W/WW has allocated a total of \$715,000 for the period from 2007 -2010. We anticipate the project to commence in 2010.

3. Communication System Upgrades

With over 125 production related facilities currently providing service to our customers W/WW Services relies heavily on remote communications to monitor & control remote facilities from central control rooms. Many of the communications linkages for the current remote monitoring system rely on radio frequency linkages to transmit & receive data from remote sites. Radio data transmission is subject to interferences that can cause communication failures. Modern systems employing fibre based communications offer much improved reliability and consistent data transmission. Some facility upgrades have already been accomplished and further communication upgrades are planned on a risk based priority assessment.

To fund communication system upgrades at our facilities W/WW has allocated \$550,000 for the period from 2007 - 2010. The project is scheduled to commence on a phased basis starting in 2010.

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Budget Impact/Policy Implication



				Type o	f Decision		
Meeting Date	Meeting Date November 23, 2009			Report Date	November 18, 2009		
Decision Requested		Yes	x	No	Priority	High	Low
	Di	rection C	Only		Type of Meeting	Open	Closed

Report 1	Title
Flouride (Costs

This report has been reviewed by the Finance Diraction and the funding source has been identified.	vision
	For Information.
X Background Attached	Recommendation Continued

Recommended by the Department

Recommended by the C.A.O.

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer

Page: 2

Title: Fluoride Costs
Date: November 18, 2009

Report Prepared By	Division Review
Aldamen	
Nick Benkovich Director of Water/Wastewater Services	

for

Background

During the November 16th, 2009 Finance Committee meeting, Council requested a report on the current cost of fluoridating the municipal water supply. In response to the Committee's request, the following information can be provided:

Estimated Annual Costs of Flouridation

Chemical	\$55,000
Materials	\$20,600
Total	\$75,600

Fluoridation at CGS water supply facilities has been included in the treatment processes for many years at the discretion of Council following the recommendation of the Medical Officer of Health. Fluoride is added to CGs water supply systems to prevent dental caries (cavities) and as such is not a required water treatment chemical to provide safe drinking water.

The approximate annual costs of adding fluoride to the water supply are summarized in the above table. It should be noted that labour costs have not been included as it is anticipated that the labour component would be reallocated to other operational and maintenance priorities should fluoridation be discontinued.

Similarly, the considerable capital and maintenance costs necessary to fluoridate the water supplies have not been included. Fluoride is a highly corrosive chemical resulting in high operating costs and short capital life of equipment.



			Type o	Decision			
Meeting Date	Meeting Date November 23, 2009		Report Date		November 16, 2009		
Decision Requested	Yes	х	No	Priority		High	Low
	Direction C	Only		Type of Meeting	Х	Open	Closed

Report Title Hybrid Vehicle Performance and Return on Investment

Budget Impact/Policy Implication	
This report has been reviewed by the Finance Division and the funding source has been identified.	
	This report will provide information on the performance of hybrid vehicles.
Background Attached	Recommendation Continued

Recommended by the Department

Bill Lantilor Bill Lautenbach

General Manager of Growth and Development

Recommended by the C.A.O.

Doug Nadorozny Chief Administrative Officer

Report Prepared By

Division Review

Danielle Braney

Director of Asset Services

Danielle Braney

Director of Asset Services

Hybrid Vehicles Performance and return on Investment

The fleet management system tracks the cost of maintaining the City's fleet. The hybrid vehicles acquired over the past few years are still under warranty (regular warranty 5 years and 8 years on all hybrid components). Work orders show that other than regular inspections and oil changes they have required no maintenance to date. Other municipalities such as Hamilton and Toronto have reported a decrease in maintenance cost for hybrid vehicles. There is extended life of the brakes due to regenerative braking. Hybrid vehicles use a different method than conventional vehicles to brake at slower speeds. Electric motors help the car brake during stop-and-go driving.

Hybrid vehicles have replaced full-size cars whenever possible. The Toyota Prius and the Ford Escape have been the leading vehicles in terms of hybrid technology thus far. Other manufacturers will provide more choice in the coming years as more hybrid vehicles enter the market.

In terms of fuel efficiency, the new hybrid cars consume considerably less fuel than the full-size cars. The full-size cars are units that were passed on from the Police Services' fleet. With the rising fuel costs it makes sense to replace these vehicles with smaller more efficient ones. Vehicles that could potentially compare to the size of the Hybrid Prius include the Ford Fusion, the Dodge Caliber and the Honda Accord. On average they sell for \$2,500 less than the Prius after rebate according to the manufacturers' websites. These vehicles consume twice as much fuel and emit twice as much CO2 as the Prius.

