



FINANCE AND ADMINISTRATION COMMITTEE AGENDA

Finance and Administration Committee Meeting
Tuesday, June 4, 2019
Tom Davies Square - Council Chamber

COUNCILLOR MIKE JAKUBO, CHAIR

Deb McIntosh, Vice-Chair

4:00 p.m. CLOSED SESSION, COMMITTEE ROOM C-12

6:00 p.m. OPEN SESSION, COUNCIL CHAMBER

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Resolution to move to Closed Session to deal with one (1) Personal Matters (Identifiable Individual(s)) regarding a performance review and one (1) Labour Relations or Employee Negotiations Matters regarding negotiations with CUPE in accordance with the *Municipal Act, 2001, s. 239(2)(b) and (d)*.

DECLARATIONS OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

MATTERS ARISING FROM THE CLOSED MEETING

At this point in the meeting, the Chair of the "Closed Session", will rise and report the results of the "Closed Session". The Committee will then consider any resolutions.

CONSENT AGENDA

(For the purpose of convenience and for expediting meetings, matters of business of repetitive or routine nature are included in the Consent Agenda, and all such matters of business contained in the Consent Agenda are voted on collectively.

A particular matter of business may be singled out from the Consent Agenda for debate or for a separate vote upon the request of any Councillor. In the case of a separate vote, the excluded matter of business is severed from the Consent Agenda, and only the remaining matters of business contained in the Consent Agenda are voted on collectively.

Each and every matter of business contained in the Consent Agenda is recorded separately in the minutes of the meeting.)

ADOPTING, APPROVING OR RECEIVING ITEMS IN THE CONSENT AGENDA

(RESOLUTION PREPARED FOR ITEM C-1)

ROUTINE MANAGEMENT REPORTS

- C-1. Report dated May 7, 2019 from the Interim General Manager of Community Development regarding Healthy Community Initiative Fund Applications. **5 - 10**
(RESOLUTION PREPARED)

(This report is requesting approval(s) of eligible Healthy Community Initiative Fund application(s) in accordance with By-law 2018-129.)

PRESENTATIONS

1. CAO Performance - Quarterly Report
(ELECTRONIC PRESENTATION) (FOR INFORMATION ONLY)

- Ed Archer, Chief Administrative Officer

(This presentation provides a quarterly update of the CAO's performance.)

2. Report dated May 17, 2019 from the General Manager of Corporate Services regarding Water Wastewater Services Financial Plan. **11 - 80**
(ELECTRONIC PRESENTATION) (RESOLUTION PREPARED)

- Jim Bruzzese, BMA Management Consulting Inc.

(This report provides the Finance and Administration Committee with information regarding the Water Wastewater Services Financial Plan.)

REGULAR AGENDA

MANAGERS' REPORTS

- R-1. Report dated May 13, 2019 from the Interim General Manager of Community Development regarding Sudbury Indoor Tennis Centre Request for Tax Relief. **81 - 121**
(RESOLUTION PREPARED)

(This report outlines a request from the Sudbury Indoor Tennis Centre for tax relief.)

MEMBERS' MOTION

CORRESPONDENCE FOR INFORMATION ONLY

- I-1. Report dated May 21, 2019 from the General Manager of Corporate Services regarding 2019 Operating Budget Variance Report - March. **122 - 127**
(FOR INFORMATION ONLY)

(This report identifies the areas of concern in the 2019 Operating Budget as of March 31, 2019.)

- I-2. Report dated May 10, 2019 from the General Manager of Corporate Services regarding 2019 First Quarter Statement of Council Expenses. **128 - 159**
(FOR INFORMATION ONLY)

(This report provides an itemized statement of the first quarter expenses in accordance with the By-law regarding Payment of Expenses for Members of Council and Municipal Employees.)

- I-3. Report dated May 21, 2019 from the General Manager of Corporate Services regarding 2019 Annual Repayment Limit. **160 - 164**
(FOR INFORMATION ONLY)

(This report sets out the Annual Repayment Limit as provided by the Province.)

- I-4. Report dated May 21, 2019 from the General Manager of Corporate Services regarding 2018 Capital Completed Projects. **165 - 179**
(FOR INFORMATION ONLY)

(This report provides the completed capital projects from April 1, 2018 to December 31, 2018 as well as cancelled capital projects for the same period.)

- I-5. Report dated May 21, 2019 from the General Manager of Corporate Services regarding Development Charges - Treasurer's Annual Statement. **180 - 188**
(FOR INFORMATION ONLY)
(Pursuant to Section 43 of the Development Charges Act, the Treasurer shall furnish to Council a financial statement relating to the Development Charges By-law and reserve funds.)
- I-6. Report dated May 14, 2019 from the General Manager of Corporate Services regarding 2018 Investment Report. **189 - 190**
(FOR INFORMATION ONLY)
(The Provincial Government requires the Chief Financial Officer to present an investment report to Council annually.)
- I-7. Report dated May 15, 2019 from the General Manager of Corporate Services regarding Payment-In-Lieu of Parkland (Parks Reserve Fund) - Treasurer's Annual Financial Statement. **191 - 193**
(FOR INFORMATION ONLY)
(This report provides an annual financial statement of the Parks Reserve Fund for payment-in-lieu of parkland in accordance with the Planning Act.)

ADDENDUM

CIVIC PETITIONS

QUESTION PERIOD

ADJOURNMENT

Request for Decision

Healthy Community Initiative Fund Applications

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Tuesday, May 07, 2019

Type: Routine Management
Reports

Resolution

THAT the City of Greater Sudbury approves the Healthy Community Initiative Fund requests, as outlined in the report entitled "Healthy Community Initiative Fund Applications", from the General Manager of Community Development, presented at the Finance and Administration Committee meeting on June 4, 2019;

AND THAT any necessary by-laws be prepared.

Relationship to the Strategic Plan / Health Impact Assessment

This report supports Council's Strategic Plan in the area of Quality of Life and Place as it aligns with the Population Health Priorities of Building Resiliency, Investing in Families, Creating Play Opportunities, and Promoting an Age-Friendly Strategy. The Healthy Community Initiative funds support community-based projects and initiatives that are affordable and promote inclusiveness for the benefit of citizens.

Report Summary

By-law 2018-129 requires Council's approval for all eligible Healthy Community Initiative Capital fund requests exceeding \$10,000, and Grant requests exceeding \$1,000. The General Manager of Community Development is recommending that funding requests identified in the report be approved as proposed.

Financial Implications

The Healthy Community Initiative (HCI) Fund is allocated within prescribed budgets. Approval of an HCI

Signed By

Report Prepared By

Lyne Côté Veilleux
Co-ordinator of Community Initiatives &
Quality Assurance
Digitally Signed May 8, 19

Division Review

Jeff Pafford
Director of Leisure Services
Digitally Signed May 8, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 8, 19

Recommended by the Department

Ian Wood
Interim General Manager of Community
Development
Digitally Signed May 16, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 20, 19

capital project includes approval of operating costs to be provided in the base budget in subsequent budget years for the operating department.

Background

By-law 2018-129, requires Council's approval for all Grant requests which meet Healthy Community Initiative (HCI) funding criteria and exceed \$1,000 and all Capital requests which meet HCI funding criteria and exceed \$10,000. Eligible applications for Grant requests of \$1,000 or less, and eligible Capital requests of \$10,000 or less may be approved by the General Manager of Community Development.

HCI Fund Applications and Financial Summary

Appendix A - Healthy Community Initiative Fund - Applications, lists HCI Fund requests by Ward as recommended by the General Manager of Community Development for approval by Council. All projects listed in Appendix A have been evaluated against By-law 2018-129 and its related criteria and have been verified to ensure sufficient funds are available within each Ward's funding allocation.

Appendix B – Healthy Community Initiative Fund – Application Outcomes, provides a list of HCI Fund applications that were approved or denied by the General Manager of Community Development since the last report presented at the Finance and Administration Committee meeting on May 14, 2019.

Appendix C – Healthy Community Initiative Fund Financials, includes the recommended approvals contained in this report as well as a summary of HCI Fund allocation balances up to June 4, 2019. The amounts may increase due to reimbursement of under-spent funds from completed and reconciled projects/initiatives.

Next Steps

Upon Council approval, applicants will receive written notification confirming their approved funding and the intended use of funds and grant recipients will also receive a Final Report form. The Final Report form is to be completed by the applicant and returned post-event/project completion for reconciliation by Financial Services. Grant recipients will be provided with a cheque (where applicable) for the approved amount, whereas a capital funded project will be managed by the City of Greater Sudbury, working closely with the applicant.

Should an HCI fund request not be approved, the applicant will be notified of same.

Resources Cited

Healthy Community Initiative Fund, By-law 2018-129
<http://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&attachment=24310.pdf>

Healthy Community Initiative (HCI) Fund

Applications for Council Approval – June 4, 2019

CAPITAL FUNDS

Ward	Recipient/ Project/ Location	Purpose for Funds	Amount Requested	Amount Recommended for Approval by the GM
2	Anderson Farm Museum Heritage Society / Pavilion / Lively	To assist with the cost of purchasing and installing a permanent pavilion at the Anderson Farm Museum site. On-going operating costs: approx. \$2,000/yr	\$36,916	\$30,000 (Applicant received \$17,195 in HCI funds in 2018 towards this project.)

GRANTS

Ward	Recipient/Initiative	Purpose for Funds	Amount Requested	Amount Recommended for Approval by the GM
2	Penage Road Community Centre / New appliance	To assist with the cost of replacing an existing range/oven.	\$3,300	\$0 (The Penage Road Community Centre received an annual operating grant from the City in the amount of \$16,000 to support such expenditures.)
5	Society of St. Vincent de Paul – St. Benedict Labre Conference / Meet & Greet event in Memorial Park (May 26/19)	To assist with rental fees and costs of the BBQ meal.	\$1,250	\$1,250
8	Ward 8 Community Action Network / New Sudbury Days event (Aug. 24-25/19)	To assist with costs relating to promotion, entertainment, fireworks, movie night and children's activities	\$3,000	\$3,000
12	Councilor-led initiative / Green Stairs Art initiative (Jun. 7/19)	To assist with costs of producing and installing artwork at the Green Stairs, and a reception.	\$1,700	\$1,700

Healthy Community Initiative Fund

Applications: Approved/Denied by the General Manager, Community Development

For the period of April 18, 2019 to May 17, 2019

Successful Applications

<i>Capital Funds</i>			
Ward	Group / Project	Amount Requested	Amount Approved
8	Ward 8 Community Action Network / Twin Forks community garden sign	\$970	\$970
<i>Grants</i>			
Ward	Group / Project	Amount Requested	Amount Approved
1	Irish Heritage Club of Sudbury / “1 Saves 8” Michael O’Reilly Organ Donor Awareness initiative	\$315	\$315
1	Delki Dozzi Bocce Association / Annual bocce tournaments	\$500	\$500
7	Northern Railroad Museum and Heritage Centre / Canada Day event	\$1,000	\$1,000
8	Ward 8 Community Action Network / Community gardening supplies	\$1,000	\$1,000
10	Reading Town Sudbury Ville Lecture / Story Time Trail initiative	\$1,000	\$1,000
10	Magical Paws Pet Therapy / Woof Fest event	\$500	\$500
12	Louis Street Community Association and Tenant Group / Neighbourhood beautification project	\$995	\$995
9, 10, 11 & 12	Councilor-led initiative / National Accessibility Week events	\$1,000	\$1,000 (\$250/ward)

Unsuccessful Applications

Ward	Group / Project	Amount Requested	Reason(s) for Denial
No items to report			

Healthy Community Initiative (HCI) Fund Financials for the Period Ending June 4, 2019

Schedule 1.1 – Capital Funds

Capital	2019 Allocation	Uncommitted Funds from 2018 (carry forward)	Approved by Community Development GM 2019	Approved by Council 2019	Proposed for Approval by Council	End Balance of Uncommitted Funds After Resolution*	Pending HCI Funding Requests (to May 3/19)
Ward 1	\$ 24,500	\$ 18,487	\$ 0	\$ 0	\$ -	\$ 42,987	\$ 0
Ward 2	\$ 24,500	\$ 12,417	\$ 0	\$ 0	\$ 30,000	\$ 6,917	\$ 0
Ward 3	\$ 24,500	\$ 39	\$ 0	\$ 24,500	\$ -	\$ 39	\$ 0
Ward 4	\$ 24,500	\$ 618	\$ 0	\$ 0	\$ -	\$ 25,118	\$ 0
Ward 5	\$ 24,500	\$ 14,001	\$ 0	\$ 0	\$ -	\$ 38,501	\$ 0
Ward 6	\$ 24,500	\$ 40,068	\$ 0	\$ 20,000	\$ -	\$ 44,568	\$ 3,763
Ward 7	\$ 24,500	\$ 15,774	\$ 0	\$ 0	\$ -	\$ 40,274	\$ 0
Ward 8	\$ 24,500	\$ 39,224	\$ 970	\$ 7,000	\$ -	\$ 55,754	\$ 0
Ward 9	\$ 24,500	\$ 26,454	\$ 4,000	\$ 0	\$ -	\$ 46,954	\$ 23,000
Ward 10	\$ 24,500	\$ 35,993	\$ 0	\$ 0	\$ -	\$ 60,493	\$ 0
Ward 11	\$ 24,500	\$ 29,263	\$ 0	\$ 0	\$ -	\$ 53,763	\$ 55,000
Ward 12	\$ 24,500	\$ 8,662	\$ 0	\$ 0	\$ -	\$ 33,162	\$ 0

Schedule 1.2 – Grants

Grant	2019 Allocation	Uncommitted Funds from 2018 (carry forward)	Approved by Community Development GM 2019	Approved by Council 2019	Proposed for Approval by Council	End Balance of Uncommitted Funds After Resolution*	Pending HCI Funding Requests (to May 3/19)
Ward 1	\$ 12,250	N/A	\$ 815	\$ 0	\$ -	\$ 11,435	\$ 500
Ward 2	\$ 12,250	N/A	\$ 2,500	\$ 0	\$ -	\$ 9,750	\$ 550
Ward 3	\$ 12,250	N/A	\$ 2,500	\$ 7,000	\$ -	\$ 2,750	\$ -
Ward 4	\$ 12,250	N/A	\$ 500	\$ 6,000	\$ -	\$ 5,750	\$ 2,500
Ward 5	\$ 12,250	N/A	\$ 500	\$ 0	\$ 1,250	\$ 10,500	\$ -
Ward 6	\$ 12,250	N/A	\$ 500	\$ 0	\$ -	\$ 11,750	\$ -
Ward 7	\$ 12,250	N/A	\$ 1,000	\$ 0	\$ -	\$ 11,250	\$ -
Ward 8	\$ 12,250	N/A	\$ 1,000	\$ 500	\$ 3,000	\$ 7,750	\$ -
Ward 9	\$ 12,250	N/A	\$ 250	\$ 1,650	\$ -	\$ 10,350	\$ 4,000
Ward 10	\$ 12,250	N/A	\$ 1,750	\$ 500	\$ -	\$ 10,000	\$ 3,500
Ward 11	\$ 12,250	N/A	\$ 250	\$ 500	\$ -	\$ 11,500	\$ 500
Ward 12	\$ 12,250	N/A	\$ 1,245	\$ 500	\$ 1,700	\$ 8,805	\$ -

* The amounts may increase due to reimbursement of under-spent funds from completed and reconciled projects/initiatives.

Request for Decision

Water Wastewater Services Financial Plan

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Friday, May 17, 2019

Type: Presentations

Resolution

THAT the City of Greater Sudbury approves the Water and Wastewater Long-Range Financial Plan in compliance with Ontario Regulation 453/07, as outlined in the report entitled “Water Wastewater Services Financial Plan”, from the General Manager of Corporate Services, presented at the Finance and Administration Committee meeting on June 4, 2019; which indicates that the City of Greater Sudbury drinking water and wastewater system is financially viable;

AND THAT staff submit the Water and Wastewater Long-Range Financial Plan to the province on or before expiry of the current licence.

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to the sustainable infrastructure priority of the Corporate Strategic Plan.

Report Summary

The Water and Wastewater Long-Range Financial Plan has to be updated to comply with Ontario Regulation 453/07. BMA Management Consulting Inc. was engaged to perform that update and Jim Bruzzese will present the Plan to the Finance and Administration Committee.

Financial Implications

There are no direct financial implications from approval of the Water Wastewater Services Financial Plan. The Financial Plan provides the City with a realistic and informed view of the water and wastewater operating and capital expenditures needed over time to maintain the integrity and health of its physical

Signed By

Report Prepared By

Dion Dumontelle
Co-ordinator of Finance, Water
Wastewater
Digitally Signed May 17, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 17, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 17, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 20, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

infrastructure and to accommodate growth and new environmental standards. The setting of rates and amount of capital budgets for Water and Wastewater will be subject to Council's review and approval via annual budgets.

BACKGROUND

In 2011, Council endorsed a 10 year Financial Plan for Water and Wastewater as financially viable and approved that plan in compliance with Ontario Regulation 453/07. That Plan covered the period 2012-2021.

The current plan recommended annual rate increases of 7.4% to achieve sustainability. Council has approved a 7.4% increase in each of the last four years (2016-2019). In 2015 the total capital envelopes for water and wastewater were \$23.4M and increased to \$31.1M in 2018. That amount stayed relatively unchanged for 2019 due to the elimination of the fire protection levy during 2019 budget deliberations.

The Plan has to be updated in order that the timeframe of the Plan applies for a minimum six year period commencing in the year in which the existing municipal drinking water licence expires. In the City's case the current licences expire in 2020, so the Plan, at a minimum, has to be updated to cover the period ending 2026.

The update was being prepared with a 10 year timeframe. During Budget deliberations, the Finance and Administration Committee requested that options for 15, 20 and 25 years be prepared as well.

BMA Management Consulting Inc. was engaged to update the Plan and Jim Bruzzese will be presenting the update to the Finance and Administration Committee.

SUMMARY

The recommended timeframe of the Plan update is 20 years through 2039 with annual rate increases of 4.8% each year during that period.

Water and Wastewater Long-Range Financial Plan In Accordance with O.Reg. 453/07

April 2019

City of Greater Sudbury

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Introduction - Water and Wastewater Financial Plan



Review of Regulatory and Legislative Requirements

The City of Greater Sudbury, along with other Ontario municipalities that are responsible for the provision of drinking water, is required to meet the requirements set out in the Financial Plans Regulations O.Reg.453/07.

The City of Greater Sudbury is taking a proactive approach and has recognized the need for a long-term financial planning process that assesses the financial implications of current and proposed policies as well as Council approved decisions in its water and wastewater operations. The goal is to ensure that the City's operations are in a sound financial position and services can be provided on a sustainable basis.

Ontario Reg. 453/07 provides the following parameters with regards to s.30 (1) part b of the Safe Drinking Water Act for municipal drinking water licence renewal:

- The financial plan must be approved by Council resolution (or governing body)
- The financial plan must include details regarding lead service pipe replacement
- The financial plan must include a statement that the financial impacts have been considered and apply for a minimum six year period commencing in the year in which the existing municipal drinking water licence expires
- A copy of the financial plan must be submitted to the Ministry of Municipal Affairs and Housing

- For each year to which the financial plans apply, the financial plans must include the following:
 - Details of the proposed or projected financial position of the drinking water system itemized by:
 - total financial assets
 - total liabilities
 - net debt
 - non-financial assets that are tangible capital assets, tangible capital assets under construction, inventories of supplies and prepaid expenses
 - changes in tangible capital assets that are additions, donations, write downs and disposals
 - Details of the drinking water system's proposed or projected gross cash receipts and gross cash payments itemized by:
 - operating transactions that are cash received from revenues, cash paid for operating expenses and finance charges
 - capital transactions that are proceeds on the sale of tangible capital assets and cash used to acquire capital assets
 - investing transactions that are acquisitions and disposal of investments
 - financing transactions that are proceeds from the issuance of debt and debt repayment
 - changes in cash and cash equivalents during the year, and
 - cash and cash equivalents at the beginning and end of the year.

- The financial plan must include detail regarding proposed or projected financial operations itemized by total revenues, total expenses, annual surplus/deficit and accumulated surplus/deficit (i.e. the components of a “Statement of Operations” as per PSAB) for each year in which the financial plans apply
- The financial plan is to be made available to the public upon request and at no charge
- If a website is maintained, financial plans are to be made available to the public through publication on the Internet at no charge
- Notice of the availability of the financial plans is to be given to the public

General Approach to Preparing the City’s LRFP

The LRFP identifies the key financial strategies that will influence the building of a sustainable long-term financial future and takes into account:

- Expected expenses and capital outlays for each year of the plan
- Expected revenues for each year
- Financial performance measures

Required Statements

There are three statements that must be completed, in accordance with the O. Reg. 453/07. These include:

Statement of Operations

The ***Statement of Operations*** summarizes the revenues and operating expenses for a given period.

Statement of Cash Flows

The ***Statement of Cash Flows*** reports on how activities were financed for a given period which provides a measure of the changes in cash for that period.

Statement of Financial Position

The ***Statement of Financial Position*** reports on whether enough revenue was generated in a period to cover the expenses in the period and whether sufficient resources have been generated to support current and future activities.

The categories of financial information have been developed to ensure:

- that they provide a sound picture of the financial position of a drinking water system
- that they are aligned with municipal financial statements prepared on a full accrual accounting basis
- consistent financial planning for municipal water services

The goal of the financial plan is to provide the City with a realistic and informed view of the water and wastewater operating and capital expenditures needed over time to maintain the integrity and health of its physical infrastructure and to accommodate growth and new environmental standards. As such, a Long Range Financial Plan (LRFP) creates a more purposeful approach to long-term financial management and helps align short term actions with long term financial strategies.



Importance of a Long Range Financial Plan

A LRFP is a framework to guide the City in planning and decision-making and it:

- Examines fiscal trends;
- Identifies fiscal issues and opportunities;
- Increases communication & awareness;
- Stimulates long-term thinking;
- Helps establish fiscal policies and goals;
- Ensures a reasonable degree of stability and predictability in the rate burden;
- Provides a fair sharing in the distribution of resources between current and future ratepayers;
- Ensures sustainable cash flows;
- Maximizes financial flexibility; and
- Minimizes financial vulnerability during economic downturns.

Principles of Financial Sustainability

The Ministry of the Environment released a guideline (“Towards Financially Sustainable Drinking-Water and Wastewater Systems”) that provides possible approaches to achieving sustainability. The Province’s Principles of Financially Sustainable Water and Wastewater Services are provided below:

- **Principle #1:** Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.
- **Principle #2:** An integrated approach to planning among water, wastewater, and storm water systems is desirable given the inherent relationship among these services.
- **Principle #3:** Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.
- **Principle #4:** Life-cycle planning with mid-course corrections is preferable to planning over the short-term, or not planning at all.
- **Principle #5:** An asset management plan is a key input to the development of a financial plan.
- **Principle #6:** A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.
- **Principle #7:** Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.
- **Principle #8:** Financial Plans are “living” documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.
- **Principle #9:** Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal council.

The LRFP will be instrumental in the City’s ability to meet the Provincial reporting requirements included in O.Reg. 453/07 for water and wastewater operations and has been developed in recognition of the above noted principles.



The LRFP is Dynamic—Regular Updates Will Be Undertaken

This document puts the City's water & wastewater financial condition in perspective, discusses the current challenges and risks and provides a sustainable financial forecast. The plan also provides a framework for guiding the annual budget and the financial planning over a longer horizon. The LRFP helps to understand the implications that today's decisions have on future budgets. The LRFP has been prepared to meet the regulatory requirements. It does not represent a formal multi-year budget. The approval of the budget is undertaken annually.

Great effort has been made to present accurate financial projections, based upon the data available at this time. In accordance with the regulations, financial plans must be updated in conjunction with an application for licence renewal (i.e. every 5 years), however, there are many potential circumstances that could occur within the short to medium term that would affect the assumptions in the projections for operating and capital. Council priorities, planning policies, changes to service levels, consumption projections and infrastructure requirements, will certainly lead to changes and the LRFP should be adjusted to reflect these changes as they occur.

As a best practice, The Ministry of the Environment document entitled "Toward Financial Sustainability" suggests that Financial Plans should be updated on an annual forward looking basis. By doing so, continuous improvement will be fostered and results can be considered as part of the annual budget process.

It is well recognized that a Financial Plan is a **dynamic document** that should be updated and re-evaluated, on an **ongoing** basis to:

- Amend the assumptions, projections and strategies based on changes in the municipal environment
- Continue building awareness of the results of projections of current operating and capital spending and funding levels
- Assist the City in determining the extent of its financial challenges
- Reconfirm the key financial goals and strategies that should guide future planning
- Spur the development of actions in future business plans that would respond to the long-term strategies

*Background Information Used to Prepare the
Water and Wastewater Financial Plan*



System Overview

Water System Overview

The City of Greater Sudbury (CGS) owns and operates six (6) municipal drinking water supply systems that service the various communities in the City, as listed below. Each respective Drinking Water Works Permit (DWWP) identification is included in the associated brackets.

1. Dowling Drinking Water System (DWWP 016-203)
2. Falconbridge Drinking Water System (DWWP 016-201)
3. Onaping/Levack Drinking Water System (DWWP 016-202)
4. Sudbury Drinking Water System (DWWP 016-206)
5. Valley Drinking Water System (DWWP 016-205)
6. Vermilion Drinking Water System (DWWP 016-204)

Wastewater System Overview

As identified in the City's Water and Wastewater Master Plan, the CGS owns and operates thirteen (13) independent wastewater collection systems that service the various communities in the City. The names of the systems are listed below:

1. Azilda Wastewater System – 5 Lift Stations
2. Capreol Wastewater System – 2 Lift Stations
3. Chelmsford Wastewater System – 8 Lift Stations
4. Coniston Wastewater System – 2 Lift Stations
5. Copper Cliff Wastewater System – 2 Lift Stations
6. Dowling Wastewater System – 1 Lift Station
7. Falconbridge Wastewater System – 0 Lift Stations
8. Garson Wastewater System – 3 Lift Stations
9. Onaping-Levack Wastewater System – 1 Lift Station
10. Lively/Walden Wastewater System – 7 Lift Stations
11. Sudbury Wastewater System – 27 Lift Stations
12. Valley East Wastewater System – 9 Lift Stations
13. Wahnapiatae Wastewater System – 1 Lift Station

Each system, with the exception of the Falconbridge which does not contain any lift stations, includes a wastewater treatment plant or lagoon and, at least one (1) lift station. This results in a total of ten (10) wastewater treatment plants, four (4) lagoons and sixty-eight (68) lift stations within the CGS.

New Information to Support the Water/WW Financial Plan

A Financial Plan was developed in 2011 for the City of Greater Sudbury in accordance with O. Reg 453/07 based on the most current information available at the time the plan was prepared. Additional analysis has since been undertaken which will impact the financial forecast. This includes a Water and Wastewater Master Plan (2018), an Asset Management Plan (2016) and updated information with respect to growth and consumption trends and forecast.

Water and Wastewater Master Plan

The City of Greater Sudbury (CGS) undertook a Water and Wastewater Master Plan (Master Plan) in 2018 to identify long term replacements and/or expansion to the water and wastewater servicing networks. The CGS Master Plan defines the water and wastewater infrastructure required to service existing and future development to 2041.

The 10 year financial plan contained in this report utilizes the findings contained in the Master Plan, with recognition that a phase-in strategy will be required to move toward financial sustainability and support ratepayer affordability.

One of the key findings, consistent with the 2011 Financial Plan, is a need to increase contributions to the capital program. Further, as will be discussed later in the report, ongoing refinements as new information becomes available will require the financial strategies to be updated on a regular basis.

Excerpts—Water and Wastewater Master Plan

There are four (4) main objectives that are addressed throughout the CGS Master Plan:

1. To plan for safe, robust servicing systems;
2. To accommodate planned growth within the community
3. To ensure system performance and efficiency within the servicing systems is maintained, and
4. To comply with existing legal and regulatory requirements.

Annual Funding Shortfall

- A key issue that the financing planning process identified is a funding gap between the capital needs of the water and wastewater operations and the reserves available to fund capital asset replacement.
- A recommended target is for the City to make annual contributions to the capital program based on replacement cost requirements, as outlined in the Master Plan. The following table reflects the extent of the challenge.

2018 Capital Contributions (000's)	Water	WW
Current Capital Contribution for Asset Replacement	\$ 15,379	\$ 15,414
Debt Principal Payment	\$ 226	\$ 1,788
Recommended Annual Average Contribution (Master Plan)	\$ 56,884	\$ 60,145
Estimated Annual funding Gap	\$ (41,279)	\$ (42,943)

- As shown on the above, the 2019 annual contribution to the capital program which includes contributions to the capital reserves and the payment of debt principal is lower than the recommended target contributions as identified in the Master Plan.
- For example, there is an annual funding shortfall in the water capital program of approximately \$41.3 million and, in the wastewater program, the annual shortfall is estimated to be \$42.9 million.

- Taking into consideration ratepayer affordability, the plan that has been developed to gradually phase-in increased contributions to capital program to achieve these targets in 20 years.

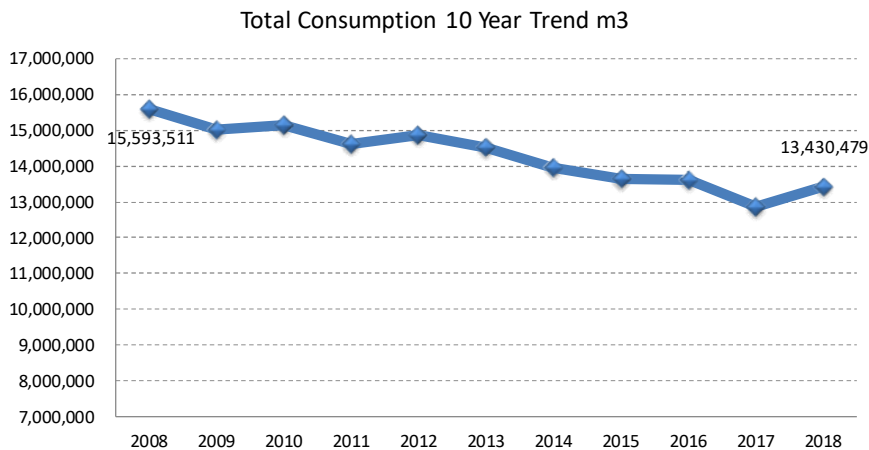
Asset Management Plan

The City undertook an asset management plan in 2016 which identified the replacement value of the City's water and wastewater systems. The following provides highlights from the study with respect to water and wastewater assets.

- Water and wastewater mains have an estimated replacement value of \$2 billion. Based on the estimated useful lives of the City's water and wastewater mains, an estimated \$433.9 million should be expended to address water (\$330.2 million) and wastewater (\$103.7 million) mains that have reached the end of their useful lives and are in need of rehabilitation or replacement.
- In addition to water and wastewater mains, the estimated replacement cost of the City's approximately 150 water and wastewater facilities is in the order of \$798.1 million, which includes treatment facilities, lift stations, booster stations and storage facilities. An analysis of the remaining useful lives of the City's treatment facilities indicates that the City's immediate investment need for water and wastewater facilities that are beyond their useful lives is in the order of \$201.3 million, with an additional \$182.9 million required over the next ten years.

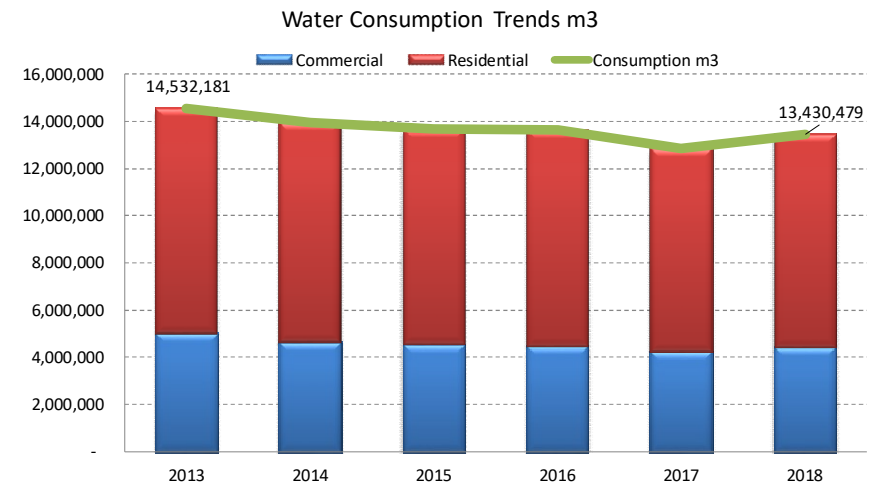
Consumption Trends

Consistent with the experiences in other Ontario municipalities, water consumption has been trending down in both the residential and the Industrial, Commercial and Institutional (ICI) sectors. While weather conditions creates some fluctuation, the overall trend in Greater Sudbury reflects a downward trend in residential and ICI consumption for the past 10 years. The following summarizes the key findings and observations:



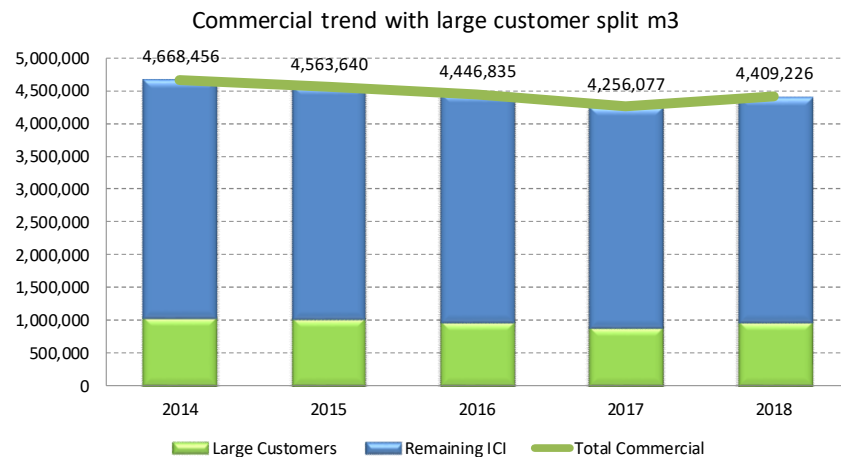
- Average annual reduction in total billable consumption was approximately 2% over the past 10 years.
- At the time that the last financial plan was undertaken in 2011, the consumption forecast assumed an annual reduction of approximately 0.3%. The forecasted consumption in the last study in 2018 was 14.55 million m³ compared to the actual of 13.43 million m³.

- Over the past 5 years, the Residential/ICI consumption percentage of the total was approximately two thirds Residential and one third ICI.
- Average annual residential consumption declined as a result of the replacement of inefficient toilets, showerheads to low flow fixtures, conservation efforts, the increase in the per unit cost of service and a lower per unit consumption for newly constructed dwellings.



- Over the past 5 years, the residential consumption declined annually by 1%; ICI declined by 2.4% and the total consumption declined by 1.5%.

- ICI consumption decreased as a result of changes in processes, the implementation of conservation initiatives and contract and business retraction in some cases.
- An analysis of the top 10 large volume customers and the total ICI customers reflects a downward trend from 2014-2017.



- The 10 largest water volume customers account for approximately 22% of the total ICI consumption.

- Because many of the costs of operating water and wastewater plants are fixed, a decline in water consumption does not result in a commensurate reduction in the cost of service. As such, reductions in consumption impact the water and wastewater rates and must be factored into future rate calculations. This was the approach that was used in the development of the 10 year financial forecast.
- The 2019 assumed water consumption is approximately equal to the 5 year average. This was used to calculate the 2019 rates (average 13.5 million m³).
- The financial forecast incorporates assumptions with respect to future growth in the number of customers, their consumption and additional anticipated conservation efforts that may impact future rates.

Ratepayer Affordability

- Ratepayer affordability has also been taken into consideration by developing a phase-in strategy to gradually move toward a fully funded asset management financial plan to address the annual underfunding of the capital program.
- An analysis of the 2018 water and wastewater cost of service in Greater Sudbury was undertaken against other Northern municipalities and in relation to household income. As shown below, the cost of water/ww service for a typical residential customer consuming 200 m³ is slightly higher than other Northern municipalities, however in relation to average household income the cost in Greater Sudbury is at the median.

Residential 200 m3	2018 Water/WW Costs	2018 Household Income	Water/WW Costs as a % of Income
Timmins	\$ 876	\$ 96,423	0.9%
Sault Ste. Marie	\$ 779	\$ 82,955	0.9%
Greater Sudbury	\$ 1,189	\$ 97,604	1.2%
North Bay	\$ 1,063	\$ 82,330	1.3%
Thunder Bay	\$ 1,151	\$ 87,350	1.3%

Source: 2018 rate by-laws, 2018 household income Manifold Data Mining.

- It should be noted that all of the above noted municipalities have identified funding and infrastructure deficits and each municipality may be at a different stage in addressing their respective issues which will impact the future cost of service.
- Differences in the cost of service is also impacted by the overall age of the system, the condition of the infrastructure, the complexity of the system and the strategies used to address infrastructure gaps.

Debt Comparison

- A comparison of the debt outstanding per capita in Greater Sudbury reflects lower levels of debt than the majority of Northern of Ontario municipalities, reflecting future flexibility should debt be required to fund large projects. The following table summarizes the results.

Water/WW Debt Outstanding Per Capita	
Sault Ste. Marie	\$ 88
Greater Sudbury	\$ 268
North Bay	\$ 323
Timmins	\$ 912
Thunder Bay	\$ 908

Source: 2018 BMA Study

Forecast Assumptions
Water and Wastewater Financial Plan



Reserves and Revenue Stability Strategies

A Reserve is a financial provision or amount that is designated for a future purpose that extends beyond the current fiscal year. While its balance may vary over the course of a year, the Reserve is carried forward from one fiscal year to the next to facilitate multi-year financial planning. Reserves can be established to meet specific liabilities such as the replacement/acquisition of capital assets or to protect against known risks or unforeseen circumstances that may create financial difficulties.

The purpose for maintaining reserves includes:

- To provide for rate stabilization
- To provide financing for one-time or short term requirements
- To make provisions for replacements/renewals/acquisitions of assets/infrastructure that are currently being consumed
- To avoid spikes in funding requirements for large capital projects by reducing their reliance on long-term debt borrowings
- To provide a source of internal financing
- To ensure adequate and sustainable cash flows
- To provide **financial sustainability**

- The following principles were used in preparing the Financial Plan:

Reserve and Revenue Stability Strategies

- *The City will maintain all infrastructure in a state of good repair by implementing life cycle costing and providing adequate annual contributions to the replacement reserves to fund the future rehabilitation/replacement of assets.*
- *The City will target setting aside a contribution to the Water and Wastewater Reserve based on average annual spending requirements in accordance with the Master Plan for the timely replacement of assets.*
- *A phase-in strategy has been implemented to gradually move the City toward capital reserve contributions that will support financial sustainability.*



Debt Financing Strategies

As stated in the City's Asset Management Plan which was prepared in November 2016 (prepared by KPMG), historically, the City has not relied on borrowings as a means of funding infrastructure investments, with the City adopting a pay-as-you go strategy for most capital expenditures. On an ongoing basis, the City may wish to consider the use of debt for additional infrastructure investments, conditional upon one or more of the following:

- The infrastructure investment will provide a stream of non-taxation revenues that can be used to fund some or all of the associated debt servicing costs; and/or
- The City requires debt financing to fund its portion of infrastructure projects that are cost shared with senior government; and/or
- The infrastructure investment is unavoidable as a result of regulatory changes or concerns over public health and safety and cannot be funded through other means; and
- The associated debt servicing costs would not jeopardize the City's financial sustainability or result in the City exceeding its annual debt repayment limit.

The Long Term Financial Plan recommends that as debt charges decline, due to retirement of debt, savings will be applied to accelerate achievement of full life cycle costing for City infrastructure. This strategy has been incorporated into the Water/WW Financial Plan.

