

FINANCE COMMITTEE AGENDA

to be held on
Monday, March 8, 2004
at
5:30 p.m.

**Councillor
Ted Callaghan
Chair**



**Councillor
Eldon Gainer
Vice-Chair**



 **Greater | Grand
Sudbury**TM
www.greatersudbury.ca

**FIFTH MEETING OF THE FINANCE COMMITTEE
TO BE HELD ON MONDAY, MARCH 8, 2004 AT 5:30 P.M.
IN THE COUNCIL CHAMBER, TOM DAVIES SQUARE**

(DINNER WILL BE SERVED AT 5:00 P.M. IN THE COUNCILLORS' LOUNGE)

(PLEASE ENSURE CELL PHONES AND PAGERS ARE TURNED OFF)

The Council Chamber of Tom Davies Square is wheelchair 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.greatersudbury.ca.

COUNCILLOR CALLAGHAN, CHAIR

1. Declarations of Pecuniary Interest

PRESENTATIONS/DELEGATIONS

PAGE NO.

{NONE}

CORRESPONDENCE - INFORMATION ONLY

2. Report dated 2004-03-05, with attachments, from the General Manager of Corporate Services regarding Recreational User Fees. **1 - 7**
(FOR INFORMATION ONLY)

(This report outlines a comparison of user fees between the City and other municipalities as requested at the budget discussions of January 24, 2004.)

3. Report dated 2004-03-05, with attachments, from the General Manager of Corporate Services regarding Preliminary Reserve Report - 2003. **8 - 54**
(FOR INFORMATION ONLY)

(This report was requested by Councillor Callaghan at the Priorities Committee meeting of February 11, 2004.)

MANAGERS' REPORTS

{NONE}

2004 BUDGET REVIEW

(The following items are carried over from the Finance Committee meeting held on Wednesday, March 3, 2004.)

4. The Director of Finance will review the Budget process, contents of the Budget document and the voting process.
- ▶ Sandra Jonasson, Director of Finance/City Treasurer
5. The Chair of the Finance Committee will review the Base Budget commencing on Page 1 of the 2004 Budget document.
- ▶ Councillor Ted Callaghan, Chair, Finance Committee

2004 PARKING LOT REVIEW

PAGE NO.

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

- ▶ Councillor Ted Callaghan, Chair, Finance Committee

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

NEXT FINANCE COMMITTEE MEETING

DATE: WEDNESDAY, MARCH 10, 2004

TIME: 5:00 P.M.

PLACE: COUNCIL CHAMBER

2004-03-06

**COUNCILLOR TED CALLAGHAN
CHAIR, 2004 FINANCE COMMITTEE**

**CORRIE-JO CAPORALE
COUNCIL SECRETARY**

Correspondence for Information

Request for Recommendation Finance Committee

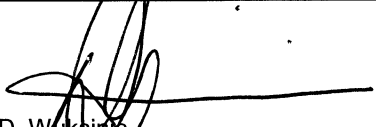


Type of Decision									
Meeting Date	March 8, 2004				Report Date	March 5, 2004			
Decision Requested		Yes	<input checked="" type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High		Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open		Closed

Report Title
Recreational User Fees

Policy Implication + 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.
N/A	
<input checked="" type="checkbox"/>	Background Attached

Recommendation
FOR INFORMATION ONLY
Recommendation Continued

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

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

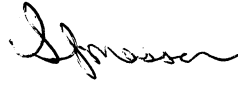
Date: March 5, 2004

Report Prepared By



C. Mahaffy
Manager of Financial Planning & Policy/Deputy Treasurer

Division Review



S. Jonasson
Director of Finance/City Treasurer

BACKGROUND:

Attached for information purposes is a report prepared by Caroline Hallsworth, General Manager of Citizen and Leisure Services. This report was previously sent to Council, but since it is a parking lot issue, it is being sent to Finance Committee for inclusion in the budget binder.

REVISED

February 4, 2004

His Worship Mayor David Courtemanche
and Members of City Council

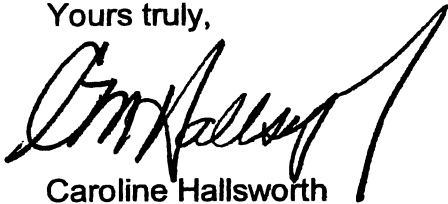
Your Worship, Ladies and Gentlemen:

Re: Recreational User Fees

As requested at the budget discussions on Saturday, January 24th, attached are spreadsheets comparing recreational user fees with other municipalities for pools, public skating, ice rentals, playfields and day camps.

If you have any questions, please do not hesitate to contact me.

Yours truly,



Caroline Hallsworth
General Manager
Citizen and Leisure Services

CH/lam

Attachments

cc: C.A.O.
General Managers
Sandra Jonasson
Cheryl Mahaffy
Réal Carré
Richard Ahola
Ted Durbacz
Chris Gore

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USER FEES MUNICIPAL SURVEY

- POOLS -

Greater Sudbury	Thunder Bay	Timmins	Sault Ste. Marie	North Bay	Barrie	Oakville
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Public Swimming

Single Visits	Adult	Senior	Student	Child	Family	
\$3.25	\$4.60	\$2.75	\$3.50	no municipally owned facility	\$4.75	\$2.50
\$2.75	\$3.60	\$2.15	\$2.00		\$3.75	\$1.60
\$2.75	\$3.05	\$2.15	\$2.00		\$4.00	\$2.50
\$2.75	\$2.10	\$2.15	\$2.00		\$3.75	\$2.50
\$7.00	\$8.15	\$1.75	\$9.00		\$12.00	\$7.50

Swimming Lessons

30 minutes/lesson	cost per lesson	\$45. [8 wks]	\$54. [10 wks]	\$48. [9 wks]	\$66. [10 wks]	\$46.5 [10 wks]	\$60. [8 wks]
		\$5.63	\$5.40	\$5.33	\$6.60	\$4.65	\$7.50
45 minutes/lesson	cost per lesson	\$45. [8 wks]	\$54. [10 wks]	\$51.5 [9 wks]	\$66. [10 wks]	\$52. [10 wks]	\$60. [8 wks]
		\$5.63	\$5.40	\$5.72	\$6.60	\$5.20	\$7.50

*GST included in prices

USER FEES MUNICIPAL SURVEY

- PUBLIC SKATING -

	Greater Sudbury	Thunder Bay	Timmins	Sault Ste. Marie	North Bay	Barrie	Oakville
Youth	\$1.25 [Capreol]	\$2.75	\$2.00	\$1.00	\$1.00	\$2.00	\$2.50
	\$2.00 [Carmichael, Countryside, McClelland, Centennial, T.M. Davies]						
	\$1.75 [Chelmsford, Dr. Edgar Leclair]						
	\$1.00 [Coniston, Garson]						
	\$0.50 [I.J. Coady]						
Senior	\$1.00 [Capreol]	\$3.25	\$2.00	\$1.65	\$1.65	\$2.00	\$2.50
	\$2.00 [Carmichael, Countryside, McClelland]						
	\$2.25 [T.M. Davies]						
Student	\$1.50 [Capreol, Coniston, Garson]	\$3.25	\$2.00	\$1.75	\$1.75	\$3.00	\$2.50
	\$2.25 [Chelmsford, Dr. Edgar Leclair, T.M. Davies]						
Adult	\$1.75 [Capreol]	\$4.00	\$2.00	\$2.00	\$2.00	\$4.00	\$2.50
	\$2.50 [Carmichael, Countryside, McClelland]						
	\$2.25 [Centennial]						
	\$2.75 [Chelmsford, Dr. Edgar Leclair, T.M. Davies]						
	\$2.00 [Coniston, Garson]						
\$1.00 [I.J. Coady]							
\$3.00 [Sudbury Arena]							
Family	\$4.00 [Capreol]	\$11.50	\$2.00			\$6.00	\$2.50
	\$5.00 [Carmichael, Countryside, McClelland]		per member				per member
	\$5.75 [T.M. Davies]						

*GST not included in prices

USER FEES MUNICIPAL SURVEY

- ICE RENTALS -

Greater Sudbury	Thunder Bay	Timmins	Sault Ste. Marie	North Bay	Barrie	Oakville
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ADULT PRIME

\$151.80 [Sudbury Arena]	\$131.78	\$117.50	\$128.41 includes \$30.00 capital surcharge	\$117.53 [Memorial Gardens]	\$170.42 includes \$5.00 donation new arena construction	\$138.70 [Kinoak, Maple Grove] \$153.45 [River Oaks, Glen Abbey, Oakville]
\$142.22 [Cambrian, Carmichael, Countryside, McClelland]						
\$117.04 [Centennial, Chelmsford, Coniston, Garson, Dr. E. Leclair, Raymond Plourde, TM Davies]				\$106.97 [Pete Palangio, West Ferris]		
\$92.16 [Capreol]						
\$86.02 [J Coady]						