To compare the performance of these vehicles using statistics and web tools from Natural Resources Canada, it has been assumed that 20,000 km is driven annually, 55% is city driving and fuel cost is 90 cents per litre. Some city vehicles have more kilometrage than others but 20,000 km is a good average.

Ford Fusion	Toyota Prius
-------------	--------------

Purchase Price: \$25,000 Purchase Price: \$27,500

-after rebate

Fuel: \$1,566 Fuel: \$738 CO2 (kg/yr): 4,176 CO2 (kg/yr): 1,968

The payback for the additional cost to purchase the hybrid vehicle is 3 years for fuel consumption alone. The vehicles are scheduled to be replaced in 7 years. Annual savings in fuel after the 3 years would be \$828 per year or \$3,302 over the remaining life of the vehicle. The reduction in CO2 emissions over the 7 years is 15,456 kg.

Ford Escape Hybrids have replaced some pickup trucks when these are used by front line supervisors who do not require the use of a pickup truck. They also consume 50% less fuel and emit 50% less CO2 than regular small trucks. The comparison is based on the same criteria used for the mid-size cars.

Ford Pickup		Ford Escape Hy	brid
Purchase Price:	\$24,000	Purchase Price: -after rebate	\$30,000
Fuel:	\$2,286	Fuel:	\$1,098
CO2 (kg/yr):	6,096	CO2 (kg/yr):	2,928

The payback in for the additional cost to purchase the hybrid vehicle is 5 years for fuel consumption alone. The vehicles are scheduled to be replaced in 7 years. Annual savings in fuel after the 5 years would be \$1,188 per year or \$2,376 over the remaining life of the vehicle. The reduction in CO2 emissions over the 7 years is 22,176 kg.



			Type of	f Decision			
Meeting Date	November	23, 2	2009	Report Date		November 16	, 2009
Decision Requested	Yes	x	No	Priority		High	Low
	Direction C	nly		Type of Meeting	х	Open	Closed

Report Title Deferring Proposed 2010 Fleet Acquisitions

This report has been reviewed by the Finance Division and the funding source has been identified. This report will provide information on the fleet replacement program.	Budget Impact/Policy Implication	
	This report has been reviewed by the Finance Division and the funding source has been identified.	
		This report will provide information on the fleet replacement program.
Background Attached Recommendation Continued		

Recommended by the Department

Rill Lautenbach

General Manager of Growth and Development

Recommended by the C.A.O.

Doug Nadorozny

Chief Administrative Officer

Report Prepared By

Division Review

Danielle Braney

Director of Asset Services

Danielle Braney

Director of Asset Services

Background

The Finance Committee at its meeting of November 4, 2009 requested information on the replacement of vehicles and equipment in the municipal fleet. Fleet Services purchased a fleet management system which has not been in place long enough at this time to provide maintenance information records to the Committee. Once information has been gathered for a few years, staff will be able to provide more accurate predictions on maintenance costs. To provide information using the manual system that was in place previously would take an enormous amount of time and would only provide labour cost as the system was not set up to allocate the cost of parts replaced on each vehicle. The new fuel system recently installed will provide additional information with respect to fuel consumption per vehicle or piece of equipment.

The criteria used to consider the replacement of vehicles and equipment include age, kilometrage, condition and type of service that the units provide. Currently the older units are physically inspected to develop the replacement list. The recommended age for replacement is based on standards used from the Canadian and American Public Works Associations as set out below.

Cars/Pickups/Vans:

7 years

Medium Duty Trucks: Heavy Duty Trucks:

8 Years 10 years

Specialty Trucks:

12 years

Zambonis/Trackless:

12 years

Backhoes/Graders:

15 years

Small Vehicles

The life expectancy of small vehicles is usually 7 to 8 years. There are 9 one-ton dump trucks on the replacement list this year. The youngest unit is 11 years old and the oldest 17 years. The kilometrage on these vehicles ranges from 120,000 km to 300,000 km.

The five 2003 pick-up trucks to be replaced have between 135,000 km to 230,000 km. They are used by front line supervisors who are assigned a specific vehicle. The intent is to replace these vehicles with hybrid ones. The pick-up trucks would be moved to the retired pool of vehicles and used for other types of work for another 2 to 3 years. Five older units would be removed from the retired pool and sold at the next auction.

