

SUMMARY OF STATUS OF MANAGEMENT'S ACTION PLANS AT MAY 31, 2024

Audit Report	Audit Report Issued	Action Plans Carried Over	Substantially Implemented	Partially Implemented	Little Action
Long Term Financial Planning	2016	1	0	1	0
Paramedic Services	2017	1	0	1	0
Fire Services	2017	2	0	2	0
Capital Budgeting Process	2017	1	0	1	0
Greater Sudbury Community Dev Corp.	2018	3	1	2	0
Greater Sudbury Police Services Board	2018	2	0	2	0
Roads Infrastructure Maintenance	2019	4	1	3	0
Winter Maintenance Roads	2019	1	0	1	0
Downtown Sudbury BIA	2019	1	0	1	0
Greater Sudbury Public Library	2019	3	2	1	0
Asset Management Program	2019	1	0	1	0
Fleet Services	2020	1	0	1	0
Compensation Management Processes	2020	2	0	2	0
Wastewater Services Section	2020	2	0	2	0
Service Contract Management Processes	2021	1	0	1	0
Water Services Section	2021	3	0	3	0
Real Estate Services	2021	1	0	1	0
Social Services Division	2021	2	0	2	0
Standing Offers Eng/Architectural Services	2022	1	0	1	0
Standing Offers for Goods and Services	2022	3	0	3	0
Salt Management Processes	2022	3	0	3	0
Waste Collection Services	2022	3	1	1	1
Linear Water & Wastewater Maintenance	2022	6	2	4	0
Cash Controls in Various Locations	2023	5	5	0	0
5-Year Review Process for Community Grants	2023	2	2	0	0
Landfill Management	2023	5	2	3	0
Infrastructure Capital Planning Division	2023	4	0	4	0
Annual Review Process for Various Grants	2023	3	0	3	0
Critical Security Controls (In Camera)	2023	6	1	5	0
Overtime in Fire Services (In Camera)	2023	9	2	6	1
Totals		82	19	61	2
Percentage		100%	23%	75%	2%

Conclusion

While progress on the action plans was delayed by the pandemic, a number of recommendations that would help to mitigate significant risks within the City continued to be outstanding at the end of May 2024.

This report indicates that 23 percent of the action plans have been fully or substantially completed, 75 percent have been partially implemented whereas little action has been taken to address 2 percent of the recommendations.

Another status report will be provided to Audit Committee a year from now.

Audit of Long Term Financial Planning

Audit Report released	September 2016
Original # of Observations	5
# of Action Plans Previously Complete	4
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 2

The City should ensure its boards and wholly-owned corporations have established appropriate LTFPs if they are dependent on the City for financial support of any type.

Partially Implemented

Original Management Response

Management will work throughout 2017 and 2018 to develop goals and specific action plans to support the achievement of the principles and policies within the revised LTFP once it has been presented to City Council.

Actions Taken, Results and /or Actions Planned - As of May 31, 2017

The City will request that the Outside Boards and GSHC consider developing Long Term Plans. This does not extend to the GSU or SACDC as these entities do not receive financial support from the City.

Actions Taken, Results and /or Actions Planned - As of May 31, 2018

The City recently received the updated Long Term Financial Plan from KPMG that identified the status and forecast of the 12 financial indicators. Staff will be reaching out to our business partners (Conservation Sudbury, Public Health Sudbury & District and Police Services) to encourage them to develop long term plans for their operations.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

Staff worked with Conservation Sudbury on their financial plan in December 2018 as part of the 2019 annual budget process. Staff continues to work with the Police Services on their financial needs related to building needs but will encourage them to develop a longer term plan for their operation. Public Health Sudbury and District does not have co-terminus boundaries with the City; as such the City is only one funding partner and they would receive input from all partners. Public Health Sudbury and District's future operating model and the impact on the City is currently unknown. Once this becomes clearer we will reach out to their management team.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

The Police Services has continued to make contributions through its operating Budget to ensure long term sustainability for fleet replacement, radio equipment replacement, server replacement, and a new

police headquarters.

Conservation Sudbury completed a long term asset management plan in 2019 with implementation to commence in 2020. It has also identified strategic issues and opportunities to 2026 as identified on page 496 of the City's 2020 Budget.

Public Health Sudbury and Districts, does not have co-terminus with the City, as such the City is only one of many funding partners. Staff will reach out to their administration once the COVID-19 crisis subsides.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

The Police Services continue to make contributions through its operating Budget to ensure long term sustainability for fleet replacement, radio equipment replacement, and server replacement. The Police Services are also increasing their allocation for debt repayment each year in order to fund the amounts required for a future police headquarters.

Public Health Sudbury and Districts, does not have co-terminus with the City, as such the City is only one of many funding partners. Staff will reach out to their administration once the COVID-19 crisis subsides. The Greater Sudbury Housing Corporation plans to develop a long-term financial plan over the next 12 months.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The Police Services continue to make contributions through its operating Budget to ensure long term sustainability for fleet replacement, radio equipment replacement, and server replacement. The Police Services are also increasing their allocation for debt repayment each year in order to fund the amounts required for a future police headquarters.

Public Health Sudbury and Districts, does not have co-terminus with the City, as such the City is only one of many funding partners. Staff continue to discuss long-term financial Planning with their administration. The Greater Sudbury Housing Corporation continues to develop long-term financial plans and will report back to Council once complete.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The Police Services continue to make contributions through its operating Budget to ensure long term sustainability for fleet replacement, radio equipment replacement, and server replacement. The Police Services are also increasing their allocation for debt repayment each year in order to fund the amounts required for a future police headquarters.

Public Health Sudbury and Districts, does not have co-terminus with the City, as such the City is only one of many funding partners. Staff continue to discuss long-term financial Planning with their administration. The Greater Sudbury Housing Corporation continues to progress on their asset management plans which will form a basis for the long-term financial needs. This information is critical to developing the long-term financial plans and the GSHC will report back to Council once complete. On May 16th, Council directed that a multi-year budget be prepared. Outside boards are expected to provide two-year operating and where they rely on the tax levy for capital funding, a four-year capital plans.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

A new operating agreement with the Greater Sudbury Public Library Board verifies that they will continue to observe financial policies such as the operating and capital budget policies and the new

multi-year budget policies. This ensures that their long-term financial planning activities are interwoven into the 10 year models updated for Council's information each year.

The models that will be presented to Council in June of 2024 incorporate the known 10-year operating assumptions for all outside Boards who rely on the City for funding and their known and anticipated 10-year capital plans.

Value-For-Money Audit of Paramedic Services

Audit Report released	May 2017
Original # of Observations	2
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 3

Paramedic Services currently operates from 11 stations, eight of which are cohabitated with Fire services. Condition assessments prepared by CCI in 2013 and 2014 indicate that maintenance programs over the last 20 years have not kept up with the pace of deterioration in the City’s stations which on average are over 40 years old. Some maintenance was also postponed pending the outcome of the optimization project that was recently completed.

Coordinate with maintenance and finance staff to develop a multi-year program to catch up on essential station maintenance that has been deferred.

Partially Implemented

Original Management Response

We concur with the Auditor General’s recommendation.

Actions Taken, Results and /or Actions Planned - As of May 31, 2018

Community Safety are coordinating with facilities staff in carryout building condition assessments and air quality assessments to assist in developing a prioritized plan to catch up on building maintenance requirements.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

Paramedic Services continues to operate from 11 stations, eight of which are cohabitated with Fire Services. Building Assets has generated an extensive building condition assessment for all Emergency Service stations. The report includes the year the Emergency Services station was built, the repair costs over the past ten years and a building replacement cost for each station. In addition, Community Safety has posted an RFP to obtain a consultant to produce a comprehensive report and plan for Councils consideration in the revitalization of our Emergency Services stations.

In 2018 Paramedic Services addressed the issues identified in the Designated Substance Survey (DSS) provided by Golder Associates in December 2017. The stations identified that required immediate action were Capreol, Chelmsford and Levack.

Capreol

Paint containing lead was peeling in the stairway. The issue has been remediated by scraping off the loose paint and repainting the affected area. A wall in the basement area had cement board attached to it. The cement board contained asbestos and has been removed. A drain pipe in the garage area contained asbestos. A label has been placed onto the pipe identifying asbestos, in case any work has to be conducted on the pipe.

Chelmsford

Paint containing lead was peeling in the garage area. The issue has been remediated by scraping off the loose paint and repainting the affected area.

Levack

Damaged paint, containing lead, was peeling in the kitchen and bathroom areas. The issue has been remediated by scraping off the loose paint and repainting the affected area.

In November 2018, Building Services and Fire and Paramedic Services, jointly completed Indoor Air Quality testing at all Emergency Services stations. The Final report has recently been received and is currently being reviewed.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

A station rationalization project is currently underway with the objective of addressing long term asset sustainability, identifying and developing various options as it relates to renovating, rebuilding, consolidating or building new facilities. This project is being completed in collaboration with Assets section who have led station site reviews and data gatherings. A series of reports on asset condition commenced in late 2019, the next report is scheduled for the Finance and Administration meeting on June 16, 2020. Additional reports on station location and functionality will follow by the end of 2020.

The issues identified within Designated Substance Survey (DSS) provided by Golder Associates in December 2017 within the 11 stations have been addressed and continue to be monitored during Health and Safety inspections.

In 2018 Indoor Air Quality (IAQ) was conducted to evaluate emission levels from emergency service vehicles at all stations starting with the ten cohabitated stations. As a result of the IAQ a Point of Source Capture System (PSCS) is being tendered for the four city core stations and Val Therese, during 2020. All ambulances will be outfitted to accommodate the PSCS.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

In February of 2021 Council approved securing the services of Operational Research in Health Limited (ORH Ltd) to conduct a station location study. This collaboration was initiated in March 2021. This asset renewal project maintains the objective of addressing long term asset sustainability, identifying, and developing various options as it relates to renovating, rebuilding, consolidating, or building new facilities, health and safety of our staff, trends, and growth patterns. The study will provide options to bridge the growing capital gap and reduce long-term maintenance costs related to facilities. This project has been in partnership with the Building and Assets Section who have led station site reviews and data gatherings. A report to Council is expected in 2021 from ORH Ltd and the General Manager of Community Safety.

In 2018 Indoor Air Quality (IAQ) was conducted to evaluate emission levels from emergency service vehicles at all stations starting with the ten cohabitated stations. As a result of the IAQ a Point of Source Capture System (PSCS) was tendered and awarded for the four city core stations and Val Therese. COVID restrictions have impacted the completion timelines of this project. As of May 31, 2021 the PSCS's have been installed at Van Horne and Long Lake Stations, but are not operational at this time. Within the following year, the three remaining stations will have the PSCS installation completed and all five PSCS will be operational. All ambulances will be outfitted to accommodate the PSCS.

The issues identified within Designated Substance Survey (DSS) provided by Golder Associates in December 2017 within the ten stations have been addressed and continue to be monitored during Health and Safety inspections.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

In February of 2021, Council approved securing the services of Operational Research in Health Limited (ORH Ltd) to conduct a station location study. This collaboration was initiated in March 2021. This asset renewal project maintains the objective of addressing long term asset sustainability, identifying, and developing various options as it relates to renovating, rebuilding, consolidating, or building new facilities, health and safety of our staff, trends, and growth patterns. The study will provide options to bridge the growing capital gap and reduce long-term maintenance costs related to facilities. This project has been in partnership with the Building and Assets Section who have led station site reviews and data gatherings. A preliminary information report to Council is expected in the fourth quarter of 2022 from the General Manager of Community

Point of Source Capture System (PSCS) has been installed and is fully operational – no further action required

The issues identified within Designated Substance Survey (DSS) provided by Golder Associates in December 2017 within the ten stations have been addressed – no further action required.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The Emergency Services Station Location Study Report was presented to Council December 13, 2022 and was deferred until City staff could develop a public engagement plan on the study. The engagement plan was approved on January 24, 2023. During this Council meeting, Motion CC2023-24 was passed directing staff to produce analysis that provides insights about the financial implications of three scenarios for the Fire and Paramedic Stations; “Status Quo”, “Existing Footprint” & “Changed Footprint”.

Both the public engagement and cost analysis described in the motion are underway and results will be reported back to Council by the second quarter of 2023.

In February 2023, staff issued an RFP for consultant services to provide feasibility costing, incorporating the three scenarios as requested through the Council Resolution. With this information and an understanding of the characteristics for each various station’s requirements, the consultant will develop a cost for each of the three scenarios requested within the council motion. The issues identified within Designated Substance Survey (DSS) provided by Golder Associates in December 2017 within the ten stations have been addressed – no further action required

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

As part of the 2024 Budget, Council approved Phase I of the Community Safety Station Revitalization project. This includes the reconstruction of two new stations (Station 2 Minnow Lake and Station 20 Garson) and the extensive renovation of three stations (Station 1 Van Horne, Station 4 Long Lake, and Station 16 Val Therese).

The Request for Proposal for the Architectural Services is nearing completion and will be issued by the end of Q2. The recruitment for a Project Manager has begun.

Value-For-Money Audit of Fire Services

Audit Report released	May 2017
Original # of Observations	3
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	2
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 1

The GSFS presently operates with 95 career firefighters that are assigned to the Van Horne, Minnow Lake, Leon Avenue and Long Lake Stations. The Val Therese composite station has 9 career firefighters and 18 volunteers. Nineteen other stations operate across the City with 10 to 20 volunteers each.

Partially implemented

The City's By-Law 2014-84 establishes and regulates the GSFS but does not set out service level standards to allow management, Council and the public to assess the performance of the City's firefighting services. Most fire services use the standards of the National Fire Protection Association to measure performance.

Significant risks associated with the GSFS' firefighting service arise from the number and location of fire stations and number and mix of firefighters presently assigned to each station.

In 2016, the GSFS conducted a review of risks to people and property in response to IBI's comprehensive review of fire services that identified potential gaps in the existing response capacity of the GSFS outside of the City core. The potential gaps relate to the number and location of stations outside the City core and the level and type of staff in each station. Our review of service levels indicated that 45% of the responses to fire calls from the volunteer stations in 2016 took greater than 9 minutes while 24% of the responses took less than 6 minutes. This compares to 16% and 67% in the City core.

Our review of the skill sets of staff identified gaps in the GSFS' capabilities for technical rescue such as auto extrication, ice and water rescue, confined space, trench and hazardous material (HAZMAT). The depth of expertise in technical rescue currently varies from one community to the next and is not commensurate with the community risk profiles. Staff currently only has an awareness level for HAZMAT response which is insufficient for communities with a large industrial economy and major networks of railways and roads.

Our assessment of the participation rates of volunteer staff in training programs and response rates to fire calls identified significant concerns. The response rates per volunteer in training indicated that the average rate of participation was only 37 percent.

In 2013, the City agreed to pilot the 24-7 hour shift for its career firefighters. We noted that the City has not yet evaluated the effectiveness or efficiency of this shift. Our audit identified risks to both staff and the public from the adoption of this shift as well as concerns about its efficiency between 2300 hours and 0700 hours when the volume of fire calls is significantly lower.

Recommendations:

- i. Establish reasonable and attainable service level targets for responding to fire calls, formalize them within the Establishing and Regulating Fire Services By-law, communicate them to the public and report annually to Council on them;
- ii. Prepare a business case for specialized training and equipment to bolster the GSFS' technical rescue capability as well as HAZMAT response capability;
- iii. Establish minimum participation rates of 65% for volunteers for training to improve their effectiveness;
- iv. Develop revised fire call response protocols and provide improved communications tools to facilitate improvements to call response rates for volunteer staff;
- v. Establish minimum call response rates of 50% for volunteers to improve their reliability and effectiveness; and
- vi. Continue to pilot the 24-7 shift and, in conjunction with staff from Human Resources and Organizational Development, assess its costs and benefits relative to other shifts.

Original Management Response

We concur with the Auditor General's (AG's) findings. It should be noted regarding the 24 hour shift recommendation that the fulltime fire firefighters association and fire administration are subject to interest arbitration as per the provisions of the Fire Protection and Prevention Act and as such it would not be prudent to comment on this recommendation.

Actions Taken, Results and /or Actions Planned - As of May 31, 2018

- i. The Community Safety Department is continuing to develop for implementation a suite of department business analytics both Fire and Paramedics Services based upon current service levels and regulatory requirements that will provide both situational awareness and performance monitoring capabilities through a set of dashboard metrics and analytic tools. These analytics should be in place by 3rd quarter of 2018. In addition, the Ministry of Community Safety and Correctional Services has adopted Public Reporting regulations that will come into force on January 1, 2020 that mandates specific performance reporting for the fire service. A report on the current enabling by-law and service levels will be developed and presented to the Emergency Services Committee by 3rd quarter 2018. *Any additional resources required to meet regulatory requirements will be identified at that time as well as in the budget for 2019.*
- ii. Any additional training or equipment required to meet regulatory requirements will be identified following the establishment of service level metrics in Q3 of 2018.
- iii. "The City negotiated a minimum training attendance rate of 1 weekly training night per month or 12 per year as part of the 2017-2019 collective agreement with CLAC Local 920 for volunteers. The adequacy of this rate will be reassessed relative to the new regulatory requirements for training that are being phased in commencing July 2019.
- iv. The Fire Service is reviewing fire call response protocols and will make changes in an effort to optimize service levels within current approved budgets. The Fire Service continues to review our communications and paging systems in order to identify opportunities for improvements.
- v. The City negotiated a minimum 25% attendance rate for incidents as part of the 2017-2019 collective agreement with CLAC Local 920. The adequacy of this rate will be reassessed following the establishment of service level metrics in Q3 of 2018.

- vi. The interest arbitration award that the City received last August imbeds the 24 hour shift into the agreement.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

- i. Fire Services will present a report to committee of council on the Establishing and Regulating By-Law in Q3 of 2019. The report will outline current service delivery across the municipality and will provide general costing for enhanced service levels. Utilizing the By-law to recommend inclusion of performance standards and preparing the Fire Service for the reporting requirements of Provincial legislation, which will come into effect in 2020.
- ii. Currently, analytic tools accompany customized data exports which support and drive service delivery. This will measure the formal performance targets which may be set out by the Fire Chief and Council. The reporting of these measures may be made public.
- iii. Council directed funding and support for a HAZMAT response program was approved in the 2019 budget. The delivery of training for responders is in development while resources and supplies to support the program are in the procurement process. HAZMAT operational response is planned for deployment in Q4 of 2019.
- iv. The CLAC collective agreement remains in effect until the end of 2019 with established minimum participation rates of 12 training sessions, approximately one session per month. Discussion of this rate will occur during the bargaining process for a new collective agreement. The current rate does not meet the effectiveness described as being required in this report.
- v. Fire deployment models for response are continually developed, modified, tested, reviewed, and implemented across the Service. Enhancements which allow for proper on-scene resources (manpower or apparatus) are modeled against response data for optimal incident mitigation strategies. Replacement of analog paging with digital systems for volunteers continues across the region. Introduction of real-time data links between communicators and responders is ongoing and systems to engage volunteer responders earlier and request their immediate response status are being tested.
 - vii. The CLAC collective agreement remains in effect until the end of 2019 with established minimum incident participation rates of 25%. Discussion of this rate will occur during the bargaining process for a new collective agreement.
 - viii. The interest arbitration award that the City received August 2017 imbeds the 24 hour shift into the agreement.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

- i. The Municipal Benchmarking Network Canada (MBNC) metrics are utilized to compare Fire Services response data, year over year. Service levels are monitored against comparable jurisdictions and our own previous measurements. These metrics are reported publicly each year. We do not anticipate further action to be taken on this item until the Province determines if they will be legislating new response time standards.
- ii. HAZMAT program was approved by Municipal Council and funding provided. Logistical requirements are being procured following CGS purchasing policies and training requirements with associated programs are under development. Initial awareness training is underway with operational training being setup for the winter of 2020. It is anticipated that Operational HAZMAT response will be implemented by the end of year 2020 in the assigned technical

rescue response station(s). This time line could be impacted as a result of COVID-19. No further action to be taken on this item once implemented.

- iii. A minimum participation rate of 25% was negotiated into the previous collective agreement for emergency incidents. Fire Services is currently in negotiations with Volunteer Firefighters, CLAC local 920, for a new collective agreement to replace the current agreement which expired in 2019. No further action can be taken outside of the collective bargaining process.
- iv. Digital paging technologies have been implemented in 75% of all volunteer response stations. Remaining stations will be completed pending further approval of funding by Municipal Council. Additional technologies for advanced data gathering and mobile computer aided dispatch functionality have been tested and will be presented as a business case for the 2021 budget process. No further action can be taken until budget approvals for funding are passed by Municipal Council.
- v. A minimum participation rate for training of 12 – 2 hour 25% was negotiated into the previous collective agreement for emergency incidents. Fire Services is currently in negotiations with Volunteer Firefighters, CLAC local 920, for a new collective agreement to replace the current agreement which expired in 2019. No further action can be taken outside of the collective bargaining process.
- vi. The 24 hour shift was imbedded in the collective agreement between the Sudbury Professional Firefighters Association and the City of Greater Sudbury as per an Arbitration award in 2017. No further action can be taken outside of the collective bargaining process.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

- i. The Municipal Benchmarking Network Canada (MBNC) metrics continue to be utilized to compare Fire Services response data, year over year. Service levels are monitored against comparable jurisdictions and our own previous measurements. These metrics are reported publicly each year.
- ii. HAZMAT program was approved by Municipal Council, funding provided, and implementation over 2020 to the Operational Level was achieved. Continued implementation of resources and training to support the Technical Level of response is currently underway with partial operational response for 2021. The HAZMAT program is ongoing and will maintain an annual training program and certification for Fire Services.
- iii. A minimum participation rate of 25% was negotiated into the previous collective agreement for emergency incidents. Fire Services remains in negotiations with Volunteer Firefighters, CLAC local 920, for a new collective agreement to replace the current agreement which expired in 2019. No further action can be taken outside of the collective bargaining process.
- iv. Digital paging technologies have been implemented in all volunteer response stations. Additional technologies for advanced data gathering, staffing availability, and mobile computer aided dispatch functionality have been tested and may be presented as a business case for the 2022 budget process. No further action can be taken until budget approvals for funding are passed by Municipal Council.
- v. A minimum participation rate for training of 12 – 2 hour sessions and 25% of all emergency incidents - was negotiated into the previous collective agreement. Fire Services is currently in negotiations with Volunteer Firefighters, CLAC local 920, for a new collective agreement to replace the current agreement which expired in 2019. No further action can be taken outside of the collective bargaining process.

- vi. The 24 hour shift was imbedded in the collective agreement between the Sudbury Professional Firefighters Association and the City of Greater Sudbury as per an Arbitration award in 2017. No further action can be taken outside of the collective bargaining process.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

- i. No further action required.
- ii. No further action required.
- iii. No further action can be taken outside of the collective bargaining process.
- iv. No further action can be taken until budget approvals for funding are passed by Municipal Council.
- v. No further action can be taken outside of the collective bargaining process
- vi. No further action required.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023 - No Change

Actions Taken, Results and /or Actions Planned - As of May 31, 2024 – No Change

Observation 2

The GSFS has operated 24 stations across the City with few changes for the last 16 years since amalgamation. Condition assessments prepared by CCI in 2013 and 2014 indicate that maintenance programs and budgets have not kept up with the pace of deterioration in the City's stations which on average are over 40 years old. Our analysis indicated that essential station maintenance has been deferred over the last several years due to budget constraints as well as recommendations to rationalize the number of stations from IBI's comprehensive fire services review. Our analysis indicates that budgets for fleet have also not kept pace with the annual cost increases for front line vehicles which include pumpers, aerials, bush trucks and other rescue equipment.

Partially
implemented

Research on fire master plans and fire location studies indicated that residents and property owners would very likely benefit from a modest relocations of the stations when they reach the end of their useful lives. Research also indicated that the most effective locations for replacement stations can be determined by modeling techniques which examine actual fire call volumes. Modeling techniques also show the potential benefits to response times that can be achieved by placing stations in alternative locations.

Recommendations:

- a) Coordinate with facilities and finance staff to develop a program for essential station maintenance;
- b) Prepare a business case for a fire station location study to effectively plan for the replacement of stations that are approaching the end of their useful service lives; and

- c) Where budgets are insufficient to maintain existing service levels, prepare a business case for the replacement of front-line equipment that has reached or is about to reach the end of its useful service life.

Original Management Response

We concur with the Auditor General's observations.

Actions Taken, Results and /or Actions Planned - As of May 31, 2018

- a) The coordination with facilities and finance is currently underway as we await the follow-up on building condition assessments including designated substance assessments and air quality testing that will help determine a longer term plan to replace, renew and repair those stations based on priority needs.
- b) As above
- c) The business case for equipment that was tabled as part of the 2018 budget was not approved by Council. The requirements for equipment will be revisited in conjunction with the development of a long- term capital plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

- a) The Community Safety Department, in partnership with Buildings and Assets, and Procurement, has posted an RFP seeking a consultant to assist in developing a comprehensive Community Safety Station Revitalization Plan. High level goals and objectives of this revitalization plan include addressing long term asset sustainability, identifying and developing various options as it relates to renovating, rebuilding, consolidating or building new facilities, assessing the current service model against municipal objectives, health and safety of our staff, trends and growth patterns, and finally, presentation to Council with solutions to bridge the growing capital gap and reduce long- term maintenance costs related to facilities. The RFP has closed and a timeline has been established with a goal of project completion in time for budget considerations.
- b) The above report shall provide status of current building stock and provide options or recommendations to be considered. Council will direct the Community Safety Department in moving this forward once it has been presented and discussed.
- c) Business cases are submitted to the newly developed Capital Prioritization process with several being accepted and moved forward for front line equipment requiring replacement. On order are two tanker apparatus and one ladder apparatus with allocation for one additional pumper apparatus. In addition, there was funding allocated for a new water rescue craft and HAZMAT response resources. Future requests shall follow a model which will replace front line equipment in a methodical manner.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

- a) A station rationalization project is currently underway with the objective of addressing long term asset sustainability, identifying and developing various options as it relates to renovating, rebuilding, consolidating or building new facilities, assessing the current service model against municipal objectives, health and safety of our staff, trends and growth patterns, and finally, presentation to Council with solutions to bridge the growing capital gap and reduce long- term maintenance costs related to facilities. This project has been a collaboration with the Building and Assets section of the corporation who have led station site reviews and data gatherings. A series of reports on asset condition commenced in late 2019. The next report is scheduled for

the Finance and Administration meeting on June 16, 2020, additional reports on station location and functionality will follow in 2020.