MINOR PRIME

\$101.97 [Sudbury Arena]	\$100.93	\$90.50	\$119.07 includes \$30.00 capital surcharge	\$105.05 [Memorial Gardens]	\$141.45 includes \$5.00 donation new arena construction	\$138.70 [Kinoak, Maple Grove] \$153.45 [River Oaks, Glen Abbey, Oakville]
\$90.25 [Cambrian, Carmichael, Countryside, McClelland]						
\$81.71 [Centennial, Chelmsford, Coniston, Dr. E. Leclair, Garson, R. Plourde, TM Davies]				\$83.47 [Pete Palangio, West Ferris]		
\$68.07 [Capreol]						
\$55.04 [J Coady]						

*GST not included in prices

January 30, 2004

REVISED

**USER FEES MUNICIPAL SURVEY
- PLAYFIELDS & DAY CAMPS -**

Greater Sudbury	Thunder Bay	Timmins	Sault Ste. Marie	North Bay	Barrie	Oakville
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SOCCER FIELDS

Minor	\$15.69 per player	none	\$5.00 per game	\$10,000.00 per season	\$11.84 fields are not lined	\$44.40 per game	\$7.15 for 2 hours
Adult	\$47.06 per game	\$140.19 per season per team	\$15.00 per game	\$10,000.00 per season	\$11.84 fields are not lined	\$59.20 per game	\$13.52 for 2 hours

BALL FIELDS

Minor	\$15.69 per player	none	\$5.00 per game	\$25.00 per game	\$11.84 fields are not lined	\$44.40 per game	\$7.15 for 2 hours
Adult	\$47.06 per game	from \$123.36 to \$381.31 per season/team	\$15.00 per game	\$50.00 per game	\$11.84 fields are not lined	\$59.20 per game	\$13.52 for 2 hours

DAY CAMPS

Per Session	\$181.00 for 2 weeks	\$156.07 for 2 weeks	none	none	none	from \$90. to \$175. per week	\$85.00 per week
						from \$180. to \$350. for 2 weeks	\$170.00 for 2 weeks

**GST not included in prices*

Request for Recommendation Finance Committee




Type of Decision									
Meeting Date	March 8, 2004				Report Date	March 5, 2004			
Decision 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

Report Title
2003 Preliminary Reserve Report

Policy Implication + 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.
N/A	
<input checked="" type="checkbox"/>	Background Attached

Recommendation
FOR INFORMATION ONLY
Recommendation Continued

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

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

Date: March 5, 2004

Report Prepared By



C. Mahaffy
Manager of Financial Planning & Policy/Deputy Treasurer

Division Review



S. Jonasson
Director of Finance/City Treasurer

BACKGROUND:

By-law

By-law 2003-110F, being the by-law to establish and continue reserves, reserve funds and trust funds is appended to this report. This by-law is reviewed on an annual basis and recommendations to establish, discontinue or consolidate reserves are brought to Council for approval, and for authority to amend the By-law. The review will take place after year-end, and a report prepared.

Trust Funds

Trust funds are not included in this report. Trust funds are monies of others, being held in trust by the City, for specific purposes. The money is spent on the intended purpose or returned to the original source. Examples of trusts are the cemetery trust where money has been received and is held in trust to ensure perpetual care and maintenance of the cemeteries; and the funds belonging to residents of Pioneer Manor, being held in trust for them.

Reserves and Reserve Funds

The main difference between a reserve and a reserve fund is that a reserve forms part of the current fund, and does not earn interest, whereas a reserve fund is in a separate fund, and each reserve fund is credited with the interest it has earned, on a monthly basis.

The attached sheets provide a more detailed explanation of each of the City's reserves and reserve funds, further to Council's request for an expansion of the earlier report. These balances are still very preliminary as many year-end entries are still outstanding, however some of the balances are now different from the earlier report due to 2003 entries having been made since that time. A final report will be sent to Council after the 2003 audit is finalized and the financial statements are prepared. The balances have been split into two columns - "Fully Committed" and "Future Requirements".

Fully Committed

The balances in the fully committed column represent funds that have been set aside for a specific purpose and commitments have been made against these funds. For example, the Reserve for Various Expenses contains those funds set aside at year end for specific purchases that were budgeted for in 2003 but for various reasons were not received prior to year end. Most of the items have since been received and paid for from this reserve. The biggest single item is the \$1.4 million reserved from 2003 for the purchase of the Sudbury Hydro shares. Both the City and Hydro have passed the necessary resolutions and by-laws, and the money and shares will be exchanged shortly. Another example in this column would be all of the obligatory reserve funds. The City is mandated to have many of these reserves, and the funds therein can be used only for the specific purpose intended. The largest of these is the Municipal Road 80 Reserve Fund. The funds were received from the Province, and must be used to upgrade that road. If not used for that specific purpose, the funds must be returned to the Province.

Date: March 5, 2004

Future Requirements

The balances in the future requirements column represent funds that have been set aside for projects that will be undertaken in the future. An example of this type of reserve is the Social Housing Capital Reserve Fund. The City has been mandated to provide Social Housing services, and the Province provides funding each year for this downloaded service through the Community Reinvestment Fund. The transfer from the Province is not sufficient to cover the operating costs of this section and any large scale capital repairs to the housing stock. This reserve has therefore been established to avoid any major budget fluctuations should a costly capital undertaking materialize. A conservative estimate of \$5 million dollars for Social Housing needs has been identified over ten years in the Long Term Financial Plan. In any years where Social Housing has a surplus, and the City is also in a surplus position, the Social Housing surplus will be contributed to this reserve, but at present there is no further funding identified for this need. Another example is the Ontario Works Reserve Fund. A recommendation in the Long Term Financial Plan was to establish reserves for areas which are subject to major fluctuations, in order to avoid deficits in years where a significant increase may occur. An increase in this area would be as a result of a large increase in caseload, or Provincially mandated increases in benefits after the City budget had been established. One time funding from the 2002 surplus was used as the initial contribution to this reserve, but again, no further funding sources have been identified to build up the balance.

Long Term Financial Plan

The Long Term Financial Plan, as adopted by Council, references reserves in a number of its recommendations:

- 1.6 Plan for the replacement of infrastructure through the use of life cycle costing and the development of replacement reserves.
- 5.2 Undertake regular reviews of remaining life and condition of assets and determine required annual reserve contributions sufficient to ensure that 90% of approved infrastructure rehabilitation / replacement schedules can be met at the required time.
- 8.1 Facility, equipment and infrastructure replacement reserves should be established and funded to ensure that 90% of approved infrastructure rehabilitation / replacement schedules are met (long-term).
- 8.2 Establish a Stabilization Reserve for programs that are susceptible to significant annual expenditure fluctuations (eg. Winter Maintenance, Ontario Works). Program budgets should be based on a moving five year historical average of program spending. In years when surplus funds occur in these programs, surpluses should be reserved, provided an overall City surplus exists. Where the City's overall surplus is less than the program surplus, funds should only be reserved up to the level of the overall City surplus.
- 8.3 Establish reserves to provide funding for future liabilities (eg. sick leave). Contributions to these reserves should be set, at a minimum, at an amount sufficient to ensure the liability does not increase.

Date: March 5, 2004

The City needs to address these recommendations through the establishment and continued and increased funding of the recommended reserves. The establishment of the Ontario Works and Roads Winter Maintenance Reserve Funds in 2003 was a small step in the right direction. However, because Winter Roads was overspent in 2003 and because the City, as a whole, is still projecting a small deficit, the money in this reserve, by policy, will be brought into revenue to offset some of the deficit. In addition, many established reserves are not adequate to fund identified obligations, and a prime example of this is the Reserve Fund for Sick Leave - Police. There is approximately a \$5 million liability whereas the Reserve Fund has a balance of less than \$400,000. Not only does this reserve need an infusion of funds, the annual contribution needs to be increased just to prevent the liability from growing further each year.

There is a Capital Financing Reserve Fund for each of the capital envelopes, but at present the annual contributions from the envelopes go directly to Capital as the needs each year are pressing. There is no opportunity to build up these reserve funds to meet the future needs that have been identified. The total ten year funding gap for roads is over \$168 million; Buildings has a \$61 million gap; Fleet and Equipment has a \$16 million gap; Recreation and Leisure Services has a \$40 million gap, and so on. The Long Term Financial Plan identified the solution to have these annual needs fully met by the end of the ten year period. The annual contributions to capital need to be increased, and the funds that are on hand should remain in the reserve, since the Long Term Financial Plan took reserve fund balances into consideration when the amount of the gaps was calculated.

In the attached sheets, the Capital Financing Reserve Funds related to Water and Wastewater have been shown as fully committed. Any balances related to water and wastewater cannot be reallocated, as these funds have been raised through the water and wastewater rates and need to be retained for water and wastewater purposes only.

