

Minutes

For the Finance and Administration Committee Meeting

June 22, 2021
Tom Davies Square

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|---------------------------------|---|
| Present (Mayor and Councillors) | Councillor Signoretti, Councillor Vagnini, Councillor McCausland, Councillor Kirwan, Councillor Lapierre, Councillor Jakubo, Councillor Sizer, Councillor McIntosh, Councillor Cormier, Councillor Leduc, Councillor Landry-Altman, Mayor Bigger |
| Absent | Councillor Montpellier |
| City Officials | Ed Archer, Chief Administrative Officer, Kevin Fowke, General Manager of Corporate Services, Tony Cecutti, General Manager of Growth and Infrastructure, Ed Stankiewicz, Executive Director of Finance, Assets and Fleet, Steve Jacques, General Manager of Community Development, Joseph Nicholls, General Manager of Community Safety, Marie Litalien, Director of Communications & Community Engagements, Joanne Kelly, Director of Human Resources and Organizational Development, Melissa Zanette, Chief of Staff, Ron Foster, Auditor General, Brett Williamson, Director of Economic Development, Steve Facey, Manager of Financial Planning and Budgeting, Eric Labelle, City Solicitor and Clerk, Lisa Locken, Clerk's Services Assistant, Corinne Poulin, Clerk's Service Assistant |

Councillor Jakubo, In the Chair

1. Call to Order

The meeting commenced at 6:00 p.m.

2. Roll Call

A roll call was conducted.

3. Declarations of Pecuniary Interest and the General Nature Thereof

None declared.

4. Consent Agenda

The following resolution was presented:

FA2021-51

Moved By Councillor Leduc
Seconded By Councillor McIntosh

THAT the City of Greater Sudbury approves Consent Agenda item 4.1.1.

CARRIED

The following is the Consent Agenda item:

5. Presentations

5.1 City of Greater Sudbury Long Term Financial Plan Update 2021

Kevin Fowke, General Manager of Corporate Services, provided an electronic presentation regarding City of Greater Sudbury Long Term Financial Plan Update 2021 for information only.

6. Managers' Reports

6.1 2021 Budget Process Evaluation

For Information Only.

6.2 2022 Budget Direction

FA2021-53

Moved By Councillor Jakubo
Seconded By Councillor McIntosh

THAT the City of Greater Sudbury directs staff to prepare a 2022 Business Plan that includes an operating budget for all tax supported services as outlined in the report entitled "2022 Budget Direction", from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, that considers:

- a. The cost of providing provincially mandated and cost shared programs;
- b. The cost associated with growth in infrastructure that is operated and maintained by the City;
- c. An estimate in assessment growth; and
- d. Recommendations for changes to service levels and/or non-tax revenues so that the level of taxation in 2022 produces no more than a 3% property tax increase over 2021 taxation levels.

Rules of Procedure

Councillor Lapierre presented the following amendment that 1(d) be amended to replace "3.5% " with "2%":

Rules of Procedure

Councillor Leduc presented a friendly amendment to change the "2%" with "3%". The friendly amendment was accepted by Councillor Lapierre.

The following is the amended resolution with the inclusion of the friendly amendment:

Amendment:

FA2021-53-A1

Moved By Councillor Lapierre

Seconded By Councillor Leduc

THAT resolution 1(d) be amended to replace "3.6%" with "3%".

Rules of Procedure

A Recorded Vote was held:

YEAS: (9): Councillor Kirwan, Councillor Lapierre, Councillor Jakubo, Councillor Sizer, Councillor McIntosh, Councillor Cormier, Councillor Leduc, Councillor Landry-Altmann, and Mayor Bigger

NAYS: (3): Councillor Signoretti, Councillor Vagnini, and Councillor McCausland

ABSENT: (1): Councillor Montpellier

CARRIED (9 to 3)

The resolution as amended was presented:

FA2021-53

Moved By Councillor Jakubo

Seconded By Councillor McIntosh

As Amended:

THAT the City of Greater Sudbury directs staff to prepare a 2022 Business Plan that includes an operating budget for all tax supported services as outlined in the report entitled "2022 Budget Direction", from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, that considers:

- a. The cost of providing provincially mandated and cost shared programs;
- b. The cost associated with growth in infrastructure that is operated and maintained by the City;
- c. An estimate in assessment growth; and
- d. Recommendations for changes to service levels and/or non-tax revenues so that the level of taxation in 2022 produces no more than a 3% property tax increase over 2021 taxation levels.

