



Location:	Council Chamber, Tom Davies Square
Commencement:	4:05 PM
Adjournment:	5:45 PM

Minutes

**For the 8th Finance Committee Meeting held
Wednesday, April 6, 2011**

Chair

COUNCILLOR TERRY KETT, IN THE CHAIR

Present

Councillors Cimino; Barbeau; Berthiaume; Dutrisac; Rivest; Kilgour, Belli; Craig; Caldarelli; Landry-Altmann; Mayor Matichuk

City Officials

Doug Nadorozny, Chief Administrative Officer; Greg Clausen, General Manager of Infrastructure Services; Catherine Matheson, General Manager of Community Development; Bill Lautenbach, General Manager of Growth & Development; Tim Beadman, Chief of Emergency Services; Marc Leduc, Fire Chief; Caroline Hallsworth, Executive Director, Administrative Services; Lorella Hayes, Chief Financial Officer/Treasurer; Kevin Fowke, Director of Human Resources & Organizational Development; Robert Falcioni, Director of Roads & Transportation; Roger Sauvé, Director of Transit Services; Real Carre, Director of Leisure Services; Luisa Valle, Director of Social Services; Ron Henderson, Director of Citizen Services; Christina Dempsey, Manager of Finance & Administration, Ontario Works; Eliza Bennett, Manager of Corporate Communications & French Language Services; Robert Blackwell, Manager of Quality, Administrative and Financial Services, Community Development; Paddy Buchanan, Manager of Accounting; Ed Stankiewicz, Manager of Financial Planning & Policy; James Klotz, Manager of Financial Information Systems; Barbara Dubois, Senior Budget Analyst; Brent Fleury, Senior Budget Analyst; Dion Dumontelle, Co-ordinator of Accounting; Olivia Titon, Co-ordinator of Financial and Performance Measurement, Community Development; Ed Vildis, Co-ordinator of Capital Assets; Brian Bigger, Auditor General; Angie Haché, City Clerk; Christopher St-Onge, Audio-Visual Operator; Franca Bortolussi, Council Secretary

News Media

CBC Radio; EastLink News; KICX, Le Voyageur; Northern Life; Sudbury Star

Declarations of Pecuniary Interest

None declared.

Presentations

- 1 . Report dated March 31, 2011 from the Chief Financial Officer/Treasurer regarding 2011 Operating Budget, Finalization of the Budget was distributed to Committee Members at the meeting.

Lorella Hayes, Chief Financial Officer/Treasurer, and Doug Nadorozny, Chief Administrative Officer, made an electronic presentation regarding 2011 Budget Finalization and Funding Sources for One-time 2011 Budget Expenditures.

The Chief Financial Officer/Treasurer explained the key highlights of budget pressures. She explained in detail the Revised Option 1 resulting in a municipal tax levy increase of 3.9% including the proposed changes and the one-time funding enhancements. She outlined the three municipal tax levy options and their respective service level enhancements and funding sources. She stated there is a significant drop in reserves and advised of the forecasted balances of the Tax Rate Stabilization

Reserve and the Capital Financing Reserve Fund General at December 31, 2010 and for 2011. She explained the impact of 3.9% municipal tax increase. She provided the capital enhancement options for the water/wastewater budget.

The Chief Administrative Officer advised that the Toward Fiscal Sustainability Plan anticipates savings of \$494,000 for the 2012 Budget. He advised of the medium and long-term action items under the Plan. He indicated that, in the 2012 Budget process, a new Operating Budget Policy and Capital Budget Policy will be proposed and listed policy pieces included in the proposal. He advised of changes to the budget option process for the 2012 Budget. He advised of other items in the 2012 Budget including on-going management of capital lists, the budget schedule and his detailed budget review.

Following discussion of the municipal tax levy options, the Committee, by a show of hands, chose Option 1 (3.9% increase) as their preferred option.

Managers' Reports

- 2 . The following recommendation was presented:

2011-16 Caldarelli-Belli: THAT Council approve the 2011 Capital Budget and the report dated March 3, 2011 from the CFO/Treasurer, including acceptance of the 2011 Police Services Capital Budget;

AND THAT total internal financing from capital and reserve funds of \$31 million be approved for projects to be completed in 2011 and 2012 and be repaid from future capital envelopes, Provincial Gas Tax and development charges in 2011 to 2035;

AND THAT the remainder of the 2012 - 2015 Capital Budgets be accepted for information for staff to use as a planning tool.

CARRIED

- 3 . Report dated March 31, 2011 was received from the Chief Financial Officer/Treasurer regarding 2011 Water and Wastewater Rates and Charges.

The following recommendation was presented:

2011-17 Belli-Caldarelli: THAT the Finance Committee approve the Water and Wastewater enhancement option for capital in the amount of \$875,000 which results in an overall increase of 5.1% in the Water/Wastewater User Fees;

AND THAT the necessary by-laws be prepared.

SIMULTANEOUS WRITTEN RECORDED VOTE:

YEAS

Barbeau
Rivest
Kilgour
Craig
Caldarelli
Kett
Landry-Altmann

NAYS

Cimino
Berthiaume
Dutrisac
Belli
Mayor Matichuk

CARRIED

FINALIZATION OF BUDGET

After discussion, Mayor Matichuk presented the following motion:

Matichuk-Belli: THAT the budget be deferred by two (2) weeks to find savings without impacting front line workers to do their jobs effectively, efficiently or safely with a target of 2% reduction in the operating budget.

Friendly Amendment

With the consent of the Mover, the following friendly amendment was made: add 'without affecting services' to the end of the motion.

Main Motion (as amended)

The main motion as amended was then presented:

2011-18 Matichuk-Belli: THAT the budget be deferred by two (2) weeks to find savings without impacting front line workers to do their jobs effectively, efficiently or safely with a target of 2% reduction in the operating budget without affecting service.

CARRIED

Mayor Matichuk indicated that she would provide Committee Members with her list of budget items to be reviewed.

Parking Lot Review

4 . Nil

Follow Up Reports to Parking Lot Items

5 . Report dated march 31, 2011 was received from the General Manager of Growth and Development regarding Capital Budget Facilities Report.

Council agreed with Staff's proposal that the building of the shell/ exterior renovations at the Nickel Centre Quonset Hut/Building Shell be postponed and that the funds (\$30,000) be re-allocated to the Black Lake Public Works Depot, mechanical HVAC Project currently scheduled for 2012.

The Committee agreed to meet on Saturday, April 9,2011 at 9:00 a.m.

Adjournment

2011-19 Caldarelli-Belli: THAT this meeting does now adjourn. Time: 5:45 p.m.

CARRIED

Councillor Terry Kett, Chair

Angie Haché, City Clerk