- b) Front line equipment business cases have been presented and approved for Fire Pumpers and Tankers in 2019 and 2020. These units have a multi-year plan approved by council and are on track for planned replacement as required due to age. Remaining front line units will have business plans presented during future budget deliberations commencing in 2021, these include Support units and operational small fleet. Rescue water craft has been approved and ordered with delivery in spring of 2021. Ladder apparatus, three pumpers, and two additional tankers remain on target for delivery in 2020.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

- a) In February of 2021, Council approved securing the services of Operational Research in Health Limited (ORH Ltd) to conduct a station location study. This collaboration was initiated in March 2021. This asset renewal project maintains the objective of addressing long term asset sustainability, identifying, and developing various options as it relates to renovating, rebuilding, consolidating, or building new facilities, health and safety of our staff, trends, and growth patterns. The study will provide options to bridge the growing capital gap and reduce long-term maintenance costs related to facilities. This project has been in partnership with the Building and Assets Section who have led station site reviews and data gatherings. A report to Council is expected in 2021 from ORH Ltd and the General Manager of Community Safety.
- b) Business plans presented during current and future budget deliberations commencing in 2022 follow standardization models and calculated annual capital requirements. These include Pumpers, Tankers, and Support units and operational small fleet. Specialized equipment, spare Ladder truck, and technical response capital needs will be addressed through the prioritization process moving forward.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

- a) In February of 2021, Council approved securing the services of Operational Research in Health Limited (ORH Ltd) to conduct a station location study. This collaboration was initiated in March 2021. This asset renewal project maintains the objective of addressing long term asset sustainability, identifying, and developing various options as it relates to renovating, rebuilding, consolidating, or building new facilities, health and safety of our staff, trends, and growth patterns. The study will provide options to bridge the growing capital gap and reduce long-term maintenance costs related to facilities. This project has been in partnership with the Building and Assets Section who have led station site reviews and data gatherings. A preliminary information report to Council is expected in the fourth quarter of 2022 from the General Manager of Community
- b) No further action required.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

- a) The Emergency Services Station Location Study Report was presented to Council December 13, 2022 and was deferred until City staff could develop a public engagement plan on the study. The engagement plan was approved on January 24, 2023. During this Council meeting, Motion CC2023-24 was passed directing staff to produce analysis that provides insights about the financial implications of three scenarios for the Fire and Paramedic Stations; "Status Quo", "Existing Footprint" & "Changed Footprint".

Both the public engagement and cost analysis described in the motion are underway and results will be reported back to Council by the second quarter of 2023.

In February 2023, staff issued an RFP for consultant services to provide feasibility costing, incorporating the three scenarios as requested through the Council Resolution. With this information and an understanding of the characteristics for each various station's requirements, the consultant will develop a cost for each of the three scenarios requested within the council motion.

- b) No further action required.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

- a) As part of the 2024 Budget, Council approved Phase I of the Community Safety Station Revitalization project. This includes the reconstruction of two new stations (Station 2 Minnow Lake and Station 20 Garson) and the extensive renovation of three stations (Station 1 Van Horne, Station 4 Long Lake, and Station 16 Val Therese).

The Request for Proposal for the Architectural Services is nearing completion and will be issued by the end of Q2. The recruitment for a Project Manager has begun.

- b) No further action required.

Performance Audit of Capital Budgeting Process

Audit Report released	October 2017
Original # of Observations	2
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 1

During the annual capital budgeting process, insufficient funding is allocated to the capital envelopes to maintain the City’s tangible capital assets which have an estimated replacement cost of \$7.2 billion. Funding levels for the reserves also do not cover the replacement costs of these assets. As a result, the City will be required to issue debt or employ alternative financing techniques to replace its aging tangible capital assets which have deteriorated significantly over the years. Unless steps are taken to extend their lives, over 40% of these assets will be approaching the end of their useful service lives over the next 10 years.

Partially Implemented

According to KPMG, an estimated infrastructure funding gap of \$3.1 billion will exist by 2026. Approximately \$1.9 billion is required to replace the tangible capital assets that are presently operating beyond their useful lives and an additional \$1.2 billion of investment will be needed by 2026. To address these gaps, KPMG recommended that the City implement a 2% special levy, rationalize its service levels and tangible capital assets and use debt to finance major capital projects.

Our audit indicated that the funding gap has been growing for some time because of insufficient funding of annual capital budgets relative to current levels of service. Despite periodic as well as small annual increases to capital budgets, the City’s tangible capital assets have continued to age and deteriorate to the point that higher taxes and debt are likely required to maintain the City’s current level of services.

Our analysis indicated that raising taxes via a special annual levy is unlikely to raise sufficient funds to meet the \$3.1 billion of infrastructure funds that KPMG projected would be required by 2026. As shown below, less than one tenth of the required funds would be raised by a 2% annual special levy. Given the size of this funding gap, raising taxes and issuing debt or employing alternative financing techniques such as public private partnerships to replace the City’s aging assets will not resolve this growing problem on their own.

Special Levy	10 Years	20 Years	30 Years	40 Years
2%	0.30 billion	1.28 billion	3.17 billion	6.28 billion

Unless the City experiences significant growth in the future or receives significant funding assistance from the upper tiers of government, it will be unable to replace all its tangible capital assets at the end their useful service lives. To ensure financial sustainability, steps must be taken to develop formal asset management programs, rationalize capital assets and service levels, and shift funding from operating to capital budgets. These steps will align the annual capital budgeting process with the long-term financial plan and asset management plan.

Recommendations:

1. Continue to seek additional funding from upper tiers of government to address the City's infrastructure funding requirements;
2. Continue to move forward with plans to develop a financially sustainable asset management program to rationalize the City's tangible capital assets and manage their lifecycle costs more effectively;
3. Identify options to increase the capital budget to help address the \$3.1 billion of infrastructure funding requirements that were identified by KPMG in the City's asset management plan;
4. Initiate a core service and service level review program to rationalize service levels to allow funding to be directed from operating budgets to capital budgets;
5. Examine the potential merits of using alternative financing strategies such as public private partnerships when planning for the replacement of the City's aging tangible capital assets; and
6. Require business cases to be prepared for all new infrastructure projects to demonstrate their need as well as their affordability within the long-term financial plan.

Original Management Response

City management and staff understand the pressures facing the City of Greater Sudbury and its capital infrastructure funding requirements since the first long term financial plan completed in 2002. It is important to note that all municipalities are experiencing the same pressure with its capital infrastructure. For example, the President of the Association of Municipalities of Ontario has been quoted relating to understanding Canada's municipal infrastructure deficit by saying:

"The infrastructure underinvestment problem has emerged over the last two decades. In the early 1990s, the federal government transferred a significant portion of its operating deficit to provinces and territories by drastically cutting funding transfers. In Ontario, in turn, the provincial government downloaded part of its operating deficit to municipalities by downloading costs for programs such as welfare, social housing, ambulance services and 5,000 kilometers of provincial highways and related bridges. The results are clear. Federal and Provincial historical budget deficits have been transformed into a municipal infrastructure deficit. As a result of the massive shift in financial responsibilities, municipalities have had to increase taxes year after year, reduce services in the community, and defer infrastructure rehabilitation to later in its lifecycle."

Staff has presented options for past and current Councils for a special capital levy during the annual budget process. As stated by the Auditor General, past City Councils have approved a special levy to improve the capital budget during the years of 2005, 2006, 2007, 2008 and 2012 which have been partially offset by permanent reductions in years 2010 and 2015.

In addition, staff agrees with the recommendations from KPMG within the Asset Management Plan that was presented to City Council in December 2016. The recommendations include the following:

- a) Establishing service levels that consider employment of assets beyond the end of their useful lives
- b) A multi-year program of affordable tax increases (e.g. 2%) that would be restricted to capital (special capital levy)
- c) The increased use of debt for the financing of major capital projects
- d) The realignment of the City's capital envelopes to ensure appropriate balancing
- e) A focus on asset rationalization
- f) Service rationalizations

These recommendations will be reviewed by staff and presented to Council(s) for consideration of any changes to service levels, use of debt financing (such as for the large projects) as well as special capital levy to improve the infrastructure requirements. Also, staff is preparing a revised Capital Budget Policy which will have one capital envelope that will be used to fund capital projects based on ranking of certain

criteria/ranking system. This will ensure that the capital funds are allocated to the capital projects with highest priority for the overall City as opposed to by department/division. This new Capital Budget Policy will also include recommendations from the Asset Management Coordinator, which was a new position that City Council approved during the 2017 Budget.

Actions Taken, Results and /or Actions Planned - As of May 31, 2018

The first draft of the new Capital Budget Policy will be presented to the Executive Leadership Team (ELT) on June 21, 2018. Based on feedback from ELT, the Policy will be updated and presented to Council in early fall. Consistent with previous years, the consideration of a capital levy was provided in the 2018 Budget.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

The Capital Budget Policy was approved by Council in January 2019 and the methodology in the new Capital Budget Policy was used for preparation of 2019 Capital Budget. Consistent with previous years, the consideration of a capital levy was provided in the 2019 Budget.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Staff continues to seek additional funding from upper tiers of government including submitting applications for various grant programs as they are announced.

Staff is moving forward to developing an asset management program which is being coordinated by the Asset Management Coordinator that started in late 2017 and the City will achieve the Provincial requirement of a comprehensive asset management plan by July 2024. The limited funds available are allocated towards the organization's projects of highest priority.

Through each budget process, staff recommends a special capital levy to help address the infrastructure funding requirements. During the 2020 Budget deliberations, Council did approve a special capital levy of 1.5%. Staff prepared two reports on potential capital projects that can be completed with these funds. It is important to remember that the amount of the infrastructure funding requirement is an estimate based on estimated replacement values and estimated useful life of each asset. The City, like all other municipalities, do utilize their assets beyond its estimated useful life. The special capital levy of \$4.1 million approved in the 2020 Budget was a permanent funding source, so the 2021 Capital Budget is expected to have an additional \$4.1 million available to allocate towards capital projects.

Staff have completed the core service review which has been presented to Council. It continues to be reviewed and discussed by Council and any directions or decisions will be provided to staff at a later time due to the ongoing COVID-19 pandemic.

Since 2018, the annual Budget has included business cases for new infrastructure projects such as The Junction, Kingsway Event Centre, and Pioneer Manor Bed Redevelopment.

The Capital Budget Policy was approved by Council in January 2019 and the methodology has been used in the preparation of the 2019 and 2020 Capital Budget and will continue to be used for the 2021 Capital Budget and future years.

However, due to the COVID-19 pandemic that commenced in our community in March 2020, the special capital levy has not been approved towards capital projects. The special capital levy funds may be set aside to assist with the funding for the expected deficit the City will incur due to the COVID pandemic in 2020. If the funds are not required in 2020 due to COVID, then Council will approve the available amount to capital projects later in 2020 or in 2021.

In early 2020, staff recommended a revised Reserves, Reserve Funds and Trust Funds By-Law as well

as a Reserve Fund Policy that have been approved by Council. The key changes to the By-law include consolidation of various capital financing reserve funds to coincide with the Capital Budget Policy along with other reserves and reserve funds to be in accordance with the City's enterprise-wide approach. In addition, staff created a Reserve Fund Policy which recommends minimal target amounts for some of the reserves to ensure the sufficiency of these funds to meet future service sustainability needs. If a reserve fund balance does not meet the minimum target, attention will be given to those reserve funds and effort will be made to increase the fund balances to the minimum target level.

Starting with the 2021 Budget, staff will recommend within the annual Budget direction for Council's consideration to include a contribution to reserves that will be prorated to the three main reserves of: Tax Rate Stabilization Reserve; Capital Financing General Reserve Fund; and Winter Control Reserve Fund. Council's consideration for the actual contributions to the reserve funds will be based upon factors in given year including financial pressures or challenges being faced, such as COVID-19, downloading of costs from upper levels of government, decreases in other sources of funding such as grants from upper levels of government, user fees, and investment income.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Starting with the 2021 Budget Process, staff have recommended within the Long-term Financial Plan a contribution to reserves starting in 2023 from the operating budget. This allocation will be the equivalent of 1% of the 2022 Municipal Levy and prorated to the three main reserves of: Tax Rate Stabilization Reserve; Capital Financing General Reserve Fund; and Winter Control Reserve Fund. This allocation will provide Council with the ability to enhance the capital budget as well as ensure that there are sufficient funds to meet future service sustainability needs. This allocation has been provided for in the 2023 Forecast identified in the 2022 Budget Direction Report and Long-term Financial Plan update which are on the June 22, 2021 Finance and Administration Committee agenda.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Staff continue to recommend, within the Long-term Financial Plan and Budget Direction reports, a contribution to reserves equal to 1% of the 2022 Municipal Levy. These funds will assure there are sufficient funds to meet future needs and/or supplement future Capital Budgets. This incremental contribution is reflected in each year of the Long-term Financial Plan. This will form part of the Finance and Administration Committee's discussion of June, 2022.

In addition to the recommended contribution to reserves, staff continue to recommend a Special Capital Levy of 1.5%, consistent with the City's Long-term Financial Plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Staff continue to recommend, within the Long-term Financial Plan, a contribution to reserves equal to 1% of the prior years Municipal Levy. The contribution is intended to assure there are sufficient funds to meet future needs and/or supplement future Capital Budgets. This will form part of the Finance and Administration Committee's discussion of June 2023.

In addition to the recommended contribution to reserves, staff continue to recommend a Special Capital Levy of 1.5%, consistent with the City's Long-term Financial Plan.

Staff are preparing a four-year capital budget for consideration during budget deliberations. A four-year plan will allow staff to plan for and address capital asset needs for a longer period of time.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

A complete assessment of asset condition for all of the City's asset classes was presented to Council

in December of 2023, prior to 2024/2025 multi-year budget recommendations. It has modified the aforementioned total infrastructure funding requirement to \$2.35B over the next 10 years.

A two-year (2024 – 2025) operating and a four year (2024 – 2027) capital budget have been approved by Council (along with a six year capital outlook).

Council approved a 1.5% capital levy in each year of the four year capital plan which is meant to be used for asset renewal, in particular in the core infrastructure classes. Longer term capital planning will allow for enhanced capital planning and procurement effectiveness and allow for the longer term planning efficiencies for projects with interdependencies.

Governance Audit of Greater Sudbury Community Development Corporation

Audit Report released	May 2018
Original # of Observations	9
# of Action Plans Previously Complete	6
# of Action Plans Being Closed Now	1
# of Action Plans on Next Follow Up	2
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 4.2

The By-laws of the GSDC and City are ambiguous on the role of the GSDC for vetting major projects with a major economic impact on the City.

The City's and the GSDC's applicable By-laws should be updated to support their respective roles, responsibilities and authorities for economic development.

Partially Implemented

Original Management Response

We accept this recommendation. The GSDC Board, with the assistance of staff of the CGS Economic Development Division and CGS Legal Services, will initiate a Governance Review in Q3 2018. Reaffirming the relationship between the CGSCDC and City of Greater Sudbury will form part of this review and a written operating agreement between the two organizations will be a deliverable of this process. Part of the Governance Review will be a consultation with Council to determine whether this role is appropriate and desired in the future. Results of these deliberations will be incorporated in the revised operating agreement and in by-laws as appropriate.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

Bylaws updated to encompass requirements for Municipal Accommodation Tax implementation (see attached Letters patent); further review and action anticipated following review of consultant findings and next steps.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Completed and updated Letters Patent in 2019; Agreement now fully executed between GSDC and CGS for Municipal Accommodation Tax revenues for tourism sector investment.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Governance work continues as a focus of the GSDC Board, which has established a Policy Review Committee of the Board to align with obligations outlined in the Operating Agreement and to support ongoing efforts to update Board policy including updates of GSDC By-laws No. 5 and No. 6.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The Policy Review Committee has led the development of numerous policies for the GSDC including a Board Terms of Reference (2021-027, May 2021), Nomination Policy (2021-023, February 2021), Orientation programming and policy for onboarding of new members (2021-038, June 2021) and a Code of Conduct (2021-066, October 2021). The Committee also led the Board in completing the first Board Evaluation Survey, with the findings now being reviewed for action over the coming months. This Board Evaluation Survey will be conducted annually to determine board member engagement and opportunities for improvement over time.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The GSDC Policy Review Committee has continued to fulfill its mandate of creating, reviewing, accordingly amending, and recommending board policy. Standing policy such as the GSDC Nominations Process is regularly reviewed to ensure current requirements are met. Most recently, drawing from the effectiveness of the Tourism Development Committee process, the Policy Review Committee drafted a novel Terms of Reference for the Community Economic Development (C.E.D.) Committee. In consultation with the C.E.D. Committee, the finalized terms were approved at the May C.E.D. meeting and accordingly will be distributed and recommended for ratification at the June Annual General Meeting (AGM).

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The GSDC has continued its work to ensure policies are reviewed and updated regularly. As part of continuous improvement, staff have been working with both the C.E.D. Committee and the Tourism Development Committee to review funding guidelines, policies and processes to ensure a streamlined approach and a responsive process for new and emerging projects as well as how these projects are brought forward to the Board as a whole for approval. With the support from the City's Legal Services, the Operating Agreement between the City and the GSDC is also under review for updating later this year.

Observation 4.4

The roles of the executives of the board are briefly described within the By-laws but are not defined separately and clearly within job descriptions.

The roles of the executives of the board should be defined separately and clearly within job descriptions.

**Substantially
Implemented**

Original Management Response

We accept this recommendation. The GSDC Board, with the assistance of staff of the CGS Economic Development Division and CGS Legal Services, will initiate a Governance Review in Q3 2018. Outlining the role of the Executive and other committees, and developing job descriptions for each committee position, will be a deliverable of this review process.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

Third-party review and consultation process completed; the Board continues to review findings to determine action to follow.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Third-party review and consultation process completed; new Operating Agreement now under review also outlines role of board members.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

The Policy Review Committee of the GSDC has guided the development of new Terms of Reference for the Board of Directors which includes clarification of roles and responsibilities for the Board members themselves; the Terms were approved by the GSDC Board at their regular meeting of May 12, 2021 as Motion 2021-027. This document will guide the development of policies outlining the role of the Executive and other committees, and developing job descriptions for each committee position as noted.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The GSDC continues to have regard for the GSDC Terms of Reference as an overarching guide for Board operations. Other Board committees are developing or updating their own Terms of Reference following the same approach and terms.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The GSDC continues to have consideration for the GSDC Terms of Reference as a central guide for Board operations. As stated previously, a Terms of Reference has been finalized for the Community Economic Development (C.E.D) Committee, signifying a considerable step in GSDC Board governance development.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

As noted above, the Board continues to rely on the Terms of Reference for the GSDC overall as well as those developed for individual committees, and is currently focused on updating funding guidelines and policies for both the C.E.D. and Tourism Development Fund programs.

Observation 4.5

The mandate of the Executive Committee is not specified in the By-laws or clearly identified in other documents.

The mandate of the Executive Committee should be formalized and included in the GSDC's By-laws.

Partially
Implemented

Original Management Response

We accept this recommendation. The GSDC Board, with the assistance of staff of the CGS Economic Development Division and CGS Legal Services, will initiate a Governance Review in Q3 2018. Outlining the role of the Executive and other committees, and developing job descriptions for each committee position, will be a deliverable of this review process.

Actions Taken, Results and /or Actions Planned – As of May 31, 2019

Third-party review and consultation process completed; the Board continues to review findings to determine action to follow.

Actions Taken, Results and /or Actions Planned – As of May 31, 2020

Third-party review and consultation process completed; new Operating Agreement now being finalized with language to outline mandate of executive committee.

Actions Taken, Results and /or Actions Planned – As of May 31, 2021

GSDC Board By-laws No. 5 & No. 6 are included in the work plan for the GSDC's Policy Review Committee and will be updated to align with the newly adopted Terms of Reference and Operating Agreement expectations in 2021.

Actions Taken, Results and /or Actions Planned – As of May 31, 2022

The GSDC's Policy Review Committee have identified potential changes to the By-laws No. 5 & No. 6 and are working with the City's Legal Services staff on an update.

Actions Taken, Results and /or Actions Planned – As of May 31, 2023

The GSDC Policy Review Committee has dedicated a significant portion of its effort towards standardizing the C.E.D. process in the last year and will continue its work with the City's Legal Department Services staff in accordance with the committee's approved workplan.

Actions Taken, Results and /or Actions Planned – As of May 31, 2024

The Board, together with staff and Legal Services, will receive an updated Operating Agreement later in 2024 for review, which will also reflect updates to Terms of Reference documents.

Governance Audit of Greater Sudbury Police Services Board [GSPS]

Audit Report released	May 2018
Original # of Observations	4
# of Action Plans Previously Complete	2
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	2
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 4.3

The City and Police Services presently share a number of services. Opportunities to share additional services such as fleet have not been closely examined to determine if they can be delivered more economically and effectively by the City.

Partially implemented

The City should work with GSPSB staff to examine opportunities for additional shared services such as fleet services if they can be delivered more economically and effectively by the City.

Original Management Response

Given the scope of such a recommendation, consideration needs to be given for the current lack of capacity to service such a large client as well as the effect such an undertaking would have on the Fleet Services work plan and existing clients.

In order to provide capacity, significant renovations, investment and operational changes would need to occur. Renovations to accommodate additional parts and vehicle storage, investment in technicians and supervisory capacity, and transitioning the Lorne street garage to add a third shift to daily operations would be required.

Fleet has fairly recently transitioned to the Finance, Assets and Fleet Division within Corporate Services. There are a number of process improvement projects underway to improve both systems internal to Fleet and further definition of service levels with existing customers. In order to not compromise service to existing divisions/departments as well as the Fleet work plan, it is not recommended that Fleet Services provide service to Police Services at this current time.

The City will continue to review other areas where services can be shared effectively in addition to the current services provided in Human Resources, Information Technology and Finance including accounts payable, payroll, purchasing, accounting and budget system maintenance.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

These discussions are part of ongoing dialogue with City staff in order to maximize efficiencies through use of staff resources and systems where possible. Well-developed systems are in place with the finance division for services such as budget, accounts payable, accounts receivable and financial audit. As well, the Service works effectively with payroll, procurement, legal services, mail room, benefit and pension administration, facilities management including cleaning contracts and common space building security, WSIB claims management and where possible staff resources are shared. New initiatives include access to architectural services and other facility specialized contracts. For example, the City has just tendered for a number of standing offer facilities services including architectural and

miscellaneous facilities services.

Fleet services is another area, that Police would like to explore, although to date, the City has indicated that the centre operates at capacity now, and would not be able to accommodate the number and type of vehicles associated with police. This remains an area for further development and discussion with all parties willing to explore a partnership.

Police are currently working with the By-law department exploring efficiencies with respect to call management and alternative response means including abandon motor vehicle, animal control, neighbor disputes, noise complaints and theft of gas. At this time, this is a work in progress with no specific actionable items at this time. A review is also underway examining the possibility of sharing the shipping and receiving area with the City as a means of addressing some facilities challenges at Police Headquarters.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

The City concluded its selection of several standing offer Facility Services such as Professional Engineering and Architectural Service providers. The Service is able to directly avail access to these standing contracts which is timesaving and efficient when addressing facility needs.

There has been no further action on the sharing of fleet services. The City is working at capacity at that facility at this time.

Through concerted efforts with City Services, specifically City By-law, the Service has made significant progress in the area of towing of vehicles contrary to the Winter Parking By-law and responding to noise complaints.

In the last two months with COVID-19 response efforts, the City and Police have worked extensively and collaboratively in ensuring a proactive approach. The City 311 line has served as an invaluable screening resource for all COVID/State of Emergency Calls, ensuring appropriate screening and directing calls only as appropriate to the 911 Emergency Communication Centre for response. This Service will continue beyond COVID-19 and will ensure a streamlining of calls to the Police.

In addition, there have been extensive collaboration efforts with the City's Procurement Division. Both groups have worked tirelessly in the acquisition of much needed personal protective and safety equipment during these trying times. Again, systems have been established to ensure that joint equipment and supply procurement needs are met efficient and effectively.

The Service also works extensively with the City's Real Estate section on the review and determination of space options for police, most notably around lease negotiations. The expertise of City Staff is of considerable value to Police when determining appropriate space alternatives.

The Service also continues to work with the City's Legal Services and Risk Management Divisions, primarily on commercial and business agreements. In addition, we work extensively with City insurers on civil litigation matters and where appropriate on inquests where both the Police and City are involved. This year, Police will be working collaboratively with Fire Services and the Geographic Information Systems Planning Services Division on the Computer Aided Dispatch mapping project to ensure all maps used to support dispatch functions are updated. There is considerable expertise in these areas which is of mutual benefit to all involved parties.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

The City's Standing Offer for facility services was utilized for the retention of Architectural Services for 190 Brady Street in doing its review of vacated space with the relocation of certain divisions to 128 Larch Street. Access to facilities services has been facilitated through the Standing Offer process and

made business practices more efficient.