THAT staff prepare a 2022 Business Plan that includes an operating budget for all tax supported services and considers:

- a. The cost of providing provincially mandated and cost shared programs;
- b. The cost associated with growth in infrastructure that is operated and maintained by the City;
- c. An estimate in assessment growth; and
- d. Recommendations for changes to service levels and/or non-tax revenues so that the level of taxation in 2022 produces no more than a 3% property tax increase over 2021 taxation levels.

Rules of Procedure

A Recorded Vote was held:

YEAS: (10): Councillor McCausland, Councillor Kirwan, Councillor Lapierre, Councillor Jakubo, Councillor Sizer, Councillor McIntosh, Councillor Cormier, Councillor Leduc, Councillor Landry-Altman, and Mayor Bigger

NAYS: (2): Councillor Signoretti, and Councillor Vagnini

ABSENT: (1): Councillor Montpellier

CARRIED (10 to 2)

The following resolution was presented:

FA2021-54

Moved By Councillor McIntosh

Seconded By Councillor Jakubo

THAT the City of Greater Sudbury directs staff to develop the 2022 Capital Budget based on an assessment of the community's highest priority needs consistent with the application of prioritization criteria described in this report as outlined in the report entitled "2022 Budget Direction", from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, that considers:

- a. Financial affordability;
- b. Financial commitments and workload requirements in subsequent years for multi-year projects;
- c. The impact on operating costs associated with new projects;
- d. The probability and potential consequences of asset failure if a project is not undertaken; and
- e. The financial cost of deferring projects.

CARRIED

Councillor Leduc departed at 8:30 p.m.

The following resolution was presented:

FA2021-55

Moved By Councillor Jakubo

Seconded By Councillor McIntosh

THAT the City of Greater Sudbury directs staff to prepare a Business Plan for user fee supported Water and Wastewater Services as outlined in the report entitled “2022 Budget Direction”, from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, that includes:

- a. The cost of maintaining current approved programs at current service levels based on anticipated production volumes;
- b. The cost associated with legislative changes and requirements;
- c. The cost associated with growth in infrastructure operated and maintained by the City;
- d. A reasonable estimate of water consumption; and
- e. A rate increase not to exceed 4.8%, consistent with the Water and Wastewater Long-Range Financial Plan approved by the Finance and Administration Committee on June 4, 2019.

YEAS: (9): Councillor McCausland, Councillor Kirwan, Councillor Lapierre, Councillor Jakubo, Councillor Sizer, Councillor McIntosh, Councillor Cormier, Councillor Landry-Altmann, and Mayor Bigger

NAYS: (2): Councillor Signoretti, and Councillor Vagnini

(Councillor Vagnini abstained)

ABSENT: (2): Councillor Montpellier, and Councillor Leduc

CARRIED (9 to 2)

Councillor Leduc returned at 8:34 p.m.

FA2021-56

Moved By Councillor McIntosh

Seconded By Councillor Jakubo

THAT the City of Greater Sudbury directs staff to provide recommendations for changes to user fees (non Water/Wastewater) as outlined in the report entitled “2022 Budget Direction”, from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, that reflect:

- a. The full cost of providing the program or services including capital assets, net of any subsidy approved by Council;
- b. Increased reliance on non-tax revenue; and
- c. Development of new fees for municipal services currently on the tax levy.