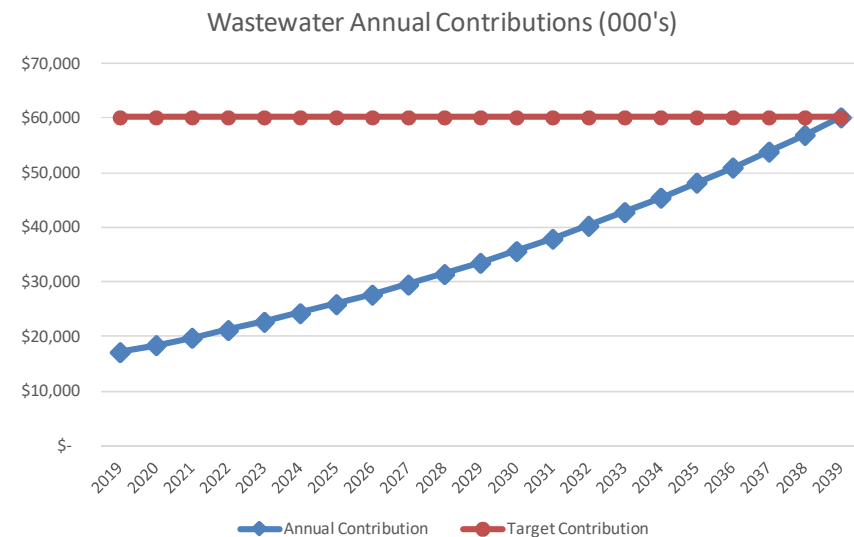
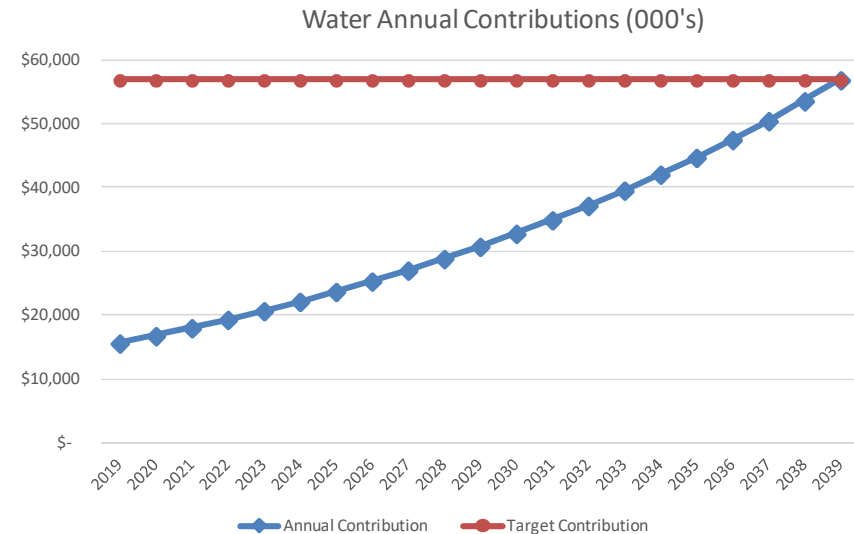
- As will be shown later in the report, there is no debt reduction over the forecast period in wastewater, based on the existing debt that has already been issued.
- Water debt declines over the forecast period and these reductions have been redirected to support full lifecycle costing.
- The following principle was used in preparing the Financial Plan:

Debt Financing Strategies

- *As debt charges decline due to retirement of debt, the City will apply the savings to accelerate achievement of full life cycle costing for City infrastructure.*

Asset Replacement Strategies

- The strategy in the Financial Plan is to gradually increase contributions to the reserves to develop a financially sustainable base upon which assets and infrastructure can be replaced on a timely basis.
- The graphs reflect the phase-in strategy for capital contributions to move toward the recommended annual replacement funding requirements from user fee revenues. The approach, as will be shown later in the report is to smooth the impact on rates over time to avoid spikes in rates.
- As shown in the first graph, the average annual capital contributions required to finance the capital requirements in water is \$56.9 million annually. The capital contributions in 2019 were \$15.6 million (capital and debt principal payments). By 2039, the annual contribution will be equal to the required annual contributions, as identified in the Master Plan.
- As shown in the second graph, the average annual capital contributions required to finance the capital requirements in wastewater is \$60.2 million annually. The capital contributions in 2019 were \$17.2 million (capital and debt principal payments). By 2039, the annual contribution will be equal to the required annual contributions, as identified in the Master Plan.
- Appendix A provides alternative options including closing the gap in 10, 15 and 25 years. Based on affordability, a 20 year plan is recommended.



***Summary of Financial Environment and Assumptions
(Challenges, Risks and Opportunities)
Water and Wastewater Financial Plan***



Summary of Financial Environment and Assumptions

The following summarizes the key challenges, risks and opportunities to long-term financial sustainability which have been addressed as part of the Financial Plan:

- **Increasing Costs, Many of Which are Uncontrollable**—A number of the City's water costs are expected to increase at a pace faster than inflation. For example, insurance costs, electricity, purchase of water and third party contract costs are forecast to increase at rates above general CPI. Assumptions have been made to reflect the impact of these increased costs on future operating budgets. The following provides the key assumptions in the Forecast:
 - **Expenditure Increases**—3% annually.
 - **Rate Revenue Requirements**—Water rate revenue requirement increases of 4.8% annually and wastewater increases of 4.6% annually from 2020 onward.
 - **Other Revenues**— 2% annually
- **Asset Renewal/Replacement**—Like most municipalities in Canada, Greater Sudbury faces a continued struggle to renew and replace aging water capital assets. The City has incorporated into its 10 year plan, a gradual increase in the contributions to support financial sustainability.
- **Meter Change Out**—The reductions in the consumption have placed pressures on the rates as many of the costs are fixed. There are circumstances where meters may slow and/or malfunction which requires a meter replacement program to ensure all billable water consumed is captured. In April 2018, City Council approved the issuance of a Request for Proposal to select an implementation partner that will supply hardware, software and related expertise to establish an Automated Meter Reading (AMR)/Advance Metering Infrastructure (AMI). This provides a number of customer benefits including improvements in customer service through the ability to provide accurate and instant consumption information to the customer, on-line access to water accounts, alerts to customers of abnormal water consumption, and efficient response to customers regarding water consumption. From an operational perspective the program will:
 - Improve revenue stability
 - Address meters that have slowed or are inaccurate
 - Provide real time data and analysis for staff
 - Provide rapid response to stopped meters
 - Improve Water Distribution System Operation – new system will enhance the City's ability to manage water losses from City water distribution systems by enabling district metering and leak detection programs, and dynamic water balance calculations
 - Improve water conservation

- **Regulatory and Legislative Environment**—Municipalities across Ontario have consistently identified legislative and regulatory changes and requirements as a major factor driving the cost of service over the past 10 years and will continue to be a factor well into the future. Statutes and associated regulations that dictate service levels include:
 - Municipal Act;
 - Clean Water Act;
 - Water Opportunities Act;
 - Ontario Water Resources Act;
 - Safe Drinking Water Act (SDWA);
 - Sustainable Water and Sewage Systems Act; and
 - PSAB 3150, Tangible Capital Assets Reporting
- **Revenue Challenges Related to Unpredictable Consumption**—Billable consumption fluctuates annually based on weather conditions, growth and business expansions/retractions. Trends have been reviewed and forecast growth has been incorporated into the assumptions.
- **Capital Requirements**—The City's share of the capital replacements is based on a phased-in approach to reserve contributions. The total capital replacement budget for the 10 year period 2020-2029 is as follows:
 - Water—\$230.5 million
 - Wastewater—\$232.3 million
- **Debt Issuance**—Over the course of the forecast period, no new debt is anticipated, adhering to the pay-as-you go approach.
- **Reserves**—Capital Reserve opening balances for 2019 have been used and excludes committed reserves.
- **Fire Protection Levy**—Currently, the City funds a portion of the fire protection costs from the general levy. Most other municipalities surveyed recover these costs from the water rates. Charging on water rates provides the ability to recover public fire protection costs from entities that currently have tax free status. Council removed the fire protection costs from the operating levy to the water rates in 2019.

- **Useful Life**—Useful life of the assets is based on Master Plan and Asset Management Plan with respect to the condition and remaining useful life and future amortization of assets as follows:

	Years
<u>Water</u>	
linear	40-80
plants & facilities	30
studies	5
<u>WW</u>	
linear	40-80
plants & facilities	30
studies	5

- **Consumption**—Water and wastewater operations are very capital intensive where a large percentage of the costs are related to capital investment. For example, reductions in consumption do not have a linear relationship with the cost of service. The following assumptions were used to estimate water consumption:
 - Start with the 2018 assumption (which uses a 5 year average of the historical consumption);
 - Residential existing customer annual consumption reduction of 0.5% and residential new growth of 150 new customers annually;
 - ICI annual consumption reduction of 0.5%; and
 - Total consumption reduction (Residential and ICI of 0.3% annually

Forecast
Water and Wastewater Financial Plan



Summary of Water Operating Budget Forecast

The City's objective in establishing the Water rates is to avoid large fluctuations from year to year and to ensure that rates are set at a level to adequately cover current operating costs, maintain and repair the City's existing asset base and replace assets where appropriate. The following table reflects the water operating budget forecast.

	Projected										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Revenues											
Rate and Fixed Revenues	\$ 37,964	\$ 39,795	\$ 41,715	\$ 43,727	\$ 45,836	\$ 48,047	\$ 50,365	\$ 52,795	\$ 55,342	\$ 58,011	\$ 60,810
Fire protection levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenues	\$ 1,162	\$ 1,185	\$ 1,209	\$ 1,233	\$ 1,257	\$ 1,283	\$ 1,308	\$ 1,334	\$ 1,361	\$ 1,388	\$ 1,416
Total revenues	\$ 39,125	\$ 40,980	\$ 42,923	\$ 44,960	\$ 47,094	\$ 49,330	\$ 51,673	\$ 54,129	\$ 56,703	\$ 59,400	\$ 62,226
Operating Expenses											
Salaries & Benefits	\$ 7,821	\$ 8,056	\$ 8,297	\$ 8,546	\$ 8,803	\$ 9,067	\$ 9,339	\$ 9,619	\$ 9,907	\$ 10,205	\$ 10,511
Materials - Operating Expenses	\$ 3,004	\$ 3,094	\$ 3,187	\$ 3,282	\$ 3,381	\$ 3,482	\$ 3,587	\$ 3,694	\$ 3,805	\$ 3,919	\$ 4,037
Energy Costs	\$ 2,005	\$ 2,065	\$ 2,127	\$ 2,190	\$ 2,256	\$ 2,324	\$ 2,394	\$ 2,465	\$ 2,539	\$ 2,615	\$ 2,694
Rent and Financial Expenses	\$ 38	\$ 39	\$ 40	\$ 41	\$ 42	\$ 44	\$ 45	\$ 46	\$ 48	\$ 49	\$ 51
Purchased/Contract Services	\$ 6,139	\$ 6,323	\$ 6,513	\$ 6,708	\$ 6,909	\$ 7,117	\$ 7,330	\$ 7,550	\$ 7,777	\$ 8,010	\$ 8,250
Internal Charges	\$ 4,387	\$ 4,518	\$ 4,654	\$ 4,794	\$ 4,937	\$ 5,086	\$ 5,238	\$ 5,395	\$ 5,557	\$ 5,724	\$ 5,896
Total Operating expenses	\$ 23,393	\$ 24,095	\$ 24,817	\$ 25,562	\$ 26,329	\$ 27,119	\$ 27,932	\$ 28,770	\$ 29,633	\$ 30,522	\$ 31,438
Debt Charges & Capital											
Debt Charges - Interest Expenses	\$ 128	\$ 115	\$ 102	\$ 88	\$ 74	\$ 58	\$ 40	\$ 33	\$ 25	\$ 17	\$ 8
Debt Charges - Principal Expenses	\$ 226	\$ 238	\$ 251	\$ 265	\$ 280	\$ 295	\$ 177	\$ 140	\$ 148	\$ 156	\$ 150
Capital Contributions	\$ 15,379	\$ 16,532	\$ 17,752	\$ 19,044	\$ 20,411	\$ 21,858	\$ 23,524	\$ 25,187	\$ 26,897	\$ 28,705	\$ 30,630
Total Debt & Capital Expense	\$ 15,732	\$ 16,885	\$ 18,106	\$ 19,398	\$ 20,765	\$ 22,211	\$ 23,741	\$ 25,359	\$ 27,069	\$ 28,877	\$ 30,788
Total Expenses	\$ 39,125	\$ 40,980	\$ 42,923	\$ 44,960	\$ 47,094	\$ 49,330	\$ 51,673	\$ 54,129	\$ 56,703	\$ 59,400	\$ 62,226
Net Operating Budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
% Change in Rate Revenue Requirements	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%

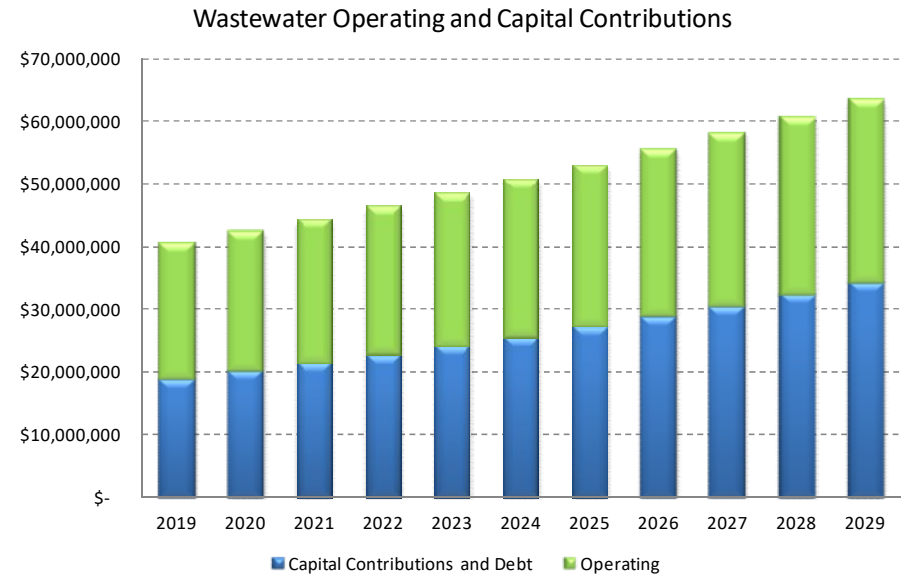
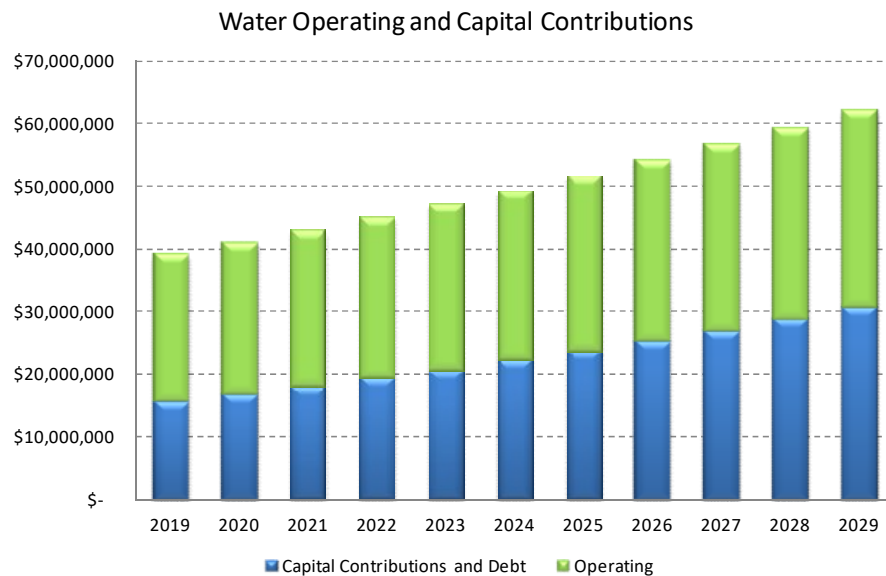
Summary of Wastewater Operating Budget Forecast

The City's objective in establishing the Wastewater rates is to avoid large fluctuations from year to year and to ensure that rates are set at a level to adequately cover current operating costs, maintain and repair the City's existing asset base and replace assets where appropriate. The following table reflects the wastewater operating budget forecast.

	Projected											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Revenues												
Rate and Fixed Revenues	\$ 39,897	\$ 41,738	\$ 43,664	\$ 45,679	\$ 47,787	\$ 49,992	\$ 52,299	\$ 54,712	\$ 57,237	\$ 59,878	\$ 62,641	
Other revenues	\$ 716	\$ 730	\$ 745	\$ 760	\$ 775	\$ 791	\$ 806	\$ 822	\$ 839	\$ 856	\$ 873	
Total revenues	\$ 40,613	\$ 42,468	\$ 44,409	\$ 46,439	\$ 48,562	\$ 50,782	\$ 53,105	\$ 55,534	\$ 58,075	\$ 60,733	\$ 63,514	
Operating Expenses												
Salaries & Benefits	\$ 7,236	\$ 7,453	\$ 7,676	\$ 7,907	\$ 8,144	\$ 8,388	\$ 8,640	\$ 8,899	\$ 9,166	\$ 9,441	\$ 9,724	
Materials - Operating Expenses	\$ 1,950	\$ 2,008	\$ 2,068	\$ 2,130	\$ 2,194	\$ 2,260	\$ 2,328	\$ 2,398	\$ 2,470	\$ 2,544	\$ 2,620	
Energy Costs	\$ 2,535	\$ 2,611	\$ 2,689	\$ 2,770	\$ 2,853	\$ 2,939	\$ 3,027	\$ 3,118	\$ 3,211	\$ 3,308	\$ 3,407	
Other Expenses	\$ 15	\$ 15	\$ 16	\$ 16	\$ 17	\$ 17	\$ 18	\$ 18	\$ 19	\$ 20	\$ 20	
Purchased/Contract Services	\$ 5,805	\$ 5,979	\$ 6,159	\$ 6,344	\$ 6,534	\$ 6,730	\$ 6,932	\$ 7,140	\$ 7,354	\$ 7,575	\$ 7,802	
Internal Recoveries	\$ 4,202	\$ 4,328	\$ 4,458	\$ 4,591	\$ 4,729	\$ 4,871	\$ 5,017	\$ 5,167	\$ 5,323	\$ 5,482	\$ 5,647	
Total Operating expenses	\$ 21,742	\$ 22,395	\$ 23,067	\$ 23,759	\$ 24,471	\$ 25,205	\$ 25,962	\$ 26,740	\$ 27,543	\$ 28,369	\$ 29,220	
Debt Charges & Capital												
Debt Charges - Interest Expenses	\$ 1,668	\$ 1,596	\$ 1,520	\$ 1,440	\$ 1,357	\$ 1,270	\$ 1,178	\$ 1,083	\$ 983	\$ 878	\$ 768	
Debt Charges - Principal Expenses	\$ 1,788	\$ 1,861	\$ 1,937	\$ 2,016	\$ 2,100	\$ 2,187	\$ 2,278	\$ 2,373	\$ 2,473	\$ 2,578	\$ 2,688	
Capital Contributions	\$ 15,414	\$ 16,617	\$ 17,886	\$ 19,224	\$ 20,634	\$ 22,121	\$ 23,687	\$ 25,338	\$ 27,077	\$ 28,908	\$ 30,837	
Total Debt & Capital Expense	\$ 18,870	\$ 20,074	\$ 21,342	\$ 22,680	\$ 24,090	\$ 25,577	\$ 27,143	\$ 28,794	\$ 30,533	\$ 32,364	\$ 34,294	
Total Expenses	\$ 40,613	\$ 42,468	\$ 44,409	\$ 46,439	\$ 48,562	\$ 50,782	\$ 53,105	\$ 55,534	\$ 58,075	\$ 60,733	\$ 63,514	
Net Operating Budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
% Change in Rate Revenue Requirements	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	

Summary of Water and Wastewater Operating Budget Breakdown

The following graphs reflect the 10 year forecast for water and wastewater operations, breaking down the costs into operating and capital contributions (includes debt principal repayment and contributions to the capital reserve for replacement of assets).

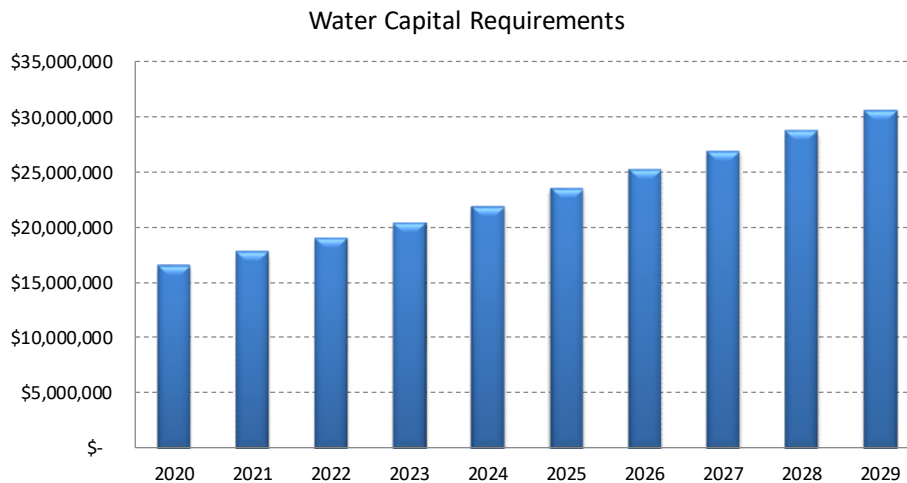


As shown above, the proportion of the operating budget that is to support operating expenditures versus capital changes over time whereby, the gradual increase of capital contributions results in capital being the largest percentage of the total operating budget. For example:

- Water—in 2019, 40% of the water operating budget supported capital replacement, compared with 49% in 2029.
- WW—in 2019, 46% of the water operating budget supported capital replacement, compared with 54% in 2029.

Summary of Water Capital Budget Forecast

The following table summarizes the Capital Budget forecast for the next 10 years and the associated funding source.



The 10 year capital plan, from 2020-2029 includes:

- \$230.5 million is forecast in capital requirements to be funded from the user fees.
- Contributions to capital have been gradually increased over time to smooth rate impacts.
- By year 10 of the plan, the annual contribution to capital replacement is \$30.6 million.

Summary of Wastewater Capital Budget Forecast

The following table summarizes the Capital Budget forecast for the next 10 years and the associated funding source.

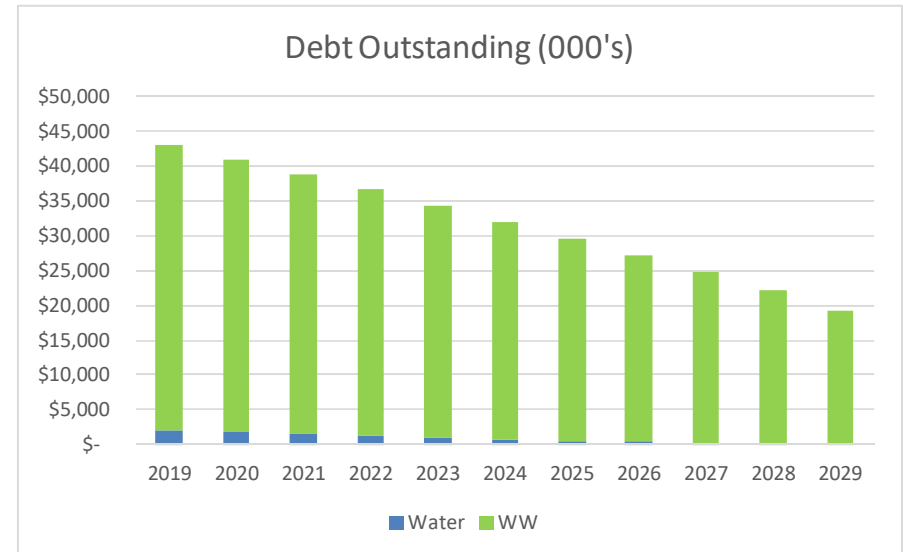
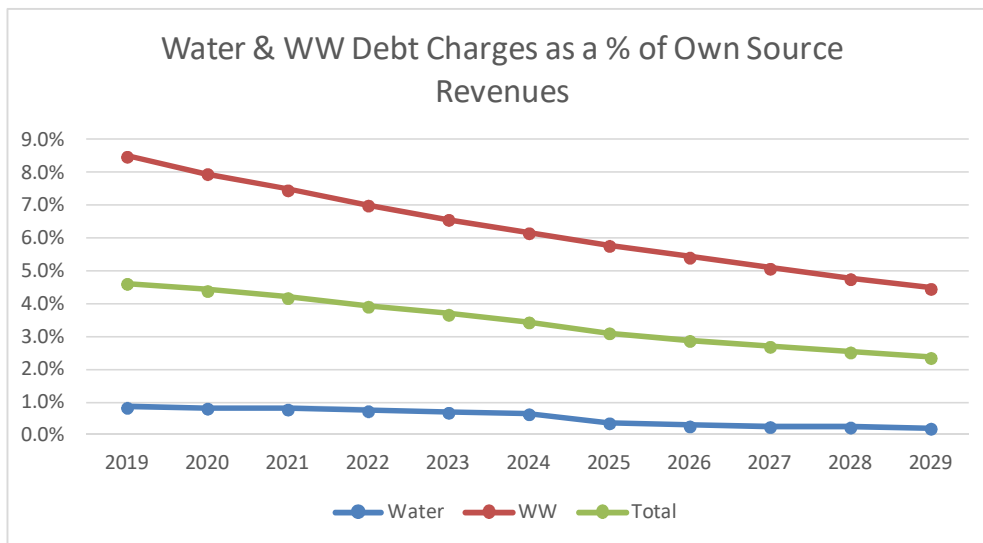


The 10 year capital plan, from 2020-2029 includes:

- \$232.3 million is forecast in capital requirements to be funded from the user fees.
- Contributions to capital have been gradually increased over time to smooth rate impacts.
- By year 10 of the plan, the annual contribution to capital replacement is \$30.8 million.

Debt Forecast

The following graph provides a summary of the debt charges as a percentage of own source revenues and the total debt outstanding for water and wastewater over the next 10 years.

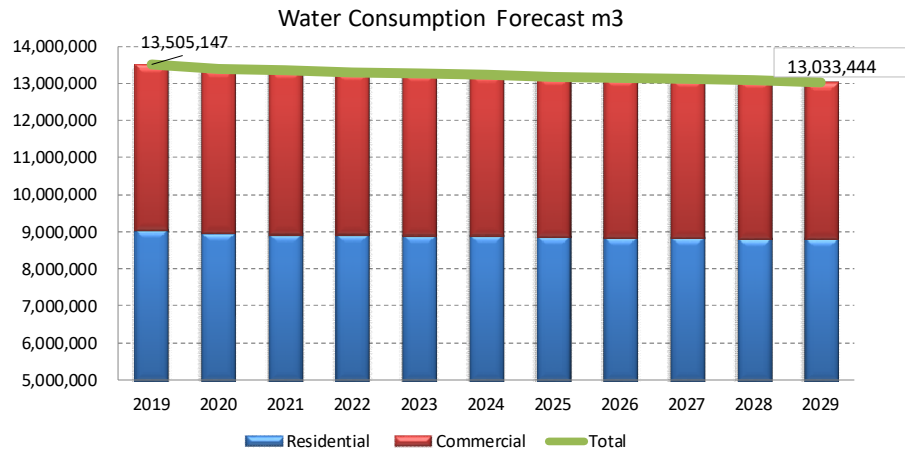


As shown above, debt charges are not a significant component of the financing strategy due to a pay-as-you-go approach for funding the replacement of capital assets. Debt charges as a percentage of own source revenues gradually reduce over the forecast as no new debt is forecast to be issued over the next 10 years. Total debt charges as a percentage of own source revenues was 4.6% in 2019 and reduces to 2.4% in 2029.

Debt outstanding for water and wastewater are also shown above. By 2029, the combined water/ww debt outstanding is \$19.3 million compared with the 2019 level of \$43 million. Should a large project be required before there are sufficient funds available in reserves, the City is well positioned to issue debt based on the existing low levels of debt.

Water Consumption Forecast

The following graph provides a summary of the water consumption forecast in 2019 to establish rates and over the 10 year forecast period:



- Despite modest growth, the overall declining trend in water consumption is anticipated to continue for the next 10 years.
- The assumption for continued reduction in consumption is expected to continue although to a lesser extent than has occurred over the past 10 years as opportunities to realize further conservation savings will eventually reduce.
- New annual net anticipated reduction in water consumption is in the range of 0.3%. With much of the system costs fixed, this reduction in consumption will increase the water rates

Summary of Forecast Number of Meters

- The following table summarizes the number of water meters and the anticipated growth over the forecast period:

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
5/8"	46,182	46,360	46,539	46,718	46,896	47,075	47,254	47,432	47,611	47,790	47,968
3/4"	5	5	5	5	5	5	5	5	5	5	5
1	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113
1.5	464	464	464	464	464	464	464	464	464	464	464
2	468	468	468	468	468	468	468	468	468	468	468
3	40	40	40	40	40	40	40	40	40	40	40
4	17	17	17	17	17	17	17	17	17	17	17
6	15	15	15	15	15	15	15	15	15	15	15
8	3	3	3	3	3	3	3	3	3	3	3
10	-	-	-	-	-	-	-	-	-	-	-
Total	48,307	48,485	48,664	48,843	49,021	49,200	49,379	49,557	49,736	49,915	50,093

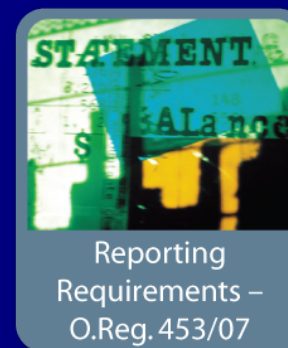
Projected Water and Wastewater Rates

Based on the assumptions in terms of the rate revenue requirement, consumption and growth, the following provides a summary of the forecast rates over the forecast period for a residential customer consuming 200 m³ annually. The table also summarizes the percentage surcharge for wastewater.

200 m ³ residential impact - 5/8"									
		Water		WW	Cost of service				
Year	Annual Consumption m3	Fixed Monthly	Volumetric	WW Surcharge	Water	WW	Total	Percentage Increase From Prior Year	
2019	200	\$ 21.46	\$ 1.728	111.8%	\$ 603	\$ 674	\$ 1,277		
2020	200	\$ 22.17	\$ 1.835	111.4%	\$ 633	\$ 705	\$ 1,338	4.8%	
2021	200	\$ 23.16	\$ 1.930	111.3%	\$ 664	\$ 739	\$ 1,403	4.8%	
2022	200	\$ 24.21	\$ 2.029	111.2%	\$ 696	\$ 775	\$ 1,471	4.8%	
2023	200	\$ 25.30	\$ 2.133	111.2%	\$ 730	\$ 812	\$ 1,542	4.8%	
2024	200	\$ 26.43	\$ 2.243	111.1%	\$ 766	\$ 851	\$ 1,616	4.8%	
2025	200	\$ 27.62	\$ 2.358	111.0%	\$ 803	\$ 891	\$ 1,694	4.8%	
2026	200	\$ 28.87	\$ 2.479	111.0%	\$ 842	\$ 934	\$ 1,776	4.8%	
2027	200	\$ 30.17	\$ 2.606	110.8%	\$ 883	\$ 979	\$ 1,862	4.8%	
2028	200	\$ 31.53	\$ 2.740	110.8%	\$ 926	\$ 1,026	\$ 1,952	4.8%	
2029	200	\$ 32.95	\$ 2.880	110.7%	\$ 971	\$ 1,075	\$ 2,047	4.8%	

On a blended average annual basis, the cost of water/ww service for a typical customer is approximately 4.8%.

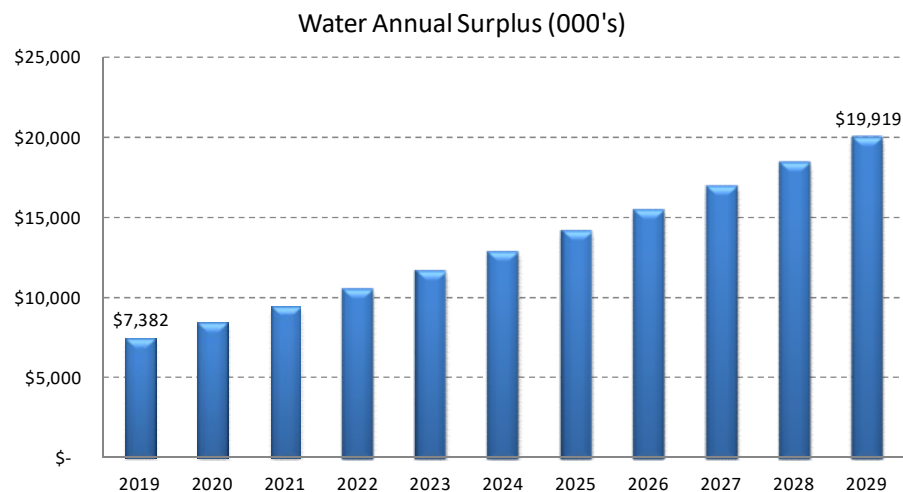
***Reporting Requirements
O. Reg 453/07***



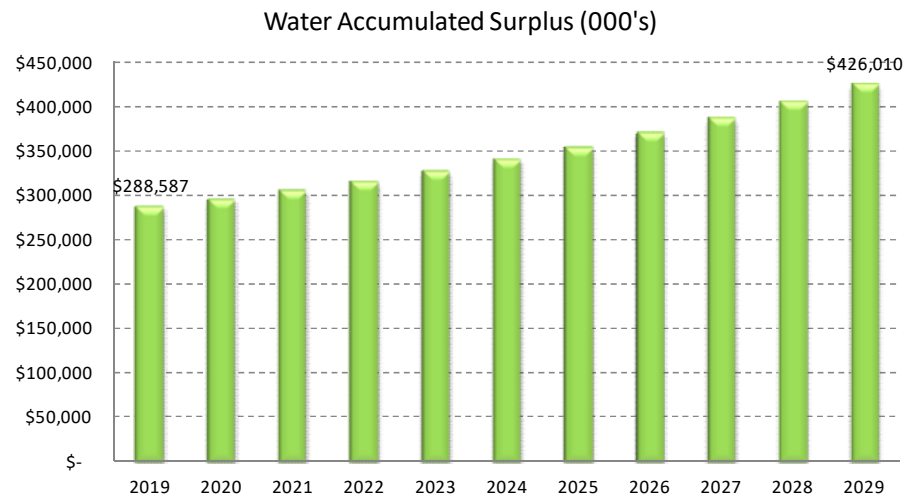
Water Financial Plan—O.Reg. 453/07

The Financial Plan has been prepared in accordance with the regulation (O.Reg. 453/07) made under the Safe Drinking Water Act. The Financial Plan regulation requires that the plans be updated every five years along with the request for the renewal of the drinking water licence. This ongoing update will assist in revisiting the assumptions made to develop the operating and funding plans as well as reassessing the needs for capital renewal and major maintenance expenses.

- Statement of Financial Operations**—This statement summarizes the revenues and expenditures. The expenditures include ongoing operating costs plus asset amortization. This statement indicates that the system and its asset base are projected to be maintained with funds being available each year for future capital renewal or major maintenance. As shown in the statement of financial operations and in the graph below, the City is generating excess revenues over expenses including amortization for water, throughout the forecast period.
- Cash Receipts or Gross Cash Payments (Cash Flows)** —The cash flow statement summarizes how the water system is expected to generate and utilize cash resources. The transactions that generate and use cash include the projection of cash to be received from revenues, cash to be used for operating expenditures and financing charges, cash projected to be used to acquire capital assets and projected financial transactions that are the proceeds from debt or debt principal repayment. Cash balances are positive throughout the forecast period, as reflected in the Financial Statements.
- Net Financial Assets**—An important feature of a water system is its net financial assets. A positive number indicates that the system has the resources to deal with future capital and other needs. A negative number indicates that past capital and other investments must be financed from future revenues. Water net financial assets are in a positive position throughout the forecast. No debt was anticipated throughout the term.



- **Accumulated Surplus**—Another financial indicator that is reflected in the financial position statement is the accumulated surplus. This indicator represents cash on hand plus the net book value of tangible capital assets less debt. The accumulated surplus is forecast to increase from 2019 to 2029, as shown below and in the Statement of Financial Position.



- **Tangible Capital Assets (Net Book Value)** - Water systems have a great deal of resources tied up in tangible capital assets and managing these assets is critical to maintaining current and future levels of service. An increase in net book value of tangible capital assets is an indication that assets have been renewed faster than they were used. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The net book value is projected to increase for water, from \$278 million in 2019 to \$411 million in 2029.