Discussions have been initiated with City fleet services. The Police have provided several documents and information has been shared relative to the types of vehicles requiring service, the total number of vehicles and the service deliverables expected. Additional meetings will be held pending a further review of the material provided to the City and capacity of the City's fleet services division to assist with the police fleet.

The Service continues to have ongoing dialogue with City of Greater Sudbury By-law. The relationship is positive and highly collaborative on determining which agency is best suited to respond to calls for service on an ongoing basis. This assists with maximizing resources between the two services. There is continual and ongoing evaluation of our response to calls for service. Hours of work for by-law impact somewhat on response to calls outside of the regular workday wherein police continue with that responsibility for call screening or response as required.

Our COVID Task Forces have worked collaboratively on enforcement of orders through both By-law and/or Police.

Throughout the pandemic, the City and Police have worked extensively and collaboratively in ensuring a proactive approach to COVID-19. The City's 311 line has served as an invaluable screening resource for all COVID/State of Emergency calls, ensuring appropriate screening and directing calls only as appropriate to the 911 Emergency Communication Centre for response.

The 311 line operated by the City is an excellent tool as a means of streamlining appropriate calls to the Police while diverting to other services as appropriate.

Work with the City's procurement division is ongoing with several contracts pursued through this route during the past year. The two groups work highly collaboratively and efficiently in acquiring needed goods and services for the police. Systems are well established to ensure procurement needs are met in accordance with required guidelines and protocols.

The Service also works with the City's Real Estate on primarily lease preparation, lease renewals and interpretation of lease agreements. When required, staff engaged in lease negotiations as well. The expertise of City Staff is of considerable value to Police when determining appropriate terms and conditions in lease documents and when required, securing space for purposes such as storage, radio towers and location of video surveillance cameras.

City Legal Service and Risk Management Divisions are engaged primarily for commercial and business agreements. In addition, the Service works extensively with City insurers on civil litigation matters and where appropriate, on inquests where both the Police and City are involved. City Risk Management is also available to assist the Board with understanding insurance coverages and application of policies. Police, Fire and the City's Geographic Information Systems Planning Services Division has been working collaboratively on the Computer Aided Dispatch mapping project to ensure all maps used to support dispatch functions are updated. Unintended delays have been occurred due to COVID; however, it remains a priority for completion. There is considerable expertise in these areas which is of mutual benefit to all involved parties.

As always, the Service works extensively with City Financial Services in budgets, accounts payable and receivable. Automated systems have been established to work efficiently to maximize the use of resources. The same is seen with Human Resources in our work on benefits and pension administration along with payroll processing.

Discussions this year will be initiated with Communication and Information Technology Divisions to collaborate on specialized expertise in their respective divisions. This did already occur this year with

specialized network assistance with a project. The City and Police have ongoing collaboration and discussion on areas where staff can work together to achieve greater productivity.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

As can be noted, the City and Police Service staff work collaboratively on numerous shared services where appropriate. All activities as previously reported continue to be underway.

Communication and Information Technology Services are working collectively on the Microsoft software procurement and implementation; and will use this common platform for the sharing of information where feasible. City and Police staff continue to explore options for maximizing use of resources and shared services as appropriate. Plans are currently being examined for the sharing of mail delivery services between Lionel E. Lalonde Centre and Police Headquarters in order to expand the number of deliveries per week.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023 - No change

Actions Taken, Results and /or Actions Planned - As of May 31, 2024 - No change

Observation 4.4

The Police Services and KPMG have identified that several facilities deficiencies are an impediment to providing police services safely, effectively and efficiently.

Partially
implemented

As facilities are a critical infrastructure requirement for police services - which is a core service of the City - the upgrade or replacement of these facilities should be prioritized within the City's asset management and facilities management planning processes.

Original Management Response

The City of Greater Sudbury has approximately 550 facilities within its portfolio. In order to direct capital expenditures to the highest priority projects staff has advised Council that the City is moving forward with the production of comprehensive asset management plans that will have defined service levels, asset condition data and risk considerations. Combined with a revised capital budgeting model that is aimed at ensuring the highest priority projects receive funding; capital investment will be allocated where it is most effective at ensuring safety, reducing risk, foregoing costs, and meeting legislative and operational requirements. The Facilities Capital Project section will continue to work closely with Police Services at identifying and articulating future capital requirements. Similarly, the Facilities Maintenance section will continue to promptly service and rectify any maintenance related issues at Police occupied facilities.

Actions Taken, Results and /or Actions Planned - As of May 31, 2019

The Police Services Board has authorized a third location to extend HQ in order to accommodate immediate pressures at Headquarters with a commitment that the facility is located in very close proximity to 190 Brady Street. This will alleviate some of the urgent problems creating operational inefficiencies. At the same time, the Board has authorized a comprehensive facilities needs assessment to be undertaken with a view of a permanent solution. The Board has also endorsed that the Police work with the City to explore the feasibility of an Emergency Service Centre if there is interest to do so, to house Police, Fire and EMS on one site. It is anticipated that this work will get underway later this year. The Board also continues to establish a Capital Financing Plan to ensure the necessary resources to fund the project. This is being achieved through annual contributions to a reserve fund.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Renovations are currently underway at 128 Larch Street a third location that has been secured which will serve to alleviate some of the space pressures at Police Headquarters.

The Board has established a capital financing strategy to ensure necessary resources to fund current and future Police Services facilities needs and associated costs. The Police and Community Safety Division have been working collaboratively to retain a consultant to conduct a feasibility study on a co-location of the Police and Community Safety Headquarters. The RFP for this work had been underway and has been temporarily suspended during COVID-19. The work will resume at a later date.

Actions Taken, Results and/or Actions Planned - As of May 31, 2021

Renovations at 128 Larch Street were completed and relocation has occurred. Human Resources, Recruiting, Finance, Professional Standards, Crime Stoppers, Senior Liaison Community Safety Personnel, Police Museum and Equipment and Supplies Services have relocated here. In keeping with the plan, vacated spaces at 190 Brady Street have created some capacity to address overcrowding. A comprehensive review of all areas has now been completed with a renovations plan adopted. This includes the requirement for building infrastructure replacements, which are at end of life, and upgrades to interior spaces. The process to obtain detailed plans will now proceed as a next step. These are interim measures to address facility priorities in the short term of five to seven years. These plans are in keeping with the Board's operating and capital financing strategy to ensure necessary resources to fund current and future Police Services facilities needs and associated costs.

The Board had also determined that it was prepared to now move forward with the work that would see the Police and Community Safety Division work together to conduct a feasibility study on a co-location of the Police and Community Safety Headquarters. This project had been placed on hold and suspended at the onset of COVID-19. City Council has decided that it will not proceed with this project. This, notwithstanding, the Board will proceed with its portion on the examination of options for a new police headquarters.

Actions Taken, Results and/or Actions Planned - As of May 31, 2022

Facility deficiencies and inefficiencies created continue to be a top or mind priority for the police services Board. The Board will soon be issuing a request for proposal to conduct a comprehensive facilities study. This Study will undertake individual comprehensive needs analysis for the GSPS to determine a solution to meet the current and future facility needs of policing in Greater Sudbury. The evaluation will include an analysis of current spaces in terms of efficiency and effectiveness with recommendations on facilities options for maximizing service delivery. This will include a detailed analysis on the pros and cons of each contemplated solution including but not limited to a new building, renovating existing spaces, renovating other buildings, leasing space, private-public partnerships. Consideration will be given to best practices in asset management and provide the associated short- and long-term costs. In the meantime, the Board has continued with its strategic commitment to establishing an operating base for debt financing re-payment. Each year \$500,000 is built into the base operating budget as a contribution to reserve which assists with current capital and facilities costs along with ensuring future capacity to service debt. The currently allocation is \$2,150,000.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

In February 2023, the Board put out a Request for Proposal for a Consultant for a Police Facility Study. The bid was awarded on May 2, 2023. The successful firm is Belanger Salach Architecture in association with RPL Architects. The study is in early stages with collection of data, tours and questionnaires.

Some highlights of key deliverables from this study will include:

- Review options and alternatives to meet the needs of the GSPS in the short and long-term, which may include, interim upgrades and/or construction of a new special purpose police building in consideration of costs and operational efficiency.
- Evaluate the adequacy of the current facilities and capacity to meet long-term future.
- Review of existing facility with analysis of required repairs and maintenance to ensure ongoing short-term functionality.
- Complete separate analysis for headquarters considering current and future requirements in relation to space, site location, specialized needs, growth, and optimal service delivery.
- Consideration to be given to an environment that contributes to the health, wellness, and retention of members.
- Provide recommendations of space solutions including but not limited to a new building, renovating existing spaces, renovating other buildings, leasing space, private-public partnerships considering best practices in asset management and provide the short- and long-term costs in doing so.
- Design spaces that are safe, secure inclusive and customer service focused while compliant with codes and standards for police facilities.
- Each possibility presented for consideration should include financing solutions and a detailed analysis on the advantages and disadvantages of each proposed route.

The Board continues with its strategic commitment to establishing an operating base for debt financing re-payment. Each year \$500,000 is built into the base operating budget as a contribution to reserve which assists with current capital and facilities costs along with ensuring future capacity to service debt. The currently allocation remains at \$2,150,000. As the scheduled increase of \$500,000 in the 2023 Budget cycle was subject to a reduction option.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The Board put out a Request for Proposal for a Consultant for a Police Facility Study in February 2023, and it was awarded on May 2, 2023. This study is still underway with Belanger Salach Architecture in association with RPL Architects. The collection of data, tours and questionnaires have all been completed over the last year. It was anticipated for the study to be completed by the end of Q4 2023. This is not the case as there have been further inquiries that have come back from the Police Service Board to the consultant team which has delayed the opportunity to finalize the final report and presentations to the Police Service Board and Council as part of the key deliverables.

On May 30, 2024, there is a "What If" Meeting scheduled with key members from the City and Police to review scenarios with respect to the Police Facility Study. This meeting will also be an opportunity for a review of current city projects underway at Tom Davies Square, the downtown and any possible synergies between both projects. Based on the outcome of these discussions the final reporting can be completed for the Police Facility Study.

The Board continues with its strategic commitment to establishing an operating base for debt financing re-payment. Each year \$500,000 is built into the base operating budget as a contribution to reserve which assists with current capital and facilities costs along with ensuring future capacity to service debt. The currently annual allocation for 2024/2025 budget is at \$1,650,000. As the scheduled increase of \$500,000 in the 2024/2025 Budget cycle was subject to a reduction option through budget deliberations.

Performance Audit of Roads Infrastructure Maintenance Audit

Audit Report released	March 2019
Original # of Observations	5
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	1
# of Action Plans on Next Follow Up	3
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 1

Capital and Operating Budgets:

Since 2002, the amount of spending on the renewal of the City’s roads has been increasing gradually; however, as shown in Figure 1 on the next page, the increases have been insufficient to prevent the ongoing deterioration of some of the City’s roads. This trend has caused increased levels of complaints about the City’s roads and declining levels of citizen satisfaction.

Partially implemented

Recommendation:

Work with asset management and finance staff to identify sustainable levels of service for each category of road & identify funding requirements to manage relevant risks and ensure compliance with legislation.

Original Management Response

Two financial plans have previously been presented to council. These include the KPMG report “Financial Planning for Roads, Structures and Related Infrastructure” dated July 10, 2012 and the KPMG report “Municipal Asset Management Plan” dated November 28, 2016. Infrastructure Capital Planning and Linear Infrastructure Services staff will work with Asset Management and Finance staff to update the Roads Financial Plan (and other asset categories as required) to identify levels of sustainable funding and manage risk.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Infrastructure Capital Planning staff have been working with Linear Infrastructure Services and Asset Management in preparation of a Roads Asset Management Plan that will be issued as a requirement of Ontario Regulation 588/17 and will be completed to meet the legislated deadline of July 1, 2021. The asset management plan will provide the data required to update the financial plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Infrastructure Capital Planning staff have been working with Linear Infrastructure Services and Asset Management to meet the requirements of Ontario Regulation 588/17. Legislated deadlines have been deferred one year however staff plan to present the first part of the asset plan for core infrastructure in Q3 2021. Part 1 of the asset plan will define current levels of service and investment. Work on the

second part of the plan will commence upon completion and acceptance of the first. Part 2 will provide options for proposed levels of service and investment for Council's consideration and decisions regarding the long term Roads Financial Plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Infrastructure Capital Planning staff continues to work with Linear Infrastructure Services and Asset Management to meet the requirements of Ontario Regulation 588/17. Staff completed Part 1 of the Roads and Transportation Asset Management Plan in July 2021 and it was presented to council in August 2021. The Part 1 work identified current levels of asset service levels and investment. Staff continues to progress on the Part 2 work and will be submitting a business case as part of the 2023 Budget to retain a consultant to accelerate the project.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Infrastructure Capital Planning staff continues to work with Linear Infrastructure Services and Asset Management staff to meet the requirements of Ontario Regulation 588/17. City Council approved the business case to retain a consultant to complete Phase 2 of the Roads and Transportation Asset Management Plan and staff are developing a RFP which will be issued in Q3 2023. Phase 2 will provide options for proposed levels of service and investment for Council's consideration and decisions regarding the long term Roads Financial Plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Infrastructure Capital Planning staff continues to work with Linear Infrastructure Services and Asset Management staff to meet the requirements of Ontario Regulation 588/17. An assignment has been awarded to a consultant to complete Phase 2 of the Roads and Transportation Asset Management Plan and will be completed by July 2025. Phase 2 will provide options for proposed levels of service and investment for Council's consideration and decisions regarding the long term Roads Financial Plan.

Observation 2

PAVEMENT CONDITION INDEX (PCI) AND OVERALL CONDITION INDEX (OCI):

Staff has been prioritizing road renewal projects using an Overall Condition Index (OCI) which directs funding toward roads before they experience significant and rapid deterioration. The OCI is determined by the pavement condition index, safety considerations, timing of water and waste water infrastructure projects, economic development initiatives and extent of road congestion. This approach attempts to maximize the City's return on investment on road renewal projects by extending the useful lives of roads which are in average condition. The City also employs crack sealing programs to extend the useful lives of roads. One of the unintended consequences of relying solely on the OCI to prioritize capital projects for roads is that insufficient emphasis has been placed on roads with significant deterioration. The Ontario Good Road Association (OGRA) sets out various triggers for road projects based on their Pavement Condition Index.

Partially Implemented

Category	2007 AVG PCI	2009 AVG PCI	2013 AVG PCI	2016 AVG PCI	% Change from 2007	Rehabilitation		Reconstruction		Total km of Roads in City ¹
						Lane km	% of Total	Lane km	% of Total	
Arterial	72.8	68.4	59.2	59.6	18%	40	14%	58	20%	282

¹ Represents the total kilometers of roads that are assessed for PCI and excludes gravel roads.

Collector	68.1	64.0	51.1	48.7	28%	71	28%	86	34%	254
Local	63.0	59.2	49.8	46.3	27%	155	13%	268	23%	1,168
Other road sections (Ramp, Prov. Hwy & Private)										200
TOTAL :										1,904

Table 2 above indicates that a significant percentage of the City's roads require rehabilitation or reconstruction according to the maintenance methodology recommended by OGRA.

Recommendations:

To address the continual deterioration of roads, use a revised OCI measure that consists of PCI, safety factors and the timing of water/waste water initiatives to prioritize rehabilitation and reconstruction projects. Prepare separate business cases to justify additional spending on roads projects that have economic benefits or other merits.

Original Management Response

Staff can review and update the OCI components. Staff notes the OCI factor which included the economic benefits factor was created before the City's Cost Sharing Policy was in place. As other City processes currently consider development and economic benefits, a review of the OCI measure and its components is warranted.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

An upgrade of the pavement management system software is currently in progress. We are reviewing the components of the OCI calculation which will include both a review of components previously incorporated and a review of proposed new criteria. The OCI review will be completed as part of the roads asset management work that is required to be complete for July 1, 2021.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Upgrade to the pavement management system software required for Part 1 of the Asset Plan is complete. Work including review of revisions to trigger limits and modifications to the OCI calculation is in progress and is expected to be completed in parallel with the Part 2 Roads Asset Plan work.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The work including review of revisions to trigger limits and modifications to OCI remains in progress. This work is included in the Part 2 work required for the Roads and Transportation Asset Management Plan and will be complete prior to the legislated deadline of July 2025.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The work including review of revisions to trigger limits and modifications to OCI remains in progress. This work is included in the Part 2 work required for the Roads and Transportation Asset Management Plan and will be complete prior to the legislated deadline of July 2025.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The work including review of revisions to trigger limits and modifications to OCI remains in progress. This work is included in the Part 2 work required for the Roads and Transportation Asset Management Plan and will be complete prior to the legislated deadline of July 2025.

Observation 4

MINIMUM MAINTENANCE STANDARDS

The Minimum Maintenance Standards (MMS) for municipal highways prescribed by Ontario Regulations 239/02 stipulate varying times for the completion of maintenance activities including pothole repairs, crack sealing and road inspection. The MMS stipulate timelines that vary between 4 to 60 days for the remediation of potholes based on the class of highway, surface area and depth. Road inspections are presently documented on paper-based forms without reference to their frequency, completeness or coverage. Manual processes increase the risk of non-compliance with the regulations prescribed by the province.

Complete

Recommendations:

- A. Assess the feasibility of using hand held units to record inspections and repairs of potholes;
- B. Take a lead in the study to identify best practices to repair potholes and ensure the scope of the study includes plant and equipment and well as processes, materials and labour.

Original Management Response

- A. We agree to assess using hand held units.
- B. We agree and we intend to pursue the review of pothole repair best practices.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

1. Management has been working with IT on an application that when fully developed will be able to help in identifying the location of road deficiencies including but not limited to potholes. Work on the application is ongoing and has been very encouraging to date.
2. Management is continuing work on the Pothole Repair and Material Study. Staff is preparing to update Council on the findings to date at the June 2020 Operations Committee Meeting.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

- A. The application has been fully implemented since September of 2020 for both winter and summer road patrols. Management is now working with IT to have this fully integrated into CityWorks and reviewing further reporting capabilities.
- B. Management is continuing to work on the Pothole Repair and Material Study. Phase 1 of the study is complete and work is ongoing to apply the results to standard practices. Phase 2 of the study is anticipated to commence in Spring of 2022.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

- A. The application has now been linked to CityWorks and automatically generates pothole work orders. More tablets have been deployed and staff are reviewing business processes to move forward with marking potholes complete while in the field.
- B. Management is continuing to work on the Pothole Repair and Material Study. The acquisition of the All In One Pothole Patching machine has been integrated into this study and is on-going. Phase 2 is anticipated to begin imminently.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

- A. Staff and contractors now have access to tablets in order to mark potholes complete in the field. Tablet acquisition and training is on-going in order to have 100% implementation.
- B. The conclusion to this pothole repair study will be going to the October 16th Operations Committee meeting.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

- A. Pothole work orders are now fully completed in the field using tablets. In addition, field inspections using tablets are being completed for regulatory and warning signs as well as cross culverts. Furthermore, deficiencies identified during road patrols are now documented on tablets. Tablet use continues to expand in the field for other activities under a project named “Digital Work Management”.
- B. The conclusion to the Pothole Repair and Material study was presented to Operations Committee on December 11, 2023. The report outlined some further improvements to can be implemented one of which is the need to improve the usage of the All In One Pothole Patching machine.

Observation 5

RISK MANAGEMENT PROCESSES

Management has taken steps to identify, assess and mitigate significant risks associated with maintenance of road infrastructure.

Partially implemented

Recommendation:

Continue to integrate risk management processes with other management processes.

Original Management Response

Staff will continue to review risks in LIS and Infrastructure Capital Planning processes and look for opportunities to mitigate risks.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Infrastructure Capital Planning staff are in the process of incorporating risk assessment into the planning procedures for road and bridge capital projects. Risk assessment will be a component of the asset management plans for both roads and bridges and will be incorporated in the City’s pavement management program to assist in prioritizing road projects.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

The Bridge Risk Assessment and Analysis Report is complete. Risks identified in the report are being reviewed and will be used for project prioritization and inclusion into capital works or maintenance programs. Risk assessment of road assets is in progress and will be incorporated into the Pavement Management System as Part 2 of the Roads Asset Plan work.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Risks identified in the Bridge Risk Assessment and Analysis Report are being prioritized and recommended mitigation work is included in the 2022 capital and maintenance program. Risk assessment factors associated with roads continue to be developed and will be incorporated into the pavement management system in Part 2 of the Roads and Transportation Asset Management Plan

work.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Risks identified in the Bridge Risk Assessment and Analysis Report are being prioritized and recommended mitigation work is included in the 2023 capital and maintenance program. Risk assessment factors associated with roads continue to be developed and will be incorporated into the pavement management system in Part 2 of the Roads and Transportation Asset Management Plan work.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Risks identified in the Bridge Risk Assessment and Analysis Report are being prioritized and recommended mitigation work is included in the 2024 capital and maintenance program. Risk assessment factors associated with roads continue to be developed and will be incorporated into the pavement management system in Part 2 of the Roads and Transportation Asset Management Plan work.

Performance Audit of Winter Maintenance Programs for Roads

Audit Report released	Sep 2019
Original # of Observations	5
# of Action Plans Previously Complete	4
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 2 B

Pothole Repair Management

Like many municipalities in Northern Ontario, the City faces significant challenges managing its road infrastructure with limited capital budgets. To address these challenges, the amount of capital funding for the renewal and repair of existing road infrastructure has nearly doubled during the last 5 years compared to the average annual expenditure between 2002 and 2014.

Partially implemented

During the 2019 budget process, Council approved a capital budget that included \$50.5 million for new and existing road infrastructure and applied the entire one time additional gas tax of \$10.2 million for 2019 to road renewal and repairs.

In spite of the additional investments made to the City's existing road infrastructure in the last 5 years, this audit revealed that the condition of the City's paved roads has declined since 2002, causing significant potholes every winter and spring.

Observations:

1. Insufficient capital budgets have resulted in the ongoing deterioration of the City's paved roads which has led to increasing levels of public dissatisfaction and pothole claims filed against the City.
2. The City currently has insufficient capacity to use recycled asphalt for repairs to the City's paved roads which had an overall PCI rating of less than 50 percent when they were last measured.
3. Comparisons of performance are not being made for in-house staff and contractors.
4. Management typically assesses the conditions of the City's paved roads every two years, but a Pavement Condition Index (PCI) study has not been completed since 2016.

Recommendations:

1. Explore ways to increase capital budgets for roads with Finance staff to improve service levels.
2. Prepare a business case to make greater use of recycled asphalt to repair potholes.
3. Develop performance measures to enable comparisons of work of city crews and contractors.
4. Measure the PCI of paved roads every two years to determine current levels of service and ensure that budgets respond effectively to current road conditions.

Original Management Response

A long-term financial plan for road infrastructure was prepared by KPMG for Council's consideration in

2012. In 2018, the overall City long-term financial plan was updated, including the long-term financial requirements for the City's road infrastructure. Management will continue to provide Council with the best available information for consideration in the annual budget process. Management generally agrees that the state of road condition can affect the ability of the road maintenance division to perform repairs efficiently as required to meet minimum maintenance standards.

Staff commenced a study of best practices in the field of road repair and, is collaborating with the Ministry of Transportation and other Cities in Northern Ontario to complete the study. It is understood that alternative pothole repair strategies and business practices will be incorporated as necessary and as budgets permit. Alternative paving systems and equipment will be evaluated within the scope of current studies. Any changes in service will be presented as a business case or incorporated into the capital prioritization process.

Staff will develop performance measures to enable comparisons between city crews and contractors.

In order to ensure that budgets respond effectively to current road conditions, a new vendor has been selected and plans are underway to evaluate the PCI of the paved roads in 2019. Management intend to continue to evaluate pavement condition generally every two years.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

1. Management is working with Asset Management staff and is in the process of improving the Roads Asset Management Plan (as per O.Reg. 588/17) which will inform the Capital Budget planning process to assist in proposing options that will maximize efficiency in spending of capital funds and will enable staff to review different service levels for consideration.
2. Management is continuing work on the Pothole Repair and Material Study. Staff is preparing to update Council on the findings to date at the June 2020 Operations Committee Meeting.
3. Management continues work to ensure our work management system is developed in such a way to facilitate these types of performance measurement reports. Roads Operations staff participates in the Cityworks Program Committee which has the task of prioritizing work needed to be completed in the works management system. One of the priorities established by the committee is reporting. Staff expects that this will facilitate the type of performance measurement reports discussed in the audit. The Cityworks Program Committee was scheduled to make a presentation to the Information Technology Governance Team (ITGT) in March with a plan to formalize the priority list but has been delayed due to the impacts associated with the global pandemic.
4. Road cracking and defects were measured in 2019 and will continue to be measured every two years for the purposes of prioritizing and budgeting using the City's Pavement Management System. This work includes the calculation of PCI using the measured factors for all individual road segments in the road network.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

1. Infrastructure Capital Planning staff have been working with Linear Infrastructure Services and Asset Management to meet the requirements of Ontario Regulation 588/17. Legislated deadlines have been deferred one year however staff plan to present the first part of the asset plan for core infrastructure in Q3 2021. Part 1 of the asset plan will define current levels of service and investment. Work on the second part of the plan will commence upon completion and acceptance of the first. Part 2 will provide options for proposed levels of service and investment for Council's consideration and decisions regarding the long term Roads Financial Plan.

