



REVISED
Priorities
Committee
Agenda

to be held on
Wednesday, June 25th, 2003
at
7:00 p.m.

Deputy Mayor
Dave Courtemanche
Chair



Councillor
Gerry McIntaggart
Vice-Chair



REVISED

Priorities Committee AGENDA

**TWENTIETH MEETING OF THE PRIORITIES COMMITTEE
TO BE HELD ON WEDNESDAY, 2003-06-25
AT 7:00 P.M. IN THE COUNCIL CHAMBER,
TOM DAVIES SQUARE, 200 BRADY STREET, SUDBURY**

(PLEASE ENSURE CELL PHONES AND PAGERS ARE TURNED OFF)

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

DEPUTY MAYOR DAVE COURTEMANCHE, IN THE CHAIR

1. Declarations of Pecuniary Interest

ANY ITEMS NOT DEALT WITH BY THE ADJOURNMENT HOUR OF 10:00 P.M. WILL BE CARRIED OVER TO THE WEDNESDAY, SEPTEMBER 10TH, 2003 MEETING OF THE PRIORITIES COMMITTEE.

PRESENTATIONS/DELEGATIONS

2. Presentation by the General Manager of Corporate Services and the General Manager of Public Works regarding City of Greater Sudbury Road Expenditures and Capital Infrastructure.

{POWER POINT PRESENTATION}

1-27

- D. Wuksinic, General Manager, Corporate Services
- D. Belisle, General Manager of Public Works

RECOMMENDATION #1:

THAT the Roads Maintenance Budget for 2003 continue as forecasted in the Report from the General Manager of Public Works dated June 4th, 2003, and that Option "C" as outlined in that Report be approved.

RECOMMENDATION #2:

THAT as Roads Maintenance is considered a priority of the community, and that history has shown that the Roads Maintenance Expenditure has exceeded their approved Budget by an average of \$5 million, it is recommended that \$2 million additional Roads Funding be brought forward in the 2004 Roads Maintenance Base Budget.

RECOMMENDATION #3:

THAT a Financing Plan be brought back to Council in the Fall of this year outlining various options in keeping with the Long-Term Financial Plan for funding Capital Infrastructure, and that these options include the introduction of a capital Renewal Levy and participation in OMEIFA (Ontario Municipal Economic Infrastructure Financing Authority) funding.

3. Letter dated 2003-04-14 from Mr. Brian Ruck, Totten Sims Hubicki Associates, regarding Highway 69 Four-Laning.

28-29

- Ms. Sheri Graham, P.Eng., Area Engineer, MTO Planning & Design Section, North Bay Regional Office
- Mr. John Fraser, P.Eng., Sr. Project Engineer, MTO, Planning & Design Section, North Bay Regional Office
- Mr. Kevin Morphet, Project Design Engineer, MOT, Planning & Design Section, North Bay Regional Office

(FOR INFORMATION - FOUR-LANING HWY. 69 SOUTH FROM SUDBURY TO ESTAIRE - 20 KM)

{POWER POINT PRESENTATION}

PRESENTATIONS/DELEGATIONS (Continued)

4. Letter dated June 3rd, 2003 from John V. Rimore, Executive Director, John Howard Society of Sudbury, regarding issues surrounding the Youth Criminal Justice Act.
(FOR INFORMATION) **30**
- Mr. Michael V. Sabo, Board President of the John Howard Society
 - Sgt. Rob Thirkill, Youth Liaison Officer, Greater Sudbury Police Services
 - Mr. John V. Rimore, Executive Director, John Howard Society of Sudbury
5. Letter dated May 20th, 2003 from Vicki Smith-Danyliw regarding power point presentation about the Rotary Park and its partnership with the City of Greater Sudbury.
(FOR INFORMATION) **31**
- Ms. Vicki Smith-Danyliw
 - Mr. Brian Smith

MANAGERS' REPORTS

6. Report dated 2003-06-17 from the General Manager of Corporate Services regarding Water/Wastewater Summer Levy and/or First Time Pool Fill Rebate. **32-36**

RECOMMENDATION:

THAT neither a summer levy nor first time pool fill rebate be implemented.

MANAGERS' REPORTS (Continued)

7. Report dated 2003-06-18 from the General Manager of Health & Social Services regarding Community Placement Target Funds.

37-43

RECOMMENDATION:

WHEREAS the City of Greater Sudbury authorized through resolution 2002-22 the establishment of a reserve for the Community Placement Target Fund;

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury authorizes further one-time funding from the reserved Community Placement Target fund for the following:

- For the balance of 2003, a net amount of \$2,650 be allocated to the Red Cross for the Housing Registry and Emergency Rent Bank Program which will generate an additional \$10,150 from the Ministry of Community, Family and Children's Services for a total of \$12,800.
- For the balance of 2003, a net amount of \$23,267 be allocated to the Salvation Army to continue to provide lodging and supportive programming for males aged 16+ which will generate an additional \$92,966 from the Ministry of Community, Family and Children's Services for a total amount of \$116,233
- For the balance of 2003 and through to December 31st, 2004 a total amount of \$50,000 be allocated to the Social Planning Council, for project funding, to support the City of Greater Sudbury's official plan
- A total amount of \$100,000 be allocated to homelessness initiatives that include the Samaritan Centre du Samaritain, the final Time 7 Study on Homelessness in Sudbury, Homelessness Awareness Days and a study on the provision of emergency beds within the City of Greater Sudbury
- A total amount of \$209,556 be allocated for the purpose of purchasing two hundred (200) psycho-vocational assessments for Ontario Works Participants to enable them to participate in appropriate employment related activities or to apply for financial assistance from the Ontario Disability Support Program
- A total amount of \$115,000 be allocated to establish an Employment Assistance Project Fund will enable service providers to apply for financial assistance for projects that will provide opportunities for Ontario Works Participants to participate in Level 2 and 3 employment assistance activities

MANAGERS' REPORTS (Continued)

8. Report dated 2003-06-18 from the General Manager of Corporate Services regarding Investment Policy.

44-52

RECOMMENDATION:

THAT the Investment policy Statement attached to this report dated June 13, 2003 be adopted;

AND THAT Schedule "A" to By-law 2002-83F be amended accordingly.

CORRESPONDENCE - INFORMATION ONLY

{NONE}

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

{MAJORITY REQUIRED TO PROCEED PAST 10:00 P.M.}

2003-06-13

**DEPUTY MAYOR DAVE COURTEMANCHE,
CHAIR**

**GLORIA WARD
COUNCIL SECRETARY**

Presentations and Delegations

Request for Recommendation Priorities Committee



Type of Decision

Meeting Date	June 25 th , 2003				Report Date	June 20 th , 2003			
Recommendation	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High	<input type="checkbox"/>	Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed

Report Title

City of Greater Sudbury Road Expenditures and Capital Infrastructure

Policy Implications + Budget Impact

This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified

Background attached

Recommendation

Recommendation #1: THAT the Roads Maintenance Budget for 2003 continue as forecasted in the Report from the General Manager of Public Works dated June 4th, 2003, and that Option "C" as outlined in that Report be approved.

Recommendation #2: THAT as Roads Maintenance is considered a priority of the community, and that history has shown that the Roads Maintenance Expenditure has exceeded their approved Budget by an average of \$5 million, it is recommended that \$2 million additional Roads Funding be brought forward in the 2004 Roads Maintenance Base Budget.

Recommendation #3: THAT a Financing Plan be brought back to Council in the Fall of this year outlining various options in keeping with the Long-Term Financial Plan for funding Capital Infrastructure, and that these options include the introduction of a Capital Renewal Levy and participation in OMEIFA (Ontario Municipal Economic Infrastructure Financing Authority) funding.

Recommendation attached

Recommended by the General Manager


Doug Kuzsinnic
GM of Corporate Services


Don Belisle
GM of Public Works

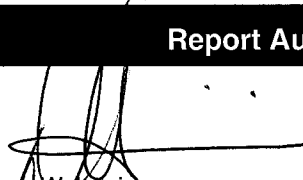
Recommended by the C.A.O.


Mark Mieto
Chief Administrative Officer

1

Date: June 20th, 2003

Report Authored By


Doug Wiksini
General Manager of Corporate Services

Division Review

Background:

At its Priorities Committee Meeting of June 11th, 2003, Council re-emphasized that the poor state of our existing Roads Infrastructure, and the chronic under-funding of both the Operating and Capital components of same was an important issue; and that this issue would be deferred to the Priority Committee Meeting of June 25th, 2003 so as to give it the appropriate time for debate. In addition to making it the Number One Issue at the upcoming Priorities Committee Meeting, Council requested additional information on our roads and other Capital Infrastructure.

The following will attempt to provide that information for Council's consideration.

The National and Provincial Scene

Canada and the Province of Ontario is an urban community; 80% of all Canadians live in urban centres - 51% or over half of the population of Canada live in the Golden Horseshoe; and it has become recognized by all that Cities are economic engines of the nation. No one disagrees that Canada and Ontario are urban centres, and many agree that:

- the municipal infrastructure is failing;
- municipal responsibilities have increased, especially since the service re-alignment of 1998;
- there have been no funding mechanisms made available to the municipalities; and
- there is an absolute need for Provincial and Federal involvement.

What is especially intriguing about this situation is that no one disagrees, and that there are many supporters out there; and most importantly, the list of supporters are not limited to one special group. These supporters are found throughout Canada and the Province ... north, south, east and west ... private sector, public sector, the volunteer sector, organized labour, and are supported by all levels of senior government. Some of these supporters are:

- ▶ FCM (Federation of Canadian Municipalities);
- ▶ AMO (Association of Municipalities of Ontario);
- ▶ the five Large Cities Group; namely, Toronto, Winnipeg, Vancouver, Montreal and Calgary;
- ▶ TD Canada Trust;
- ▶ the Universal Workers' Union, the largest construction local in the country;
- ▶ our Northern Ontario Mayors;
- ▶ the United Way, lead by Frances Lankin;
- ▶ the Federal Task Force on Urban Studies, lead by Judy Sgro;
- ▶ the Conference Board of Canada, lead by Ann Golden;
- ▶ the Toronto Board of Trade; and

Date: June 20th, 2003

- ▶ every Political Party at both the Provincial and Federal levels have recognized the need for additional funding and have all included a solution to same in their re-election platforms.

They all agree that municipalities are on empty, and there is a need for a new deal.

A further review of the municipal scene provincially sees that the Provincial Grants to municipalities as a source of funding for Capital has dropped from 25.1 percent in 1985 to 4.2 percent in the year 2002. Locally, since 1996, this City and its former Area Municipalities, have lost approximately \$126 million in Provincial Grants. However, the 2003 Federal and 2003 Ontario Budgets provided no new funding for municipalities.

Long-Term Financial Plan

As you will recall, the purpose of the Long-Term Financial Plan was to provide Council and the community with a plan for financial sustainability. This Plan commenced in April of 2001, and was completed and adopted by Council in December of 2002. It had significant public input; there was a Stakeholder Group made up of local businesses and the financial group from the community. The Seniors Advisory Committee has reviewed it; and the Youth Cabinet was consulted.

Within the Long-Term Financial Plan, it was identified that there was approximately \$1.5 million under-funding in roads infrastructure maintenance, and this was included in their forecasts for 2003. It was also recognized that there was a significant gap in funding the City's Capital Infrastructure. The Annual Capital Needs identified that the infrastructure supported by the Levy had a gap within it that totalled in excess of \$40 million per year. This conclusion did not surprise anyone, and this annual Capital Gap will grow if no action is taken, as the cost of maintenance is higher tomorrow than it is today. Of this \$40 million Gap, almost 60 percent of it was identified as Roads Infrastructure.

The Long-Term Financial Plan not only identified the Gaps, but also suggested three alternatives to funding Capital Needs. The recommended Option was Option #2, found on Page 27 of the Long-Term Financial Plan, which recommended:

"Implement an Infrastructure Renewal Levy which will generate sufficient tax dollars in 2012 to meet the annual capital gap combined with managed use of debt financing in order to complete 70 percent of the identified Capital Financing Gap of \$343.6 million. No debt would be issued after 2012."

This Option recommends the use of debt financing up to the year 2012 to cover infrastructure needs, and the implementation of a Infrastructure Renewal Levy in the amount of 2.27 percent.

Recommendation: It is recommended that a Financing Plan be brought back to Council in the Fall of this year outlining various options in keeping with the Long-Term Financial Plan for funding Capital Infrastructure, and that these options include the introduction of a Capital Renewal Levy and participation in OMEIFA (Ontario Municipal Economic Infrastructure Financing Authority) funding.

