

**THE TWENTY-SIXTH MEETING OF THE FINANCE COMMITTEE
OF THE CITY OF GREATER SUDBURY**

**Council Chamber
Tom Davies Square**

**Wednesday, November 30, 2005
Commencement: 5:30 p.m.**

Chair

COUNCILLOR ELDON GAINER, IN THE CHAIR

Present

Councillors Berthiaume; Bradley; Caldarelli; Callaghan; Dupuis; Gasparini; Reynolds; Rivest; Thompson; Mayor Courtemanche

City Officials

M. Mieto, Chief Administrative Officer; C. Matheson, General Manager of Community Development; D. Nadorozny, General Manager of Growth & Development; A. Stephen, General Manager of Infrastructure & Emergency Services; P. Thomson, Director of Human Resources & Organization Development; C. Hallsworth, Executive Director of Administrative Services; G. Clausen, City Engineer; S. Jonasson, Special Advisor for Financial Services; L. Hayes, CFO/Treasurer; G. Lamothe, Manager of Communications & French Language Service; I. Davidson, Chief of Police, Greater Sudbury Police Services; C. Mahaffy, Manager of Financial Planning & Policy; E. Stankiewicz, Co-ordinator of Current Budget; B. Falcioni, Director of Roads & Transportation; B. Mangiardi, Chief Information Officer; K. Moxam, Manager of Parks Services; R. Carré, Director of Leisure, Community & Volunteer Services; J. Cameron, Senior Budget Analyst; D. Dumontelle, Acting Co-ordinator of Capital Budgets & Risk Management; B. Frescura, Budget Accountant; L. Valle, Manager of Quality, Financial & Administrative Services; S. Baiden, Director of Administration, Greater Sudbury Police Services; M. O'Callaghan, Materials & Resource, Greater Sudbury Police Services; A. Haché, City Clerk; M. Laalo, Licensing and Assessment Clerk; CJ Caporale, Council Secretary

C.U.P.E.

D. Burke, CUPE National Representative

Others

P. Sajatovic, Resource Planner, Nickel District Conservation Authority

News Media

Sudbury Star; MCTV; Northern Life; Channel 10; Le Voyageur; CBC-Radio

Declarations of
Pecuniary Interest

None declared.

PRESENTATIONS/DELEGATIONS

Item 2
Current Budget
Overview & Corporate
Business Plan 2006

The Chair of the Finance Committee, the Chief Administrative Officer and the CFO/Treasurer gave an electronic presentation entitled "*City of Greater Sudbury 2006 Preliminary Budget*".

The Chair gave an overview of the Budget strategy and a brief outline of the planning process used to develop the budget. He indicated that Council met at the end of June to review their vision and to set a short-term action chart which defined Council's priorities for 2006. Staff worked from the short-term action chart and the Council Vision, Mission and Values to develop business and work plans for the year ahead which are reflected in the 2006 operating budget.

The Chair advised that in January 2006, the Finance Committee will meet to review the capital budget with the target date for completion of that process being January 25, 2006. He also stated that final approval of the Property Tax Policy and Tax Rates will occur in the Spring of 2006.

The CAO provided the Committee with an overview of the 2006 Business Plan and outlined the Short Term Action Chart which was approved at the Priorities Committee meeting of September 14, 2005.

He also provided an overview of the 2006 draft operating budget, along with major variances, enhancements and reductions to the budget. He indicated that the 2006 proposed base budget increase is estimated to be 2.7%.

He pointed out that the 2005 Municipal Study by BMA shows property taxes on a detached bungalow and water and wastewater costs for municipalities within Ontario. The charts indicated that Sudbury's property tax is below the average, whereas, residential water and wastewater costs are the highest. When combined Sudbury is still below the average.

The CFO/Treasurer provided an overview of the total 2006 budgeted expenditures (\$450 million; 4.1% higher), and the 2006 budgeted revenues (\$293 million; 2.8% higher). She indicated that the difference between these two amounts is the Tax Levy, which is estimated to be \$157.2M or 6.5% increase from 2005.

The CFO/Treasurer advised the city has achieved significant assessment growth of 1.5% which means that the City has \$2.2M in additional tax revenue without having to raise taxes and also indicated that the capital Levy of 2.3% has been excluded since it will be dealt with by Council in January 2006 when the Capital Budget is reviewed.