2. Management is continuing to work on the Pothole Repair and Material Study. Phase 1 of the study is complete and work is ongoing to apply the results to standard practices. Phase 2 of the study is anticipated to commence in Spring of 2022.
3. The CityWorks working group is currently working on this initiative but their goal is to get this completed for Distribution & Collection first and then bring it to Roads as many of the workflows and CityWorks templates are already in place for Distribution & Collection thus making it a reasonable starting point. The time line for this Distribution & Collection priority was set for Q2 of 2021. Roads will follow. Much of the Business analysis has been completed.

Prior to the above, a review of Roads CityWorks inputs needs to be completed in order to ensure that reporting can be effective. This is expected to be completed in Q4 of 2021.

4. No change to previous response.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

1. Infrastructure Capital Planning continue to work with Linear Infrastructure Services and Asset Management to meet the requirements of Ontario Regulation 588/17. Part 1 of the Asset Plan defines current levels of service and annual investment and was presented to council in August 2021. Staff continues to progress on the Part 2 work and will be submitting a business case as part of the 2023 Budget to retain a consultant to accelerate the project.
2. Management is continuing to work on the Pothole Repair and Material Study. The acquisition of the Python 5000 has been integrated into this study and is on-going. Phase 2 is anticipated to begin imminently.
3. The CityWorks working group is currently working on this initiative but their goal is to get this completed for Distribution & Collection first and then bring it to Roads as many of the workflows and CityWorks templates are already in place for Distribution & Collection thus making it a reasonable starting point. There is a draft dashboard for Distribution & Collection which is reporting results in real time. Staff are working on fine tuning what KPIs are being tracked against what targets. Roads will follow. Much of the Business analysis has been completed. Prior to the above, a review of Roads CityWorks inputs needs to be completed in order to ensure that reporting can be effective. This is expected to be completed by the Manager of LIS Technical Support Services in Q4 of 2022.
4. Pavement condition data was collected in 2021 and has been imported into the City's Pavement Management System. This data is used to calculate the PCI of all hard surface roads within the road network and is used to prioritize the rehabilitation of roads in the community.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

1. Infrastructure Capital Planning staff continues to work with Linear Infrastructure Services and Asset Management staff to meet the requirements of Ontario Regulation 588/17. City Council approved the business case to retain a consultant to complete Phase 2 of the Roads and Transportation Asset Management Plan and staff are developing a RFP which will be issued in Q3 2023. Phase 2 will provide options for proposed levels of service and investment for Council's consideration and decisions regarding the long term Roads Financial Plan.

2. A report concluding the pothole repair study will go to the October 16th Operations Committee meeting.
3. The CityWorks working group has completed a draft dashboard for Distribution & Collection which is reporting results in real time. Staff are working on fine tuning what KPIs are being tracked against what targets. Roads will follow. Much of the Business analysis has been completed. Prior to the above, a review of Roads CityWorks inputs needs to be completed in order to ensure that reporting can be effective. This review is now well underway with accomplishments now being entered for activities. These accomplishments will form the basis of a majority of roads KPIs. This is expected to be completed by the Manager of LIS Technical Support Services in Q4 of 2023.
4. Pavement condition data was collected in 2021 and has been imported into the City's Pavement Management System. This data is used to calculate the PCI of all hard surface roads within the road network and is used to prioritize the rehabilitation of roads in the community. Pavement condition data is scheduled to be collected during Q3 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

1. Infrastructure Capital Planning staff continues to work with Linear Infrastructure Services and Asset Management staff to meet the requirements of Ontario Regulation 588/17. An assignment has been awarded to a consultant to complete Phase 2 of the Roads and Transportation Asset Management Plan and will be completed by July 2025. Phase 2 will provide options for proposed levels of service and investment for Council's consideration and decisions regarding the long term Roads Financial Plan.
2. The conclusion to the Pothole Repair and Material study was presented to Operations Committee on December 11, 2023. The report outlined some further improvements to can be implemented one of which is the need to improve the usage of the All In One Pothole Patching machine.
3. Activity reviews have been conducted for all roads maintenance activities. As noted in the previous update, Roads crews have been tracking units of accomplishments on work orders for the last few years now which will provided a solid basis for tracking. While some reports have been created around street sweeping, culvert inspections, building inspections, and winter sidewalk maintenance, further work will continue throughout the year to create new reports. Additionally, the design for a "scorecard" style report is underway and is anticipated to be completed in Q1 2025 after the completion of the Digital Work Management project for LIS.
4. Pavement condition data was collected in 2019, 2021 and 2023 and has been imported into the City's Pavement Management System. This data is used to calculate the PCI of all hard surface roads within the road network and is used to prioritize the rehabilitation of roads in the community. Funding for additional pavement data collection was approved for 2025 and 2027 as part of the 2024 to 2027 Capital Budget.

Governance Audit of the Downtown Sudbury Improvement Area

Audit Report released	Sep 2019
Original # of Observations	2
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation A

The City’s oversight duties include monitoring the activities of Downtown Sudbury to ensure they align with its legislated mandate which is set out in the *Municipal Act, 2001*.

Partially implemented

Since the sections of the *Municipal Act, 2001* that describe the legislated mandate of Board of Management for a Business Improvement Areas are somewhat ambiguous, the City should update the City’s relevant by-laws to identify activities of Downtown Sudbury that fall outside of its legislated mandate.

Original Management Response

We agree. Staff will prepare a report with recommendations for Council’s consideration to update bylaw(s) governing business improvement areas. This will be part of 2020 work plans, with a report to Council no later than the fourth quarter of 2020.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

- OBIAA is currently working with the Province to review the existing legislation specific to BIAs with the goal to update and better reflect the current roles and activities of BIAs as they have grown and developed over the years.
- Outcomes from this review will then be further applied to BIAs individually.
- This review has been delayed due to COVID-19.
- In addition, the Board undertook a Strategic Planning process in 2019, with the assistance of a Facilitator. Public & Member surveys, together with stakeholder and public information sessions were held to assist in the determining of goals, priorities, etc. This was then presented to the Membership at the AGM (February 2020) for discussion and support (The newly developed vision and purpose statements, together with values, goals, etc. continue to align with the Municipal Act the continued development and evolution of BIAs.
- The following activities of the BIA also continue to align with the Municipal Act:
 - Various Partnerships with the Municipality***, i.e.
 - *Pilot Project for downtown specific By-Law Enforcement Officers to help address the ongoing safety concerns as raised by both members and the public (\$50,000 contribution)
 - *current Streetlighting program – conversion to LED (\$100,000 contribution)
 - *Outdoor patio program
 - *Hanging Basket program – BIA purchases, installs, removes and the City waters/fertilizes
 - *Yellow bin recycling program

*ongoing discussions specific to street cleaning, snow removal, waste management, etc. **Tree lighting program** – this includes the installation of thousands of lights in the planter trees (BIA purchases the lights which have then been installed thanks to the assistance of Vianet and Hydro) ...

Special Events – both hosted/organized by the BIA (ie May Yard Sale, Blues For Food, Ribfest, Christmas), as well as BIA assisted through logistical planning advice and sponsorship funds (ie Earth Day, Graphic Con, Jazz Fest, Up Here, Santa Claus Parade) ... together attracting well over 100,000 to our core **Member Communications, Information Sessions** i.e.

*strong and consistent communications during COVID-19 to ensure members are aware of programs, funding opportunities, webinars, contacts, etc.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Sudbury Downtown:

- As a result of a Member Survey conducted in the fall of 2020, together with the economic impact resulting from COVID-19, the Board of Directors agreed to undertake a review of their Strategic Plan in 2021 (formally unveiled at the February 2020 AGM)
- In place of a Bylaw update, City Council directed that the BIA and CGS enter into a Memorandum of Understanding (to be completed in 2021). The first draft of that memorandum was received by the BIA on May 25th 2021, and work on reviewing/approving/implementing that memorandum is now underway.
- BIA Co-Chairs made a presentation to Council (May 25, 2021), outlining current programs and upcoming initiatives

Partnerships and programs

- Continue with various City partnerships – extended patio program (further developed and expanded upon from 2020) (including a financial incentive from the BIA to encourage increased member participation, both retail and hospitality), completion of LED streetlighting conversion, clean-up, hanging planters/street planters, winter maintenance program, as well as new initiative ‘0 Vacancy’ Program, a business recruitment and retention program (discussions began in spring 2021 with Economic Development), Larch St. project (work group consisting of City and BIA to ensure open communications on this major infrastructure project expected to begin late 2021, into 2022)
- Increased discussions specific to major issues/challenges facing the area – homelessness, opioid crisis ... including participation in the Mayor’s Downtown Task Team, Safe Consumption Site Work Group and others
- Partnership initiated spring 2021 with the YMCA specific to ‘clean-up’ as well as a sponsorship contribution to the 24 hour drop in centre initiative ... discussions continue with various social service agencies to expand/develop related programs
- Partnership with the GSPS continues ... Safety Forum held in fall 2020, ‘Coffee with a Cop’ sessions will continue to be scheduled over 2021

City of Greater Sudbury:

Economic Development and Legal Services staff recently shared a draft Memorandum of Understanding (MOU) with Downtown Sudbury. Further refinements to the MOU are anticipated later this year in order to clarify reporting and levy requirements.

The purpose of the MOU is to strengthen and formalize the working relationship between the BIA Board and staff, and the City. Economic Development staff will provide the BIA with a consistent contact point as liaison on the City's side, connecting the BIA with other staff contacts and municipal.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Sudbury Downtown:

- OBIAA (Provincial Association) continues to work with its member BIAs and the Province in the review and update of the current BIA legislation
- The Board undertook a review of the Board Governance and the Strategic Framework (as developed and approved in 2019/20)
- Directors reaffirmed that the Strategic Framework continues to reflect the goals of the Board
- The 'Memorandum of Understanding' continues to be developed (resourcing 'best practices' from other BIAs, history of roles & responsibilities between the Municipality and DTS)
- Co-Chairs made a presentation to City Council (April 2022) outlining current programs and upcoming initiatives

Partnerships & Programs – highlights:

Continue with various City partnerships

Expanded patio program continues to grow in 2022

-17 patios were set-up in 2021 (that number will increase in 2022)

-BIA will continue to provide financial incentive to encourage program participation (by both retail and hospitality)

Downtown Clean-Up Program continues to successfully enhance the core clean-up conducted through the City. This continues in partnership with the YMCA and continues to generate support through donations/sponsorships.

- **0 Vacancy Program** continues and has resulted in unique creative businesses locating in vacant storefronts and, more importantly, has resulted in long term leases as an outcome.

- **Larch St. reconstruction** – Phase One is expected to begin summer 2022 and the BIA, together with the City, will work to ensure open communications to both BIA members and the general public.

- **Street activation** – This program also includes partnership with the School of Architecture which includes the installation throughout the downtown of various 'pieces' designed and fabricated by the students. This program also includes event programming specifically Friday-Sunday with various organizations including YES Theatre, YMCA, local artists, etc. While this program was to include Memorial Park, that location will be deferred to 2023 due to the rehabilitation work required.

- **'Welcoming Streets' initiative** – This program is the 'next step' to address the ongoing challenges and issues facing downtown (exacerbated through COVID-19). Formatted on similar successful programs in other BIAs, this program will be a partnership primarily with the City (Economic Development) and the GSPS and is expected to begin later 2022. The intent of this program is to build and maintain relationships with businesses, respond to concerns while supporting equity deserving individuals at the same time and will incorporate and employ professional outreach workers dedicated to the downtown core.

- **GSPS Partnership** continues through regular communications on various issues/incidents. The first 'in-person' 'Coffee with a Cop' since COVID began was held in May and will now return to a monthly event offering an informal venue for members to bring their safety concerns/questions. Attendance generally includes representatives from the BIA, GSPS and the City (ie By-Law) as well as various Social Agencies from time to time (ie SACY, CMHA)

- **Downtown CIP Review** – The BIA partner with the Planning Dept in a number of ways including: providing input through the Board of Directors; Member communications (including

both electronic and 'in person') to assist with the education of the programs and the opportunities available; Information Session that will also include 'one-on-one' opportunities

- **Planting Program** – The partnership continues with the City planting the street planters and the BIA coordinating the hanging baskets. Preliminary discussions have also been held to develop a relationship with the Sudbury Horticultural Society (2023 season). **Sudbury Market**
- – With the return of the Farmers' Market to the downtown, discussions will be initiated with the goal to develop a partnership to encourage cross-promotions, etc.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Sudbury Downtown:

- OBIAA (Provincial Association) continues to work with its member BIAs and the Province in the review and update of the current BIA legislation. Once completed, this will generate a review of the existing BIA By-Law through the Municipality
- Following the Board Election (fall 2022), Directors were provided with a copy of the Organization Manual, signed off on the 'Code of Conduct', and a special meeting was held to review procedures and specifically to review Board Governance (under the facilitation of L. Dupuis, LMD Solutions)
- At the April 2023 meeting of the Board, agreement was made to review the 'Strategic Framework 2020-2023' with a strong focus on 'action' plan (with specific priorities and timelines). Subsequently, a special meeting of the Board was held May 15, 2023 to begin this process.
- Due to various circumstances, the development of the Memorandum of Understanding was stalled but was reactivated at the May 2023 meeting of the Board, with the establishment of a specific Work Group identified and tasked with this project.
- Co-Chairs made their annual presentation to City Council (April 2023) outlining current programs and upcoming initiatives.
- Downtown Sudbury BIA was recognized provincially at the 2022 OBIAA Conference for work in a number of initiatives:
 - *0 Vacancy: Meanwhile Spaces Initiative ... a program for business retention, recruitment + expansion that works with downtown property owners and new entrepreneurs
 - *Jan Hawley Memorial Pinnacle Award ... awarded to Jeff MacIntyre (Past Chair) in recognition as an accomplished leader who has without question demonstrated skills in advocacy, innovation, and community building both with the Downtown Sudbury BIA and within the BIA movement at large.

Partnerships & Programs – highlights:

- Continued with various City partnerships
- **Patio Program**
 - *continued to grow and be developed in partnership with the City
 - *17 members participated
 - *BIA continued with a 75% matching grant incentive of up to \$7,500/application – thereby allowing for stronger participation and, more importantly, a more cohesive and aesthetically pleasing 'look' that participants may not otherwise have been able to achieve
- **Clean-Up Program**
 - *this continued to provide clean-up of public spaces above and beyond that which the City provides
 - *continues to be in partnership with the YMCA and generated over \$13,000 in sponsorships
 - *continues to provide 0 barriers for participation and provides 'work' for 5 people, 3 hours, twice daily
 - *continues to be a very successful initiative that is very well received by both members and the public
- **Larch St. reconstruction**
 - *Phase 1 (Durham-Lisgar) was undertaken in 2022

*BIA assisted with member and public communication, including on-site signage
*Phase 2 (Elgin-Durham) began in May 2023 ... the BIA will continue to work with the City to ensure open communications with both BIA members and the Public

- **Events**

***Street activation** ... 2022 focused on Friday evening 'Happy Hour' to strengthen the atmosphere generated by the patios and with the hope that downtown employees may be encouraged to stay downtown a bit longer

***Sudbury Market** ... worked with Market organizers to develop a 'Harvest Days' event, as well as scheduling a 'presence' of the BIA on Market Days ... discussions underway for both a stronger, consistent BIA presence as well as Harvest Festival for 2023

***Saturday entertainment** ... live local entertainment was scheduled in front of the YMCA (11am-1pm) in an attempt to encourage cross-traffic from Market through downtown ***Holiday Market** ... in partnership with a local events planner, this featured not only various activities but member participation through installations that would provide 'instagrammable moments' ... based on the strong success (feedback from participants, members, public), discussions are underway to build upon this event for 2023

***Sponsorships** ... In the continued goal to assist 'start-up' events/festivals in the core, as well as to assist in the growth and development of next events, the BIA continued to provide sponsorship opportunities (ie Up Here Festival, YES Theatre, etc) ... this program will be enhanced and continue in 2023 with the goal of assisting more events.

- **Welcoming Streets**

*This program continues to be developed, with key partners being the City (GSDC) and the GSPS, and is anticipated to be launched in 2023

- **GSPS Partnership**

*This continues to be one of the BIAs key partnerships as discussions are ongoing to address the various issues/concerns that face the core area

*In addition to ongoing and consistent discussions between BIA staff and identified GSPS liaison), monthly 'Coffee with a Cop' sessions are held to hear and attempt to address current member concerns

- **Downtown CIP**

*Continued to educate members on the various incentive programs available, including featuring the 'Lead' Planner on this project (City of Greater Sudbury) at the AGM held in February 2023

- **Downtown Master Plan**

*With the review of this Plan scheduled to begin in 2023, the 'Lead' Planner on this Project (City of Greater Sudbury) attended the AGM to advise members of the process, which will include participation of Board Directors, together with the Managing Director.

*A special Board meeting was also held May 29th for discussion with the 'Lead' Planner on the review process, timeline, etc. and how the BIA may assist through various focus group sessions with members, etc.

- **Planting Program**

The partnership continues with the City planting the street planters, the BIA co-ordinating the hanging baskets and the City watering.

- **Sudbury Market**

Discussions were initiated with Market organizers to both assist in the search for an indoor venue that would accommodate a year round operation, as well as opportunities for partnerships with events. Those discussions did result in a new event – 'Harvest Days' – that will continue to be developed and expanded upon in 2023. In addition, the BIA had a presence at the Market at various times throughout the season and it is expected, with the assistance of summer students, that this will be enhanced over 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024:

- **OBIAA** (Provincial Association - 'Ontario Business Improvement Area Association') continues to work with its member BIAs and the Province in the review and update of the current BIA

legislation ... 'An Act In Three Parts'. OBIAA has completed a comprehensive review indicating that changes to the Municipal Act over the years have challenged BIAs and their Municipalities to work effectively by causing confusion and lack of clarity. The recommendation, from this review, is a stand-alone Act for BIAs (such as Chapter 19 of the Toronto Act for BIAs or the Library Act). Once this process is completed, this will generate a review of the existing BIA By-Law through the Municipality.

- **Program/Mandate Review** ... Now almost two (2) years into their 2-year term, Directors initiated discussion (May 2024 Board meeting) to review goals, mandate, accomplishments/challenges to date, roles and responsibilities of Directors, Board, Staff, etc.
- **Council Presentation** ... The Board's Co-Chairs will make their annual presentation to City Council (May 28, 2024), outlining current programs, initiatives, etc. (as presented to and supported by the BIA membership at the AGM held in February 2024).
- **Staffing** ... Annual review with the Managing Director (now completed three years with Downtown Sudbury BIA as at March 15, 2024)) is scheduled for May.

Partnerships & Programs - highlights:

- **City** ... Continued with partnerships at various levels within the City depending upon the program (ie patios, safety, clean-up, etc), as well as establishing a system for regular communications/meetings with the Mayor, CEO, Police Chief. In addition, both Meredith Armstrong and Keith Crigger, are invited to attend the monthly Board meetings to provide critical liaison between the BIA and the City. As well, a specific City/BIA Work Group was established and monthly/bi-monthly meetings are held, including key Department Managers, under the facilitation of M. Armstrong, to deal in a timely manner with issues, challenges, projects, facing downtown and the various partnerships between the City and the BIA.
- **Propel Downtown Program** ... The goal of this program is to support the present and future needs of both our vulnerable populations (which continue to be on the rise following COVID 19) and the BIA membership and local residents - and consists of two initiatives: **Clean Up Downtown** is a partnership between the BIA and YMCA Sudbury and has been successful in making an impact with a focus on three main goals:
 - *To clean up and maintain the cleanliness of our communal downtown spaces *To start developing a program to give zero barrier volunteer options, life skills and purpose to some of our community's most at risk residents.
 - *To use this interaction to gain trust within our vulnerable community to help connect them to necessary resources and support services. The program continues to see upwards of 20 people show up to volunteer daily. BIA Staff has been called upon numerous times from other BIAs interested in adapting this program in their community.
- **Welcoming Streets** is an initiative that incorporates and employs professional outreach workers dedicated to the downtown core. They work to build and maintain relationships with businesses, respond to concerns while supporting some of our community's most vulnerable individuals at the same time. This program officially launched February 1, 2024 (after 2 years of planning and developing the partnerships required). This is a collaborative initiative between Downtown Sudbury BIA, the Go-Give Project, the GSPS and the GSDC.
- **Zero Vacancy** ... This program (in its 2nd year) continues to work with local landlords and property owners with the goal to move in non-traditional renters (ie makers, artists, dancers, etc) as well as aspiring entrepreneurs looking for an easy non-committal way to give their dream a chance. This year (2024), the goal is to see spaces open up in Elm Place as well as working with community organizations like NOBEEP to potentially fill larger vacancies with multiple up and coming entrepreneurs.

- **Win This Space** ... This initiative returns (following a hiatus during COVID 19), in partnership with the GSDC, and is scheduled to be launched in May 2024 - with the focus on attracting more retail establishments to downtown.
- **Thursday Concert Series** ... This summer series works with BIA members to populate patios and outdoor spaces from June to August. Over the summer of 2023, this program saw over 20 different artists play in more than 10 different venues. This season (2024) will see a partnership with the Sudbury Arts Council/Jazz Sudbury to encourage more visual and performing artists.
- **Patio program** ... Developed in partnership with the City, in 2023 this program saw a growth to 18 patios that helped to create an amazing atmosphere that resonated across the entire city. It is interesting to note that, due to the successful partnership with the City, the DTSBIA continues to be a provincial leader in this realm being the only community that allows in lane patios.
- **Sudbury Market** ... In partnership with the Sudbury Market and Jazz Sudbury, the first ever Harvest Festival was held in fall 2023, including over 50 vendors, extended market hours, live musical performances, kids zone, face painting and more (attracting upwards of 2,000 attendees).
- **Holiday Market** ... This event continues to grow and develop, attracting well over 5,000 in 2023 to not only participate in the various offerings (bonfires, entertainment, children's activities) but to visit the many participating businesses that provided various specials, treats, etc. Due to the growing success of this program, consideration is being given to expanding the length (full weekend, etc), as well as additional partnerships/sponsors for the 2024 offering.
- **Hangin' With Howler** ... This new initiative is a partnership between the Sudbury Wolves and DTSBIA, also including member participation - highlighting a product, service or menu item as 'Howlers Pick'
- **Campus Core** ... Another new initiative to encourage BIA members to participate and to attract more post-secondary students to the core ... ie 'student Special Discount' to highlight exceptional places for students to 'Shop, Dine and Unwind' in the core.
- **GSPS Partnership** ... This continues to be one of the BIAs key partnerships in addressing the ongoing issues/challenges facing the core area - particularly the social issues (drug use, homelessness, vandalism) that has increased substantially since COVID 19.
- **Downtown CIP** ... In partnership with the City (specifically Planning), the BIA continues to advise/educate members on the opportunities available to them through the CIP. The BIA also provided input on the program and its various facets, as well as prepared an educational document outlining the various incentives available and how to access them (available on downtownsudbury.com). In addition, the "Lead' Planner on this project was a speaker at the 2024 AGM held in February.
- **Downtown Master Plan** ...The BIA will continue to participate in the review of this plan over 2024, critical to the development of the core.
- **Planting Program** ... This long-standing partnership with the City continues ... City plants the street planters, the BIA coordinates the hanging baskets, with the City providing the watering of both.

The above provides a clear overview of the level of partnerships the BIA has developed (and will continue to develop and grow) to provide new initiatives and programs to meet the needs of members, as well as attract visitors and new businesses to the core of our City.

City of Greater Sudbury:

Economic Development and Legal Services are still working to finalize the draft Memorandum of Understanding (MOU) with Downtown Sudbury.

Governance Audit of Greater Sudbury Public Library

Audit Report released	Dec 2019
Original # of Observations	4
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	2
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 3.1

The oversight framework is not designed effectively to set out the mandate of the Board for proper oversight of the GSPL. Specific concerns include:

Complete

- a) The requirement for the GSPL to be under the management and control of the Board as set out in section 3(3) of the Public Libraries Act (the Act) is not clearly identified within the Board manual;
- b) The agreement between the GSPL Board and the City has not been updated since it came into effect on February 14, 2002;
- c) The City has appointed only one member of Council to the Board of the GSPL. This practice is inconsistent with most of the City’s municipal peers which appoint a higher number of Council members to their respective Library Boards;
- d) The requirement for the GSPL to be under the management and control of the Board should be clarified to members who are appointed to the Board during the orientation sessions following each municipal election; and
- e) The agreement between the GSPL Board and the City should be updated to align with the Board’s powers and duties which are set out in the Act.

The oversight framework should be revised to address the above concerns and Council should consider appointing at least two members of Council to the Board of the GSPL.

