

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

**Council Chamber  
Tom Davies Square**

**Tuesday, November 27, 2007  
Commencement: 3:35 p.m.**

Chair

**COUNCILLOR TED CALLAGHAN, IN THE CHAIR**

Present

Councillors Cimino (A3:52pm); Barbeau; Berthiaume; Dutrisac; Dupuis; Rivest (A4:05pm); Thompson (A4:46pm); Craig; Caldarelli; Gasparini; Mayor Rodriguez

City Officials

M. Mieto, Chief Administrative Officer; C. Matheson, General Manager of Community Development; D. Nadorozny, General Manager of Growth & Development; G. Clausen, General Manager of Infrastructure Services; T. Beadman, Chief of Emergency Services; D. Donaldson, Fire Chief; I. Davidson, Chief of Police, Greater Sudbury Police Services; C. Hallsworth, Executive Director, Administrative Services; L. Hayes, Chief Financial Officer/Treasurer; P. Thomson, Director of Human Resources & Organizational Development; R. Henderson, Director of Citizen Services; R. Falcioni, Director of Roads & Transportation; R. Carré, Director of Leisure Services; T. Parmar, Manager of Quality, Administration & Financial Services; Carmen Ouellette, Manager of Children Services; D. Dumontelle, Manager of Financial Support and Budgeting; E. Stankiewicz, Manager of Financial Planning & Policy; I. Wood, Special Advisor to the Mayor; B. Battison, Deputy Chief of Special Operations; F. Elsner, Deputy Chief of Police, Greater Sudbury Police Services; S. Baiden, Director of Administration, Greater Sudbury Police Services; M. O'Callaghan, Materials & Resource, Greater Sudbury Police Services, M. Bamberger, Materials & Resource, Greater Sudbury Police Services D. Cayen, Administrative Assistant to the Chief Financial Officer/Treasurer; A. Taylor, Communications Officer; A. Haché, City Clerk; K. Bowschar-Lische, Law Clerk; F. Bortolussi, Council Secretary

Others

B. Rogers, Chair, NDCA Board; J. Dennis, Vice-Chair, NDCA board; P. Sajatovic, Director of Corporate & Watershed Management Services, NDCA; A. Bonnis, General Manger/Secretary-Treasurer, NDCA; D. Petryna, Chair, GSPS Board; V. Etches, Acting Medical Officer of Health

News Media

Sudbury Star; MCTV; Le Voyageur

Declarations of  
Pecuniary Interest

Councillor Gasparini declared an interest on the enhancement option relating to physician recruitment as her daughter is graduation from medical school.

## **PRESENTATIONS/DELEGATIONS**

### **2008 Budget**

The Chair of the Finance Committee gave an electronic presentation entitled '*Top of Mind Issues*'. He demonstrated the dilemma with respect to the Canadian Tax Dollar in that only 8¢ of every dollar is passed on to municipalities. He outlined the 2008 projected residential tax base and the distribution of the municipal tax bill. He indicated the BMA Study is an effective study including 79 municipalities in Ontario (5 from Northern Ontario) or 80% of the population. He compared tax rates with the North and the survey average. He indicated that water and wastewater services is our downfall due to legislative down loading to municipalities without funding. He explained the reasons for the requirement of an Auditor General. He outlined the gaps of \$33 M in the renewal/replacement needs and \$1.49 M in new initiatives/growth needs.

### **2007 Budget Overview**

The Chief Administrative Officer and the Chief Financial Officer/Treasurer gave an electronic presentation entitled "*City of Greater Sudbury 2008 Budget Overview*".

The Chief Administrative Officer advised of the results of an Oraclepoll survey which indicated that six of ten citizens of Greater Sudbury rate the quality of life as good or very good and 55% are confident about the economic future as opposed to 24% in 2003. He indicated there has been an increase of 45% in the average sale price of a home in the last three years and provided the value of construction from 1997. He provided information on employment and earnings in Greater Sudbury and the change in municipal infrastructure ownership from 30% in 1961 to 58% in 2005.

The Chief Administrative Officer outlined the key highlights of the 2008 Budget with a net tax increase of 4.7% before enhancements. He indicated the budget being presented reflects Council's priorities such as quality of life, infrastructure investment and Year of the Employment.

The Chief Financial Officer/Treasurer provided an overview of the total 2008 budgeted expenditures (\$479.5 M) and the 2008 budgeted revenues (\$315.M). She advised the overall assessment growth for the City of Greater Sudbury is 1.7% in 2008 and the 2008 municipal tax increase is 2.4% when the capital levy of 2.3% is excluded. She highlighted the major budget variances for 2006 including Provincially funded programs, OMPF contributions to reserves and contractual/inflationary obligations. She outlined the assessment growth since 2002, how the 2008 operating dollars are spent, sources of revenue such as the tax levy and user fees; draft budget summary options. She provide some results from the BMA study which indicates that Greater Sudbury has the lowest property taxes and the highest water/sewer costs.