Besides the 2003 mail delivery mini-van having 95,000 km, the other small vehicles which were purchased between 1998 and 2001 have between 145,000 km to 255,000 km. Many of the older vehicles require body work and ongoing repairs to be maintained in a safe and functional condition. It is also the intent to replace the majority of these full-size cars with smaller more efficient or hybrid vehicles.

Heavy Equipment

The average life of heavy equipment ranges from 10 to 15 years. The youngest piece of equipment on the list is a 14-year old sweeper that requires approximately \$50,000 in upgrades to remain operational. It is in poor condition and will still be prone to failure once it is upgraded. The two trackless municipal tractors are 16 and 19 years old. These units which are used year-round have exceeded their life expectancy. The two graders on the list are 24 and 29 years old. It is the intent to replace these two graders and two more over the next three years because of the maintenance cost which is approximately \$50,000 per grader annually.

Reduction to Fleet

Staff has been proactive in reducing the number of units in the fleet whenever possible. The utilization of winter control trucks has been monitored closely over the past few years. In 2007, six winter control trucks that were underutilized were removed from the fleet. This year five more trucks were removed and sold at auction.

In 2007 there were nine backhoes in the fleet, all of which were underutilized. The need for backhoes was reviewed and four were removed from the fleet.

In 2008/2009, staff reviewed the utilization of the vehicles in the car pool at Tom Davies Square. Some vehicles were removed from the pool at Tom Davies Square and reallocated to departments that were booking these vehicles on an ongoing basis. As part of the same review, two cars were removed from the car pool and three others parked at other locations reducing the small vehicle fleet by five cars.

The reduction in future capital needs as a result of these measures is approximately \$3 million.

11	trucks @ \$225,000 =	\$2,475,000
5	light vehicles @ \$30,000 =	150,000
4	backhoes =	400,000
	Total =	\$3,025,000

Deferring replacement

In addition to the list of vehicles and equipment to be replaced in 2010, there are twenty-one pre-2000 units that can't be replaced due to the level of funding available. Deferring fleet replacement on a portion in 2010 will only serve to impact future capital replacement budgets.

As better record keeping emerges through fleet and fuel management systems, we will continue to rationalize both operational and capital spending.



		Type o	f Decision			
Meeting Date November 23, 2009			Report Date	November 12, 2009		
Decision Requested	Yes	No	Priority	Х	High	Low
	Direction Only		Type of Meeting	Х	Open	Closed

	Report Title		
Deferring E	mergency Services Ve	hicle Replacement	Ŝ

Budget Impact/Policy Implication	
This report has been reviewed by the Finance Division and the funding source has been identified.	
and the funding source has been identified.	FOR INFORMATION ONLY.
Background Attached	Recommendation Continued

Recommended by the Department

Tim P. Beadman Chief Emergency Services Recommended by the C.A.O.

Doug Nadorozny Chief Administrative Officer Title: Page: Date:

Report Prepared By

Oell.

Joseph Nicholls
Deputy Chief Emergency Services



Executive Summary

As part of the 2010 budget deliberations, Council has asked that all departments review deferring vehicle replacements for 2010. Emergency Services does not recommend deferral of Emergency Response (ambulance, paramedic response unit) replacement vehicles for the following reasons:

- 1) Deferral will increase the fleet age and extend the replacement cycle longer.
- 2) Deferral will result in increased vehicle down-time due to malfunctions and increased maintenance costs.
- 3) Aging fleet increases risk associated with malfunctions during emergency response.
- 4) Aging fleet impacts patient care and paramedics' work environment.
- 5) Fleet size ratio will need to be increased to support maintenance cycles.
- 6) Loss of Provincial funding (50%) for fleet purchase cost.

Background

Greater Sudbury Emergency Services is the sole Ministry of Health and Long Term Care (MOHLTC) certified provider of ambulance services for the City. Emergency Services provides response to medical emergencies delivering quality pre-hospital care, while meeting standards outlined in provincial legislation and regulations. Paramedics respond to over 35,000 calls for service, travelling over one million kilometres annually utilizing a fleet of 33 vehicles that includes 21 transport ambulances and 12 Paramedic Response Units (PRUs).