Original Management Response

The Library’s Board agrees. The City also agrees and will undertake a process to work with the GSPL Board to review and update the operating agreement by the end of Q2 2020. By the end of Q1 2020, for Council’s consideration, the City of Greater Sudbury will bring a recommendation to the CGS Nominations Committee to appoint an additional member of Council to the GSPL.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

In Q4 2019, staff initiated discussions with the Greater Sudbury Public Library Board and provided legal briefings on the powers and responsibilities of library boards in Ontario. Initial dialogue towards developing a draft Operating Agreement for consideration by both the Board and CGS Council began in February of this year. As a result of the significant resources allocated to the City’s COVID-19 Emergency Response, further efforts have been delayed for several months. In late May, staff and GSPL Board representatives agreed to set aside time in the next two months to move this process

forward with a commitment to finalize arrangements by the end of 2020. In parallel with the process to finalize the terms of a formal relationship, staff are working to provide the GSPL Board more insight and authority into budget proposals and library programming. Several reports regarding aspects of this overall governance development process can be expected at CGS Council over the next six months.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Staff continue to work closely with the GSPL Board to support their efforts to transition to a new level of autonomy. The Board has had significant turnover and is focused on the hiring of a new Chief Librarian/Chief Executive Officer as well as developing a new operating agreement with the CGS.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

On December 16, 2021 the Board hired a new Chief Librarian/Chief Executive Officer, Brian Harding. Mr. Harding has been consulting extensively with the Board on these recommendations with a particular emphasis on renewal of the operating agreement between the City and the Board. City representatives from the Corporate Services Department have discussed changes to the agreement with Mr. Harding and are drafting a revised agreement in line with those discussions.

The GSPL Board Manual has been updated to clarify the Board's responsibilities under the Public Libraries Act. Specifically, resources from the Ontario Library Service, designed to provide clear and consistent training to all library board members in Ontario with an emphasis on statutory responsibilities, have been included in the Board's manual. In 2020 the GSPL Board passed a Constitutional and Procedural By-law which outlines responsibilities and expectations of GSPL Board members. This by-law is reviewed by all members of the Board on an annual basis.

Orientation sessions are being planned for new Board members appointed following the 2022 municipal election. The statutory responsibilities of Board members under the Public Libraries Act will be clearly communicated during these and future orientation sessions and all new Board members will be provided with a copy of the GSPL Board manual.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The City of Greater Sudbury and Greater Sudbury Public Library have developed a draft operating agreement which continues to be refined as of May 2023.

Council appointed three of its members to the Greater Sudbury Public Library Board for the 2023-2027 term, satisfying the recommendation that the City appoint more than one member of Council to the Board.

On February 21st, 2023 Council appointed 6 citizen members to the Greater Sudbury Public Library Board. All members of the Board have been provided with a Board manual which includes links to relevant legislation including the Public Libraries Act, Board-approved policies including the Constitutional and Procedural By-law, and library board training materials developed by the Ontario Library Service. The CEO and Chief Librarian has delivered training and orientation sessions to the Board focused on the legislative environment for public libraries in Ontario and the Board's responsibilities under the Public Libraries Act specifically. The CEO and Chief Librarian delivered a general Library orientation session to City of Greater Sudbury Council on May 9, 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The City of Greater Sudbury and Greater Sudbury Public Library Board have updated the CGS-GSPL Operating Agreement. The updated agreement explicitly identifies the powers and duties of the Board under the Public Libraries Act and aligns the operational relationship between the City and the Board

with those powers and duties.

Observation 3.2

There are a number of Board duties that are set out in the Act that are not clarified in the current Board Manual, including:

Complete

- a) Seek to provide in co-operation with other library boards, a comprehensive and efficient public library service that reflects the community's unique needs;
- b) Seek to provide library services in the French language, where appropriate;
- c) Operate one or more libraries and ensure that they are conducted in accordance with this Act and the regulation;
- d) Fix the times and places for Board meetings and the mode of calling and conducting them, and ensure that full and correct minutes are kept;
- e) Make an annual report to the Minister and make any other reports or provide any information required by the Public Libraries Act or regulations;
- f) Make provision for insuring the board's real and personal property;
- g) Take proper security for the Treasurer for relevant amounts owed to the GSPL;
- h) Although the agreement between the GSPL and City automatically appoints a Treasurer and Solicitor, the statutory obligation of the Board to appoint a Chief Executive Officer and Secretary are not identified;
- i) The duties of the Chief Executive Officer and Secretary are not defined within the agreement between the GSPL and the City or in job descriptions;
- j) The duties of the Treasurer are not identified in the agreement between the GSPL & City;
- k) The specific duties and powers of the Board that are set out in the Act should be identified clearly within the Board Manual.

In addition to updating the Board Manual, the Board should appoint a Chief Executive Officer and Secretary every 4 years to coincide with the term of the Board.

The duties of the Secretary and Chief Executive Officer should be defined within the agreement between the GSPL and the City and in job descriptions as these individuals have an ongoing working relationship with the Board and important statutory obligations. The duties of the Treasurer should be identified in the agreement between the GSPL and the City to ensure both the statutory and non-statutory duties are fulfilled.

Original Management Response

The Library's Board agrees. The City of Greater Sudbury also agrees and will undertake a process to work with the GSPL Board to review and update the operating agreement by the end of Q2 2020.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

In Q4 2019, City staff initiated discussions with the GSPL Board and provided legal briefings on the powers and responsibilities of library boards in Ontario. Initial dialogue towards developing a draft Operating Agreement for consideration by both the Board and CGS Council began in February of this year. As a result of the significant resources allocated to the City's COVID-19 Emergency Response, further efforts have been delayed for several months. In late May, staff and GSPL Board representatives agreed to set aside time in the next two months to move this process forward with a commitment to finalize arrangements by the end of 2020. In parallel with the process to finalize the terms of a formal relationship, staff are working to provide the GSPL Board more insight and authority into budget

proposals and library programming. Several reports regarding aspects of this overall governance development process can be expected at CGS Council over the next six months.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Staff continue to work closely with the GSPL Board to support their efforts to transition to a new level of autonomy. The Board has had significant turnover and is focused on the hiring of a new Chief Librarian/Chief Executive Officer as well as developing a new operating agreement with the CGS. It is staff's understanding that the new CEO will lead the revisions to GSPL policies and processes.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

On December 16, 2021 the GSPL Board hired a new Chief Librarian/Chief Executive Officer, Brian Harding. Mr. Harding has been consulting extensively with the Board on these recommendations with a particular emphasis on renewal of the operating agreement between the City and the Board and the Board Manual. The CEO also acts as Secretary to the Board as defined by the Public Libraries Act.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The GSPL Board reappointed a Chief Executive Officer and Secretary for the 2023-2027 term of the Board. The City of Greater Sudbury and Greater Sudbury Public Library are currently working to draft an updated operating agreement which is expected to include language regarding the duties of the CEO, Secretary, Treasurer, and the City to ensure that statutory and non-statutory duties are fulfilled.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The City of Greater Sudbury and Greater Sudbury Public Library have finalized an updated CGS-GSPL Operating Agreement which includes language declaring the duties of the CEO, Secretary, Treasurer and the City which align with the statutory and non-statutory duties of these roles.

Observation 3.3

The Board has not established systems and practices to monitor the performance of the GSPL or to assess the extent to which its established objectives have been achieved. For example, the Board has not:

- a) updated the last Strategic Plan that was developed for 2011 to 2015;
- b) approved the annual budget for the GSPL;
- c) received financial statements or benchmarking information to monitor the performance of the GSPL;
- d) approved the annual report to the Minister; or
- e) conducted an annual performance appraisal for the Chief Executive Officer or Secretary.

Partially
Implemented

The Board should:

- a) update the strategic plan;
- b) approve the annual budget for the GSPL;
- c) review and approve quarterly financial statements of the GSPL and benchmarking information on an annual basis to allow Board members to monitor the GSPL's performance;
- d) ensure it reviews and approves the GSPL's annual report to the Minister; and
- e) conduct annual performance appraisals for the Chief Executive Officer and Secretary.

Original Management Response

The Library's Board agrees and the City agrees. In its role as Financial Services Provider, the City of Greater Sudbury will work with the GSPL to establish systems and reporting structures to ensure that the Board has the appropriate information in a timely manner so as to meet its obligations as outlined in this recommendation. This undertaking will be reflected in the updated agreement between the two organizations.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

In Q4 2019, staff initiated discussions with the GSPL Board and provided legal briefings on the powers and responsibilities of library boards in Ontario. Initial dialogue towards developing a draft Operating Agreement for consideration by both the Board and CGS Council began in February of this year. As a result of the significant resources allocated to the City's COVID-19 Emergency Response, further efforts have been delayed for several months. In late May, staff and GSPL Board representatives agreed to set aside time in the next two months to move this process forward with a commitment to finalize arrangements by the end of 2020. In parallel with the process to finalize the terms of a formal relationship, staff are working to provide the GSPL Board more insight and authority into budget proposals and library programming. Several reports regarding aspects of this overall governance development process can be expected at CGS Council over the next six months.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Staff continue to work closely with the GSPL Board to support their efforts to transition to a new level of autonomy. The Board has had significant turnover and is focused on the hiring of a new Chief Librarian/Chief Executive Officer as well as developing a new operating agreement with the CGS. It is staff's understanding that the new CEO will lead the revisions to GSPL policies and processes. In the interim period, CGS staff have shifted the GSPL Budget to align with other outside boards and are presenting the GSPL Board quarterly updates on the financial position.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

In addition to hiring a new Chief Librarian/Chief Executive Officer, Brian Harding, the Library Board has begun planning for the development of a new strategic plan. It is anticipated that a four-year strategic plan will be finalized in early 2023. The Library Board approved the GSPL 2022 operating budget and will continue to approve the Library's budget annually.

The GSPL Board is now receiving financial reports and benchmarking statistics reports on at least a quarterly basis to support the Board's monitoring of the Library's performance. It is anticipated that the Library Board will adopt a CEO Performance Review Policy, consistent with existing best practices within the Ontario public library community, outlining the process through which the CEO's performance is evaluated and requiring that a performance assessment to be conducted annually at minimum. Finally, a new process is in place to have the GSPL Board review and approve the Library's annual submission to the Ministry of Heritage, Sport, Tourism and Culture Industries in support of the Public Library Operating Grant application.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The GSPL Board approved a proposal presented by the CEO and Chief Librarian for developing a new GSPL strategic plan in the fall of 2022. Library staff have subsequently developed a request for proposal that will be used to solicit bids from qualified consultants to assist with the development of a strategic plan. It is anticipated that a consultant will be engaged by August 2023.

GSPL's 2023 budget was approved by the Library Board before being presented to Council. The Library

Board will continue to follow a defined process for approving annual budgets moving forward.

The GSPL Board receives and approves monthly financial statements and performance reports. Library staff are currently developing a new system for collecting, organizing, and communicating performance data using key performance indicators (KPIs) in collaboration with the City of Greater Sudbury's IT department. Once complete, it is anticipated that the Board will receive improved performance reports on a quarterly basis at minimum.

The Library's submission of the Annual Survey of Public Libraries to the Minister of Tourism, Culture, and Sport is and will continue to be approved by the Board on an annual basis.

The GSPL Board is currently developing a process for conducting annual performance appraisals for the CEO and Chief Librarian. The Board has considered a draft CEO Performance Evaluation Policy and will consider a revised draft of the policy at their June meeting.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The Greater Sudbury Public Library Board has initiated the process of updating its strategic plan. Work is underway and estimated to be completed by end of 2024.

The GSPL Board has established a process to conduct annual performance appraisals for the Chief Executive Officer and Secretary including an approved CEO Performance Evaluation Policy. The CEO and Secretary's performance will continue to be evaluated, in accordance with established timelines, annually.

Performance Audit of Asset Management

Audit Report released	Dec 2019
Original # of Observations	3
# of Action Plans Previously Complete	2
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation A

Regulation 588/17 requires all municipalities to develop Asset Management Plans for their infrastructure assets. This regulation also requires municipalities to manage the life cycle costs of its assets and to communicate the service levels for these assets to residents. To adhere to this regulation, the City must develop a plan for its core infrastructure assets (water, wastewater, storm water, road, bridges and culverts) by July 1, 2021 and a plan for all other assets by July 1, 2023. A financial plan to fund the activities required to achieve the proposed levels of service for the City's assets is required by July 1, 2024.

Partially implemented

In 2016, KPMG prepared an asset management plan (AMP) and recommended the City consider a strategy that incorporates the following components to address the City's \$3.1 billion of aging infrastructure assets which were at or near the end of their useful lives.

To ensure the City's aging assets are addressed on a timely basis, we recommend that management continue its efforts to integrate the City's asset management program with the City's annual business plans and long-term planning processes.

Original Management Response

We agree. Staff will continue to develop and refine the corporate asset management program and provide linkages and integration to other City planning documents such as but not limited to the annual business plan, annual budgets, and long-term financial plan in order to fulfill the strategic plan of Council. Financing decisions, and the level of financial support associated with asset renewal efforts, remain within City Council's control.

Actions Taken, Results and /or Actions Planned - As of May 31, 2020

Staff have continued to integrate and parallel the Asset Management program with City planning documents such as the annual business plan, annual budgets, and long term financial plan in order to fulfill the strategic plan of Council.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

During April of 2021, the Province of Ontario provided a one-year extension to the scheduled deadlines contained within Ontario Regulation 588/17. However, the City intends to exceed the deadline to have asset management plans completed for core infrastructure with the implementation of the Enterprise Asset Management Plan 2021 (EAMP). The EAMP will exceed the legislated requirements in terms of timing and scope by including fleet and equipment and municipal infrastructure in addition to core infrastructure.

The EAMP is under review with senior management and final preparations are being implemented to present the EAMP to Council for approval in the third quarter of 2021. The EAMP is developed to integrate with the City's long-term financial planning process, master plans, the newly adopted Community Energy and

Emissions Plan and annual business and budget processes.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The Enterprise Asset Management Plan (EAMP) for core infrastructure, fleet and parking was completed and presented to Finance Committee in August of 2021. The EAMP will continue to be integrated with the City's long-term financial planning process, master plans, Community Energy and Emissions Plan and annual business planning and budget process.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The Enterprise Asset Management Plan (EAMP) for core infrastructure, fleet and parking was completed and presented to Finance Committee in August of 2021. The Asset Management Plan for all City Infrastructure utilizing current service levels will be complete by year end 2023. The subsequent phase of the provincial guidelines requires the EAMP to include proposed service levels with financing plans by July 2025. Staff will commence work on this phase in 2023. Updated versions of the EAMP will continue to be integrated with the City's long-term financial planning process, master plans, Community Energy and Emissions Plan and annual business planning and budget process.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The City's Enterprise Asset Management Plan (EAMP) for all infrastructure was completed and presented to Council in 2023. The last phase of the EAMP that includes desired levels of service will be completed by Q2 – 2025.

Performance Audit of Fleet Services

Audit Report released	Sep 2020
Original # of Observations	5
# of Action Plans Previously Complete	4
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation E

Overall Management

Notiform Inc. recommended that Fleet Services replace its current work order system which has limited functionality. We agree that the current system does not allow Fleet Services staff to effectively measure and manage the cost drivers for maintenance services.

Partially Implemented

Recommendations:

1. Develop key performance measures to measure the efficiency, effectiveness and economy of the overall Fleet Services function as well as the maintenance and parts activities; and
2. In conjunction with staff from the Information Technology Services and Finance Services Divisions, identify information systems options which will more effectively meet the requirements of Fleet Services staff.

Original Management response and action plan:

Agreed. As part of the recently completed Fleet Business Process Review, it was determined that a new fleet work management system would be required. Current systems on the market allow for more vibrant data capture and reporting that will allow Fleet management to develop more robust performance measures in order to more actively monitor and manage the work processes. Management will be including this project in the 2021 Capital Budget.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

The workplan for Fleet Services in 2021-2022 includes the procurement of a Fleet information system that will enable management to gather and assemble data and produce reporting that defines progress as it relates to efficiency, effectiveness and economy.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Fleet staff are currently engaging with the Information Technology Governance Team to move the fleet software project forward. This will enable staff to report and utilize data and more closely monitor effectiveness, efficiency and economy of operations. Notwithstanding, Fleet staff have developed performance indicators that can be reported on currently and have presented them to the Fleet Governance Team at regular meetings.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Fleet and Information Technology staff have identified all system requirements and are in the process of determining the applicability of various software for use as a work order management system in the section. Selection will commence after a thorough review of options available.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The enterprise work order system Cityworks has been selected to be implemented in Fleet services commencing Q4 – 2024.

Performance Audit of Compensation Management

	Audit Report released	Sep 2020
	Original # of Observations	4
	# of Action Plans Previously Complete	2
	# of Action Plans Now Closed	0
	# of Action Plans on Next Follow Up	2
	Status as of May 31, 2024	In Progress
Observation and Summary of Progress		Self-assessed Status

B.1 Benchmarking of Compensation Costs

Despite the positive steps outlined above to manage compensation costs, Appendices 3 and 4 suggest that additional benchmarking with other single-tier municipalities may lead to the identification of further opportunities for improvement. However, caution is required when comparing salaries, wages and benefits across municipalities as these costs are influenced by differences in economic factors, service levels, delivery methods as well as the mix of full-time, part-time and seasonal staff.

Partially Implemented

Recommendation

Benchmark with additional single-tier municipalities to identify further opportunities to update compensation management practices to improve the cost effectiveness of service delivery within CGS by adopting practices such as:

- Changing the staff mix to employ more students, PT staff, volunteers to deliver seasonal programs;
- Creating entry-level positions at lower rates of compensation to perform basic functions;
- Creating business cases for co-op students for the IT, Engineering Services, Linear Infrastructure Services and Water/Wastewater Divisions;
- Introducing additional pay steps to move staff more slowly to top rates of pay; and
- Contracting in or out additional services or functions where business cases support change.

Original Management response and action plan:

Staff will review the current list of approved comparators and make recommendations to Council to add additional single-tier municipalities. In addition, staff will review the recommendations with the operating areas to see if there are additional opportunities to improve the cost effectiveness of service delivery. On average, CGS hires 275 summer students each year to deliver summer programs and approximately 1300 part-time staff (43%) to deliver programs. CGS does hire co-op students as well as apprentices in a number of areas. Staff will continue to explore additional opportunities where feasible.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

During the 2021 Budget process, staff proposed and received approval from Council for a reduction in the number of summer students to be hired. Only those critical to Parks Services and Waterfront were approved. As a result of a successful application for Canada Summer Jobs funding, staff have proceeded to hire some additional summer students to support Engineering Services. Staff anticipate being able to dedicate time associated with the review of comparators during Q3 and Q4 2021.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Given our work demands on other projects/daily work, the Municipal Comparator Review project was

included in our quote for an external consultant. Staff are in the process of awarding the contract for an external consultant and will undertake this work with a revised completion date of Q4 2022.

Council has received an update on salary administration practices in 2022, including information about staff recommendations to alter the comparators for some wage steps on the non-union staff payline. In addition, Council has recently approved the implementation of a living wage of \$16.98 to all classifications (excluding students) effective July 1, 2022.

The sharp increase in inflation and historically low unemployment in Greater Sudbury are changing the approach to things like contracting out and employing volunteers or part timers for full time service requirements. In such a tight labour market, part time employment arrangements carry significant risk for turnover, vacancies and retraining costs.

Staff will continue to review the appropriate composition of full-time, part-time or seasonal staff as well as opportunities to review contracting in/out of services. This activity is ongoing and forms part of the annual budget review process with business cases brought forward to Council for review and approval.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Work on changing the mix of comparators in the salary administration plan is not proceeding. Council has received reporting and recommendations on the health of the non-union pay line and has directed changes to the plan but not to the comparators at this time.

Staff continue to employ an array of summer students, co-ops and paid/unpaid student interns. Historically low unemployment persists into 2023 and the tightness of the labour market continues to make implementing some of these recommendations challenging.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Work is underway with respect to a review of the current municipal comparators. An information report on the Salary Administration Policy, including an assessment of the suitability of comparator municipalities and the basis for identifying them will be shared at the September 10, 2024, Finance and Administration Committee Meeting. In addition, a report on the current level of staffing and comparison of staffing levels and levels of service across similar municipalities will be prepared for the Finance and Administration Committee by the end of the third quarter 2024.

B.2 Job Evaluation Plan for Non-Union Staff

As the current job evaluation plan was developed in 2003, some refinements may be required to address areas with higher rates of turnover such as engineering services.

Recommendation:

**Partially
Implemented**

Implement formal processes to track the source and destination of salaried personnel to improve retention rates.

Original Management response and action plan:

A job evaluation plan must be applied consistently across all job classifications to meet the requirements for pay equity legislation as well as meet the intention to ensure internal equity. CGS has a policy driven approach to deviating from job rates derived from job evaluation where there is difficulty recruiting or where "hot skills" drive rates of pay out of line with the market on a temporary basis. The Non-union Market Adjustment Policy establishes a set of criteria which allows for an increase of one CGS pay increment to address these types of situations. To ensure we continue to meet our goal of external equity, on an annual basis, CGS participates in the MERCER Ontario Municipal Compensation Survey, the Municipal

Benchmarking Network Canada Survey, and the Human Resources Benchmarking Network Survey. Additionally, CGS initiates eight to ten ad hoc external market surveys annually with other municipalities and participates in around 60 ad hoc external market surveys with other municipalities.

The Human Capital Management Plan (HCMP) highlights a number of initiatives to address the challenges experienced with a competitive labour market, higher turnover rates, pending retirements and evolving skills and abilities required to meet the strategic priorities of the organization moving forward. Feedback from exit interviews with employees who voluntarily leave or retire was reviewed and considered in the development of the action items in the HCMP. Management will include the implementation of a more formal process to track our appeal for successful candidates and to track where employees go when they leave the City. A more formal process to capture information obtained through onboarding and exit interviews, along with other information from employee engagement surveys will help direct our efforts to improve our ability to attract, retain and develop employees.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Due to other priorities associated with support for the PHSD vaccination clinics, this action has been delayed. Revised timeline for development of the more formal process is Q1, 2022. CAO has added a review of aggregated feedback from exit interviews to his quarterly performance update to Council.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The Human Capital Management Plan includes the implementation of a digitally supported recruitment management system, which will be fully executed by the second quarter of 2022. We anticipate that this system will enable the organization to consistently identify the source of candidates applying to positions. We will also explore options to identify the candidate's employer at the time they are applying to a position. Throughout the third quarter 2022, Human Resources will update the process to engage employees leaving the organization to understand the motivation behind their departure. As this is a voluntary participation on the part of the departing employee, the success of the process will be reviewed within six months of its launch to determine what, if any, changes could be made to increase participation. Results of both the source and destination of our employees will be reported once a reasonable sample size is established.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The recruitment management system, e-recruit has now been fully adopted for all roles in the organization, streamlining the recruitment process and making it easier to onboard successful candidates. Next steps include amending the recruitment guidebook used by hiring managers to reflect new and system supported change to recruitment policy. For example, allowing for the storage of personal candidate profiles for future vacancies and proactively sharing vacancies based on candidate interest.

The exit interview process continues to be a routine part of our exit process with employees. There has been a decrease in the number of departing employees willing to participate in the process, creating data comparability and reporting issues. The data that is being captured is shared with Executive Leadership Team and reported to Council on an informal basis during quarterly CAO performance discussions. Due to the retirement of our external non-union job evaluation consultant in 2020, an In-House Appeal Committee dealt with outstanding Request for Reconsiderations/Appeal until May 2022. The Compensation Section were able to secure an external consultant in June 2022 and the normative process has been reestablished.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The formal exit interview process continues to collect data and is reported on to Council through regular updates by the CAO. A technology enabled process needs to be established to consistently collect and track data related to successful candidates and employees leaving the organization. Due to other priorities this upgrade to our current system is not scheduled to be completed in this year's workplan.

Performance Audit of Water Services

Audit Report released	May 2021
Original # of Observations	4
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	3
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation A

Master Plan and Long-Range Financial Plan

In 2019, the City engaged consultants to develop a water/wastewater long-range financial plan to provide the City with a realistic view of the operating and capital expenditures needed over time to maintain the integrity of its water/wastewater physical infrastructure and to accommodate growth and new environmental standards. To ensure affordability, the consultants recommended a 20-year phase-in strategy for capital contributions to move toward the recommended annual replacement funding requirements.

Partially Implemented

This audit determined that the 20-year phase in strategy that was recommended in the 2019 water/wastewater long-range financial plan places insufficient emphasis on the risks of asset failure in the City’s aging water facilities. As a result, a number of important capital projects which help to ensure a sustainable supply of quality drinking water across the City have been deferred.

Recommendation

The 2024 water/wastewater long-range financial plan should be integrated with the City’s enterprise asset management and risk management practices to ensure a sustainable and affordable supply of quality drinking water across the City.

Original Management response and action plan:

The Long-Range Financial Plan is scheduled to be updated in 2024. Even though the current plan is following a 20-year timeframe, Ontario Regulation requires the plan to be updated no less frequently than every 5 years as part of the drinking water license renewal process. This update could include a recommendation to adjust rate forecasts. If so, an appropriate recommendation would be presented for Council’s approval at that time. The 5-year renewal period also allows the identification of future capital needs (as identified in the studies, Class Environmental Assessments, and building condition assessments), new legislation requirements, new technology developments (which may reduce capital expenditures), operational changes, and updated demand data.

Two factors that will have a major impact on the financial plan will be the implementation of the Advanced Meter Infrastructure (AMI) project and the work of the Inflow and Infiltration (I&I) Task Force. The AMI project is significant and as of mid-2022, we will have more data available about water consumption which will improve forecast quality and reliability. The Infiltration and Inflow (I&I) task force will formulate design plans and produce recommendations that will assist in Council’s intent of minimizing the impact of peak weather flow on our Wastewater systems. The data collected between now and 2024 will provide an update to our risk assessments

and have an impact on capital allocation that may differ from recommendations in the 2017 Master Plan and the 2019 Long-Range Financial Plan.

We agree with the recommendation that the water and wastewater long-range financial plan be aligned with the enterprise asset management and risk management practices. To better inform our future capital needs, we are engaging in facilities condition assessment with risk assessment as its basis to form all our capital work recommendations. We continue to positively manage risks, through asset renewal with capital projects and by implementing appropriate preventative maintenance practices and equipment replacement on a regular basis.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The Management Reviews required as part of the Drinking Water Quality Management System (DWQMS) involve all key stakeholders and are being used to review audit results and risk assessments. This data, approved by all affected departments, is then available for long range planning purposes.