Date: June 20th, 2003

Impact of Amalgamation

In addition to the withdrawal of the Provincial Government from funding municipal infrastructure, both from an operating and capital view, the amalgamation of 2000 resulted in the reduction of the Roads Maintenance Budgets of \$2.2 million. In addition to this reduction in 2001, an additional \$1 million has since been removed from the Roads Budget; namely, \$500,000 in 2002 in the snow removal aspect, and an additional \$500,000 in the sanding and salting areas. Consequently, since 2000 ... the year prior to amalgamation, approximately \$3.2 million of roads maintenance expenditures has been reduced from the City's Roads Maintenance Budget. These reductions, in concert with the Federal and Provincial Government's lack of support, have contributed to our current roads conditions and maintenance levels.

As outlined in Mr. Belisle's Report dated June 4th, 2003 (Attachment #1), the Roads Maintenance Expenditures (see Table #1 of the Report) have exceeded the Roads Budget by an average of \$5 million in 2001 and 2002, and is expected to exceed the 2003 Budget by between \$1 - 2 million. It is clearly evident that Roads Maintenance is under-funded.

Oracle Municipal Survey

The City of Greater Sudbury, and the former Regional Municipality of Sudbury, have been participating in an annual Survey of Residents and Commercial Establishments within the area since 1999. The results of the Survey conducted for the 2003 Budget Process once again identified that the most important areas were related to Emergency Services (Ambulance and Fire), Roads and Infrastructure, and Job Creation Initiatives. Specifically dealing with Roads, Maintenance of Main Roads and Winter Road Maintenance both ranked at 91 percent. However, despite being ranked numbers 3 and 4 in level of importance, Roads satisfaction levels have decreased since 1999. Specifically, the satisfaction level in 1999 for Winter Road Maintenance was 56 percent, significantly lower than the importance level to the function and has since deteriorated to 40 percent; and with regard to Maintenance of Main Roads with only a 36 percent positive positioning in 1999, again significantly lower than the importance issue, and it has since decreased to only 21 percent. These rankings, and the difference between importance and satisfaction levels, support the current belief that the community believes Roads and Winter Roads Maintenance are of significant importance, but also supports the recent belief that there is significant dissatisfaction with the service level. (See Attachments #2 and #3)

Recommendation: That as Roads Maintenance is considered a priority of the community, and that history has shown that the Roads Maintenance Expenditure has exceeded their approved Budget by an average of \$5 million over the last two years, and is expected to see an additional over-expenditure in 2003 of approximately \$2 million, it is recommended that \$2 million in additional Roads Funding be brought forward in the 2004 Roads Maintenance Base Budget.

Date: June 20th, 2003

Municipal Competitiveness (BMA) Study

As you are aware, the City of Greater Sudbury has participated in a Municipal Competitiveness Study for the last two years. This Group was commissioned by various municipalities to benchmark their communities against others in the Province when it comes to tax-related issues. In 2001, 43 municipalities participated, and they represented 47 percent of the population. In 2002, 54 Ontario municipalities took part in the Study, and this Group represented 71 percent of the population. Because of this level of participation, this Study is a good benchmark in the Province of Ontario.

One of the areas that is benchmarked amongst the municipalities is the Levy per Capita. In 2001, the City ranked 9th lowest of the 43; in 2002, the City is 8th lowest of the 54 ... Sudbury's Per Capita Levy of \$771, being significantly lower than the average of \$897. (See Attachment #4)

Another benchmark used in the Study is Taxes for Detached Bungalow. In 2001, the City ranked 2nd lowest; in 2002, the City ranked 3rd lowest, out of a greater number of municipalities. Again, the City of Greater Sudbury's taxes of \$1,720 are substantially below the average of \$2,393. (See Attachment #5)

In addition to taxes, the Study also benchmarks the cost of utilities and taxes as a comparator; namely, hydro, water, sewer and taxes. In 2001, the City of Greater Sudbury ranked 2nd lowest when comparing total taxes and utilities paid; in 2002, the City ranked 4th lowest in total burden. The Study indicated that Sudbury's total burden of \$3,637 is substantially below the average of \$4,224. (See Attachment #6)

In conclusion, this Study compared the City of Greater Sudbury to 53 other municipalities in the Province of Ontario and across all property classes, and the result was that for all property classes from residential through industrial, the tax burden was low to the mid-range when compared to the rest of the Province. (I have not attached the entire Study to this Report as it is rather substantive in nature, but it is available on the City's Web Site, and was circulated to all of Council as part of the 2003 Budget Binder.)

Summary

All of the above information, as well as that which has been referred to, supports the following observations:

- 1) That urban centres are the economic engines of Canada;
- 2) That municipalities are *"running on empty"*;
- 3) That there is the need for the Provincial and Federal Governments to take a more active role in funding municipal infrastructure;
- 4) That amalgamation reduced the Roads Budget; specifically, by \$2.2 million in 2001;
- 5) That the Roads Maintenance Budget was further reduced by \$1 million in 2002 and 2003;
- 6) That the Oracle Survey ranked Roads Maintenance and Winter Roads Maintenance amongst the highest priority items for the City of Greater Sudbury, and also the areas of least satisfaction;
- 7) That the City of Greater Sudbury's taxes are low when compared to other municipalities in the Province of Ontario.

Conclusions and Recommendations

Based on all of the foregoing, it is recommended:

- 1) THAT the Roads Maintenance Budget for 2003 continue as forecasted in the Report from the General Manager of Public Works dated June 4th, 2003, and that Option "C" as outlined in that Report be approved;
- 2) THAT as Roads Maintenance is considered a priority of the community, and that history has shown that the Roads Maintenance Budget has exceeded their approved Budget by an average of \$5 million, it is recommended that \$2 million additional Roads Funding be brought forward in the 2004 Roads Maintenance Base Budget.
- 3) THAT a Financing Plan be brought back to Council in the Fall of this year outlining various options in keeping with the Long-Term Financial Plan for funding Capital Infrastructure, and that these options include the introduction of a Capital Renewal Levy and participation in OMEIFA (Ontario Municipal Economic Infrastructure Financing Authority) funding.

Request for Recommendation Priorities Committee



Type of Decision									
Meeting Date	June 11, 2003				Report Date	June 4, 2003			
Recommendation		Yes		No	Priority	x	High		Low
	Direction Only			x	Type of Meeting	x	Open		Closed

Report Title

City of Greater Sudbury, Road Expenditures

Policy Implications + Budget Impact

<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified
<input checked="" type="checkbox"/>	Background attached

Recommendation

FOR DIRECTION

Recommendation attached

Recommended by the General Manager

D. Bélisie

D. Bélisie
General Manager of Public Works

Recommended by the C.A.O.

M. Mieto

M. Mieto
Chief Administrative Officer

Report Authored By
<p>D. Béliste General Manager of Public Works</p>

Division Review

In June 2002, I reported to Council that we were headed for a significant over expenditure in the maintenance of our roads. Council was presented with options to reduce service levels for the balance of the year in order to offset these over expenditures, but Council saw fit not to reduce service levels significantly, given the poor conditions of our roads. A copy of the June 17, 2002 report that went to Priorities Committee is attached.

This year again, we are headed for the same outcome. For the third year in a row since amalgamation, it is evident that roads maintenance and reconstruction are grossly underfunded. Further, the shortfall in capital reconstruction activity is accelerating the deterioration of roads exponentially, causing even further cost overruns in maintenance activities. The trend over the past three years can be seen in the following table.

TABLE I
ROAD MAINTENANCE EXPENDITURES

2001 Budget	2001 Expenditures	2002 Budget	2002 Expenditures	2003 Budget	2003 Expenditures
\$14,150,588	\$19,209,588	\$15,125,370	\$20,318,666	\$14,935,317	\$7,690,000 ¹

¹Actual expenditures to April 30, 2003 - see Appendix 1

Based on expenditures for the first four months of the year, an overexpenditure of between \$1 and \$2 million is likely by year end. All the while, public complaints about road conditions are continually rising. Once again, I am seeking Council's direction with respect to reducing road service levels from now until the end of the year in order to offset pending over expenditures. There are virtually no other service areas within the Public Works budget to draw from in order to offset road expenditures. Public Works provides the following services and based on the manner that these services are funded, transfers from one service to another are not feasible.

**TABLE II
PUBLIC WORKS SERVICES & BUDGET**

Service	2003 Budget \$	Comments
Water	20,668,817	88% user fee funded 12% fire protection costs funded from taxes
Waste Water	19,703,783	100% user fee funded
Solid Waste	14,871,444	30% user fee funded 70% funded from taxes
Roads	31,735,196	100% funded from taxes
Public Buildings	3,654,877	100% funded from taxes
Administration & Miscellaneous Programs	2,077,745	100% funded from taxes
Total Gross Expenditures	<u>92,741,862</u>	
Grants & Other Revenues	<u>- 1,516,981</u>	drainage grants, licence and permit fees, reserves
User Fees	- 41,555,613	primarily water, wastewater and solid waste user fees
Funded from Taxes	49,669,268	

As the foregoing table depicts, Public Works services cost \$93 million per year, of which \$50 million is raised from taxes. Of the \$50 million raised from taxes, \$32 million goes to roads. This leaves very little flexibility to shift expenditures from tax supported road services onto other user fee supported services. As a consequence, road expenditure variances impact significantly on the Corporation's year end position.

Citizen and business polls have rated road conditions the poorest service provided by the City. The City's recent Long Term Financial Plan correctly identified significant funding shortfalls for road maintenance and road reconstruction, but as yet no corrective measures have been put in place. To continue along this path will result in even worse roads, coupled with mounting budget overruns as we struggle to keep roads safe.

Date: June 4, 2003

For this year, there are a number of options for Council to consider in order to avoid, or at least mitigate maintenance expenditures for roads.

- 1. About one month ago, Council approved a one-time capital allocation from reserves and the corporate surplus in the amount of \$1.8 million. These funds were earmarked for road reconstruction and resurfacing this year, but could be redirected to offset a pending overexpenditure in maintenance costs. This is probably a false economy, as the longer reconstruction and resurfacing is delayed, the more maintenance costs we will incur in the long run.**
- 2. Cut back on maintenance expenditures for the balance of the year. Appendix 'B' of last year's report is still valid, and outlines where \$1.4 million could be reduced for the balance of the year.**
- 3. Take no corrective action at this time, recognizing that road maintenance costs will exceed approved budgets by year end, with possible offsets throughout the entire Corporation. That is essentially the position that Council took last year, and Corporately, the City experienced a small surplus at year end, notwithstanding the roads overexpenditures.**

At the next Priorities Committee meeting of June 11, 2003, I will be making a brief presentation to Council on the status and the funding of our road network. I will be seeking Council's direction with respect to curtailing road expenditures for the balance of the year in order to avoid budget overruns.

Attachment

APPENDIX 1**2003 Road Maintenance Expenditures**

	Expenditures April 30, 2003	Annual Budget
Surface & Shoulder Maintenance	623,361	2,473,360
Roadside Maintenance	46,511	482,900
Sidewalk & Curb Maintenance	2,440	238,013
Drainage & Storm Sewer Maintenance	134,296	1,607,030
Traffic & Safety Devices	387,189	1,320,330
Streetlights	335,540	1,194,430
Forestry	85,321	304,814
Sanding & Salting	3,453,722	3,475,000
Winter Ditching & Spring Breakup	716,026	942,280
Snow Removal	247,559	660,890
Snow Plowing	800,671	1,253,740
Winter Sidewalk Maintenance	498,160	676,910
Miscellaneous Roads Maintenance	358,151	305,620
TOTAL	7,688,947	14,935,317

Request for Recommendation Priorities Committee




Type of Decision										
Meeting Date	June 28, 2002				Report Date	June 17, 2002				
Recommendation Requested		Yes	<input checked="" type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High		Low	
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open		Closed	


Sub-Committee Check-Off			
Please indicate which sub-committee will deal with this issue			
<input checked="" type="checkbox"/>	Community Viability	<input type="checkbox"/>	Public & Intergovernmental Affairs
		<input type="checkbox"/>	Financial & Program Accountability

Report Title
City of Greater Sudbury, Capital and Current Road Expenditures

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

Recommendation	
<input type="checkbox"/>	Recommendation attached

Recommended by the General Manager
 D Bélisle, General Manager of Public Works

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

Request for Recommendation Priorities Committee



Recommendation <i>continued</i>	x	Background
Please indicate if the information provided below is a continuation of the Recommendation or Background		

Report Authored By
<p>D. Bélisle, General Manager of Public Works</p>

Division Review

Council has asked for a report on road expenditures since the inception of the City of Greater Sudbury. The perceptions shared by several Councillors are that less money is being spent on roads since amalgamation, and that certain roads, particularly rural roads in outlying areas, are deteriorating at an accelerated pace. By and large, both observations are correct.