CARRIED

The following resolution was presented:

FA2021-57

Moved By Councillor Jakubo

Seconded By Councillor McIntosh

THAT the City of Greater Sudbury directs staff to present any service enhancements, changes in services, or new service proposals as Business Cases for consideration by the Finance and Administration Committee on a case-by-case basis, as outlined in the report entitled "2022 Budget Direction", from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, subject to the following conditions;

- a. All businesses cases must be approved by resolution of the Finance and Administration Committee to be incorporated into the 2022 Budget Document; and
- b. Any business case with a value of \$100,000 or less be incorporated into the base budget where the Executive Leadership Team supports the change, with a summary of such changes disclosed to the Finance and Administration Committee in the budget document;

Rules of Procedure

Councillor McIntosh moved to include the following:

"c. Council directed business cases resolved by August 1, 2021 be presented to the Finance and Administration Committee on September 18, 2021."

Rules of Procedure

Councillor Jakubo presented a friendly amendment to change the August date to August 18 and the September date to October 5, 2021. The friendly amendment was accepted by Councillor McIntosh.

The following is the amended resolution with the inclusion of the friendly amendment:

**Amendment:
FA2021-57-A1**

Moved By Councillor McIntosh
Seconded By Councillor Jakubo

That resolution 5 be amended to include the following:

"c. Council directed business cases, resolved by August 18, 2021, be presented to the Finance and Administration Committee on October 5, 2021."

YEAS: (10): Councillor Vagnini, Councillor McCausland, Councillor Kirwan, Councillor Lapierre, Councillor Jakubo, Councillor Sizer, Councillor McIntosh, Councillor Cormier, Councillor Landry-Altmann, and Mayor Bigger

NAYS: (1): Councillor Signoretti

ABSENT: (1): Councillor Montpellier

CARRIED (10 to 1)

Resolution to Proceed Past 9:00 p.m.

Rules of Procedure

A Recorded Vote was held:

YEAS: (9): Councillor Vagnini, Councillor McCausland, Councillor Kirwan, Councillor Lapierre, Councillor Sizer, Councillor McIntosh, Councillor Cormier, Councillor Landry-Altmann, and Mayor Bigger

NAYS: (2): Councillor Signoretti, and Councillor Leduc

ABSENT: (1): Councillor Montpellier

CARRIED (9 to 2)

The resolution as amended was presented:

FA2021-57

Moved By Councillor Jakubo
Seconded By Councillor McIntosh

As Amended:

THAT the City of Greater Sudbury directs staff to present any service enhancements, changes in services, or new service proposals as Business Cases for consideration by the Finance and Administration Committee on a case-by-case basis, as outlined in the report entitled "2022 Budget Direction", from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, subject to the following conditions;

a. All businesses cases must be approved by resolution of the Finance and Administration Committee to be incorporated into the 2022 Budget Document; and

b. Any business case with a value of \$100,000 or less be incorporated into the base budget where the Executive Leadership Team supports the change, with a summary of such changes disclosed to the Finance and Administration Committee in the budget document;

THAT staff present any service enhancements, changes in services, or new service proposals as Business Cases for consideration by the Finance and Administration Committee on a case-by-case basis, subject to the following conditions;

a. All businesses cases must be approved by resolution of the Finance and Administration Committee to be incorporated into the 2022 Budget Document; and

b. Any business case with a value of \$100,000 or less be incorporated into the base budget where the Executive Leadership Team supports the change, with a summary of such changes disclosed to the Finance and Administration Committee in the budget document;

c. Council directed business cases, resolved by August 18, 2021, be presented to the Finance and Administration Committee on October 5, 2021.

CARRIED

Recess

At 9:14 p.m., the Committee recessed.

Councillor Sizer departed at 9:14 p.m.

Reconvene

At 9:20 p.m., the Committee reconvened.

