

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

**Council Chamber
Tom Davies Square**

**Thursday, March 1, 2007
Commencement: 3:40 p.m.**

Chair

COUNCILLOR TED CALLAGHAN, IN THE CHAIR

Present

Councillors Cimino (D8:30pm); Barbeau; Berthiaume; Dutrisac (D9:10pm); Dupuis; Rivest; Thompson (A4:50pm); Craig; Caldarelli; Landry-Altman; Mayor Rodriguez

City Officials

M. Mieto, Chief Administrative Officer; C. Matheson, General Manager of Community Development; D. Nadorozny, General Manager of Growth & Development; T. Beadman, Acting General Manager of Emergency Services; P. Thomson, Director of Human Resources & Organization Development; G. Clausen, Acting General Manager of Infrastructure; L. Hayes, CFO/Treasurer; T. Parmar, Manager of Quality, Administration & Financial Services; E. Stankiewicz, Manager of Financial Planning & Policy; D. Bergeron, Manager of Financial Support & Budgeting; C. Mahaffy, Deputy Treasurer; D. Dumontelle, Budget Accountant; R. Hotta, Director of Pioneer Manor; V. Martin, Manager of Employment Support; M. Poirier, Program Analyst, Child Care; K. Moxam, Manager of Parks Services; L. Valle, Manager of Quality, Financial & Administrative Services; C. Ouellette, Director of Children Services; E. Wabegijig, Manager of Finance & Administration; R. Carré, Director of Leisure Services; R. Henderson, Director of Citizen Services; D. Desmeules, Manager of Housing Services; J. Nicholls, Chief of Emergency Medical Services; B. Falcioni, Director of Roads & Transportation; M. Leduc, Acting Fire Chief; N. Benkovich, Director of Water/Wastewater Services; D. Braney, Acting Director of Solid Waste & Assets; C. Johnston, Manager of Family Support; B. Gregoris, Manager of Income Support; MB. Gibbons, Director of Strategic Support Services; A. Haché, City Clerk; F. Bortolussi, Planning Committee Secretary; J. Nelson, Clerk's Services Coordinator; CJ Caporale, Council Secretary

C.U.P.E.

D. Burke, CUPE National Representative; W. MacKinnon, President, CUPE Local 4705

News Media

Sudbury Star; MCTV; Channel 10

Declarations of
Pecuniary Interest

None declared.

<u>2007Budget Enhancement Options</u>	A revised package of the 2007Current Budget Enhancement Options was tabled.
<u>Parking Lot #1 Enhancement Option Transcab Fare</u>	With the consensus of the Committee, Mayor Rodriguez requested that the option for the \$2.00 Transcab fare be put back into the enhancement package and that it be funded by the Gas Tax.
<u>Parking Lot #2 Radar Base</u>	With the consensus of the Committee, Councillor Dupuis requested that the option providing transit service to the Radar Base be directed to the Transit Committee.

2007 CURRENT BUDGET REVIEW

<u>Item 3 Review of the Current Budget</u>	The Committee commenced the review of the 2007 Current Budget.
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COMMUNITY DEVELOPMENT SERVICES

<u>Presentation</u>	Ms. Catherine Matheson, General Manager of Community Development, provided an electronic presentation which outlined the various sections that make up Community Development Services. She provided Community Development Services' 2007 Operating Budget Corporate Summary and outlined the budget pressures her department is facing, efficiencies and accomplishments, and performance measures.
<u>Cost Centres</u>	Community Development Services Summary (Pages 114-118) General Manager's Office (Pages 119-120) Debt & Contribution to Capital (Page 121) OMPF / Social Program (Pages 122-123)
<u>Parking Lot #3 Report Requested OMPF Social Programs</u>	With the consensus of the Committee, Councillor Callaghan requested a report regarding the net cost of the OMPF Social Programs to the taxpayer .
<u>Cost Centres (continued)</u>	Administrative & Financial Services (Pages 124-125) Housing Services (Pages 126-130)
<u>Parking Lot #4 Report Requested Low Vacancy Rates</u>	With the consensus of the Committee, Mayor Rodriguez requested a report regarding low vacancy rates and the impact of rent increases for low income citizens.
<u>Cost Centres (continued)</u>	Long Term Care & Senior Services (Pages 131-134) Ontario Works - Summary (Page 135) Administration (Pages 136-138) Shelters & Homelessness (Pages 139-141)