At the time of transition, the MOHLTC along with representatives from municipalities determined and agreed to an industry standard replacement period (life-cycle) of 54 months for ambulances and PRUs. A portion of the 50/50 funding grant from the Province is directed to capital replacement of vehicles and equipment. Any decrease in our contribution to EMS capital requirements would result in an offsetting claw back of Provincial funding from the MOHLTC.

Vehicle Procurement

Ambulances and PRUs are specialized vehicles that are heavily regulated under the *Ambulance Act* and must be built in accordance with the *Ontario Provincial Land Ambulance & Emergency*

Title: Page: 3
Date:

Response Vehicle Standards V.4 March 2008. There are only three vendors in Canada certified to build ambulances and three in Ontario for Paramedic Response Units (PRU).

Due to the highly specialized nature of ambulances and Paramedic Response Units (PRU), it takes approximately nine to twelve months to deliver an ambulance and four to six months for a Paramedic Response Unit (PRU).

Vehicle Replacement Cycle

The Service's vehicle replacement needs are fully funded as part of our vehicle replacement plan. Although, vehicles ideally should be replaced every 54-60 months, we are currently replacing our vehicles every 72-84 months. The residual values of ambulances being replaced averages out to approximately \$4,000 per unit and not suitable for use as an Emergency Response Unit.

Impact of Deferral

Deferral will increase the age of vehicles at replacement by one year. Older vehicles will result in an increased frequency of breakdowns that could have serious operational impact on service delivery as well as increased costs for fleet maintenance.

There is no cost savings to deferral because these vehicles are cost shared with the MOHLTC and reducing our capital contributions would result in offsetting 50% provincial funding claw backs; thereby, further increasing the capital funding gap.

There will be increased patient care risks and cost increases associated with deferral of ambulance and PRU vehicle replacements. With no advantages and the decrease of provincial funding (claw back), it would be fiscally responsible and in the best interest of pre-hospital care for Emergency Services to continue to replace these vehicles in accordance with the submitted 2010 Capital Plan.

Marc Leduc Fire Chief Chief



		Туре о	f Decision				
Meeting Date	November 23,	2009	Report Date	November 17, 2009			
Decision Requested	Yes No		cision Requested Yes No Priority	Priority	х	High Low	
	Direction Only		Type of Meeting	х	Open	Closed	

Report Title **Deferral of Vehicle Purchases**

Budget Impact/Policy Implication	Recommendation				
This report has been reviewed by the Finance Division and the funding source has been identified.					
	For Information Only				
Background Attached	Recommendation Continued				
Recommended by the Department	Recommended by the C.A.O.				
Marc Leduc Fire Chief Marc Leduc	Doug Nadorozny Chief Administrative Officer				

Title: Deferral of Vehicle Purchases

Date: November 17, 2009

Report Prepared By

Marc Leduc Fire Chief

Division Review

Name Title

2010 Capital Funded

Fire Services 2010 funded capital includes 1 pumper at \$567,488.00. This pumper has already been approved by Council (purchase of 2 custom pumpers using 2010 and 2011 capital).

The 2010 funded capital also includes the replacement of 3 vehicles at approximately \$35,000.00 each for a total of \$107,362.50. These vehicles are:

- 1) 1982 Utility Van. This vehicle currently is used for training and mail run. This new vehicle would provide a vehicle for a third Deputy Fire Chief. Another older van (1998) would be used for the replacement of the utility van.
- 2) 1998 Utility Van. This vehicle provides back up when servicing Rescue Trucks and is used as a personnel carrier for emergency response. This 1998 van would replace the 1982 utility van.
- 3) 1999 District Chief Vehicle. This vehicle is required by the District Chief for emergency response, station visits, training and various other functions.

2010 Capital Unfunded

The 2010 unfunded capital includes 4 pumpers at a cost of \$2,269,950.00. If funded, they would be replacing 20+ year old pumpers.

The 2010 unfunded capital also includes 2 bush trucks at a cost of \$286,300. If funded they would be replacing a 1981 and a 1983 bush truck (26 and 28 year old vehicles).

The 2010 unfunded capital also includes 4 vans/cars at a cost of \$143,150.00. If funded they would replace 2 District Chief response vehicles and a 1992 van (personnel carrier at the Red Deer Lake Station) and a 1986 4x4 Fire Technician vehicle. The fire technician does repairs to vehicles and equipment throughout the city.