Statement of Financial Operations—Water

	Projected										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Revenues											
Rate and Fixed Revenues	\$ 37,964	\$ 39,795	\$ 41,715	\$ 43,727	\$ 45,836	\$ 48,047	\$ 50,365	\$ 52,795	\$ 55,342	\$ 58,011	\$ 60,810
Fire protection levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenues	\$ 1,162	\$ 1,185	\$ 1,209	\$ 1,233	\$ 1,257	\$ 1,283	\$ 1,308	\$ 1,334	\$ 1,361	\$ 1,388	\$ 1,416
Interest Earnings	\$ 241	\$ 246	\$ 251	\$ 256	\$ 261	\$ 266	\$ 272	\$ 277	\$ 283	\$ 288	\$ 294
Total revenues	\$ 39,366	\$ 41,226	\$ 43,174	\$ 45,216	\$ 47,355	\$ 49,596	\$ 51,945	\$ 54,406	\$ 56,985	\$ 59,688	\$ 62,520
Operating Expenses											
Salaries & Benefits	\$ 7,821	\$ 8,056	\$ 8,297	\$ 8,546	\$ 8,803	\$ 9,067	\$ 9,339	\$ 9,619	\$ 9,907	\$ 10,205	\$ 10,511
Materials - Operating Expenses	\$ 3,004	\$ 3,094	\$ 3,187	\$ 3,282	\$ 3,381	\$ 3,482	\$ 3,587	\$ 3,694	\$ 3,805	\$ 3,919	\$ 4,037
Energy Costs	\$ 2,005	\$ 2,065	\$ 2,127	\$ 2,190	\$ 2,256	\$ 2,324	\$ 2,394	\$ 2,465	\$ 2,539	\$ 2,615	\$ 2,694
Rent and Financial Expenses	\$ 38	\$ 39	\$ 40	\$ 41	\$ 42	\$ 44	\$ 45	\$ 46	\$ 48	\$ 49	\$ 51
Purchased/Contract Services	\$ 6,139	\$ 6,323	\$ 6,513	\$ 6,708	\$ 6,909	\$ 7,117	\$ 7,330	\$ 7,550	\$ 7,777	\$ 8,010	\$ 8,250
Internal Charges	\$ 4,387	\$ 4,518	\$ 4,654	\$ 4,794	\$ 4,937	\$ 5,086	\$ 5,238	\$ 5,395	\$ 5,557	\$ 5,724	\$ 5,896
Total Operating expenses	\$ 23,393	\$ 24,095	\$ 24,817	\$ 25,562	\$ 26,329	\$ 27,119	\$ 27,932	\$ 28,770	\$ 29,633	\$ 30,522	\$ 31,438
Debt Charges											
Debt Charges - Interest Expenses	\$ 128	\$ 115	\$ 102	\$ 88	\$ 74	\$ 58	\$ 40	\$ 33	\$ 25	\$ 17	\$ 8
Amortization Expense											
Amortization of tangible capital assets	\$ 8,464	\$ 8,656	\$ 8,863	\$ 9,085	\$ 9,323	\$ 9,578	\$ 9,851	\$ 10,145	\$ 10,460	\$ 10,796	\$ 11,155
Total Expenses	\$ 31,984	\$ 32,866	\$ 33,782	\$ 34,735	\$ 35,725	\$ 36,755	\$ 37,824	\$ 38,948	\$ 40,118	\$ 41,335	\$ 42,601
Annual Surplus/Deficit	\$ 7,382	\$ 8,360	\$ 9,392	\$ 10,481	\$ 11,630	\$ 12,841	\$ 14,121	\$ 15,459	\$ 16,867	\$ 18,353	\$ 19,919

Statement of Cash Flow/Cash Receipts—Water

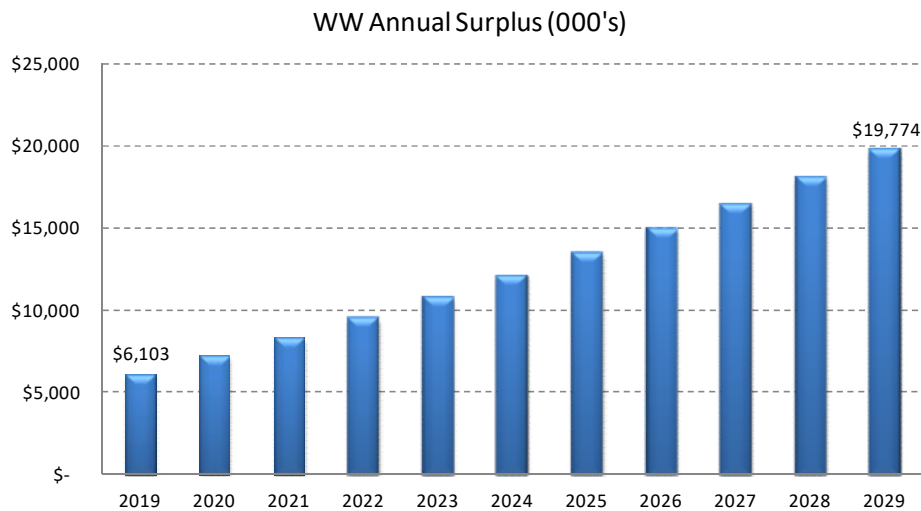
	Projected										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total Revenues	\$ 39,366	\$ 41,226	\$ 43,174	\$ 45,216	\$ 47,355	\$ 49,596	\$ 51,945	\$ 54,406	\$ 56,985	\$ 59,688	\$ 62,520
Cash Paid For											
Operating Costs	\$ 23,393	\$ 24,095	\$ 24,817	\$ 25,562	\$ 26,329	\$ 27,119	\$ 27,932	\$ 28,770	\$ 29,633	\$ 30,522	\$ 31,438
Debt Repayment - Debt Interest	\$ 128	\$ 115	\$ 102	\$ 88	\$ 74	\$ 58	\$ 40	\$ 33	\$ 25	\$ 17	\$ 8
Cash Provided from Operating Transactions	\$ 15,846	\$ 17,016	\$ 18,255	\$ 19,565	\$ 20,952	\$ 22,419	\$ 23,972	\$ 25,604	\$ 27,327	\$ 29,149	\$ 31,074
Capital Transactions											
Acquisition of TCA	\$ 15,379	\$ 16,532	\$ 17,752	\$ 19,044	\$ 20,411	\$ 21,858	\$ 23,524	\$ 25,187	\$ 26,897	\$ 28,705	\$ 30,630
Finance Transactions											
Proceeds from Debt Issuance			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from Grants and Subsidies			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Repayment Principal	\$ 226	\$ 238	\$ 251	\$ 265	\$ 280	\$ 295	\$ 177	\$ 140	\$ 148	\$ 156	\$ 150
Increase/(Decrease) in Cash Equivalents	\$ 241	\$ 246	\$ 251	\$ 256	\$ 261	\$ 266	\$ 272	\$ 277	\$ 283	\$ 288	\$ 294
Cash and Cash Equivalents at Beginning Balance	\$ 12,064	\$ 12,306	\$ 12,552	\$ 12,803	\$ 13,059	\$ 13,320	\$ 13,587	\$ 13,858	\$ 14,135	\$ 14,418	\$ 14,707
Cash and Cash Equivalents at Ending Balance	\$ 12,306	\$ 12,552	\$ 12,803	\$ 13,059	\$ 13,320	\$ 13,587	\$ 13,858	\$ 14,135	\$ 14,418	\$ 14,707	\$ 15,001

Statement of Financial Position—Water

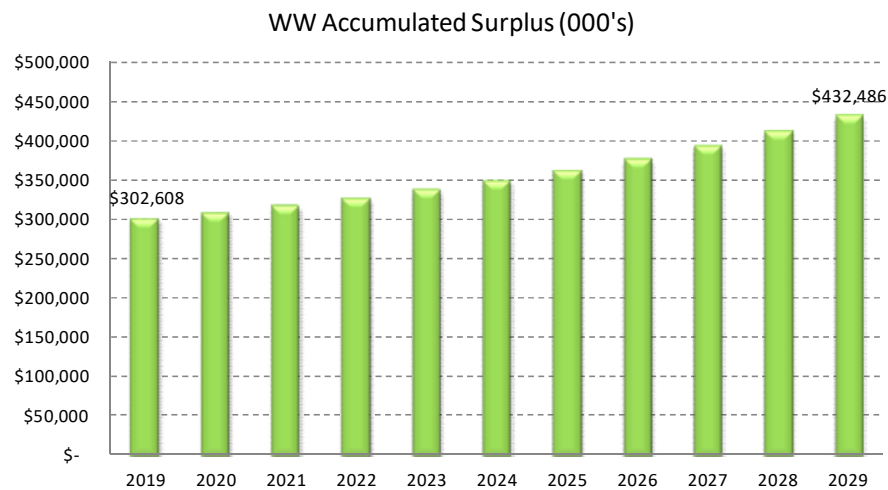
	Projected										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Financial Assets											
Cash	\$ 12,306	\$ 12,552	\$ 12,803	\$ 13,059	\$ 13,320	\$ 13,587	\$ 13,858	\$ 14,135	\$ 14,418	\$ 14,707	\$ 15,001
Liabilities											
Debt - Principal Outstanding	\$ 2,099	\$ 1,861	\$ 1,610	\$ 1,345	\$ 1,065	\$ 770	\$ 593	\$ 453	\$ 306	\$ 150	\$ -
Net Financial Assets	\$ 10,206	\$ 10,691	\$ 11,193	\$ 11,714	\$ 12,255	\$ 12,817	\$ 13,265	\$ 13,682	\$ 14,113	\$ 14,557	\$ 15,001
Non-Financial Assets											
Tangible Capital Assets	\$ 423,146	\$ 438,525	\$ 455,056	\$ 472,808	\$ 491,853	\$ 512,264	\$ 534,122	\$ 557,646	\$ 582,832	\$ 609,729	\$ 638,434
Additions to Tangible Capital Assets	\$ 15,379	\$ 16,532	\$ 17,752	\$ 19,044	\$ 20,411	\$ 21,858	\$ 23,524	\$ 25,187	\$ 26,897	\$ 28,705	\$ 30,630
Accumulated Amortization	\$ 160,144	\$ 168,800	\$ 177,663	\$ 186,747	\$ 196,070	\$ 205,648	\$ 215,499	\$ 225,644	\$ 236,103	\$ 246,900	\$ 258,054
Total Non-Financial Assets	\$ 278,381	\$ 286,256	\$ 295,146	\$ 305,105	\$ 316,194	\$ 328,474	\$ 342,147	\$ 357,189	\$ 373,626	\$ 391,535	\$ 411,009
Accumulated Surplus	\$ 288,587	\$ 296,947	\$ 306,339	\$ 316,820	\$ 328,449	\$ 341,291	\$ 355,412	\$ 370,871	\$ 387,738	\$ 406,091	\$ 426,010
Cash as a % of Non-Financial Assets	4.4%	4.4%	4.3%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.8%	3.6%
Debt as a % of Non-Financial Assets	0.8%	0.7%	0.5%	0.4%	0.3%	0.2%	0.2%	0.1%	0.1%	0.0%	0.0%

Wastewater Financial Plan—O.Reg. 453/07

- Statement of Financial Operations**—This statement summarizes the revenues and expenditures. The expenditures include ongoing operating costs plus asset amortization. This statement indicates that the system and its asset base are projected to be maintained with funds being available each year for future capital renewal or major maintenance. As shown in the statement of financial operations and in the graph below, the City is generating excess revenues over expenses including amortization for wastewater, throughout the forecast period.
- Cash Receipts or Gross Cash Payments (Cash Flows)** —The cash flow statement summarizes how the wastewater system is expected to generate and utilize cash resources. The transactions that generate and use cash include the projection of cash to be received from revenues, cash to be used for operating expenditures and financing charges, cash projected to be used to acquire capital assets and projected financial transactions that are the proceeds from debt or debt principal repayment. Cash balances are positive throughout the forecast period as shown the Cash Receipts Statement.
- Net Financial Assets**—An important feature of a wastewater system is its net financial assets. A positive number indicates that the system has the resources to deal with future capital and other needs. A negative number indicates that past capital and other investments must be financed from future revenues. Wastewater net financial assets are in a positive position throughout the forecast. No debt was anticipated throughout the term.



- **Accumulated Surplus**—Another financial indicator that is reflected in the financial position statement is the accumulated surplus. This indicator represents cash on hand plus the net book value of tangible capital assets less debt. The accumulated surplus is forecast to increase from 2019 to 2029, as shown below and in the Statement of Financial Position.



- **Tangible Capital Assets (Net Book Value)** - Wastewater systems have a great deal of resources tied up in tangible capital assets and managing these assets is critical to maintaining current and future levels of service. An increase in net book value of tangible capital assets is an indication that assets have been renewed faster than they were used. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The net book value is projected to increase for wastewater, from \$329.8 million in 2019 to \$435.1 million in 2029.

Statement of Financial Operations—Wastewater

	Projected										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Revenues											
Rate and Fixed Revenues	\$ 39,897	\$ 41,738	\$ 43,664	\$ 45,679	\$ 47,787	\$ 49,992	\$ 52,299	\$ 54,712	\$ 57,237	\$ 59,878	\$ 62,641
Other revenues	\$ 716	\$ 730	\$ 745	\$ 760	\$ 775	\$ 791	\$ 806	\$ 822	\$ 839	\$ 856	\$ 873
Interest Earnings	\$ 269	\$ 274	\$ 280	\$ 285	\$ 291	\$ 297	\$ 303	\$ 309	\$ 315	\$ 321	\$ 328
Total revenues	\$ 40,882	\$ 42,742	\$ 44,688	\$ 46,724	\$ 48,853	\$ 51,079	\$ 53,408	\$ 55,843	\$ 58,390	\$ 61,055	\$ 63,841
Operating Expenses											
Salaries & Benefits	\$ 7,236	\$ 7,453	\$ 7,676	\$ 7,907	\$ 8,144	\$ 8,388	\$ 8,640	\$ 8,899	\$ 9,166	\$ 9,441	\$ 9,724
Materials - Operating Expenses	\$ 1,950	\$ 2,008	\$ 2,068	\$ 2,130	\$ 2,194	\$ 2,260	\$ 2,328	\$ 2,398	\$ 2,470	\$ 2,544	\$ 2,620
Energy Costs	\$ 2,535	\$ 2,611	\$ 2,689	\$ 2,770	\$ 2,853	\$ 2,939	\$ 3,027	\$ 3,118	\$ 3,211	\$ 3,308	\$ 3,407
Other Expenses	\$ 15	\$ 15	\$ 16	\$ 16	\$ 17	\$ 17	\$ 18	\$ 18	\$ 19	\$ 20	\$ 20
Purchased/Contract Services	\$ 5,805	\$ 5,979	\$ 6,159	\$ 6,344	\$ 6,534	\$ 6,730	\$ 6,932	\$ 7,140	\$ 7,354	\$ 7,575	\$ 7,802
Internal Recoveries	\$ 4,202	\$ 4,328	\$ 4,458	\$ 4,591	\$ 4,729	\$ 4,871	\$ 5,017	\$ 5,167	\$ 5,323	\$ 5,482	\$ 5,647
Total Operating expenses	\$ 21,742	\$ 22,395	\$ 23,067	\$ 23,759	\$ 24,471	\$ 25,205	\$ 25,962	\$ 26,740	\$ 27,543	\$ 28,369	\$ 29,220
Debt Charges											
Debt Charges - Interest Expenses	\$ 1,668	\$ 1,596	\$ 1,520	\$ 1,440	\$ 1,357	\$ 1,270	\$ 1,178	\$ 1,083	\$ 983	\$ 878	\$ 768
Amortization Expense											
Amortization of tangible capital assets	\$ 11,367	\$ 11,560	\$ 11,768	\$ 11,991	\$ 12,232	\$ 12,490	\$ 12,766	\$ 13,062	\$ 13,379	\$ 13,717	\$ 14,079
Total Expenses	\$ 34,778	\$ 35,550	\$ 36,354	\$ 37,190	\$ 38,060	\$ 38,965	\$ 39,906	\$ 40,885	\$ 41,904	\$ 42,964	\$ 44,067
Annual Surplus/Deficit	\$ 6,103	\$ 7,192	\$ 8,335	\$ 9,534	\$ 10,793	\$ 12,114	\$ 13,502	\$ 14,958	\$ 16,486	\$ 18,090	\$ 19,774

Statement of Cash Flow/Cash Receipts—Wastewater

	Projected											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Total Revenues	\$ 40,882	\$ 42,742	\$ 44,688	\$ 46,724	\$ 48,853	\$ 51,079	\$ 53,408	\$ 55,843	\$ 58,390	\$ 61,055	\$ 63,841	
Cash Paid For												
Operating Costs	\$ 21,742	\$ 22,395	\$ 23,067	\$ 23,759	\$ 24,471	\$ 25,205	\$ 25,962	\$ 26,740	\$ 27,543	\$ 28,369	\$ 29,220	
Debt Repayment - Debt Interest	\$ 1,668	\$ 1,596	\$ 1,520	\$ 1,440	\$ 1,357	\$ 1,270	\$ 1,178	\$ 1,083	\$ 983	\$ 878	\$ 768	
Cash Provided from Operating Transactions	\$ 17,471	\$ 18,752	\$ 20,102	\$ 21,525	\$ 23,025	\$ 24,604	\$ 26,268	\$ 28,020	\$ 29,865	\$ 31,808	\$ 33,853	
Capital Transactions												
Acquisition of TCA	\$ 15,414	\$ 16,617	\$ 17,886	\$ 19,224	\$ 20,634	\$ 22,121	\$ 23,687	\$ 25,338	\$ 27,077	\$ 28,908	\$ 30,837	
Finance Transactions												
Proceeds from Debt Issuance				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Proceeds from Grants and Subsidies				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Repayment Principal	\$ 1,788	\$ 1,861	\$ 1,937	\$ 2,016	\$ 2,100	\$ 2,187	\$ 2,278	\$ 2,373	\$ 2,473	\$ 2,578	\$ 2,688	
Increase/(Decrease) in Cash Equivalents	\$ 269	\$ 274	\$ 280	\$ 285	\$ 291	\$ 297	\$ 303	\$ 309	\$ 315	\$ 321	\$ 328	
Cash and Cash Equivalents at Beginning Balance	\$ 13,441	\$ 13,709	\$ 13,984	\$ 14,263	\$ 14,548	\$ 14,839	\$ 15,136	\$ 15,439	\$ 15,748	\$ 16,063	\$ 16,384	
Cash and Cash Equivalents at Ending Balance	\$ 13,709	\$ 13,984	\$ 14,263	\$ 14,548	\$ 14,839	\$ 15,136	\$ 15,439	\$ 15,748	\$ 16,063	\$ 16,384	\$ 16,712	

Statement of Financial Position—Wastewater

	Projected										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Financial Assets											
Cash	\$ 13,709	\$ 13,984	\$ 14,263	\$ 14,548	\$ 14,839	\$ 15,136	\$ 15,439	\$ 15,748	\$ 16,063	\$ 16,384	\$ 16,712
Liabilities											
Debt - Principal Outstanding	\$ 40,898	\$ 39,111	\$ 37,250	\$ 35,313	\$ 33,297	\$ 31,198	\$ 29,011	\$ 26,733	\$ 24,360	\$ 21,886	\$ 19,308
Net Financial Assets	\$ (27,189)	\$ (25,127)	\$ (22,987)	\$ (20,765)	\$ (18,458)	\$ (16,062)	\$ (13,572)	\$ (10,985)	\$ (8,297)	\$ (5,502)	\$ (2,596)
Non-Financial Assets											
Tangible Capital Assets	\$ 583,262	\$ 598,676	\$ 615,293	\$ 633,179	\$ 652,403	\$ 673,037	\$ 695,158	\$ 718,845	\$ 744,182	\$ 771,259	\$ 800,167
Additions to Tangible Capital Assets	\$ 15,414	\$ 16,617	\$ 17,886	\$ 19,224	\$ 20,634	\$ 22,121	\$ 23,687	\$ 25,338	\$ 27,077	\$ 28,908	\$ 30,837
Accumulated Amortization	\$ 268,878	\$ 280,439	\$ 292,206	\$ 304,198	\$ 316,430	\$ 328,919	\$ 341,685	\$ 354,748	\$ 368,127	\$ 381,844	\$ 395,923
Total Non-Financial Assets	\$ 329,797	\$ 334,854	\$ 340,973	\$ 348,205	\$ 356,607	\$ 366,238	\$ 377,159	\$ 389,435	\$ 403,132	\$ 418,323	\$ 435,082
Accumulated Surplus	\$ 302,608	\$ 309,727	\$ 317,986	\$ 327,440	\$ 338,150	\$ 350,177	\$ 363,587	\$ 378,449	\$ 394,835	\$ 412,821	\$ 432,486
Cash as a % of Non-Financial Assets	4.2%	4.2%	4.2%	4.2%	4.2%	4.1%	4.1%	4.0%	4.0%	3.9%	3.8%
Debt as a % of Non-Financial Assets	12.4%	11.7%	10.9%	10.1%	9.3%	8.5%	7.7%	6.9%	6.0%	5.2%	4.4%

Statement of Financial Operations—Water and Wastewater—Consolidated

	Projected											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Revenues												
Rate and Fixed Revenues	\$ 77,860	\$ 81,533	\$ 85,378	\$ 89,406	\$ 93,623	\$ 98,039	\$ 102,664	\$ 107,507	\$ 112,578	\$ 117,889	\$ 123,451	
Fire protection levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other revenues	\$ 1,878	\$ 1,915	\$ 1,954	\$ 1,993	\$ 2,032	\$ 2,073	\$ 2,115	\$ 2,157	\$ 2,200	\$ 2,244	\$ 2,289	
Interest Earnings	\$ 510	\$ 520	\$ 531	\$ 541	\$ 552	\$ 563	\$ 574	\$ 586	\$ 598	\$ 610	\$ 622	
Proceeds from DCs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total revenues	\$ 80,248	\$ 83,968	\$ 87,863	\$ 91,940	\$ 96,207	\$ 100,675	\$ 105,353	\$ 110,250	\$ 115,376	\$ 120,743	\$ 126,361	
Operating Expenses												
Salaries & Benefits	\$ 15,057	\$ 15,509	\$ 15,974	\$ 16,453	\$ 16,947	\$ 17,455	\$ 17,979	\$ 18,518	\$ 19,074	\$ 19,646	\$ 20,235	
Materials - Operating Expenses	\$ 4,953	\$ 5,102	\$ 5,255	\$ 5,413	\$ 5,575	\$ 5,742	\$ 5,915	\$ 6,092	\$ 6,275	\$ 6,463	\$ 6,657	
Energy Costs	\$ 4,539	\$ 4,676	\$ 4,816	\$ 4,960	\$ 5,109	\$ 5,262	\$ 5,420	\$ 5,583	\$ 5,750	\$ 5,923	\$ 6,101	
Rent and Financial Expenses	\$ 38	\$ 39	\$ 40	\$ 41	\$ 42	\$ 44	\$ 45	\$ 46	\$ 48	\$ 49	\$ 51	
Other Expenses	\$ 15	\$ 15	\$ 16	\$ 16	\$ 17	\$ 17	\$ 18	\$ 18	\$ 19	\$ 20	\$ 20	
Internal Recoveries	\$ 4,202	\$ 4,328	\$ 4,458	\$ 4,591	\$ 4,729	\$ 4,871	\$ 5,017	\$ 5,167	\$ 5,323	\$ 5,482	\$ 5,647	
Purchased/Contract Services	\$ 11,944	\$ 12,303	\$ 12,672	\$ 13,052	\$ 13,443	\$ 13,847	\$ 14,262	\$ 14,690	\$ 15,131	\$ 15,585	\$ 16,052	
Internal Charges	\$ 4,387	\$ 4,518	\$ 4,654	\$ 4,794	\$ 4,937	\$ 5,086	\$ 5,238	\$ 5,395	\$ 5,557	\$ 5,724	\$ 5,896	
Total Operating expenses	\$ 45,135	\$ 46,489	\$ 47,884	\$ 49,321	\$ 50,800	\$ 52,324	\$ 53,894	\$ 55,511	\$ 57,176	\$ 58,891	\$ 60,658	
Debt Charges												
Debt Charges - Interest Expenses	\$ 1,796	\$ 1,711	\$ 1,622	\$ 1,528	\$ 1,430	\$ 1,328	\$ 1,219	\$ 1,115	\$ 1,008	\$ 895	\$ 776	
Amortization Expense												
Amortization of tangible capital assets	\$ 19,831	\$ 20,216	\$ 20,631	\$ 21,076	\$ 21,554	\$ 22,067	\$ 22,617	\$ 23,207	\$ 23,839	\$ 24,514	\$ 25,234	
Total Expenses	\$ 66,762	\$ 68,416	\$ 70,136	\$ 71,925	\$ 73,785	\$ 75,720	\$ 77,730	\$ 79,833	\$ 82,022	\$ 84,299	\$ 86,668	
Annual Surplus/Deficit	\$ 13,486	\$ 15,552	\$ 17,727	\$ 20,015	\$ 22,423	\$ 24,956	\$ 27,623	\$ 30,416	\$ 33,353	\$ 36,443	\$ 39,693	

Statement of Cash Flow/Cash Receipts—Water and Wastewater—Consolidated

	Projected											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Total Revenues	\$ 80,248	\$ 83,968	\$ 87,863	\$ 91,940	\$ 96,207	\$ 100,675	\$ 105,353	\$ 110,250	\$ 115,376	\$ 120,743	\$ 126,361	
Cash Paid For												
Operating Costs	\$ 45,135	\$ 46,489	\$ 47,884	\$ 49,321	\$ 50,800	\$ 52,324	\$ 53,894	\$ 55,511	\$ 57,176	\$ 58,891	\$ 60,658	
Debt Repayment - Debt Interest	\$ 1,796	\$ 1,711	\$ 1,622	\$ 1,528	\$ 1,430	\$ 1,328	\$ 1,219	\$ 1,115	\$ 1,008	\$ 895	\$ 776	
Cash Provided from Operating Transactions	\$ 33,317	\$ 35,768	\$ 38,357	\$ 41,091	\$ 43,977	\$ 47,023	\$ 50,240	\$ 53,624	\$ 57,192	\$ 60,957	\$ 64,927	
Capital Transactions												
Acquisition of TCA	\$ 30,793	\$ 33,149	\$ 35,638	\$ 38,268	\$ 41,045	\$ 43,978	\$ 47,211	\$ 50,524	\$ 53,974	\$ 57,613	\$ 61,467	
Finance Transactions												
Proceeds from Debt Issuance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Proceeds from Grants and Subsidies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Repayment Principal	\$ 2,014	\$ 2,099	\$ 2,188	\$ 2,281	\$ 2,379	\$ 2,482	\$ 2,455	\$ 2,513	\$ 2,621	\$ 2,734	\$ 2,838	
Increase/(Decrease) in Cash Equivalents	\$ 510	\$ 520	\$ 531	\$ 541	\$ 552	\$ 563	\$ 574	\$ 586	\$ 598	\$ 610	\$ 622	
Cash and Cash Equivalents at Beginning Balance	\$ 25,505	\$ 26,015	\$ 26,535	\$ 27,066	\$ 27,607	\$ 28,160	\$ 28,723	\$ 29,297	\$ 29,883	\$ 30,481	\$ 31,090	
Cash and Cash Equivalents at Ending Balance	\$ 26,015	\$ 26,535	\$ 27,066	\$ 27,607	\$ 28,160	\$ 28,723	\$ 29,297	\$ 29,883	\$ 30,481	\$ 31,090	\$ 31,712	

Statement of Financial Position—Water and Wastewater—Consolidated

	Projected											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Financial Assets												
Cash	\$ 26,015	\$ 26,535	\$ 27,066	\$ 27,607	\$ 28,160	\$ 28,723	\$ 29,297	\$ 29,883	\$ 30,481	\$ 31,090	\$ 31,712	
Liabilities												
Debt - Principal Outstanding	\$ 42,998	\$ 40,972	\$ 38,860	\$ 36,658	\$ 34,362	\$ 31,968	\$ 29,604	\$ 27,186	\$ 24,665	\$ 22,036	\$ 19,308	
Net Financial Assets	\$ (16,983)	\$ (14,436)	\$ (11,794)	\$ (9,051)	\$ (6,202)	\$ (3,245)	\$ (307)	\$ 2,697	\$ 5,816	\$ 9,054	\$ 12,404	
Non-Financial Assets												
Tangible Capital Assets	\$ 1,006,407	\$ 1,037,200	\$ 1,070,349	\$ 1,105,988	\$ 1,144,256	\$ 1,185,301	\$ 1,229,279	\$ 1,276,491	\$ 1,327,015	\$ 1,380,988	\$ 1,438,601	
Additions to Tangible Capital Assets	\$ 30,793	\$ 33,149	\$ 35,638	\$ 38,268	\$ 41,045	\$ 43,978	\$ 47,211	\$ 50,524	\$ 53,974	\$ 57,613	\$ 61,467	
Accumulated Amortization	\$ 429,022	\$ 449,239	\$ 469,869	\$ 490,945	\$ 512,499	\$ 534,567	\$ 557,184	\$ 580,391	\$ 604,230	\$ 628,744	\$ 653,977	
Total Non-Financial Assets	\$ 608,178	\$ 621,111	\$ 636,118	\$ 653,310	\$ 672,802	\$ 694,713	\$ 719,307	\$ 746,623	\$ 776,758	\$ 809,858	\$ 846,091	
Accumulated Surplus	\$ 591,195	\$ 606,674	\$ 624,325	\$ 644,260	\$ 666,599	\$ 691,468	\$ 719,000	\$ 749,320	\$ 782,574	\$ 818,912	\$ 858,496	
Cash as a % of Non-Financial Assets	4.3%	4.3%	4.3%	4.2%	4.2%	4.1%	4.1%	4.0%	3.9%	3.8%	3.7%	
Debt as a % of Non-Financial Assets	7.1%	6.6%	6.1%	5.6%	5.1%	4.6%	4.1%	3.6%	3.2%	2.7%	2.3%	

Appendix A—Alternative Options

Appendix A



Closing the Infrastructure Gap

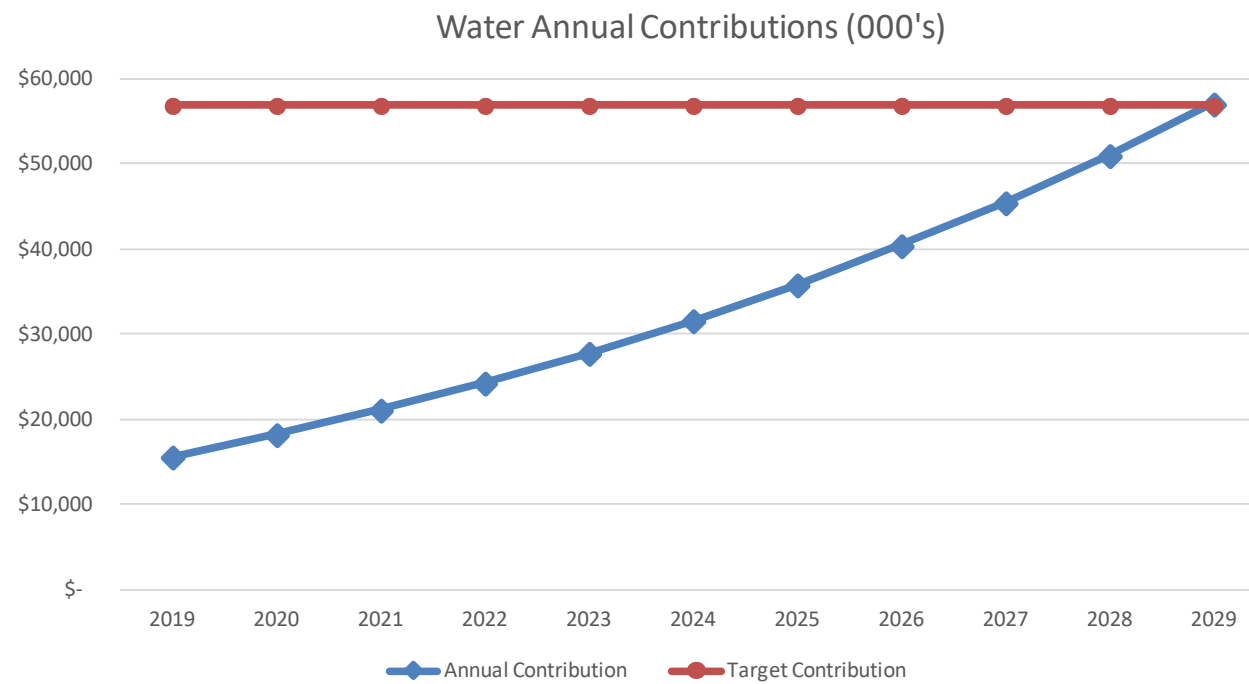
Three additional scenarios were run to close the annual infrastructure gap over various timeframes

Scenario	Annual Gap Closure	Annual Rate Increase
1	10 years	8.8%
2	15 years	6.2%
3	25 years	4.1%

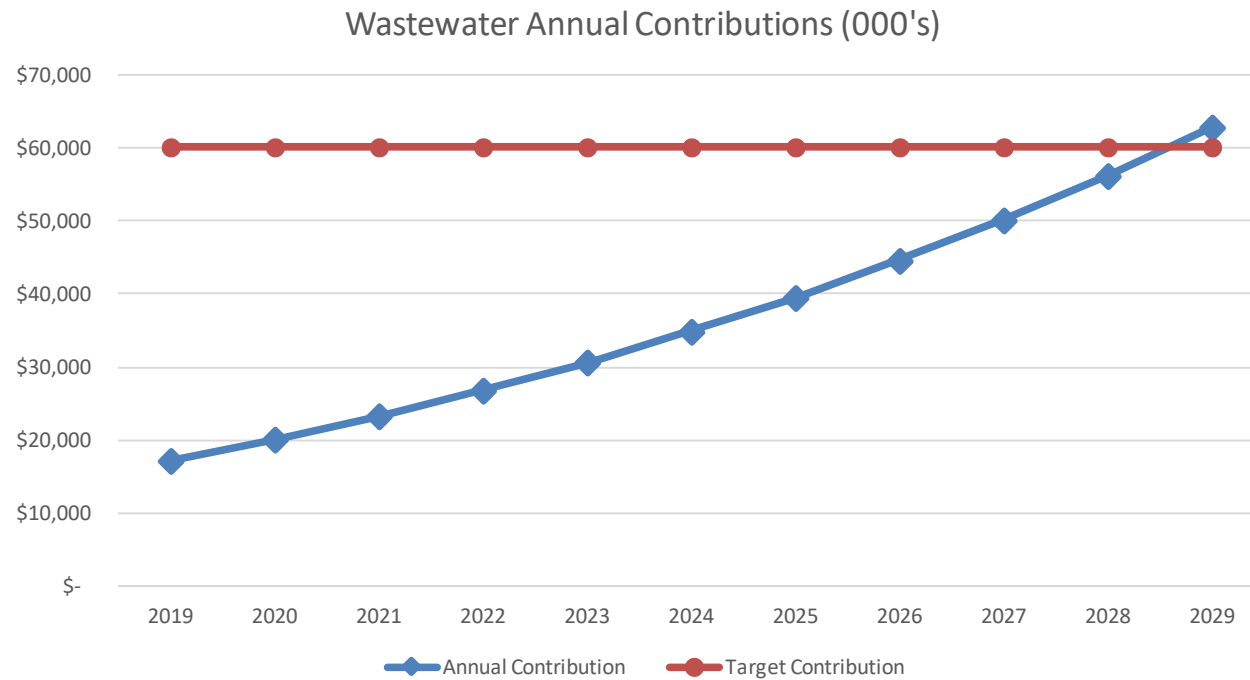
Scenario 1: 10 year timeframe

Closing the gap in 2029

Scenario 1 : Water Annual Contributions



Scenario 1 : Wastewater Annual Contributions



Scenario 1 : Residential Impact

200 m ³ residential impact - 5/8"									
		Water		WW		Cost of service			
Year	Annual Consumption m3	Fixed Monthly	Volumetric	WW Surcharge	Water	WW	Total	Percentage Increase From Prior Year	
2019	200	\$ 21.46	\$ 1.728	111.8%	\$ 603	\$ 674	\$ 1,277		
2020	200	\$ 22.98	\$ 1.902	111.7%	\$ 656	\$ 733	\$ 1,389	8.7%	
2021	200	\$ 24.89	\$ 2.073	111.9%	\$ 713	\$ 798	\$ 1,511	8.8%	
2022	200	\$ 26.96	\$ 2.259	112.1%	\$ 775	\$ 869	\$ 1,644	8.8%	
2023	200	\$ 29.20	\$ 2.462	112.3%	\$ 843	\$ 946	\$ 1,789	8.8%	
2024	200	\$ 31.63	\$ 2.683	112.5%	\$ 916	\$ 1,031	\$ 1,947	8.8%	
2025	200	\$ 34.26	\$ 2.924	112.7%	\$ 996	\$ 1,122	\$ 2,118	8.8%	
2026	200	\$ 37.11	\$ 3.187	112.9%	\$ 1,083	\$ 1,222	\$ 2,305	8.8%	
2027	200	\$ 40.20	\$ 3.473	113.1%	\$ 1,177	\$ 1,331	\$ 2,508	8.8%	
2028	200	\$ 43.55	\$ 3.784	113.3%	\$ 1,279	\$ 1,449	\$ 2,729	8.8%	
2029	200	\$ 47.17	\$ 4.124	113.5%	\$ 1,391	\$ 1,578	\$ 2,969	8.8%	

Scenario 2: 15 year timeframe

Closing the gap in 2034

Appendix A



Closing the Infrastructure Gap

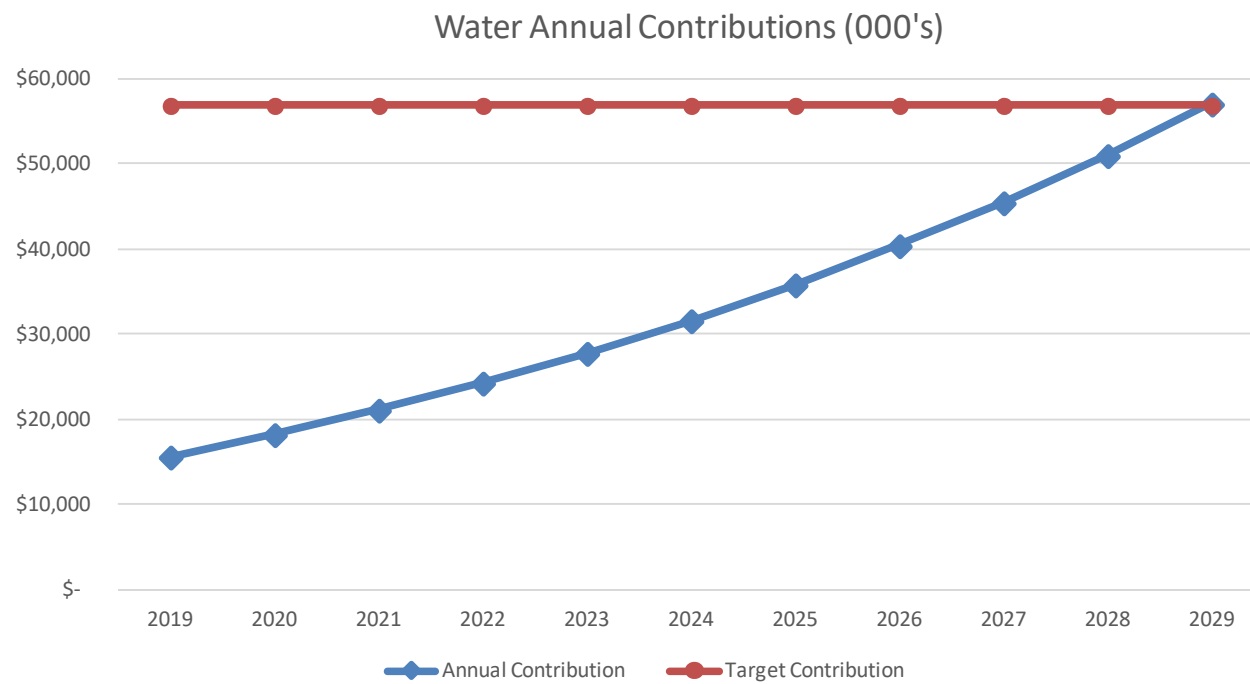
Three additional scenarios were run to close the annual infrastructure gap over various timeframes

Scenario	Annual Gap Closure	Annual Rate Increase
1	10 years	8.8%
2	15 years	6.2%
3	25 years	4.1%

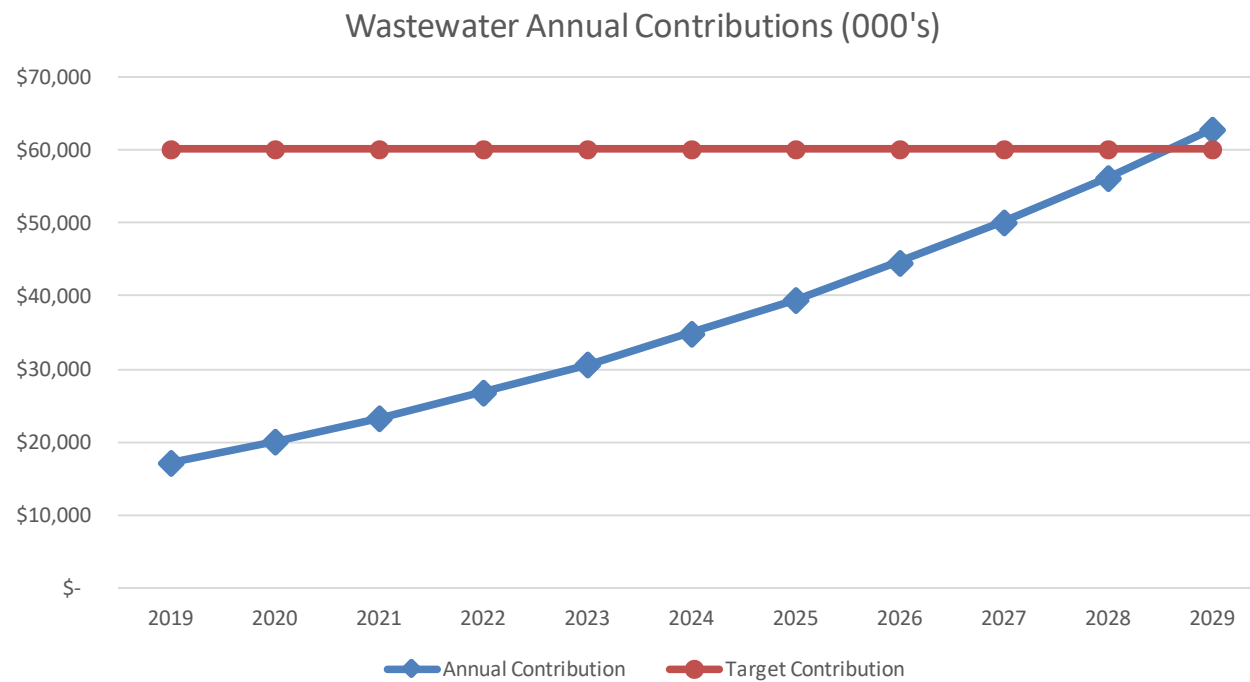
Scenario 1: 10 year timeframe

Closing the gap in 2029

Scenario 1 : Water Annual Contributions



Scenario 1 : Wastewater Annual Contributions



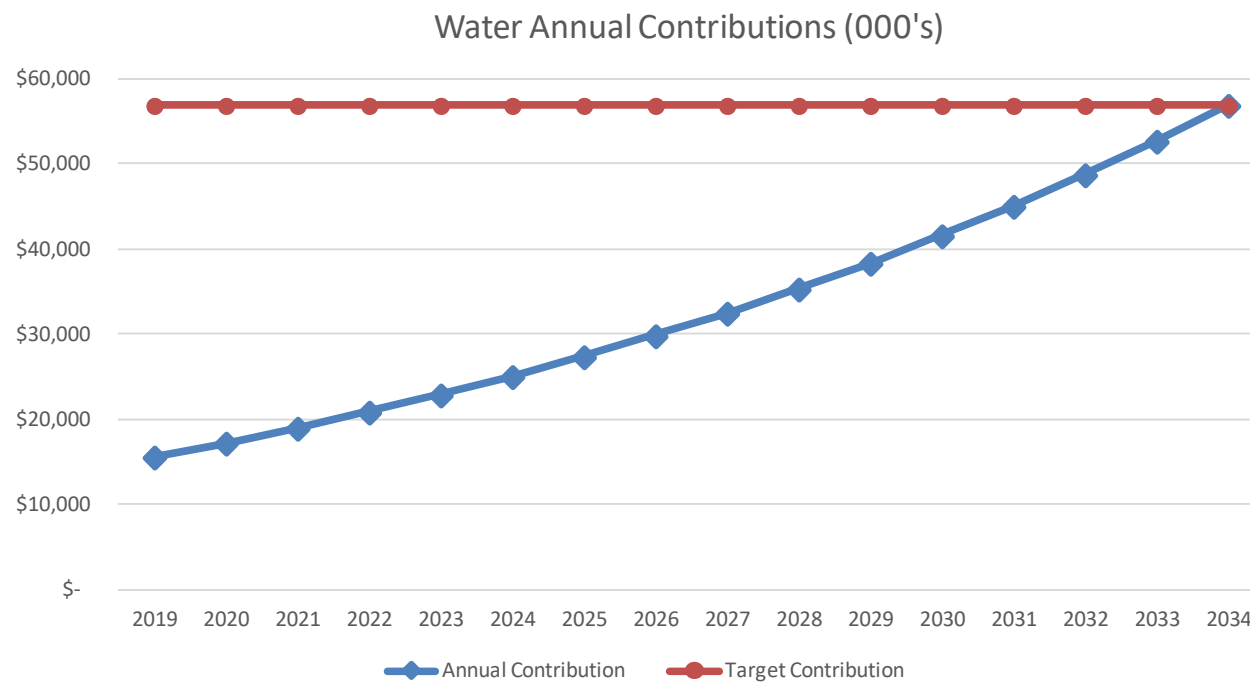
Scenario 1 : Residential Impact

200 m ³ residential impact - 5/8"									
		Water		WW		Cost of service			
Year	Annual Consumption m3	Fixed Monthly	Volumetric	WW Surcharge	Water	WW	Total	Percentage Increase From Prior Year	
2019	200	\$ 21.46	\$ 1.728	111.8%	\$ 603	\$ 674	\$ 1,277		
2020	200	\$ 22.98	\$ 1.902	111.7%	\$ 656	\$ 733	\$ 1,389	8.7%	
2021	200	\$ 24.89	\$ 2.073	111.9%	\$ 713	\$ 798	\$ 1,511	8.8%	
2022	200	\$ 26.96	\$ 2.259	112.1%	\$ 775	\$ 869	\$ 1,644	8.8%	
2023	200	\$ 29.20	\$ 2.462	112.3%	\$ 843	\$ 946	\$ 1,789	8.8%	
2024	200	\$ 31.63	\$ 2.683	112.5%	\$ 916	\$ 1,031	\$ 1,947	8.8%	
2025	200	\$ 34.26	\$ 2.924	112.7%	\$ 996	\$ 1,122	\$ 2,118	8.8%	
2026	200	\$ 37.11	\$ 3.187	112.9%	\$ 1,083	\$ 1,222	\$ 2,305	8.8%	
2027	200	\$ 40.20	\$ 3.473	113.1%	\$ 1,177	\$ 1,331	\$ 2,508	8.8%	
2028	200	\$ 43.55	\$ 3.784	113.3%	\$ 1,279	\$ 1,449	\$ 2,729	8.8%	
2029	200	\$ 47.17	\$ 4.124	113.5%	\$ 1,391	\$ 1,578	\$ 2,969	8.8%	