Work on the Automated Meter Infrastructure (AMI) project is ongoing, with impacts to be assessed after substantial completion in 2023.

Funds have been allocated in the 2022 Budget for the Water and Wastewater master plan update. A Request for Proposal will be issued before Q4 2022 to conduct this work.

Condition assessments of Water and Wastewater facilities are ongoing. These assessments will provide recommendations based on the present condition of the facilities and will serve as a basis for future master plan and financial plan updates. These documents will also provide an outlook for future capital needs to keep Water and Wastewater facilities operating in a safe and efficient manner while meeting all regulatory requirements.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Management Reviews of the Drinking Water Quality Management System (DWQMS) continue to be completed with involvement from all stakeholders. Updates are being done to the DWQMS in order to more accurately reflect organizational structure and detailed system risks.

Work on the Automated Meter Infrastructure (AMI) project is ongoing, with project completion estimated in Q4 2023. Analysis of available data has already resulted in measurable improvements in “freeze protection” water use, reductions in “no consumption” accounts in identification of important trends. Further improvements are expected in 2024.

The procurement process for the Water and Wastewater Master Plan update has closed and submitted proposals are currently being evaluated. A proponent will be selected by the end of June 2023.

Both the Asset Management Plan and Master Plan will serve as a basis for updating water and wastewater financial plan in 2024.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Work on the Drinking Water Quality Management System (DWQMS) continues, with specific focus on incident investigation, root cause analysis and stakeholder engagement. A procedure has been developed to ensure that actions and improvements identified through DWQMS investigations are properly captured, tracked and completed.

The Automated Meter Infrastructure (AMI) project was completed in December 2023, with over 98.5% of meters installed. An update was presented to council in April 2024, with a plan to achieve 100% installation by 2025. Data is now being used by the Infrastructure Capital Planning group for capital prioritization and by Water/Wastewater Treatment & Compliance to identify areas for reducing water losses and contacting

individual customers to identify potential issues and concerns.

The update to the Asset Management Plan has been completed, and work to finalize the update of the Water and Wastewater Master Plan is ongoing. Information from both plans was used as part of the multi-year capital budgeting process completed in 2024 and will continue to be used for capital planning purposes.

Observation B

Capacity and Quality Management

In 2017, the water/wastewater master plan identified water capacity issues in the Valley. The planning consultants concluded that an additional supply of water would be required to service growth after 2031. The water/wastewater master plan also identified quality issues in Garson that need to be addressed by 2036.

Partially
Implemented

Since 2017, staff has taken steps to schedule condition assessments and repairs to maintain the supply of drinking water at the current level in the Valley. A ground water study is currently underway to assess the adequacy of the aquifer in the Valley. This study will feed the future water/wastewater master plan that will ultimately make recommendations based on forecasted population growth and economic development.

Recommendations

As the City is a relatively high-cost operator, we encourage staff to continue to rationalize the City's extensive water facilities which include 23 water wells, 12 pumping stations, 9 water storage facilities, 8 metering stations and 2 water treatment plants.

Original Management response and action plan:

We agree. The Water and Wastewater Master Plan was developed based on four (04) pillars: Efficiency, safety, regulatory requirement and land development. One of the efficiencies identified in the water system is to supply Garson with water from Sudbury water system instead of the existing 3 wells. The decommissioning of these water wells, part of the rationalization of water facilities, will eliminate the ongoing operation and maintenance cost of the wells and at the same time enhance the usage of the available water supply capacity. An environmental assessment (Environmental Assessment) is ongoing to address the Garson water supply.

From a safety perspective, having redundancy in the water source, David Water Treatment Plant and Wanapitei Water Treatment Plant, provide the city with a safety factor to supply water during maximum day demand and during maintenance activities at either one of the water facilities or on the Wanapitei water trunk.

The Water and Wastewater Master Plan update will commence by 2022/2023 and we will be looking at finding additional efficiency opportunities within the water system based on future water demand and growth projections while considering the topography and the geography of our serviced communities.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Equipment upgrades are ongoing at various facilities to replace end-of-life assets with new, more energy efficient options (such as Variable Frequency Drives, or VFDs). This work is ongoing and dependent on ongoing condition assessments and the identification of end-of-life assets.

Work to decommission the Garson Wells continues, and the City is currently in the process of completing a detailed Environmental Assessment to fulfil proper design and legislative requirements before proceeding with additional work.

Finally, work is ongoing in Capreol to address the high levels of Iron (Fe) and Manganese (Mn) in the well water. This will allow for more efficient operation of the entire Valley Well system as reducing levels of Fe and

Mn will allow for an increase in local production, thereby decreasing the volume of water pumped from the Valley to meet the demands of Capreol.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The Garson water servicing study Environmental Assessment (EA) is complete, and staff are in the process of issuing a Request for Proposals for detailed design and contract administration.

The procurement process to award a five-year water wells rehabilitation contract is underway, with a proponent to be selected in Q3 2023.

Upgrades and replacements of existing equipment are continuing as part of ongoing efforts to keep water facilities operating safely and efficiently. These projects include upgrading the David Street Water Treatment Plant Heating, Ventilation, and Air Conditioning (HVAC) system, Wanapitei Water Treatment Plant filter replacements and various process control and valve projects.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Work on the Garson water supply project continues, with capital funds allocated during the multi-year capital budgeting process in 2024. The procurement process for the well rehabilitation contract was completed, with the successful proponent starting work in the spring of 2024. Upgrades to facilities are continuing, with the projects for David St. HVAC and Wanapitei process control valves completed in 2023.

Observation C

User Fees

The City currently uses a hybrid pricing structure for monthly user fees for water. To encourage water conservation, customers are charged a variable fee that is based on the amount of water used each month. Customers are also charged a fixed fee that is dependent upon the size of the water meter used by the customer. The fixed fee is intended to reflect the costs incurred to make the system available for use regardless of how much water each customer consumes. Like any water system, most of the City's costs are for infrastructure and do not change much with the volume of water treated.

**Partially
implemented**

This audit determined that only 43% of the fees charged to residential customers are for the recovery of fixed fees. As a result, the City may incur annual deficits if annual water consumption is less than budgeted consumption. Research indicates that implementing tiered water rates is the most efficient and effective way to encourage residents to conserve water.

Recommendation:

To achieve a balance between fixed cost recovery and conservation, continue to use a hybrid rate structure with fixed charges and variable fees.

To reduce the City's exposure to revenue fluctuations from changes in water demand and to provide more stable funding to the water reserve account, increase the fixed charge component to 50 percent. To support the City's conservation goals, implement a tiered variable fee structure.

Original Management response and action plan:

We agree to the recommendation to the review rate structure in the future as part of the next iteration of the long-term financial plan in 2024. Changes in water billing rate structures are examined as part of this plan and in annual budgets presented to Council.

Management will ensure that a rate structure continues to support conservation measures that have proven to be extremely beneficial to the long-term sustainability of the water system. In addition, management will ensure that recommendations are made to support appropriate levels of reserves to offset risks created by a variable rate structure.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

As indicated in the audit, the long-term financial plan is scheduled to be updated in 2024. Recommendations on rate structure will be provided to council at that time.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

As indicated in the audit, the long-term financial plan is scheduled to be updated in 2024. Recommendations on rate structure will be provided to council at that time.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The review of the long-term financial plan has started under the leadership of City finance personnel. A report is expected to council by the end of 2024.

Performance Audit of Real Estate Services Section

Audit Report released	Sept 2021
Original # of Observations	4
# of Action Plans Previously Complete	3
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation B

Utilization of Real Estate Inventory

One of the main functions of the Real Estate Services Section is to manage the City’s real estate inventory with a focus to achieve full utilization. Real Estate staff anticipate that more than one floor of the provincial tower at Tom Davies Square (TDS) will become vacant in 2023 when the lease with the province expires. This space could be used to accommodate City staff that presently occupy the first floor of the TDS. As a result, an opportunity exists to negotiate a mutually beneficial shared service agreement with the Greater Sudbury Police Services (GSPS) for facilities in the TDS.

Partially Implemented

Recommendation

The City should resume negotiations with the GSPS for renovated space at TDS in order to minimize vacancies and funds required for capital projects.

Original Management response and action plan:

Staff will continue to determine office space requirements post – pandemic. With the increase in staff working from home and the expected vacancies at 199 Larch Street in 2023, staff expect that there will be changes in office space allocation. Staff will include all City departments and boards, including GSPS in order to determine office space requirements and reallocations. Real Estate will continue their discussions with Infrastructure Ontario to determine their requirements for office space post –pandemic and prepare a new lease for their tenancy at 199 Larch Street. The execution of a new lease will require city council approval.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Negotiations with Infrastructure Ontario (IO) are currently underway. There will be office space available for the City and GSPS to occupy at 199 Larch Street as a result of IO’s reduction of leased space. The amount of space and the timing of IO providing vacant possession has not been finalized. Additionally, staff are studying the impacts of work from home policies and post-pandemic recovery demands on space in the TDS / 199 complex. This work will likely result in shared workspaces, a reduced demand for permanent work stations and an ultimate reduction in the overall requirement for office space. Upon finalization of negotiations and vacant possession, Real Estate services will work with all CGS departments, including GSPS, to facilitate the appropriate allocations of space within the TDS/199 Larch facilities.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Negotiations with IO are continuing for the remainder of the space which they wish to continue to occupy in the building at 199 Larch. The City is reviewing the potential to accommodate City and other related staff at 199 Larch and no decisions have been at present time.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

IO has relinquished a significant amount of space within 199 Larch Street. Negotiations with IO are continuing for the remainder of the space which they wish to continue occupying. The execution of a new lease with IO will require City Council approval.

In November of 2023, Council approved plans for the development of a Cultural Hub at Tom Davies Square. This will involve retrofitting both 200 Brady St. and 199 Larch St. to include a new Central Library, the Art Gallery of Sudbury and the Sudbury Multicultural and Folk Arts Association.

To make room for these new services at Tom Davies Square, a Municipal Services Relocation project will move municipal staff from 200 Brady St. to the provincial tower at 199 Larch St. In discussions with the Cultural Hub project staff, all or most available space at 199 Larch St. is required for municipal staff. Any additional space would require termination of leasing arrangements with provincial ministries.

The City is reviewing the potential to make certain space available to GSPS within 200 Brady St. on the main floor and have had discussions with GSPS on this opportunity to minimize vacancies of the buildings.

Standing Offers for Goods and Services

Audit Report released	May 2022
Original # of Observations	3
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	3
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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1. Economy and Efficiency of Purchases

The City's Standing Offers for goods and services provide effective arrangements for making smaller repetitive purchases. Notwithstanding, opportunities exist to improve the economy and efficiency of these purchasing arrangements.

Observations:

1. Standing Offers are being awarded to multiple suppliers for the same commodity or service despite differences of 10 percent or more in their bid prices. For example, Standing Offers were awarded to 7 vendors for the HVAC, Electrical and Plumbing Services rather than to the 5 qualified and reputable vendors with lowest hourly rates. As a result, opportunities for cost savings were lost.
2. Approving multiple suppliers for Standing Offers is inefficient when a smaller number of suppliers have the ability to meet City's needs. For example, the vast majority of safety items and janitorial suppliers are being procured annually from four of eight approved suppliers for both standing offers. Similarly, only 4 of the 22 equipment rental suppliers accounted for 94% of the usage in 2020.
3. Actual quantities of goods and supplies purchased significantly exceeded the quantities identified within the Bid Solicitation documents for several of the Standing Offers examined such as asphalt and CCTV camera inspection and cleaning of sewers. As a result, bidders for these Standing Offers may not have submitted their lowest competitive bids.
4. Like other northern municipalities, the City has a large annual requirement for rock salt to deliver its winter maintenance program. Establishing a shared bulk purchasing program with other northern municipalities such as North Bay, Elliot Lake and Sault Ste. Marie might yield cost savings.
5. The annual average expenditure on HVAC, electrical and plumbing contractors is significant. While these expenditures include materials and supplies, it is possible that one or more of these services may be delivered more economically using in-house resources that are centrally coordinated.

Recommendations:

1. To ensure economical purchases and obtain cost savings, only award a Standing Offer to the lowest cost qualified suppliers unless it is necessary to have more to meet the City's requirements.
2. To improve the efficiency of contract administration procedures, approve the minimum number of qualified suppliers offering the lowest cost and capacity to meet the City's operational needs.
3. Provide realistic estimates of the goods, services or construction items that will be purchased annually to encourage competitive bids from suppliers.
4. Explore the merits of a shared bulk purchasing program for rock salt with other northern municipalities such as North Bay, Elliot Lake and Sault Ste. Marie.

Partially Complete

5. Prepare a business case to assess the feasibility of expanding the City's in-house capacity to deliver HVAC, electrical and plumbing services to reduce reliance on contractors.

Management Response and Action Plan

Recommendations 1 – 3:

As of 2019, Management has begun transitioning to a new Standing Offer model. Under the new model, many of the previous Standing Offers were converted to Contracts with one Supplier or one Supplier per item, requirement, or service area, etc. In the event multiple Suppliers are necessary to guarantee continuous supply or service, Standing Offers are being constructed in a way to ensure the City always selects the best offer. Standing Offers will include one of the following Call-up processes:

- First right of refusal (Supplier with lowest price or highest score awarded contract, unless they decline due to availability)*
- Secondary, quick-quote process (all Suppliers on the Supplier list are given an opportunity to provide a quote and lowest is selected. Note: qualitative evaluation could be factored into the process); or*
- Rotational contract awards to all Suppliers on the Supplier List (in limited circumstances).*

In addition, Supplier Lists will be kept to a minimum number of Suppliers as deemed necessary for the good or service and potential Suppliers will be provided with an estimated quantity to ensure we take advantage of economies of scale, while informing them on the potential volume to ensure they can meet our needs.

Management will propose changes to the Purchasing By-Law to add explicit requirements and limitations on the use and Call-up procedures for Standing Offers.

Recommendation 4:

The operating departments, with the assistance of Purchasing, will explore the merits of a shared bulk purchasing program for rock salt with other northern municipalities.

Recommendation 5:

The operating department(s) that utilize these Standing Offers will review the feasibility of expanding the City's in-house capacity to deliver HVAC, electrical and plumbing services to reduce reliance on contractors. If opportunities for efficiency and cost savings are found, the operating department(s) will prepare a business case.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Recommendations 1 – 3:

The new Standing Offer model has been implemented and applies to all new Standing Offer Arrangements being established.

The Purchasing By-Law will be updated to include the new Request for Standing Offer (RFSO) process and further define limitations on its use by end of 2023.

Recommendation 4:

Purchasing approached multiple northern municipalities with the objective of using our collective buying power and volumes to ensure an advantageous contract price.

Many municipalities identified that they had either recently entered into multi-year agreements for the supply or due to their geographical location were able to take advantage of materials moving via water at an advantageous price. No municipality identified they were interested in perusing a joint procurement at this

time.

Recommendation 5:

Standing Offers for HVAC, electrical and plumbing services will be established using the new Standing Offer model. Once established, the City will monitor its use and collect the necessary data to be able to properly assess if opportunities for efficiency and cost savings exist should the City expand its in-house capacity.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Recommendations 1 – 3:

The new Standing Offer model has been implemented and applies to all new Standing Offer Arrangements being established.

In addition, the Purchasing Section has further expanded the use of “Framework Arrangements” and implemented a Request for Supply Arrangement (RFSA) that will be used when the requirements (scope) of the commodity is not known and/or the pricing cannot be fixed (but ceiling prices could be added). This type of arrangement establishes a supplier list that could either be open or closed for suppliers to be added to the supplier list throughout the term. It also details the necessary second-stage procurement process requirements (generally an invitational request for quotation process), to define requirements (scope) and/or established a fixed contract price to award a contract off the Supplier List.

The Purchasing By-Law will be updated to include the new Request for Standing Offer (RFSO) and Request for Supply Arrangement (RFSA) procurement processes for standing offer and supply arrangements and define limitations on their use. The Purchasing Section is currently reviewing its service model that will result in further changes, therefore the date for the revised Purchasing By-Law has been deferred to the end of 2024.

Recommendation 4:

Although the City was not successful in moving forward with joint procurements for the commodities mentioned in this audit report, the City participates in joint procurement opportunities with other municipalities, is a member of the Sudbury Regional Buyers Group, and uses a variety of public-sector cooperative buying group contracts listed on the [City’s Website](#) where feasible and where the contract price is advantageous for the City.

Recommendation 5:

Standing Offers for HVAC, electrical and plumbing services have been or are in the process of being established (to be completed by the end of Q2 2024) using the new Standing Offer model. These Standing Offer arrangements will utilize a call-up process that requires Authorized Persons to use the Supplier priority ranking that was established during the evaluation process based on several evaluation criterion, including mandatory experience and contract price. Once arrangements have been established, the City will monitor its use and collect the necessary data to be able to properly assess if opportunities for efficiency and cost savings exist should the City expand its in-house capacity.

Legal Obligations

The City's purchasing policies, practices and activities are subject to compliance with the City's Purchasing By-Law (2014-1) and Trade Agreements.

Observations:

1. Standing Offers are awarded to multiple suppliers instead of to the lowest qualified number of suppliers needed to meet the City's annual requirements. This practice does not fully align with objectives (a), (b) and (d) of the Purchasing By-law.
2. Call-up procedures for allocating across qualified bidders are not always transparent. For example, a number of suppliers that were awarded Standing Offers for janitorial and safety supplies had not been used at all. This practice does not align with objectives (a), (b), (d) and (e) of the Purchasing By-law.

Recommendations:

- i. Revise the current practice of awarding Standing Offers to multiple suppliers unless there are valid operational reasons to support the practice.
- ii. Formalize call-up procedures to ensure subsequent purchases will be made consistently from the most economical supplier or suppliers required to meet the City's annual requirements.

Partially
Implemented

Management Response and Action Plan

As of 2019, Management has begun transitioning to a new Standing Offer model. Under the new model, many of the previous Standing Offers were converted to Contracts with one Supplier or one Supplier per item, requirement, or service area, etc. In the event multiple Suppliers are necessary to guarantee continuous supply or service, Standing Offers are being constructed in a way to ensure the City always selects the best offer. Standing Offers will include one of the following Call-up processes:

- *First right of refusal (Supplier with lowest price or highest score awarded contact, unless they decline due to availability)*
- *Secondary, quick-quote process (all Suppliers on the Supplier list are given an opportunity to provide a quote and lowest is selected. Note: qualitative evaluation could be factored into the process); or*
- *Rotational contract awards to all Suppliers on the Supplier List (in limited circumstances).*

In addition, Supplier Lists will be kept to a minimum number of Suppliers as deemed necessary for the good or service and potential Suppliers will be provided with an estimated quantity to ensure we take advantage of economies of scale, while informing them on the potential volume to ensure they can meet our needs.

Purchasing will be proposing a formal change to the Purchasing By-Law to add explicit requirements and limitations on the use and Call-up procedures for Standing Offers.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The new Standing Offer model has been implemented and applies to all new Standing Offer Arrangements being established.

The Purchasing By-Law will be updated to include the new Request for Standing Offer (RFSO) process and further define limitations on its use by end of 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The new Standing Offer model has been implemented and applies to all new Standing Offer Arrangements being established.

The Purchasing By-Law will be updated to include the new Request for Standing Offer (RFSO) and Request for Supply Arrangement (RFSA) procurement processes for standing offer and supply arrangements and define limitations on their use. The Purchasing Section is currently reviewing its service model that will result in further changes, therefore the date for the revised Purchasing By-Law has been deferred to the end of 2024.

3. Supplier Performance Monitoring

The majority of Standing Offers for goods, services and construction are initially established by the Procurement Section of Finance Services, generally extended on expiry of their initial term, and renewed when extensions are no longer possible.

Observation:

Operational staff interact with suppliers in the normal course without a formal system to record and track supplier performance. As a result, decisions to extend or renew Standing Offers may not be objective.

Recommendation:

Establish a formal system to monitor and document supplier performance to ensure that decisions to extend and renew contracts are based on objective documented information.

**Partially
Implemented**

Management Response and Action Plan

Purchasing continues to lead the development of a formal Contractor Performance Management System. It will be a holistic system that starts with defining contract requirements, conducting contract risk assessments, and developing key performance indicators. There will be a process to record performance and escalate issues to ensure that penalties are appropriate and that issues are escalated to the right people within the City and the Contractor.

This formal system will reinforce the current provisions in the Purchasing By-Law "Disqualification of Bidders", to ensure that expectations are clearly defined, proper notice procedures are followed and that penalties are administered systematically to avoid legal challenges. This is not only meant to be a punitive process as satisfactory performance will also be recorded in order to document the City's reasoning for awarding option years on multi-year contracts, to serve as references for future Bid Solicitation process and to recognize Contractors that provide excellent services.

The development of a formal system will include the evaluation of the Vendor Performance Management Module in bids&tenders. The bids&tenders Vendor Performance Management Module can provide the ability for all parties (Purchasing, the Contract Administrator and the Supplier) to send, fill-out and receive associated forms, as well as tracking due dates of performance review and records retention.

This project will extend into 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Purchasing continues to lead the development of a formal Contractor Performance Management System. A formal Contractor Performance Management System will be included in the Contract Management Policy. The Contract Management Policy is in the work plan and scheduled to be approved in late 2023, with implementation beginning in early 2024.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

A formal, robust Supplier Performance Management System requires a formal, robust contract management system and associated process.

A review of the entire procurement and contract management function at the City is in the discussion phase. Information will formally be brought forward for discussion in the coming months. This will ensure that foundational policies, systems and supports are in place to enable the creation of such a system that will meet key objectives.

In the interim, the current policies and procedures remain in place. The Purchasing By-Law and the Procurement Contract Administration Policy and Procedures require Authorized Persons to manage performance of suppliers to ensure conformance to contracts. In addition, they must document any non-performance issues and escalate issues to the Agent and Solicitor should formal performance improvements plans be required and/or if contract termination is being considered consequently or pursued.

Performance Audit of Salt Management Processes

Audit Report released	June 2022
Original # of Observations	4
# of Action Plans Previously Complete	1
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	3
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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A. Salt Management Plan and Objectives

GHD, which is a professional engineering and architectural services company, was engaged in 2019 to update the City’s salt management plan which sets out a policy and procedural framework to ensure the City’s Linear Infrastructure Services (LIS) Division continuously improves the effective delivery of winter maintenance services and the management of road salt used in winter maintenance operations. The 2019 Salt Management Plan identifies the following objective: “LIS is committed to continuously improving winter maintenance operations in a cost effective manner while ensuring public safety. This dynamic approach will allow LIS to optimize the use of chloride-containing winter maintenance materials on municipal roads while striving to minimize negative impacts to the environment.”

Partially Complete

This audit indicated that detailed monthly reports and high-level annual reports on winter maintenance operations are provided to Operations Committee. However, these reports do not fully support continuous improvement as they do not measure progress against the objectives and recommendations within the City’s salt management plan.

Recommendation:

Progress against the salt management plan objectives and recommendations shown at Table 1 and Table 2 of this report should be provided to Operations Committee in the annual report on winter maintenance operations.

Original Management response and action plan:

We agree. An update on progress will be provided to Operations Committee annually beginning in 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

GHD visited each of the CGS maintenance depots in November of 2022. This was a requirement of the Salt Management Plan Update. They met with Operations Managers and gathered pertinent information to conduct the SMP Update. The final report has not yet been received and staff have recently followed up with GHD on progress. We expect that the report will be available prior to the end of the year.

GHD also completed monitoring of the waterbodies surrounding the Frobisher depot as part of their SMP Update. Results of the water sampling were received, and the information submitted to the City’s legislative Compliance team as part of the requirements of the Frobisher Risk Management Plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

An update on the progress against the salt management objectives and recommendations shown at Table 1 and Table 2 of the Performance Audit of Salt Management Processes report will be provided to Operations

Committee in the annual report on winter maintenance operations in Q3 of each year.

B. Salt Storage and Facility Management

The salt management plan provided a number of recommendations to better manage environmental risks associated with the current depots that have not been addressed yet as many require capital investments. There are also a number of operational deficiencies and inefficiencies associated with the storage of salt, sand and brine at the current depots which the 2018 depot master plan recommends rationalizing. Table 1 in this report summarizes these recommendations.

Partially
Complete

Recommendation:

The City needs to move forward with Phase 1 of the depot master plan to address inefficiencies and environmental risks associated with the storage of salt, sand and brine at the depots.

Original Management response and action plan:

We agree. The professional services contract for the design and contract administration services for the depot master plan is currently being finalized. Work will begin on the design by Q4 of 2022.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The professional services contract for the design and contract administration services for the depot master plan has been assigned to a consultant and design work is underway. We anticipate the design for the Frobisher salt sand building to be completed in 2024 and the design work for the remaining depots to be completed by the end of 2025.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The professional services contract for the design and contract administration services for the depot master plan has been assigned to a consultant and design work is underway. We anticipate the design for the Frobisher salt sand building to be completed in 2024 and the design work for the remaining depots to be completed by the end of 2025.

C. Salt Optimization Plan

In 2018, the City developed a salt optimization plan to remain proactive with its Salt Management Plan initiatives and as a requirement of the Ministry of Environment and Climate Change. Developing this plan demonstrated to the community that safe and environmentally conscious road salt management and winter maintenance practices are a priority.