BMA Study

As outlined in this study, reserves and reserve funds are a critical component of a municipality's long-term financing plan. Some of the reasons for maintaining reserves is outlined in the report, and are as follows:

- ▶ Provide stability of tax rates in the face of variable and uncontrollable factors
- ▶ Provide financing for one-time or short term requirements without permanently impacting tax and utility rates
- ▶ Make provisions for replacements/acquisitions of assets/infrastructure that are currently being consumed and depreciated
- ▶ Avoid spikes in funding requirements of the capital budget
- ▶ Provide a source of internal financing
- ▶ Ensure adequate cash flows
- ▶ Provide for future liabilities incurred in the current year but paid for in the future

Reserves offer liquidity which enhances the municipality's flexibility, both in addressing unplanned operating requirements and in permitting the municipality to temporarily fund capital projects internally.

The level of reserves and reserve funds is a measure of the financial health of a municipality. Compared to other municipalities in Ontario, the City is considerably below the average as it pertains to reserves and reserve funds as a percentage of total expenditures, as identified in the 2003 BMA municipal study. The City of Greater Sudbury is at 14.8% while the average is 44.4%. Only six participants in the study have a lower percentage than Sudbury. The City of Greater Sudbury is also considerably below the average as far as reserves and reserve funds as a percentage of total taxation, at 46% as compared to the average of 87%. This indicates that other municipalities have been able to direct more funding, on a relative basis, to their reserves and reserve funds. Also, Sudbury' debt and reserves per capita are \$430 compared to the average of about \$570. In summary, the City's financial health is not good when compared to other Ontario municipalities. Not only should the reserves and reserve funds be maintained, they should be increased.

Date: March 5, 2004

Council Discretion

In keeping with the Long Term Financial Plan, and in light of the City's reserves and reserve funds not being adequate for identified needs, it is recommended that the balances be left intact. However, Council may choose to reallocate some of the funds. If so, the balances in the second column of the attached chart have not been specifically committed. Some of these balances could be reallocated, but the purpose for which the reserves have been established should be kept in mind. Any reserve reallocations to the Current Budget should be for one time projects only, since the reserve fund balance will not be available as an offset in future years.

Borrowing

Council may choose to borrow from the reserve funds in order to finance a project. This is within the guidelines of the City's investment policy. The recommendation would be to borrow from a specific reserve fund or funds and repay the fund(s) over time. The rate of interest, per the investment policy, would be the rate of return being earned on investments at the time of the loan, plus 1 percent.

Future Report

As stated earlier in this report, the balances are very preliminary at this point, and a final report will be brought forward to Council after the 2003 year-end and audit are complete.

CITY OF GREATER SUDBURY

**Unaudited Reserve and Reserve Fund Balances
as at December 31, 2003**

NAME	RESERVES	Fully Committed \$	Future Requirements \$
Reserve for Employee Health Benefits	Originally established to pay direct billings from the carrier for claims, and funded from any surplus generated by budgeted amounts exceeding actual claims expenses. The City is now on a premium based benefit plan, but some billings are still materializing from old claims. Funds are required for these billings and also to offset any future benefit rate fluctuations. Under the current premium rate structure, the City could incur a deficit if actual costs covered by the carrier exceed the premiums remitted. The carrier can recover any such deficits from the City the year after they occur, either by heavy rate increases or a lump sum payment. Funds need to be held in reserve to avoid major increases.		792,727
Reserve Libraries / Citizen Service Centre	Because libraries receive Provincial operating grants, a working reserve is required to fund any library deficits. When the City is in a surplus position overall, any Library surplus is contributed to this reserve. Also used to finance capital and special projects. Approximately \$60,000 has been proposed for use in 2004 Capital for South Branch.	60,000	47,653
Tree Purchases Reserve	Fund created from surpluses due to revenues being greater than budgeted in the Land Reclamation project, over the years. Balance used to offset fluctuations in the cost of purchasing seedlings each year, which eliminates fluctuations in operating costs.		156,014
Reserve for Various Expenses	Created at year-ends, through resolution of Council, to allow funds budgeted in current year to be carried forward to the following year to pay for certain items. Council approved three reports related to 2003 year-end reserves. The most significant item is the \$1.4 million set aside for the purchase of shares in Sudbury Hydro.	1,909,169	
Reserve for Ex-Gratia Grants	\$25,000 is budgeted each year for ex-gratia grants, which are grants given to residents to help off-set clean-up costs in the event of a sewer back-up. In years where the grants do not total \$25,000 the difference is credited to this reserve and in years where grants exceed the budget, the difference is funded through this reserve.		93,875

NAME	RESERVES	Fully Committed \$	Future Requirements \$
W.I Claims Reserve	Originally established to pay direct billings from the carrier for claims, and funded from any surplus generated by budgeted amounts exceeding actual claims expenses. The City is now on a premium based benefit plan. Funds are required to offset any future benefit rate fluctuations. Under the current premium rate structure, the City could incur a deficit if actual costs covered by the carrier exceed the premiums remitted. The carrier can recover any such deficits from the City the year after they occur, either by heavy rate increases or a lump sum payment. Funds need to be held in reserve to avoid major increases.		594,929
Water Meter Installation Reserve	Deposits collected from developers and / or individuals at the Building Permit stage for installation of water meters in new homes when construction is completed. As homes have meters installed, the funding is taken from the reserve.	198,477	
Official Plan Reserve	Funds set aside for new Official Secondary Plan and to be used in 2004 project.	4,050	
Ontario Works Reserve	In accordance with recommendations in the Long Term Financial Plan, this Reserve was established in 2002 to help offset fluctuations in programs or changes in Provincial funding. This money should be retained for the purpose intended, in compliance with the Long Term Financial Plan.		340,000
Ontario Works - Community Placement Reserve	Provincial funding received as a result of exceeding targets in the Employment Support Services area. Funding must be used for Ontario Works related programs. Any funds not used by the end of 2005 must be returned to the Province. Much of the balance has been committed to specific projects through Council resolution.	1,701,627	
Ontario Works - Emergency Housing Reserve	Funding set aside to be used for emergency housing. This is Provincial funding and must be kept aside for this purpose.	22,541	
Pioneer Manor Fundraising Reserve	Net revenue resulting from fund-raising activities at Pioneer Manor (mainly through auxiliary). Committee of residents, auxiliary, staff recommend expenditures from this reserve (i.e. prints for walls, etc.). Not truly City's money.	23,490	
Future Development Charges Study Reserve	The Development Charges By-law expires in 2004 and a new study must be undertaken this year.	58,500	

NAME	RESERVES	Fully Committed \$	Future Requirements \$
Tax Rate Stabilization Reserve	This reserve provides for year-to-year variances in the operating budget. One half of any operating surplus shall be credited to this reserve and one half of any operating deficit shall be funded from this reserve. For 2003 a deficit has been forecast, so this reserve will be required to help offset the deficit.	681,200	
Valley East Heritage Committee Reserve	Funds that came forward from the former City of Valley East. To be used as required to fund the Valley East book and heritage celebrations.	42,903	
Reserve for Agricultural Drains	Funded through contributions from the Current Budget to ensure sufficient funds on hand for municipal portion of agricultural drains maintenance. A number of new drains have been approved by Council for 2004.	100,000	
Reserve for Cultural Exchange	Under control of the Mayor, and to be used for projects related to cultural exchange (e.g. events with Sudbury's twin city in Finland).		2,518
	Sub Total	\$4,801,957	\$2,027,716

NAME	RESERVE FUNDS	Fully Committed \$	Future Requirements \$
Sick Leave Reserve Fund	Annual contributions from current budget to be used to pay out accumulated sick leave credits. Most employees no longer receive sick leave credits, but are covered through weekly indemnity and long term disability. Sick leave credits in existence at the time of the change were left intact, and employees are entitled to a payout of 50% of these credits, to a maximum of 6 months pay, when they retire. Employees at Pioneer Manor and Fire Services still accumulate 1.5 days per month of sick leave. The present liability (at 50% and to the maximum of 6 months) is in excess of \$4 million.	1,853,586	
Sick Leave Reserve Fund - Police	The Police still accumulate sick leave credits of 1.5 days per month, and are entitled to a pay out of 50% of accumulated credits, up to six months of pay, when they leave. The present liability, calculated at the 50% and 6 month maximum, is close to \$5 million.	373,471	
Human Resources Management Reserve Fund	A working reserve funded from any surpluses in Life and Long Term Disability Plans. Again, the City is now premium based, but the balance needs to be kept aside to fund any deficits incurred with the carrier.		170,813
WSIB (Workers Compensation Insurance Board) Schedule 2 Reserve Fund	Established through contributions from Current Fund by assessing 'premiums' on payroll. In the early years of being a Schedule 2 employer, the premiums charged were equal to those that would be charged by WSIB. The premiums being charged in 2003 and 2004 are just sufficient to meet expenses. The reserve is used to pay invoices from WSIB, to top up salaries in accordance with Collective Bargaining Agreement requirements (Police and Fire), to pay rehabilitation expenses and to fund the premium for stop loss coverage. The reserve ensures there is no detrimental impact on the current budget. It is strongly recommended that the balance in this reserve fund be maintained in order to have funds available should the City experience any catastrophic loss. The stop loss coverage has a deductible of \$300,000. All City employees except Pioneer Manor are under Schedule 2. The actuarial evaluation of liabilities related to WSIB was \$1.3 million at the end of 2002. An actuarial study is underway now for 2003 liabilities. A minimum of \$1.8 should be considered as committed for this liability.	1,785,189	1,000,000
WSIB Reserve Fund	Money set aside, through Council resolution in regard to ongoing litigation.	900,000	