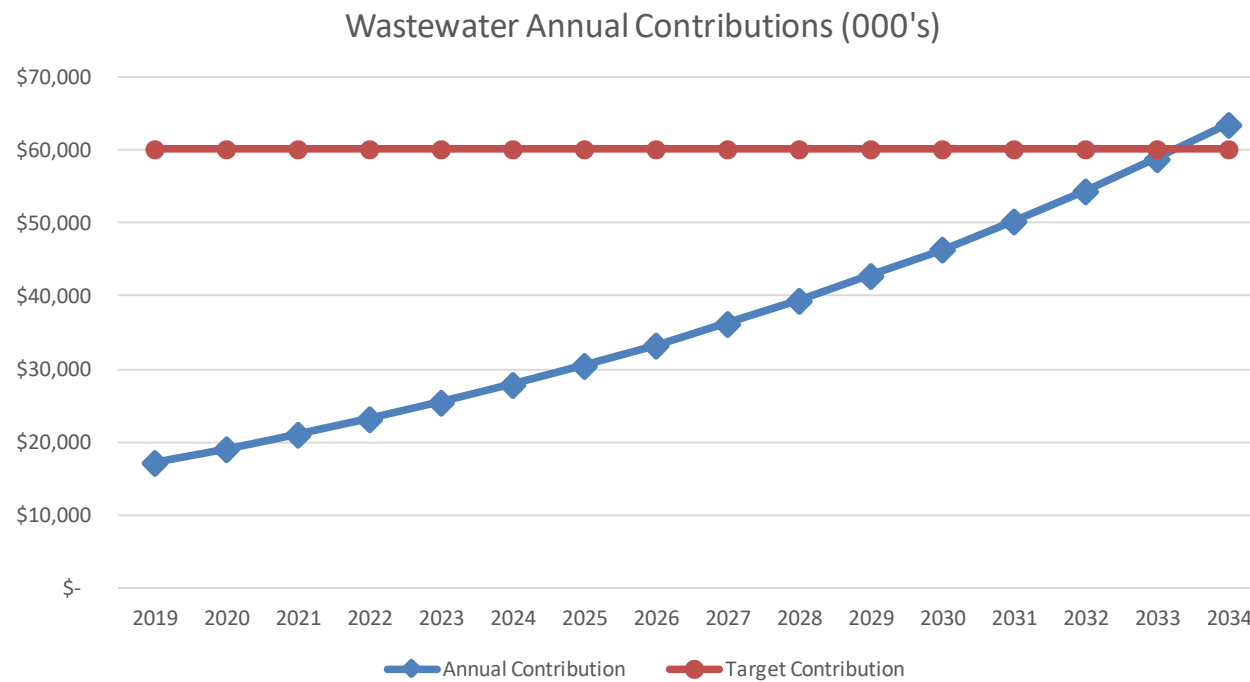
Scenario 2: 15 year timeframe

Closing the gap in 2034

Scenario 2 : Water Annual Contributions



Scenario 2 : Wastewater Annual Contributions



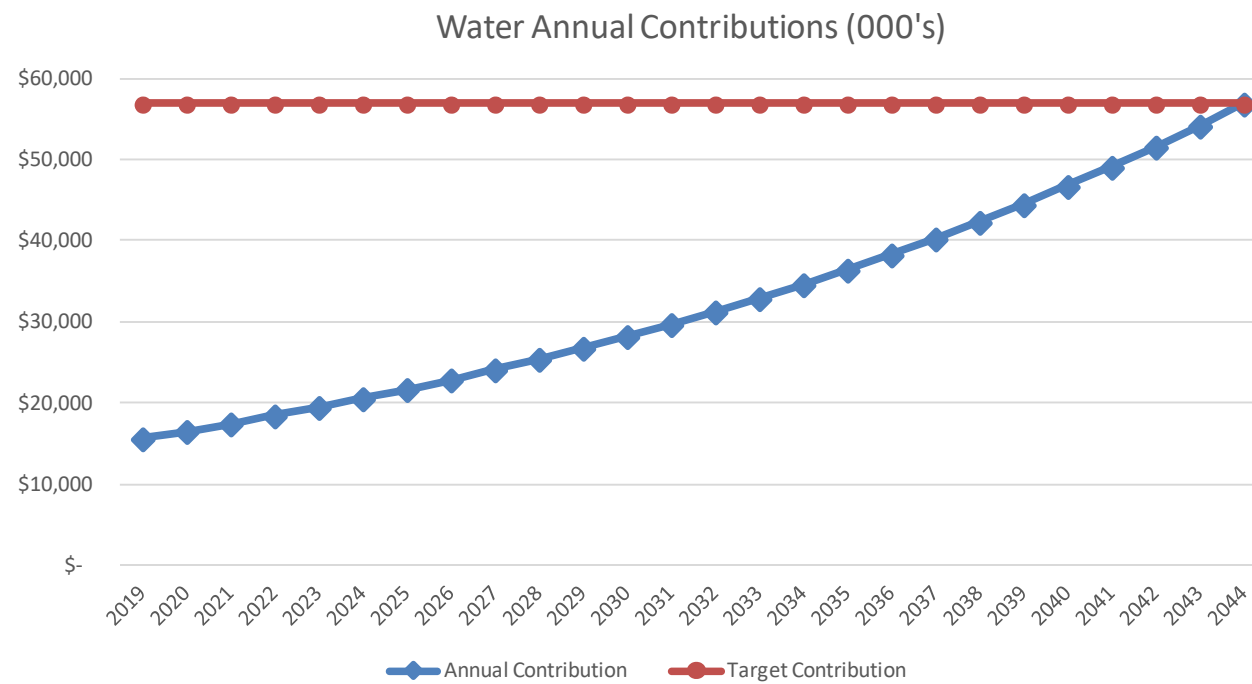
Scenario 2 : Residential Impact

200 m ³ residential impact - 5/8"									
		Water		WW		Cost of service			
Year	Annual Consumption m3	Fixed Monthly	Volumetric	WW Surcharge	Water	WW	Total	Percentage Increase From Prior Year	
2019	200	\$ 21.46	\$ 1.728	111.8%	\$ 603	\$ 674	\$ 1,277		
2020	200	\$ 22.43	\$ 1.857	111.6%	\$ 641	\$ 715	\$ 1,356	6.1%	
2021	200	\$ 23.71	\$ 1.975	111.8%	\$ 680	\$ 760	\$ 1,439	6.2%	
2022	200	\$ 25.07	\$ 2.101	111.9%	\$ 721	\$ 807	\$ 1,528	6.2%	
2023	200	\$ 26.51	\$ 2.235	112.1%	\$ 765	\$ 858	\$ 1,623	6.2%	
2024	200	\$ 28.03	\$ 2.378	112.2%	\$ 812	\$ 911	\$ 1,723	6.2%	
2025	200	\$ 29.64	\$ 2.530	112.4%	\$ 862	\$ 968	\$ 1,830	6.2%	
2026	200	\$ 31.34	\$ 2.691	112.6%	\$ 914	\$ 1,029	\$ 1,943	6.2%	
2027	200	\$ 33.14	\$ 2.862	112.7%	\$ 970	\$ 1,093	\$ 2,063	6.2%	
2028	200	\$ 35.04	\$ 3.045	112.8%	\$ 1,029	\$ 1,161	\$ 2,191	6.2%	
2029	200	\$ 37.05	\$ 3.239	113.0%	\$ 1,092	\$ 1,234	\$ 2,326	6.2%	

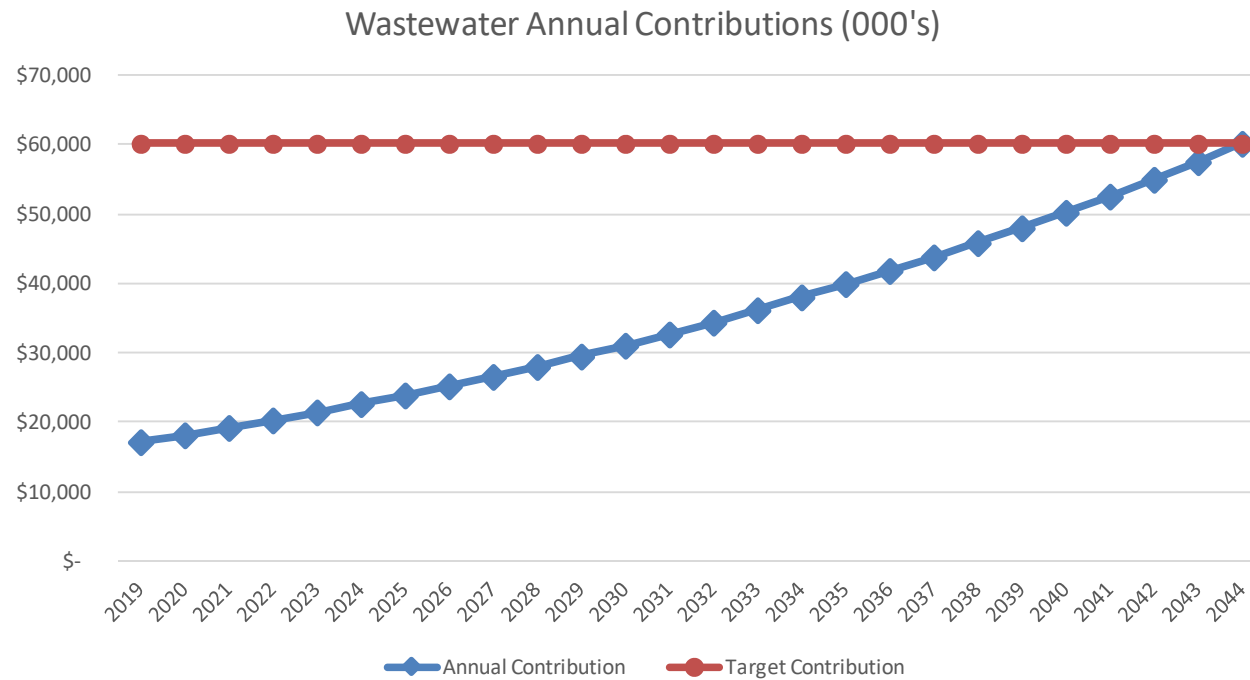
Scenario 3: 25 year timeframe

Closing the gap in 2044

Scenario 3 : Water Annual Contributions



Scenario 3 : Wastewater Annual Contributions



Scenario 3 : Residential Impact

200 m ³ residential impact - 5/8"									
		Water		WW		Cost of service			
Year	Annual Consumption m3	Fixed Monthly	Volumetric	WW Surcharge	Water	WW	Total	Percentage Increase From Prior Year	
2019	200	\$ 21.46	\$ 1.728	111.8%	\$ 603	\$ 674	\$ 1,277		
2020	200	\$ 22.02	\$ 1.823	111.4%	\$ 629	\$ 701	\$ 1,329	4.1%	
2021	200	\$ 22.85	\$ 1.904	111.4%	\$ 655	\$ 729	\$ 1,384	4.1%	
2022	200	\$ 23.72	\$ 1.988	111.3%	\$ 682	\$ 759	\$ 1,442	4.1%	
2023	200	\$ 24.62	\$ 2.076	111.3%	\$ 711	\$ 791	\$ 1,501	4.1%	
2024	200	\$ 25.55	\$ 2.167	111.2%	\$ 740	\$ 823	\$ 1,563	4.1%	
2025	200	\$ 26.52	\$ 2.263	111.1%	\$ 771	\$ 857	\$ 1,628	4.1%	
2026	200	\$ 27.52	\$ 2.363	111.1%	\$ 803	\$ 892	\$ 1,695	4.1%	
2027	200	\$ 28.57	\$ 2.468	111.0%	\$ 836	\$ 929	\$ 1,765	4.1%	
2028	200	\$ 29.65	\$ 2.577	111.0%	\$ 871	\$ 967	\$ 1,838	4.1%	
2029	200	\$ 30.78	\$ 2.691	110.9%	\$ 907	\$ 1,006	\$ 1,914	4.1%	

Request for Decision

Sudbury Indoor Tennis Centre Request for Tax Relief

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Monday, May 13, 2019

Type: Managers' Reports

Resolution

THAT the City of Greater Sudbury upholds the terms of the lease agreement, not to provide tax relief, as outlined in the report titled "Sudbury Indoor Tennis Centre Request for Tax Relief" from the Interim General Manager of Community Development, presented at the Finance and Administration Committee meeting on June 4, 2019.

Relationship to the Strategic Plan / Health Impact Assessment

This report aligns with Council's Strategic Plan in the area of Quality of Life and Place.

Report Summary

This report outlines a request from the Sudbury Indoor Tennis Centre for tax relief. The report provides options for consideration for tax relief.

Financial Implications

If the resolution is approved, there is no financial impact.

If Alternative 2 is approved, the City will provide a grant equivalent to the 2016, 2017 and 2018 property taxes owing of \$48,181.49, in order to provide assistance for the Sudbury Indoor Tennis Centre to pay its property tax obligation.

Signed By

Report Prepared By

Jeff Pafford
Director of Leisure Services
Digitally Signed May 13, 19

Division Review

Jeff Pafford
Director of Leisure Services
Digitally Signed May 13, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 14, 19

Recommended by the Department

Ian Wood
Interim General Manager of Community
Development
Digitally Signed May 17, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

Introduction

The Sudbury Indoor Tennis Centre (SITC) is a tenant on the municipally owned property located at Queen's Athletic Field. The Municipal Property Assessment Corporation (MPAC) assessed the facility for the first time in 2017. MPAC determined that SITC's facility is taxable, which resulted in taxes owing. The Sudbury Indoor Tennis Centre has contacted the City of Greater Sudbury (City) requesting tax relief; specifically requesting the facility be declared a municipal capital asset.

Background

The Sudbury Winter Tennis Club also known as the Sudbury Indoor Tennis Centre is a tenant on the municipally owned property located at 0 Cypress Street, Sudbury, which is utilized by the City as a public park and recreation area commonly known as Queen's Athletic Field. This property also includes a sports field, an outdoor track (summer), skating oval (winter), outdoor tennis courts, a parking lot, a field house with dressing rooms and common space. This field house is shared with the tenant (SITC).

In 1992 the City of Sudbury authorized a lease agreement with the Sudbury Winter Tennis Club by the passing of by-law 92-185. The lease was for 10 seasons, commencing winter season 1992 and ending June 1st, 2002. The lease to the Sudbury Winter Tennis Club was for use of the part of the City's land (to erect the tennis bubble) and use of part of the Queen's Athletic field house. As per the lease, there was no rent payable and the club was to be responsible for property taxes, if assessed, as per paragraph 17 of the Lease. A copy of By-law 92-185 and the lease are attached (Appendix A - By-law 92-185 - Lease Agreement). The lease agreement was in overholding between 2002 and 2012.

In 2012, the City of Greater Sudbury entered into a new lease agreement with the Sudbury Winter Tennis Club for a 10-year term (January 2, 2012 - December 31, 2021). The lease was executed under delegated authority as per the City's Property By-Law, with no rent payable by the club. The club is responsible for property taxes, if assessed, as per paragraph 4 of the lease agreement. An executed copy of the 2012 lease is attached (Appendix B - Sudbury Winter Tennis Club Lease Agreement, January 1, 2012).

In the fall of 2017, staff advised the Sudbury Indoor Tennis Centre that the facility was assessed by MPAC resulting in taxes owing back to 2016. Formal correspondence was sent to the Sudbury Indoor Tennis Centre regarding the MPAC assessment on January 18, 2018. Taxes owing at this point were as follows:

- 2016 taxes owing - \$15,675.99
- 2017 taxes owing - \$18,060.76
- Total owing - \$33,736.75

In March of 2018, the City sent correspondence to the Sudbury Indoor Tennis Centre outlining repayment options with respect to taxes owing. The Sudbury Indoor Tennis

Centre passed the following resolution at an emergency board meeting held March 21, 2018:

That the Board send a letter to the City of Greater Sudbury, advising the City that as a small, not-for-profit recreational club which has operated in a City owned building and on City owned tennis courts for twenty-five years, without previously having been subject to property taxes, the Club cannot afford to pay either the retroactive tax amount of \$33,736.35 or future annual taxes anticipated to be between \$18,000-\$20,000 and that the Board formally asks City Council to present a motion, to deem the Sudbury Indoor Tennis Centre a property of municipal significance, similar to what was done for the Northern Water Sports Centre which found itself in circumstances very similar to those of the Sudbury Indoor Tennis Centre. The Board regrets to have to advise the City that should the Club not be so deemed, the Club will be forced to close as it will no longer be financially viable.

In the spring of 2018, a Request for Reconsideration was submitted by the City appealing MPAC's assessment of the property tax as it pertains to the Sudbury Indoor Tennis Centre. The Request for Reconsideration was successful and the taxable component of the property assessment was reduced by \$112,100.

Current Status

As of March 2019 the Sudbury Indoor Tennis Centre has been billed \$54,968.94 for property taxes owing, including interest.

Sudbury Indoor Tennis Centre Property Taxes Owing	
2016 property taxes owing	\$15,675.99
2017 property taxes owing	\$18,060.76
2018 property taxes owing	\$17,703.72
2018 property tax adjustment (as per RFR)	(\$4,049.35)
2019 interim tax bill	\$6,787.45
Interest accrued	\$790.37
Total	\$54,968.94

As of the date of this report the Sudbury Indoor Tennis Centre has not met its obligation and has not paid any of the property taxes billed.

The Sudbury Indoor Tennis Centre has also advised that the HVAC system for the air supported structure requires replacement in the near term estimated at \$175,000. The

HVAC system is a capital responsibility of the Sudbury Indoor Tennis Centre. A recent application for Trillium funding for HVAC upgrades was unsuccessful.

Financial statements provided to the City by the Sudbury Indoor Tennis Centre show a total of \$181,951 in revenue and \$182,051 in expenses for the year ending June 30, 2017. Revenue totals include \$99,058 collected in court fees and \$33,051 collected from membership fees.

The City has met with Sudbury Indoor Tennis Centre representatives on strategies to improve their financial position. An initial meeting was held in April 2018 to learn more about the group's challenges and financial position. Subsequent meetings were held to discuss programming opportunities and marketing strategies. As a result of meetings the City is exploring opportunities for promotion of the indoor tennis centre and the Club is exploring joint programming opportunities. As part of discussions, there has been a commitment by the Club to provide access and programming to those individuals with financial barriers, which was identified as part of the City's Affordable Access to Recreation Strategy.

Demand and Participation Analysis

In order to gain a better understanding of demand and provision levels staff reached out to the JF Group to obtain information with respect to demand for an indoor tennis centre for a municipality the size of the City of Greater Sudbury. The JF Group has worked with other municipalities and Tennis Canada to develop facility and tennis strategies.

The JF Group suggests that a community the size of the City of Greater Sudbury should be able to support two or three indoor tennis complexes (with 6 courts each).

To determine the number of indoor tennis players in a community, the following formula is used:

- # of casual players (those playing tennis 4 times per year) is equal to 20% of the adult population
- # of court players (those playing tennis 2 times per month) is equal to 40% of casual players
- # of indoor tennis players is equal to 11% of court players

Projected Number of Indoor Tennis Players in Greater Sudbury	
# of adults in Greater Sudbury (2016 Census)	97,595
# of casual players (20% of adult population)	19,519
# of court players (40% of casual players)	7,808
# of indoor players (11% of court players)	859

# of Sudbury Indoor Tennis Centre members	212
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The JF Group also advised that to be successful, an indoor tennis facility requires a minimum of 75 to 100 members per court. With four indoor tennis courts, the Sudbury Indoor Tennis Centre should have between 300 and 400 members (currently has 212 members).

The analysis demonstrates that there is sufficient supply in Greater Sudbury to support the indoor tennis centre. There appears to be opportunities to capture latent demand and increase membership.

Comparator Facilities

Information on membership fees and court fees from similar facilities across Ontario has also been collected. Information has been collected from the following:

- Barrie (Barrie North Winter Tennis Centre)
- Burlington (Aldershot Tennis Club)
- Ottawa (Tennis Centre West Ottawa)
- Kitchener (GSM Tennis Club)

Indoor Tennis Centre Membership Fees Comparison (Annual Rates)			
Location	Adult	Student	Family
Barrie	\$329	\$239	\$799
Burlington	\$535	\$375	n/a
Ottawa	\$624	\$349	\$1235
Kitchener	\$350	\$250	\$700
Sudbury	\$265	\$150	\$650

Indoor Tennis Centre Court Fees (Hourly Rates)		
Location	Members	Non-Members
Barrie	\$26 prime \$22 non-prime	\$50 prime \$42 non-prime
Burlington	\$15	Members permitted to sign in a guest 5 times per year.
Ottawa	\$36 prime \$28 non-prime	\$51 prime \$43 non-prime
Kitchener	\$20 prime \$15 non-prime	\$35 prime \$25 non-prime
Sudbury	\$28	\$56

Analysis demonstrates that membership rates in Sudbury are significantly less than other comparator facilities, while court fees are in the same range as other indoor tennis centers in Ontario.

Alternatives for Council's Consideration

The following alternatives are available to Council in response to the Sudbury Indoor Tennis Centre's request for tax relief:

Alternative 1

Council may deny the request for assistance from the Sudbury Indoor Tennis Centre and uphold the terms of the Lease Agreement signed by the group on January 1, 2012. Should Council choose this option, the Finance Division will continue its collection efforts, via its Accounts Receivable Section.

This option could create a negative impact on the Sudbury Indoor Tennis Centre, potentially causing closure due to the amount of funds currently outstanding.

Alternative 2

City Council may consider granting an amount equal to property tax amounts for 2016, 2017, and 2018. Property taxes would begin to be charged in full for the year 2019 and forward. This option would allow staff to continue to work with the Sudbury Indoor Tennis Centre on their business plan with the aim of increasing membership and becoming more financially sustainable. An increase of approximately \$65 per member would be sufficient to provide for payment of the annual property taxes.

Alternative 3

Council may consider providing a grant or partial grant to the Sudbury Indoor Tennis Centre, equivalent to or partially equivalent to the property tax liability generated by its occupation of the facility. City Council's authority to provide grants can be found in Section 107 of the Municipal Act. However, this action may encourage other groups occupying similar facilities to approach Council in an effort to be treated in the same fashion. The annual property taxes are estimated to be approximately \$14,000. This alternative is not recommended as it would set precedent for other similar organizations.

Alternative 4

Properties owned and occupied by a municipality are exempt from taxation pursuant to Section 3 of the Assessment Act. However, where a municipality leases property to an organization or group, the property becomes taxable. If such a tenanted property is designated as a Municipal Capital Facility, the property becomes exempt from taxation. City Council may, by way of a by-law, designate the Sudbury Indoor Tennis Centre as authorized under Section 110 of the Municipal Act. Should Council choose this option, the Sudbury Indoor Tennis Centre would be exempt from taxation and the lost revenue would be passed on to all other property owners in the City.

Declaring the facility, a municipal capital asset is not recommended. Although the Sudbury Indoor Tennis Centre has requested to be treated like the Northern Water Sports Centre, the Northern Water Sports Centre is a shared use facility, with the City and tenant each using and programming space. This option also has the greatest negative impact on the tax levy.

Summary

Of the four alternatives, staff recommend that only the first or second alternative should be considered by the Committee.

Should Council want to provide assistance to the Sudbury Indoor Tennis Centre, the recommended option would be to grant an amount equal to property tax amounts for 2016, 2017, and 2018. This option would provide some financial relief for the Sudbury Indoor Tennis Centre while allowing the opportunity to increase membership and gain financial sustainability. This option still provides support to the Sudbury Indoor Tennis Centre and an incentive for the group to move forward without creating an ongoing obligation for the City. If this option is accepted, the City will provide a grant of \$48,181.49 to allow for payment of the property tax obligation. If this alternative is approved, the recommended funding source would be the Tax Rate Stabilization Reserve.

Should Council choose to uphold the terms of the lease agreement with the Sudbury Indoor Tennis Centre, the request for assistance would be denied.

The City will work with the Sudbury Indoor Tennis Centre to explore potential grant opportunities for the capital funding required to replace the aging HVAC system.

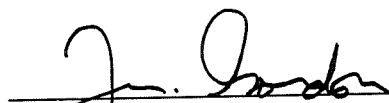
BY-LAW 92-185

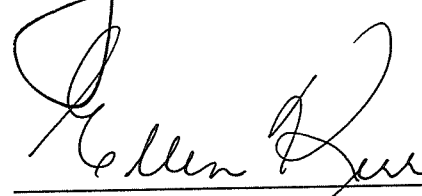
BEING A BY-LAW OF THE CORPORATION OF THE CITY OF
SUDBURY TO AUTHORIZE THE MAYOR AND CLERK TO EXECUTE
AN AGREEMENT TO LEASE PART OF THE ALDER STREET
TENNIS COMPLEX AND PART OF THE QUEEN'S ATHLETIC
FIELDHOUSE IN THE CITY OF SUDBURY BETWEEN THE
CORPORATION OF THE CITY OF SUDBURY AND DONALD PETER
KUYEK, IN TRUST FOR A COMPANY TO BE INCORPORATED AS
THE SUDBURY WINTER TENNIS CLUB

THE COUNCIL OF THE CORPORATION OF THE CITY OF SUDBURY HEREBY
ENACTS AS FOLLOWS:

1. THAT the Mayor and Clerk be and the same are hereby
authorized to execute an Agreement to Lease between The Corporation of
the City of Sudbury and Donald Peter Kuyek, In Trust for a company to
be incorporated as The Sudbury Winter Tennis Club in the form attached
hereto as Schedule "A", which Schedule forms part of this by-law.
2. THAT this by-law shall come into force and take effect
immediately upon the final passing of same.

READ THREE TIMES AND FINALLY ENACTED AND PASSED IN OPEN
COUNCIL THIS TWENTY-SECOND DAY OF SEPTEMBER, 1992.

_____
Mayor

_____
Clerk

SCHEDULE "A"

THIS AGREEMENT made in triplicate this day of September, 1992.

B E T W E E N:

THE CORPORATION OF THE CITY OF SUDBURY
(Hereinafter called the "City")

OF THE FIRST PART;

- and -

DONALD PETER KUYEK, In Trust for a company
to be incorporated in the name of Sudbury
Winter Tennis Club, of the City of Sudbury,
in the Regional Municipality of Sudbury
(Hereinafter called the "CLUB")

OF THE SECOND PART;

WHEREAS the City is the owner of lands on which is
currently situated the Alder Street Tennis Complex, in the City of
Sudbury, being the tennis court facilities shown on Schedule "A"
attached hereto;

AND WHEREAS the Club desires to lease, erect, operate,
maintain and repair an air-support structure for the tennis court
facilities during the winter season upon the said premises, known
as part of the Alder Street Tennis Complex (hereinafter referred
to as the "Alder Street Complex");

AND WHEREAS certain improvements are required to
facilitate the erection of the air-support structure;

AND WHEREAS the Club desires also to lease a portion of
the Queen's Athletic Fieldhouse as shown on Schedule "B" attached
hereto, which Schedule forms a part hereof (hereinafter referred
to as the "Fieldhouse");

THIS IS SCHEDULE "A" TO BY-LAW 92-185 OF THE CORPORATION OF THE CITY OF SUDBURY

Per:  Mayor

Per:  Clerk

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AND WHEREAS the City is agreeable to the improvements to be made to the tennis court facilities, subject to the Club being responsible for the total cost, subject to the approval of the City's Director of Parks and Recreation, and complying with the terms of this Agreement;

AND WHEREAS the Council of The Corporation of The City of Sudbury may pass by-laws for exercising all or any of the powers that are conferred on Boards of park management by Sub-section 1 of Section 11 of The Public Parks Act, R.S.O. 1990, C.P. 46, where lands are not under the general management, regulation and control of a Board of park management pursuant to paragraph 52 of Section 207 of The Municipal Act, R.S.O. 1990, c.M.45;

NOW THEREFORE, for good and valuable consideration and the sum of TWO DOLLARS (\$2.00) paid by the Club to the City, the parties hereto covenant and agree as follows:

1. Subject to paragraph 3, the City agrees to carry out improvements to the Alder Street Complex to permit the installation of an air-support structure for the tennis court facilities shown on Schedule "A" attached hereto, which Schedule forms a part hereof, provided the total cost of the improvements to construct a fifth tennis court, to upgrade the parking area and to add a new play structure, does not exceed \$88,000.00.

2. The Club agrees that the City is to exercise complete control over the construction of any improvements including the issuance of any purchase orders or the calling or awarding of any tenders for the improvements mentioned in paragraph 1 hereof.

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3. (a) With the return of this Agreement and the Agreement for the loan properly executed and secured by the Club, the City, upon approval by its City Council, will provide a grant by way of loan to the Club in the amount of \$50,000.00 which will be used to pay for the improvements and installation of the air-support structure. The Club agrees to repay to the City the sum of \$50,000.00, with interest at 7% per annum, calculated half (1/2) yearly, not in advance in blended monthly payments of principal and interest in the amount of \$577.97 on the 1st day of each month, in each and every year from and including the first day of November, 1992 to and including the first day of October 2002, together with the right when not in default to prepay at any time or times the whole or any part of the principal balance outstanding without notice or bonus.

(b) The Club shall provide annual financial statements prepared by an accredited accountant each year while the loan is outstanding in accordance with the direction of and to the reasonable satisfaction of the City's Commissioner of Finance and Administration.

4. The Club shall be responsible for the preparation and the cost of all plans, drawings and other documents required by the City for approval of the improvements by the City's Commissioner of Physical Services. Further, the Club is responsible for the cost of any necessary approvals or permits including the charges for a building permit, if required.

5. (a) The City consents to allowing the Club to carry out improvements to the Alder Street Complex to prepare for the erection of the air-support structure and to undertake some minor

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improvements to the Queen's Athletic Fieldhouse. It is understood and agreed that any such improvements are subject to the written approval in advance of the City's Director of Parks and Recreation.

(b) The City consents to the Club erecting, operating, maintaining and repairing the air-support structure over the tennis court facilities as shown on Schedule "A" attached hereto, for ten winter seasons, commencing with the winter season 1992 and ending the 1st day of June, 2002. The Club agrees that the air-support structure is to be maintained in a safe condition.

6. (a) The Club agrees that the air-support structure shall be erected at its own cost and expense not earlier than the first day of September of each winter season and removed by the Club, at its own cost and expense, no later than June 1st of each year for the term of this Agreement.

(b) The City hereby agrees that the air-support structure may be stored on the said premises in a secured location approved by the City's Director of Parks & Recreation.

7. The Club agrees that the air-support structure is to be erected, operated, maintained in a safe condition, repaired and removed at the Club's sole cost and expense and the Club agrees to indemnify and save harmless, release and forever discharge the City, its officers, employees and servants of and from all claims, causes of action, actions, demands, losses, damages, suits, costs and interest of any nature whatsoever, inclusive of claims under the Construction Lien Act that may result from the erecting, operating, maintaining, repairing or removal of the air-support structure.

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8. The City agrees that the Club has the use of the tennis court facilities set out on Schedule "A" attached hereto and a portion of the Queen's Athletic Fieldhouse as identified on Schedule "B" attached hereto during the winter season from June 1st to September 1st, subject to compliance with the other terms and conditions set out in this Agreement and subject to compliance with The City of Sudbury Municipal Code, chapter 594 being the Parks-Maintenance-Operation-Management-Regulations By-law and hereby acknowledges having received a copy thereof, except the hours of operation may be amended from time to time by the City's Director of Parks & Recreation.

9. The Club agrees to pay for all services supplied to and from the tennis court facilities and the air-support structure and for those portions of the Fieldhouse exclusively utilized by the Club, inclusive of hydro and water for the period September 1st to June 1st. Further, the Club shall pay for all costs and charges associated with the maintenance and repair of these services caused by or arising out of any act, deed, omission or an act of the Club, its members, guests, invitees or licencees, reasonable wear and tear and damage by fire, lightning and tempest excepted.

10. (a) The Club covenants and agrees to maintain, repair and pay for all costs and charges for the maintenance and repair of the tennis court facilities installed by the Club or damaged by the Club, its members, guests, invitees or licencees during the months of the Club's occupation of the premises and the air-support structure. The Club shall maintain and repair these areas in accordance with City standards or in accordance with any

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requirements or directions of the City's Director of Parks and Recreation. Reasonable wear and tear and damage by fire, lightning and tempest shall be excepted from maintenance and repair at all times.

(b) Prior to any maintenance, improvement or repair, the Club shall submit in writing to the City's Director of Parks and Recreation the proposed work, method of financing, and any other information requested by the City's Director of Parks and Recreation. No work shall proceed without the written approval in advance of the City's Director of Parks and Recreation. The Club shall be responsible for preparing all necessary plans and obtaining all necessary permits prior to the work commencing, once approved.

(c) The Club shall not construct, erect or place or make any changes or additions to the said tennis court facilities, the Queen's Athletic Fieldhouse or the air-support structure or part thereof except in compliance with this Agreement.

11. All right, title, interest, trust and property of the improvements shall be and vest with the City subject to those rights set out in this Agreement.

12. The Club agrees that its membership fees are not to be unreasonably high and such membership fees or change in membership fees shall be filed with the City's Department of Parks and Recreation, it being understood that such fees shall be sufficient to permit the Club to meet its financial obligations in a prudent manner.

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13. The Club agrees that the said tennis facilities will always be available to non-members of the Club at times to be determined by the City's Director of Parks and Recreation and at reasonable rates, it being understood that such use and rates will not prevent the Club from meeting its financial obligations in a prudent manner or adversely affect the operation of the Club.

14. It is understood and agreed by the Club that any chattels or other real or personal property which the Club has or permits at the tennis court facilities, the fieldhouse and the air-support structure shall be the responsibility of the Club which agrees to release, indemnify and save harmless the City from any claim, loss, damage, theft or robbery of any chattels or other real or personal property located thereon or therein.

15. The Club agrees to indemnify and save harmless the City from all damages for any injury or death sustained by any person or persons and damage to any real or personal property, including all consequential losses, caused by or arising out of any act, deed, omission or act of the Club, its members, guests, invitees, or licencees and to indemnify and save harmless the City from and against all losses, claims, suits, actions, demands, damages, liabilities, judgments or costs which may in any way accrue against the City for or on account of any act or deed or any omission or act of the Club, its members guests, invitees, or licencees arising out of the use of the tennis court facilities, the fieldhouse or the air-support structure.

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16. During the term of this Agreement, the Club agrees to maintain during the term hereby created, including any and all subsequent extensions and renewals thereof, comprehensive liability insurance, including tenants' legal liability, in the following manner and amount:

(i) Comprehensive liability insurance which shall include contractual liability coverage for liability assumed hereunder including claims of the Club and protective coverage for all subcontracted operations with such insurance to provide limits of at least:

Bodily Injury Liability and property damage liability inclusive	Each Occurrence or accident \$2,000,000.00	Aggregate each policy year \$2,000,000.00
--	--	---

(ii) The Club shall furnish the City with a certified copy of the comprehensive liability insurance policy or policies together with an Undertaking from the insurance company that such insurance will not be cancelled or reduced in coverage without thirty (30) days' prior written notice by prepaid registered post addressed to The Corporation of The City of Sudbury at Bag 5000, Station "A", Sudbury, Ontario, P3E 4S5, Attention: Manager of Administration and Deputy City Clerk. Should the City be of the opinion that the insurance taken out by the Club is inadequate in any respect for any reason whatsoever, it shall forthwith advise the Club of its reasons therefor and the Club shall forthwith take out additional insurance satisfactory to the City.

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17. The Club shall be responsible for the payment of all taxes whether federal, provincial or municipal, including any business or real property tax. In the event these taxes are required to be paid by the City, the Club shall immediately, upon being invoiced, reimburse the City for the taxes paid.

18. Where notice is required or permitted to be given by either party to the other pursuant to this Agreement, such notice shall be in writing and shall be deemed to have been sufficiently given,

(a) To the City, if delivered in person or sent by registered mail to the Director of Parks and Recreation, at the following address:

200 Brady Street
Bag 5000, Station "A"
Civic Square Complex
SUDBURY, Ontario
P3A 5P3

(b) To the Club, if delivered in person or sent by registered mail to the Club at the following address:

Sudbury Winter Tennis Club
c/o Donald Peter Kuyek
229 Elm Street
SUDBURY, Ontario
P3C 1T8

(c) If any question arises as to the date upon which notice was given by one party to the other, notice will be deemed to have been received, if it is delivered in person, on the day it is delivered, or if it is sent by registered mail, on the date it is received by the person to whom it is addressed or on the third business day after the day upon which it is mailed, whichever is the earliest.

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19. In case of non-payment of rent and in case any default, breach or non-observance be made or suffered by the Club at any time or times, in respect of any of the covenants, provisos, conditions, or reservations herein contained, which on the part of the Club ought to be observed or performed, then, and in every such case, provided reasonable steps have not been taken to cure the non-payment, default, breach or non-observance within fifteen (15) days of the date of notice in writing thereof from the City to the Club and signed on behalf of the City, the City may terminate this Agreement by giving to the Club fourteen (14) days notice during which time the Club is no longer permitted to cure such non-payment, default, breach or non-observance and in every such case, it shall be lawful for the City, its servants or agents to re-enter and thereafter to have, possess, and enjoy in full, the premises and the City may restore the lands to their former condition at the expense of the Club.

20. The public washrooms within the said fieldhouse and the parking facilities located on the said premises are to be utilized by the Club in common with all other members of the public and all other persons utilizing the facilities at the Alder Street Tennis Complex and The Queen's Athletic Complex.

21. Should the City staff be required to carry out maintenance, which is the responsibility of the Club to make temporary repairs or undertake work on the said premises, the Club agrees to reimburse the City for the actual costs of labour and material incurred by the City.

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22. The responsibility respecting the tennis court facilities improvements, the air-support structure and the portion of the Fieldhouse identified in Schedule "B", are those of the Club at all times specified in this Agreement, but the Club may let other persons use the tennis court facilities on a temporary and short term basis, as approved by the City's Director of Parks & Recreation.

23. All of the Club's activities to be conducted upon the said premises shall not interfere with but shall be co-ordinated with the City's Parks & Recreation Department's events and activities conducted upon the said premises, to the satisfaction of the City's Director of Parks & Recreation; such condition shall not be unreasonably exercised by the City.

24. This Agreement shall enure to the benefit of and be binding upon the parties hereto, their executors, administrators, legal personal representatives, successors and assigns and shall not be assigned without the written consent of the City.