Cost Centres
(continued)

Mandatory Programs (Pages 142-145)
Discretionary Programs (Pages 146-147)
Children First (Page 148)
Employment Support Services (Pages 149-151)
Ontario Disability Support Program (Pages 152-153)
Citizen Services Summary (Page 154)
Citizen Services Administration (Pages 155-156)
TDS Call Centre/Citizen Service Centres (Pages 157-158)
Public Libraries (Pages 159-163)
Museum/Local History & Archives (Pages 164-166)
Children's Services (Pages 167-170)
Cemetery Services (Pages 171-173)

Recess

At 5:00 p.m., the Finance Committee recessed.

Reconvene

At 5:30 p.m., the Finance Committee reconvened.

Cost Centres
(continued)

Leisure & Recreation Summary (Pages 174-181)
Leisure Services Administration (Pages 182-183)
Leisure Programs/Grants/Events (Pages 184-185)
Community Partnerships (Page 186)
Parks & Playgrounds (Pages 187-188)
Sports & Fitness Centre Operation (Pages 189-190)
Ski Hill Operations (Pages 191-192)
Community Halls Operations (Pages 193-194)
Waterfront/Pool Program (Pages 195-197)

Parking Lot #5
Enhancement Option
Janitorial Services
Howard Armstrong
Recreation Centre

With the consensus of the Committee, Councillor Rivest requested an enhancement option of \$2,500 for increased janitorial services at the Howard Armstrong Recreation Centre.

Cost Centres
(continued)

Community Arenas/Centres (Pages 198-203)

Parking Lot #6
Enhancement Option
Video Score Clock

With the consensus of the Committee, Councillor Callaghan requested that the enhancement option of \$200,000 for a new video score clock at the Sudbury Arena be funded over a two year period.

Parking Lot #7
Enhancement Option
Video Score Clock

With the consensus of the Committee, Councillor Dupuis requested an enhancement option that would increase the price of event tickets in order to fund the purchase and installation of a video score clock at the Sudbury Arena.

INFRASTRUCTURE

Presentation

Mr. Greg Clausen, Acting General Manager of Infrastructure, provided an electronic presentation which outlined the various sections that make up Infrastructure.

He provided Infrastructure's 2007 Operating Budget Corporate Summary and outlined the budget pressures his department is facing, efficiencies and accomplishments, and performance measures.

Information Requested Recycling & Solid Waste

Councillor Thompson requested information regarding the option of eliminating the recycling program, collecting all garbage at once and sorting it at a sorting centre. This would capture 100% of the recyclables.

Cost Centres

Infrastructure & Emergency Services (Pages 204-209)
General Manager's Office (Page 210)
Engineering Services Summary (Pages 211-212)
Engineering Administration (Pages 213-214)
Municipal/Agricultural Drains (Page 215)
Assets Management (Pages 216-217)
Debt & Contribution to Capital (Page 218)

Water/Wastewater Presentation

Mr. Nick Benkovich, Director of Water/Wastewater Services, provided an electronic presentation entitled "*Proposed 2007 Water/Wastewater Budget*".

Mr. Benkovich discussed water rate increases for the last five years, 2005 operating costs for the treatment and distribution of water, 2005 cost of wastewater collection, treatment and disposal, and the 2006 water/wastewater budget allocations.

He stated that there have been water/wastewater upgrades to numerous systems throughout the City of Greater Sudbury (Capreol, Valley East, Dowling, Levack, Azilda, etc.). He also outlined cost control programs that have been successfully implemented (non-revenue water, energy retrofits, remote monitoring) and cost control measures taken (water efficiency, smart meters, wastewater inflow/infiltration reduction). Mr. Benkovich stated that the Water/Wastewater Master Plan is another way to control costs.