NAME	RESERVE FUNDS	Fully Committed \$	Future Requirements \$
Insurance Reserve Fund	Funded through contributions from Current Fund and used to fund adjuster expenses and the deductible portion of claims. There are many outstanding claims, with the deductible portion of each claim being \$50,000. The fund is required to ensure that claims can be covered with no impact on the Current Fund. A minimum of \$1.4 million should be regarded as committed, although the conservative approach would be to consider the full balance as committed.	1,406,084	1,000,000
Equipment and Vehicle Replacement Reserve Fund	Funded through contributions from Current Fund by equipment credits. Annual contribution is not sufficient to fund capital needs of Public Works, Transit and Fire. The capital program for 2004 recommends the use of all of this reserve fund plus \$1.3 of the 2004 contribution.	2,287,145	
Police Vehicle and Equipment Reserve Fund	Funded through contributions from Current Fund. Annual contribution is scheduled to be fully utilized. The capital program for 2004 recommends the use of all of this reserve fund plus \$403,000 of the 2004 contribution. This Reserve Fund is controlled by the Police Services Board.	635,552	
Recycling Equipment Replacement Reserve Fund	Funded through contributions from Current Fund. Much of the recycling equipment is 13 years old and has almost reached the end of its useful life. It is anticipated that the equipment will have to be replaced within the next few years, and the full balance of this fund will be required.	1,260,513	
Land Acquisition Reserve Fund	Funded from net proceeds of sale of surplus property and used to fund purchases of any required property.		1,529,822
Pioneer Manor Reserve Fund	Funded through grants from the Province and committed to the Pioneer Manor renovations project.	428,410	
Pioneer Manor Donations Reserve Fund	Funded through donations and to be used specifically for improvements to the grounds and courtyards at Pioneer Manor.	47,313	
Social Housing Capital Reserve Fund	Established with Provincial Funding and needed to fund any major capital undertakings for the housing stock. The Long Term Financial Plan recognizes a need for \$5 million in capital projects over the next ten years. Operating surpluses in this section are to be credited to this reserve fund if the City is in an overall surplus position. Deficits are funded from this reserve fund.		2,893,200

NAME	RESERVE FUNDS	Fully Committed \$	Future Requirements \$
Industrial Park Reserve Fund	Established from proceeds of land sales in the Industrial Park and to be used for the expansion or creation of Industrial Parks. Has been used in recent years to provide leverage funding for Economic Development. There is also a committed portion of this reserve fund, in the amount of \$354,124. The most significant item included in this amount is the \$225,000 budgeted as a contribution from the reserve fund in the 2004 budget, to be used as leverage funding for grants.	354,124	237,370
Economic Development / Community Loan Reserve Fund	Established by the former Region and funded from the Industrial Reserve Fund. To be used to promote economic development in the form of loans. Legal implications not yet ironed out. If not used for this purpose, should be returned to the Industrial Park Reserve Fund.		1,012,978
Business Centre Reserve Fund	Originally established through a contribution from the Industrial Reserve Fund, has continued through contributions from partners in the Regional Business Centre. The balance therefore is not completely attributable to the City. The Business Centre was created to help businesses become established and viable. Surpluses and deficits in the Regional Business Centre are credited to or debited from this fund.	146,245	
Centennial Drive Booster Reserve Fund	Funded through \$2,000 per lot charge collected on registration of Plans of Subdivision in area near Centennial Drive. Funds must be used to provide booster for water service.	8,093	
Roads Winter Control Reserve Fund	Established in 2003 in accordance with Long Term Financial Plan recommendations. To be used to offset Winter Control overexpenditures. Will be required in 2003 to offset deficit in this area.	737,718	
Vegetation Enhancement Technical Advisory Committee (VETAC) Reserve Fund	Funded through donations and to be used for projects recommended by the Vegetation Enhancement Technical Advisory Committee, as authorized by Council.	3,518	
Museum Reserve Fund	Carried forward from the former Rayside-Balfour and to be used for projects related to that museum.	21,295	
South Branch Library Reserve Fund	Net rent proceeds from the tenant at the South Branch location were credited to this reserve fund to be used for required renovations. The 2004 capital budget recommends fully utilizing this reserve fund for renovations at the South Branch.	66,141	

NAME	RESERVE FUNDS	Fully Committed \$	Future Requirements \$
Police Services Donations Reserve Fund	Under control of the Police Services Board and to be used for crime prevention initiatives.	5,304	
Subdivision Deposits Reserve Fund	Funded through non-refundable deposits received from developers under the terms of subdivision agreements, to be used for work for which deposits were made.	1,289,769	
Tree Planting Reserve Fund	Funded through non-refundable deposits received from developers under the terms of site plan agreements, etc. and to be used by Public Works for tree planting at applicable sites.	658,399	
Gazebo Concert Series Reserve Fund	Funded by donations for the concert series and to be used to offset expenses of the concert series.	825	
Cemeteries Reserve Fund	Cemetery Services is self-funding; therefore this reserve is funded through any annual operating surpluses of cemeteries and is to be used only for funding deficits and for cemetery capital projects. The 2004 Capital Budget recommends the use of \$250,000 of this fund.	311,598	
Emergency Services - Ambulance Reserve Fund	Funded through contributions from Current and Provincial grants. To be used for ambulance capital projects including all vehicle and equipment. May be subject to having to return funds to Province if not used for projects specific to EMS. \$933,000 of this reserve fund has been budgeted for use in the 2004 capital budget.	2,561,863	
199 Larch Street Building Maintenance Reserve Fund	Established at time of purchase of 199 Larch, with small annual contributions. To be used to offset any major capital repairs not budgeted, thus preventing a substantial impact on the current fund. Surpluses in this section shall be credited to the reserve fund, if the City is in a surplus position overall. Deficits are to be funded from this reserve fund.		605,768
	Sub Total	\$17,142,155	\$8,449,951

NAME	CAPITAL FINANCING RESERVE FUNDS (CFRF)	Fully Committed \$	Future Requirements \$
CFRF - Information Technology	Funded from any surplus in the Information Technology section, if the City is in a surplus position. Also funded from any underexpenditures in related capital projects. To be used for information technology projects only. The Long Term Financial Plan identifies \$3.4 million of projects to be undertaken.		1,172,449
CFRF - Replace Sewer and Water Systems	Funded from underexpenditures in related capital projects. To be used only for water and wastewater projects.	408,988	
CFRF - Solid Waste	Funded from annual contributions from the current budget and underexpenditures in related capital projects. To be used only for solid waste projects. The balance of this reserve fund is required for projects identified in the approved Certificate of Approval for the landfill sites, in particular the Sudbury site which is slated to become the only landfill site in the City once all other sites are closed. \$1.9 million of this reserve fund is required for the 2004 capital program. A further \$2 million forms part of the options.	3,900,000	2,577,645
CFRF - General	One half of any annual current operating surplus or deficit is funded from or contributed to this reserve fund. It is also the only source of funding for capital projects that have no capital envelope. It is anticipated that the balance will be required to cover a 2003 deficit. A sum was also set aside, through Council resolution in regard to ongoing litigation - \$900,000; and \$50,000 for a clock tower at Market Square.	1,067,117 950,000	
CFRF - Corporate Infrastructure	Originally funded by contributions from current, now only from any underexpenditures in related capital projects. To be used only for corporate infrastructure (i.e. telephone systems, docutech equipment, etc.). The balance of this reserve fund has been identified as required in the Long Term Financial Plan.		237,157
CFRF - Public Works Buildings	Funded from underexpenditures in related capital projects. To be used only for public works buildings projects. In excess of \$80 million has been identified in the Long Term Financial Plan as required for buildings.		137,966
CFRF - Police	Funded from underexpenditures in related capital projects. To be used only for Police projects. \$140,000 has been utilized in the 2004 capital program. Under the control of Police Services Board.	174,086	
CFRF - Roads	Funded from underexpenditures in related capital projects. To be used only for Roads projects. Close to \$280 million has been identified in the Long Term Financial Plan as required for roads. \$77,000 plus taxes of this amount was committed to Long Lake Road in 2004.	80,000	385,074