Prior to amalgamation, the eight (8) former Area Municipalities had varying practices with respect to budgeting for roads. The following observations are offered in explanation for the tables that follow.

Capital Roads Budgets

- The former City of Sudbury and the former Region established and practiced clear delineations between Capital and Current Budgets. Capital Budgets for roads were dedicated to new construction, reconstruction, and significant physical improvements to existing road networks. Their Current Budgets on the other hand, were used for on-going maintenance and operating expenditures, such as patching, gravelling, dust control, street light and traffic light maintenance, plowing, sanding, ditching, etc...
- By comparison, the six (6) other Area Municipalities did not have clear delineations between Capital and Current Budgets. Road expenditures, whether they were of a capital or maintenance nature, were funded from either Capital or Current Budgets from year to year, as suited the circumstances in any particular year.
- The former Region used an envelope system for Capital allocations to its various delivery sectors. From time to time, this was topped up by Provincial assistance as former Provincial highways were transferred to the Region. A good example in recent years, is the four-laning of MR #80 from Val Caron to Val Therese, which was fully paid for by the Province. In addition, the Province deposited funds with the Region for the completion of the four-laning into Hanmer at some future time.
- Other municipalities did not use an envelope system, and Capital Budgets within service delivery sectors varied annually based on emerging priorities from year to year. It is therefore difficult to establish historical Capital roads expenditures in most municipalities, as priorities changed annually between roads, arenas, civic buildings, equipment, and so on. Further, whenever some of these non-road delivery sectors became eligible for grants or subsidies, the new-found money enabled larger allocations to road initiatives. The overall historical perspective reflects wide swings in Capital road expenditures from year to year.

Request for Recommendation Priorities Committee



Recommendation <i>continued</i>	x	Background
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Please indicate if the information provided below is a continuation of the Recommendation or Background

- In previous years, and more so as amalgamation approached, several municipalities increased capital roads expenditures beyond historical patterns, depleting reserves, using grants or other unusual revenues to maximize road improvements. As a result, actual capital road expenditures often exceeded annual Capital Budgets. Previous spending levels could not be replicated following amalgamation, and could not be used as the "base line" expenditure pattern going into amalgamation.
- During the Transition process, Financial staff from various former Municipalities established a working group to reconstruct and reconcile, among other things, the capital spending history of all former municipalities. This exercise was essential in order to establish a "base line" of capital expenditures for the new City. The following table was generated based on the best available data collected from all municipalities for the five years preceding amalgamation. It should be noted that all municipalities used grants, reserves, and unusual revenues, from year to year, in setting annual Capital road expenditures. No such grants, reserves, or usual revenues were available in 2001 and 2002. A Northern Ontario Heritage Fund grant for MR #35 widening may be available later this year, and provincial Ministry of Transportation funds have been set aside for the completion of MR #80 four-laning to Hanmer. These one-time revenues are not included in the 2001 and 2002 Budget allocations in the following Table.

TABLE 1

Capital Road Expenditures

Municipality	1996 Expenditures	1997 Expenditures	1998 Expenditures	1999 Expenditures	2000 Expenditures	2001 Budget	2002 Budget
Capreol	70,000	53,207	70,640	54,448	3,177		
Nickel Centre	400,474	268,224	385,614	356,513	524,111		
Onaping Falls	14,484	76,902	7,052	113,318	213,083		
Rayside-Balfour	4,370	267,568	240,662	277,100	1,976,430		
Region	6,617,911	6,213,555	8,802,221	5,843,192	4,795,419		
Sudbury	4,855,882	5,354,337	7,400,607	5,018,345	5,450,142		
Valley East	303,566	1,025,246	1,311,884	860,047	1,726,392		
Walden	421,802	366,895	422,283	1,099,832	1,091,295		
TOTAL	12,688,489	13,625,934	18,640,963	13,622,795	15,780,049	9,560,127	8,647,204

Request for Recommendation Priorities Committee



Recommendation *continued*

x

Background

Please indicate if the information provided below is a continuation of the Recommendation or Background

Current Roads Budgets

- As stated earlier, Capital and Current road expenditures were interchangeable in many former municipalities. Just like it was difficult to document Capital road expenditures in prior years, the same difficulty existed in nailing down historical spending patterns on road maintenance activities, since maintenance and capital expenditures were often interchanged.
- Past Current Budget spending patterns were further confused as a result of historical inter-departmental sharings/aggregations/accounting practices. It was commonplace in many former municipalities that Public Works employees worked on roads, in parks, arenas, cemeteries, or did maintenance on buildings. Since there was no need or advantage to do so, costs were not diligently tracked by service delivery sector. As a consequence, when financial staff attempted to construct a base line Current Budget for 2001, based on 2000 data, a lot of "best guesses" and "best fits" were used. The process yielded fairly acceptable results, as a starting point, but there is little doubt that portions of former roads budgets landed in parks, arenas, cemeteries, buildings, and vice versa. It will take several more years to sort these things out, before we can align departmental expenditures with public expectations and Council's priorities. The following table depicts our best guess of the aggregated 2000 Current Roads Budgets for all former municipalities, the base line 2001 Current Roads Budget, the 2001 Actual road expenditures, and the 2002 Current Roads Budget.

TABLE 2

Current Road Expenditures (Maintenance)

	Base Line 2000 Budget All Area Municipalities	2001 Budget	Actual Expenditures 2001	2002 Budget
Summer Maintenance	8,140,625	6,524,508	7,530,530	7,491,292
Winter Maintenance	7,149,435	7,626,080	11,679,058	7,407,860
TOTAL	15,290,060	14,150,588	19,209,588	14,899,152

The next table merges Capital and Current allocations and expenditures for roads for the years 2000, 2001, and 2002.

Request for Recommendation Priorities Committee



Recommendation <i>continued</i>	x	Background
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Please indicate if the information provided below is a continuation of the Recommendation or Background

TABLE 3

Total Road Budgets, Capital and Current

	Baseline 2000	2001 Budget	2002 Budget
Capital	* 15,780,049	9,560,127	8,647,204
Maintenance	** 15,290,060	14,150,588	14,899,152
TOTAL	31,070,109	23,710,715	23,546,356

* Actual Capital Expenditures
 ** Budgeted Maintenance Expenditures

The budget and expenditure data from Table 3 affirms Councillors' observations: there have been significant reductions in roads expenditures in recent years. Most of the variances can be attributed to the application of grants, reserves, or unusual revenues in the years leading up to 2000, followed by the absence of any such grants, reserves or other revenues in 2001 and 2002.

Urban vs Rural Roads

City Councillors from predecessor outlying municipalities perceive that less money has been spent on rural roads since amalgamation. This is difficult to validate one way or another, given the inconsistent spending patterns of the former municipalities in the past. What is evident is that a significant re-priorization of urban vs rural spending allocations is emerging, driven primarily by the overall decline in road budget allocations. The proper mix between urban and rural road spending is a work-in-progress that will require several years to sort out, with input from Councillors, staff, and residents. In the meantime, we are constrained by the budgets allocated for road purposes, with no relief in sight for the foreseeable future.

The attached 2002 Roads Capital Budget, marked Appendix 'A', demonstrates the meagre allocations dolled out to the various roads needs, ranging from bridges, resurfacing, drainage, storm sewers, sidewalks, and street lights. There just is not enough money to meet all the needs.

2001 Actual Expenditures and the 2002 Current Roads Budget

The 2001 actual road expenditures depicted in Table 2 reflect the following realities:

- Pre-amalgamation service levels and methods of operations were sustained throughout 2001. The Transition Board model for road maintenance operations was not implemented in 2001, and projected amalgamation savings, real or otherwise, were not achieved.

Request for Recommendation Priorities Committee

Recommendation *continued*

x

Background

Please indicate if the information provided below is a continuation of the Recommendation or Background

The winter of 2000-2001 was truly unusual, resulting in over expenditures of \$4 million in winter control activities alone. It could be argued that these over-expenditures could have been reduced if the Transition Board model had been fully implemented. We will never know, as it has become clear that the Transition Board model did not adequately respond to the service level expectations of the public and elected Councillors. Further, road maintenance route rationalization, and the redeployment of employees and equipment, have been substantially delayed because two of the five proposed Works Depots/Yards will not be available for at least another 24 months.

Many people perceive that the past winter of 2001-2002 was mild compared to past winters. This is true for the months of November and December 2001, which saw very little snow precipitation. It is also true in terms of the mild temperatures experienced from January to April 2002. But snow precipitation from January to April 2002 far exceeded historical norms, notwithstanding the milder temperatures.

Environment Canada's historical average annual snowfall for Sudbury is 263 cm. For the period of January to April, Environment Canada reports historical snow precipitations of 162 cm. This year, from January to April alone, Sudbury received 260 cm of snow, the equivalent of an entire year's average snowfall. As a result, the entire annual winter control budget was used up from January to April, leaving nothing to cope with November and December snowfalls. In an effort to avoid or curb an annual deficit in roads expenditures, Public Works staff were instructed to curtail summer maintenance activities for the balance of the year in order to free up funds for winter control work in November and December. During the Council meeting of June 13, Councillor Gainer correctly alluded to this directive issued to Public Works Managers in May of this year. Appendix 'B' lists proposed service level reductions in summer maintenance activities, in order to free up \$1.4 million for the upcoming winter season.

The majority of proposed service level reductions in Appendix 'B' can be tolerated for this year, recognizing that they are preventive in nature, and could be resumed at an accelerated pace in 2003. The exceptions are surface and gravel patching, at an estimated value of \$550,000. These reductions would visibly impact service levels this year. Council may be of a mind not to curtail these activities, on the assumption, albeit risky, that underexpenditures or new found revenues elsewhere in the Corporation may become available from now until year end to fund these summer activities.

Request for Recommendation Priorities Committee



Recommendation *continued*

x

Background

Please indicate if the information provided below is a continuation of the Recommendation or Background

Summary

The following key messages emerge from all of the foregoing.

1. Total road expenditures, whether Capital or Current, have decreased substantially in recent years. The funding shortfall is fuelling road deterioration at an accelerated pace.
2. During the 2002 Capital Budget process, it was demonstrated that a minimum of \$23 million is required annually to maintain the riding surface of existing roads in fair condition. By comparison, the 2002 Roads Capital allocation is \$8,647,204, and this amount also has to take care of bridges, sidewalks, drainage, streetlights and traffic lights.
3. We need a healthy reserve to cope with uncontrollable winter expenditures. A renewable reserve in the order of \$3 million is required to avoid annual road maintenance deficits. A policy is in place to establish this reserve, but the only identified source is future underexpenditures in winter control activities, which may or may not ever materialize. A firmer source for this reserve is warranted.
4. In the short term, public service level expectations for roads must be re-aligned with the fiscal realities we face. Less travelled rural roads, and roads in the annexed areas, will inevitably bear the brunt of these service level reductions.
5. While it is still a work-in-progress, the Transition Board Model for road maintenance activities will not respond to service level expectations in all instances. As time goes on, we need to build a new model, striking a reasonable balance between service level expectations and our ability to pay. In the short term, we are committed to the full implementation of the Transition Board Model, and once it has been tried for a period of time, we will be in a position to recommend adjustments.
6. So far in 2002, we have experienced two major unforeseen road and land drainage culvert failures; one on MR #80 in the four lane section through McCrae Heights, and the other within a major pipe drainage course east of MR #80 in Val Caron. Unbudgeted repair costs will range between \$0.5 and \$0.75 million. We have recommended that emergency funding be provided from the Roads Capital Reserve Fund which has a balance of \$2,472,000. The balance of this Reserve Fund must remain available for future unforeseen emergencies.

Request for Recommendation Priorities Committee



Recommendation *continued*

x

Background

Please indicate if the information provided below is a continuation of the Recommendation or Background

Options

The fundamental problem is that there are insufficient funds available for Roads. A reasonable solution can only emerge over a long period of time, and we suggest that the City's upcoming Long Range Financial Plan is the proper forum to address this matter. In the short term, dealing only with 2002, the following options are available to Council.

- A Support the internal directive to reduce summer maintenance activities in the amount of \$1.4 million in order to offset winter overexpenditures.
- B Delete surface and gravel patching activities from the proposed reductions in Appendix 'B' at an estimated cost of \$550,000. This work would proceed this year on the assumption that underexpenditures or new revenues would materialize in the Corporation by the end of the year.
- C Take a greater risk, and delete Appendix 'B' entirely, counting on offsetting underexpenditures or new revenues elsewhere in the amount of \$1.4 million by year end, recognizing that there may be a deficit should underexpenditures or new revenues not materialize.