25. Notwithstanding anything in this Agreement contained, if the Club becomes bankrupt or insolvent or has a Receiving Order made against it or makes an assignment for the benefit of the Club's creditors, or, if an Order is made or resolution passed for the winding up of the Club or if the Club takes the benefit of any Statute for the time being in force relating to bankruptcy or insolvent debtors, then, and in every such case, the City shall be entitled, in addition to whatever rights are provided for in the relevant legislation, to terminate this Agreement as provided herein and to take whatever steps as are provided in such event.

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26. In the event that the Club defaults in any way upon its obligations of the lease for the air-support structure, it is hereby agreed that the City may assume the lease of the structure if it deems advisable to do so.

27. No condoning, excusing, overlooking or delay in acting upon by the City of any default, breach, or non-observance by the said Club at any time or times in respect of any covenant, proviso or condition in this Agreement shall operate as a waiver to the City's rights under this Agreement in respect of any such or continuing subsequent default, breach or non-observance and no waiver shall be inferred from or implied by anything done or omitted to be done by the City except an express waiver in writing.

28. All rights and remedies of the City set forth in this Agreement shall be cumulative and not alternative.

29. No payment by the Club or receipt by the City of a lesser amount than the monthly rent stipulated shall be deemed to be other than on account of the earliest stipulated rent and other payment, nor shall any endorsement or statement on any cheque or any letter accompanying any cheque or payment as rent or receipt be deemed an accord and satisfaction, and the City may accept such cheque or payment without prejudice to the City's right to recover the balance of such rent or pursue any other remedy in this Agreement provided.

30. The Club shall indemnify and hold the City harmless from and against any liability, claim, damages, or expenses (including legal expenses) due to or arising from any claim made against the

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said demised premises or any portion thereof for construction liens relating to work done by or on behalf of the Club and all work which the Club is obliged to do and such liability, claims, damages, or expenses incurred by the City shall be paid by the Club to the City forthwith upon demand; and the Club shall cause all registrations of claims for construction liens and certificates of action under The Construction Lien Act and relating to any such work done by or on behalf of the Club, and all such works which the Club is obliged to do, to be discharged or vacated as the case may be within seven (7) days of such registration or within fifteen (15) days after notice from the City, failing which, the City shall have the right to discharge such liens or certificates by payment to the Claimant, payment into Court, or otherwise; and such payment and the City's reasonable legal and other costs of obtaining and registering such discharges shall be recoverable as if the same were rent or payments hereunder and in arrears.

31. The Club waives and renounces the benefit of any present or future Statute taking away or limiting the City's right to distress and covenants and agrees that notwithstanding any such Statute none of the goods and chattels of the Club on the demised premises at any time during the term shall be exempt from the levy by distress for rent or any other charges; all goods and chattels brought by the Club onto the demised premises shall be unencumbered property of the Club and they shall not be subject to any claim or other encumbrances at any time without the written consent of the City. The Club shall not remove its goods, fixtures and chattels from the demised premises, except in the ordinary course of business if any rent or other amounts

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are owing under this Agreement. If the Club shall leave the demised premises, leaving any rent or other amounts owing under this Agreement unpaid, the City, in addition to any other available remedy, may seize and sell the goods and chattels of the Club at any place to which the Club or other person may have removed them in the same manner as if such goods and chattels had remained and had been distrained upon the demised premises.

32. Subject to the terms and covenants of this Agreement, the Club has the use of the tennis court facilities, the fieldhouse and the air-support structure for a term of ten years. This Agreement terminates on October 1st, 2002.

33. The Club unconditionally guarantees prompt payment of the loan or any part thereof and if such repayment is not made by the Club the City will be entitled to assume its rights under the General Security Agreement and the Term Promissory Note upon notice from the City's Commissioner of Finance and Administration.

34. The City hereby also consents to the use of the name Sudbury in the Club's name.

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35. This Agreement may be assigned by Donald Peter Kuyek to the Corporation, Sudbury Winter Tennis Club and when assumed by the said Corporation, Donald Peter Kuyek shall no longer be responsible or liable for the obligations of the Club under this Agreement.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their proper hands and seals attested by their proper signing Officers in that behalf, as of the day and year first above written.

THE CORPORATION OF THE CITY OF SUDBURY

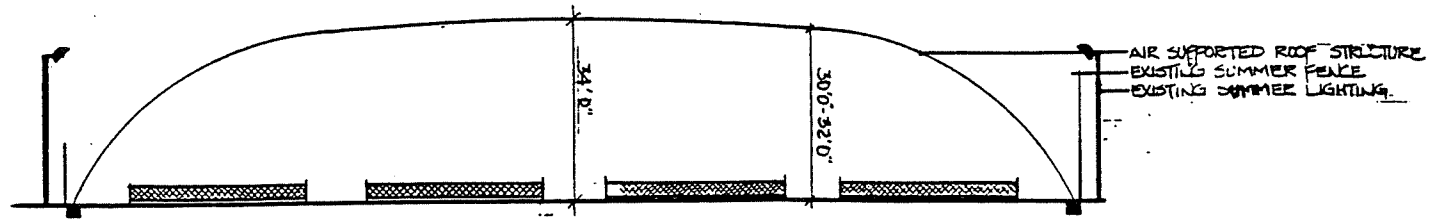
Per: _____ Mayor

Per: _____ Clerk

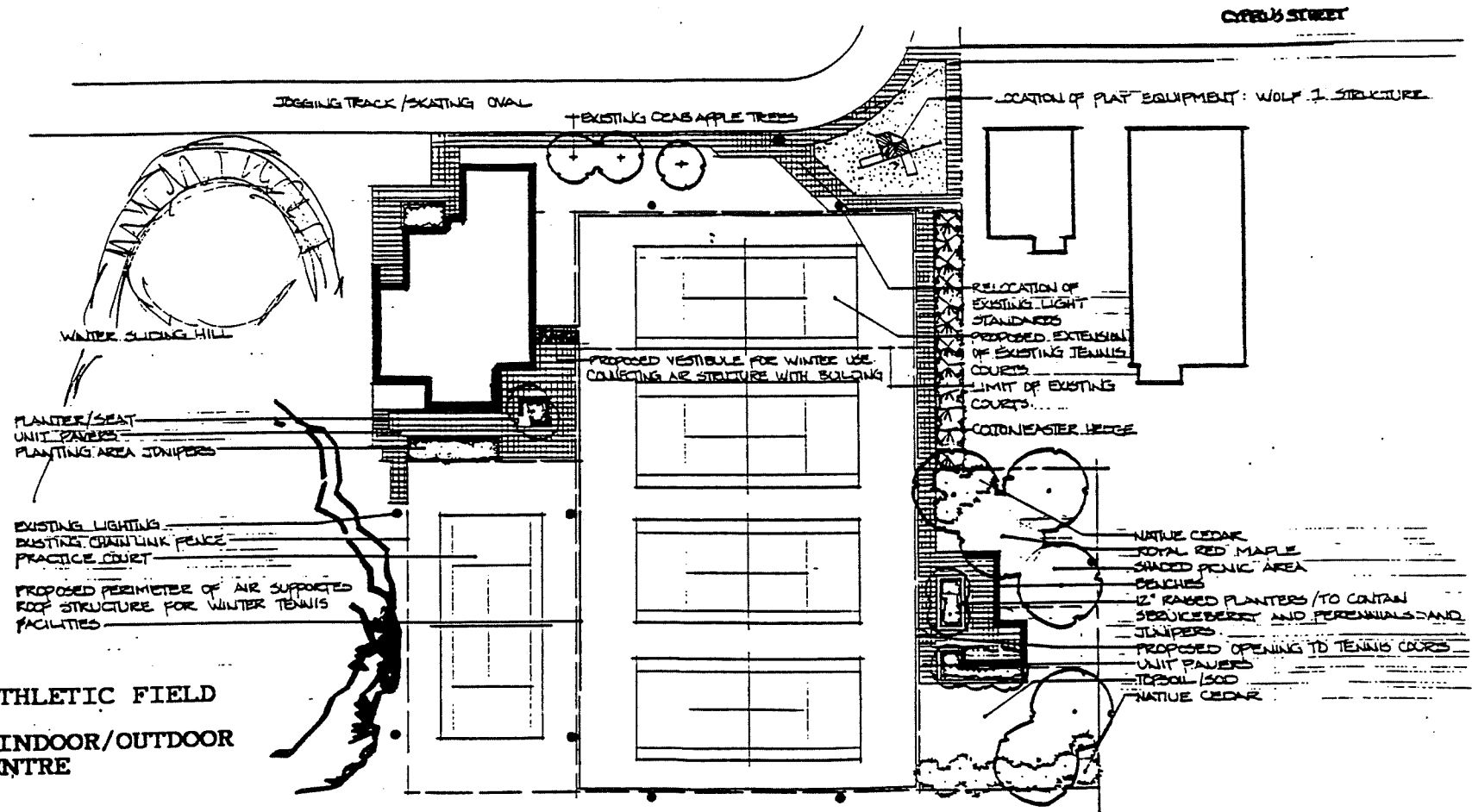
**DONALD PETER KUYEK, In Trust for a company
to be incorporated in the name of
SUDBURY WINTER TENNIS CLUB**

Per: Donald Kuyek

Per: _____



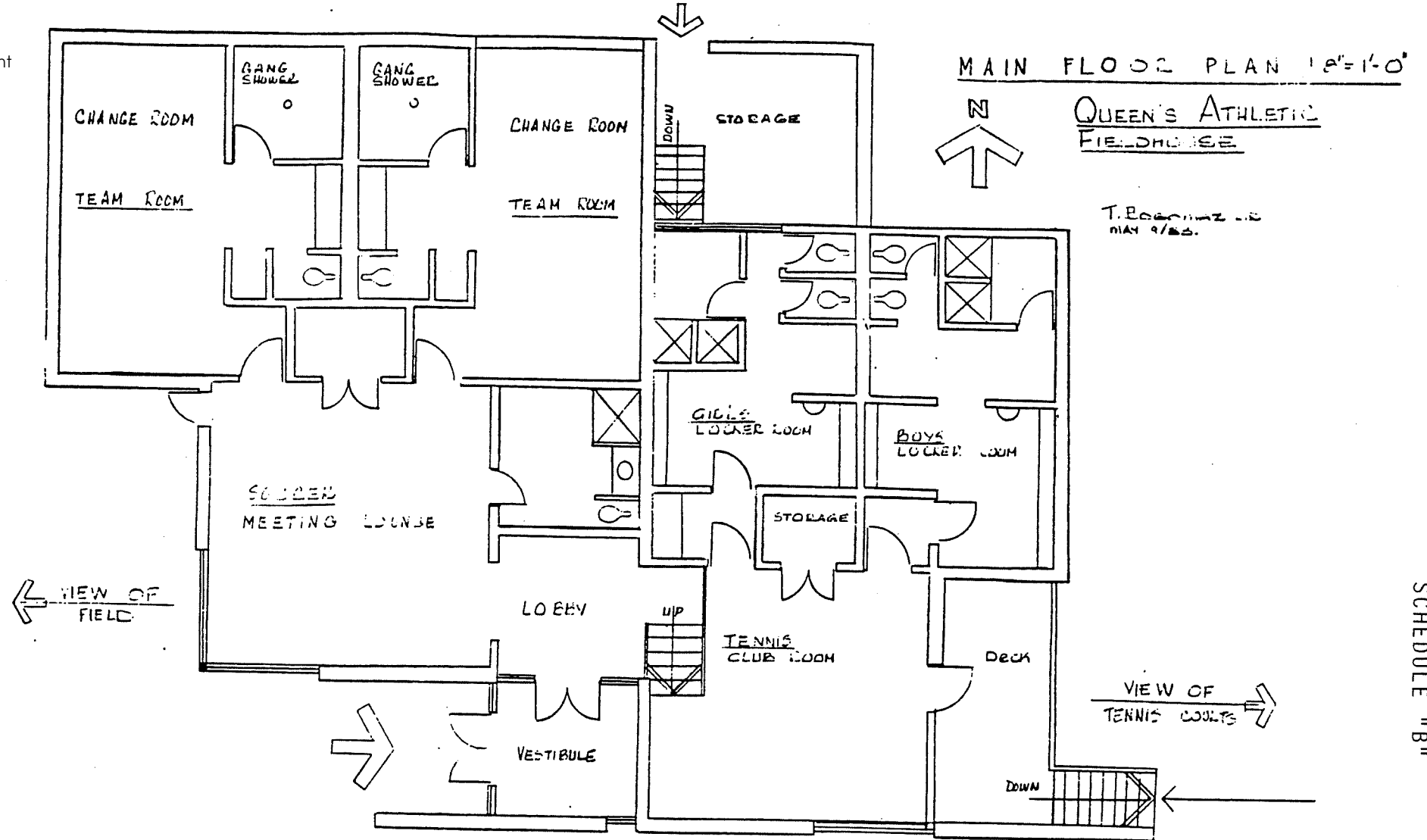
CROSS-SECTION THROUGH AIR SUPPORTED ROOF STRUCTURE
SCALE: 1"=10'



QUEEN'S ATHLETIC FIELD
PROPOSED INDOOR/OUTDOOR
TENNIS CENTRE

SCALE: 1"=15'

SCHEDULE "A"



SCHEDULE "B"

THIS LEASE made as of the 1st day of January, 2012, in pursuance of the *Short Forms of Leases Act*.

BETWEEN:

CITY OF GREATER SUDBURY

(Hereinafter called the "Landlord")

- and -

SUDBURY WINTER TENNIS CLUB

(Hereinafter called the "Tenant")

WHEREAS the Landlord is the owner of certain lands municipally known as **0 Cypress Street, Sudbury**, and legally described as PIN 73585-0852 (LT), part of Lot 6, Concession 3, Township of McKim, which is utilized by the Landlord as a public park and recreation area commonly known as Queen's Athletic Field;

AND WHEREAS pursuant to Agreement made between the Landlord and the Tenant, dated September 22nd, 1992, the Landlord allowed the Tenant to use, for its own purposes, part of a field house at Queen's Athletic Field and to construct a removable, air-supported structure thereon within which the Tenant operated an indoor tennis facility for the use and benefit of its members and the public, on the terms and conditions set out in that Agreement;

AND WHEREAS the Agreement between the Landlord and the Tenant expired on October 1st, 2002, and the Tenant has requested that the Landlord enter into a new Agreement to allow the continued occupation of part of the field house at Queen's Athletic Field and the continued use of part of the land at Queen's Athletic Field for its structure for the continued operation of the indoor tennis facility;


AND WHEREAS the parties wish to set out the terms for the continued use and occupation of part of Queen's Athletic Field by the Tenant as a tennis facility open both to its members and to the public;

NOW THEREFORE in consideration of the mutual covenants contained herein and other good and valuable consideration, the parties hereto agree as follows:

Terminology

1.(1) For the purposes of this Agreement:

- (a) "Common Areas" includes that portion of the field house structure at Queen's Athletic Field not leased to the Tenant, including the washrooms, shower rooms, locker rooms, walkways to the field house structure, all in common with all others entitled thereto from time to time;
- (b) "Field House" shall mean that portion of the Field House located on Queen's Athletic Field leased to the Tenant pursuant to this Lease as illustrated on the sketch attached as Schedule 'B';
- (c) "Leased Areas" shall mean the Structure Lands and the Field House collectively;
- (d) "Queen's Athletic Field" shall mean property owned by the Landlord municipally known as 0 Cypress Street, Sudbury, and legally described as PIN 73585-0852(LT), part of Lot 6, Concession 3, Township of McKim;
- (e) "Structure" shall mean the removable air-supported structure owned by and erected by or on behalf of the Tenant on the Leased Land which

DB 

structure is commonly referred to as the tennis bubble and includes the enclosed walkway from the Field House to the Structure, all supports and shall also include any replacement structure or structures and any extension to the structure authorized pursuant to this Lease; and

- (f) "Structure Lands" shall mean that part of Queen's Athletic Field leased to the Tenant for the Structure in the approximate location shown on the sketch attached as Schedule 'A'.

The Landlord grants to the Tenant on the terms and conditions set out in this Agreement a lease of the Field House and the Structure Lands, TOGETHER WITH the non-exclusive right for the Tenant, its officers, directors, members, employees, contractors, members, visitor and all those persons permitted on the Leased Areas by the Tenant to use the Common Areas. The right of use of the Common Areas shall be restricted to their intended use and shall be subject to such rules and regulations as may be imposed from time to time by the Landlord. The Landlord may from time to time temporarily obstruct or close off parts or all of the Common Areas in order to carry out maintenance or repair or any municipal purpose, as the Landlord, in its sole discretion, deems advisable and such obstruction or closing of shall not be deemed to be an interference with the Tenant's right of the use thereof. The Landlord shall, in its sole discretion, determine the standard of repair and maintenance, if any to any of the Common Areas.

The Tenant acknowledges that the Leased Areas are within a public park area, and subject to any Parks By-law of the City of Greater Sudbury.

Term

2. Unless this Agreement is earlier terminated, the Tenant shall have the right to have and to hold the Leased Areas with all privileges and appurtenances pertaining thereto, for a term of 10 years commencing on the 1st day of January, 2012, to and including the 31st day of December, 2021 (the "Term").

Rent

- 3.(1) In consideration of the Tenant providing tennis facilities for the use and benefit of its members and the public, the Tenant shall not be required to pay any Base Rent to the Landlord.
- (2) The Tenant shall be responsible for and pay all charges, impositions, costs and expenses of every nature and kind relating to the Structure on the Leased Land and all improvements thereon or thereto and to the use and occupancy of the Structure and the Leased Areas except as expressly provided to the contrary herein.
- (3) All payments required to be made by the Tenant pursuant to this shall be payable as additional rent ("Additional Rent"), whether payable directly to the Landlord or not, and whether or not identified herein as 'additional rent'.
- (4) The obligation to pay Additional Rent shall survive the expiry or other termination of this Lease.

Real Property Taxes

4. The Tenant covenants to pay as Additional Rent, as and when due, all real property taxes (including taxes for education, schools and local improvements) charged, levied or assessed against Queen's Athletic Field or the Leased Areas, as a result of the Tenant's use and occupation of the Leased Areas and any amounts levied, imposed, assessed or charged in substitution for or in lieu of any of the foregoing. The Tenant acknowledges that as of the Lease

commencement date, no real property taxes are being levied against the Leased Areas. However, the use and occupation of the Leased Areas by the Tenant may trigger an assessment change resulting in property taxes being levied. The Tenant further understands that any re-assessment and tax impact may be delayed, and result in a retroactive assessment to the date of possession.

Tenant - Services to Structure

5. The Tenant covenants to pay as Additional Rent, as and when due and all costs and expenses associated with the extension of or relocation of any natural gas service to the Structure necessary to provide heat, air conditioning, air support or other services for the Structure, the installation of meter, the provision of and the cost of natural gas supplied to or used or consumed within the Structure for any purpose. The Tenant agrees to place in its name the account for the gas service provided to the Structure for which the Tenant is responsible, and further agrees to provide to the Landlord upon request, from time to time, confirmation from the provider that payment is current.

Telephone and Similar Charges

6. The Tenant covenants to pay as and when due, all installation charges, monthly services charges and all subsequent charges relating to telephone, internet or cable service or for any other service for the benefit or use of the Tenant placed in or extended to the Leased Areas, or the Structure.

Use of Leased Areas

7. During term of the Lease, the Tenant covenants to use the Leased Areas for the operation of an indoor tennis facility and for no other purpose.

Accepts in current condition

8. The Tenant accepts the Leased Areas in the current condition and enters thereon solely at the Tenant's own risk.

Improvements

- 9.(1) The Landlord acknowledges that the Structure belongs to the Tenant and was constructed as an Improvement with the consent of the former The Corporation of the City of Sudbury, as then owner of Queen's Athletic Field, pursuant to a now expired agreement.
- (2) The Tenant shall not replace or reconstruct the Structure or any part thereof; shall not demolish the Structure or erect a new or replacement Structure; shall not effect any exterior renovations to the Structure or other structure which has been constructed, erected or placed on the Leased Areas; shall not make any installations, alterations, renovations or additions in or about the Field House or any part of the Leased Areas; shall not make any changes in grade, surfacing or landscaping of any part of the Leased Areas; all collectively referred to as "Improvements" unless:
 - (a) the Tenant first secures the consent of the Landlord's Director of Asset Services, to the proposed Improvements, which consent will not be unreasonably withheld but may be given subject to conditions;
 - (b) prior to commencing any approved Improvements, the Tenant obtains at its expense, all necessary permits and licences from any relevant authority, including without limitation, a building permit for the construction or erection of a new or replacement Structure. The consent of the Landlord to the making of Improvements shall not be construed or

deemed to be a waiver of any obligation to obtain any necessary permit, licence, authorization or approval or construed or deemed to be an approval by the Landlord in its capacity as an issuer of any permit or licence, approval or authorization; and

- (c) the Tenant completes the approved Improvements in a good and workman like manner and in compliance with all laws, the Landlord's reasonable requirements and all other applicable requirements of any relevant Authority.
- (2) If the Tenant performs any Improvements without compliance with all of the provisions of this Section 9, the Landlord shall have the right to require the Tenant to remove such Improvements, forthwith, at the Tenant's expense, and to restore the Leased Areas or Structure to its prior condition.
- (3) The Tenant shall promptly pay for all materials supplied and work done in respect of any Improvements or other work done by the Tenant in the Leased Areas or Queen's Athletic Field except for any amount claimed to be due which is bona fide disputed by the Tenant. The Tenant shall use all reasonable efforts to ensure that no construction or other lien with respect thereto is registered against or attaches to Queen's Athletic Field or any part thereof, or against the Landlord's or Tenant's interest therein. If any such lien is so registered or so attaches, the Tenant shall discharge same at the Tenant's cost within 15 days after receipt of the Tenant of notice of such lien, failing which the Landlord may at its option discharge the lien by paying the amount claimed to be due and such other amount as is required by law into court and the amount so paid and all reasonable expenses of the Landlord (including legal fees and disbursements) shall be paid by the Tenant to the Landlord upon demand and if not so paid, the Landlord shall be entitled to the same remedies and may take the same steps for recovery of the unpaid amounts as if same were rent in arrears.

Repair / Replacement

- 10.(1) The parties acknowledge that the Structure is the property of the Tenant and the Tenant is solely responsible, at its own expense, to repair, maintain, replace the Structure, the systems serving the Structure, to keep same in a safe condition and otherwise exercise all incidents of ownership. The Tenant covenants that it shall, at its sole cost and expense at all times during the Term keep and maintain the Structure, including heating, ventilation, plumbing, electrical and other systems therein), and any Improvements, made or owned by it on the Leased Areas, and the Tenant's trade fixtures therein in a first-class condition and state of repair, replacing all or any part thereof as may be required from time to time, as would a prudent owner of such structures and improvements. All such work shall be done in a good and workmanlike manner with due diligence, in accordance with all applicable requirements of any relevant authority.
- (2) The Landlord's Director of Asset Services shall have the right to enter the Structure and the Leased Areas and any building or structure thereon, after giving the Tenant reasonable prior notice, to view the state of repair and condition thereof and the Tenant shall perform any maintenance, repairs or replacements according to the Landlord's notice and the Tenant's obligations hereunder.

Notice of Defects

- 11. The Tenant, shall, when it becomes aware of same, give notice to the Landlord of any accident, defect or damage in any part of the Leased Areas or the Common Areas which comes to the attention of the Tenant or any of its employees, members or contractors, notwithstanding the fact that the Landlord may not have any obligation in respect of the same.

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Keep Clean

12.(1) The Tenant covenants that it shall, at its sole cost and expense:

- (a) keep the Structure and Leased Areas clean and free from waste, refuse, garbage, litter and other objectionable material;
 - (b) implement appropriate programs for the management of waste, prohibited waste, and recyclable materials, as would a reasonably prudent Tenant in the circumstances of the Tenant; and
 - (c) arrange as necessary, for the removal and appropriate disposal of all waste, prohibited waste and recyclable material generated on or about the Structure or Leased Areas.
- (2) For the purposes of Subsection 12.(1), "waste", "prohibited waste" and "recyclable materials" shall have the meaning assigned in the Waste Management By-law of the City of Greater Sudbury in effect from time to time.

Keys and Security

- 13.(1) The Tenant shall control and limit the provision and use of keys and other devices permitting entry to the Field House and the gate to Queen's Athletic Field as would a reasonably prudent Tenant, and shall surrender to the Landlord upon expiry or other termination of the Lease, all keys and other devices permitting entry to the Field House, to the gate to the fence around Queen's Athletic Field and to the Structure, should the Tenant determine not to remove same.
- (2) The Tenant shall comply with any requirements established by the Landlord from time to time with respect to security systems and procedures for the security and safety of the Field House and Queen's Athletic Field including restricting or prohibiting access during non-business hours.

Hazardous Materials/Waste

14. The Tenant covenants that it shall:

- (a) not store, bring in or permit to be placed, any environmental contaminant or hazardous material in the Leased Areas or Structure; and
- (b) at its expense, remove any hazardous waste material from the Structure or Leased Areas in accordance with applicable legislation and regulations.

Floors/ Electrical Systems

- 15.(1) The Tenant covenants that it shall not bring or permit to be brought into any part of the Field House, any machinery, equipment, object or thing that by reason of its weight, size or use, might damage or endanger any part of the Field House and shall not at any time overload or permit the overloading of the floors of the Field House.
- (2) The Tenant shall not bring any material or equipment which could cause undue loads on electrical circuits or undue vibration, heat or noise into the Field House or any part of the Leased Areas or Structure or use or permit same to be used therein by or on behalf of the Tenant.
- (3) The Tenant shall not do, cause or permit to be done, any act or thing on the Leased Areas or in the Structure which may damage, injure or impair the operation of any drainage system, sanitary sewer system, or any facility provided for the protection of the general public or the operation of the Field House in general or for Queen's Athletic Field in general. Without limiting the generality of

the foregoing, the Tenant shall not discharge, cause or permit to be discharged or howsoever to pass into the sewer system, storm drains or surface drainage facilities at the Leased Areas, any deleterious material, noxious, contaminated, poisonous or hazardous substances, all as determined by the Landlord.

Not Increase Insurance Costs or Fire Risk

16. The Tenant shall not use or permit the Leased Areas or Structure to be used for any purpose, or keep or permit to be kept anything on the Leased Areas or Structure, which may cause or result in any increase in premiums for any insurance, or cause or result in the cancellation of any insurance, carried by the Landlord with respect to any part of the Leased Areas and forthwith upon request of the Landlord, shall discontinue any such use of the Leased Areas cease to keep any such thing on the Leased Areas or in or about the Structure and shall not do or permit to be done in the Leased Areas or Structure or bring or keep anything therein which will in any way increase the risk of fire or violate or act at variance with the laws relating to fires or with the regulations of the Fire Department or Health Unit.

Tenant Other Covenants

- 17.(1) The Tenant covenants that during the Term of the Lease it will, at its expense:
- (a) comply with all plans, policies, rules and regulations of general application to Queens Athletic Field or the Field House which may be established by the Landlord from time to time; and
 - (b) comply with any policy implemented by the Landlord from time to time, for conservation of energy and water;
- (2) The Tenant will not use any means of heating or cooling the Field House other than that provided by the Landlord, or of heating or cooling the Structure, other than as permitted by the Landlord.

Signs

- 18.(1) The Tenant shall not erect, install or display any sign on the Leased Areas which can be viewed from outside the Leased Areas, without the prior written consent of the Landlord's Director of Assets Services as to size, design, location, specifications and method of installation, which approval will not be unreasonably withheld.
- (2) The Tenant shall erect, install or affix any sign authorized under this Lease at its own cost and expense and in a safe and secure fashion and shall thereafter maintain any such sign in a good condition and state of repair.
- (3) The Tenant shall comply with the City of Greater Sudbury's By-law in effect from time to time, and secure any necessary permits or approvals prior to erection of any sign. No consent by the Landlord's Director of Asset Services to the affixing, erection or installation of a sign shall be deemed to be in lieu of such compliance.

Noise, Odours, Nuisance etc.

- 19.(1) The Tenant shall not cause, permit or suffer any unusual or objectionable noises or odours to emanate from the Structure or Leased Areas or to be caused by or result from its use of the Leased Areas or the Structure thereon.
- (2) The Tenant shall not do, permit or keep at or on the Leased Areas or in any structure, building or improvement thereon, any thing which is or may be a

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nuisance or which causes or may cause damage to or interfere with normal usage of any adjoining property.

Comply with Laws

20. The Tenant shall observe and comply, at its own expense, with all applicable by-laws, rules and regulations of the municipality and any statutes, regulations, rules of any federal, provincial or municipal authority, respecting the use, conduct of the operations of the Tenant, access to services and facilities in the Leased Areas, the condition and occupation of the Leased Areas and all buildings, structures, equipment and improvements located therein and to obtain from the appropriate authorities and maintain in good standing, all necessary permits, licences and approvals to permit the Tenant to conduct its business / operations on the Leased Areas and to occupy the Leased Areas.

Not Block Ingress/Egress Routes

21. The Tenant shall not block and shall not cause, authorize or permit its officers, directors, employees, members, contractors or persons it authorizes on the Leased Areas to block or obstruct any Common Area.

Release

22. The Tenant agrees that the Landlord, its officers, directors, employees, agents, and those for whom the Landlord is at law responsible, shall not be liable for any personal injury to, bodily injury to (including death of) or for any damage or loss to any property (including loss of use thereof) or for any incidental, indirect, special or consequential damages or any loss of use, revenue or profit arising out of or in anyway related to the use or occupation of the Leased Areas or Common Areas, or any building, structure, improvement, equipment, property thereon, which is or may be suffered or incurred by the Tenant or its officers, directors, members, employees, agents, servants, contractors, subcontractors, guests, licensees, volunteers or invitees, for any reason whatsoever, unless caused by or resulting from the negligence of the Landlord, its employees or agents while acting within the scope of his or her employment or agency respectively.

Tenant's Insurance

- 23.(1) The Tenant shall place and at all times, maintain during the currency of this Lease, with an insurer licenced to operate in Ontario, general commercial liability insurance in the amount of not less than \$2,000,000 per occurrence, insuring against any claims for personal injury, death or loss or damage to property arising out of any act or the operations of the Tenant under this Lease, or of the Acts or omissions of the Tenant or any of the Tenant's agents, employees or servants and such insurance shall be with a company or companies acceptable to the Landlord. The Tenant shall provide or cause to be provided to the Landlord, a Certificate from its insurer, in the Landlord's standard form, which shows that the policy or policies placed and maintained by it complies with the requirements of this Lease and shall refer to the Landlord as an additional insured. No review or approval of any such insurance certificate by the Landlord shall derogate from or diminish the Landlord's right or the Tenant's obligation contained in this Lease.
- (2) The Insurance policy shall provide that the insurance policy will not be cancelled, terminated or reduced in coverage without 30 days prior written notice by prepaid registered post addressed to the Landlord at the address indicated in Section 34 (Notices) below. Should the Landlord be of the opinion that the insurance taken out by the Tenant is inadequate in any respect for any reason whatsoever, it shall forthwith advise the Tenant of its reasons therefore and the Tenant shall forthwith obtain additional insurance satisfactory to the Landlord.

- (3) The Tenant shall not do or omit to do or suffer anything to be done or omitted to be done on the Leased Areas which will in any way impair or invalidate such policy or policies.
- (4) If any policy of insurance upon the Leased Areas or the contents shall be cancelled or refused to be renewed or granted by an insurer by reason of the use or occupation of the Leased Areas by the Tenant or any of its employees, servants, or agents, the Tenant shall immediately remedy or rectify such use or occupation.
- (5) The issuance of any policy of insurance hereunder shall not relieve the Tenant of any of its obligations under this Lease.
- (6) The Tenant shall place and shall at all times maintain during the currency of this Lease, insurance against fire with respect to any improvements, buildings, or structures constructed, brought or placed upon the Leased Areas by the Tenant during the term of this Lease, and any renewals hereof and all policies for such insurance shall be in an amount and in a form satisfactory to the Landlord.

Indemnity

24. The Tenant undertakes and agrees to indemnify and save harmless the Landlord and its officers, employees, and agents, from and against all claims, demands, loss, cost, expenses, actions and other proceedings incurred, made, brought or prosecuted in any manner based upon, occasioned by or attributable to by reason of the Tenant's use or occupation of the Leased Areas, the Structure or Common Areas, the exercise or non-exercise of any right or obligation hereunder, or by the Tenant's negligence or that of its employees, agents, volunteers or persons permitted on the Leased Areas or Common Areas or the Structure by the Tenant or by reason of any injury to any person or property in or upon the Leased Areas or Structure from any cause whatsoever and such indemnity shall include all legal costs incurred by the Landlord (including fees and disbursements) and any administrative costs incurred by the Landlord. This obligation to indemnify shall survive the expiry or other termination of this Agreement.

Quiet Enjoyment

25. The Landlord covenants that the Tenant may peacefully and quietly have, hold, occupy, possess and enjoy the Leased Areas for the term of the Lease, provided the Tenant pays any additional rent and other sums it is required to pay hereunder, as set out and keeps, observes and performs all of the other covenants and provisions as required in this Lease.

Landlord's Obligations

- 26.(1) The Landlord covenants that it will provide at its expense, and to standards established by the Landlord from time to time:
 - (a) electricity, water, heat, to the Field House and where applicable, to the Common Areas;
 - (b) electricity to the Structure for lights;
 - (c) cleaning and janitorial services for the Common Areas, where applicable; and
 - (d) winter and summer maintenance of the pathways to the Leased Areas which form part of the Common Areas.

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- (2) Except as otherwise provided herein, the Landlord shall, at its expense, maintain and repair the heating, electrical and plumbing systems in the Field House and Common Areas in good working order and shall replace in whole or in part any such system or systems should the Landlord, in its sole discretion, determine it is appropriate to do so.
- (3) The Landlord is not liable for interruption or cessation of, or failure in, the supply of utilities, services or systems in, to or serving the Field House where they are supplied by the Landlord or others, unless the interruption or cessation has been cause, or to the extent contributed to, by the act, omission, negligence, fault or default of the Landlord.

Structural Repair

- 27.(1) Except as otherwise provided herein, the Landlord shall, at its expense, maintain the foundation, the outer walls, the floors and roof of the Field House building on Queen's Athletic Field, including the Field House in proper structural repair.
- (2) The Tenant covenants to permit the Landlord and its agents, contractors and employees to enter upon the Field House to make any necessary structural repairs to the Field House building on Queen's Athletic Field, including the Field House or repairs or replacements to the systems serving the Field House or field house building. Such entry shall be at reasonable times and upon prior reasonable notice, except in instances of emergency, when entry may be made at any time and without notice.
- (3) If the Field House building on Queen's Athletic Field, including without limitation, any part of the heating, electrical or plumbing system or other equipment of the Landlord in the Field House building; the roof; the outside walls; or the exterior doors; become damaged or destroyed through the negligence, carelessness of the Tenant or anyone permitted by the Tenant to be in the Leased Areas or Structure, the expense of any necessary repairs, replacement or alterations shall be paid by the Tenant to the Landlord forthwith upon demand, despite any provision to the contrary in this Lease.

Termination By Landlord

28.(1) It is expressly agreed that:

- (a) if the Tenant shall be in default in the payment of rent or amounts payable hereunder as Additional Rent, whether lawfully demanded or not, and such default shall continue for a period of 15 days after the Additional Rent has become due and payable, or
- (b) if the Tenant shall be in default of any of its covenants or agreements hereunder (other than its covenant to pay Additional and such default shall continue for a period of 30 days (or such longer period as may be reasonably necessary to cure such default considering the nature thereof) after written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied; or
- (c) if the Tenant shall make an assignment for the benefit of creditors, or shall make an assignment or have a receiving order made against it under the *Bankruptcy and Insolvency Act*, or becoming bankrupt or insolvent shall make application for relief under the provisions of any statute now or hereinafter in force concerning bankrupt or insolvent debtors, or any action whatsoever, legislative or otherwise shall be taken with a view to the winding up, dissolution or liquidation of the Tenant; or

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- (d) this Lease or any of the goods or chattels of the Tenant on the Leased Areas are at any time seized or taken in execution or in attachment by any creditor of the Tenant; or
- (e) the Tenant executes any chattel mortgage or bill of sale of any of its goods and chattels, including the Structure or any replacement Structure, other than a bill of sale of any of its goods in the ordinary course of the Tenant's business, without the prior written consent of the Landlord; or
- (f) any distress is levied upon any of the Tenant's Goods upon the Leased Areas; or
- (g) the Tenant ceases to operate an indoor tennis facility on the Leased Areas.

then at the option of the Landlord the term hereby granted shall become forfeited and void, and the Landlord may without notice of any form of legal process whatsoever forthwith re-enter upon the Leased Areas, the Structure, or any part thereof in the name of the whole and repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding.

- (2) No condoning, excusing, overlooking or delay in acting upon by the Landlord or any default, breach or non-observance by the Tenant at any time or times shall operate as waiver of the Landlord's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance by the Tenant unless the Landlord has signed an express waiver in writing.
- (3) All rights and remedies of the Landlord under this Agreement are cumulative and not alternative.

Termination by Tenant

29. Despite anything else herein, the tenant may terminate this lease upon ninety (90) days written notice to the City, given in accordance with this Agreement and specifying the date of termination.

Recovery of Damages

30. If the Landlord at any time should terminate this Lease for any breach by the Tenant, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Leased Areas, solicitor's fees (on a substantial indemnity basis) all of which amounts shall be immediately due and payable by the Tenant to the Landlord and if not paid, shall bear interest at the rate established by By-law for amounts owing to the City of Greater Sudbury.

Vacant Possession on Expiry or Termination

31. The Tenant covenants to deliver vacant possession of the Leased Areas to the Landlord at the expiry or other termination of this Lease, in the condition in which the Tenant is required to maintain the Leased Areas, reasonable wear and tear excepted and subject to Section 31.

Removal of Structure - End of Term

32. The Structure, and any systems servicing the Structure, all trade fixtures and other improvements to the Structure and to the Leased Areas shall, upon the expiry or earlier termination of this Lease shall be vested in the Landlord without any right to compensation on the part of the Tenant; nevertheless, the Landlord shall have the right of compelling the Tenant upon written notice, to remove the Structure, and any systems servicing the Structure, all trade fixtures and other

improvements to the Leased Areas, and the Tenant shall be so bound to do so, at its cost and expense and shall restore the Structure Lands to a condition comparable to the surrounding lands at Queen's Athletic Park and the Field House to a condition comparable to the rest of the Field House, all at the cost and expense of the Tenant and without any right on the part of the Tenant to seek compensation for any reason whatsoever.

- (2) Should the Tenant fail to remove the Structure as directed by the Landlord, the Landlord shall have the right, in its sole discretion, but not the obligation to remove, store, sell, destroy or otherwise dispose of the Structure, and associated attachments and shall not be accountable for any of the foregoing or for any proceeds of same. The Tenant shall pay to the Landlord forthwith upon demand, any costs incurred by the Landlord (including legal fees and administrative costs) in the exercise of such rights. This obligation shall survive the expiry or other termination of this agreement. Any unpaid amount shall bear interest from the date due until payment in full, in accordance with the rate applicable to monies owing to the Landlord as established by By-law.

Right of Re-entry to Perform Covenants

33. If the Tenant should default in the performance of any covenant in this Lease (except a covenant to pay rent) and if such default should continue for 10 business days, the Landlord may perform that covenant on the Tenant's behalf and may enter the Leased Areas for that purpose and shall not be liable to the Tenant for any loss or damage to the Tenant's stock, furnishings or business so caused. If the Landlord at any time is compelled or elects to incur any expense including legal fees in instituting, prosecuting or defending any action or proceeding based upon any default of the Tenant under this Lease (including any action or proceeding against the Tenant) any reasonable sum including solicitor/client costs so paid by the Landlord together with all interest and damages shall be payable the Tenant on demand as additional rent and if unpaid, shall be treated as unpaid rent or additional rent.

Overholding

34. If the Tenant continues to occupy the Leased Areas after the expiration of this Lease without any further written agreement, the Tenant shall be a monthly Tenant, on the same terms and conditions regarding Additional Rent as in effect for the last month of the term immediately preceding the expiration and otherwise on the terms and conditions as herein contained.