He indicated that the deteriorated infrastructure is historically undervalued, is an inherited legacy and a deficit. He also indicated that in 2001, Council implemented the Sustainable Capital Asset Management Plan (SCAMP) which enhances the Capital Renewal annually. He advised that SCAMP provided a \$4.4 million start in reinvesting in the City's infrastructure.

Water/Wastewater
Presentation
(continued)

He stated that the proposed 2007 water/wastewater rate increase of 4.5% is well below the Ontario median for 2007.

Ms. Lorella Hayes, CFO/Treasurer, advised that the water/wastewater budget for 2007 is \$50.1 million compared to the 2006 budget of \$48.3 million. She provided information regarding the average consumption of water for the last three years and the three components to the water/wastewater bills. Ms. Hayes also provided the major factors contributing to the water rate increase for 2007. She also explained that the fixed rate charges would increase by 4.4%, which is consistent with the water rate increase.

Ms. Hayes explained that the wastewater rate is calculated as a percentage of the water bill. For 2007, the amount that is to be recovered through billings is \$24.4 million, which is 115% of water revenue to be collected, which represents a 4.5% increase. She stated that a typical residential property owner who consumes 360 cubic meters of water per year would pay an extra \$43 per year.

Mr. Benkovich provided four enhancement options for the Committee's consideration:

Option 1	Two Supervisor II's	\$214,000
Option 2	Operator B for Small Residential Sites	\$120,000
Option 3	Drinking Water Quality Management Officer	\$107,000
Option 4	Four Fire Hydrants (Council referral)	\$ 60,000

He stated that the proposed increases would be as follows:

Water Rate	6.5%
Fixed Rate	6.2%
Wastewater surcharge	5.1%

with an overall increase of 5.7% which would be an extra \$54.59 per year on an average water/wastewater bill.

Parking Lot #8
Report Requested
Water/Wastewater
Bills

With the consensus of the Committee, Councillor Caldarelli requested a report regarding the modification of the water/wastewater bill in a customer friendly fashion in relation to water and wastewater fees, including an explanation of the components of the water bill.

Parking Lot #9
Report Requested
Fire Hydrants on
Montée Principale

With the consensus of the Committee, Councillor Caldarelli requested a report on how the homes on Montée Principale where the four fire hydrants are to be installed are provided with fire protection.

Parking Lot #10
Report Requested
Fleet Costs

With the consensus of the Committee, Councillors Landry-Altmann and Dutrisac requested a report on fleet costs and the possible reductions in fleet costs.

Cost Centres
(continued)

Water Maintenance Summary (Page 219)
Water Revenues (Page 220)
Debt & Contribution to Capital (Page 221)
Water Treatment (Page 222)
Water Engineering Costs (Page 223)
Water System Repair & Maintenance (Page 224)

Parking Lot #11
Report Requested
City Crews vs
Contractors

With the consensus of the Committee, Mayor Rodriguez requested a report on utilizing City crews versus contractors for watermain repairs.

Cost Centres
(continued)

Waste Water Maintenance Summary (Page 225)
Waste Water Revenue (Page 226)
Debt & Contribution to Capital (Page 227)
Waste Water Treatment (Page 228)
Waste Water Engineering (Page 229)
Waste Water System Repair & Maintenance (Page 230)
Roads Maintenance Summary (Pages 231-235)
Debt & Contribution to Capital (Page 236)
Summer Maintenance (Pages 237-238)
Winter Maintenance (Pages 239-240)
Road Engineering Costs (Page 241)
Streetlighting (Page 242)
Traffic & Transportation (Pages 243-244)
Strategic Support Services (Pages 245-246)
Public Works Depots (Page 247)
Solid Waste Management Summary (Pages 248-249)

Parking Lot #12
Information Request
Traffic &
Transportation Cost
Centre

With the consensus of the Committee, Mayor Rodriguez requested an explanation of the variance in the Traffic and Transportation Cost Centre between the 2006 Actual Budget and 2007 Budget for Purchased/Contract Services.

Cost Centres
(continued)

Solid Waste Management Administration (Page 250)
Debt & Contribution to Capital (Page 251)
Projects and Studies (Page 252)
Collection (Page 253)
Diversion (Pages 254-255)
Disposal (Pages 256-257)
Solid Waste Engineering Costs (Page 258)

Change of Chair

At 8:55 p.m., Councillor Callaghan vacated the chair.