She also advised of the BMA study results of reserves as a % of total expenditures and debt charges as a % of total expenditures. She concluded by presenting the 2008 budget schedule.

Parking Lot #1  
Report Requested  
Financial Services

With the consensus of the Committee, Councillor Cimino requested a report on reserve funds.

Parking Lot #2  
Report Requested  
Financial Services

With the consensus of the Committee, Councillor Dupuis requested a report on deficits and surpluses since amalgamation.

Recess

At 5:05 p.m. the Finance Committee recessed.

Reconvene

At 5:39 p.m. the Finance Committee reconvened.

NDCA Board

Mr. Bob Rogers, Chair of the Nickel District Conservation Authority (NDCA) Board, introduced the members and staff in attendance. He provided an overview of Ontario's Conservation Authorities, the NDCA watershed area, key program activities and the 2008 program highlights. He also outlined the progress under the Source Water Protection Plan.

He outlined the 2008 operating budget pressures such as the flat-lined annual provincial grant allocations since 2000, the escalation of general insurance costs, staff wage settlement and benefit costs, and rising utility costs. insurance costs, staff wage settlement and benefit costs, and rising utility costs. The NDCA requested a 3% increase over last year's budget. He outlined the capital issues and priorities such as the major maintenance of two flood control dams and Lauentian Lake Conservation Area maintenance and upgrades. He outlined the capital funding request for a further \$125,000 as permanent funding for a total of \$250,000 from 2008 onward.

Parking Lot #3  
Report Requested  
Financial Services  
& NDCA

With the consensus of the Committee, Councillor Callaghan requested an option to establish a reserve fund of \$150,000 to assist private property owners with water management problems. NDCA to develop policies and procedures.

GSPS Board

Mr. Dave Petryna, Chair of the Greater Sudbury Police Services Board, and Chief Ian Davidson, Greater Sudbury Police Services gave an electronic presentation entitled "*Operating Budget 2008*".

Mr. Petryna listed the key guiding principles for the budget preparation including current and long range operating needs, legislative requirements, inflation where applicable and financial control and accountability. He explained the process which staff input, Oraclepoll Public-Business Survey and analysis of 2005 - 2007 Business Plan key results.

He indicated that the 2008 base budget is \$40,676,725 (4.8% over the 2007 budget); lower than the initial base budget forecast in 2005 of \$5.1% and the June 2007 forecast of 4.9%. He outlined the summary of expenditures stating that the 2007 budget impacts are salaries and benefits (88.6% of the budget), Court security and operating costs.

Chief Davidson provided a comparative analysis of land area in select Ontario municipalities, population density, Police resources statistics and per capita costs. He outlined the business improvements being staff deployment, rural squad and Citizens on Patrol and the overall service delivery.

SDHU Board

Councillor Janet Gasparini, Chair of the Sudbury and District Board of Health, introduced Vera Etches, Acting Medical Officer of Health, who provided an electronic presentation entitled "*Sudbury & District Board of Health - 2007 Cost-Shared Operating Budget*".

Vera Etches indicated that the 2008 Budget totals \$20,141,659 and compared to 2007 represents a 4.2% overall increase to the public health budget and a 2.8% municipal increase. She provided budget background information and indicated the public health funding formula changed from 55% provincial and 45% municipal in 2005, to 75% provincial and 25% municipal in 2007.

Vera Etches explained the final report of the "Capacity Review Committee" which deals with a new vision for public health, building stronger health units and strategic partnerships. She advised that new standards are expected to be released in 2008 under the Ontario Public Health Standards.

Parking Lot #4  
Report Requested  
Senior Mgmt. Team

With the consensus of the Committee, Councillor Gasparini requested a one page summary prioritizing staff options by department.

**CORRESPONDENCE FOR INFORMATION ONLY**

Building Canada Plan

Report dated 2007-11-22 was received from the Chief Financial Officer/Treasurer regarding Building Canada Plan for information only.

**2008 PARKING LOT REVIEW**

Parking Lot

The Parking Lot for November 27, 2007 was reviewed by the Finance Committee. (See Attached)

Adjournment

2007-22 Barbeau-Berthiaume: THAT this meeting does now adjourn.  
Time: 7:25 p.m.

**CARRIED**

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Councillor Ted Callaghan, Chair

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Angie Haché, City Clerk

**2008 BUDGET PARKING LOT**

RESPONSIBILITY	REQUEST #	COUNCILLOR	REQUEST (November 27, 2007)✓	APPROVED	
				YES	NO
Hayes	1	Cimino	Report on Reserve Funds	✓	
Hayes	2	Dupuis	Report on deficits and surpluses since amalgamation	✓	
Hayes/NDCA	3	Callaghan	Option - Establish Reserve Fund of \$150,000 to assist private property owners with water management problems. NDCA to develop policies and procedures.	✓	
SMT	4	Gasparini	One Page Summary Prioritizing Staff Options by Department	✓	
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