We await Council's direction on this matter.

2002 CAPITAL PROJECTS PUBLIC WORKS

ROADS & DRAINAGE ENVELOPE

Structures

MR 55, west of Copper Cliff over CPR, eastbound bridge	\$1,200,000
MR 71, Lasalle extension over CPR	2,000,000
Various engineering condition evaluations & contingencies	200,000
Sub total structures	\$3,400,000

Drainage

Spruce & Birch streets, Garson, storm sewer replacement	\$50,000
Ester & Dunbar, Sudbury, storm outlet	250,000
South End of Sudbury, master surface drainage plan	70,000
Miscellaneous	10,000
Sub total drainage	\$380,000

Sidewalks & walkways

Countryside, Algonquin to arena, new sidewalk	\$70,000
Sidewalk & curb replacement	700,000
Sub total sidewalks & walkways	\$770,000

New Streetlights

MR80 house 1321	\$700
Garson Coniston Rd. house 333	700
Armstrong Street, Coniston house 121	700
Stanley St., Val Caron house 2976	700
Old Wanup Rd.	700
Gauthier St. houses 1505, 1525, 1555	2,000
Dugas St. house 4515	700
St Pothier Rd. house 855	700
Vermillion Lake Rd. houses 1064, 950	1,400
Horseshoe Lake Rd. @ Birch	700
Horseshoe Lake Rd. @ Hwy 69	700
Matson Rd.	1,400
South Lane house 1590	700
South Lane house 1742	700
Lalonde St. house 1520	3,000
Fleming St. house 2293	1,200
Koti Rd. @ turnaround	3,000
Lane south of Patterson	700
Footpath house 1487 Agincourt	3,000
Landings Rd. house 524	800
Unspecified	800
Total new streetlights	\$25,000

Streetlight & pole replacements/upgrading

\$175,000

Traffic lights replacements/upgrading

\$70,000

Road reconstruction

Bancroft Drive, Kingsway to Waterview Apt., Phase 1	\$1,100,000
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2002 CAPITAL PROJECTS PUBLIC WORKS

ROADS & DRAINAGE ENVELOPE (continued)

Road resurfacing, minor upgrading & spot repairs

(subject to refinements from results of Pavement Management Study)

Lasalle Blvd., Montrose to Attles	\$600,000
Kingsway, Bancroft to Bruno's Alignment	500,000
Brookfield Ave., Sudbury	20,000
Cawthorpe St., Sudbury	30,000
Douglas St., Sudbury	30,000
Fourth Ave., Sudbury	30,000
Front St., Sudbury	20,000
Gordon Ave., Sudbury	25,000
Kelley Lake Rd., Sudbury	20,000
Martindale Rd., Sudbury	40,000
Moonlight Beach Rd., Sudbury	30,000
Normandy Cr., Sudbury	30,000
Southlane Rd., Sudbury	40,000
Stonegate Dr., Sudbury	10,000
Telstar Ave., Sudbury	30,000
Tennis Club Lane Sudbury	10,000
Winchester Ave., Sudbury	30,000
Whipponwill Ave., Sudbury	20,000
Various lanes Sudbury	20,000
Bruno St., Azilda	10,000
Charlebois St., Azilda	20,000
Labine St., Azilda	10,000
Edward St., Chelmsford	30,000
Moose Mtn. Road, Capreol	20,000
Ella Lake Rd., Capreol	20,000
Lakeview Ave., Onaping	20,000
Sturgeon St., Dowling	10,000
Gordon Lake Rd., Dowling	30,000
Martin Rd., Blezard	20,000
Valley View Rd., Val Caron	30,000
Main St., Val Caron	30,000
Bodson Dr., Hanmer	45,000
Laurier Crs., Val Therese	20,000
Panache Lake Rd., Whitefish	30,000
Santala Rd., Lively	10,000
'B' St., Lively	20,000
Hillside Cr., Coniston	12,000
Second Ave., Coniston	20,000
Donnelly Dr., Garson	36,000
Old Skead Rd., Garson	16,000
Long Year Dr., Falconbridge	20,000
Mill Rd., Wahnapiatae	6,000
Sub total road resurfacing, minor upgrading & spot repairs	<u>\$2,020,000</u>

Contingencies, structures, drainage, streetlights,
sidewalks, reconstruction, resurfacing

\$707,204

TOTAL ROADS & DRAINAGE ENVELOPE

\$8,647,204

FUNDING

2002 Capital Allocation from Current

\$8,647,204

APPENDIX 'B'

	Annual Budget	Proposed Reduction
Surface Patching	301,000	250,000
RR Crossing Patching	68,210	60,000
Gravel Patching	667,630	300,000
Gravel Grading	289,690	50,000
Tractor Mowing	55,400	25,000
Concrete Sidewalk Repairs	87,450	50,000
Curb Repairs	144,490	100,000
Mechanical Ditching	298,940	200,000
Roadside & Offtake Ditching	200,040	100,000
Road Culvert Maintenance	262,410	150,000
Catch Basin & Manhole Repairs	303,340	100,000
Sign Maintenance	251,570	25,000
	Total Proposed Reductions	1,410,000

Municipal Services

Importance of services

Respondents were asked to rate the importance of a range of services that the City currently provides. The following table ranks each category by level of importance to respondents.

<i>Importance of Services</i>	<i>1999 Priority</i>	<i>2000 Priority</i>	<i>2001 Priority</i>	<i>2002 Priority</i>	<i>2001-02 % Change</i>
Fire protection	Na	Na	73%	95%	+22%
Public health unit services	85%	88%	71%	88%	+17%
Ambulance services	90%	96%	78%	94%	+16%
Promoting the reduction of waste (3 R's)	84%	83%	70%	86%	+16%
Water and sewer services	85%	90%	80%	85%	+15%
Developing job creation initiatives	88%	88%	77%	90%	+13%
Planning for the City's future	85%	88%	72%	85%	+13%
Maintenance of main roads	88%	94%	79%	91%	+12%
Policing	89%	95%	77%	89%	+12%
Ensuring building safety	84%	86%	71%	83%	+12%
Promoting tourism	84%	87%	71%	82%	+11%
Re-greening of the community	76%	82%	70%	81%	+11%
Libraries	Na	Na	64%	75%	+11%
Child care funding	58%	61%	53%	64%	+11%
Pioneer Manor	77%	84%	71%	81%	+10%
Economic diversification	78%	80%	72%	80%	+8%
Winter road maintenance	91%	95%	83%	91%	+8%
Public transit	Na	Na	63%	70%	+7%
Landfill sites	73%	73%	71%	75%	+4%
Recreational facilities	Na	Na	66%	69%	+3%
Providing affordable housing	69%	75%	65%	68%	+3%
Providing quality of land development	51%	56%	46%	47%	+1%
Leisure programs	Na	Na	63%	58%	-5%
Providing welfare assistance	50%	49%	63%	46%	-17%

Rating services

Respondents were then asked to rate how the City currently provides a range of services. The following table highlights the positive ratings accorded to each service in order of priority importance.

<i>Rating Services</i>	<i>1999 Positive</i>	<i>2000 Positive</i>	<i>2001 Positive</i>	<i>2002 Positive</i>	<i>2001-02 % Change</i>
Ambulance services	67%	66%	49%	64%	+15%
Planning for the City's future	52%	53%	32%	47%	+15%
Fire protection	Na	Na	63%	75%	+12%
Re-greening of the community	64%	67%	52%	62%	+10%
Policing	66%	61%	50%	60%	+10%
Public health unit services	58%	56%	47%	57%	+10%
Promoting the reduction of waste (3 R's)	55%	61%	41%	51%	+10%
Recreational facilities	Na	Na	51%	60%	+9%
Public Transit	Na	Na	46%	55%	+9%
Landfill sites	40%	42%	30%	39%	+9%
Libraries	Na	Na	58%	66%	+8%
Ensuring building safety	44%	50%	35%	43%	+8%
Promoting tourism	64%	66%	49%	55%	+6%
Child care funding	28%	27%	22%	28%	+6%
Economic diversification	34%	35%	27%	31%	+4%
Pioneer Manor	43%	43%	36%	39%	+3%
Leisure programs	Na	Na	47%	50%	+3%
Providing welfare assistance	44%	40%	29%	31%	+2%
Providing quality of land development	24%	37%	24%	26%	+2%
Winter road maintenance	56%	46%	40%	40%	N/C
Water and sewer services	58%	64%	45%	44%	-1%
Developing job creation initiatives	29%	32%	30%	29%	-1%
Providing affordable housing	38%	31%	34%	30%	-4%
Maintenance of main roads	36%	24%	28%	21%	-7%

Municipal Study - 2002

2002 Net Levy Per Capita	Net Levy Per Capita	Net Levy Ranking Per Capita	Assessment per capita Ranking
Norfolk	\$ 588	low	mid
Kawartha Lakes	\$ 679	low	high
West Lincoln (Niagara Region)	\$ 697	low	mid
Georgina (York Region)	\$ 745	low	mid
Halton Hills (Halton Region)	\$ 746	low	high
Chatham-Kent	\$ 758	low	mid
East Gwillimbury (York Region)	\$ 764	low	high
Sudbury	\$ 771	low	low
Brantford	\$ 777	low	low
Timmins (Cochrane District)	\$ 794	low	low
Caledon (Peel Region)	\$ 797	low	high
Orillia (Simcoe County)	\$ 797	low	low
North Bay	\$ 802	low	low
Pelham (Niagara Region)	\$ 805	low	mid
Mississauga (Peel Region)	\$ 816	low	high
Peterborough	\$ 826	low	low
Cornwall	\$ 833	low	low
Lincoln (Niagara Region)	\$ 834	low	mid
Kitchener (Waterloo Region)	\$ 834	mid	low
Barrie	\$ 855	mid	mid
Pickering (Durham Region)	\$ 861	mid	high
London	\$ 872	mid	low
Richmond Hill (York Region)	\$ 882	mid	high
Aurora (York Region)	\$ 884	mid	high
Ajax (Durham Region)	\$ 892	mid	mid
Guelph	\$ 898	mid	mid
Kingston	\$ 898	mid	low
Port Colborne (Niagara Region)	\$ 900	mid	low
Milton (Halton Region)	\$ 901	mid	high
Markham (York Region)	\$ 901	mid	high
Burlington (Halton Region)	\$ 903	mid	high
Whitchurch-Stouffville (York Region)	\$ 910	mid	high
Wainfleet (Niagara Region)	\$ 913	mid	mid
Fort Erie (Niagara Region)	\$ 913	mid	mid
Cambridge (Waterloo Region)	\$ 914	mid	mid
Grimsby (Niagara Region)	\$ 924	mid	mid
Woodstock	\$ 929	high	low
Owen Sound (Grey County)	\$ 937	high	low
Whitby (Durham Region)	\$ 948	high	high
Stratford (Perth Region)	\$ 952	high	mid
Oshawa (Durham Region)	\$ 958	high	mid
Welland (Niagara Region)	\$ 968	high	low
Hamilton	\$ 973	high	low
Thorold (Niagara Region)	\$ 975	high	low
Waterloo (Waterloo Region)	\$ 979	high	mid
St. Catharines (Niagara Region)	\$ 1,007	high	low
Oakville (Halton Region)	\$ 1,048	high	high
Ottawa	\$ 1,053	high	mid
Niagara Falls (Niagara Region)	\$ 1,062	high	mid
Windsor	\$ 1,100	high	low
Collingwood (Simcoe County)	\$ 1,124	high	high
Toronto	\$ 1,124	high	high
King (York Region)	\$ 1,151	high	high
Niagara-on-the-Lake (Niagara Region)	\$ 1,244	high	high
Mean	\$ 897		
Median	\$ 899		
Min	\$ 588		
Max	\$ 1,244		

Trends and Observations - Net Municipal Levy Per Capita

- Net levy on a per capita basis ranged across the municipalities from \$588 to \$1,244 (with an average of \$897) per capita
- A review of the net levy per capita and the assessment per capita ranking is shown to help understand some of the factors impacting relative taxes, which will be compared later in the report
- Municipalities such as Hamilton, St. Catharines, Woodstock, Thorold, Owen Sound, Welland and Windsor with high net levies and relatively low assessment bases to support the programs face additional challenges in terms of affordability and relative taxes
- Other influences on relative taxes include education tax differentials in the Commercial and Industrial classes as well as the tax ratios used in each municipality as will be profiled in the next section of the report
- A detailed review of the service envelopes, revenues and socio-demographics of the municipality is required to understand the factors causing these differences. Some of the driving factors include social service costs and significant differentials in terms of service levels
- Municipalities such as Collingwood and Owen Sound with a high degree of cottage population may be overstated as these transient populations are not reflected in Stats Canada

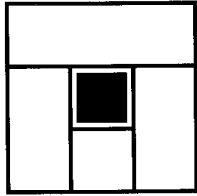
Residential Comparisons - Detached Bungalow

The following chart provides the relative taxes on a detached bungalow across the entire survey from lowest to highest. The inclusion of the CVA bungalow ranking and the net levy per capita in each municipality reflects some of the key factors impacting the relative tax position.