COUNCILLOR THOMPSON, IN THE CHAIR

EMERGENCY SERVICES

Presentation

Mr. Tim Beadman, Acting General Manager of Emergency Services, provided an electronic presentation which outlined the various sections that make up Emergency Services.

He provided Emergency Services' 2007 Operating Budget Corporate Summary and outlined the budget pressures his department is facing, efficiencies and accomplishments, and performance measures.

Change of Chair

At 9:00 p.m., Councillor Thompson vacated the chair.

COUNCILLOR CALLAGHAN, IN THE CHAIR

Cost Centres

Emergency Services Summary (Page 259)
Emergency Management (Pages 260-264)
Debt & Contribution to Capital (Page 265)
Fire Services Summary (Pages 266-269)
Base Costs (Page 270)

Parking Lot #13 Confidential Report Fire Services

With the consensus of the Committee, Councillor Barbeau requested a report explaining the 78.3% increase to Equipment Expenses and the increase in Salaries, which is listed in Base Costs on page 270. It was noted that due to bargaining negotiations for Fire Services, this report would be brought forward in Closed Session.

Cost Centres (continued)

Career Costs (Page 271)
Composite Costs (Page 272)
Volunteer Costs (Page 273)
Emergency Medical Services (Pages 274-277)

Parking Lot #14 Enhancement Option Percy St. Playground

With the consensus of the Committee, Councillor Landry-Altmann requested an enhancement option to upgrade the playground equipment at the Percy Street Playground.

Reports Tabled

Cost of Borrowing for Road Projects

Report dated 2007-02-28, with attachments, from the CFO/Treasurer regarding Cost of Borrowing for Specific Road Projects was received for information only.

History of Council Expenses

Report dated 2007-05-01 from the CFO/Treasurer regarding History of Council Expenses was received for information only.

Adjournment

2007-8 Craig-Caldarelli: THAT this meeting does now adjourn.
Time: 9:25 p.m.

CARRIED

Councillor Ted Callaghan, Chair

Corrie-Jo Caporale, Council Secretary

2007 BUDGET PARKING LOT FOR MARCH 1, 2007

REQUEST #	COUNCILLOR	REQUEST	APPROVED	
			YES	NO
1	Rodriguez	Include as Proposed Enhancement Option removal of \$2 transcab fee to be funded by the gas tax (Previously forwarded to the Transit Committee for review as per the February 27 th Parking Lot - Item #5)	✓	
2	Dupuis	Request for transit services to Radar Base (Refer to Transit Committee)	✓	
3	Callaghan	Report - Net Cost to the Taxpayer of the Social Programs	✓	
4	Rodriguez	Report on low vacancy rate and impact on rents for low income citizens	✓	
5	Rivest	Option - \$2,500 for increased janitorial services at the Howard Armstrong Recreation Centre	✓	
6	Callaghan	Option - Splitting cost of new Score Board Clock at the Sudbury Arena over a two year period	✓	
7	Dupuis	Increasing price of tickets to events to pay for Score Board Clock at Sudbury Arena	✓	
8	Caldarelli	Report - Modifying the water bill in a customer friendly fashion in relation to water and wastewater fees including an explanation of the components of the water bill	✓	
9	Caldarelli	Report on how homes where the 4 fire hydrants are to be installed on Montée Principale are provided with fire protection	✓	
10	Landry-Altman/Dutrisac	Report on fleet costs and possible reductions in fleet costs	June	

2007 BUDGET PARKING LOT FOR MARCH 1, 2007				
REQUEST #	COUNCILLOR	REQUEST	APPROVED	
			YES	NO
11	Rodriguez	Report on utilizing City crews versus contractors for watermain repairs	✓	
12	Rodriguez	Explanation of variance in Traffic and Transportation Cost Centre between the 2006 Actual Budget and 2007 Budget for Purchased/Contract Services	✓	
13	Barbeau	Confidential Report - Equipment Expense increase of 78.3% in Base Cost, Negotiations	✓	
14	Landry-Altman	Option to upgrade equipment at Percy Playground	✓	