Title: Deferral of Vehicle Purchases

time before we are back in the same situation.

Date: November 17, 2009

The practice of underfunding and borrowing on future capital has placed Fire Services in a position of not having enough capital to replace aging vehicles. This year, the situation with pumpers reached a critical point. Fortunately Council approved one-time 1.5 million dollar expenditure, with approval to purchase 2 additional pumpers utilizing 2010 and 2011 capital. Although Council's approval was significant and necessary, without an adequately funded capital replacement program it will be only a matter of

Our unfunded capital requests are based on age/wear and industry standards. The unfunded vehicle needs, if not met will cause increases on our operating maintenance budgets.

Council is also reminded that they have approved Fire services to hire a consultant to provide a report on the rationalization and replacement of fire vehicles. This report will be presented to Council in 2010.



		Туре о	f Decision			
Meeting Date November 23, 2009			Report Date	November 17, 2009		
Decision Requested	Yes No		Priority	х	High	Low
	Direction Only	/	Type of Meeting	х	Open	Closed

Report Title Maximizing Cost Recoveries

Budget Impact/Policy Implication	Recommendation			
This report has been reviewed by the Finance Division and the funding source has been identified.				
	For Information Only			
Background Attached	Recommendation Continued			
Recommended by the Department	Recommended by the C.A.O.			

Marc Leduc Fire Chief Doug N

Doug Nadorozny
Chief Administrative Officer

Title: Maximizing Cost Recoveries

Date: November 17, 2009

Report Prepared By

Mud Lular

Marc Leduc
Fire Chief

Division Review

Name
Title

Currently Fire Services has user fees for auto extrication services, false alarms and the use of fire fighting foam.

In 2008 the user fees were as follows:

Billing Type	Costs Recovered
MVC	\$16,275.00
Foam Use	\$557.00
False Alarm Type I	\$9,360.00
False Alarm Type II	\$720.00

Total Invoiced YTD \$26,912.00

In 2009 to date the user fees are as follows:

Billing Type	Costs Recovered
MVC	\$55,085.00
Foam Use	\$3,375.00
False Alarm Type I	\$4,320.00
False Alarm Type II	\$1,080.00

Total Invoiced YTD \$63,860.00

Descriptions of Billing Types as written in By-Law 2008-250F

MVC Motor Vehicle Collisions where services are actually provided

Foam Use Foam used in fire fighting activities

False Alarm Type I No Reasonable Cause
False Alarm Type II Failure to Advise of Testing

Fire Services will explore the feasibility of adding new user fees. Some areas where additional fees may be considered include the issuance of burning permits and

requested fire safety inspections.



		Type o	f Decision			
Meeting Date	Report Date	November 17, 2009				
Decision Requested	Yes No Priority		Priority	х	High	Low
	Direction Only	,	Type of Meeting	x	Open	Closed

Report Title Hydrants

Budget Impact/Policy Implication	recommendation			
This report has been reviewed by the Finance Division and the funding source has been identified.				
	For Information Only			
Background Attached	Recommendation Continued			

Marc Leduc Fire Chief

Recommended by the Department

Recommended by the C.A.O.

Doug Nadorogny Chief Administrative Officer

Title: Hydrants

Date: November 17, 2009

Report Prepared By Marc Leduc Fire Chief Division Review Name Title

The best waters source for structural fire fighting is a hydrant. Upon arrival at the scene of a fire, the Fire Fighters hook up a water supply hose to the hydrant and advance the truck to the structure. The supply hose is then hooked up to the pump. The hydrant then supplies a continuous water supply for suppression activities.

In areas where there are no hydrants, we use a tanker shuttle system using a fleet of tankers, each of which carry approximately 1,500 gallons of water. These tankers are specifically designed to allow for a "quick dump" capability at the site of a fire. These tankers respond to the scene of a structure fire and quickly dump their water into a collapsible tank. This allows the tanker to off load its water supply into this portable tank and return to a water source to refill while the Fire Fighters at the scene use the water as needed, from the collapsible tank. Using a fleet of these tankers with this type of dump time, the Fire Fighters can deliver large volumes of fire suppression water for an extended period of time. Obviously, the variables that will dictate the final outcome of water supply are distance to water source for refill.

If the water supply is a hydrant other factors affecting response time include water main capacity at fill sites and road conditions.