Notices

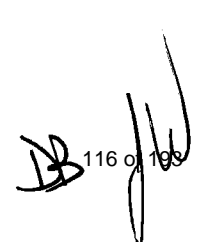
- 35.(1) All notices which it may be necessary or proper for either party to serve upon the other shall be served by delivery to the person to whom the notice is to be given or sent postage pre-paid to the following addresses or by facsimile transmission to the facsimile number set out below:

To the Landlord: CITY OF GREATER SUDBURY
200 Brady Street
P.O. Box 5000, Station 'A'
Tom Davies Square
Sudbury ON P3A 5P3

Attention: Director of Asset Services
Facsimile number: (705) 673-5171

To the Tenant: SUDBURY WINTER TENNIS CLUB
P.O. Box 545, Station 'A'
Sudbury ON P3E 4P8

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Attention: Janice Worms, President
Phone: (705) 560-4758

- (2) Service shall be deemed effective immediately, upon delivery in person, or if mailed, on the fifth day after mailing, or if sent by facsimile transmission, on the same day, if transmitted before 4:00 p.m. on a day which is a business day and on the next following day which is not a statutory holiday, or weekend, if transmitted after 4:00 p.m.
- (3) Either party may from time to time specify in writing a new address to which any such notice shall thereafter and until further notice be sent.
- (4) In the event of a mail disruption or threatened mail disruption, no notices shall be served by mail.

Right to Register Notice of Lease

36. The Tenant covenants and agrees with the Landlord that the Tenant will not register this Lease in the Land Titles Office save and except any registrations necessary to evidence a mortgage of the Lease, the consent to the registration of which shall not be unreasonably or arbitrarily refused or delayed. If the Tenant desires to make a registration for the purpose only of giving notice of this Lease, then the parties hereto shall execute a short form hereof, in a form acceptable to the Landlord, solely for the purpose of supporting an application for registration of notice hereof. Upon the termination of the Lease for any reason, the Tenant covenants to co-operate as necessary, and sign such documentation as may be necessary to support an application to amend the register to remove the notice from title, upon request of the Landlord. All costs for the preparation of the documentation to register the notice, and to remove the notice from title, together with associated registration costs shall be borne by the Tenant.

Not Liable for Damage - Public Works - Actions of Others

37. The Landlord and its agents shall not be liable for any loss or damage caused by the construction of any public or quasi-public works or for any loss or damage caused by acts of omissions of any other Tenant or any occupant of the Leased Areas, its or their employees or agents, or any person not the employee or agent of the Landlord.

Waiver or Condonation of a Breach

38. No waiver of a breach of any of the covenants of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

Assignment or Subletting

- 39.(1) The Tenant may not sublet or assign or transfer its interest or any portion thereof in this Lease. The Tenant acknowledges that this Lease has been entered into in recognition of the value to the City of provision of an indoor tennis facility, operated by a non-profit corporation, which is open to the public, and as such is not assignable.
- (2) For the purpose of this Section 38, any change in the corporate structure of the tenant shall be deemed an assignment by the tenant of this Lease.

Force Majeure

40. The parties shall not be liable for any failure to perform their obligations hereunder if the non-performance is due to lightning, tempest, explosion,

earthquake, acts of God, mob violence, acts of the Queen's enemies, strikes, lockouts or labor disruption or any catastrophic cause beyond their control.

The provisions of this Section 39 shall not operate to excuse the Tenant from the payment of Additional Rent in the amounts and at the times specified in this Lease. The parties agree that the party claiming the benefit of Force Majeure shall inform the other party in writing promptly on learning of such delay and shall, where possible, use commercially reasonable efforts to mitigate the effect of such delay.

General

41. All of the provisions of this Lease are to be construed as covenants and agreements as though words importing such covenants and agreements were used in each separate paragraph hereof.
42. All obligations of the Tenant shall expressly or by their nature survive termination or expiration of this Agreement and shall continue in full force subsequent to and notwithstanding such termination or expiration until and unless they are satisfied or by their nature expire.
43. This Agreement and the attached Schedules embody the entire Agreement and supercedes any other understanding or agreement, collateral, oral or otherwise, existing between the parties at the date of execution.
44. Unless otherwise specifically provided in this agreement, no consent or approval of the Landlord shall be unreasonably withheld or delayed and all determinations and decisions by the Landlord shall be made by the Landlord acting reasonably.
45. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
46. All provisions herein shall be binding upon the parties hereto and shall enure to the benefit of the parties hereto and their respective heirs, executors, estate trustees, successors and assign.
47. This Agreement shall be read with the appropriate changes in gender and number as may be required in the circumstances.

IN WITNESS WHEREOF the parties sign the within Agreement by its duly authorized signing officers in that regard.

CITY OF GREATER SUDBURY

Per:

Daniel Breen
Director of Asset Services

SUDBURY WINTER TENNIS CLUB

Per:

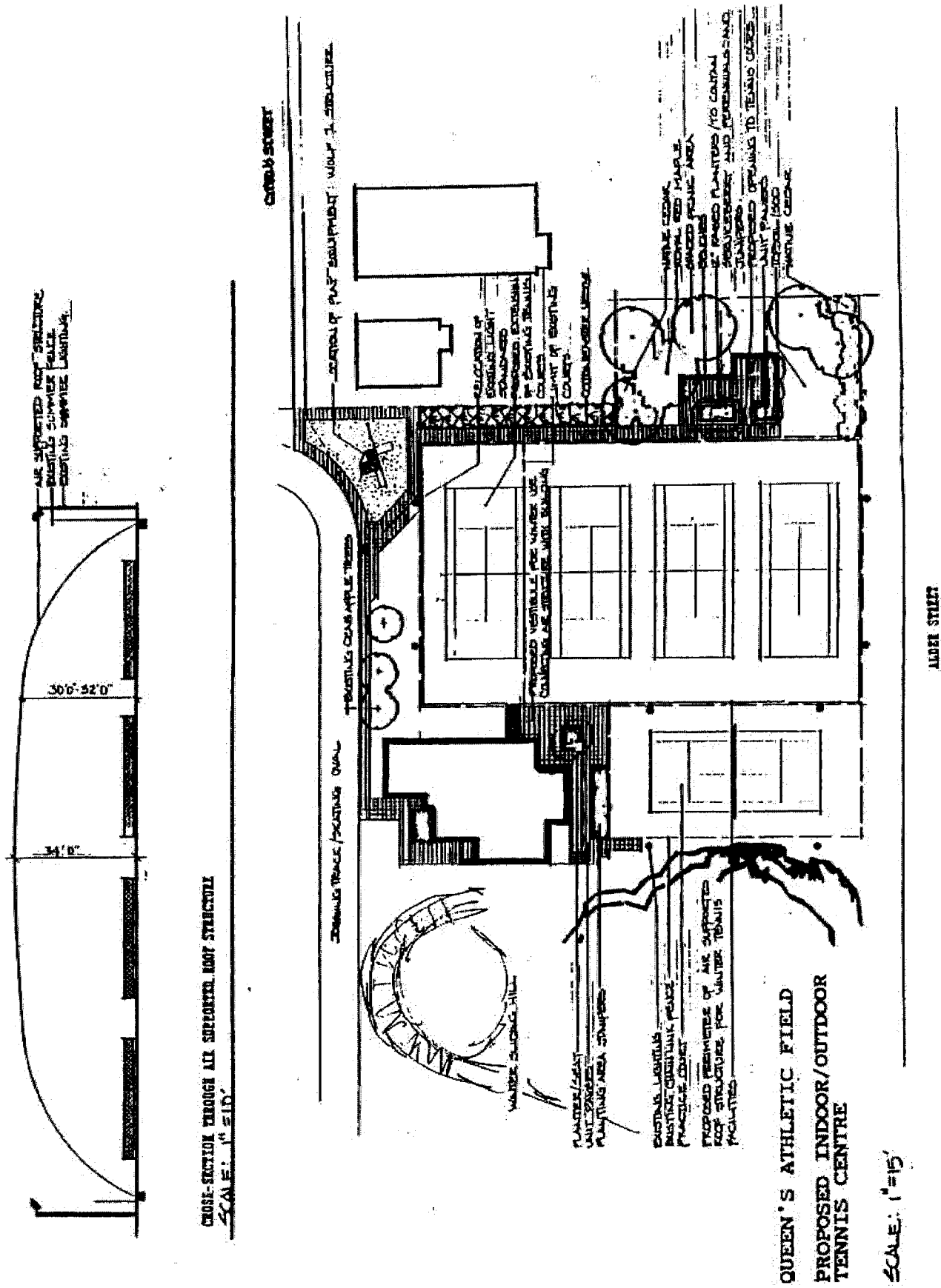
Janice Worms
Janice Worms
(Print Name, Title)

President

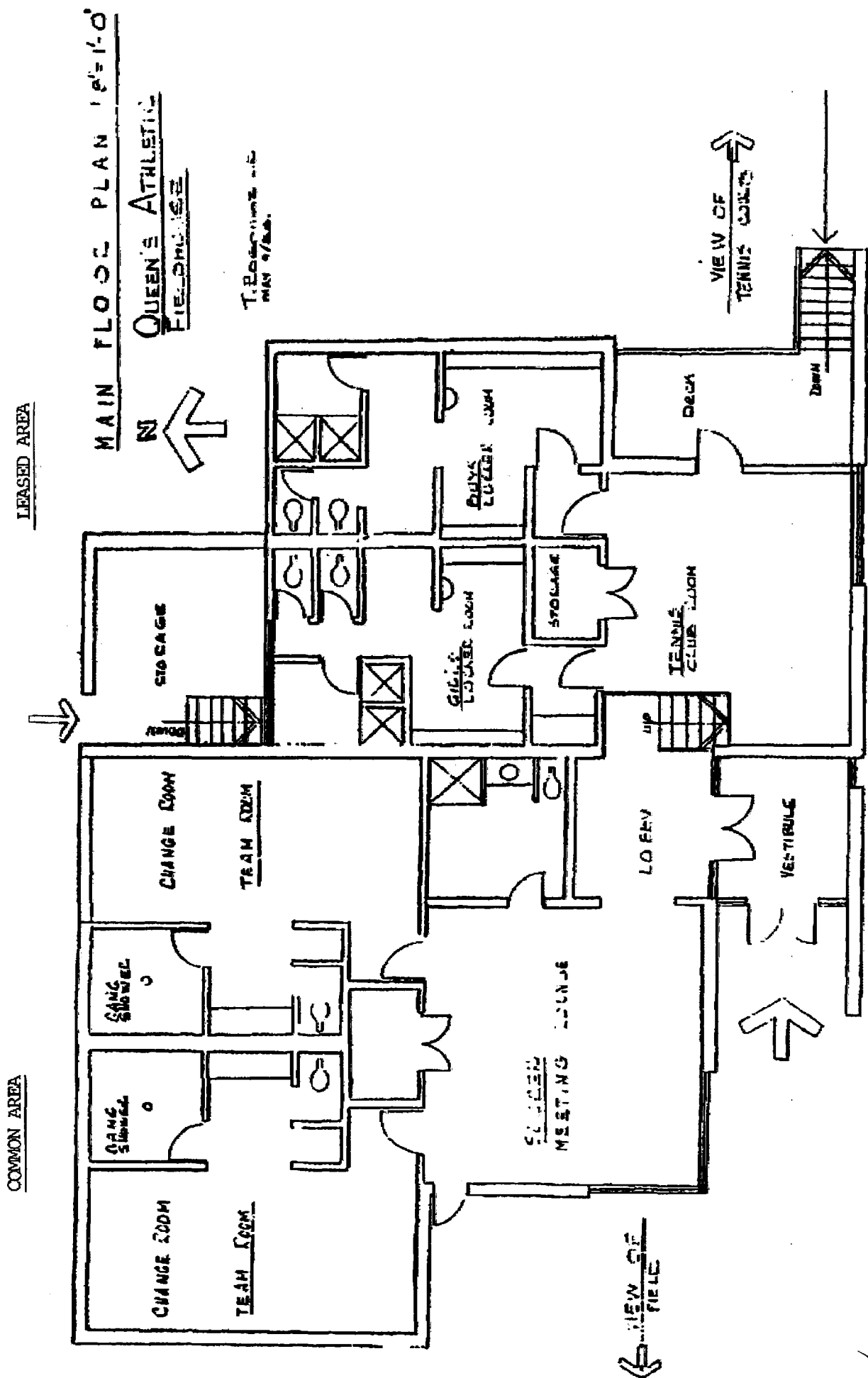
Sudbury Indoor Tennis Centre
(Print Name, Title)

I/We have authority to bind the Corporation.

Schedule 'A'



Schedule 'B'



DATED this 1st day of January, 2012

CITY OF GREATER SUDBURY

- and -

SUDBURY WINTER TENNIS CLUB

L E A S E

CITY OF GREATER SUDBURY
Real Estate Section
P.O. Box 5000, Station A
200 Brady Street
Sudbury ON P3A 5P3

Katherine Bowschar-Lische
Property Administrator
(705) 674-4455 ext. 2522

*sb

For Information Only

2019 Operating Budget Variance Report - March

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Tuesday, May 21, 2019

Type: Correspondence for
Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

Report Summary

This report provides a variance analysis based on the City's first quarter results (January to March 31, 2019). Staff has identified areas where material year end variances in the operating budget may occur.

Financial Implications

There are no financial implications associated with this report.

Signed By

Report Prepared By

Liisa Lenz
Coordinator of Budgets
Digitally Signed May 21, 19

Manager Review

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 21, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 21, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

Executive Summary

This report provides a variance analysis based on the City's first quarter results (January to March 31, 2019). Staff have identified areas where material year end variances in the operating budget may occur.

Background

The purpose of this report is to provide the Finance and Administration Committee with a preliminary overview of potential year end variances. The monitoring and reporting of variances has been conducted in accordance with the Operating Budget Policy. The March variance report reflects expenditures and revenues for the first three months of the year. In many areas, only three months of data is not sufficient to identify potential variances; however in other areas, there may have been significant factors identified that may result in year end variances.

A more detailed projection will be undertaken in the summer based on the expenditures and revenues realized from January to June 2019. During this process, each department will be requested to project a year end value for each account. Based on this information, a corporate year end projection will be made. The Finance and Administration Committee will receive this report in September of 2019.

In accordance with the Operating Budget Policy approved by Council, the following explanations relate to areas where a potential variance of greater than \$200,000 may occur within a division or section, or areas that Finance is monitoring closely:

1) Taxation Revenue

The first 2019 supplementary tax roll has not yet been received and therefore staff is unable to forecast the potential year end position. In 2018, the City received \$2.5 million in supplement taxation, approximately \$300,000 over the budgeted amount. This is an area where the potential for a variance exists, therefore staff will monitor and provide an up to date forecast for the June Variance Report when more information becomes available.

2) Other Revenue and Expenses

The City is anticipating that the revenue from the Municipal Accommodation Tax will be greater than budgeted. In accordance with legislation, 50% of the revenue net of costs must be contributed to the City's eligible tourism entity. Of the City's funds, \$800,000 have been previously allocated to fund the debt repayment for the Kingsway Entertainment District Arena / Event Centre. Any additional funds received will be contributed to the Tax Rate Stabilization Reserve.

The City has received funds from The Ontario Cannabis Legalization Implementation Fund to help offset increased costs due to the legalisation of cannabis. The City is currently reviewing the allowable use of funds to determine how to best allocate the funds throughout the organization.

3) Fleet Services

Fleet Services is anticipating that maintenance of the Transit fleet will result in an over expenditure for 2019. Increased maintenance and repairs are required to be contracted out in order to maintain service levels. Additionally, the costs associated with servicing an aging fleet of buses continue to add pressure in the area of parts. Further, it is expected that the additional routes associated with the Transit Action Plan will increase the need for maintenance of the City's bus fleet in the latter half of 2019.

4) Pioneer Manor

Pioneer Manor is forecasting a potential negative variance as a result of several factors. The arbitrated award for the 2016-2019 CUPE 148 CBA was higher than anticipated and includes coverage for short term and long term disability. Additional pressures are due to food costs and snow removal as well as potentially lower revenue from the province. The base funding changes have not been announced but are anticipated to be lower than the past, as well the 2019-2020 Case Mix Index has not been finalized. Pioneer Manor is investigating mitigation strategies to offset these increases. A substantial reduction in sick time is expected with the changes identified in the CBA, as well as reduction in modified work. Pioneer continues to improve operating efficiencies and cost control to help offset these increases.

5) Leisure Services

Leisure services is experiencing budget pressures in both revenues and operating costs. An anticipated shortfall in user fee revenues is primarily related to ice rentals. Further budget pressures are due to increased contract and maintenance costs for additional winter maintenance activities required including removing snow from roofs and additional plowing in the early months of the year.

6) Transit Services

Transit is experiencing budget pressures primarily from farebox breakdowns as well as bus operator salaries. Wear and tear on aging fareboxes is contributing to higher than anticipated repairs and maintenance. Bus operator salaries are estimated to be higher than anticipated as a result of unplanned overtime costs. Transit personnel will continue to monitor these areas throughout the year with the intention of mitigating financial impact, while maintaining approved service levels.

7) Roads Winter Control Operations

Roads winter control is anticipating an over expenditure of \$2.9 million by year end. This is largely due to snow accumulation and infrequent thaw events. The City received 259 cm. of snow (8.5 feet) to date in 2019, compared to the 30 year average of 164 cm., or 5.4 feet. In accordance with the Reserve and Reserves Fund bylaw, any Roads Winter Control over expenditures may be funded from the Roads Winter Control Reserve Fund. It is to be noted that the Roads Winter Control Reserve Fund has a balance of \$0 at year end (December 31, 2018).

8) Environmental Services

Revenues from sale of recyclable materials and tipping fees continue to decline beyond the adjusted budget in 2019. The security contract is out for tender and will be in effect in October 2019 and may result in a variance at year end.

9) Water Wastewater

Actual user fees are comparable to 2018 first quarter actuals. It is too early in the year to project consumption levels with accuracy. Staff will have a better indication of consumption levels with the June projection report.

It is very difficult to budget for the amount of watermain break related repair work required during the year as breaks fluctuate based on a number of factors. Due primarily to favourable weather conditions there were a below average number of breaks in 2017 and 2018. There were 30 watermain breaks through the end of March 2019. That compares to 37 in 2018 (93 annual) and 25 in 2017 (88 annual).

10) Fire Services

Fire Services is experiencing budget pressures with overtime costs due to current staffing levels. To mitigate this pressure, a career recruitment was initiated in 2018, with 12 new firefighters graduating from the Fire Academy on May 16, 2019. This will reduce the monthly overtime costs, however Fire Services is still projected to be over budget in salaries and benefits for 2019 as additional pressures include an unbudgeted arbitration award and absences due to the WSIB presumptive legislation & modified accommodations.

11) Fuel

The price of diesel and unleaded fuel has increased significantly with the introduction of the Carbon Tax in April. The City has experienced a 9% increase in diesel fuel prices and a 29% increase in unleaded fuel prices between January and May of this year, whereas the price of crude oil per barrel (USD) has increased 32% for the same period. The 2019 budget anticipated increases in fuel costs and current fuel prices are close to budgeted values. However, any further increases will put pressure on the fuel budget.

12) Provincial Funding

The City has begun receiving funding letters from the Provincial Government. The table below illustrates the impact that is known at the time of this report, as well as funding that has not yet been announced.

Funding	2019 Budget	2019 Announcement	2019 Impact
Paramedic Services - Land Ambulance	\$10,803,905	\$10,708,549	\$95,356
Children Services – Expansion Plan	100% Provincial Funding	80% Provincial Funding, 20% Municipal Funding	\$500,000*
Children Services – Administration Funding	Some 100% Provincial Funding, some 50% Provincial Funding Allowable maximum 10%	50% Provincial Funding, 50% Municipal Funding Allowable maximum 5%	\$500,000*
Children Services – Fee Stabilization	\$650,000	\$162,000	\$0**
Pioneer Manor – Personal and Nursing Care	\$16,405,000	Unknown	
Pioneer Manor – High Intensity Needs	\$165,000	Based on actual usage	
Pioneer Manor – Program and Support Services	\$1,966,000	Unknown	
Pioneer manor – raw Food	\$1,538,000	Unknown	
Pioneer Manor - Other	\$2,222,000	Unknown	
Social Services – Service Contract	\$7,530,916	\$7,427,100	\$103,816
Social Services – Program Delivery	\$30,011,843	Unknown	
Social Services – Homemakers and Nurses	\$130,000	Unknown	
Social Services - Community Homelessness Prevention Initiatives	\$3,059,602	\$2,930,117	\$129,485
Police – Police Effectiveness Modernization	\$1,457,832	\$1,093,375 - Subject to CSP Grant Local Priorities Funding Stream approval.	Unknown as new grants may be available.
Police – Court Security Prisoner Transportation	\$1,863,937	\$1,821,132	\$42,806
Police – Reduce Impaired Driving Everywhere	\$37,308	Unknown	

* Funding changes take place April 1st, 2019. Children Services currently has mitigation funding that can be used to offset the 2019 impact.

** Children Services Fee Stabilization is a flow through to the service providers. A reduction in this funding will not result in an impact on the Municipal budget.

Other Changes

- Children services has been informed that the province will announce updates to contractual service targets

Summary

The Executive Leadership Team reviews operating variance reports on a monthly basis in an effort to manage costs and strive to mitigate the financial pressures described in this report.

This has been a preliminary review of the revenues and expenditures for the first three months of 2019. It is still too early to provide an accurate year end projection. A more comprehensive review will take place after the June 2019 month end and Council will be presented with a corporate year end projection in September. Quarterly reports will be prepared for Council throughout 2019.

For Information Only

2019 First Quarter Statement of Council Expenses

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Friday, May 10, 2019

Type: Correspondence for
Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to Responsive, Fiscally Prudent, Open Governance: Focus on openness, transparency and accountability in everything we do.

Report Summary

This report is prepared in accordance with By-law 2016-16F respecting the payment of expenses for Members of Council and Municipal Employees. This report provides information relating to expenses incurred by Members of Council in the first quarter of 2019.

Financial Implications

There is no financial impact as the amounts are within the approved operating budget.

Signed By

Report Prepared By

Christina Dempsey
Co-ordinator of Accounting
Digitally Signed May 10, 19

Manager Review

Lorraine Laplante
Manager of Accounting
Digitally Signed May 10, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 17, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 17, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 20, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

Background

Attached is the first quarter Statement of Council Expenses for the period January 1, 2019 to March 31, 2019.

In accordance with the City's by-law on Transparency and Accountability and the Payment of Expenses for Members of Council and Municipal Employees by-law, the City of Greater Sudbury discloses an itemized statement of Council expenses on a quarterly and annual basis. The Statement of Council Expenses discloses the:

- Operating budget and expenses for the office of the Mayor;
- Office expense budget and expenses for each Councillor;
- Council Memberships and Travel expenses; and
- Council expenses.

Expenses disclosed relate to non-salary expenditures from these budgets and are eligible expenses in the Payment of Expenses for Members of Council and Municipal Employees by-law, including Schedule B, where applicable.

The appendices disclose the details of each transaction including payee, date paid, amount, general description and name of benefitting organization if applicable.

List of Resources

By-law 2007-299 Policy regarding accountability and transparency

<https://www.greatersudbury.ca/inside-city-hall/open-government/open-government-pdfs/by-law-delegation-of-powers/>

By-law 2016-16F Payment of Expenses for Members of Council and Municipal Employees

<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&attachment=15240.pdf>

Statement of Council Expenses

For the period ended, March 31, 2019

Description	Annual Budget	Actual Expenses	Remaining Budget	
Office of the Mayor	696,664	186,987	509,677	Schedule 1
Council Expenses	1,194,363	269,007	925,356	Schedule 2
Council Memberships and Travel	77,411	68,478	8,933	Schedule 3
Net Total	1,968,438	524,472	1,443,966	

Council Expenses are reported as per By-Law 2016-16F, Payment of Expenses for Members of Council and Municipal Employees

Schedule 1

Statement of Council Expenses

Office of the Mayor

For the period ended, March 31, 2019

Description	Annual Budget	Actual Expenses	Remaining Budget	Notes
Salaries and Benefits	568,624	143,001	425,623	(1)
Translation Costs	3,060	516	2,544	Appendix 1A
Office Expense	4,056	4,889	(833)	Appendix 1B
Public Relations	5,608	1,293	4,315	Appendix 1C
Advertising	-	672	(672)	Appendix 1D
Cellular Services	1,208	868	340	Appendix 1E
Travel	12,000	5,587	6,413	Appendix 1F
Professional Development Tuition	-	3,989	(3,989)	Appendix 1G
Internal Recoveries - Staff Support	52,535	13,134	39,401	
Internal Recoveries - Program Support	47,969	11,993	35,977	(2)
Internal Recoveries - Parking and Other	1,604	1,045	559	Appendix 1H
Net Total	696,664	186,987	509,677	

- (1) Salaries and benefits are costs relating to the Mayor and support staff. This expense includes the salary, fringe benefits and car allowance for the Mayor. The amount noted above includes \$2,385 for the Mayor's car allowance.
- (2) Internal recoveries program support includes costs associated for Accounts Payable, Accounts Receivable, Information Technology, Human Resources, Payroll, Budget and the Mailroom.

Statement of Council Expenses

Council Expenses

For the period ended, March 31, 2019

Description		Annual Budget	Actual Expenses	Remaining Budget	Notes
Salaries and Benefits		934,028	205,050	728,978	(1) Schedule 4
Office Expense		5,100	37	5,063	Appendix 2M
Cellular Services		4,782	5,728	(946)	Schedule 4 & Appendix 2N
Internal Recoveries - Program Support		140,293	35,073	105,220	(2)
Internal Recoveries - Parking and Other		-	15	(15)	Appendix 2O
<i>Councillors office expense</i>					
Ward 1	Mark Signoretti	9,180	5,421	3,759	Appendix 2A
Ward 2	Michael Vagnini	9,180	2,953	6,227	Appendix 2B
Ward 3	Gerry Montpellier	9,180	637	8,543	Appendix 2C
Ward 4	Geoff McCausland	9,180	2,618	6,563	Appendix 2D
Ward 5	Robert Kirwan	9,180	1,849	7,331	Appendix 2E
Ward 6	Rene Lapierre	9,180	1,292	7,888	Appendix 2F
Ward 7	Mike Jakubo	9,180	663	8,517	Appendix 2G
Ward 8	Al Sizer	9,180	2,599	6,581	Appendix 2H
Ward 9	Deb McIntosh	9,180	529	8,651	Appendix 2I
Ward 10	Fern Cormier	9,180	754	8,426	Appendix 2J
Ward 11	Bill Leduc	9,180	3,366	5,814	Appendix 2K
Ward 12	Joscelyne Landry-Altmann	9,180	423	8,757	Appendix 2L
Net Total		1,194,363	269,007	925,356	

(1) Salaries and benefits are costs relating to Councillors and support staff. This expense includes the salary, fringe benefits and mileage of the Councillors.

(2) Internal recoveries includes costs associated for Accounts Payable, Accounts Receivable, Information Technology, Human Resources, Payroll, Budget and the Mailroom.

Statement of Council Expenses

Council Memberships and Travel

For the period ended, March 31, 2019

Description	Annual Budget	Actual Expenses	Remaining Budget	Notes
Association Dues	57,630	66,682	(9,052)	(1) Appendix 3A
Corporate Council Travel	16,100	-	16,100	(2) Appendix 3B
Insurance	3,681	1,796	1,885	(3)
Net Total	77,411	68,478	8,933	

For Association Dues and Corporate Council Travel see attached Appendices for additional details provided as per the requirements of By-Law 2016-16F, Payment of Expenses for Members of Council

- (1) General Association Dues are for City membership fees and association dues that have been approved by resolution of Council.
- (2) Corporate Council Travel is for a Member of Council that has been nominated or endorsed by resolution of Council to sit on an association or organization's Board that is related to the Municipality and that meets away from our community.
- (3) Insurance costs for all of Council includes Council Accident Policy, Out of Province Medical and a portion of general liability.

Schedule 4

Statement of Council Expenses Mileage and Cell Phones

For the period ended, March 31, 2019

		Mileage	Cell phones
Ward 1	Mark Signoretti	-	596.00
Ward 2	Michael Vagnini	-	631.41
Ward 3	Gerry Montpellier	514.80	48.48
Ward 4	Geoff McCausland	-	90.00
Ward 5	Robert Kirwan	995.80	569.78
Ward 6	Rene Lapierre	-	701.14
Ward 7	Mike Jakubo	-	600.76
Ward 8	Al Sizer	280.68	641.82
Ward 9	Deb McIntosh	283.40	595.32
Ward 10	Fern Cormier	-	544.53
Ward 11	Bill Leduc	-	82.43
Ward 12	Joscelyne Landry-Altmann	17.64	629.69
Net Total		<u>2,092.32</u>	<u>5,731.36</u> Appendix 2N

Mileage by Councillor is included in Salaries and Benefits on Schedule 2.

Appendix 1A

Office of the Mayor

Translation Costs

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
28-Feb-19	141.51	LES TRADUCTIONS GHP TRANSLATION SERVICES	Translation - Crime Stoppers' Month proclamation, Bell Let's Talk Day Invite Card, Bell Let's Talk community event	
27-Mar-19	374.98	LES TRADUCTIONS GHP TRANSLATION SERVICES	Translation - 2019 Goodman Gold Challenge gala dinner, Prime Minister Trudeau's visit to Maley Drive, 2019 WasteWater appreciation breakfast, 2019 Coldest Night of the Year, OGRA Conference	
516.49		January - March Quarter		
516.49		YTD Totals as per GL		

Appendix 1B

Office of the Mayor

Office Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
21-Feb-19	0.01	CGS - PETTY CASH	Petty Cash	
19-Feb-19	86.53	CGS - PETTY CASH	Petty Cash	
19-Feb-19	42.08	CGS - PETTY CASH	Petty Cash	
19-Feb-19	4.50	CGS - PETTY CASH	Petty Cash	
27-Feb-19	37.29	881683 ONTARIO INC	Shredding service	
28-Feb-19	1,953.80	ROBSON TODD	Communications and Advisory services in Jan	
4-Feb-19	55.97	GREATER SUDBURY CHAMBER OF COMMERCE	Ticket to President Series Luncheon with R. Grimbeek, COO, Vale, Jan 10	
4-Feb-19	138.37	STAPLES STORE	Office supplies	
4-Feb-19	(132.28)	STAPLES STORE	Office supply credit note	
4-Feb-19	172.98	STAPLES STORE	Office supplies	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
27-Mar-19	1,953.80	ROBSON TODD	Communications and Advisory services in Feb	
29-Mar-19	178.08	MELCARM GROUP INC	Printer supplies	
6-Mar-19	10.00	CGS	Waste bag tags	
6-Mar-19	55.97	GREATER SUDBURY CHAMBER OF COMMERCE	Ticket to President Series Luncheon with D. Giroux, President and CEO, HSN and HSNRI	
6-Mar-19	1.80	PRECISE PARKLINK INC	Parking cost to attend Laurentian University - special announcement celebrating Hatch's 30th year in business, Jan 30	
6-Mar-19	3.60	PRECISE PARKLINK INC	Parking cost to attend Laurentian University - Global Mining Hub meeting, Feb 15	
6-Mar-19	14.72	TIM HORTONS	Meeting expense	
6-Mar-19	47.89	WAL-MART	Coffee supplies for meetings	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	4,889.11		January - March Quarter	
	4,889.11		YTD Totals as per GL	

Appendix 1C

Office of the Mayor

Public Relations

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
19-Feb-19	80.00	CGS - PETTY CASH	Petty cash	
27-Feb-19	101.76	LOUGHEED'S LIMITED	Floral Tribute - Sympathy from the Mayor and Members of City Council	
27-Feb-19	101.76	LOUGHEED'S LIMITED	Floral Tribute - Sympathy from the Mayor and Members of City Council	
4-Feb-19	101.76	DESIGNER BOUQUET FLOWERS	Floral Tribute - Sympathy from the Mayor and Members of City Council	
12-Mar-19	112.95	ROSERY FLORIST	Floral Tribute - 100th Birthday from the Mayor and Members of City Council	
12-Mar-19	112.95	ROSERY FLORIST	Floral Tribute - 100th Birthday from the Mayor and Members of City Council	
12-Mar-19	112.95	ROSERY FLORIST	Floral Tribute - Sympathy from the Mayor and Members of City Council	
12-Mar-19	97.69	ROSERY FLORIST	Floral Tribute - Sympathy from the Mayor and Members of City Council	
12-Mar-19	112.95	ROSERY FLORIST	Floral Tribute - With Thanks from the Mayor and Members of City Council	
12-Mar-19	92.25	VIP CATERING SERVICES	Coffee for Bell Let's Talk Event, Jan 30	
29-Mar-19	91.58	LOUGHEED'S LIMITED	Floral Tribute - Sympathy from the Mayor and Members of City Council	
29-Mar-19	112.95	ROSERY FLORIST	Floral Tribute - Sympathy from the Mayor and Members of City Council	
6-Mar-19	61.06	THE POSITIVE INCEPTION	Gift for Prime Minister Justin Trudeau's visit to the Maley Drive road project, Feb 13	
	1,292.61		January - March Quarter	
	1,292.61		YTD Totals as per GL	

Office of the Mayor***Advertising******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	101.76	CTV NORTHERN ONTARIO	Ads for 2018 Christmas greetings	
31-Jan-19	569.86	CTV NORTHERN ONTARIO	Ads for 2018 Christmas greetings	
	671.62		January - March Quarter	
	671.62		YTD Totals as per GL	

Appendix 1E

Office of the Mayor

Cellular services

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
30-Jan-19	242.07	BELL MOBILITY	Jan Stmt - cellular bill	
11-Mar-19	70.45	BELL MOBILITY	Feb Stmt - cellular bill	
12-Mar-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade for Mayor Bigger	
	868.13		January - March Quarter	
	868.13		YTD Totals as per GL	

635.28 Mayor Brian Bigger

232.85 Staff

868.13

Appendix 1F

Office of the Mayor

Travel

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Attendee(s)	Note / Reference
4-Feb-19	555.61	NOVOTEL OTTAWA	Hotel for 2019 AMO AGM & Annual Conference Aug 17-21, Ottawa, ON	Mayor	
4-Feb-19	555.61	NOVOTEL OTTAWA	Hotel for 2019 AMO AGM & Annual Conference Aug 17-21, Ottawa, ON	M. Zanette	
4-Feb-19	707.23	ONTARIO GOOD ROADS ASSOCIATION	Registration to 2019 OGRA Conference Feb 24-27, Toronto, ON	Mayor	
4-Feb-19	707.23	ONTARIO GOOD ROADS ASSOCIATION	Registration to 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
21-Mar-19	166.79	BIGGER BRIAN	2019 OGRA Conference travel claim Feb 24-27, Toronto, ON	Mayor	
21-Mar-19	216.86	ZANETTE MELISSA	2019 OGRA Conference travel claim Feb 24-27, Toronto, ON	M. Zanette	
26-Mar-19	377.16	ZANETTE MELISSA	2019 PDAC Conference travel claim Mar 3-5, Toronto, ON	M. Zanette	
6-Mar-19	8.80	BECK TAXI	Transportation to 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
6-Mar-19	373.71	PORTER AIR	Flight to 2019 OGRA Conference Feb 24-27, Toronto, ON	Mayor	
6-Mar-19	373.71	PORTER AIR	Flight to 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
6-Mar-19	33.07	PORTER AIR	Baggage fee for 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
6-Mar-19	33.07	PORTER AIR	Baggage fee for 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
6-Mar-19	727.06	SHERATON CENTRE	Hotel for 2019 OGRA Conference Feb 24-27, Toronto, ON. Changed hotels, reservation was cancelled with an April refund.	Mayor	
6-Mar-19	727.06	SHERATON CENTRE	Hotel for 2019 OGRA Conference Feb 24-27, Toronto, ON. Changed hotels, reservation was cancelled with an April refund.	M. Zanette	
6-Mar-19	15.27	CO-OP TAXI	Transportation to 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
6-Mar-19	8.80	TAXI INDEPENDENT TORONTO	Transportation to 2019 OGRA Conference Feb 24-27, Toronto, ON	M. Zanette	
5,587.04		January - March Quarter			
5,587.04		YTD Totals as per GL			

2,530.40 Mayor Brian Bigger

3,056.64 Staff

5,587.04

Add'l Travel 3,353.64 Mayor Brian Bigger represented City Council at the Marche International des professionnels de l'immobilier (MIPIM) conference in Cannes France from Mar 12-15, 2019. The City paid for hotel costs Mar 10-11. MIPIM covered the costs for the hotel from Mar 12-15. All other travel costs were covered by the City's Junction project budget. There were no registration fees to attend the conference as the City of Greater Sudbury was recognized by the MIPIM for having received the Economic Developers Association of Canada (EDAC) Award.