Municipality	CVA Bungalow Ranking	Net Levy Per Capita Ranking	2002 Property Taxes	Relative Tax Burden Ranking
Norfolk	low	low	\$ 1,613	low
Guelph	low	mid	\$ 1,712	low
Sudbury	low	low	\$ 1,720	low
Kawartha Lakes	low	low	\$ 1,788	low
Orillia	low	low	\$ 1,811	low
Thorold (Niagara Region)	low	high	\$ 1,937	low
Port Colborne (Niagara Region)	low	mid	\$ 1,959	low
Fort Erie (Niagara Region)	low	mid	\$ 1,965	low
Timmins (Cochrane District)	low	low	\$ 1,977	low
North Bay	low	low	\$ 2,011	low
Georgina (York Region)	low	low	\$ 2,013	low
Cornwall	low	low	\$ 2,014	low
Wainfleet (Niagara Region)	low	mid	\$ 2,051	low
Niagara Falls (Niagara Region)	low	high	\$ 2,081	low
Kingston	low	mid	\$ 2,089	low
Stratford (Perth Region)	mid	high	\$ 2,090	low
Pelham (Niagara Region)	mid	low	\$ 2,130	low
Owen Sound	low	high	\$ 2,165	low
Niagara-on-the-Lake (Niagara Region)	mid	high	\$ 2,193	low
Barrie	mid	mid	\$ 2,229	mid
Toronto (East)	high	high	\$ 2,240	mid
Chatham-Kent	low	low	\$ 2,245	mid
Brantford	mid	low	\$ 2,250	mid
Peterborough	mid	low	\$ 2,270	mid
Cambridge (Waterloo Region)	mid	mid	\$ 2,281	mid
Kitchener (Waterloo Region)	mid	mid	\$ 2,319	mid
Waterloo (Waterloo Region)	mid	high	\$ 2,351	mid
Milton (Halton Region)	high	mid	\$ 2,356	mid
Lincoln (Niagara Region)	mid	low	\$ 2,365	mid
Burlington (Halton Region)	high	mid	\$ 2,371	mid
West Lincoln (Niagara Region)	mid	low	\$ 2,431	mid
Windsor	mid	high	\$ 2,452	mid
Halton Hills (Halton Region)	high	low	\$ 2,470	mid
Richmond Hill (York Region)	high	mid	\$ 2,473	mid
Woodstock	mid	high	\$ 2,473	mid
Collingwood Simcoe County)	mid	high	\$ 2,477	mid
Caledon (Peel Region)	high	low	\$ 2,483	mid
Grimsby (Niagara Region)	mid	mid	\$ 2,503	mid
East Gwillimbury (York Region)	high	low	\$ 2,512	mid
St. Catharines (Niagara Region)	low	high	\$ 2,528	high
London	mid	mid	\$ 2,552	high
Aurora (York Region)	high	mid	\$ 2,557	high
Whitchurch-Stouffville (York Region)	high	mid	\$ 2,558	high
Oakville (Halton Region)	high	high	\$ 2,613	high
Welland (Niagara Region)	low	high	\$ 2,677	high
Toronto (West)	high	high	\$ 2,746	high
Hamilton	mid	high	\$ 2,788	high
Whitby (Durham region)	high	high	\$ 2,795	high
Oshawa (Durham Region)	mid	high	\$ 2,800	high
Mississauga (Peel Region)	high	low	\$ 2,813	high
Toronto (North)	high	high	\$ 2,918	high
Pickering (Durham Region)	high	mid	\$ 2,932	high
Ottawa	mid	high	\$ 2,980	high
Ajax (Durham Region)	high	mid	\$ 2,987	high
King (York Region)	high	high	\$ 3,125	high
Markham (York Region)	high	mid	\$ 3,232	high
Toronto (South)	high	high	\$ 3,940	high
Average			\$ 2,393	
Median			\$ 2,365	
Min			\$ 1,613	
Max			\$ 3,940	

Total Taxes and Utilities (Water, Wastewater, Hydro)

Municipality	Residential Property Taxes		Wastewater per house	Water % Taxes	Hydro per house	Hydro % Taxes	Total Burden	Composition		
	Detached Burd.							Water	Hydro	Taxes
Guelph	\$ 1,712	\$ 485		28%	\$ 1,125	68%	\$ 3,922	15%	34%	52%
Orillia	\$ 1,811	\$ 460		25%	\$ 1,300	72%	\$ 3,571	13%	36%	51%
North Bay	\$ 2,011	\$ 366		18%	\$ 1,243	62%	\$ 3,620	10%	34%	56%
Sudbury	\$ 1,720	\$ 709		41%	\$ 1,208	70%	\$ 3,637	20%	33%	47%
Kingston	\$ 2,088	\$ 592		28%	\$ 1,238	59%	\$ 3,919	15%	32%	53%
Brantford	\$ 2,250	\$ 501		22%	\$ 1,171	52%	\$ 3,922	13%	30%	57%
Toronto (East)	\$ 2,240	\$ 370		17%	\$ 1,322	59%	\$ 3,932	9%	34%	57%
Chatham-Kent	\$ 2,245	\$ 472		21%	\$ 1,284	57%	\$ 4,000	12%	32%	56%
Cambridge (Waterloo Region)	\$ 2,281	\$ 500		22%	\$ 1,223	54%	\$ 4,005	12%	31%	57%
Kitchener (Waterloo Region)	\$ 2,318	\$ 524		23%	\$ 1,195	52%	\$ 4,037	13%	30%	57%
Aurora (York Region)	\$ 2,557	\$ 421		16%	\$ 1,084	42%	\$ 4,062	10%	27%	63%
Woodstock	\$ 2,473	\$ 315		13%	\$ 1,290	52%	\$ 4,078	8%	32%	61%
Barrie	\$ 2,228	\$ 524		24%	\$ 1,328	60%	\$ 4,079	13%	33%	55%
Peterborough	\$ 2,278	\$ 532		23%	\$ 1,294	57%	\$ 4,096	13%	32%	55%
St. Catharines (Niagara Region)	\$ 2,528	\$ 309		12%	\$ 1,275	50%	\$ 4,112	8%	31%	61%
Niagara Falls (Niagara Region)	\$ 2,081	\$ 744		36%	\$ 1,296	62%	\$ 4,121	18%	31%	51%
Niagara-on-the-Lake (Niagara R.)	\$ 2,193	\$ 672		31%	\$ 1,283	59%	\$ 4,148	16%	31%	53%
Milton (Halton Region)	\$ 2,356	\$ 497		21%	\$ 1,324	56%	\$ 4,178	12%	32%	56%
Waterloo (Waterloo Region)	\$ 2,351	\$ 534		23%	\$ 1,301	55%	\$ 4,187	13%	31%	56%
Grim sby (Niagara Region)	\$ 2,503	\$ 455		18%	\$ 1,246	50%	\$ 4,203	11%	30%	60%
Halton Hills (Halton Region)	\$ 2,470	\$ 497		20%	\$ 1,261	51%	\$ 4,228	12%	30%	58%
Richmond Hill (York Region)	\$ 2,473	\$ 454		18%	\$ 1,343	54%	\$ 4,269	11%	31%	58%
Collingwood (Simcoe County)	\$ 2,477	\$ 643		26%	\$ 1,227	50%	\$ 4,347	15%	28%	57%
Whitby (Durham Region)	\$ 2,558	\$ 309		12%	\$ 1,360	53%	\$ 4,228	7%	32%	61%
Oakville (Halton Region)	\$ 2,613	\$ 497		19%	\$ 1,312	50%	\$ 4,422	11%	30%	59%
London	\$ 2,552	\$ 651		25%	\$ 1,240	49%	\$ 4,443	15%	28%	57%
Toronto (West)	\$ 2,746	\$ 381		14%	\$ 1,322	48%	\$ 4,448	9%	30%	62%
Oshawa (Durham Region)	\$ 2,600	\$ 385		14%	\$ 1,179	42%	\$ 4,365	9%	27%	64%
Mississauga (Peel Region)	\$ 2,613	\$ 321		11%	\$ 1,361	49%	\$ 4,515	7%	31%	62%
Hamilton	\$ 2,788	\$ 500		18%	\$ 1,313	47%	\$ 4,602	11%	29%	61%
Toronto (North)	\$ 2,918	\$ 385		13%	\$ 1,322	45%	\$ 4,525	8%	29%	63%
Pickering (Durham Region)	\$ 2,932	\$ 482		16%	\$ 1,266	43%	\$ 4,681	10%	27%	63%
Ajax (Durham Region)	\$ 2,987	\$ -		0%	\$ 1,268	42%	\$ 4,253	0%	30%	70%
Ottawa	\$ 2,980	\$ 573		19%	\$ 1,228	41%	\$ 4,780	12%	26%	62%
Markham (York Region)	\$ 3,232	\$ 418		13%	\$ 1,294	40%	\$ 4,943	8%	26%	65%
Toronto (South)	\$ 3,940	\$ 421		11%	\$ 1,322	34%	\$ 5,683	7%	23%	69%
Average	\$ 2,486	\$ 469		20%	\$ 1,268	52%	\$ 4,224	11%	30%	59%
Median	\$ 2,473	\$ 483		19%	\$ 1,283	52%	\$ 4,182	11%	31%	58%
Min.	\$ 1,712	\$ -		0%	\$ 1,084	34%	\$ 3,322	8%	23%	47%
Max.	\$ 3,940	\$ 744		41%	\$ 1,381	72%	\$ 5,683	20%	36%	70%

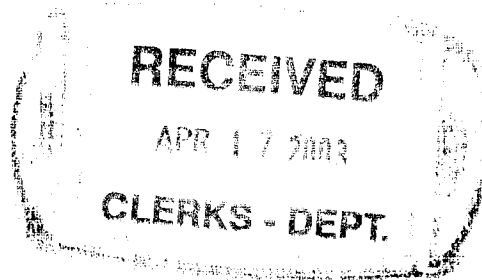


TSH
engineers
architects
planners

Totten Sims Hubicki Associates
300 Water Street
Whitby, Ontario, Canada L1N 9J2
(905) 668-9363 Fax: (905) 668-0221
E-mail: tsh@tsh.ca www.tsh.ca

April 14, 2003

Mr. Thom Mowry
City Clerk
The City of Greater Sudbury
200 Brady Street
P.O. Box 5000, Stn. A
Sudbury, ON
P3A 5P3



Dear Mr. Mowry:

**Re: Highway 69 Four-Laning on New Alignment
From Dill Creek Northerly 2.2 km
G.W.P. 5556-02-00**

REQUEST TO PRESENT TO PRIORITIES COMMITTEE – JUNE 25, 2003

This is further to our telephone conversation of earlier today concerning the Priorities Committee Meeting scheduled for June 25, 2003.

TSH is completing the detail design for a portion of the project from Highway 537 northerly that we presented to Council and Priorities Committee last year. This design project runs from just south of the Wanup Pit Entrance Road northerly for about 2.2km and includes the new interchange in the vicinity of Gladu Road.

We would like to present the detail design of this project to Priorities Committee in advance of our Public Information Centre Meeting that we are attempting to schedule for June 26, 2003.

At present, I anticipate that the following people will be attending as part of our delegation:

Ms. Sheri Graham, P. Eng. – Area Engineer, MTO, Planning and Design Section, North Bay Regional Office;

Mr. John Fraser, P. Eng. – Sr. Project Engineer, MTO, Planning and Design Section, North Bay Regional Office; and

Brian Ruck, P. Eng., CVS – Consultant Project Manager, Totten Sims Hubicki Associates, Whitby.

I understand from our conversation that you will schedule our presentation to commence at 7:00 on June 25th and allow about 15 minutes for the presentation. For ease of presentation, we will attempt to make the entire presentation electronically to save set-up time.

In the meantime, should you require additional information and/or wish to discuss this project further, please do not hesitate to contact the undersigned at (905) 668-4021 ext. 250.