NAME	CAPITAL FINANCING RESERVE FUNDS (CFRF)	Fully Committed \$	Future Requirements \$
CFRF - Waste Water	Originally funded from current fund, now funded from underexpenditures in related capital projects. In addition, surpluses and deficits in this utility are contributed to or funded from this reserve fund. To be used only for Wastewater projects. Used to address any emergency upgrades which may be required, upon authority of Council. A commitment of \$1,165,000 has been made for the Rock Tunnel Project.	2,445,342 1,165,000	
CFRF - Water	Originally funded from current fund, now funded from underexpenditures in related capital projects, (in 2003 the proceeds from a recently settled litigation were repaid to this reserve fund). In addition, surpluses and deficits in this utility are contributed to or funded from this reserve fund. To be used only for water projects, and will be required for the Capreol Water Supply project, the Levack/Onaping and Falconbridge water supply projects, as well as projects necessitated by the Ministry of the Environment. \$1.2 million of this reserve has been utilized in the 2004 capital program.	5,446,656 1,200,000	
CFRF - Health and Social Services	Originally funded from current fund, now funded only from underexpenditures in related capital projects. To be used only for Health and Social Services projects. Will be required for the Pioneer Manor project.	33,143	
CFRF - Fire Services	Funded from underexpenditures in old related capital projects. To be used only for Fire Services Projects. The Long Term Financial Plan identifies about \$34 million of needs for Fire Services.		113,300
CFRF - Citizen / Leisure Services	Funded from underexpenditures in old related capital projects. To be used only for Citizen and Leisure Services projects. Close to \$50 million of projects were identified in the Long Term Financial Plan for Recreation, Leisure and Library Services.		107,644
	Sub Total	\$16,870,332	\$4,731,235

NAME	OBLIGATORY RESERVE FUNDS	Fully Committed \$	Future Requirements \$
Road Levy Payments Reserve Fund	Funded through payments from the public pursuant to Subdivision Agreements, Site Plan Agreements, etc. Must be used for upgrading roads for which the payment was made.	535,940	
Water and Wastewater Payments Reserve Fund	Funded through payments from the public pursuant to Subdivision Agreements, Site Plan Agreements, etc. Must be used for upgrading water and wastewater services for which the payment was made.	285,882	
Parking Improvements Reserve Fund	Funded from net proceeds of parking facilities and can be used only on improvements or expansions to parking facilities. \$110,000 of this fund is recommended for use in the 2004 capital budget.	1,061,399	
Capital Lot Levies Reserve Fund	Funds collected under the terms of old capital levy by-laws, and related to some subdivisions. Funds collected can be used only on water and / or wastewater capital projects.	73,619	
Regional Road 80 Reserve Fund	Funds advanced from the Province, and which can be used only for the Municipal Road 80 project.	4,698,477	
Parks Section 50 Reserve Fund	Funds collected under Section 50 of the Planning Act for the creation of parks. Can be used for this purpose and no other.	615,259	
Site Plan Agreement Deposits Reserve Fund	Deposits from contractors for specific projects which must be undertaken. Can be used for no other purpose.	585,317	
	Sub Total	\$7,855,893	

	TOTAL	\$46,670,337	\$15,208,902
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GRAND TOTAL	\$61,879,239
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BY-LAW 2003-110F

**A BY-LAW OF THE CITY OF GREATER SUDBURY
TO ESTABLISH AND CONTINUE RESERVES, RESERVE
FUNDS AND TRUST FUNDS**

WHEREAS the Council of the City of Greater Sudbury deems it desirable to pass a By-law to establish and continue Reserves, Reserve Funds, Capital Financing Reserve Funds and Trust Funds for the City of Greater Sudbury;

**NOW THEREFORE THE COUNCIL OF THE CITY OF GREATER
SUDBURY HEREBY ENACTS AS FOLLOWS:**

1. The Reserves as set out in Schedule "A" are hereby established or continued for the City of Greater Sudbury.
2. The Reserve Funds as set out in Schedule "B" are hereby established or continued for the City of Greater Sudbury.
3. The Capital Financing Reserve Funds as set out in Schedule "C" are hereby established or continued for the City of Greater Sudbury.
4. The Trust Funds as set out in Schedule "D" are hereby established or continued for the City of Greater Sudbury.
5. Reserves, Reserve Funds, Capital Financing Reserve Funds and Trust Funds which are designated in Schedules "A", "B", "C", or "D" respectively as working funds may be used for the purposes identified therein without further authorization from Council.
6. The City Treasurer is hereby authorized to pay out any trust funds to the parties entitled thereto when she or he deems it appropriate to do so without further authorization from Council.

7. By-law 2001-287F of the City of Greater Sudbury as amended by By-laws 2002-196F, 2002-284F and 2003-20F is hereby repealed.

8. Each of the following Schedules:

- Schedule "A" Reserves;
- Schedule "B" Reserve Funds;
- Schedule "C" Capital Financing Reserve Funds; and
- Schedule "D" Trust Funds

attached hereto forms part of this By-law.

9. This By-law shall come into force and take effect on the day of passing thereof.

READ THREE TIMES AND PASSED IN OPEN COUNCIL this 15th day of May, 2003.

_____ Mayor

_____ Clerk

SCHEDULE "A"
to By-law 2003-110F
of the City of Greater Sudbury

Page 1 of 6

RESERVES

1. Employee Health Benefits Reserve

- (1) This Reserve shall be funded from Current Budget.
- (2) This Reserve provides for the cost of the employee health benefits plan.
- (3) This Reserve is a working reserve.

2. Tree Purchases Reserve

- (1) This Reserve shall be funded from surpluses in the Land Reclamation program, as authorized by Council.
- (2) Funds from this Reserve shall be used to offset any price fluctuations in annual tree purchases for the Land Reclamation Program.
- (3) Authorization of Council shall be required to add to or spend funds from this Reserve.

3. Reserve for Various Expenses

- (1) This Reserve is funded from Current Budget, on authorization of Council, for specific programs or projects for which there was a budget, but which were not completed by year-end.
- (2) Expenditures shall be made from this Reserve only to finalize those programs for which the funds had been reserved.

SCHEDULE "A"
to By-law 2003-110F
of the City of Greater Sudbury

Page 2 of 6

4. Reserve for Ex Gratia Grants

- (1) Any budgeted amount for ex gratia grant payments for sewer back-ups for a given year which are not expended at the end of that year shall be credited to this Reserve.
- (2) Any expenditures for ex gratia grant payments for sewer back-ups beyond the amount budgeted in any given year shall be expended from this Reserve.
- (3) This Reserve is a working fund.

5. Reserve for WI (Weekly Indemnity) Claims

- (1) This Reserve shall be funded annually through Current Budget.
- (2) This Reserve provides for the cost of the weekly indemnity benefits plan.
- (3) This Reserve is a working fund.

6. Reserve for Water Meter Installation

- (1) Amounts paid for water meters, as part of the Building Permit process, shall be credited to this Reserve.
- (2) Costs for installation of water meters in new homes shall be charged to this Reserve.
- (3) This Reserve is a working fund.

SCHEDULE "A"
to By-law 2003-110F
of the City of Greater Sudbury

Page 3 of 6

7. Reserve - Official Plan Program

- (1) The Reserve shall be used to fund Official Plan expenditures.
- (2) Authorization of Council shall be required to add to or spend from this Reserve.

8. Ontario Works Emergency Housing Reserve

- (1) This Reserve may be used to fund any project related to emergency housing.
- (2) Authorization of Council shall be required to add to or spend from this Reserve.

9. Ontario Works Child Benefit Reserve

- (1) This Reserve is funded by the Province of Ontario, which has reserved the right to request a refund of any unexpended funds.
- (2) This Reserve shall be used to fund projects under the National Child Benefit program and for no other purpose.
- (3) Authorization of Council shall be required to add to or spend from this Reserve.

10. Reserve - Pioneer Manor Fundraising

- (1) Net revenue resulting from fund-raising activities at Pioneer Manor shall be credited to this Reserve at year-end.
- (2) Expenditures shall be made from this Reserve to fund projects deemed beneficial to Pioneer Manor and its residents by the Fund-Raising Committee and the administrative staff at Pioneer Manor, and approved by Council.

11. Reserve for Future Development Charges Study

- (1) Expenditures may be made from this Reserve to fund future development charges studies.
- (2) Authorization of Council is required to add to or spend from this Reserve.

SCHEDULE "A"
to By-law 2003-110F
of the City of Greater Sudbury

Page 4 of 6

12. Tax Rate Stabilization Reserve

(1) This Reserve provides for year-to-year variances in the operating budget.

One-half of any operating surplus shall be credited to this Reserve and one-half of any operating deficit shall be charged to this Reserve.

(2) This Reserve is a working fund.

13. Library/Citizen Service Centre Reserve

(1) This Reserve provides for year-to-year variances in the operating budget.

(2) Any annual surplus in the library/citizen service centre operating budget shall be credited to this Reserve if such contribution will not put the City in a deficit position or increase an existing deficit.

(3) Any annual deficit in the library/citizen service centre operating budget may be charged against this Reserve.

(4) Any expenditure from this Reserve shall require the authorization of Council.