Office of the Mayor***Professional Development Tuition******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Note / Reference
6-Mar-19	3,968.65	LAURENTIAN UNIVERSITY	Registration to Community:Building the Future, Together, Mar 11-14	
31-Mar-19	20.80	ZANETTE, MELISSA	Mileage to attend Community:Building the Future, Together, Mar 11-14	
	3,989.45		January - March Quarter	
	3,989.45		YTD Totals as per GL	

Appendix 1H

Office of the Mayor

Internal Recoveries - Parking and Other

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
27-Feb-19	57.74	CGS - PARKING	Parking office Mayor Jan	
27-Feb-19	130.09	CGS - PARKING	TDS Jan parking space	
27-Feb-19	260.18	CGS - PARKING	TDS Jan parking spaces charged to the Mayor's account in error and corrected in April s/b Leisure	
28-Feb-19	130.09	CGS - PARKING	TDS Feb parking space	
28-Feb-19	260.18	CGS - PARKING	TDS Feb parking spaces charged to the Mayor's account in error and corrected in April s/b Leisure	
22-Mar-19	73.01	CGS - PARKING	Parking office Mayor Feb	
27-Mar-19	133.63	CGS - PARKING	TDS Mar parking space	
	1,044.92		January - March Quarter	
	1,044.92		YTD Totals as per GL	

Appendix 2A

Ward 1: Mark Signoretti

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
28-Jan-19	81.41	NORTHERN ONTARIO BUSINESS LTD	Ticket to 2019 Community Builders Awards, Feb 28	
28-Jan-19	251.96	JOURNAL PRINTING	Business cards	
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
11-Feb-19	1,054.24	LAURENTIAN UNIVERSITY	Printing of Ward 1 flyers	
28-Feb-19	81.41	NORTHERN ONTARIO BUSINESS LTD	Additional ticket, 2019 Community Builders Awards, Feb 28	
28-Feb-19	1,180.42	KING SPORTSWEAR	Hats given to Winter Control staff as gifts	
28-Feb-19	812.90	CANADA POST CORPORATION	Ad mail Ward 1 newsletters	
28-Feb-19	96.53	SIGNORETTI MARK	Meeting expenses	
4-Feb-19	126.03	PROSPECTORS & DEVELOPERS ASSOCIATION OF CANADA	Registration to 2019 PDAC Conference Mar 4-6, Toronto, ON	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
19-Mar-19	1,001.10	SIGNORETTI MARK	2019 PDAC Conference travel claim Mar 4-6, Toronto, ON	
19-Mar-19	9.75	SIGNORETTI MARK	Coffee for St. Clair depot staff	
21-Mar-19	48.94	SIGNORETTI MARK	Meeting expense	
6-Mar-19	412.38	PORTER AIR	Flight to 2019 PDAC Conference Mar 4-6, Toronto, ON	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	5,421.07		January - March Quarter	
	5,421.07		YTD Totals as per GL	

Appendix 2B

Ward 2: Michael Vagnini

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
1/31/2019	88.00	CGS	Jan Phone and Internet Allowance	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
12-Mar-19	240.00	ZLT HOME OF HOPE LIMITED	Tickets to A Night in Africa gala, Apr 6	
19-Mar-19	2,448.76	VAGNINI MICHAEL	Meeting and hospitality expenses, office supplies, ticket to Sudbury Charities Foundation dinner, Jan 25, membership fee to the India Canada Association of Sudbury	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	2,952.76		January - March Quarter	
	2,952.76		YTD Totals as per GL	

Appendix 2C

Ward 3: Gerry Montpellier

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
1/31/2019	88.00	CGS	Jan Phone and Internet Allowance	
25-Feb-19	223.47	LE VOYAGEUR	Ad for 2018 Christmas greetings	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
28-Mar-19	150.00	ONAPING FALLS RECREATION COMMITTEE	Ad in the Onaping Falls News Jan, Feb, Mar editions	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	637.47		January - March Quarter	
	637.47		YTD Totals as per GL	

Appendix 2D

Ward 4: Geoff McCausland

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
14-Jan-19	195.67	MCCAUSLAND GEOFF	Flight to 2019 OGRA Conference Feb 24-27, Toronto, ON	
25-Jan-19	210.87	MCCAUSLAND GEOFF	Meeting expense, office supplies and office chair	
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
12-Feb-19	30.98	MCCAUSLAND GEOFF	Meeting expense	
12-Feb-19	543.87	MCCAUSLAND GEOFF	2019 EDCO Conference travel claim Jan 30-Feb 1, Toronto, ON	
4-Feb-19	397.88	ECONOMIC DEVELOPERS CO	Registration to 2019 EDCO Conference Jan 30-Feb 1, Toronto, ON	
4-Feb-19	636.00	ONTARIO GOOD ROADS ASSOCIATION	Registration to 2019 OGRA Conference Feb 24-27, Toronto, ON	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
19-Mar-19	35.66	MCCAUSLAND GEOFF	Meeting expense	
19-Mar-19	302.57	MCCAUSLAND GEOFF	2019 OGRA Conference travel claim Feb 24-27, Toronto, ON	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	2,617.50		January - March Quarter	
	2,617.50		YTD Totals as per GL	

Ward 5: Robert Kirwan***Councillor's Expenses******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
4-Feb-19	8.10	THE GLOBE AND MAIL	The Globe and Mail online subscription	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
11-Mar-19	1,553.19	KIRWAN ROBERT	2019 OGRA Conference travel claim Feb 23-27, Toronto, ON	
6-Mar-19	15.25	TORONTO STAR METROLAND	Toronto Star online subscription	
6-Mar-19	8.10	THE GLOBE AND MAIL	The Globe and Mail online subscription	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	1,848.64		January - March Quarter	
	1,848.64		YTD Totals as per GL	

Ward 6: Rene Lapierre

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
25-Feb-19	123.18	LAPIERRE RENE	Meeting expenses, Ipad screen protector and USB	
4-Feb-19	904.92	FEDERATION OF CANADIAN MUNICIPALITIES	Registration for R. Kirwan 2019 FCM Annual Conference May 30-Jun 2, Quebec City, QC. Transfer charge to R. Kirwan's account in Apr.	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	1,292.10		January - March Quarter	
	1,292.10		YTD Totals as per GL	

Ward 7: Mike Jakubo***Councillor's Expenses******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
28-Feb-19	99.22	THE CAPREOL EXPRESS	Newsletter ad in the months of Jan & Feb	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
11-Mar-19	300.00	CMHA	Ad for the Capreol Minor Hockey Association	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	663.22		January - March Quarter	
	663.22		YTD Totals as per GL	

Ward 8: Al Sizer***Councillor's Expenses******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Note / Reference
28-Jan-19	81.41	NORTHERN ONTARIO BUSINESS LTD	Ticket to 2019 Community Builders Awards, Feb 28	
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
25-Feb-19	179.04	SIZER ALLAN	Meeting expense and office cabinet	
4-Feb-19	904.92	FEDERATION OF CANADIAN MUNICIPALITIES	Registration to the 2019 FCM Annual Conference May 30-Jun 2, Quebec City, QC	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
11-Mar-19	197.22	LEDUC BILL	Shared cost with B. Leduc for mileage to 2019 OGRA Conference Feb 24-27, Toronto, ON	
13-Mar-19	223.21	SIZER ALLAN	2019 OGRA Conference travel claim Feb 24-27, Toronto, ON	
6-Mar-19	22.51	EVENTBRITE	Ticket to International Day for the Elimination of Racial Discrimination Luncheon, Mar 21	
6-Mar-19	727.06	SHERATON CENTRE	Hotel cost for 2019 OGRA Conference Feb 24-27, Toronto, ON	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	2,599.37		January - March Quarter	
	2,599.37		YTD Totals as per GL	

Appendix 2I

Ward 9: Deb McIntosh

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
12-Feb-19	79.94	MCINTOSH DEB	Meeting expense	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
26-Mar-19	27.22	MCINTOSH DEB	Cookies for school tour of Tom Davies Square Mar 25, St. Benedict School	
6-Mar-19	22.51	EVENTBRITE	Ticket to International Day for the Elimination of Racial Discrimination Luncheon, Mar 21	
6-Mar-19	135.08	THE ROTARY CLUB OF SUDBURY	Tickets to the Paul Harris Fellow Recognition Dinner for Felix Lopes Jr., Mar 26	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	528.75		January - March Quarter	
	528.75		YTD Totals as per GL	

Ward 10: Fern Cormier***Councillor's Expenses******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
12-Feb-19	226.33	CORMIER FERN	AirPods	
25-Feb-19	223.47	LE VOYAGEUR	Ad for 2018 Christmas greetings	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
21-Mar-19	40.34	CORMIER FERN	Meeting expense	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	754.14		January - March Quarter	
	754.14		YTD Totals as per GL	

Appendix 2K

Ward 11: Bill Leduc

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
28-Jan-19	162.82	NORTHERN ONTARIO BUSINESS LTD	Tickets to 2019 Community Builders Awards, Feb 28	
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
4-Feb-19	904.92	FEDERATION OF CANADIAN MUNICIPALITIES	Registration to 2019 FCM Annual Conference May 30-Jun 2, Quebec City, QC	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
11-Mar-19	1,306.80	LEDUC BILL	2019 OGRA Conference travel claim Feb 24-27, Toronto, ON	
6-Mar-19	727.06	SHERATON CENTRE	Hotel cost for 2019 OGRA Conference Feb 24-27, Toronto, ON. Refund from B. Leduc for hotel in Apr.	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	3,365.60		January - March Quarter	
	3,365.60		YTD Totals as per GL	

Ward 12: Joscelyne Landry-Altmann

Councillor's Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
25-Jan-19	15.79	LANDRY-ALTMANN JOSCELYNE	Muffins for Louis street tenant group volunteers	
31-Jan-19	88.00	CGS	Jan Phone and Internet Allowance	
28-Feb-19	88.00	CGS	Feb Phone and Internet Allowance	
26-Mar-19	48.67	LANDRY-ALTMANN JOSCELYNE	Office supplies	
29-Mar-19	50.00	ACFO-DU GRAND SUDBURY INC	Tickets to Journee de la Francophonie, Mar 20	
6-Mar-19	45.03	EVENTBRITE	Tickets to International Day for the Elimination of Racial Discrimination Luncheon, Mar 21	
31-Mar-19	88.00	CGS	Mar Phone and Internet Allowance	
	423.49		January - March Quarter	
	423.49		YTD Totals as per GL	

Council Expenses

Office Expenses

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
27-Feb-19	37.00	CGS - PETTY CASH	Petty Cash	
	37.00		January - March Quarter	
	37.00		YTD Totals as per GL	

Council Expenses

Cellular Services

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	1.32	LANDRY-ALTMANN JOSCELYNE	Icloud storage cost for Jan	
30-Jan-19	593.39	BELL MOBILITY	Jan Stmt - cellular bill	
30-Jan-19	(18.55)	BELL MOBILITY	Jan Stmt - 2018 charges of a credit note for E. Dutrisac	
30-Jan-19	15.01	BELL MOBILITY	Jan Stmt - 2018 charges for L. Reynolds	
25-Feb-19	61.40	LAPIERRE RENE	Iphone screen protector and charging cable	
28-Feb-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade R. Lapierre	
28-Feb-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade R. Kirwan	
28-Feb-19	505.75	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade D. McIntosh	
28-Feb-19	505.75	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade F. Cormier	
28-Feb-19	505.75	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade M. Jakubo	
28-Feb-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade M. Vagnini	
28-Feb-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade J. Landry-Altmann	
11-Mar-19	(48.26)	BELL MOBILITY	Feb Stmt - credit note R. Kirwan	
11-Mar-19	271.28	BELL MOBILITY	Feb Stmt - cellular bill	
12-Mar-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade M. Signoretti	
12-Mar-19	555.61	NEIL COMMUNICATIONS & OFFICE CENTRE	Iphone upgrade A. Sizer	
26-Mar-19	1.32	LANDRY-ALTMANN JOSCELYNE	Icloud storage cost for Feb	
	5,727.82		January - March Quarter	
	5,727.82		YTD Totals as per GL	

Council Expenses*Internal Recoveries - Parking and Other**For the period ended, March 31, 2019*

Date	Amount	Payee	Description	Note / Reference
27-Feb-19	14.60	CGS - PARKING	TDS Parking Office Council - Jan	
	14.60		January - March Quarter	
	14.60		YTD Totals as per GL	

Council Memberships and Travel

Association Dues

For the period ended, March 31, 2019

Date	Amount	Payee	Description	Note / Reference
31-Jan-19	6,185.76	FEDERATION OF CANADIAN MUNICIPALITIES	Membership fees Jan 1/19 to Mar 31/19	
18-Jan-19	(6,356.79)	FEDERATION OF CANADIAN MUNICIPALITIES	Transfer membership fees Jan 1/2020 to Mar 31/2020 to prepaid expense	(1)
31-Jan-19	7,530.25	FEDERATION OF CANADIAN MUNICIPALITIES	Membership fees Jan 1/19 to Dec 31/19	
3-Jan-19	10,123.10	ASSOCIATION FRANCAISE DES MUNICIPALITES	Membership fees Jan 1/19 to Dec 31/19	
3-Jan-19	3,150.00	FEDERATION OF NORTHERN ONTARIO	Membership Fees Apr 1/19 to Mar 31/2020	
3-Jan-19	2,938.54	ONTARIO GOOD ROADS ASSOCIATION	Membership fees Jan 1/19 to Dec 31/19	
14-Jan-19	17,684.37	ASSOCIATION OF MUNICIPALITIES OF ONTARIO	Membership fees Jan 1/19 to Dec 31/19	
14-Jan-19	25,427.15	FEDERATION OF CANADIAN MUNICIPALITIES	Membership Fees Apr 1/19 to Mar 31/2020	(1)
	66,682.38		January - March Quarter	
	66,682.38		YTD Totals as per GL	

Council Memberships and Travel***Council Travel******For the period ended, March 31, 2019***

Date	Amount	Payee	Description	Attendee	Location	Date	Note / Reference
	0.00		January - March Quarter				
	0.00		YTD Totals as per GL				

For Information Only

2019 Annual Repayment Limit

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Tuesday, May 21, 2019

Type: Correspondence for
Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

Report Summary

This report provides an update on the City's 2019 annual debt repayment limit as determined by the Province.

Financial Implications

There are no financial implications associated with this report.

Signed By

Report Prepared By

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 21, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 21, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

2019 Annual Repayment Limit

Background

Each year, the Province calculates an Annual Repayment Limit (ARL) for every municipality in the Province as of January 1st. The 2019 Annual Repayment Limit for the City of Greater Sudbury has been received and is attached to this report. It is based on information extracted from the 2017 Financial Information Return (FIR). The 2018 FIR, which was filed in May, will form the basis for the calculation of the 2019 annual repayment limit.

Under Provincial guidelines, no municipality should spend more than 25% of its net revenues on debt repayment. Based on this percentage, the ARL indicates the maximum debt repayment a municipality could support. Under the Provincial formula of 25%, the City of Greater Sudbury has the capacity to increase debt repayments to \$94.6 million.

For illustrative purposes, the Province indicates that, based upon the stated \$94.6 million annual repayment limit at a 5% and 7% interest rate over an amortization period of 20 years, the City could undertake a further \$1.2 billion or \$1.0 billion respectively in long-term borrowing. Of course, if this were done, the operating budget would have to increase by the \$94.6 million necessary for the debt repayments. However, Council has approved setting a limit of 10% of the City's own purpose revenue for annual debt repayment. Using the Council approved 10% threshold of net revenues the City has the capacity increase annual debt repayments by \$30.4 million. The City could borrow \$560 million over 30 years at 3.5% and remain within Council guidelines.

At 2018 year-end, the total long-term liabilities of the City of Greater Sudbury was approximately \$76.5 million (2017 - \$77.5 million) with annual debt repayments and interest of \$10.1 million. As contained in the 2018 BMA Study, the City of Greater Sudbury's tax debt interest as a percentage of own source revenues was 0.3% at December 31, 2017, well below the survey average of 1.2%. Also, the City of Greater Sudbury's debt to reserve ratio at December 31, 2017 was 0.5, which is below the BMA survey average of 1.0. Based on the recently submitted 2018 FIR these ratios are 0.3% and 0.5 respectively.

Council has approved a number of projects that will be paid for using external debt financing. The approved amount and forecasted annual payment follow:

Project	Long Term Borrowing	Annual Payment	Budget Year Approved
Place Des Arts	\$5.0 Million	\$350,000	2017
Event Centre	\$90.0 Million	\$5.2 Million	2018
MR 35	\$30.8 Million	\$1.9 M	2018
Playground Revitalization	\$2.3 Million	\$150,000	2018

Bridges and Culverts	\$6.9 Million	\$433,000	2019
McNaughton Terrace Treatment Facility	\$2.2 Million	\$123,000	2019
The Junction	\$68 Million	\$3.9 Million	2019
Total	\$205.2 Million	\$12.1 Million	

The above projects increase the debt repayments to \$22.2 million from \$10.1 million and the City borrowing capacity maintains a robust \$405 million at current interest rates. However the tax debt interest as a percentage of own source revenues is estimated to increase to 2.5% from 0.3% and will be above the average of 1.2% from the BMA Study. The debt to reserve ratio increases to 1.9 from 0.5 which is also above the 1.0 from the BMA Study.

Based on the current Council approved limit of 10% of net revenues and taking into account: debt currently incurred; projects approved in current and prior budgets the City does have the capacity to incur more debt.

2019 ANNUAL REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403 / 02)

MMAH CODE: 23103
MUNID: 53005
MUNICIPALITY: Greater Sudbury C
UPPER TIER:
REPAYMENT LIMIT: \$ 94,554,813

The repayment limit has been calculated based on data contained in the 2017 Financial Information Return, as submitted to the Ministry. This limit represents the maximum amount which the municipality had available as of December 31, 2017 to commit to payments relating to debt and financial obligation. Prior to the authorization by Council of a long term debt or financial obligation, this limit must be adjusted by the Treasurer in the prescribed manner. The limit is effective January 01, 2019

FOR ILLUSTRATION PURPOSES ONLY,

The additional long-term borrowing which a municipality could undertake over a 5-year, a 10-year, a 15-year and a 20-year period is shown.

If the municipalities could borrow at 5% or 7% annually, the annual repayment limits shown above would allow it to undertake additional long-term borrowing as follows:

5% Interest Rate		
(a)	20 years @ 5% p.a.	\$ 1,178,361,965
(a)	15 years @ 5% p.a.	\$ 981,446,622
(a)	10 years @ 5% p.a.	\$ 730,127,200
(a)	5 years @ 5% p.a.	\$ 409,372,856
7% Interest Rate		
(a)	20 years @ 7% p.a.	\$ 1,001,715,033
(a)	15 years @ 7% p.a.	\$ 861,197,103
(a)	10 years @ 7% p.a.	\$ 664,113,437
(a)	5 years @ 7% p.a.	\$ 387,693,401

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403/02)

MUNICIPALITY:

Greater Sudbury C

MMAH CODE:

23103

Debt Charges for the Current Year

		1 \$
0210	Principal (SLC 74 3099 01)	6,084,547
0220	Interest (SLC 74 3099 02)	3,022,504
0299	Subtotal	9,107,051
0610	Payments for Long Term Commitments and Liabilities financed from the consolidated statement of operations (SLC 42 6010 01)	0
9910	Total Debt Charges	9,107,051

Amounts Recovered from Unconsolidated Entities

		1 \$
1010	Electricity - Principal (SLC 74 3030 01)	0
1020	Electricity - Interest (SLC 74 3030 02)	0
1030	Gas - Principal (SLC 74 3040 01)	0
1040	Gas - Interest (SLC 74 3040 02)	0
1050	Telephone - Principal (SLC 74 3050 01)	0
1060	Telephone - Interest (SLC 74 3050 02)	0
1099	Subtotal	0
1410	Debt Charges for Tile Drainage/Shoreline Assistance (SLC 74 3015 01 + SLC 74 3015 02)	0
1411	Provincial Grant funding for repayment of long term debt (SLC 74 3120 01 + SLC 74 3120 02)	0
1412	Lump sum (balloon) repayments of long term debt (SLC 74 3110 01 + SLC 74 3110 02)	0
1420	Total Debt Charges to be Excluded	0
9920	Net Debt Charges	9,107,051

Excluded Revenue Amounts

		1 \$
1610	Total Revenues (Sale of Hydro Utilities Removed) (SLC 10 9910 01)	605,433,805
2010	Fees for Tile Drainage / Shoreline Assistance (SLC 12 1850 04)	0
2210	Ontario Grants, including Grants for Tangible Capital Assets (SLC 10 0699 01 + SLC 10 0810 01 + SLC10 0815 01)	145,995,878
2220	Canada Grants, including Grants for Tangible Capital Assets (SLC 10 0820 01 + SLC 10 0825 01)	16,605,224
2225	Deferred revenue earned (Provincial Gas Tax) (SLC 10 830 01)	2,690,208
2226	Deferred revenue earned (Canada Gas Tax) (SLC 10 831 01)	14,952,138
2230	Revenue from other municipalities including revenue for Tangible Capital Assets (SLC 10 1098 01 + SLC 10 1099 01)	105,163
2240	Gain/Loss on sale of land & capital assets (SLC 10 1811 01)	-2,011,948
2250	Deferred revenue earned (Development Charges) (SLC 10 1812 01)	3,689,159
2251	Deferred revenue earned (Recreation Land (The Planning Act)) (SLC 10 1813 01)	132,204
2252	Donated Tangible Capital Assets (SLC 53 0610 01)	5,328,730
2253	Other Deferred revenue earned (SLC 10 1814 01)	1,135,406
2254	Increase / Decrease in Government Business Enterprise equity (SLC 10 1905 01)	2,164,188
2299	Subtotal	190,786,350
2410	Fees and Revenue for Joint Local Boards for Homes for the Aged	0
2610	Net Revenues	414,647,455
2620	25% of Net Revenues	103,661,864
9930	ESTIMATED ANNUAL REPAYMENT LIMIT (25% of Net Revenues less Net Debt Charges)	94,554,813

* SLC denotes Schedule, Line Column.

For Information Only

2018 Capital Completed Projects

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Tuesday, May 21, 2019

Type: Correspondence for
Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

Report Summary

The purpose of this report is to provide the completed capital projects from April 1, 2018 to December 31, 2018 as well as cancelled capital projects for the same period.

Financial Implications

This report has no financial implications.

Signed By

Report Prepared By

Apryl Lukezic
Co-ordinator of Budgets
Digitally Signed May 21, 19

Manager Review

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 21, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
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Digitally Signed May 21, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 21, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

In accordance with the Capital Budget Policy, approved by City Council in January 2019, this capital variance report identifies capital projects in excess of \$200,000 which have been completed for the period of April 1, 2018 to December 31, 2018, as well as the cancelled projects for the same period. Variance explanations are included for variances over \$100,000 on completed capital projects (Appendix A) as well as cancelled capital projects (Appendix C).

For the capital projects with variances over \$100,000, the collective variance amount that were over budget totaled \$7.1 million, while the capital projects that were under budget had a variance of \$13.2 million. Appendix A provides explanations of the variances as well as how the capital project surpluses/deficits were handled. The variances were as a result of tender pricing or relating to site conditions/scope changes. Most of the capital projects have achieved their approved scope.

The Capital Budget Policy in effect when these projects were completed enabled staff to reallocate funds when projects were projected to exceed the approved budgets due to tender pricing or site conditions/scope changes in order to ensure completion of the approved scope of the project. These reallocations would have been from surpluses from other projects, or where lower priority projects were cancelled and would be reprioritized in future capital budgets.

The report includes three appendices as listed below:

1. Appendix A –

Completed Capital Projects over \$200,000 with variances over \$100,000

This appendix provides a listing of all completed capital projects over \$200,000 with explanations of variances over \$100,000.

2. Appendix B –

Completed Capital Projects over \$200,000 with variances below \$100,000

This appendix provides a listing of all completed capital projects over \$200,000 with variances below the threshold of \$100,000.

3. Appendix C – Cancelled Capital Projects

This appendix provides a listing of all cancelled capital projects with variance explanations. It does not include any cancelled projects (those with no activity in past 24 months) that were previously provided in the Capital Status Update Report to the Finance & Administration Committee at the April 16, 2019 meeting.

At the Finance & Administration Committee meeting on April 16, 2019, the Committee approved the creation and funding of the three Holding Account Reserves (Capital General, Water and Wastewater) that will be used to fund all project deficits from other project surpluses contributed to these reserves. As a result, there are no capital projects that were completed for the period of January 1, 2019 to March 31, 2019 and no activity in the related Holding Accounts.

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)	Explanation
Variances Over \$100,000								
CAO's Office								
Economic Development	Industrial Land Strategy - Conceptual Design	2011	Recommendation #2009-36	475,000	184,598	391,933	no	The design work achieved the scope of the original project, but the implementation of the capital work was not completed. It will be brought forward as part of future budget considerations.
			NOHFC Grant	17,378				
			FedNor Grant	84,152				
			Total	576,530				The surplus funds were transferred to Industrial Reserve Fund.
Economic Development	Walden Industrial Park - Engineering Assessment	2012	Recommendation #2011-269	500,000	168,817	331,183	no	The design work achieved the original scope of project. Project implementation is outstanding as additional work with stakeholders is required and will be brought forward for future budget considerations when project is recommended to proceed.
						The surplus funds were transferred to Industrial Reserve Fund.		
Growth & Infrastructure								
Bridge Rehabilitation	Junction Creek Bridge Kelly Lake Road	2017	2017 Capital Budget	2,000,000	3,231,823	(1,231,823)	yes	Actual expenses were greater than budgeted due to the addition of a temporary detour bridge, associated detour bridge approaches and abutments. As a result of the temporary bridge, gas main temporary supports were required and added to the construction scope. The over expenditure was funded from MR84 Capreol Lake Road (\$840K), Power Street (\$330K), and Azilda Subdivision (\$62K).
Bridge Rehabilitation	MR 15 Bridges (2)	2013	2011 Capital Budget	1,500,000	3,216,742	(1,166,742)	yes	Actual expenses were greater than budgeted due to the tender price coming in higher than budget amount (\$200k) and change orders (\$70k). The remainder of this variance was due to the use of this account to fund all engineering work required for the four MR15 bridges.
			2013 Capital Budget	550,000				The over expenditure was funded from Roads Contingency (\$579K), Kingsway (\$218K), Jean Street (\$156K), Future Roads (\$114K), and MR15 MR80 (\$100K).
			Total	2,050,000				
Bridge Rehabilitation	MR15 Whitson River Bridges	2017	2017 Capital Budget	2,230,000	2,597,847	(367,847)	yes	Actual expenses were greater than budgeted due to increase in scope which included the requirement of a large culvert replacement and guide rail replacement. The over expenditure was funded from Second Avenue (Sudbury).
Bridge Rehabilitation	MR 55 - CPR Overhead Bridge (Westbound)	2017	2015 Capital Budget	1,000,000	2,481,632	(461,632)	yes	Actual expenses were greater than budgeted due to the tender price coming in higher than the budget amount. Change orders to a total of approximately \$70,000 were issued for this contract.
			2017 Capital Budget	1,020,000				The over expenditure was funded from MR 15.
			Total	2,020,000				
Roads	Amanda Street from Second Avenue (Coniston) to East End	2017	2015 Capital Budget	240,000	103,020	136,980	yes	Actual expenses were lower than budgeted due to favourable unit prices lower than estimated. The surplus funds were transferred to Brady Durham Green stairs (\$112K), and several minor transfers to various accounts (each for less than \$6,700).
Roads	Arvo Street	2016	2016 Capital Budget	460,000	788,755	(328,755)	yes	Actual expenses were greater than budgeted due to unforeseen site conditions including existing intermittent concrete base that resulted in substantial scope changes and change orders. The over expenditure was funded from Lamothe Street.

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)	Explanation
Roads	Azilda Subdivisions	2017					yes	Actual expenses were lower than budgeted due to favourable tender prices for asphalt and granular A.
	Birch Subdivision - Donald from Maple to Oak		2017 Capital Budget	320,000				
	Birch Subdivision - Donald Street		2017 Capital Budget	200,000				
	Birch Subdivision - Oak Street		2017 Capital Budget	120,000				
	Birch Subdivision - Cedar Street		2017 Capital Budget	100,000				
			Total	740,000	513,089	226,911		
Roads	CWWWF - MR55 - Culvert	2017	Resolution CC2016-339	630,000	1,100,202	(470,202)	yes	Actual expenses were greater than budgeted due to tender prices higher than estimated. The over expenditure was funded from reallocations within the Clean Water/Wastewater Fund projects.
Roads	CWWWF - Nickel Basin - McKenzie Creek Culvert	2017	Resolution CC2016-339	500,000	227,677	272,323	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred between the Clean Water/Wastewater Fund projects, with any remaining City funds to be transferred to the Capital Holding account in Q2 2019.
Roads	CWWWF - Tilton Lake Road Culvert	2017	Resolution CC2016-339	330,000	189,505	140,495	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred between the Clean Water/Wastewater Fund projects, with any remaining City funds to be transferred to the Capital Holding account in Q2 2019.
Roads	Danforth Avenue from Fielding Street to Barrington Street	2018	2018 Capital Budget	770,000	601,947	168,053	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds will be transferred to the Capital Holding account in Q2 2019.
Roads	Future Roads Projects	2017	2017 Capital Budget	500,000	55,304	444,696	yes	Budget was transferred into the 2018 Future Roads account for consultants/design for future road projects.
Roads	Hesta Street	2017	2017 Capital Budget	357,000	253,617	103,383	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred to Bridge Inspections (\$58K), and Creighton Road (\$45K).
Roads	MR 84 from Capreol Lake Road to Suez Drive	2017	2017 Capital Budget	3,300,000	1,921,350	1,378,650	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred to Junction Creek Bridge/Kelly Lake Road (\$840K), Beatty Street (\$340K), Railway Crossings (\$119K), and Various Bridge Repairs (\$60K).
Roads	MR55 to McCharles Lake Road 1.75km W	2017	2017 Capital Budget	2,565,000	1,996,757	568,243	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred to Vermillion Lake Bridge (\$250K), Dominion Drive (\$250K), with the remaining being transferred to the Capital Holding account in Q2 2019.
Roads	Power Street from MR 55 to Collins Drive	2017	2017 Capital Budget	830,000	396,103	433,897	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred to Junction Creek Bridge/Kelly Lake Road (\$330K), Field Street (\$30K), Paris/ND Cycling (\$25K), Travel Demand Management Study (\$17K), Surface Treatment (\$17K), Traffic Calming (\$7K), Westmount (\$7K), and LaSalle Corridor Study (\$1K).

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)	Explanation
Roads	Railway Crossing Improvements	2016	2016 Capital Budget	370,000	797,786	(427,786)	yes	Actual expenses were greater than budgeted due to the use of surplus road project accounts to fund railway projects in lieu of the use of previously approved railway accounts. The over expenditure was funded from Moonlight Avenue (\$160K), MR84 Capreol (\$119K), Railway Crossing Improvements (\$81K), Aurora Street (\$42K), and Tremblay Street (\$25K).
Roads	Second Avenue (Coniston) Hwy 17 to Concession Street	2015	2015 Capital Budget	885,000	420,248	464,752	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. Also, a scope reduction was realized due to favourable field conditions. The surplus funds will be transferred to the Capital Holding account in Q2 2019.
Roads	Second Avenue (Sudbury)	2014	2014 Capital Budget	4,900,000	6,193,305	806,695	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred to MR15 Whitson River Bridges (\$570K), Dominion Drive (\$200K) with the remaining being transferred to the Capital Holding account in Q2 2019.
	Second Avenue (Sudbury)		2015 Capital Budget	800,000				
	Second Avenue - Extend to First Avenue		2016 Capital Budget	800,000				
	Second Avenue Additional Costs		2017 Capital Budget	500,000				
	Second Avenue from Donna Drive to Kenwood Street		Total	7,000,000				
Roads	Skead Road (MR 86) from MR 89 to Old Skead Road North	2016	2016 Capital Budget	3,900,000	3,017,136	882,864	yes	Actual expenses were lower than budgeted due to favourable unit prices that were lower than estimated. The surplus funds were transferred to Crean Hill Road (\$250K), Sidewalks (\$175K), MR 4 (\$151K), Automatic Vehicle Locator (\$120K), with the remaining being transferred to the Capital Holding account in Q2 2019.
Roads	Surface Treatment	2017	2017 Capital Budget	1,276,000	1,401,298	(125,298)	yes	Actual expenses were greater than budgeted due to tender prices that were higher than estimated. The over expenditure was funded from Clifford Crescent (\$41K), Carol Street (\$35K), Hope Street (\$20K), Power Street (\$17K), and Roads Contingency (\$12K).
Drains	Val Caron Drain	2007	2006 Capital Budget	100,000	1,496,049	(389,399)	no	This project was trending over budget as the costs for the drain channel and associated pipe were higher than expected as well as various purchases of land that was not part of the original estimate. A decision was made to halt the progress and postpone the project until the completion of the Whitson River Watershed Study which will identify new priorities. The outstanding work is the stormwater management pond and final channel works. The over expenditure was funded from Roads Contingency.
	Main Street to Pilon Street - Drain		2006 Capital Budget	150,000				
	Fifth Street Storm Sewer (Val Caron)		2006 Capital Budget	50,000				
	Val Caron Retention Pond (Property)		2006 Capital Budget	100,000				
	Main Street Trunk Storm Sewer		2007 Capital Budget	238,650				
	Upper Val Caron Pond		2008 Capital Budget	193,000				
	Fifth Street Storm Sewer (Val Caron)		2008 Capital Budget	100,000				
	Main Street		2011 Capital Budget	100,000				
	Val Caron Municipal Drain		2013 Capital Budget	75,000				
	Val Caron Drain		Total	1,106,650				
Drains	Horizon Watershed Stormwater Management Facility	2013	2011 Developer's Share	584,990	96,984	988,006	no	Project has been postponed and funds moved to reserve until Whitson River Watershed Study identifies a priority for the project to best serve the community. The developer's portion of funding that was unused (and therefore not received) was reversed (\$573K). Additional surplus was transferred to Countryside Drain (\$415K).
			2012 Capital Budget	500,000				
			Total	1,084,990				
Water Linear	Automatic Vehicle Locator	2014	2014 Capital Budget	300,000	196,554	103,446	yes	Actual expenses were lower than budgeted due to the fact that the number of vehicles requiring automatic vehicle locators was less than originally estimated. The surplus funds were transferred to the Capital Financing Reserve Fund - Water.

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)	Explanation
Water Linear	Distribution Support	2015	2014 Capital Budget	200,000	101,693	298,307	yes	Actual expenses were lower than budgeted due to less unforeseen required expenditures.
			2015 Capital Budget	200,000				The surplus funds were transferred to Watermain Rehabilitation (\$100K), with the remaining to the Capital Financing Reserve Fund - Water.
			Total	400,000				
Water Linear	Margaret - Second Ave to East End	2017	2017 Capital Budget	500,000	265,307	234,693	yes	Actual expenses were lower than budgeted due to field conditions that were better than anticipated and the bid price came in lower than estimate. The surplus funds were transferred to Fairburn Street (\$130K), with the remaining to the Capital Financing Reserve Fund - Water.
Water Linear	West End Trunk Watermain Replacement	2017	2017 Capital Budget	400,000	139,915	260,085	yes	Actual expenses were lower than budgeted due to the fact that these funds were supposed to support the Clean Water and Wastewater Fund - Spruce Street project. The original estimates were prepared for the purposes of obtaining a grant under the Clean Water and Wastewater Fund and were conservative due to the time available to meet the application deadline. The surplus funds were transferred to Elm Street (\$250K), and Westmount Barry Downe (\$9K), with the remaining to the Capital Financing Reserve Fund - Water.
Water Linear	Watermain Rehabilitation	2017	2017 Capital Budget	1,000,000	2,253,852	(253,852)	yes	Actual expenses were greater than budgeted due to increased scope of work. The over expenditure was funded from Ash Street.
			Resolution FA2017-21	1,000,000				
			Total	2,000,000				
Water Linear	CWWWF - 1st Ave - Balsam - Allan - Coniston	2016	Resolution CC2016-339	3,870,000	3,363,032	506,968	yes	Actual expenses were lower than budgeted due to the fact that the original estimates were prepared for the purposes of obtaining a grant under the Clean Water and Wastewater Fund and were conservative due to the time available to meet the application deadline. The surplus funds were transferred between the CWWWF projects, with any remaining Water funds (not grants) to be transferred to the Water Capital Holding Account Reserve in Q2 2019.
Water Linear	CWWWF - Spruce St - Regent to Travers St	2016	Resolution CC2016-339	4,257,000	4,048,254	208,746	yes	Actual expenses were lower than budgeted due to the fact that the original estimates were prepared for the purposes of obtaining a grant under the Clean Water and Wastewater Fund and were conservative due to the time available to meet the application deadline. The project is substantially complete but there are some minor seasonal deficiencies around \$52,000. The surplus funds were transferred between the CWWWF projects, with any remaining Water funds (not grants) to be transferred to the Water Capital Holding Account Reserve in Q2 2019.
Water Linear	Lorne Street and Gutcher Avenue	2016			2,468,750	(293,750)	yes	Actual expenses were greater than budgeted due to during detailed design, the watermain limits were extended to accommodate the road resurfacing limits easterly of Martindale. Also a watermain connection at Ontario was added to improve system hydraulics, as per recommendations of the water / wastewater Master Plan. The over expenditure was funded from Watermain Contingency (\$179K), Condition Assessment (\$75K), Kelly Lake Road (\$35K), and David Street WTP Membrane Replacement (\$5K).
	Lorne Street from Martindale Road to Logan Avenue		2016 Capital Budget	1,500,000				
	Gutcher Avenue from Mary Street to Lorne Street		2016 Capital Budget	675,000				
			Total	2,175,000				

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)	Explanation
Water Linear	Maley Drive Watermain	2015	2015 Capital Budget	1,400,000	271,567	1,128,433	no	Actual expenses were lower than budgeted due to appropriate coordination of the work with the proposed Maley Drive Extension contract. The original scope of work included installation of an upsized trunk watermain to replace the existing watermain which was in poor condition. The work to install the upsized main was deferred and included in the Maley Drive Extension contract ENG 18-35. The poor condition main was rehabilitated (lined) in advance of ENG 18-35, using this account. The Water / Wastewater Master Plan recommended addition of the trunk watermain in addition to the rehabilitated main for improved system hydraulics long term. The surplus funds were transferred to the account for the trunk watermain installation on Maley Drive (as part of road rehabilitation project).
Water Linear	Vermillion Water System	2015	2015 Capital Budget	550,000	324,424	225,576	no	Actual expenses were lower than budgeted due to reduced scope of work. The scope of work was initially defined by the City, to install water meters at various locations on the Vermillion Water Distribution System, as part of the conditions of the City of Greater Sudbury / Vale Water Supply Agreement. The number of meters ultimately required by Vale were fewer than originally anticipated by CGS. The surplus funds were transferred to Wahnapiitae Trunk Design (\$150K), Preliminary Design (\$50K), and the remaining funds to the Capital Financing Reserve Fund - Water.
Water Plants	Onaping Wells Caustic Soda	2014	2014 Capital Budget	100,000	362,095	(262,095)	yes	Actual expenses were greater than budgeted due to scope increases that became necessary during the detailed design process, as well as unanticipated regulatory requirements. The over expenditure was funded from Well Building Upgrades.
Water Plants	David St WTP - Membrane Filter Replacement	2017	2017 Capital Budget	400,000	121,631	278,369	yes	Actual expenses were lower than budgeted due to fact that these budgeted funds represent amounts set aside on a pay as you go basis and are often accumulated until the work is scheduled. The surplus funds were transferred to Barry Downe Westmount (\$200K), Westmount Barry Downe (\$74K), and Lorne Street (\$5K).
Water Plants	David St. WTP - Containment Tank	2014	2014 Capital Budget	250,000	14,031	235,969	no	Actual expenses were lower than budgeted due to the fact that upon inspection it was determined that the tank did not have to recoated as originally thought. The project was cancelled. The surplus funds were transferred to the Capital Financing Reserve Fund - Water.
Wastewater Linear	Sanitary Rock Tunnel Inspections	2012	2009 Capital Budget 2010 Capital Budget 2011 Capital Budget 2012 Capital Budget 2013 Capital Budget 2014 Capital Budget 2017 Capital Budget Total	100,000 100,000 100,000 50,000 50,000 200,000 100,000 700,000	358,252	341,748	no	Actual expenses were lower than budgeted due to the fact these represent funds set aside on a pay as you go basis for major, periodical repairs required on the rock tunnel. They will be resubmitted in future capital budgets as required. The surplus funds were transferred to the Capital Financing Reserve Fund - Wastewater.
Wastewater Linear	Collection Support	2015	2015 Capital Budget	200,000	313,668	(113,668)	yes	Actual expenses were greater than budgeted due to fact that annual estimations of requirements are difficult and often rely on the use of multiple years funds. Surplus from 2014 funds were transferred to 2015 to use as required. The over expenditure was funded from 2014 Collection Support.

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)	Explanation
Wastewater Linear	Margaret - Second Ave to East End	2017	2017 Capital Budget	285,000	65,655	219,345	yes	Actual expenses were lower than budgeted due to field investigations during detailed design confirmed that the material and condition of the sanitary sewers did not warrant the original anticipated scope of work. The surplus funds were transferred to Fairburn Street Barry Downe to East End (\$70K), with the remaining transferred to the Capital Financing Reserve Fund - Wastewater.
Wastewater Linear	Access Road	2015	2015 Capital Budget	1,000,000	678,641	321,359	yes	Actual expenses were lower than budgeted due to the original estimate being prepared as a response to an emergency repair to respond to a number of basements flooding. The detailed estimate determined that the scope of repairs was not as severe as originally thought. The surplus funds were transferred to Sewer System Annual Repairs (\$45K), with the remaining transferred to the Capital Financing Reserve Fund - Wastewater.
Wastewater Linear	Algonquin Sewer	2017	2017 Capital Budget	1,000,000	1,148,212	(148,212)	yes	Actual expenses were greater than budgeted due to additional scope because of unanticipated dewatering issues, soil conditions, additional road work and the requirement for a valve chamber. The over expenditure was funded from Ash Street Parkwood (\$105K), Carmen Street (\$33K), and Roger Street (\$25K).
Wastewater Plants	SCADA Master Plan	2014	2014 Capital Budget 2015 Capital Budget Total	250,000 250,000 500,000	210,077	289,923	no	Actual expenses were lower than budgeted due to the fact that these funds were being set aside on a pay as you go basis for Phase 2 of the SCADA Master Plan. There were some unforeseen delays in starting Phase 2 and will be resubmitted in future capital budgets. The scope for Phase 1 was completed as planned. The surplus funds were transferred to the Capital Financing Reserve Fund - Wastewater.
Wastewater Plants	Pump Replacements	2014	2014 Capital Budget	210,000	23,625	186,375	yes	Actual expenses were lower than budgeted due to the fact this is annual allocation anticipated for emergency repairs, that in effect were not required at that time. The surplus funds were transferred to the Capital Financing Reserve Fund - Wastewater.
Wastewater Plants	Meatbird Transfer Station	2015	2015 Capital Budget	400,000	169,145	230,855	yes	Actual expenses were lower than budgeted due to the original estimate was based upon information available at the time. The scope was reduced when the pipe did not have to be removed as agreed to by Vale. The surplus funds were transferred SCADA Upgrades (\$17K), Lamothe Street (\$5K), and Blower Upgrades (\$4K), with the remaining to be transferred to the Wastewater Holding Account Reserve in Q2 of 2019.
Wastewater Plants	Sudbury WWTP Phase 2 Sudbury WWTP Upgrades Sudbury WWTP Upgrades - Headhouse Construction & Standby Power Design Sudbury WWTP Upgrades - Headhouse Construction (incl. Gates & Odour Control) Sudbury WWTP Equipment Upgrades (Blowers and Unplanned Repairs)	2012	2011 Capital Budget 2012 Capital Budget 2013 Capital Budget 2014 Capital Budget Total	2,550,000 6,750,000 6,000,000 800,000 16,100,000	16,641,885	(541,885)	yes	Actual expenses were greater than budgeted due to the property being a brownfield site requiring additional scope identified during detailed design stage. The over expenditure was funded from Charette Street.