Yours very truly,



Brian Ruck, P. Eng., CVS
Consultant Project Manager

cc: J. Fraser, MTO
B. Bird, MTO
P. Moore, TSH

John Howard Society of Sudbury

Passi House

204 Pine Street, Sudbury, Ontario P3C 1X5

Telephone 705.673.9576 Facsimile 705.673.1543
www.johnhowardsudbury.com

John V. Rimore
Executive Director

*"Your donations are vital to our work.
Please remember us."*

June 3, 2003

Mr. Thom Mowry
City Clerk
City of Greater Sudbury
200 Brady Street
Sudbury, Ontario
P3A 5P3

RECEIVED
JUN 11 2003
CITY CLERK - OFFICE

Dear Mr. Mowry:

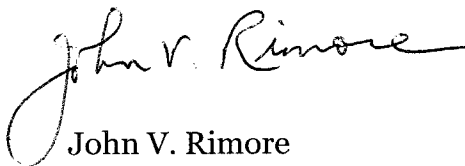
I have spoken to Ms. Gloria Ward and tentatively booked the date of June 25, 2003, 7:00 pm to appear at the Priorities Committee to address the committee on the issues surrounding the Youth Criminal Justice Act.

The presentation of ten (10) – fifteen (15) minutes will focus on informing the Priorities Committee on the implementation of the new Youth Criminal Justice Act and the ramifications as we understand them for the City of Greater Sudbury.

The people presenting at the committee are Mr. Michael V. Sabo, Board President of the John Howard Society, Sgt Rob Thirkill, Youth Liaison Officer of Greater Sudbury Police Services and myself.

Thank you for this opportunity. If you have any questions please do not hesitate to contact me.

Sincerely,



John V. Rimore
Executive Director

An affiliate of the
John Howard Society of Ontario

A United Way/Centraide
Member Organization

Celebrating over 43 years in Sudbury

To: Gloria Ward, Council Secretary
City of Greater Sudbury
Fax: 671-8118

From: Vicki Smith-Danyliw
Rotary Club of Sudbury
Co-Chair Rotary Park

Date: May 20, 2003

Re: Priorities Committee

Gloria:

To confirm our conversation on Friday, May 16th:

Brian Smith and I request the opportunity to make a presentation on behalf of the Rotary Clubs to the Priorities Committee of City Council on May 28, 2003.

The presentation will be about Rotary Park and our partnership with the City.

We will be using a PowerPoint presentation, which we will provide to Thom Mowry on CD on Monday, May 26th as per your request.

Thank you,

Vicki Smith-Danyliw
671-2114
email: vickismithdanyliw@yahoo.ca

Managers' Reports

Request for Recommendation Priorities Committee




Type of Decision									
Meeting Date	June 25, 2003				Report Date	June 20, 2003			
Recommendation	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High	<input type="checkbox"/>	Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed

Report Title
Water/Wastewater Summer Levy and/or First Time Pool Fill Rebate

Policy Implications + Budget Impact	
<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified
<p>The recommendation is to continue with the existing 3 rebate programs being;</p> <ul style="list-style-type: none"> ◆ Commercial/industrial wastewater rebate program ◆ Water/wastewater plumbing rebate program ◆ Run to waste adjustment program and <p>with no new rebate programs.</p>	
<input checked="" type="checkbox"/>	Background attached

Recommendation	
<p>It is recommended that neither a summer levy nor first time pool fill rebate be implemented .</p>	
<input type="checkbox"/>	Recommendation attached

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

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

Report Authored By

M. L. Gauvreau

S. Tremblay
Supervisor of Billing & Collection, Water/Wastewater

Division Review

S. Jonasson

S. Jonasson
Director of Finance / City Treasurer

BACKGROUND

Since the move to full cost recovery the water/wastewater staff have monitored customer concerns and have undertaken a survey of other municipalities in order to determine appropriate methods of compensating customers for water use that did not find its way into the wastewater system. Ten southern cities with comparable population and three Northern Cities (North Bay, Sault Ste Marie and Timmins) were surveyed.

We compared our rebate programs to those offered in other municipalities. Based on the information gathered, recommendations were made to council in two separate reports.

- 1) Council Report, May 16, 2003 - Water/wastewater Charges Vacant lots - Wastewater rebates.
- 2) Priorities Committee, March 26, 2003 - Water/wastewater Exemptions and Rebates

Overall, of the 13 municipalities surveyed, and based on the information gathered, it indicated that our existing rebate programs are broader and more generous than most water/wastewater rebate programs offered by any of the towns surveyed.

However staff was asked to look at other potential rebate programs such as pool rebate or summer levy. Here are the findings:

Analysis

Pool Rebate: Survey results showed that out of 13 cities surveyed, only Cambridge offers a first time pool fill rebate. Using 2002 Building Services statistics as representative of an average summer for new pools and an average pool size of 63 cu m., offering a first-time pool rebate would result in lost revenue of \$7,600. However, to offer only a pool rebate would be unfair to those homeowners who have gardens and sprinkler systems, the water from which does not enter the wastewater system either. Timmins even imposes an additional charge of \$150.00 per pool refill.

Summer Levy: The survey showed that Windsor is the only one to offer a summer levy. Their winter consumption is pro-rated and the water consumption in excess of the average winter consumption as read in the period May 1st to October 3rd is billed at \$.03 less than the winter water consumption rate of \$0.266 per cu m. (ie 25% reduction taking into consideration both water and wastewater charges). In order for the CGS to offer a comparable rebate, the summer consumption levy would have to be billed at \$0.07 less than the winter consumption rate.

Since the purpose of offering this type of rebate is to recognize that the water used in gardens, sprinkler systems and pools does not end up in the wastewater system, a more appropriate solution would seem to be to offer a rebate through the use of a decreased percentage wastewater charge only on the increased water consumption through the summer months. Considering May through August as the summer months in Sudbury, staff estimated the increase in summer consumption to be 15% worth \$662,470 (Schedule 1).

Four scenarios were considered - from a 100% wastewater rebate on the excess summer consumption which would result in lost revenue of \$662,470 necessitating an increase in the wastewater charge to 120%; down to a 25% wastewater rebate on the excess summer consumption which would result in lost revenue of \$165,617 necessitating an increase in the wastewater charge to 117% (See Schedule 2 for all scenarios). The implementation of any one of these scenarios would increase administrative workload considerably, the cost of which has not been factored into this analysis.

Conclusion

In the City of Greater Sudbury, the need for a pool rebate and summer levy has been evaluated in light of the following factors and in relation to programs offered in other municipalities:

- ◆ The number of swimming pools is relatively small (120/year as per Building Services statistics for 2002)
- ◆ Summer length is short thereby minimizing the amount of lawn and garden watering required.
- ◆ **The cost of implementing and managing a pool rebate or summer levy is not justified as the lost revenue in the summer would have to be recovered by increasing the wastewater rate in order to maintain 100% cost recovery.**

It is recommended that the City of Greater Sudbury not implement a summer levy nor first time pool fill rebate and continue with its three existing rebate programs:

- ◆ Commercial/industrial wastewater rebate program
- ◆ Water/wastewater plumbing rebate program
- ◆ Run to waste adjustment program

Schedule 1

Average Monthly Winter Consumption *		Average Monthly Summer Consumption *	Difference in Monthly Consumption	Difference for 4 Summer Months	Lost Wastewater Revenue			
1,420,635.00		1,633,730.00	213,095.00	852,380.00	100% Rebate	75% Rebate	50% Rebate	25% Rebate
					\$ 662,469.74	\$ 496,852.30	\$ 331,234.87	\$ 165,617.43

* Note: These are 2-year averages (2001 and 2002) from a representative sample of the 6-month billing cycles. CGS just started quarterly billing cycles April 1, 2003.

SCHEDULE 2

CITY OF GREATER SUDBURY

Summer Levy

	Existing	25% Wastewater Rebate	50% Wastewater Rebate	75% Wastewater Rebate	100 % Wastewater Rebate
Budgeted 2003 wastewater costs	\$ 19,703,783	\$ 19,703,783	\$ 19,703,783	\$ 19,703,783	\$ 19,703,783
Less other revenue sources:					
INCO and Falconbridge donation	(166,500)	(166,500)	(166,500)	(166,500)	(166,500)
Frontage fees	(382,513)	(382,513)	(382,513)	(382,513)	(382,513)
Total	(549,013)	(549,013)	(549,013)	(549,013)	(549,013)
Required wastewater billing revenue	19,154,770	19,154,770	19,154,770	19,154,770	19,154,770
Total water billing revenue	17,266,653	17,266,653	17,266,653	17,266,653	17,266,653
Less: portion not receiving wastewater services	(690,700)	(690,700)	(690,700)	(690,700)	(690,700)
Less: Summer levy	16,575,953	(165,617)	(331,235)	(496,852)	(662,470)
Required wastewater surcharge as a percentage of water billings	115.6%	116.7%	117.9%	119.1%	120.4%

Request for Recommendation Priorities Committee




Type of Decision										
Meeting Date	June 25 th , 2003				Report Date	June 18 th , 2003				
Recommendation	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High	<input type="checkbox"/>	Low	
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed	

Report Title
Community Placement Target Reserve


Policy Implications + Budget Impact	
<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified
<p>Policy Implications: Support of these projects through funds available from the Community Placement Target Fund reserve will enhance human services to the community and provide opportunity to generate revenue through Employment Assistance activities.</p> <p>Budget Impact: Financial support will be available through the allocation of the Community Placement Target reserve and will not impact on the 2003 budget. Provincial legislation requires that the funds be invested in local priorities to address unmet human services needs and may not be used for: major capital projects, policing enforcement in which municipalities are responsible, development or maintenance of roads, sewers or any other such items that are traditionally referred to as hard services; and municipal reserve funds.</p>	
<input checked="" type="checkbox"/>	Background attached

Recommendation
<p>Whereas the City of Greater Sudbury authorized through resolution 2002-22 the establishment of a reserve for the Community Placement Target Fund,</p> <p>Therefore let it be resolved that:</p> <p>The City of Greater Sudbury authorizes further one time funding from the reserved Community Placement Target fund for the following:</p>
<input checked="" type="checkbox"/> Recommendation attached

Recommended by the General Manager


 Catherine Sandblom
 General Manager, Health & Social Services

Recommended by the C.A.O.


 Mark Mieto
 Chief Administrative Officer

Date: June 18th, 2003

Report Authored By



Vivienne Martin
Technical Writer/Trainer

Division Review



Harold Duff
Director, Social Service

- For the balance of 2003, a net amount of \$2,650 be allocated to the Red Cross for the Housing Registry and Emergency Rent Bank Program which will generate an additional \$10,150 from the Ministry of Community, Family and Children's Services for a total of \$12,800.
- For the balance of 2003, a net amount of \$23,267 be allocated to the Salvation Army to continue to provide lodging and supportive programming for males aged 16+ which will generate an additional \$92,966 from the Ministry of Community, Family and Children's Services for a total amount of \$116,233.
- For the balance of 2003 and through to December 31st, 2004 a total amount of \$50,000 be allocated to the Social Planning Council, for project funding, to support the City of Greater Sudbury's official plan.
- A total amount of \$100,000 be allocated to homelessness initiatives that include the Samaritan Centre du Samaritain, the final Time 7 Study on Homelessness in Sudbury, Homelessness Awareness Days and a study on the provision of emergency beds within the City of Greater Sudbury.
- A total amount of \$209,556 be allocated for the purpose of purchasing two hundred (200) psycho-vocational assessments for Ontario Works Participants to enable them to participate in appropriate employment related activities or to apply for financial assistance from the Ontario Disability Support Program.
- A total amount of \$115,000 be allocated to establish a Employment Assistance Project Fund will enable service providers to apply for financial assistance for projects that will provide opportunities for Ontario Works Participants to participate in Level 2 and 3 employment assistance activities

Background

From 1999 to 2002 The Ministry of Community, Family and Children's Services permitted Ontario Works delivery agents an opportunity to earn additional funding. The additional funding, or Community Placement Target Fund, was earned through the combined efforts of the staff from the Social Services Division and the Employment Support Services Section from the Health and Social Services Department and the participation of Ontario Works recipients in community and employment placements. The total amount reserved at the end of 2002 was \$2, 445,072. This balance is comprised of revenue from 2001 and 2002. In the fall of 2002 Council for the City of Greater Sudbury approved an allocation of funds totalling \$1,657,700 for projects in 2002 to 2005. Then in January 2003 \$35,000 was approved to be allocated to the Extreme Cold Weather Alert.

Date: June 18th, 2003

The attached chart shows the commitments to date, and the uncommitted balance of \$103,827 if this report is approved. The Health and Social Services Department, through the Social Services Division and the Employment Support Services Section continue to monitor budgetary requirements.