14. Valley East Heritage Committee Reserve

(1) Expenditures shall be made from this Reserve at the request of the Valley East Heritage Committee, following appropriate established guidelines, and as approved by the City Treasurer.

(2) This Reserve is a dedicated reserve.

SCHEDULE "A"
to By-law 2003-110F
of the City of Greater Sudbury

Page 5 of 6

15. Election Expenses Reserve

- (1) Annual contributions shall be made to this Reserve from the Current Fund.
- (2) This Reserve shall be used to offset election expenses in election years.
- (3) This Reserve is a working fund.

16. Cultural Exchange Reserve

- (1) This Reserve, which is carried forward from the former City of Sudbury shall be used to offset expenses of Cultural Exchanges, such as those incurred regarding the former City of Sudbury's Twin City in Finland.
- (2) Expenditures shall be made from this Reserve at the discretion of the Mayor of the City of Greater Sudbury.

17. Agricultural Drains Reserve

- (1) This Reserve shall be funded through the Current Budget.
- (2) This Reserve shall be used to offset the municipal share of agricultural drains maintenance charges.
- (3) This is a Working Reserve.

SCHEDULE "A"
to By-law 2003-110F
of the City of Greater Sudbury

Page 6 of 6

18. O.W. Community Placement Reserve

- (1) This Reserve is funded through Provincial subsidies.
- (2) This Reserve shall be used to fund Ontario Works / Employment Support programs and projects only.
- (3) Authorization of Council is required to add to or spend from this Reserve.

19. Market Square Reserve

- (1) Funding of this Reserve is from net rent revenues received from the Market Square property.
- (2) The Reserve shall be used to fund projects related to the Market Square property.
- (3) Authorization of Council is required to spend from this Reserve.

20. Ontario Works Reserve

- (1) This Reserve is funded through Provincial subsidies.
- (2) This Reserve shall be used to offset funding fluctuations in Ontario Works programs and projects.
- (3) Authorization of Council is required to add to or spend from this Reserve.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 1 of 14

RESERVE FUNDS

1. Sick Leave Reserve Fund

- (1) This Reserve Fund shall be funded from the budgeted contributions from current funds for this purpose.
- (2) Expenditures may be made from this Reserve Fund to pay sick leave to retiring employees in accordance with the policies of the City of Greater Sudbury.
- (3) This Reserve Fund is a working fund.

2. Sick Leave Reserve Fund - Police

- (1) This Reserve Fund shall be funded from the budgeted contributions from current funds.
- (2) This Reserve Fund shall be used to pay sick leave to retiring Greater Sudbury Police Service employees in accordance with policies of the City of Greater Sudbury.
- (3) This Reserve Fund is a working fund.

3. Human Resources Management Reserve Fund

- (1) This Reserve Fund shall be funded from Current Budget through Human Resources (payroll) system and any surplus in Life and Long-term Disability plans at renewal.
- (2) This Reserve Fund provides cost variances (budget to actual) in Life and Long-term Disability plans; surpluses shall be credited to and deficits charged to this Reserve Fund.
- (3) This Reserve Fund is a working fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 2 of 14

(4) Authorization of Council is required for any use of this Reserve Fund other than as set out in Subsection 3(2).

4. WSIB Schedule 2 Reserve Fund

(1) This Reserve Fund shall be funded annually through the Current Budget.

(2) This Reserve Fund shall be used for payment of invoices under Schedule 2 of the WSIB Act, and other related expenses including any Stop Loss insurance coverage.

(3) Expenditures may be made from this Reserve Fund for Workplace Health and Safety Claims Management, Early Intervention and Rehabilitation of Disabled Workers, Training Seminars relating to the NEERS Program and other related programs, subject to approval by Council.

(4) This is a working reserve fund.

5. Insurance Reserve Fund

(1) This Reserve Fund shall be funded by an annual contribution from the Operating Budget.

(2) This Reserve Fund shall be used only for payment of insurance claims at or below the deductible limit, and other related expenses, such as adjusters' fees.

(3) This is a working reserve fund.

6. Equipment and Vehicle Replacement Reserve Fund

(1) Annual equipment rates in the budget shall contain a provision for straight-line depreciation, which shall form contributions to this Reserve Fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 3 of 14

- (2) Salvage values received from the sale of used equipment or vehicles shall be credited to this Reserve Fund.
- (3) This Reserve Fund shall be used to purchase new equipment and vehicles as outlined in the 10-year equipment replacement plan.
- (4) This is a working reserve fund.

7. Replace Recycling Equipment Reserve Fund

- (1) Annual contributions to this Reserve Fund shall be made from the operating budget.
- (2) Salvage values received from the sale of used equipment or vehicles shall be credited to this Reserve Fund.
- (3) This Reserve Fund shall be used only for replacement of recycling equipment in accordance with the Recycling Equipment Replacement Plan.
- (4) Expenditures may be made from this Reserve Fund only with authorization of Council.

8. Land Acquisition Reserve Fund

- (1) Net proceeds from the sale of any City lands or buildings declared surplus shall be credited to this Reserve Fund.
- (2) Costs of advertising, surveys, realtor fees, etc. incurred in the sale of surplus land shall be charged to this Reserve Fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 4 of 14

(3) Expenditures shall be made from this Reserve Fund only with authorization of Council.

9. Parking Improvements Reserve Fund

(1) Net proceeds from all parking operations shall be credited to this Reserve Fund.

(2) This Reserve Fund shall be used for capital improvements to parking facilities.

(3) Expenditures shall be made from this Reserve Fund only with authorization of Council.

10. Pioneer Manor Reserve Fund

(1) Net proceeds of High Wage Subsidy received from the Ministry of Health - Long Term Care and additional subsidy received as a result of reconstruction shall be credited to this Reserve Fund.

(2) This Reserve Fund shall be used for projects of a capital nature at Pioneer Manor.

(3) Expenditures shall be made from this Reserve Fund only with authorization of Council.

11. Pioneer Manor Donations Reserve Fund

(1) All monetary donations received by or for Pioneer Manor shall be credited to this Reserve Fund.

(2) This Reserve Fund shall be used only to assist in the improvements of the front grounds and courtyards at Pioneer Manor.

(3) Expenditures from this Reserve Fund shall be authorized by Council.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 5 of 14

12. Industrial Reserve Fund

- (1) All net revenues from land sales in the City's industrial parks and other industrial lands shall be deposited into this Reserve Fund.
- (2) Expenditures that pertain directly to these land sales, such as legal fees, lot survey fees, mortgage payments, real estate commissions, and similar expenses may be charged against this Reserve Fund.
- (3) Expenditures may also be made from this Reserve Fund for the improvement of City's lands within the Industrial Parks or other City industrial lands, including landscaping, lighting, fencing and the placing of signs, and for costs incurred in the development of the Industrial Parks.
- (4) Expenditures may also be made from this Reserve Fund for the acquisition and development of additional land for industrial purposes as outlined in this By-law.
- (5) Authorization of Council is required to spend from this Reserve Fund, except for subsection (2) expenses.

13. Economic Development/Community Loan Reserve Fund

- (1) No expenditures shall be made from this Reserve Fund until the Council of the City of Greater Sudbury has approved a detailed plan for this Reserve Fund, as first approved by the Board of the City of Greater Sudbury Community Development Corporation.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 6 of 14

14. Business Centre Reserve Fund

- (1) This Reserve Fund was first established by the former Regional Municipality of Sudbury (contribution from Industrial Reserve Fund), subsequent contributions were made by partners in the Business Centre.
- (2) Expenditures may be made from this Reserve Fund only for Business Centre purposes.
- (3) Any year-end surpluses in Business Centre operations shall be credited to this Reserve Fund and any year-end deficits in Business Centre operations shall be funded from this Reserve Fund.
- (4) This is a working reserve fund.

15. Capital Lot Levy Reserve Fund

- (1) This Reserve Fund shall be funded from any payments made to the City from the public as Lot Levies, pursuant to the former Regional Municipality of Sudbury By-laws 79-111 and 89-111, as amended, for the purposes of upgrading the wastewater systems and for upgrading the water systems in the City.
- (2) This Reserve Fund shall be used only for the purposes of upgrading the wastewater systems and upgrading the water systems in the City.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 7 of 14

16. Centennial Drive Booster Station Reserve Fund

(1) This Reserve Fund shall be funded from the \$2,000 per lot charge to be collected on registration of Plans of Subdivision and any approvals of lot severances, within the area listed below

FIRSTLY: Lot 2, Concession 3, Township of Hanmer

SECONDLY: West Half of Lot 1, Concession 3, Township of Hanmer.

(2) This Reserve Fund shall be used only to fund the upgrade of the Centennial Drive Booster Station in the former City of Valley East.

(3) All expenditures from the fund shall be made in accordance with Council Policies for the purposes set out in subsection (2) above or shall be otherwise authorized by resolution of Council.

(4) This is a working reserve fund.

17. Water and Wastewater Payments Reserve Fund

(1) This Reserve Fund shall be funded from payments made to the City from the public pursuant to Subdivision Agreements, Site Plan Control Agreements or other similar Agreements for specific water and/or wastewater upgrading projects.