Partially
Complete

The recommendations in Table 3 were developed to achieve the project's vision of minimizing the environmental impact of using road salt to maintain safe pedestrian and vehicular traffic and to improve the efficiency of winter maintenance practices. As a result of budget constraints and the pandemic, some of the high and medium priority recommendations have not been addressed yet.

Recommendation:

Progress against the salt optimization plan objectives and recommendations shown at Table 3 of this report should be provided to Operations Committee in the annual report on winter maintenance operations.

Original Management Response and Action Plan:

We agree. An update on progress will be provided to Operations Committee annually beginning in 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

GHD was secured to complete the Salt Optimization Plan (SOP) Update in 2022. This Update has not yet been received and staff have recently followed up with GHD on progress. However, we expect that the SOP Update will be included as part of the City's review of road salt routes in a report to Operations Committee in August of 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

GHD completed the Salt Optimization Plan (SOP) Update which was utilized as an important tool in the "Winter Maintenance Salt Routes Review 2023" report, presented to Operations Committee on August 14, 2023. Following the initiative outlined in the report, approximately 70 Lane-Km of Greater Sudbury roadways were changed from salt routes to sand routes last winter.

An update the progress against the salt management objectives and recommendations shown at Table 3 of Performance Audit of Salt Management Processes report will be provided to Operations Committee in the annual report on winter maintenance operations in Q3 of each year.

Performance Audit of Social Services Division

Audit Report released	Sept 2021
Original # of Observations	4
# of Action Plans Previously Complete	2
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	2
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation A

Ontario Works (OW) Program and Ontario Disability Support Program

The pandemic resulted in a reduction of caseload for the OW program as many people were eligible for higher amounts from the Canada Emergency Response Benefit program. Social Services staff managed program delivery costs in 2020 and 2021 by not filling several vacant positions. Staff have also initiated steps to permanently eliminate the Employment Counselor classification in preparation for the transition to the Provincial Employment Service Transformation in 2023. Tables 4 and 5 identify performance indicators and metrics for the City as well as some relevant comparators.

Partially Implemented

Recommendations:

- i. Performance targets should be developed to ensure continuous improvements in program delivery. These targets should include better practices from similar municipalities.
- ii. Employment counselors should explore the suitability of OW recipients for seasonal jobs at the City.

Original Management response and action plan:

- i. *Performance targets that are used by the Province are currently being reported quarterly through the CAO performance report. We agree with the recommendation and will review practices from similar municipalities to include in semi-annual reporting to the Community Services Committee.*
- ii. *The Children and Social Services Division will explore further opportunities for seasonal jobs at the City. The Division already has had some success with this in the past with the training of Personal Support Workers for placements and eventual career opportunities with Pioneer Manor.*

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

The Social Services Program update quarterly report which was presented at the Community Services Committee on May 16 provided information with respect to operations, services, and key performances. All City job postings are shared with clients for employment opportunities. Also, we continue to provide training placements wherever possible for our carpentry, culinary and personal support workers within the community. Employment opportunities are shared with community agencies such as YMCA, Ontario March of Dimes and Spark.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

- i) *New section was created (Strategy, Innovation and Performance) to develop tools to assist with data driven decision making. Available Provincial reports are being reviewed and data will be used to build dashboards.*

Changes to the Ontario Works delivery model by the Province have dictated that new performance measures be introduced for Ontario Works. The City of Greater Sudbury will be transitioning to full functionality in 2024-2025

Additional networking with other municipalities occurring regularly through provincial association contacts (OMSSA, NOSDA) and through direct contact with municipalities that have commenced innovative approaches.

Social Services will be providing semi-annual reporting on performance has been added to the regular reports to Community and Emergency Services Committee. The next report is listed for July 2023.

- ii) The division no longer maintains Employment Counsellor Positions in house. The Employment Support Analyst position has continued to lead and develop opportunities for OW participants in collaboration with community service providers. Currently, Culinary and Carpentry programs are active with College Boreal as the lead agency, Personal Support Worker and Janitorial programs are led by St. Albert's Alternative School.

The division is also collaborating with the Purchasing Division to explore social procurement opportunities, specifically regarding the pending janitorial procurement, and including language that would facilitate the hiring of graduates of the janitorial program offered by St. Albert's.

The Province of Ontario is introducing a new service delivery model for employment services that anticipates a "Service System Manager" selected through a competitive process that will, through the Province's Employment Ontario model, provide employment support to the Ontario Works delivery agents (municipalities and DSSABs) in regionally defined areas. The North-East region will be transitioning to this new model in late 2023

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

- i) The Division continues to provide semi-annual updates to the Community and Emergency Services Committee, the next report is scheduled to be tabled in August 2024. The ability to gather and analyze data has been expanded and the Strategy, Innovation and Performance section continues to develop capacity to provide support for better data driven decision making. Recent initiatives include the use of HelpSeeker Technologies' "Karto" application, to provide access to census and "supply and demand" data regarding social infrastructure and demographic trends. Further, a pilot project with the Ministry of Community, Children and Social Services successfully tested connectivity for a future release of data specifically for the Ontario Works program. Efforts in creating dashboards and data visualization tools will continue in 2024 and beyond.

Staff also continue to leverage relationships with other municipalities and DSSABs to review past and best practices regarding the delivery of programs and services. This has included the use of data and dashboards, program specific local business practices and gathering advice from industry partners that have already experienced several of the changes anticipated by the Division (MCCSS's modernization agenda).

- ii) As reported previously, part of the change agenda from the Province of Ontario includes Employment Services Transformation that will see a third-party entity assume responsibility for most employment services for Ontario Works clients. This change is now in the planning phase, with a Service System Manager selected, and initial dialogue with a Northeast Consortium (OW delivery agents, post-secondary institutions, Employment Ontario deliverers) having just commenced. The new delivery model will be implemented in March 2025. As the Division transitions, programs and services for social assistance recipients continue to be offered, including skills training programs targeting identified areas

of need in various employment sectors (carpentry and culinary program, support for a PSW program). Future planning will focus on the needs of clients that require additional support to become “employment ready”, or that require assistance in accessing the necessary health related programs and services, with the Division providing stability support.

Observation C

Funeral Assistance Program

The City provides eligible residents with assistance for funeral costs. For “shareable funerals” the City makes a financial contribution after obtaining an assignment from the estate and any CPP/OW benefit to which the deceased may be entitled. For “non-shareable” funerals, the City pays the full costs.

Partially
Implemented

To address the rising costs for funeral services, some municipalities have capped individual funeral benefits at \$2,500 while others have issued competitive purchasing. To manage the rising costs for funeral services, staff recommended that the City of Greater Sudbury approve a competitive process for funeral services as outlined in a report entitled "Social Services - Discretionary Benefits Update". While this motion was defeated by Council on August 12, 2020, Council did not approve a maximum fee for funeral assistance which has been as much as \$6,148 per individual in the past several years.

Recommendations:

Staff should recommend a maximum for funeral assistance benefits per individual within the discretionary rate chart that is provided to the Community Services Committee and Council for approval. Report to Council at least annually on the number of funerals and cost of funeral assistance.

Original Management response and action plan:

Staff will bring the historical rate chart forward for Council approval. We will report annually to the Community Services Committee on funeral costs along with the entire discretionary services envelope of funding from the province.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Staff have updated the funeral rate chart to provide clarity on services provided and items for billing. We hope that this update helps to simplify processing of invoices and payment. This chart will be reviewed every two years, or sooner if directed by Council. Report will be brought to Community Services Committee at year end 2022 regarding discretionary funding and annually thereafter as part of the Social Services Program report.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023 - No change

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

No actions have been undertaken since the last update. The Division will report on the funerals as part of our social services semi-annual report. Data describing the number of funded funerals as well as the average cost/funeral and total cost of all funded funerals.

The Division anticipates some changes to funding formulas from MCCSS that may have an impact on discretionary funding, starting in Q2 of 2025. Details are not known at this time. Funding changes will coincide with the implementation of Employment Services Transformation in March 2025.

Standing Offers for Professional Engineering & Architectural Services

Audit Report released	May 2022
Original # of Observations	2
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Legal Obligations

The City’s purchasing policies, practices and activities are subject to compliance with the City’s Purchasing By-Law (2014-1) and Trade Agreements.

Partially Implemented

Observations:

1. Standing Offers are awarded to multiple suppliers instead of to the lowest qualified group of suppliers needed to meet the City’s annual requirements. This practice does not fully align with objectives (a), (b) and (d) of the Purchasing By-law.
2. Call-up procedures allocate work roughly evenly across all qualified bidders rather than to the lowest qualified group of suppliers necessary to meet the City’s annual needs. This practice does not align with objectives (a) (b) and (d) of the Purchasing By-law.
3. The Purchasing By-Law 2014-1 was last updated on October 1, 2019, and consequently may not adhere to all of the requirements of the trade agreements.

Recommendations:

1. Revise the current practice of awarding Standing Offers to multiple suppliers unless there are valid operational reasons for having more than one supplier.
2. Formalize call-up procedures to ensure subsequent purchases will be made consistently from the most economical group of suppliers needed to meet the City’s annual requirements.
3. Update the Purchasing By-Law with a view to ensuring adherence to the trade agreements.

Original Management response and action plan:

1. Agreed. Staff will consider reducing the number of vendors per category in the new bid solicitation. This reduction will be based on the expected volume of work and represent a minimum of three candidates for the categories with sufficient volume.
2. Agreed. With the recommended changes to the number of vendors per category and the financial scoring, there will be less variation in weighted average hourly cost by not considering bids that are deemed too high. This will ensure that technically qualified bids are financially competitive and represent value. The “Various Engineering Consultant Services Standing Offer Procedures” manual and the new bid solicitation will be updated with these recommendations.
3. Agreed. The Purchasing By-Law is being updated and the recommendations of this audit will be included in that review.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

1. *In the new Standing Offer, only the three highest scoring Offerors from each category were selected to enter onto a Standing Offer Arrangement for future work.*
2. *The Financial Proposal evaluation included a process where Offers were disqualified if their average hourly rate was higher than 10% of the average hourly rate of all Offerors.*
3. *The Purchasing By-Law will be updated to include the new Request for Standing Offer (RFSO) process and further define limitations on its use by end of 2023.*

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The current Standing Offer for Engineering Services complies with the above.

In addition, the Purchasing Section has further expanded the use of “Framework Arrangements” and implemented a Request for Supply Arrangement (RFSA) that will be used when the requirements (scope) of the commodity is not known and/or the pricing cannot be fixed (but ceiling prices could be added). This type of arrangement establishes a supplier list that could either be open or closed for suppliers to be added to the supplier list throughout the term. It also details the necessary second-stage procurement process requirements (generally an invitational request for quotation process), to define requirements (scope) and/or established a fixed contract price to award a contract off the Supplier List.

The Purchasing By-Law will be updated to include the new Request for Standing Offer (RFSO) and Request for Supply Arrangement (RFSA) procurement processes for standing offer and supply arrangements and define limitations on their use. The Purchasing Section is currently reviewing its service model that will result in further changes, therefore the date for the revised Purchasing By-Law has been deferred to the end of 2024.

Performance Audit of Wastewater Services

Audit Report released	Dec 2020
Original # of Observations	4
# of Action Plans Previously Complete	2
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	2
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation A – Master Plan and Long-Range Plan

This audit determined that the 20-year phase in strategy that was recommended within the 2019 water and wastewater long-range financial plan places insufficient emphasis on the risks of asset failure and ignores significant capacity limitations within some of the City’s treatment plants. As a result, a number of upgrades to treatment plants and lift stations that have higher risks of failure and were recommended in the 2017 master plan have been deferred.

Partially Implemented

Update the water and wastewater long-range financial plan in 2024 to ensure it incorporates sound asset management and risk management practices and recommends sufficient funding to maintain and, where necessary, expand the capacity of the wastewater assets.

Original Management response and action plan:

The Long-Range Financial Plan is scheduled to be updated in 2024. Even though the current plan is following a 20-year timeframe, by Ontario Regulation the plan has to be updated no less frequently than every 5 years as part of the drinking water license renewal process. This 5-year renewal period may see a change in forecasted rates and, if necessary, an appropriate recommendation for a rate change to Council will be made at that time. Two factors that will have a major impact on the financial plan will be the implementation of the Advanced Meter Infrastructure (AMI) and the work of the Inflow and Infiltration (I&I) Task Force.

The AMI portion is significant and as of mid-2022, we will have a more accurate value of water consumption and available funding. The Infiltration and Inflow task force is now gaining momentum and have started formulating design plans and producing recommendations which will assist in Council’s intent of minimizing the impact of peak weather flow on our Wastewater systems.

The data collected between now and 2024 will provide an update to our risk assessments and have an impact on capital allocation that may differ from recommendations in the 2017 Master Plan (MP) by directing funds towards maximizing reduction of I&I thereby minimizing the more costly option of expanding facilities.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Asset Management Plan and Long-Range Financial Plan are expected to commence in 2022/2023 and 2024 respectively. The Water and Wastewater Master Plan will be included in the planned 2022 budget. The budget item will allow us to issue an RFP to hire a consultant to update the existing Master Plan.

The Inflow and Infiltration (I&I) Task Force work is progressing. We have completed flow monitoring in Lively and we are in a process of data analysis. Additional flow monitoring and CCTV are in procurement for some additional areas.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Funds have been allocated in the 2022 Budget for the Water and Wastewater master plan update. A Request for Proposal will be issued before Q4 2022 to conduct this work

Condition assessments of Water and Wastewater facilities are ongoing. These assessments will provide recommendations based on the present condition of the facilities and will serve as a basis for future master plan and financial plan updates. These documents will also provide an outlook for future capital needs to keep Water and Wastewater facilities operating in a safe and efficient manner while meeting all regulatory requirements.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Condition assessments for all wastewater facilities have been completed. These documents are being used as the basis for updating the Water and Wastewater Asset Management Plan. Staff anticipate receiving the first draft of the updated Asset Management Plan in June 2023.

The procurement process for the Water and Wastewater Master Plan update has closed and submitted proposals are currently being evaluated. A proponent will be selected by the end of June 2023.

Both the Asset Management Plan and the Master Plan will serve as a basis for updating water and wastewater financial plan in 2024.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The update to the Asset Management Plan has been completed, and work to finalize the update of the Water and Wastewater Master Plan is ongoing. Information from both of these plans was used as part of the multi-year capital budgeting process completed in 2024, and will continue to be used for capital planning purposes.

Observation B – Asset Management

In 2016, an infrastructure backlog of \$882 million was identified in the Water/Wastewater division that needed to be addressed by 2026. Since then, the City has spent less than 5% of that amount on capital upgrades to the wastewater treatment plants and lift stations to improve their reliability and efficiency.

Partially Implemented

Table 3 summarizes the status of the upgrades to wastewater assets with higher risks of failure that were identified within the 2017 water and wastewater master plan.

Recommendations

1. In the short run, introduce or expand cost effective infiltration and inflow control programs within communities where insufficient capacity exists to treat peak flows; and
2. Update the water and wastewater long-range financial plan in 2024 to address the updated condition assessments and any significant risks of failure identified within the asset management plans for the wastewater assets.

Original Management response and action plan:

The expansion of the I&I programs with the deliberate attempt of focusing capital funding on minimizing system leaks into the collection system will require constant adjustment and updates of any risk assessments conducted, including those identified in the 2017 Master Plan (MP) that have not yet had capital funding allocated.

Our intent is to use this process to ensure capital is allocated to areas determined critical through the ongoing updates to the condition and risk assessments completed during the asset management planning process rather than relying on old data from the 2017 MP.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

In order to ascertain water and wastewater facilities capital needs we are engaging in condition assessment with risk assessment as its basis for future capital needs recommendations, which ultimately will form the future Asset Management Plan Update. The long-range financial plan is scheduled for 2024. We have completed all the wastewater treatment facilities condition assessment and are in the process of procuring the remaining sewage lift station.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

A majority of Water/Wastewater facility condition assessments are complete, with the remaining assessments either underway or scheduled. The findings of these condition assessments will provide recommendations for upgrades and will be used to update the Asset Management Plan, Water/Wastewater Master Plan and Financial Plan.

With respect to inflow and infiltration, the Asset Management Task Force continues to identify areas of concern using various testing methods, most notably district metering. This work has resulted in a number of immediate repairs to address identified issues, and in prioritization of projects within the capital plan for the replacement or repair of infrastructure. This work will be further enhanced in 2023 with the completion of the Automated Meter Infrastructure project.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Condition assessments for all wastewater facilities have been completed. These documents are being used as the basis for updating the Water and Wastewater Asset Management Plan. Staff anticipate receiving the first draft of the updated Asset Management Plan in June 2023, which will contain recommendations for future capital projects.

A business case was approved as part of the 2023 Budget which made the Asset Management Task Force/Water and Wastewater Condition Assessment and Analytics section permanent. This section continues to work on inflow and infiltration initiatives.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Work continues through the Water and Wastewater Condition Assessment and Analytics section to identify failing infrastructure and prioritize operational and capital repairs. Prioritization and funding for capital projects is continually being update as information is obtained through non-destructive testing and data analysis.

Performance Audit of Service Contract Management Processes

Audit Report released	Feb. 2021
Original # of Observations	2
# of Action Plans Previously Complete	1
# of Action Plans Now Closed	0
# of Action Plans on Next Follow Up	1
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation B

Performance Monitoring of Contractors

Formal processes are not in place to document the performance of service contractors. While the decisions to renew/extend two of the contracts that were examined during this audit appeared sound, they were made without reference to documented records of contractor performance. Performance monitoring processes for other service contracts that we examined during this audit were also not documented consistently. As a result, service contract award decisions may not be fully informed.

Partially implemented

Recommendation:

Introduce a formal performance monitoring system to ensure contract extension decisions are supported by contractor performance documentation.

Original Management response and action plan:

Agreed. Immediately, Purchasing staff will incorporate messages in Business Partner meetings that reinforce expectations regarding the need for actively managing contractor performance management.

In the 2022 Workplan, Purchasing will be developing a formal Contractor Performance Management System. It will be a holistic system that starts with defining contract requirements, conducting contract risk assessments, and developing key performance indicators. There will be a process to record performance and escalate issues to ensure that penalties are appropriate and that issues are escalated to the right people within the City and the Contractor. This formal system will reinforce the current provisions in the Purchasing By-Law "Disqualification of Bidders", to ensure that expectations are clearly defined, proper notice procedures are followed and that penalties are administered systematically to avoid legal challenges.

This is not only meant to be a punitive process as satisfactory performance will also be recorded in order to document the City's reasoning for awarding option years on multi-year contracts, to serve as references for future Bid Solicitation process and to recognize Contractors that provide excellent services. The development of a formal system will include the evaluation of the bids&tenders Vendor Performance Management Module which can provide the ability for all parties (Purchasing, the Contract Administrator and the Supplier) to send, fill-out and receive associated forms, as well as tracking due dates of performance review and records retention.

Actions Taken, Results and /or Actions Planned - As of May 31, 2021

Annual Business Partner meetings are currently taking place through June. Authorized Persons are being reminded of their contract administration responsibilities (insurance/WSIB records maintenance and performance management). In the 2022 Workplan, Purchasing will be developing a formal Contractor

Performance Management System.

Actions Taken, Results and /or Actions Planned - As of May 31, 2022

Business Partner meetings concluded in June 2021 and departments were reminded of their roles and responsibilities with regards to contract management. A formal Contractor Performance Management System is in the works and is scheduled to be completed in Q1 of 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Purchasing continues to lead the development of a formal Contractor Performance Management System. A formal Contractor Performance Management System will be included in the Contract Management Policy. The Contract Management Policy is in the work plan and scheduled to be approved in late 2023, with implementation beginning in early 2024.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

A formal, robust Supplier Performance Management System requires a formal, robust contract management system and associated process.

A review of the entire procurement and contract management function at the City is in the discussion phase. Information will formally be brought forward for discussion in the coming months. This will ensure that foundational policies, systems and supports are in place to enable the creation of such a system that will meet key objectives.

In the interim, the current policies and procedures remain in place. The Purchasing By-Law and the Procurement Contract Administration Policy and Procedures require Authorized Persons to manage performance of suppliers to ensure conformance to contracts. In addition, they must document any non-performance issues and escalate issues to the Agent and Solicitor should formal performance improvements plans be required and/or if contract termination is being considered consequently or pursued.

Performance Audit of Waste Collection Services

Audit Report released	December 2022
Original # of Observations	3
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	1
# of Action Plans on Next Follow Up	2
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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A. Co-Collection Model

The co-collection model allows the division to re-assign households to in-house crews from contractor crews if capacity permits, provides flexibility for the continuity of services in the case of labour disruptions and retains the expertise and equipment for ensuring competition.

Little Action

Table 2 – Households per Collection Area

Month	South	Northeast	Northwest	Central
	<i>Contractor Only</i>		<i>Co-collected</i>	
Feb 2021	7,735	3,635	18,219	30,473
Dec 2021	7,740	3,641	18,323	30,534

In February 2021, the number of households served by City crews expanded by 48 percent. Management provided a high-level comparison of waste collection crews in a closed report to Council in 2018 to support this change. This decision was sound and this audit indicated that internal collection costs per household are currently lower than contract costs.

Recommendation:

Prior to awarding the next contract for garbage collection services, prepare a detailed business case to rationalize the mix of contract versus in-house staff. This business case should compare costs per household for garbage collection by in-house crews to the bid costs per household for the contractor with the lowest bid.

Original Management response and action plan:

Agreed. An analysis of comparative costs for garbage and leaf & yard trimmings collection will be conducted. An analysis of costs for in-house versus contracted collection was conducted in 2018; however, the collection areas for urban in-house crew collection were not comparable to contract crew collection in rural areas at the time.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

A comparative analysis will be undertaken prior to awarding the next garbage and leaf & yard collection contract.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

It is anticipated that a comparative analysis will be undertaken in the Fall/Winter of 2024 and the results will be analyzed prior to awarding the next garbage and leaf & yard collection contract.

B. Comparative Waste Data - Single Tier Municipalities

Households in Sudbury generate about half the average quantity of waste compared to the four single-tier municipalities in Ontario that participated in the annual MBNCan performance reporting process. Greater Sudbury's annual collection costs for waste were higher than most of its peers primarily because:

**Partially
Implemented**

1. Costs for leaf and yard waste collection are included in waste costs in Greater Sudbury whereas our peers in Hamilton, London and Windsor include these costs in diversion costs;
2. Collection costs in Hamilton, London and Windsor were lower than those in Greater Sudbury due to the higher population density in these municipalities; and
3. Service levels were lower in Hamilton, London and Windsor than in Greater Sudbury.

Greater Sudbury provides unlimited collection of leaf & yard trimmings, furniture, appliances and electronics. This approach not only contributes to waste diversion, but also decreases the number of visits to the landfill and waste diversion sites and reduces illegal dumping.

Recommendation:

As part of the update of the solid waste management master plan, review service levels to determine if efficiencies can be found within the collection programs for large furniture, appliances and electronics and household hazardous waste. If savings can be achieved without compromising waste management and environmental sustainability goals including those outlined within the CEEP, prepare options for service level change for Council's consideration.

Original Management response and action plan:

Agreed. We will review programs to identify any potential efficiencies for Council's consideration. It is understood that the City of Greater Sudbury offers some services, particularly related to residential curb side collection that exceed the level of service offered in other comparative communities. These service levels were selected through previous Master Plans and were intended to increase diversion rates and offer long term environmental benefits. During the development of the next Master Plan, any opportunities for efficiency will be weighed against the impact to service levels throughout Environmental Services, including Diversion Targets and CEEP goals, to ensure that Council can make informed choices about service levels.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The Solid Waste Master Plan update is underway and expected to be completed mid to late 2024.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The Solid Waste Master Plan update is underway and expected to be completed late 2024.

C. Performance Reporting

Management presently only reports on the percentage of residential waste diversion and total cost for solid waste diversion per tonne (all property classes) in Greater Sudbury relative to the medians of other municipalities that participate in the annual MBNCan performance reports.

Complete

Recommendation:

Management should expand performance reports to Council to include total cost for garbage collection per tonne and quantity of material collected per household.

Original Management Response and Action Plan:

Agreed. Co-collection of waste streams does not lend itself readily to accurate reporting of costs for individual waste streams. Management will develop a method to better represent the individual cost for collection of garbage and collection of leaf & yard to improve comparison to peer municipalities.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

It is expected that the costs for garbage will be better represented in the 2022 MBNCan performance report and that this will be on-going.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Adjustments were made in the 2022 MBNCan reporting to exclude collection costs for leaf & yard trimmings from the costs of garbage collection. The leaf & yard trimming collection costs were added to the cost of diversion collection. The leaf & yard costs are estimates based on tonnages due to co-collection with garbage. Using the same methodology, Finance staff also restated the FIRs for 2019, 2020, and 2021. This is an improvement in the reporting of garbage and diversion collection costs and this methodology will continue to be employed in future reporting years.

Maintenance of the Linear Water & Wastewater Infrastructure

Audit Report released	December 2022
Original # of Observations	6
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	2
# of Action Plans on Next Follow Up	4
Status as of May 31, 2024	In Progress

Observation and Summary of Progress

**Self-assessed
Status**

D. Alignment with Corporate Strategic Plan

The 2019 WWW Long-Range Financial Plan that was approved by Council was prepared in accordance with Ontario Regulation 453/07 which requires WWW rates to be established in accordance with strict financial parameters. The Long-Range Financial Plan was also supposed to align with the provincial guideline “Towards Financially Sustainable Drinking-Water and Wastewater Systems” which contained 8 principles including:

**Partially
Implemented**

- Life-cycle planning with mid-course corrections is preferable to planning over the short-term, or not planning at all;
- An asset management plan is a key input to the development of a financial plan; and
- 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.