This fund is allocated based on the specific criteria set by the Ministry of Community, Family and Children's Services. The above programming recommended for approval fits the criteria of "investment in local priorities that address unmet human services needs in local communities" (Community Placement Target Fund, Council Report October 2002).

Some of the requests within this report represent the community recommendations contained within the series of "Studies on Homelessness in Sudbury". By providing funding to these projects Council will continue to uphold the October 2002 approved "Policy on Homelessness" and support the work done by the Task Force on Homelessness and Emergency Shelters.

Description of Programming and Funding Requested

The Red Cross - Housing Registry and Emergency Rent Bank Program

The Housing Registry offers an updated database of available and affordable rental units within the City of Greater Sudbury. Services include a Housing Co-ordinator who is able to advocate on the client's behalf with landlords, funding sources and local utilities. Additional supports are available such as phone access and information on tenant rights and responsibilities.

The Rent Bank Program provides assistance in crisis situations to secure or maintain citizens in their homes. This program has provided financial support to citizens within the City of Greater Sudbury who were unable to pay for the increased costs associated with Ontario Hydro rate adjustments and the drastic increase in heating costs. The City of Greater Sudbury recorded 37 calendar days in which an "Extreme Cold Weather Alert" advisory was issued. As a homelessness prevention program the Rent Bank Program has been able to avert eviction from current accommodations or disconnection of vital services. Citizens must utilize all other resources and have accessed these emergency funds as a last resort.

By providing one time funding to the Red Cross to meet the needs of citizens of the City of Greater Sudbury through the Housing Registry and Emergency Rent Bank Program, individuals most vulnerable to increased accommodation cost have a resource available to maintain themselves in a residency. Last year the Red Cross had 1522 contacts with citizens in the City of Greater Sudbury and were able to assist 1027 clients.

A net amount of \$2,650 be allocated to the Red Cross for the Housing Registry and Emergency Rent Bank Program which will generate \$10,150 from the Ministry of Community, Family and Children's Services for a total of \$12,800.

The Salvation Army

Services provided include lodging and supportive programming for males age 16+ to establish or re-enter the community. Supports include daily nutritional provisions, weekly NA & AA meetings, counselling services, chapel services and clothing for the homeless.

Date: June 18th, 2003

By providing one time funding to the Salvation Army a continuum of supports necessary for individuals in the community who are seeking to re-establish a productive life in the City of Greater Sudbury can meet the demand for services that support recovery and rehabilitation. The Salvation Army provided service to 677 males in the City of Greater Sudbury in 2002. This marks the third year with an increase in services provided. For 2000, service was provided to 528 males and in 2001 the Salvation Army assisted 634 males.

A net amount of \$23,267 be allocated to the Salvation Army to continue to provide lodging and supportive programming for males aged 16+ which will generate \$92,966 from the Ministry of Community, Family and Children's Services for a total amount of \$116,233.

The Social Planning Council

The primary goal of the Social Planning Council is to effect social planning which includes: planning; research and co-ordination; social policy and advocacy; community development and education.

Over the past years Social Planning Council has worked in conjunction with the City of Greater Sudbury on numerous projects:

- participated in the Regional Review - Focus 20/20 in 1999
- participated and facilitated in the New Way process in 2000
- participated on the Mayor's Round Table on Volunteerism and Community Participation 2001
- worked with the Advisory Council on Emergency Shelter
- were one of the four partners who produced the report on Child Poverty 1999
- designed and carried out the Homelessness Study in 2000 -2002 (which was the basis for the Community Plan to end Homelessness in Sudbury)
- participated in ongoing attempts to create a Quality of Life Report Card for the community
- assisted in the organization of the Champions for Children breakfast; participated in the planning and execution of the Children's Forum 2000; followed through on early childhood development issues with the Council of Partners (Success by Six) and co-chair the Mayor and Council's Round Table on Children
- facilitated the community development process in designing the Supportive Housing for Teenage Parents project
- participated in the development of Community Gardens in low income neighbourhoods
- developed the Emergency Response program to administer the distribution of NCB funds to Ontario Works recipients as well as to raise general funds for emergency use
- created the information Technology in the Non-profit sector project in partnership with the Sudbury Public Library, e-Sudbury and private sector partner
- participated on the Mayor's Smart Community Round Table in 1999

The Social Planning Council works with numerous City Departments on initiatives that support the vision adopted by City Council and the priorities set by Council, including the Official Plan. Social Planning Council is requesting \$50,000 for project funding to conduct specific human services planning around the Official Plan.

Date: June 18th, 2003

Homelessness Initiatives

The allocation of the \$100,000 will be used to support the implementation and completion of several key homelessness initiatives in the City of Greater Sudbury. Among the homeless initiatives are:

Samaritan Centre du Samaritain

The combined efforts of Glad Tidings, The Soup Kitchen, The Corner Clinic and Overcomers, with the support and direction by staff at the City of Greater Sudbury, will result in the opening of the co-location facility.

Homeless Study Time 7

The Homeless Study Time 7 is the final leg of a three year study that will "identify and track changes in homelessness from July 2000 to July 2003" (*Time 6 study*). The allocation will ensure that the valuable seasonal information can be completed and will be used to assist in future studies.

Homelessness Awareness Day

In 2002 a group of service providers initiated the first Homelessness Awareness Day event. The Homelessness Awareness Day is organized through the Task Force on Homelessness and Emergency Shelters and is designed to highlight services dedicated to assisting citizens of the City of Greater Sudbury who are homeless or at risk of becoming homeless.

Emergency Beds

Through the Task Force on Homelessness and Emergency Shelters it has been identified that an action plan needs to be developed to assist in allocation of emergency beds in the City of Greater Sudbury.

Key policy and anticipated program changes for current emergency bed providers will require that a study include such information as community capacity and alternative solutions. The following programming developments have brought this issue forward from the Task Force:

- Focus to develop a stand alone shelter concentrating on supports to address violence against Women:
- the Salvation Army where the National direction indicates potential realignment of services to exclude Emergency bed provision; and
- establishment of culturally appropriate services for Aboriginal people.

Through the Co-ordinator of Homelessness and Emergency Shelters a Request for Proposal will be made to undertake the necessary in-depth research required for this report. The report should be an environmental scan acknowledging existing resources, gaps (already noted in Reports on Homelessness in Sudbury) and identify the most feasible plan (operational and financial) to offer services. The report will be made available by October 2003. Based on the resulting recommendations and or solutions made by the report a sub committee, with representation by shelter providers and Task Force Members, will undertake to complete the required steps to implement by April 1st, 2004.

Date: June 18th, 2003

Psycho-Vocational Assessments

Staff of the Social Services Division and Employment Support Services Section have identified a group of nearly fifty (50) Ontario Works participants who require psycho-vocational assessments to enable them to participate in appropriate employment related activities or to apply for financial assistance from the Ontario Disability Support Program.

Many of these individuals present with multiple barriers to employment and have either not benefited from employment-related services and programs that have been made available to them or they have had difficulties participating in them. Psycho-vocational assessments are administered under the direction of and interpreted by a registered psychologist. These assessments are comprised of medical, psychological, social, personal and vocational information that is gathered from different types of testing instruments. The results of these assessments will help Caseworkers, Employment Counsellors and agencies to which participants are referred, better understand their levels of employability, vocational interests and their academic and learning aptitudes. The provision of psycho-vocational assessments will help participants either develop realistic career goals and pursue appropriate educational and training activities to help them reach their goals or provide documentation that is required to enable participants to apply for the Ontario Disability Support Program (ODSP).

The cost of psycho-vocational assessments range from \$900 to \$1,200 each, depending on the variety of tests that are used. It is estimated that two hundred (200) participants will require psycho-vocational assessments from July 1, 2003 to December 31, 2005. The total cost is estimated to be \$209,556

Employment Assistance Project Fund

The establishment of an Employment Assistance Fund will enable service providers to apply for financial assistance for the purpose of funding projects that increase the participation of Ontario Works Participants in Level 2 and 3 employment assistance activities which will increase employment assistance revenue.

Requests for proposals will be requested from service providers for submission by September 30, 2003 and 2004 for projects and activities that will take place during the 2004 and 2005 calendar year. Proposals will be reviewed by staff. Agencies will be notified of the decision with respect to funding their proposals by October 31, 2003 and 2004.

An total amount of \$115,000 will be allocated for the Employment Assistance Project Fund over the two year period.

Summary

To date the allocation of funds has been to either community service providers or projects designed to enable the Social Services Division and the Employment Support Services Section opportunity to enhance other revenue generating formulas. The overall ratio of commitments through allocation of this fund has been 40% to community services and 60% to Employment related programming.

Subsequent reports will include provisions for meeting the needs of the community while balancing the requirements of the Social Services Division and the Employment Support Services Section. The balance of funds uncommitted after resolution of this report is \$103,827.

COMMUNITY PLACEMENT TARGET FUND RESERVE

	Time Frame for Exp.	Commitment \$	Exp. To Date at Dec. 31/02 \$	Balance \$
Balances Remaining from 2001 Funding				
Skills training	2003-2004			(87,702)
Midnorth Network	2003-2004			(1,972)
Participation Kits	2003-2004			(515)
Equipment/Workwear	2003-2004			(5,184)
Community Placement Incentive	2003-2004			(91,302)
Totals				<u>(186,675)</u>
2002 Funding Received				(2,297,000)
2002 Expenditures as Noted Below				<u>38,603</u>
December 31, 2002 Reserve Balance				<u>(2,445,072)</u>

Commitments

2001 Commitments as Noted Above				186,675
October 2002 Report				
Skills training	2002-2004	450,000	0	450,000
YMCA Empl. & Career	2002-2004	207,000	(37,103)	169,897
MidNorth Network	2002-2004	46,700	0	46,700
Temp. Employee (OW participants resumes)	2002-2004	106,000	0	106,000
Counselling - Pastoral etc.	2003-2004	100,000	0	100,000
Training - OW and ESS staff	2002-2003	14,000	(1,500)	12,500
Corner Clinic, Elizabeth Fry etc.	2003-2005	<u>734,000</u>	0	734,000
		1,657,700		
February 2003 Report				
Cold Weather Alert	2003-2004	35,000		35,000
Balance Uncommitted after February 2003 Report				<u>(604,300)</u>
June 2003 Report				
Red Cross	2003	2,650		2,650
Salvation Army	2003	23,267		23,267
Social Planning	2003-2004	50,000		50,000
Homelessness Initiatives	2003-2004	100,000		100,000
Psycho-vocational assessments	2003-2005	209,556		209,556
Community Project Fund	2004-2005	<u>115,000</u>		115,000
		500,473		
Balance uncommitted after June 2003 Report				<u>(103,827)</u>

Overall Ratio of Commitments

Employment Related	60%
Community Services	40%

Request for Recommendation Priorities Committee

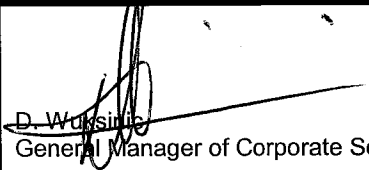



Type of Decision									
Meeting Date	June 26, 2003				Report Date	June 16, 2003			
Recommendation	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High	<input type="checkbox"/>	Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed

Report Title
Investment Policy

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

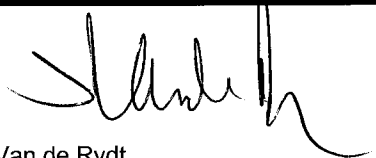
Recommendation	
<p>THAT the Investment Policy Statement attached to this report dated June 13, 2003 be adopted;</p> <p>AND THAT Schedule "A" to By-law 2002-83F be amended accordingly</p>	
<input type="checkbox"/>	Recommendation attached

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

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

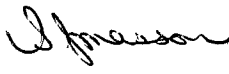
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Report Prepared By



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

Division Review



S. Jonasson
Director of Finance

BACKGROUND

Changes to the Municipal Act

The Investment Policy has been updated to comply with recent changes to the Municipal Act. Investments, unless limited further by Council, are prescribed under Ontario Regulation 438/97 (amended to Regulation 265/02). The amended regulation gives municipalities new flexibility to invest municipal funds in a broader range of investments and permits municipalities with an AA- or better credit rating to invest in:

- commercial paper (short term notes or drafts typically issued by a government or corporation); and
- asset-backed securities (high-quality assets such as loans and mortgages sold by financial institutions to institutional investors).

Commercial paper is essentially promissory notes or drafts of corporations maturing in less than one year that offer potentially higher returns at slightly higher risk over treasury bills. Previously such paper had to be guaranteed by a bank.

Asset-backed securities are bonds that earn returns from a stream of loan or mortgage payments that offer higher returns with some incremental risk.