Where there are no hydrants, the initial response time for arrival at the scene is unaffected. However, the set time does have an effect on the overall response time. Establishing a water shuttle is considerably timelier and more labour intensive than hooking up to a fire hydrant.

There are many areas throughout our community that do not have hydrants. The Fire Service is very supportive of expanding the hydrant system. However, if Council wishes to proceed with the installation of new hydrants it is recommended that they consider a complete overview of the system. This would provide Council with information required to determine where these hydrants should be located taking into consideration costs and overall fire protection effectiveness.

Council should also be made aware that our municipality is not in compliance with the Ontario Fire Code guidelines on fire hydrant and water main valve inspections and maintenance. These guidelines include the uniform marking of hydrants which is determined by fire flow testing. By providing the uniform colour-coding, responding Fire Fighters can make a more informed decision about the availability of adequate water supply to support whatever they are doing.

Title: Hydrants

Date: November 17, 2009

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This matter has been discussed with staff at Water/Waste Water. The cost of compliance has not yet been determined.



		Туре о	f Decision			
Meeting Date	November 23, 2009		Report Date	November 17, 2009		
Decision Requested	Yes	No Priority		x	High	Low
	Direction Only		Type of Meeting	х	Open	Closed

Report Title
Advertising Costs

Carthaus C. Cartha
For Information Only
Recommendation Continued

Recommended by the Department

Recommended by the C.A.O.

Marc Leduc
Fire Chief

Recommended by the C.A.O.

Doug Nadordzny
Chief Administrative Officer

Title: Advertising Costs
Date: November 17, 2009

Page:

2

Report Prepared By	Division Review					
Marc Leduc Fire Chief	Name Title					

The Fire Protection and Prevention Act (FPPA) reads that every municipality shall, establish a program in the municipality which must include public education with respect to fire safety and certain components of fire prevention.

The FPPA recognizes the importance of implementing three lines of defense (Public Education, Fire Safety Standards and Enforcement and Emergency Response) to achieve an acceptable level of fire safety within communities. Distribution of public fire safety education materials fall under the first line of defense.

The loss of life and property in Ontario due to fire has continued to drop for several years. Changing public attitude and improved public knowledge of fire safety can help account for this decrease.

The Fire Services Pubic Safety Announcement (PSA) budget is \$17,000.

PSAs provided by other agencies amounts to \$60,000.00 (estimated costs).

Total public safety costs (fire safety education) is approximately \$77,000.00

The costs are distributed as follows:

- 1. Fire & Ice Hockey Cards (fire safety messages behind card) for the 2008/2009 season cost Fire Services \$1,600.00. There are approximately 35,000 cards distributed. However, in partnership with Leisure Days, the total value of program is \$12,000.
- 2. Public safety announcements for prevention of wild land fires cost Fire Services \$1,900.00. We received contributions from the Sudbury and District Mutual Aid Fire Departments in the amount of \$600. The Ministry of Natural Recourses contribution was \$2,500. for a total value of \$5,000. This was a television ad campaign.
- 3. Public safety announcements on Sudbury Wolves Score Clock cost Fire Services \$3,150.00 (general fire safety messages). We receive a total of 69 PSAs.
- 4. Sudbury Kids Injury Coalition (SKIP) Calendar cost \$500.00. This was a partnership with the Sudbury and District Health Unit. The Fire Safety Calendar is distributed to all children in grade school city wide.

Title: Advertising Costs Page: 3
Date: November 17, 2009

5. Radio PSAs - \$3,675.

Breakdown: 113 paid spots + 56 no charge spots + 35 spots for prepaying = 204 spots

This provides for 10 campaigns - six campaigns of 20 spots per occasion and 4 campaigns at 21 spots per occasion

6. TV - \$7,003.05

Breakdown: 93 spots - March - December, 2009

Other media advertising done with outside agencies with no cost to the Fire Department - estimated costs:

- 1. RL Equipment year round campaign \$25,000. (smoke alarm and general fire safety tips)
- 2. Campeau Heating \$4,000. (carbon monoxide detectors)
- 3. VALE INCO \$2,000. (fast water safety psa)
- 4. City of Sudbury \$2,000. (fast water safety requested by Councillor Joscelyne Landry-Altmann)
- 5. Home Depot \$2,000. (supplied materials) First Alert \$500. (supplied smoke alarms)
- 6. Fire & Ice Hockey Cards for 2009/2010 season is being totally sponsored by Sudbury District Health Unit, Greater Sudbury Risk Watch Coalition, BMI Sports, Canvas in Motion and Home Depot. The total cost of program is \$11,000.
- 7. Wal-Mart supplied 100 smoke alarms given out during Fire Prevention week. Estimated cost is \$500.