(2) All expenditures from this Reserve Fund shall be for water/wastewater upgrading projects for which the payment was made in every case.

(3) This is a working Reserve Fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 8 of 14

18. Road Levy Payments Reserve Fund

(1) This Reserve Fund shall be funded from payments received from the public pursuant to the Road Levy policy of the City of Greater Sudbury and the former Regional Municipality of Sudbury.

(2) This Reserve fund shall be used only for road upgrading projects for which the payment was made in every case.

(3) This is a working reserve fund.

19. Municipal Road No. 80 Reserve Fund

(1) This Reserve Fund shall be funded from funding received from the Province of Ontario for that purpose.

(2) This Reserve Fund shall be segregated from all other Reserve Funds and invested separately.

(3) All interest earned from these investments made from funds in this Reserve Fund shall be credited directly back to this Reserve Fund.

(4) The money in this Reserve Fund shall be used only to fund the Municipal Road No. 80 widening project.

(5) Expenditures from this Reserve Fund shall be made only with authorization of Council.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 9 of 14

20. Roads Winter Control Reserve Fund

- (1) All Roads Winter Control under-expenditures shall be credited to this Reserve Fund to allow it to rise to the level of \$3,000,000 provided the contribution in any year would not place the City into a deficit position or worsen a deficit position.
- (2) Any Roads Winter Control over-expenditures may be funded from this Reserve Fund.
- (3) This is a working Reserve Fund.

21. VETAC Reserve Fund

- (1) This Reserve Fund shall be funded from donations made for this purpose.
- (2) All expenditures from the Reserve Fund shall be authorized by Council, upon recommendation from the VETAC Committee.

22. Parks Reserve (Section 50) Reserve Fund

- (1) This Reserve Fund is funded through 5% and 2% deposits received for parks purposes pursuant to the Planning Act.
- (2) This Reserve Fund is to be used for park land acquisition and improvements.
- (3) Authorization of Council is required to spend from this Reserve Fund.

23. Fitness Centre Reserve Fund

- (1) Expenditures shall be made from this Reserve Fund only for the Fitness Centre in the former Town of Rayside-Balfour.
- (2) Any expenditure from this Reserve Fund shall be authorized by Council.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 10 of 14

24. Museum Reserve Fund

- (1) Expenditures from this Reserve Fund shall be made only for the benefit of the museum in the former Town of Rayside-Balfour.
- (2) Any expenditure from this Reserve Fund shall be authorized by Council.

25. Subdivision Deposits Reserve Fund

- (1) This Reserve Fund shall be funded by non-refundable deposits received from Developers under the terms of subdivision agreements.
- (2) This Reserve Fund shall be used by Public Works to carry out required work in the applicable subdivisions.
- (3) This is a working reserve fund.

26. Site Plan Deposits Reserve Fund

- (1) This Reserve Fund shall be funded by non-refundable deposits received from Developers pursuant to site plan agreements.
- (2) This Reserve Fund shall be used by Public Works to carry out required improvements.
- (3) This is a working reserve fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 11 of 14

27. Tree Planting Reserve Fund

- (1) This Reserve Fund shall be funded by non-refundable deposits received from Developers.
- (2) This Reserve Fund shall be used by Public Works for tree planting in applicable sites.
- (3) This is a working reserve fund.

28. Cemeteries Reserve Fund

- (1) This Reserve Fund is funded through annual operating surpluses of cemeteries.
- (2) This Reserve fund shall be used for cemetery capital projects.
- (3) Authorization of Council is required for spending from this Reserve Fund.

29. Emergency Services - Ambulance Reserve Fund

- (1) Any excess funding from ongoing ambulance capital projects shall be credited to this Reserve Fund.
- (2) This Reserve Fund shall be used to fund capital projects for Emergency Services - Ambulance.
- (3) Expenditures from this Reserve Fund shall be authorized by Council.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 12 of 14

30. Greater Sudbury Police Service Board Reserve Fund

- (1) This Reserve Fund shall be funded from the Greater Sudbury Police Service Board Auction held annually, interest earned from fund investments, and monies recovered as a result of seized property.
- (2) This Reserve Fund shall be used for any purpose that the Greater Sudbury Police Service Board considers in the public interest in accordance with Sections 132 and 133 of the *Police Services Act* and for such charitable events as the Board deems suitable, without further authorization from Council.
- (3) A Statement of Revenues and Expenditures shall be provided to the Financial Services Division of the City of Greater Sudbury by the Greater Sudbury Police Service Board no later than February 15 in each year, prepared as at December 31st of the previous year.

31. Gazebo Concert Series Reserve Fund

- (1) This Reserve Fund is funded by donations from the public for the concert series at Bell Park.
- (2) This Reserve Fund shall be used only to cover expenses of the concert series at Bell Park.
- (3) This is a Working Reserve Fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 13 of 14

32. Equipment and Vehicle Reserve Fund - Police

- (1) Annual contributions to this reserve fund shall be made from the Greater Sudbury Police Services Board operating budget.
- (2) Salvage values received from the sale of used vehicles and equipment shall be credited to this reserve fund.
- (3) This reserve fund shall be used to purchase new equipment and vehicles as determined by the Greater Sudbury Police Services Board, and in accordance with the Police equipment replacement plan.
- (4) This is a working reserve fund.

33. Police Services Donations Reserve Fund

- (1) This reserve fund shall be funded by an annual contribution of any excess donation proceeds net of expenditures in that year.
- (2) This reserve fund shall be used only for the purpose of crime prevention initiatives as the Greater Sudbury Police Services Board deems suitable, without further authorization from Council.
- (3) This is a working reserve fund.

34. South Branch Library Reserve Fund

- (1) Funding of this Reserve Fund shall be from net rents received.
- (2) This Reserve Fund is intended to fund the future repairs / renovations to the building.
- (3) Authorization of Council is required to add to or spend from this Reserve Fund.

SCHEDULE "B"
to By-law 2003-110F
of the City of Greater Sudbury

Page 14 of 14

35. 199 Larch Building Maintenance Reserve Fund

- (1) The Reserve Fund provides for year to year variances in operating budget.
- (2) Any annual operating surplus shall be contributed to this Reserve Fund if such contribution will not put the City in a deficit position or increase an existing deficit.
- (3) Any annual operating deficit shall be funded from this Reserve Fund.
- (4) Any other expenditures from this Reserve Fund shall be authorized by Council.

36. Social Housing Capital Reserve Fund

- (1) This Reserve Fund shall be used for Social Housing capital undertakings, as authorized by Council.
- (2) Any annual surplus in the Social Housing operating budget shall be credited to this Reserve Fund if such contribution will not put the City in a deficit position or increase an existing deficit.
- (3) Any annual deficit in the Social Housing operating budget shall be funded from this Reserve Fund.
- (4) Any other expenditures from this Reserve Fund shall be authorized by Council.

SCHEDULE "C"
to By-law 2003-110F
of the City of Greater Sudbury

Page 1 of 5

CAPITAL FINANCING RESERVE FUNDS

1. Capital Financing Reserve Fund - General

- (1) This Capital Financing Reserve Fund shall be used to provide for year-to-year variances in the operating budget: one-half of any operating surplus shall be credited to this Capital Financing Reserve Fund and one-half of any operating deficit shall be charged to this Operating Capital Reserve Fund.
- (2) This Capital Financing Reserve Fund may be used for any project of a capital nature upon authorization of Council.
- (3) This is a working capital financing reserve fund.

2. Capital Financing Reserve Fund - Corporate Infrastructure

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds from the capital envelope for Corporate Infrastructure Envelope.
- (2) This Capital Financing Reserve Fund shall be used only for Corporate Infrastructure capital projects.
- (3) All expenditures from this Capital Financing Reserve Fund shall be authorized by Council.

SCHEDULE "C"
to By-law 2003-110F
of the City of Greater Sudbury

Page 2 of 5

3. Capital Financing Reserve Fund - Information Technology

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds from the capital envelope for Information Technology.
- (2) Existing funds in the Computer Equipment Reserve Fund shall be transferred to this Capital Financing Reserve Fund.
- (3) Any annual surplus in the Information Technology operating budget shall be credited to this Capital Financing Reserve Fund only if such contribution will not put the City in a deficit position, or increase an existing deficit.
- (3) Expenditures from this Capital Financing Reserve Fund shall be made only for Information Technology capital projects.
- (4) Expenditures may be made from this Capital Financing Reserve Fund only with authorization from Council.

4. Capital Financing Reserve Fund - Public Works Buildings

- (1) This Capital Financing Reserve Fund shall be funded through unallocated or excess funds from the capital envelope for Public Works Buildings.
- (2) This Capital Financing Reserve Fund shall be used only for Public Works Buildings capital projects.
- (2) Expenditures from the Capital Financing Reserve Fund shall be made only upon authorization by Council.