The regulation also allows municipalities with a lower credit rating to use these new investment tools through approved investment pools such as the ONE Fund, offered by Local Authority Services Ltd. and CHUMS Financing Corporation, subsidiaries of the Association of Municipalities of Ontario and the Municipal Finance Officers Association of Ontario, respectively.

The City currently does not have a credit rating so it would be limited to participating in these new investment opportunities only through the ONE Fund which is authorized by By-law 2002-223.

Updated Investment Policy Statement

The attached Investment Policy Statement has been updated to reflect these changes and are shown in bold. Substantive changes that have been made are as follows:

The section headed Legal Authority has been revised to note that the amended regulation will permit investments in commercial paper and asset-backed securities provided the municipality has a "AA" credit rating, and that the municipality is able to participate indirectly in these new investment instruments through the ONE Fund - public sector group of funds.

HS

The section headed Pre-Funding Capital Projects has been revised to clarify that capital projects that are pre-funded with repayments coming from future year's capital envelopes or other revenue sources will have their interest rate locked-in at the time Council approves pre-funding, and that interest will be charged as funds are advanced.

The section headed Eligible Investments has been revised to expand the list of securities that the municipality can invest in. Of note, securities issued and/or unconditionally guaranteed by school boards, conservation authorities and other local boards, credit unions and caisses populaires, and loan and trust corporations.

In the section headed Investment Limits, limits for credit unions and caisse populaires, municipal and school board debt issues, and ONE Fund have been established. Exercising prudence, these limits have been set at 20%, however they will be monitored over time to determine whether they ought to be changed. The prime objective in setting these limits and listing them as eligible investments is to ensure that the City has a well diversified investment portfolio.

Council Questions

At a Council meeting earlier this year, the question was raised regarding the difference between reserve, trust, current and capital funds and how they interact. The investment treatment of these funds is elaborated in the Investment Policy Statement. Generally, the current fund handles the day-to-day operating expenses and revenues, while the capital fund transacts major project expenditures and asset acquisitions, and their attendant revenues. This would include amounts contributed from the current, reserves and reserve funds. Reserves and reserve funds hold monies that have been specifically set aside for special purposes. Trust funds are restricted funds for specific purposes. Transfers between funds are authorized by Council through the adoption of the annual budget, by special resolution or under the authority of the by-law establishing the funds.

Another question that was raised related to the rationale for investing long term versus short term, and what portion of investment portfolio was long term. To the extent possible, the City matches its investments with anticipated cash flow requirements. Reserve funds and other funds with longer-term investment horizons may be invested for longer periods. The aim is to coincide the maturity of such investments as nearly as practicable with the expected use of the funds. The City has set a limit of up to \$25 million for longer terms (more than one year but not exceeding ten years) in order to ensure liquidity requirements. This limit was arbitrarily set, and is not validated by any substantive analysis other than the exercise of professional judgement. This limit is monitored on an on-going basis to ensure that the portfolio has a diversification of investments that will maximize rate of return. In general, the current yield curve, the economic outlook (both short and long term), and the cash requirements of the City all play a part in the decision process regarding investments and their term. Increased limits are subject to Council approval.

A third question asked what the impact would be if the capital fund was credited with the interest it earned rather than attributing it to the current fund, and what impact that would have had on our tax levy. Last year, the capital fund earned \$1.6 million. Had that revenue not been credited to the current fund, this would have equated to about a 1¼ % tax levy increase.

SCHEDULE "A" to By-law 2002-83F



INVESTMENT POLICY STATEMENT

STATEMENT OF POLICY AND GOALS

The City of Greater Sudbury strives to invest surplus cash resources within statutory limitations, to protect and preserve capital, to maintain solvency and liquidity to meet on-going financial requirements, and to earn a competitive rate of return.

INVESTMENT OBJECTIVES

The four major objectives of this investment policy, in priority order, are:

- i. Adherence to statutory requirements;
- ii. Preservation of capital;
- iii. Maintaining liquidity; and
- iv. Earning a competitive rate of return.

LEGAL AUTHORITY

All investment activities will be governed by section 418 of the Municipal Act, 2001 as amended. Investments, unless limited further by Council, will be those as prescribed under Ontario Regulation 438/97 (amended to Regulation 265/02) or as authorized by subsequent provincial regulations.

Recent amendments now permit certain municipalities whose credit rating is AA- or higher to invest in:

- **Commercial paper (short term notes or drafts typically issued by a government or corporation); and**
- **Asset-backed securities (high quality assets such as loans and mortgages sold by financial institutions to institutional investors).**

At this time the City of Greater Sudbury does not have a credit rating and is therefore precluded from investing directly in these new financial instruments. However, the regulation does allow municipalities with a lower credit rating to use these new investment tools through an approved investment pool. The initial approved investment pool is the ONE Fund, offered by Local Authority Services Ltd. and CHUMS Financing Corporation, subsidiaries of the Association of Municipalities of Ontario and the Municipal Finance Officers Association of Ontario, respectively.

PRESERVATION OF CAPITAL

Ensuring the safety of principal is of paramount importance. The risk of loss is minimized by investing City funds only in those instruments that meet a minimum credit rating. Analysis of the credit worthiness of issuers is undertaken by several reputable credit ratings agencies. These agencies assess the relative strength of issuers and their capacity to pay interest and repay principal. The establishment of a minimum credit rating for all investments minimizes exposure. For the investment purposes of the City of Greater Sudbury, the financial institution must have a "AA" credit rating as follows:

- "AA low" or higher (Dominion Bond Rating Service Limited);
- "Aa 3" or higher (Moody's Investors Services Inc.); or
- "AA-" or higher (Standard and Poor's Inc.).

In accordance with Ontario Regulation 438/97 should an investment held by the City be re-evaluated by one of these rating firms and fall below the standard required, the City must sell the investment within 90 days after the day the investment falls below the standard.

MAINTAINING LIQUIDITY

In most municipalities, cash outflows can only be estimated, necessitating certain levels of liquidity to be built into the investment portfolio to meet variances from forecast and other unanticipated demands.

Liquidity can be measured by the ease with which one can convert the securities to cash. The most liquid instruments available are federal and provincial treasury bills, of which the federal bills are more liquid. That being the case, treasury bills also provide the lowest return available in the market. This is due not only to liquidity, but also to their lack of credit risk and their wide acceptance. Also highly liquid are bank term deposits and guaranteed investment certificates. For the City's investment purposes, the purchase of federal and provincial treasury bills shall provide the necessary liquidity.

The following outlines the investment treatment for each of the City's funds:

CURRENT FUND

During the early part of the year the Current Fund is in a borrowing position as major revenues do not materialize until well into the year, whereas expenditures tend to be more evenly timed. Before the City goes "outside" to borrow funds, it first borrows from the Capital and/or Reserve Funds. When borrowing from these other funds, the City pays interest at the average monthly investment yield.

RESERVE FUNDS

Although most City funds are pooled for investment purposes, interest earned or accrued each month is credited to every reserve fund, based on its balance at the previous month-end together with the average rate of return on all pooled investments for the current month.

CAPITAL FUND

Interest earned by the Capital Fund shall be credited to this fund, based on its balance at the previous month-end together with the rate of return on all investments for the current month. However, in keeping with the City's capital policy, any interest revenue earned by the Capital Fund shall then be credited to the Current Fund.

PRE-FUNDING CAPITAL PROJECTS

From time to time, a capital project may require pre-funding with repayments to come from capital envelopes or other sources over time. So as to maintain the rate of return, both on investments and to the City's funds, interest will be charged on these pre-funded projects at one per cent above the average investment rate locked in at the time pre-funding is approved.

TRUST FUNDS

A number of trust funds are administered by the City. Each trust fund is kept entirely separate, and interest earned is credited directly to each fund.

PERIOD OF INVESTMENTS

The City shall maintain both an annual cash flow forecast model and a quarterly cash flow analysis to determine its cash needs and investment opportunities. Using these tools, investments can then be made for periods of time that will enable the City to meet its current financial needs and obligations. Within this time framework, every effort will be made to maximize the rate of return on the investments.

Much of the City's short-term cash requirements are predictable, which means a substantial portion of the investment portfolio can be in higher-yielding term investments, which can be timed to mature on or close to dates which funds are to be disbursed.

In general, the current yield curve, the economic outlook (both short and long term), and the cash requirements of the City all play a part in the decision process regarding investments and their term. When interest rates are rising or uncertain, investment terms will tend to be shorter to enable the City to roll its portfolio over into higher yield instruments. Conversely, when interest rates are declining, investments will be in longer term instruments, where possible. The economic outlook and interest rates will be monitored by staff, and decisions concerning investments will be made accordingly

Up to \$25 million may be invested in long-term instruments (over one year but not exceeding ten years). The remainder of the portfolio will be restricted to short-term investments (one-year and shorter).

COMPETITIVE RATE OF RETURN

Although important, maximization of the rate of return ranks considerably lower than ensuring the safety of the City's funds. There is a trade-off between the rate of return and the safety of principal. Debt with a low credit rating will serve to maximize the rate of return but offers only very limited safety. Conversely, federal treasury bills maximize safety while offering a much lower rate of return. For City purposes, the safety of the City's funds must always come first. For this reason, only those instruments with ratings as outlined previously will be considered for investments.

ELIGIBLE INVESTMENTS

Instruments in which the City may invest must comply with current legislation and be made with consideration for the safety of invested principal, while endeavouring to maximize the rate of return. The City may invest in securities issued and or/unconditionally guaranteed as to principal and interest, by the following:

- Canada or a province of Canada;
- an agency of Canada or a province of Canada;
- a regional or local municipality in Ontario;
- a metropolitan municipality in any of the other provinces of Canada;
- **school boards, conservation authorities, and other local bodies in Canada;**
- **the Municipal Finance Authority of British Columbia;**
- Canadian chartered banks (Schedule I and II);
- **a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies;**
- **a loan corporation or trust corporation registered under the Loan and Trust Corporation Act;**
- investments in the ONE Fund - public sector group of funds of the Local Authority Services Limited and the CHUMS Financing Corporation; or
- advances to the City's capital accounts or community development corporations.

The City is not permitted to invest any security that is expressed or payable in any currency other than Canadian dollars.

INVESTMENT LIMITS

The portfolio aims for both diversification and near risk-free investments to ensure safety of the capital. Emphasis is placed on securities offered by or unconditionally guaranteed by the Government of Canada, a province of Canada, or the six major Canadian chartered banks (Royal Bank of Canada, Canadian Imperial Bank of Commerce, Bank of Montreal, Bank of Nova Scotia, Toronto Dominion Bank, and National Bank of Canada).

The City may invest with each type of institution to the following limits:

	<u>Maximum % Limit</u>
Federal Government and its Crown Agencies	100%
Provincial Governments and their Crown Agencies	100%
Schedule "I" Banks	100%
Schedule "II" Banks	30%
Credit Unions and Caisse Populaires	20%
Municipal/School Board Debt Issues	20%
ONE Fund - public sector group of funds	20%
Other	As authorized by the Treasurer/Director of Finance

RESPONSIBILITY

Responsibility for the investment program is delegated to the Treasurer/Director of Finance, who in turn may delegate authority to persons responsible for investment transactions. No person shall engage in an investment transaction except as provided in this policy.

PROCESS

Every effort shall be made to obtain at least three quotations from banking institutions and investment dealers with which the City does business. Once these quotations are received, the investment decision shall be made. A record of these quotations shall be kept on file for a period of at least six months. From these quotations, the instrument which provides the highest yield, while staying within the investment limits of that institution, and meeting the needs of the City, will be chosen.

ELECTRONIC INVESTING

In general, with the exception of inter-municipal loans, and investments with the City's banker, investment will be made electronically, using the electronic banking feature, as provided by the City's banker. Multi-level security measures are in place to ensure the safety of the investment.

SAFEKEEPING AND CUSTODY

All investment securities will be held in safekeeping at the issuing institution, or in the case of inter-municipal loans, and investment in own debentures, in the City's vault.

OVERNIGHT INVENTORY

Excess funds should be invested overnight if the current market rate exceeds the rate obtainable from the City's bank.

REPORTS

Reports will be prepared by the municipal investment officer no less frequently than each month-end, and relayed to the Treasurer/Director of Finance outlining the current investment position of the City of Greater Sudbury. Annually, after each year-end, an investment report will be forwarded to Council, before the end of March. This report shall contain information about the performance of the portfolio investments of the City during the preceding year, together with a statement by the Treasurer as to whether all investments made were in accordance with this policy.

Correspondence and Information

CORRESPONDENCE FOR INFORMATION ONLY

NO REPORTS FOR THIS AGENDA