Appendix A - Variances over \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances over \$100,000 which explanations and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Achieved Approved Scope per Original Budget (yes or no)								
Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Explanation	
Environmental Services	Sudbury Landfill - Cell Closure South & North Portion	2013	2013 Capital Budget	1,600,000	1,877,939	(277,939)	yes	Actual expenses were greater than budgeted to complete additional landfill site work. The over expenditure was funded from the Sudbury Landfill Site - Recycling Site Phase 2.
Community Development								
Transit Services	Terminal Improvements - Elm St	2017	2017 Capital Budget	1,025,000	1,275,728	(250,728)	yes	Actual expenses were greater than budgeted due to the fact that the terminal doors were completed through this project as opposed to another capital project, as well as additional work completed based on funding transfers approved by the MTO. The over expenditure was funded from Garage Improvements (\$200K), Downtown Terminal Door (\$39K), and Replacement Buses (\$12K).
Transit Services	AVL Modem Upgrade	2017	2017 Capital Budget	200,000	97,519	102,481	yes	Actual expenses were lower than budgeted due to favourable pricing. The surplus funds were transferred to Route Optimization Study (\$100K), and Garage Improvements (\$1K).
Corporate Services								
Facilities	199 Larch Emergency Generator	2017	2015 Capital Budget - 199 Larch Street	500,000	405,580	194,420	yes	Actual expenses were lower than budgeted due to cost savings realized through tendering and design efficiencies. The surplus funds were transferred to Distribution Audit & Review (\$37K), with the remaining budget to be uncommitted in the 199 Larch Street Reserve Fund in Q2 2019.
			2015 Capital Budget - Information Technology	100,000				
			Total	600,000				
Community Safety								
Emergency Services	Personal Protective Equipment	2017	2016 Capital Budget	270,000	139,902	130,098	yes	Actual expenses were lower than budgeted due to the price obtained through RFP totaling half of the anticipated cost of the EMS personal protective equipment. This was due to a comparable product presented by an alternative vendor that met all of the safety requirements. The surplus funds were transferred to Medical Supplies capital project.

Appendix B - Variances Under \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances under \$100,000 and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	Achieved Approved Scope per Original Budget (yes or no)
Variances Under \$100,000							
Growth & Infrastructure							
Roads	Bonin Street from MR 15 to Montee Principale	2018	2018 Capital Budget	500,000	433,526	66,474	yes
Roads	Crescent Avenue	2017	2017 Capital Budget	450,000	449,693	307	yes
Roads	CWWWF - Seguin Street Culvert	2017	Resolution CC2016-339	240,000	194,891	45,109	yes
Roads	CWWWF - Westmount Ave - Culvert	2017	Resolution CC2016-339	510,000	566,984	(56,984)	yes
Roads	CWWWF - Yorkshire Dr - Culvert	2017	Resolution CC2016-339	250,000	239,339	10,661	yes
Roads	Field Street from Algonquin Road to Larchwood Drive	2018	2018 Capital Budget	270,000	323,266	(53,266)	yes
Roads	LaSalle Corridor Design	2017	2017 Capital Budget	200,000	201,462	(1,462)	yes
Roads	Leonard Street from Hwy 144 to North End	2018	2018 Capital Budget	300,000	208,672	91,328	yes
Roads	Lillian Street from Dominion Drive to 0.5km North	2018	2018 Capital Budget	285,000	264,463	20,537	yes
Roads	Marier Street	2017	2017 Capital Budget	375,000	320,206	54,794	yes
Roads	Property Acquisition	2011	2011 Capital Budget	1,000,000	987,939	12,061	yes
Roads	St. Clair Yard		2010 Capital Budget	250,000	174,160	75,840	yes
Roads	Strathmere Court from Robinson Drive E to Robinson Dr W	2018	2018 Capital Budget	225,000	157,259	67,741	yes
Roads	Westmount Avenue from Barry Downe Road to Attlee Avenue	2017	2017 Capital Budget	600,000	605,863	(5,863)	yes
Water Linear	Avalon Road	2018	2018 Capital Budget	275,000	278,921	(3,921)	yes
Water Linear	Leslie Street	2018	2018 Capital Budget	210,000	205,329	4,671	yes
Water Linear	Second Avenue (Coniston) - Hwy 17 to Balsam Street	2015	2015 Capital Budget	450,000			yes
			2016 Capital Budget	425,000			
			Total	875,000	892,847	(17,847)	
Water Linear	Tarneaud Street	2018	2018 Capital Budget	250,000	170,050	79,950	yes

Appendix B - Variances Under \$100,000
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below have variances under \$100,000 and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

							Achieved Approved Scope per Original Budget (yes or no)
Division	Project Description	Year Started	Budget	Total Original Budget	Final Cost	Variance	
Wastewater Linear	Second Avenue (Sudbury) - Donna Drive to 200m North of Kenwood	2013	2014 Capital Budget	200,000	102,990	97,010	yes
Wastewater Linear	Arvo Street	2016	2016 Capital Budget	425,000	413,466	11,534	yes
Wastewater Plants	Plant Process Energy Optimization	2014	2012 Capital Budget	120,000			yes
			2014 Capital Budget	60,000			
			Total	180,000	254,306	(74,306)	
Planning & Development	Elgin Street Greenway	2013	2013 Capital Budget	75,000			yes
			2013 Rainbow Routes Contribution	45,000			
			2013 GSDC Contribution	20,000			
			Total	140,000			
Community Development							
Cemetery Services	Civic Cemetery Road Realignment	2014	2014 Capital Budget - Leisure and Citizen Services	275,000			yes
			2014 Capital Budget - Cemetery Services	75,000			
			Total	350,000			
Leisure Services	Onaping Splash Park	2016	2016 Budget Enhancements	100,000			yes
			FedNor Government Grant	100,000			
			Donations	17,500			
			Ward 3 HCI Funds	10,000			
			Total	227,500			
Transit Services	Replacement Buses	2017	2017 Capital Budget	2,908,000	2,816,049	91,951	yes
Corporate Services							
Information Technology	SAN Upgrade	2018	2018 Capital Budget	200,000	200,923	(923)	yes
Facilities	St. Clair Administration Building - Re-Roofing	2017	2017 Capital Budget	250,000	189,719	60,281	yes
Facilities	Assets Contingency	2017	2017 Capital Budget	108,859	74,514	34,345	yes
Fleet	Trackless MT5	2018	2018 Capital Budget	310,000	312,439	(2,439)	yes

Appendix C - Cancelled Capital Projects
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below are the projects cancelled during this time period and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Budget	Total Original Budget	Final Cost	Variance	Explanation
Cancelled Projects						
Growth & Infrastructure						
Bridge Rehabilitation	Kalmo Road	2016 Capital Budget	1,750,000	-	1,750,000	The funding for this project was removed and will be proposed to be added to the capital budget in the expected year of construction (2021). The funds were used to cover over expenditures in Government Road Bridge (\$1.3M), Black Lake Road Bridge (\$350K), with the remaining transferred to the Capital Financing Reserve Fund - Roads in 2018 (\$100K).
Roads	Roads Contingency	2018 Capital Budget	1,000,000	-	1,000,000	The funding for this project was cancelled due to the new Capital Budget Policy approved in January 2019 where any project deficits are to be funded from the respective Holding Account, and contingency accounts will no longer be used. The surplus funds were to 2018 Surface Treatment (\$1M).
Drains	Stormwater Management	2018 Capital Budget	250,000	-	250,000	The funding was a contingency and used to balance a requirement on another project. The funds were transferred to the Countryside Stormwater Pond.
Water Linear	Power St - MR55 to Collins Drive	2017 Capital Budget	375,000	1,559	373,441	The funding for this project was cancelled due to the fact that original scope of work for the project was determined to not be required. The funds were transferred to the Kingsway Booster Station Demolition/Moss & Montrose Booster Station Control Upgrades (\$200K) and the remainder to the Capital Financing Reserve Fund - Water.
Water Linear	Stanley St - Ash to Pine	2017 Capital Budget	475,000	3,175	471,825	The funding for this project was cancelled due to the field conditions encountered during detailed design investigations included rock quantities that significantly exceeded the original estimate. The detailed design for this project will be completed and funds will be requested in a future budget. The funds transferred to Elm Street (\$401K), and Loach's Lining (\$71K).
Water Linear	Oliver (Copper Cliff) - Investigation/Design	2018 Capital Budget	50,000	-	50,000	The funding for this project was cancelled due to the original request for analysis was requested by a third party, and the request was rescinded due to changes in the third party's work plan. The funds were transferred to the Capital Financing Reserve Fund - Water.
Water Linear	Source Protection Plan	2018 Capital Budget	125,000	-	125,000	The funding for this project was cancelled due to the fact that the services of subject matter expert consultants were not needed to meet some anticipated geotechnical studies. The funds were transferred to the Capital Financing Reserve Fund - Water.

Appendix C - Cancelled Capital Projects
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below are the projects cancelled during this time period and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Budget	Total Original Budget	Final Cost	Variance	Explanation
Water Linear	Distribution System Operational Optimization	2018 Capital Budget	75,775	-	75,775	The funding for this project was cancelled due to lack of feasibility for completion of the entire project in 2019. The initial scope of work is included in a separate work plan / account. The initial program will be completed and the funds for the larger program will be requested in a future budget. The funds were transferred to the Capital Financing Reserve Fund - Water.
Water Linear	Parkwood - Maple to Poplar	2018 Capital Budget	205,000	-	205,000	The funding for this project was cancelled due to not being feasible for tendering in 2019. The detailed design for this project will be completed and funds will be requested in a future budget. The funds were transferred to the Capital Financing Reserve Fund - Water.
Water Linear	Parkwood - Poplar to Stanley	2018 Capital Budget	200,000	-	200,000	The funding for this project was cancelled due to not being feasible for tendering in 2019. The detailed design for this project will be completed and funds will be requested in a future budget. The funds were transferred to the Capital Financing Reserve Fund - Water.
Water Linear	Dominion Drive - Elmview to MR 80	2018 Capital Budget	200,000	-	200,000	The funding for this project was cancelled due to field investigations during detailed design confirmed that the watermain material and condition does not warrant replacement. The funds were transferred to Maley Drive Watermain project.
Water Plants	Vermillion WTP - Capital Contribution to Vale	2015 Capital Budget	325,000	-	1,300,000	The funding for this project was cancelled due to the fact that these funds were set aside based on the capital estimates provided to the City, however payment has not been requested. Funds will be requested in a future year when payment is required. The funds were transferred to the Capital Financing Reserve Fund - Water.
		2016 Capital Budget	325,000			
		2017 Capital Budget	325,000			
		2018 Capital Budget	325,000			
		Total	1,300,000	-	1,300,000	
Wastewater Linear	Sanitary Rock Tunnel Inspection	2018 Capital Budget	100,000	-	100,000	The project was cancelled due to the fact these represent funds set aside on a pay as you go basis for major, periodical repairs required on the rock tunnel. They will be resubmitted in future capital budgets as required. The surplus funds were transferred to the Capital Financing Reserve Fund - Wastewater.
Wastewater Linear	Rock Tunnel Maintenance & Repair	2018 Capital Budget	100,000	-	100,000	The project was cancelled due to the fact these represent funds set aside on a pay as you go basis for major, periodical repairs required on the rock tunnel. They will be resubmitted in future capital budgets as required. The surplus funds were transferred to the Capital Financing Reserve Fund - Wastewater.

Appendix C - Cancelled Capital Projects
City of Greater Sudbury
Completed Capital Projects over \$200,000
Completed between April 1, 2018 to December 31, 2018

Note - The projects listed below are the projects cancelled during this time period and transfers have been completed in accordance with the Capital Budget Policy in effect as of December 31, 2018.

Division	Project Description	Budget	Total Original Budget	Final Cost	Variance	Explanation
Wastewater Plants	Copper Cliff Sewage Treatment Plant - Capital Contribution to Vale	2018 Capital Budget	85,000	-	85,000	The funding for this project was cancelled due to the fact that these funds were set aside based on the capital estimated provided to the City, however payment has not been requested. Funds will be requested in a future year when payment is required. The funds were transferred to the Capital Financing Reserve Fund - Wastewater.
Community Development						
Library Services	Chelmsford CSC - Boiler	2018 Capital Budget	50,000	-	50,000	The funding for this project was cancelled due to the budget shortfall to complete this project. This project will be resubmitted for the 2020 Capital Budget for consideration. The funds were transferred to Capreol CSC Boiler.
Pioneer Manor	Sprinkler System - Fire Code Compliance	2017 Capital Budget	35,000	-	35,000	The funding for this project was cancelled due to remedial work on system. In order to complete the sprinkler system for 100% of the building before 2024, funding in excess of \$100,000 will be required. A firm quote for this work and a capital prioritization submission will be a part of the 2020 capital budget process The funds were transferred to Therapeutic Equipment (\$26K), and Laundry Equipment (\$9K).
Pioneer Manor	Ventilation Upgrade - Tub Rooms	2018 Capital Budget	26,475	-	26,475	The funding for this project was cancelled due to areas that were to be upgraded are within older section of the building that is part of the bed redevelopment process. The funds were transferred to Kronos Upgrades (\$19K), and Fire Code Compliance (\$7K).
Social Services	Population Health Initiatives/Community Hubs	2018 Capital Budget	200,000	-	200,000	The funding for this project was cancelled due to the change in Provincial direction on the Community Hubs program. The funds were set aside as a potential cost share with Provincial partners. The funds will be transferred to the Capital Holding Account in Q2 of 2019.
CD Facilities	Gatchell Pool Roof	2018 Capital Budget	15,000	-	15,000	The funding for this project was cancelled to fund Kathleen Depot (\$9K) and TD Arena Ventilation (\$6K) projects. The scope of cancelled Gatchell pool roof will be included in a future Gatchell Pool renewal project, which will be prioritized through the capital budget process.
Corporate Services						
Facilities	Various Public Works Facility - Overhead Door Replacement	2017 Capital Budget	50,000	-	50,000	The funding for this project was cancelled following operations review on site. It was determined that the funds would be better spent on providing facility improvements (drywall ceiling and unit heaters) that were not part of original construction of the NW depot storage facility in 2004. These improvements improve the longevity of the equipment and materials stored in the building over the winter. The surplus funds were transferred to Various Repairs Public Works Buildings and work is ongoing in 2019.

For Information Only

Development Charges - Treasurer's Annual Statement

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Tuesday, May 21, 2019

Type: Correspondence for
Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report relates to operational matters.

Report Summary

This report provides detail relating to Development Charges including a financial statement for development charges collected during 2018 along with reserve fund transactions and balances.

Financial Implications

This report has no financial implications.

Signed By

Report Prepared By

Apryl Lukezic
Co-ordinator of Budgets
Digitally Signed May 21, 19

Manager Review

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 21, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 21, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 21, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 22, 19

Development Charges Treasurer's Annual Statement

Purpose

This report provides detail for the following items relating to Development Charges (DC):

1. Provide a financial statement relating to development charges collected during 2018 including reserve fund transactions and balances.
2. Provide an update on the residential development charges deferral program as approved by Council in late 2015.

Overview - How Development Charges Are Recorded

Development charges collected are included in an obligatory reserve fund by each service area as outlined in the 2014 DC background study. At the end of each year, staff reviews the spending on growth related projects as identified in the background study and transfers the DC's collected that can be earned during the year. The funds are transferred to fund the respective growth related projects, which creates a project surplus and is transferred to the respective Capital Financing Reserve Fund. These reserve funds can then be used towards future capital projects.

Currently, DC's are not shown as a funding source in the annual Capital Budget as the funding amount is unknown until collected at the building stage which is based on the development activity which varies year to year, as well as exemptions from the DC Act and DC By-Law 2014-151.

1. Treasurer's Annual Statement

The Development Charges Act, section 43(1) states that "The treasurer of a municipality shall each year on or before such date as the council of the municipality may direct, give the Council a financial statement relating to development charge by-laws and reserve funds established under section 33." In addition, Paragraphs 12 and 13 of Ontario Regulation 82/98 indicate the information to be included in the report.

Schedule "A" provides a summary of the development charges collected during 2018 as per this By-Law including reserve fund transactions and balances. Schedule "B" provides a list of growth related capital projects that have received contributions from the development charges reserve funds in 2018. The City prefunds the growth related portion of capital projects until development charges are collected in future years.

A summary of the Development Charges activities and obligatory reserve funds relating to by-law 2014-151 is detailed below:

January 1, 2018 – opening balance	\$ 1,774,222
Development Charges received	4,487,181
Interest earned	84,103
Transfers to capital projects	(4,286,407)
December 31, 2018 – closing balance	<u>\$ 2,059,100</u>

The balance in the obligatory reserve funds is made up of the following major categories:

General services	\$ 2,059,100
Engineered services	<u>0</u>
Total Development Charge reserve funds	<u>\$ 2,059,100</u>

Funds remaining in the Development Charges Reserve Funds are considered to be committed for projects as identified in the 2014 Development Charges Background Study. In addition, these funds have been reflected in the 2019 Development Charges Background Study under the column of “Available DC Reserves” which decreases DC eligible costs to be collected in the future as this amount has already been collected for projects not yet started (ie. new buildings for Fire Services, Paramedic Services and Police Services). The funds will be transferred to the capital projects when growth related costs are incurred.

No amounts have been borrowed from the funds during the year or in any previous years. Therefore, no amounts have been repaid for any previous borrowings as there have been no previous borrowings.

Furthermore, the City is in compliance with respect to the following “A municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct to service related to development, except as permitted by this Act or another Act.” This statement prohibits municipalities from requesting “voluntary, but mandatory” payments for the 10% discount, ineligible services and post period shares as it relates to the calculation of the DC rates within the DC background study, which is completed every 5 years.

Update on Residential Deferred Development Charges Program

City Council approved a deferred development charges program for residential development in late 2015. Since its implementation, a total of three applications have been received and approved (none in 2018) for a total of five residential properties. In addition, Council approved the deferral for St. Vincent de Paul until the building is sold or transferred. As part of the 2019 Development Charges Background Study and By-Law, staff recommended that this program be discontinued. Council's decision on this item was not available at time of writing this report.

Conclusion

Pursuant to Section 43 of the Development Charges Act, the Treasurer shall furnish to Council a financial statement (Schedule A, B and C) relating to the Development Charges By-Law and reserve funds.

Appendices

Appendix A – Development Charges Obligatory Reserve Funds

Appendix B – Annual Development Charges Transfers by Project

Appendix C – Development Charges – Credits Outstanding

Appendix A
Development Charges Obligatory Reserve Funds
Annual Continuity Statement by Service Category
For the Year Ended December 31, 2018

	Balance at January 1, 2018	Development Charges Collected	Interest	Subtotal	Transfers to Capital	Transfers to Operating	Balance at December 31, 2018
General Services							
General Government	\$ 31,150	\$ 28,306	\$ 1,000	\$ 60,456	\$ 48,688	\$ -	\$ 11,767
Library (Buildings)	0	152,641	1,338	153,979	153,979	-	0
Fire (Buildings and Equipment)	1,136,891	111,487	28,704	1,277,082	-	-	1,277,082
Police (Buildings and Equipment)	240,035	57,910	6,399	304,345	-	-	304,345
Public Safety	0	23,330	231	23,561	23,561	-	0
Parks and Recreation (Facilities & Parkland Development)	0	501,564	3,433	504,997	504,997	-	0
Cemetery	-	2,640	23	2,663	2,663	-	0
Public Works (Equipment)	47,586	-	1,155	48,741	-	-	48,741
Ambulance (Buildings)	247,970	33,651	6,353	287,975	-	-	287,975
Transit (Buildings)	70,589	156,173	2,427	229,190	-	100,000	129,190
Emergency Preparedness (Buildings and Equipment)	0	62,857	623	63,480	63,480	-	0
Total General Services	\$ 1,774,222	\$ 1,130,560	\$ 51,687	\$ 2,956,469	\$ 797,369	\$ 100,000	\$ 2,059,100
Engineered Services							
Roads and related	\$ 0	\$ 2,313,250	\$ 22,400	\$ 2,335,650	\$ 2,335,650	\$ -	\$ 0
Water	0	238,411	2,285	240,696	240,696	-	0
Waste Water	0	626,380	5,954	632,334	632,334	-	0
Drains	0	178,579	1,778	180,357	180,357	-	0
Total Engineered Services	\$ 0	\$ 3,356,621	\$ 32,416	\$ 3,389,037	\$ 3,389,037	\$ -	\$ 0
Total - January 1, 2018 to December 31, 2018	\$ 1,774,222	\$ 4,487,181	\$ 84,103	\$ 6,345,507	\$ 4,186,407	\$ 100,000	\$ 2,059,100
Comparative Balances - January 1, 2017 to December 31, 2017	\$ 1,551,261	\$ 3,855,590	\$ 56,531	\$ 5,463,382	\$ 3,589,159	\$ 100,000	\$ 1,774,222

Appendix B							
Annual Development Charges Transfers by Project for Growth Related Projects Identified in 2014 Development Charges Background Study							
For the Year Ended December 31, 2018							
		Net Growth Related Share (Development Charges)					
				Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)		Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	
Project Description	Cost to December 31, 2018	Amount Funded by Development Charges Collected During 2018	Amount Funded by Development Charges Collected up to December 2017	Grants / Subsidies / Other			Total Funding to December 31, 2018
General Services							
General Government							
Official Plan Update	154,600	717	47,061			106,822	154,600
Development Charges Study 2013-2014	44,851		40,366			4,485	44,851
Development Charges Study 2018-2019	53,302	47,971				5,330	53,302
Downtown Master Plan	270,942		5,275		185,325	80,342	270,942
Housing Background Study	73,612		4,535		-	69,077	73,612
Subtotal	597,306	48,688	97,237	-	185,325	266,056	597,306
Library (Buildings)							
South Branch Library Expansion	5,713,686	110,000	780,377	2,370,886	138,888	2,313,535	5,713,686
Azilda Library Branch Expansion	558,222	43,979	250,052	112,912		151,278	558,222
Archive Project	538,971		72,780	153,918	64,784	247,489	538,971
Mackenzie Library Study	50,625			45,563		5,062	50,625
Circulation Materials	3,438,327			211,823		3,226,504	3,438,327
Subtotal	10,299,831	153,979	1,103,209	2,895,102	203,672	5,943,868	10,299,831
Public Safety							
Communications Infrastructure	12,582,035	23,561	502,530	359,694	304,000	11,392,251	12,582,035
Parks and Recreation (Facilities & Parkland Development)							
Gerry McCrory Countryside Sports Complex - 2nd Ice Pad	10,375,315	115,000	2,605,753	5,416,232	11,200	2,227,130	10,375,315
Upgrade water lines - Lively Ski Hill	65,275		58,748			6,528	65,275
New Accessible Playstructures (HARC, JJSC, Ridgecrest)	583,998		347,888		197,457	38,653	583,998
Howard Armstrong - 3 New Soccer Fields	586,813		528,132			58,681	586,813
Three Outdoor Rink Development	116,571		104,914			11,657	116,571
Northern Water Sports Centre	4,325,686		259,875		3,800,686	265,125	4,325,686
Splash Parks (Rayside Balfour, Walden and Valley East)	456,891		411,202			45,689	456,891
Rick McDonald Sports Complex Enhancements	124,487		60,783		56,950	6,754	124,487
New Mini Soccer Field Development: Rotary/Adanac Park/LELC	762,584	111,437	101,863	212,025	290,000	47,258	762,584
Chelmsford Passive Park	55,041		49,537			5,504	55,041
Adanac Building (Portable to Permanent)	598,335		8,042		470,684	119,609	598,335
Outdoor Rink - Azilda	67,084		60,376			6,708	67,084
Westmount Splash Park	157,859		142,073			15,786	157,859
Adanac BMX Track	91,849	79,302	3,362			9,185	91,849
Moonlight Beach Volleyball Court	61,165		55,049			6,117	61,165
Adanac Ski Hill Garage Expansion	128,950		112,905		3,500	12,545	128,950
Ash Street - Water Tank Site Park Development	54,127		48,715			5,413	54,127
Marguerite / Gerry Loughheed Park	107,302		96,572			10,730	107,302
Bell Park (relating to the purchase of 322 McNaughton Terrace)	62,313		56,082			6,231	62,313
Rick MacDonald Complex Seniors Park	85,716		77,144			8,572	85,716
Minnow Lake Off Leash Dog Park	125,524			110,586	2,650	12,287	125,524
Bell Park Expansion-St Joseph's Parking Lot Redevelopment	1,346,022			1,211,420		134,602	1,346,022
Hanmer Skateboard Park	115,008	103,507				11,501	115,008
James Jerome Sports Complex Renewal Program	3,584,492			291,301	2,505,598	787,592	3,584,492
Rotary/Adanac Park Ski Lift Replacement	1,941,642			873,739		1,067,903	1,941,642
Bell Park Development (new accessible washroom)	212,781	95,751				117,030	212,781
Subtotal	26,192,829	504,997	5,189,013	8,115,303	7,338,725	5,044,791	26,192,829
Cemetery							
Columbaria Niche Walls (Civic, Valley East and St. Joseph Cemeteries)	289,787		6,548	2,041		281,198	289,787
Columbaria Niche Walls (Lasalle Cemetery)	54,825	153	409	1,063		53,200	54,825
Columbaria Niche Walls (St John's & Capreol Cemeteries)	84,694	2,510				82,184	84,694
Civic Cemetery - Columbarium	95,902		2,843			93,059	95,902
Subtotal	525,209	2,663	9,800	3,105	-	509,641	525,209
Transit							
Transit Garage	18,098,787	100,000	1,041,607	2,388,855	8,659,707	5,908,618	18,098,787
HandiTransit - Additional Buses	85,000					85,000	85,000
	18,183,787	100,000	1,041,607	2,388,855	8,659,707	5,993,618	18,183,787
Emergency Preparedness (Buildings and Equipment)							
CLELC Emergency Roadway Access	332,313		144,427			187,886	332,313
CLELC Phase II	2,284,795	63,480	369,196	695,391	1,000,000	156,728	2,284,795
Garage for Mobile Command Unit	354,042			318,638		35,404	354,042
Subtotal	2,971,150	63,480	513,623	1,014,029	1,000,000	380,018	2,971,150
Total General Services	71,267,147	897,369	8,457,018	14,776,088	17,691,429	29,445,243	71,267,147

Project Description	Cost to December 31, 2018	Amount Funded by Development Charges Collected During 2018	Amount Funded by Development Charges Collected up to December 2017	Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)	Grants / Subsidies / Other	Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	Total Funding to December 31, 2018
Engineered Services							
Roads and related							
Property Acquisition (before 2014)	2,828,465	933,393	1,895,072				2,828,465
Property Acquisition (2014 and after)	2,020,475	443,192	906,511	670,772			2,020,475
Lasalle Notre Dame Intersection Improvements	8,051,462		1,342,151	661,059	38,630	6,009,621	8,051,462
Lasalle Notre Dame Intersection - Engineering / Property Acquisition / Utilities	2,273,907		1,523,518	750,389			2,273,907
MR80 - Valleyview to Donaldson	10,745,020		2,795,995	2,380,238	3,350,401	2,218,386	10,745,020
Maley Drive	53,487,518		815,547	15,992,083	31,939,275	4,740,614	53,487,518
New Streetlights (2009)	25,000		25,000				25,000
Barry Downe Extension - Route Planning Study	108,185		108,185				108,185
New Streetlights (2010)	77,921		77,921				77,921
Consulting Services - Future Projects (2010)	300,000		150,000			150,000	300,000
Design, Engineering, Property Acquisition	110,000		55,000			55,000	110,000
New Streetlights (2011)	31,169		31,169				31,169
Consulting Services - Future Projects (2011)	128,463		64,232			64,232	128,463
MR 15 MR80 Intersection Improvements	2,859,068		223,741	474,974	64,210	2,096,143	2,859,068
Barry Downe Road from Westmount Road to Kingsway	167,580			95,521		72,059	167,580
Regent Street from Bouchard to Caswell	3,496,932	36,000	953,380		199,000	2,308,552	3,496,932
New Streetlights (2012)	49,043		49,043				49,043
MR4 from Highway 17 to C. Johnson Road	19,636,493		373,727	184,075	16,847,483	2,231,208	19,636,493
Bancroft Drive from Levesque Street to Moonlight Avenue	1,902,968		415,065	204,435	354,220	929,249	1,902,968
New Signals - Kelly Lake Road at Copper Street	161,644		161,644				161,644
Lasalle Barry Downe Intersection Improvements	374,027		374,027				374,027
Four Laning MR 80 - Frost to Glenn	6,965,587			3,287,849	1,485,838	2,191,900	6,965,587
New Signals - MR24 at Sixth Ave	172,731		172,731				172,731
New Signals - Regent at Mallards Landing	176,298	90,958	85,340				176,298
New Sidewalks on Falconbridge Hwy	277,477		92,511		184,966		277,477
New Traffic Signals - Third Avenue and Kingsway	122,493		122,493				122,493
Elgin Street Greenway - design	210,592	53,373		4,864	65,000	87,355	210,592
MR8 from Highway 144 to Bridge	1,765,373	10,395			1,713,400	41,579	1,765,373
Radar Road from Hydro Road to 4 km East	2,379,942	28,385			2,238,017	113,539	2,379,942
Regent Street from Ida to Loachs Road	2,078,872	16,553			1,996,108	66,211	2,078,872
Champlain Street from Notre Dame to St. Agnes	408,748	81,750				326,998	408,748
Official Plan Review - Transportation Study Update	450,115	225,057				225,057	450,115
Consulting Services - Future Projects	97,221	96,679				542	97,221
Maple Street Combined Sewer Separation	22,591					22,591	22,591
New Traffic Signals - St. Anne Road at Radisson							
Pedestrian Crossing	266,311	134,556				131,755	266,311
Second Avenue (Sudbury) Donna Drive to Kenwood Drive	6,193,305			4,335,314		1,857,992	6,193,305
Crean Hill Road from MR4 to Victoria Mine	10,761,236			692,956	7,296,457	2,771,823	10,761,236
Moonlight Ave from Kingsway to Bancroft Drive	2,626,304			1,050,521		1,575,782	2,626,304
MR35 from Notre Dame West to Hwy 144	1,201,621			29,186	1,055,691	116,744	1,201,621
Kingsway Realignment	2,613,663			914,782		1,698,881	2,613,663
Silver Hills Drive	914,274		914,274				914,274
Montrose Avenue	1,210,790		602,000			608,790	1,210,790
Traffic System Improvements 2015	13,046	8,741		4,305			13,046
Traffic System Improvements 2017	240,668	157,949		82,719			240,668
New Streetlights 2013	55,306	18,670		36,636			55,306
New Streetlights 2014	56,514			56,514			56,514
New Streetlights 2015	37,523			37,523			37,523
New Streetlights 2016	28,611			28,611			28,611
New Streetlights 2017	35,795			35,795			35,795
New Streetlights 2018	37,963			37,963			37,963
Elgin Greenway from Nelson St to Cedar Street	765,415			306,166		459,249	765,415
Active Transportation	271,172			271,172			271,172
Subtotal	151,292,894	2,335,650	14,330,275	32,626,421	68,828,695	33,171,852	151,292,894
Water							
Infrastructure Master Plan	654,498		35,992	1,938	29,781	586,787	654,498
New Valley Wells	7,195,171		506,041	2,939,538		3,749,592	7,195,171
Moonlight Avenue - Bancroft Drive to Kingsway	1,595,350		91,258	45,123		1,458,969	1,595,350
Wanapitei Alternate Trunk - Preliminary Design							
Geotechnical Study	240,390		17,782	6,782		215,826	240,390
Regent Street - Bouchard to Walford and Bouchard - Regent to Southview	2,234,533	1,087	126,899	63,037		2,043,510	2,234,533
Kelly Lake Road - WWTP to Copper Street	909,358		52,084	25,654		831,620	909,358
Robinson Drive - Southview Drive to Kelly Lake Road	872,692		49,984	24,619		798,088	872,692
System Improvements - Development Related	581,340	239,609		341,730			581,340
Subtotal	14,283,331	240,696	880,040	3,448,421	29,781	9,684,394	14,283,331

Project Description	Cost to December 31, 2018	Amount Funded by Development Charges Collected During 2018	Amount Funded by Development Charges Collected up to December 2017	Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)	Grants / Subsidies / Other	Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	Total Funding to December 31, 2018
Waste Water							
BioSolids Management Facility	70,049,434			8,200,330	11,475,646	50,373,458	70,049,434
Walden WWTP Expansion - Design/Admin/Construction	1,316,574		211,464	288,834		816,276	1,316,574
WWTP Upgrades for Azilda/Chelmsford Areas	4,573,034		124,852	197,200		4,250,982	4,573,034
Belanger Lift Station Design - Chelmsford	11,490		1,155	569		9,766	11,490
System Improvements - Development Related	916,778		614,241	302,537			916,778
Infrastructure Master Plan	654,498		45,162	2,432	29,781	577,123	654,498
Sudbury WWTP	27,015,535	570,871	1,639,234	8,354,782		16,450,647	27,015,535
Lively / Walden Environmental Assessment	667,609	61,463	164,607	27,621		413,918	667,609
Subtotal	105,204,952	632,334	2,800,716	17,374,305	11,505,427	72,892,170	105,204,952
Drains							
Tributary 8A	1,266,901		143,150	48,576	500,000	575,176	1,266,901
Lake Nepawhin Stormwater Treatment Station	4,819,610		515,959	688,943		3,614,708	4,819,610
Minnow Lake Stormwater Treatment Station	3,658,904			365,890		3,293,014	3,658,904
Lake Ramsey West Watershed Storm Water Management	325,503			1,302	312,483	11,718	325,503
Capreol Storm Drainage Improvements - Phase 1	9,633			963		8,669	9,633
Upper Whitson River Flood Control	35,651			3,565		32,086	35,651
Miscellaneous Storm Sewer Improvements	181,380			18,138		163,242	181,380
Miscellaneous Consulting Fees	515,230			47,128	43,947	424,155	515,230
Still Lake Storm Water Management Improvement	2,334			233	-	2,100	2,334
Jacobsen - Cavarzan Storm Sewer	1,084			108	-	976	1,084
Sub-watershed Planning	1,724,108			64,294	1,638,383	21,431	1,724,108
Mountain Street Storm Outlet	2,025,102	180,357		377,379	46,734	1,420,632	2,025,102
Rockwood Storm Sewer	805,408			80,541		724,867	805,408
Subtotal	15,370,847	180,357	659,109	1,697,062	2,541,547	10,292,773	15,370,847
Total Engineered Services	286,152,025	3,389,037	18,670,140	55,146,208	82,905,450	126,041,189	286,152,025
Total	357,419,172	4,286,407	27,127,158	69,922,296	100,596,879	155,486,432	357,419,172
Note - The projects identified above are for projects with development charges collected and transferred during 2018 and/or earlier years.							
Note 1 - The amount to be repaid by development charges collected in the future may vary based upon limitations under DC Act, actual growth forecast, exemptions, final costs, growth related portion of these projects and timelines. After July 1, 2019, future collections would be based on the growth-related capital projects in the 2019 DC background study.							

Appendix C - Development Charges - Credits Outstanding
For the Year Ended December 31, 2018

The credits outstanding are in accordance with Section 38 of the Development Charges Act, 1997. The projects noted below are growth related projects within the 2014 Development Charges Background Study that were constructed by the DC Credit Holders below. These growth related projects are partially funded by development charges as noted on Schedule B and DC Credits (DC Credit at time of building permit issuance or cash payments based on negotiated agreement) are provided to the DC Credit Holders as form of payment for the constructed projects.

DC Credit Holders	Service Area - Project	Opening Balance, January 1, 2018	Credits Granted	Credits Used / Transferred	Closing Balance, December 31, 2018
1721169 Ontario Inc.	Roads - Silver Hills Drive	914,273	-	(141,570)	772,703
Dalron Construction	Roads - Montrose Avenue	602,000	-	(602,000)	-
		1,516,273	-	(743,570)	772,703

For Information Only

2018 Investment Report

Presented To:	Finance and Administration Committee
Presented:	Tuesday, Jun 04, 2019
Report Date	Tuesday, May 14, 2019
Type:	Correspondence for Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report supports Council's strategic pillar of Responsive, Fiscally Prudent, Open Governance.

Report Summary

This report summarizes the investment activities for the year and certifies that all investments made in the year 2018 were in compliance with both City's Investment Policy (Bylaw 2010-246F) and Ontario Regulation 655/05.

Financial Implications

There are no financial implications associated with this report.

Signed By

Report Prepared By

Jim Lister
Manager of Financial Planning and Budgeting
Digitally Signed May 14, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets and Fleet
Digitally Signed May 14, 19

Financial Implications

Jim Lister
Manager of Financial Planning and Budgeting
Digitally Signed May 14, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate Services
Digitally Signed May 14, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 15, 19

Background

In accordance with the City's Investment Policy (Bylaw 2010-246F), there is a requirement that the Treasurer present an investment report to Council annually.

This report summarizes the investment activities for the year and certifies that all investments made in the year 2018 were in compliance with both the policy and the Ontario Regulation 655/05.

The City of Greater Sudbury's investment portfolio, at cost, was as follows:

	December 31, 2018	December 31, 2017
Long Term Investment	\$133,235,987	\$129,532,065
Short Term Investment	\$171,563,729	\$168,825,304
Total Investment Portfolio	\$304,799,716	\$298,357,369

The breakdown of these investments is as follows:

	December 31, 2018	December 31, 2017
Canada Bonds	\$4,701,158	\$4,701,158
Provincial Bonds	\$45,474,333	\$43,860,955
Municipal Bonds	\$16,168,710	\$15,614,352
Term Deposits, GIC's, etc	\$238,455,515	\$234,180,904
Total	\$304,799,716	\$298,357,369

During the year, 55 (2017 - 102) separate investment transactions were completed. Interest earned on investments, excluding capital gains, plus interest earned on average daily bank balances, yielded an average rate of return of 2.31% (2017 - 1.88%).

Interest earnings of \$4,452,841 (2017 - \$3,958,734) were credited to reserve and trust funds. The balance of investment income was earned by capital and current funds. In accordance with the investment policy, the investment income earned by the capital fund was attributed to the current fund. Including interest earned from the bank, other sources, and capital gains, the current fund was credited with \$4,013,062 (budget \$3,405,000) interest revenue. In 2017, \$3,114,946 of interest revenue was credited to the current fund.

For Information Only

Payment-In-Lieu of Parkland (Parks Reserve Fund) - Treasurer's Annual Financial Statement

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Jun 04, 2019

Report Date Wednesday, May 15,
2019

Type: Correspondence for
Information Only

Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters. This report is to present an annual financial statement in accordance with the Planning Act.

Report Summary

The Planning Act requires the City Treasurer to present an annual financial statement about the payment-in-lieu of parkland (Parks Reserve Fund). This report provides a 2018 financial statement of this reserve fund.

Financial Implications

This report has no financial implications.

Signed By

Report Prepared By

Apryl Lukezic
Co-ordinator of Budgets
Digitally Signed May 15, 19

Manager Review

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 16, 19

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
and Fleet
Digitally Signed May 17, 19

Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
Digitally Signed May 17, 19

Recommended by the Department

Kevin Fowke
General Manager of Corporate
Services
Digitally Signed May 20, 19

Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
Digitally Signed May 20, 19

Purpose:

Under the Planning Act a municipality may require, as a condition of development, that land be conveyed to the municipality for park or other public recreational purposes. Alternatively, Council may require payment-in-lieu to the value of the land otherwise to be conveyed with rates of 2% for commercial/industrial purposes and in all other cases a rate of 5% of the land value instead of parkland development.

The City has been collecting payment-in-lieu of parkland funds for many years and has been maintaining a dedicated reserve fund to record and track the use of those funds. The Planning Act requires the City Treasurer to present an annual financial statement detailing the opening and closing balances as well as any transactions in the reserve fund.

Annual Financial Statement:

January 1, 2018 balance	\$900,014
Interest income earned	\$20,900
New deposits received	\$56,619
Expenses incurred:	<u>(\$89,820)</u>
December 31, 2018 balance	\$887,713

The expenses incurred during 2018 funded from this account included the following:

1. Garson Splash Pad	\$63,878
2. Sports Field Upgrades	\$25,000
3. Laurentian Track Repairs	<u>\$942</u>
Total	\$89,820

There are specific project commitments in this reserve fund as follows:

1. Val Caron Splash Pad (previously for Bell Park)	\$49,892	(Note 1)
2. Purchase of Parkland	\$10,088	(Note 2)
3. Pinecrest Gardens Phase 1	\$12,000	(Note 3)
4. Green Space (as per Green Space Advisory Panel)	<u>\$115,179</u>	
Total Commitments	\$187,159	

Note 1 – Funds were originally set aside in the 2011 Capital Budget in relation to an ACT Partnership to install a new splash park at Bell Park. However, the partnership/application for grant funding was not successful, so the funds have since been cancelled for this splash park and can be used for future projects. Community Services Committee approved that these funds be reallocated to fund the remaining splash pads (ie. Val Caron) in the parks and open space master plan.

Note 2 – In accordance with by-law 2010-158, funds from the sale of surplus parkland would be deposited in this Reserve Fund. Fifty percent of the funds from any particular sale will be directed towards acquisition of parkland based on the adopted priority list. The other fifty percent of the funds from any particular sale will be directed towards acquisition of parkland or park development in the ward in which the sale was made.

Note 3 – Represents a deposit towards developing the parkland at Pinecrest Gardens Subdivision. This deposit will be returned to the developer once conditions around developing the parkland have been fulfilled.

Conclusion:

This report is to meet annual requirements of the Planning Act to provide Council with a financial statement of this reserve fund.