SCHEDULE "C"
to By-law 2003-110F
of the City of Greater Sudbury

Page 3 of 5

5. Capital Financing Reserve Fund - Police

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds in capital envelope for Police and from development charges proceeds.
- (2) This Capital Financing Reserve Fund shall be used only for Police capital projects.
- (3) Expenditures may be made from this Capital Financing Reserve Fund only upon authorization by the Greater Sudbury Police Services Board.

6. Capital Financing Reserve Fund - Roads

- (1) This Capital Financing Reserve Fund shall be funded through unallocated or excess funds from the capital envelope for Roads, and development charges proceeds.
- (2) This Capital Financing Reserve Fund shall be used only for Roads capital projects.
- (3) Expenditures from this Capital Financing Reserve Fund shall be made only upon authorization by Council.

7. Capital Financing Reserve Fund - Wastewater

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds from the capital envelope for Wastewater, development charges proceeds and net operational surpluses from the Wastewater Operating Budget.
- (2) This Capital Financing Reserve Fund shall be used to fund any operational deficits in the Wastewater Operating Budget.
- (3) This is a working Reserve Fund.
- (4) Expenditures may be made from this Capital Financing Reserve Fund for wastewater projects of a capital nature, upon authorization by Council.

SCHEDULE "C"
to By-law 2003-110F
of the City of Greater Sudbury

Page 4 of 5

8. Capital Financing Reserve Fund - Water

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds from the capital envelope for Water and net operational surpluses in the Water Operating Budget.
- (2) This Capital Financing Reserve Fund shall be used to fund any operational deficits in the Water Operating Budget.
- (3) This is a working Reserve Fund.
- (4) Expenditures may be made from this Capital Financing Reserve Fund for water projects of a capital nature, upon authorization by Council.

9. Capital Financing Reserve Fund - Health and Social Services

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds from the capital envelope for Health and Social Services.
- (2) This Capital Financing Reserve Fund shall be used for Health and Social Services capital projects.
- (3) Expenditures may be made from this Capital Financing Reserve Fund upon authorization by Council.

10. Capital Financing Reserve Fund - Emergency Services (Fire)

- (1) This Capital Financing Reserve Fund shall be funded through unallocated or excess funds from the capital envelope for Emergency Services - Fire.
- (2) This Capital Financing Reserve Fund shall be use only for Emergency Services - Fire capital projects.
- (3) Expenditures may be made from this Capital Financing Reserve Fund only upon authorization of Council.

SCHEDULE "C"
to By-law 2003-110F
of the City of Greater Sudbury

Page 5 of 5

11. Capital Financing Reserve Fund - Citizen and Leisure Services

- (1) This Capital Financing Reserve Fund shall be funded through unallocated or excess funds from the capital envelope for Citizens and Leisure.
- (2) This Capital Financing Reserve Fund shall be used only for Citizens and Leisure capital projects.
- (3) Expenditures from this Capital Financing Reserve Fund shall be made only upon authorization of Council.

12. Capital Financing Reserve Fund - Solid Waste

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds in the capital envelope for Solid Waste.
- (2) This Capital Financing Reserve Fund shall be used only for solid waste projects of a capital nature.
- (3) Expenditures may be made from this Capital Financing Reserve Fund only with authorization from Council.

13. Capital Financing Reserve Fund - Replace/Upgrade Water/Wastewater Systems Reserve Fund

- (1) This Capital Financing Reserve Fund shall be funded from unallocated or excess funds from capital replacement/upgrading envelopes funded through Water and Wastewater.
- (2) This Capital Financing Reserve Fund shall be used only for capital projects replacing/upgrading water/wastewater systems.
- (3) Expenditures may only be made from this Capital Financing Reserve Fund with authorization from Council.

SCHEDULE "D"
to By-law 2003-110F
of the City of Greater Sudbury

Page 1 of 5

TRUST FUNDS

1. Pioneer Manor Residents' Trust Fund

(1) This Trust Fund shall consist of monies being held on behalf of Residents in

Pioneer Manor for:

(a) accommodation payments for Residents on family benefits;

(b) accommodation payments for Residents that are controlled by the Public

Guardian and Trustee; and

(c) Residents' assets or monies.

(2) Payment from this Trust Fund may be made to Residents, or their legal representatives, or may be applied to outstanding accounts of the City of Greater Sudbury.

2. Retirees' Pension Trust

(1) This Trust Fund shall consist of payments to be made to retired employees in future years as part of an incentive package.

(2) Residual amounts for interest earned shall be returned to the Human Resources Management Reserve Fund.

(3) The City Treasurer for the City of Greater Sudbury is authorized to enter into arrangements with a financial institution for the management of this Trust Fund and payments are to be made in accordance with by-laws 99-66F and 98-54A of the former Regional Municipality of Sudbury.

SCHEDULE "D"
to By-law 2003-110F
of the City of Greater Sudbury

Page 2 of 5

3. SSAB Contingencies Trust Fund

- (1) This Trust Fund shall be used for any potential contingencies relative to the former Social Services Administration Board that may arise.
- (2) This Trust Fund shall be maintained until January 12, 2006, after which time, any funds remaining in this Trust Fund shall be distributed in accordance with the main severance formula as used in the distribution of assets of the former Board.
- (3) The City Treasurer is authorized to continue financial arrangements with a financial institution to maintain this Trust Fund in a separate account.
- (4) The City of Greater Sudbury shall be entitled to an administrative fee for the management of this Trust Fund equal to the amount of the interest earned on this Trust Fund.

4. Business Centre Trust Fund

- (1) This Trust Fund shall consist of funds contributed by the Province of Ontario to allow the Regional Business Centre to advance to clients that wish to start up a new business, a loan to 90% of the cost of preparing a business plan, to a maximum of \$5,000.
- (2) Expenditures from this Trust Account shall be made in accordance with decisions made by the partners in the Business Centre. Funds in this Trust Account are also subject to return to the Province of Ontario upon request.

SCHEDULE "D"
to By-law 2003-110F
of the City of Greater Sudbury

Page 3 of 5

5. Ontario Home Renewal and Ontario Home Renewal (Rental) Trust Fund

- (1) This Trust Fund shall consist of money received by the former Regional Municipality of Sudbury as reimbursement from Ontario Home Renewal Program and Ontario Home Renewal Rental Program payments.
- (2) Funds in this Trust Account may be transferred to the Province of Ontario after the administrative fee of the City of Greater Sudbury and of the former Regional Municipality of Sudbury is deducted.

6. Deposits by Contractors

- (1) This Trust Fund shall consist of all money given to the City of Greater Sudbury as deposits, guarantees, or other security under Subdivision Agreements, Site Plan Agreements, Construction Lien Agreements, Removal of Building Agreements, Test Manhole Agreements, Servicing Agreements and other similar arrangements.
- (2) Expenditures may be made from this Trust Fund with authorization from City Council, the City Solicitor or the City Treasurer.

7. Cemetery Care and Maintenance Trust Fund

- (1) A portion of the price of cemetery plots and markers shall be set aside in this Trust Fund for perpetual care, as required pursuant to the *Cemeteries Act (Revised)* and regulations thereunder.
- (2) No expenditures from the capital of this Trust Fund shall be permitted.
- (3) Interest from this Trust Fund shall be transferred to the Cemeteries Current Budget.

SCHEDULE "D"
to By-law 2003-110F
of the City of Greater Sudbury

Page 4 of 5

8. Cemetery Pre-Need Assurance Fund

- (1) Monies paid for pre-need services at the cemeteries, such as prepayment of grave opening and closing charges, and prepayment of charges for grave-side services shall be deposited to this Trust Account.
- (2) Interest earned by this Trust Fund shall be credited directly to the Trust Fund.
- (3) Deposits to and expenditures from this Trust Account shall be made on advice from the Manager of Cemeteries and in accordance with the Cemeteries Act and regulations thereunder.

9. Airport CDC Trust Fund

- (1) This Trust Fund was created by the former City of Sudbury for the purposes of depositing operating surpluses from the Airport Community Development Corporation and funding received from the Federal Government.
- (2) Surpluses in the monthly airport operating budget shall be credited to this Trust Fund and deficits in the monthly airport operating budget shall be charged to this Trust Fund.
- (3) All interest earned by this Trust Fund shall be credited directly to the Trust Fund.
- (4) Expenditures shall be made from this Trust Fund for uses established by the Sudbury Airport CDC by resolution of the Board of the Sudbury Airport CDC.

SCHEDULE "D"

**to By-law 2003-110F
of the City of Greater Sudbury**

Page 5 of 5

10. Elections Trust Fund

- (1) Refundable deposits received from persons running for municipal election shall be deposited to this Trust Fund.
- (2) This Trust Fund is used only in election years.
- (3) All interest earned by this Trust Fund shall be credited to the Trust Fund.
- (4) Deposits to and refunds from this Trust Fund shall be made only on advice from the City Clerk in accordance with the *Municipal Elections Act, 1996*.