Lorella Hayes

Chief Financial Officer / Treasurer



			Туре о	f Decision			
Meeting Date November 23, 2009			Report Date	November 18, 2009			
Decision Requested	Yes	Х	No	Priority	Х	High	Low
	Direction C	nly		Type of Meeting	Х	Open	Closed

Report Title						
Ontario Sales Tax Harmonization						
Budget Impact/Policy Implication Recommendation						
This report has been reviewed by the Finance Division and the funding source has been identified.						
	For Information Only.					
X Background Attached	Recommendation Continued					
Recommended by the Department	Recommended by the C.A.O.					

Doug Nadorozny Chief Administrative Officer Title: Ontario Sales Tax Harmonization

Date: November 9, 2009

Report Prepared By

Division Review

Lorella Hayes

Chief Financial Officer / Treasurer

The Provincial Government announced in its 2009 Budget that the province was moving to harmonize the federal GST and the provincial PST. In its announcement, the Province assured municipalities that the harmonized sales tax (HST) would be "fiscally neutral".

This change will take effect on July 1, 2010. The HST will be 13%; 5% Federal component and 8% Provincial component. To date, there have been no specifics as to how the tax will work. It is anticipated that the details will flow in early 2010. However, it is understood that the HST will generally follow the same rules and tax base as GST and that Municipalities will receive a 100% rebate of the 5% federal component and a 78% rebate of the 8% provincial component.

Several newspaper articles have been written bringing to the public's attention what impact the HST will have, and presentations have been made at the AMO conference to bring awareness to member municipalities. The Municipal Finance Officers Association (MFOA) has, over the summer, begun gathering information from its member municipalities to measure the impact of HST on municipalities, and accounting firms, such as KPMG, BDO and Deloitte, have prepared some information to help guide or plan for the impact based largely on the experiences of the Maritime Provinces.

City staff has prepared a preliminary analysis of the cost impact of the harmonized sales tax reform on our municipality. At this point in time, our best guess is that HST will be, for all intents and purposes, neutral. The 78% HST rebate, while designed to be fiscally neutral on a sector-wide basis, may result in increases to some municipalities and decreases to others. Similarly, depending on the nature of goods and services acquired, some city departments may experience an increase in costs, while others will see decreases. For example, those who outsource the delivery of services should expect to see negative financial outcomes. As far as capital construction expenditures, it is known that there will be an increase in the provincial sales taxes portion given the number of new items that will now be subject to HST which were previously excluded under the existing PST rules. The most obvious being professional services such as consulting, architectural and engineering fees, even though they will be partially offset by the 78% rebate of the provincial portion of the HST. Bottom line, for every \$1 million in capital costs, the HST will add about 2% to the cost. Although, potential favourable cost savings which could be passed on by suppliers may reduce this amount.

While higher costs can be anticipated for construction projects, the opposite will hold true for rolling stock and equipment purchases which were previously subject to provincial sales tax because the 78% rebate should produce savings of about 6%.

Title: Ontario Sales Tax Harmonization

Date: November 9, 2009

For public service bodies with more than \$10 Million in annual taxable sales (CGS meets this criteria), input tax credits will be available, however certain restrictions will apply. Municipalities will not be able to claim input tax credits on the following expenses:

- Energy,
- Telecommunications services,
- Road vehicles less than 3000 kilograms, and
- food, beverage and entertainment

The following table outlines a few examples of impact of HST:

Impact of sales tax harmonization	
Ontario will merge their sales tax (PST) with the federal goods and services tax (GST) on July 1, 2 It will be called HST.	2010.
GOODS AND SERVICES AFFECTED BY THE TAX CHAN	GES
\uparrow increase in taxes \downarrow decrease in taxes \leftrightarrow no cha	ange
Goods	
Food	\leftrightarrow
Natural gas	1
Gasoline	1
Fuel oil and other fuels	1
Medical devices	\leftrightarrow
Services	
Communications services	1
Professional services - eg, engineering, audit	1
Contracted services – eg, garbage collection	1
Transit services	\leftrightarrow
Recreation & leisure services	1
Electrical & HVAC services	1
NOTE: TABLE IS MEANT TO CAPTURE THE GENERAL DIRECTION OF CHANGE. THERE MAY BE DIFFERENT TREATMENT FOR CERTAIN GOODS IN EACH CATEGO	RY.