The following resolution was presented:

FA2021-58

Moved By Councillor McIntosh

Seconded By Councillor Jakubo

THAT the City of Greater Sudbury requests its Service Partners (Greater Sudbury Police Services, Nickel District Conservation Authority, Greater Sudbury Public Library Board, Public Health Sudbury & Districts) to follow the directions in resolution one as outlined in the report entitled "2022 Budget Direction", from the General Manager of Corporate Services presented at the Finance and Administration Committee meeting on June 22, 2021, when preparing their 2022 municipal funding requests.

CARRIED

The following resolution was presented:

FA2021-59

Moved By Councillor McIntosh

Seconded By Councillor Jakubo

WHEREAS the municipal budget is the financing plan for Council's Strategic Plan;

AND WHEREAS Council's current Strategic Plan includes an eight year planning horizon to recognize the time required to implement complex initiatives and achieve broad community outcomes;

AND WHEREAS the current municipal budget requires in excess of 10,000 hours to produce each year;

AND WHEREAS a multi-year budgeting approach reduces the time required for preparing the budget, provides predictable taxation and user rates and increases the time available to focus on delivering planned outcomes;

AND WHEREAS communities across Ontario increasingly are adopting a multi-year budget process;

THEREFORE BE IT RESOLVED that the City of Greater Sudbury directs that the Chief Administrative Officer develop an approach for engaging Council in a discussion leading, subject to Council's approval, to a revised budget policy that incorporates the following features and contemplates its implementation commencing with the 2023 budget:

1. Continues to reflect the Long-term Financial Plan principles of demonstrating financial sustainability, maximizing financial flexibility, and minimizing financial vulnerability;
2. Allows for Council review and approval of a multi-year budget of up to four years to support stable and efficient financial management, and predictable taxation and user rates;
3. Provides opportunities for Council to assess and confirm annual budgets within a current multi-year planning period;
4. Ensures local boards and agencies integrate their planning processes as required to support Council's desired financial planning outcomes.

CARRIED

The following resolution was presented:

FA2021-60

Moved By Councillor Signoretti
Seconded By Councillor Vagnini

THAT staff be directed to bring a report to the Finance & Administration Committee outlining how other municipalities have achieved tax levy increases lower than the rate of inflation.

CARRIED

Rules of Procedure

Councillor Vagnini presented the following resolution:

FA2021-61

Moved By Councillor Vagnini
Seconded By Councillor Cormier

THAT the City of Greater Sudbury direct staff to prepare a report on the resources and time requirements to replace the traditional budget preparation process with a zero based budgeting process for the 2022 budget year.

Rules of Procedure

A Recorded Vote was held:

YEAS: (9): Councillor Signoretti, Councillor Vagnini, Councillor Kirwan, Councillor Jakubo, Councillor McIntosh, Councillor Cormier, Councillor Leduc, Councillor Landry-Altman, and Mayor Bigger

NAYS: (2): Councillor McCausland, and Councillor Lapierre

ABSENT: (2): Councillor Montpellier, and Councillor Sizer

CARRIED (9 to 2)

Resolution to Proceed Past 10:00 p.m.

Rules of Procedure

A Recorded Vote was held:

YEAS: (6): Councillor Vagnini, Councillor Kirwan, Councillor Jakubo, Councillor Cormier, Councillor Landry-Altman, and Mayor Bigger

NAYS: (5): Councillor Signoretti, Councillor McCausland, Councillor Lapierre, Councillor McIntosh, and Councillor Leduc

ABSENT: (2): Councillor Montpellier, and Councillor Sizer

CARRIED (6 to 5)

13. Adjournment

Automatic Adjournment at 10:00 p.m.

The following items were not addressed at this meeting:

7. Referred & Deferred Matters

7.1 Enterprise Risk Management Update and Annual Register of Key Enterprise Risks

8. Members' Motions

9. Correspondence for Information Only

9.1 2021 Annual Grants

9.2 2021 Operating Budget Variance Report - March

9.3 Contract Awards Exceeding \$100,000 January 1 – March 31, 2021

9.4 2021 First Quarter Statement of Council Expenses

9.5 2020 Investment Report

10. Addendum

11. Civic Petitions

12. Question Period