Parking Lot #1
Report Request

With the concurrence of the Finance Committee, Councillor Rivest requested that a report be prepared regarding a comparison between Sudbury and other Northern Ontario municipalities relative to property taxes and water and wastewater costs.

2006 Current Budget

The 2006 Current Budget document was distributed at the meeting.

Recess

At 6:50 p.m., the Finance Committee recessed.

Reconvene

At 7:05 p.m., the Finance Committee reconvened.

Item 3
NDCA Board

Councillor Ron Bradley, Chair of the Nickel District Conservation Authority (NDCA) Board, introduced Mr. Paul Sajatovic, Resource Planner, NDCA who gave an electronic presentation. Mr. Sajatovic provided the Committee with an overview of key program activities, 2005 program highlights, conditions of the concrete box culvert at Junction Creek and Nolins Creek, and the NDCA Contract 05-02 (catchbasin inlet repairs).

He indicated that the 2006 budget has been affected by flat-lined annual provincial grant allocations, escalation of insurance costs, staff wage settlement and benefit costs, and rising utility costs. The NDCA requested a 3% increase in the levy and a special capital allocation of \$250,000 to continue water management projects.

Item 4
GSPS Board

Councillor Eldon Gainer, Chair, introduced Chief Ian Davidson, Greater Sudbury Police Services gave an electronic presentation entitled "*Operating Budget 2006-2007; Capital Plan 2006*".

He indicated that the 2006 operating budget is \$36,946,482, 5.5% over 2005, whereas the 2007 forecast is \$38,592,166, 4.5% over 2006. Chief Davidson stated that the 2006 budget impacts are salaries and benefits, operating costs, loss of provincial grants and secondment revenues.

He indicated that the 2006 Police Capital Plan's needs is \$1.66 million, and has received funding of \$1.66 million, leaving a \$0 million gap. He stated that with the approval of 1,000 Officers Partnership Program, Greater Sudbury Police Services will be hiring fourteen additional police officers, with a 100% cost neutral for years one and two (reflected in the 2005 budget only).

Item 5
SDHU Board

Councillor Janet Gasparini, Chair of the Sudbury and District Board of Health, introduced Dr. Penny Sutcliffe, Medical Officer of Health, who provided an electronic presentation entitled *"2006 Operating Budget; Sudbury & District Board of Health"*.

She indicated that the proposed 2006 Budget totaled \$18,812,728 an overall 14.1% increase to the public health budget, however, an overall 12.4% reduction to the municipal levy.

Dr. Sutcliffe stated in order to strike a balance with increasing health investments and municipal financial relief, the public health funding formula would change from 55% provincial and 45% municipal in 2005, to 75% provincial and 25% municipal in 2007.

Dr. Sutcliffe provided the Committee with the Public Health Funding Process according to the Health Protection and Promotion Act. She reviewed some of the principles and drivers used to reach resource allocation decisions and showed how this built on the investments made in the 2005 budget decision. She outlined the Board of Health 2005 initiatives and budget priorities.

Parking Lot #2
Report Request

With the concurrence of the Finance Committee, Councillor Callaghan requested an information report regarding the municipal levy increase due to the additional staff hired by the Sudbury and District Health Unit in 2002.

Item 6
Review of Winter
Control Options

Report dated 2005-11-29, with attachments, from the General Manager of Infrastructure & Emergency Services regarding Winter Operations Implementation Update was tabled at the meeting.

The General Manager of Infrastructure & Emergency Services advised the Committee that the presentation and recommendation will be presented at the Finance Committee meeting on Monday, December 5, 2005, in order that the members of the Committee can review the report.

Adjournment

2005-09 Courtemanche-Gasparini: THAT this meeting does now adjourn. Time: 8:55 p.m.

CARRIED

Councillor Eldon Gainer, Chair

Corrie-Jo Caporale, Council Secretary

2006 BUDGET PARKING LOT

REQUEST #	COUNCILLOR	INFORMATION REQUEST (November 30, 2005)	APPROVED	
			YES	NO
1	Rivest	Comparison to Other Northern Ontario Cities regarding property taxes including sewer and water fees	✓	
2	Callaghan	Municipal Levy Increase in 2002 due to hiring 35 FTE's at the Sudbury and District Health Unit	✓	