CONCLUSION:

In conclusion, staff's preliminary costing models and assumptions must be revisited once all rules/regulations (including transitional rules) respecting HST have been finalized.

Staff will continue researching this topic and attending training to ensure CGS is prepared for the HST effective July 1, 2010. In addition an internal project team will be developed to lead this project.

Title: Ontario Sales Tax Harmonization

Date: November 9, 2009

Some of the issues that must be resolved once we have all the pertinent information are:

- What impact will this have on new or existing procurement contracts?
- What budget and accounting issues will we have to address in 2010?
- What will be the impact on our financial systems and what can we expect during the changeover period?
- What are the potential financial impacts to our operating and capital budgets in future years?
- Should the City defer or accelerate certain expenditures depending on the HST impact?

Further reports on the anticipated impact of HST will be prepared for Council as more information is received.



				Туре о	f Decision				
Meeting Date	Date November 23rd, 2009			Report Date	November 12th, 2009				
Decision Requested		Yes	X	No	Priority		High	X	Low
	Di	rection C	nly		Type of Meeting	X	Open		Closed

Report Title RATIO OF MANAGEMENT STAFF TO EMPLOYEEES AT CGS						
Budget Impact/Policy Implication	Recommendation					
This report has been reviewed by the Finance Division and the funding source has been identified.						
	For Information Only					
X Background Attached	Recommendation Continued					
Recommended by the Department	Recommended by the C.A.O.					
The Thom	Duy Nadroney					
Patrick Thomson, Director of Human Resources and Organizational Development	Doug Nadorszny Chief Administrative Officer					

Page: 2

Date: November 12th, 2009

Report Prepared By

Patrick Thomson, Director of Human Resources and Organizational Development

Division Review

Patrick Thomson, Director of Human Resources and Organizational Development

BACKGROUND:

Council requested this information as a "parking lot" item related to the 2010 Budget deliberations.

The following reflects our current staff complement as of September 22nd, 2009.

As of September 22, 2009	Union	Non Union Management	Non Union Non Management	Volunteer Fire Fighters	All
Permanent Full Time	1,258	175	100	0	1,533 (Note #1)
Temporary Full Time	145	6	32	0	183
Regular Part Time	251	0	0	0	251
Casual Part Time	321	0	34	309	664
Seasonal Part Time	123	0	111	0	234
Totals	2,098	181	277	309	2,865

Note #1 – Reconciles to the 2009 budget figure of 1,553 [excluding Police] as the above reflects actual staff, not budgeted positions. The twenty (20) position difference between the above and budget reflects twenty-seven (27) vacancies at CGS at this time, and seven (7) pre-hired staff under CGS's Succession Planning Program.

The ratio of Management to non-Management Employees is therefore $(2,098 \div 181) = 15.83$. In other words, there is an average of fifteen and one-half $(15\frac{1}{2})$ Employees for every Supervisor at CGS.

Council will recall that in recommending the Blueprint Organization Design to Council,

Title: Ratio of Management Staff to Employees at CGS

Date: November 12th, 2009

the Senior Management Team advocated three (3) Building Blocks of Organizational Design, that would lead to a lean and accountable organization structure, as follows:

Building Block #1 - Levels of Management
(i.e. four (4) to five (5) levels of Management in Operating
Departments, and three (3) levels for Administrative Divisions is preferred).

Building Block #2 - Spans of Reporting
(varying from six (6) to eight (8) Direct Reports for a General
Manager, to ten (10) to twenty (20) Direct Reports for a Front Line
Supervisor).

Building Block #3 - Management to Staff Ratios (to increase from one (1) to twelve (12) to one (1) to fifteen (15) under the Blueprint).

The CAO has indicated that these "rules" will be an ongoing feature of CGS's Organizational Design, such that our structure should remain lean and accountable over time, removing the need/push for any further efficiency motivated "restructurings".

The above data (drawn off of the Payroll system as at September 22nd, 2009), demonstrates that the above "Management to Staff Ratios Building Block" has, in fact, been achieved and maintained since the Blueprint was recommended and adopted by Council. This data is verified by our OMBI reporting data which shows that CGS's ratio of Managers to non-Managerial Employees is above the OMBI median.