The Long-Range Financial Plan that was approved by Council recommended a 20-year financial planning model with annual rate increases of 4.8% rather than one of the following alternatives:

Financial Planning Model	Annual Rate Increase
10 years	8.8%
15 years	6.2%
25 years	4.1%

Adopting the 20-year financial planning model exposed the City to higher risks of infrastructure failure than the 10-year model that the City had previously been using to set annual WWW rates.

Recommendation:

Ensure that the next WWW Long-Range Financial Plan meets all regulatory requirements, aligns with the principles in the above-noted provincial guideline as well as the goals of the WWW Asset Management Plan and objectives of the Corporate Strategic Plan.

Original Management response and action plan:

Agreed. Work is underway on the update to the WWW Asset Management Plan and an RFP will be released shortly for the update to the WWW Master Plan. Upon the completion of these two studies, the WWW Long Range Financial Plan will be updated to reflect the funding required to meet the recommendations of the studies as well as meet the objectives of the Corporate Strategic Plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Work is underway on the update to the WWW Asset Management Plan and a proponent for the WWW Master Plan will be selected by the end of June 2023. Upon the completion of these two studies, the WWW Long Range Financial Plan will be updated to reflect the funding required to meet the recommendations of the studies as well as meet the objectives of the Corporate Strategic Plan.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The WWW Asset Management Plan update is in the final stages with the report expected by Q3 2024. A proponent was selected for the WWW Master Plan update and work is underway. The final report is expected by Q1 2025. Upon the completion of these two studies, the WWW Long Range Financial Plan will be updated to reflect the funding required to meet the recommendations of the studies as well as meet the objectives of the Corporate Strategic Plan.

E. Alignment of Annual Capital Program with WWW Master Plan

In 2015, the City retained WSP to undertake the Water and Wastewater (WWW) Master Plan to identify long term replacements and/or expansion to the water and wastewater servicing networks. The Master Plan that was prepared in 2016 by WSP defined the water and wastewater infrastructure required to service existing and future development to 2041.

Partially
Implemented

This audit indicated that approximately \$78 million of the \$98.5 million of the capital upgrades to the water mains and \$18 million of the \$30.7 million of capital upgrades to the wastewater sewer pipes that were recommended for completion by 2021 in the Master Plan have not been completed. The reasons for delays include:

1. Actual growth was approximately half of what was planned and was centred in Azilda and the Valley;
2. Onerous provincial legislation (*Ontario Regulation 588/17*) which requires detailed asset management plans to be prepared by July 2025;
3. The discovery of specific vulnerabilities within the infrastructure which required capital funding to address;
4. Revised capital planning processes which combined WWW projects with road projects;
5. Completion of strategic projects such as the \$17.7 million automated metering initiative; and
6. Lower annual increases to rates following the update of the WWW long range financial plan in 2019.

Recommendation:

Ensure that the next WWW master plan is integrated more closely with the City's asset management planning process which will need to incorporate risk assessment, condition assessment and service level considerations when prioritizing water and wastewater projects for renewal or replacement.

Original Management response and action plan:

Agreed. Since 2017, staff have been developing and implementing a risk-based process to prioritize capital projects for the City's linear WWW assets to respond to Ontario Regulation 588/17. This Regulation focuses on asset renewal and not upgrades to meet growth related demands or strategic investments. The next updates to the WWW Master Plan and WWW Asset Management Plan will be more closely aligned and will help support the development of future capital programs. The updated WWW Asset Management Plan will utilize condition assessment findings, which includes risk assessment, to prioritize future asset renewal. In addition, through the work of the WWW Task Force, more condition data will be utilized from Cityworks and other data sources to help refine the prioritization of capital projects.

The City has made strategic investments in new technology, and studies to ensure that best available data is used when determining if additional efforts can be made to reduce per capita consumption of water, to identify and reduce unaccounted for water, and to reduce extraneous flow that enters the wastewater system. The WWW Task Force and the investment in a new Automated Water Meter System are examples where improved data will assist in the ability to prioritize capital projects.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Work is underway on the update to the WWW Asset Management Plan and a proponent for the WWW Master Plan will be selected by the end of June 2023.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The WWW Asset Management Plan update is in the final stages with the report expected by Q3 2024. A proponent was selected for the WWW Master Plan update and work is underway. The final report is expected by Q1 2025. Additionally, the Automated Metering Infrastructure project to install new water meters throughout the City nearing completion with limited installs remaining.

F. Service Level Management Practices

As the average age of their infrastructures increases, municipalities are challenged to maintain levels of service while keeping water rates at affordable levels. Condition assessments help utilities meet this challenge by identifying more precisely where money is best spent, leaving in place water mains that have adequate integrity and preventing the unnecessary failures of others. By performing condition assessments of water mains municipalities can:

Partially
Implemented

- estimate the likelihood that a water main may continue to provide satisfactory service by determining the remaining service life of the water main;
- make better decisions such as allowing some water mains to remain in service longer; preventing failures from occurring by intervening sooner with renewals or replacements; and
- discover and respond to leaks on a more timely basis.

Since 2016, the only physical condition assessment of the water supply and distribution system that has been completed was on the supply pipe from Lake Wanapitei to the Wanapitei water treatment plant. As a result, unexpected breaks are occurring to the water mains including a break in the Wanapitei trunk water main which could have caused a major service disruption. For 2022, \$1 million was budgeted for conducting a physical condition assessment on the water main trunk from the Wanapitei water treatment plant to the City and another million has been budgeted for 2023 to complete this work.

Other than the above-noted work, no physical condition assessments have been completed on the water distribution mains. As a result, the 2016 master plan, 2018 asset management plan and 2019 long-term financial plan for the water distribution systems were not informed by reliable condition assessments which are required to identify vulnerabilities and prioritize capital projects.

Recommendation:

Physical condition assessments should be completed on critical components of the City's water distribution system including the supply pipes to the water treatment plants and trunk mains from these plants.

Original Management Response and Action Plan:

Agreed. While physical condition assessments are being completed as part of water main break repairs, proactive physical condition assessments of the City's water distribution system are costly and only being done on critical or high risk water mains. Non-physical condition assessments continue to be completed through operational maintenance programs and are being completed on the remaining water mains through the WWW Task Force. These non-physical condition assessments and the water main break history are being used to help prioritize capital projects.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Non-physical condition assessments continue to be completed through operational maintenance programs and are being completed on the remaining water mains through the WWWW Condition Assessment and Data Analytics section.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

Field work was completed for the physical condition assessment on the trunk water main from the Wanapitei water treatment plant to the City in 2023. Reporting and analysis is ongoing with the final report expected in Q4 2024.

Non-physical condition assessments continue to be completed through operational maintenance programs and are being completed on the remaining water mains through the WWWW Condition Assessment and Data Analytics section.

The WWWW Condition Assessment and Analytics section has completed two pilot projects involving leak detection and pressure management. This year, one of the successful pilot projects was continued on for an additional three years to keep leak detection technology active within our system that also incorporates pressure management as we continue to determine the best technology for our water system. In addition, an additional pilot project for leak detection will be conducted to determine the effectiveness of a different type of technology.

G. Alignment of Annual Capital Program with Asset Management Plan

The asset management plan that was prepared in 2018 for the WWWW linear infrastructure employed risk assessments and break history to prioritize water mains for renewal and replacement. This plan indicated that 25% of the City's water mains had reached or exceeded their estimated service lives.

**Partially
Implemented**

Prior to the issue of the 2019 update to the WWWW Long Range Financial Plan which recommended adoption of a 20-year timeframe and annual rate increases of 4.8% for planning upgrades to the WWWW infrastructure, a 10-year timeframe with annual rate increases of 7.4% was used to address the City's aging WWWW infrastructure.

One of the consequences of revising funding levels available for WWWW capital projects in 2020 and subsequent years is that only four of the 20 highest risk water main projects that were identified in the 2018 WWWW asset management plan were completed. Another consequence is that only 0.9 percent of the City's 1,000 kilometers of water mains have been lined since 2018.

Recommendation

Ensure that the City's annual capital program is more closely aligned with the WWWW asset management plan which should incorporate physical condition assessments of the major components of the City's water distribution infrastructure.

Original Management Response and Action Plan

Agreed. The WWWW Master Plan and WWWW Asset Management Plan are being updated and in turn the WWWW Long Range Financial Plan will be updated as well. As noted, the City has adopted the use of new technologies such as water main and lateral lining. These asset renewal techniques are a cost effective approach to extend the life of the asset without the need to replace the infrastructure. While these lining programs are cost effective, the industry is limited in the total quantity of lining that can be completed within a construction season. The City is working with our industry partners to continue to increase the amount of lining that can be completed on an annual basis. In addition, funding has been included in the proposed 2023 Water Capital Budget to

complete additional condition assessments on the City's water distribution system.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

Work is underway on the update to the WWW Asset Management Plan and a proponent for the WWW Master Plan will be selected by the end of June 2023. Upon the completion of these two studies, the WWW Long Range Financial Plan will be updated.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The WWW Asset Management Plan update is in the final stages with the report expected by Q3 2024. A proponent was selected for the WWW Master Plan update and work is underway. The final report is expected by Q1 2025. Upon the completion of these two studies, the WWW Long Range Financial Plan will be updated to reflect the funding required to meet the recommendations of the studies as well as meet the objectives of the Corporate Strategic Plan.

H. Financing of Capital Projects

In June 2019, Council approved the \$17.2 million Automated Metering Infrastructure project which was to be financed using \$4.2 million from the Capital Financing Reserve Fund and rate revenues in 2020, 2021 and 2022. While this funding approach was consistent with the Long-Range Financial (AMI) Plan for Water/Wastewater, it did not align with the best practice of using long-term debt to finance investments in long-term assets.

Substantially Complete

The 2021 BMA Final Study indicates that, in 2020, the City's Water Debt Interest Cover Ratio which is calculated as Debt Interest as a percentage of water revenues, was 0.3 percent compared to the municipal average of 2.0 percent; therefore, the City has additional borrowing capacity to finance major water capital projects. Using short-term financing to pay for the AMI project significantly reduced the amount of funds available for other linear water distribution asset renewal initiatives and depleted the Capital Financing Reserve Fund which is significantly underfunded according to the January 2020 staff report on Reserves and Reserve Funds.

Recommendation

Cash flow analysis should be performed prior to making significant investments in water distribution and wastewater collection assets to determine if long-term financing is necessary or desirable.

Management Response and Action Plan

Agreed. The City has borrowed externally for previous W/WW Capital projects, including the Biosolids plant and the purchase of wells from Glencore. In addition, there are several large projects that are being planned that will require significant cash flows and long term debt will be recommended as a funding source.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

There are several large projects that are being planned that will require significant cash flows and long term debt will be recommended as a funding source.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

In addition to the dept financing of approximately \$16 million presented in the 2024-2027 Capital Budget for the Vermillion Water System, there are several other large projects that are being planned with long term debt recommended as a funding source.

I. Performance Measures

Management currently reports on service level expectations and actual service levels but does not include any key performance indicators (KPIs) or trends for the WWW distribution and collection systems to the Operations Committee.

Complete

Recommendation

Include performance reports for the following KPIs with benchmarks for municipal peers from the MBNCan performance report in annual reports to the Operations Committee to put some of the challenges the City faces maintaining its WWW linear infrastructure into perspective.

- Average Age of Wastewater Pipe – 55 years versus 53.1 years for peers
- Annual Number of Wastewater Pipe Back-ups per 100 Km of Pipe – 6.6 versus 3.3 for peers
- Cost of WW Collection and Conveyance per Km of Pipe - \$14,216 versus \$18,168 for peers
- Average Age of Water Mains – 55 years versus 46.7 years for peers
- Number of Water Main Breaks per 100 km of main – 7.1 versus 10 for peers
- Total Cost for Distribution of Drinking Water per Km of Main - \$17,697 versus \$21,875 for peers

Original Management Response and Action Plan

Agreed. An annual report will be developed jointly by staff from Linear Infrastructure Services and Infrastructure Capital Planning.

Actions Taken, Results and /or Actions Planned - As of May 31, 2023

The first annual report is going to the July 10th Operations Committee meeting.

Actions Taken, Results and /or Actions Planned - As of May 31, 2024

The first annual report, for 2022, was presented at the July 10th, 2023 Operations Committee meeting. This report will be presented on a yearly basis.

Cash Controls in Various Locations

Audit Report released	March 2023
Original # of Observations	5
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	5
# of Action Plans on Next Follow Up	0
Status as of May 31, 2024	Complete

Observation and Summary of Progress	Self-assessed Status
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J. ONE-STOP SHOP (OSS) – DEVELOPMENT DESK

Observation:

Contrary to City policy, there is shared access to the cash drawer and user accounts for software used by Building Services staff. As a result, accountability for errors and shortages is diluted.

Complete

Recommendation:

Each customer service representative should have their own cash drawer. User accounts should not be shared.

Management Response and Action Plan:

Agreed. Management is in the process of implementing the recommendations. Management is purchasing an additional software license which will allow each clerk to process and balance search request transactions separately each week. Staff will continue to balance building permit transactions on a daily basis. An additional lockable cash drawer will be installed for Building Services staff.

Status Update as of May 31, 2024

Building Services has acquired a safe and individual cash boxes for staff who continue to process and balance transactions on a daily basis.

Observation:

Bank deposits are not being prepared at the end of each day by the customer service staff in the one-stop shop. As a result, errors or shortages may not be detected on a timely basis.

Complete

Recommendation:

Cash should be closed and a bank deposit prepared at the end of each day by each of the customer service staff.

Management Response and Action Plan:

Agreed. Starting the week of April 3rd, staff will have staggered start times. This will allow two CSRs to balance their cash and prepare a bank deposit at the end of their shift the third CSR will balance in the morning before the OSS opens to the public. This updated process will eliminate overtime on “month end” and “tax due days”

Status Update as of May 31, 2024

Building Services Staff balance at the end of each day but complete the full processing of the balanced cash each morning with one CSR completing the deposit and the other checking it.

K. HOWARD ARMSTRONG RECREATION CENTRE

Observation:

Contrary to City policy, customer service clerks share a cash drawer during the lunch hour and afternoon when shifts overlap. As a result, accountability for errors and shortages is diluted.

Complete

Recommendation:

Each customer service clerk should have their own cash drawer. The second cash drawer should be used over the lunch hour and during the afternoon/evening shift

Management Response and Action Plan:

Agreed. Management is in the process of implementing the recommendation.

Status Update as of May 31, 2024

Howard Armstrong Recreation Centre clerks now have separate, lockable cash drawers and they are responsible for their own cash handling each shift.

Observation:

Contrary to City policy, customer service clerks do not prepare a transfer of cash control form at noon when a change in cashier occurs. As a result, accountability for errors and shortages is diluted.

Complete

Recommendation:

During the lunch hour, the replacement cashier should open the second point of sales terminal and second cash drawer. At the end of the lunch hour, the cash drawer should be balanced and a transfer of cash form should be completed and verified by the full-time cashier

Management Response and Action Plan:

Agreed. Management is in the process of implementing the recommendation.

Status Update as of May 31, 2024

Howard Armstrong Recreation Centre clerks are utilizing an approved cash handling form to balance and sign off. Schedule changes have also eliminated the lunch hour issues identified.

L. NICKEL DISTRICT POOL

Observation:

Contrary to City policy, customer service clerks do not prepare a transfer of cash control form at noon when a change in cashier occurs. As a result, accountability for errors and shortages is diluted.

Complete

Recommendation:

When a change in cashier occurs, the petty cash drawer must be reconciled and counted by two employees.

A transfer of cash control form must be completed and signed by both parties.

Management Response and Action Plan:

Agreed. Management is in the process of implementing the recommendation

Status Update as of May 31, 2024

Nickel District Pool staff have made use of the approved form for reconciliation and transfer between cashiers during shift changes. Petty cash has been replaced by the use of a corporate Purchasing Card.

The 5-Year Review Process for Community Grants

Audit Report released	May 2023
Original # of Observations	2
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	2
# of Action Plans on Next Follow Up	0
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
	Complete

Observation:

Several instances were identified where grants were paid in 2021 and 2022 solely on the basis of annual financial information submitted within Schedule B by grant recipients without reference to other information that raised compliance concerns.

Complete

Recommendation:

We recommend that future agreements with grant recipients be amended as follows: Revise the annual financial information submission requirements as follows:

1. Require annual financial statements with a notice to reader report from a CPA firm to be submitted for all grants > \$20,000; and
2. Require bank statements to be submitted by all grant recipients unless audited financial statements have been submitted.

Management Response and Action Plan

The Auditor General recommendations for submission requirements and ineligible expenses will be incorporated into future grant agreements.

Status Update as of May 31, 2024

The Auditor General recommendations for submission requirements and ineligible expenses were incorporated into the annual grant agreements effective 2023. Staff provided information packages to recipients with changes highlighted. Understanding these may be new reporting requirements for some recipients, staff continue to work with recipients to reach successful financial reporting. If staff have financial reporting concerns, those concerns are reviewed with Finance staff.

Observation:

We also noted that the financial information that grant recipients are required to submit is sometimes insufficient to ensure compliance with the operating agreements.

Complete

Recommendation:

We recommend revising the definition of ineligible expenses within grant agreements to include:

1. Capital expenses for facilities and equipment and the improvement of these assets; and
2. Expenses incurred when the lowest sum of cash and investments held during the year exceeds the annual total of the eligible expenses.

Management Response and Action Plan:

We anticipate that the new reporting requirements may present challenges for some organizations in 2023. Where concerns are raised, staff will review with Finance and other internal stakeholders appropriate phasing in of new reporting requirements.

Status Update as of May 31, 2024

The Auditor General recommendations for ineligible expenses were incorporated into the annual grant agreements effective 2023. Staff provided information packages to recipients with changes highlighted. Staff continue to work with recipients to reach successful financial reporting formats.

Performance Audit of Landfill Management Processes

Audit Report released	September 2023
Original # of Observations	5
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	2
# of Action Plans on Next Follow Up	3
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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A. Performance Reporting and Performance Management

No key performance indicators (KPIs) are reported to Council for the landfill management function in Annual Budget Reports for Council. The City’s total cost of solid waste disposal which is reported below and in the annual MBNCan study indicates that the disposal cost per tonne for all streams of waste (residential and non-residential) increased from 2018 to 2021 until landfill liability costs were updated in 2022.

Partially Implemented

Recommendation

The total cost of solid waste disposal should be included in the Annual Budget Report for Council.

Management Response and Action Plan

Agreed. The KPI for the cost of solid waste disposal will be added to the Annual Budget Report.

Status Update as of May 31, 2024

The total cost of solid waste disposal will be added to the KPIs in the Environmental Services Division’s service profile in the 2025 annual budget report.

Recommendation

Add the quantity of waste landfilled annually to the KPI section of the Annual Budget Report for Council.

Partially Implemented

Management Response and Action Plan

Agreed. The KPI for the quantity of waste landfilled will be added to the Annual Budget Report.

Status Update as of May 31, 2024

The annual quantity of waste disposed will be added the KPIs in the Environmental Services Division’s service profile in the 2025 annual budget report.

Recommendation

Differentiate between complaints and inquiries within the Annual Statistical Report for the Division.

Complete

Management Response and Action Plan

The separation of complaints and inquiries can be more accurately reflected with some changes in the

Customer Relationship Management system.

Status Update as of May 31, 2024

Customer Relationship Management system cases related to the landfill and household hazardous waste system are now distinguished by inquiry and complaint.

Recommendation

Provide separate statistics for the Walden Transfer Station in Annual Statistical Reports.

Complete

Management Response and Action Plan

The Annual Statistics Report for the Division would benefit from dedicated statistics related to the use of the Walden Small Vehicle Transfer Station.

Status Update as of May 31, 2024

Separate statistics for the Walden Transfer Station have been provided in the 2022 Annual Statistics Report and posted on the Division's website. These statistics will continue to be updated annually.

Recommendation

Prior to issuing the next tender for landfill services, perform a program review of the landfill operations in Hanmer and Azilda to identify opportunities for cost savings

**Partially
Implemented**

Management Response and Action Plan

If opportunities for cost savings at the Azilda and Hanmer Landfills are identified in the Solid Waste Management Master Plan update or other initiatives, they will be included in the next landfill tender.

Status Update as of May 31, 2024

Opportunities for cost savings for the Azilda and Hanmer Landfills will be built into the next tender for the operation of the landfill sites which is expected to be posted in 2025.

Performance Audit of the Infrastructure Capital Planning Division

Audit Report released	December 2023
Original # of Observations	4
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	4
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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B. Performance Reporting and Performance Management

Observation:

Since our audit of summer road maintenance processes in 2019, staff have taken appropriate steps to align the capital program for the City's structures with the City's enterprise asset management program. In addition, capital programs for roads have been focused on projects with the highest rate of return and coordinated with the asset management program for linear water and wastewater assets.

Partially Implemented

While funding for roads in the proposed capital budget for 2024 continues to be modest, the funding proposed for 2025 to 2027 increases significantly to an average of \$65.6 million per year. If approved, these capital budgets will respond to the deteriorating condition of the City's paved roads that is shown below in Figure 2.

Recommendation:

Update the enterprise long term financial plan in 2025 to align with the enterprise asset management program and enterprise risk management program for the City's paved roads.

Management Response and Action Plan

We Agree. A key component of Asset Management Planning is to ensure that there is a shared understanding and established Council Approved Service Level. Between the original 2012 KPMG study and today, staff have worked to create a greater understanding of the actual service levels achievable with available funding. Various business systems have been changed to create greater understanding of levels of efforts and costs to maintain assets, as well as to understand the condition of the assets.

City staff have incorporated the use of new technologies such as City Works to automate work order management, and enhanced use of geo-spatial databases. Phase 2 of the Asset Management Plan, which is scheduled to be completed in 2025 will focus on presenting proposed service levels for roads and the required capital and maintenance funding to maintain agreed service levels. The results of the next phase of the Asset Management Plan will allow a continued increase in information through the Long Term Financial Planning exercise to allow Council to provide the necessary direction to staff through an approved Budget to continue to improve the road network as required.

Status Update as of May 31, 2024

The project to update the Roads Asset Management Plan (AMP) is well underway. The project is on schedule including establishment of formal levels of service for roads as mandated in O.Reg. 588/17 by July 2025. The Roads AMP is anticipated to be finalized Q2 2025.

Observation:

Updates to the asset management plans for the water and wastewater portfolios are nearing completion and a contract has recently been awarded for an update of the master plan for this portfolio.

Partially
Implemented

Recommendation:

Update the long term financial plan for water and wastewater in 2024 to recognize the significant inflationary pressure on capital projects in this portfolio.

Management Response and Action Plan

We Agree. Staff are in the process of procuring a consultant to update the water and wastewater long-term financial plan and it will be updated in 2024 for Council's consideration.

Status as of May 31, 2024

Water and Wastewater Asset Management Plan Update is at final stage and ahead of schedule to meet provincial regulation O.Reg 588/17 requirements.

A consultant was selected to update the Water and Wastewater Financial Plan and work has already started. We are expecting a draft report by September 2024 and a final report by Q1 2025.

C. Asset Management and Capital Budgeting Processes**Observation:**

Our analysis of the submission for arterial and collector roads in 2023 determined that combining \$15.2 million of projects for roads that have Pavement Condition Index (PCI) ratings > 60 with \$20.5 million of projects for roads that have PCI ratings < 40 reduced the project risk score to 11 out of 22 and the total project score to 27 out of 50. We note, however, that the capital budgeting process for linear and vertical infrastructure has been revised for the 2024-2027 budget process. As a result, our recommendation below focuses on the capital budget submission process for the ICP Division.

Partially
Implemented

Recommendation:

Revise the ICP Division's annual capital project submission process for the City's paved roads to provide Council with current information on the condition of these assets as shown in Figure 2 of this report and differentiate projects that extend the useful lives of paved roads that are in fair condition from projects that address risks associated with roads that are in very poor or serious condition.

Management Response and Action Plan:

We will seek opportunities to submit projects with higher potential risk separately from the regular program submissions; however, asset management best practices would encourage making timely and appropriate investments throughout the asset lifecycle. It is more cost effective to maintain an asset in good condition than to replace a poor condition asset. It is understood that the lack of funding available for failed assets creates additional risk, however the Operating Services Divisions continue to provide maintenance interventions to ensure compliance with Provincial Regulations. Staff will continue to prioritize investments in accordance with Asset Management principles which dictate priorities for higher classification roadway, at earlier stages in the Life Cycle of the road. This will avoid the inevitable consequence of allowing further deterioration of fair and good assets should all available funding be spent on a limited number of failed assets.

The capital submissions for the 2024-2027 Capital Budget were prioritized for risk and submitted. With the

inclusion of the 1.5% Special Capital Levy all road classifications receive funding including local roads. A portion of the funding is allocated to address high risk areas, identified either through claims or excessive maintenance costs, to address localized areas. This strategy balances capital investment with operational maintenance costs, to ensure that overall road maintenance costs consider a holistic approach to asset management.

Status as of May 31, 2024:

Annual update to capital budget anticipated to be presented to council in Q3/Q4 2024. In advance of the council presentation, staff will consult draft results from the Roads Asset Management update project to confirm the current condition and criticality of roads assets.

The annual capital budget update process will include a review of existing 4-year capital program intended to refresh roads program critical infrastructure needs and priorities

As part of the 2024-2027 Capital Budget, \$12 million was allocated over the four years to address high risk areas.

D. Pavement Condition Index Information

Observation:

Like many other municipalities in Ontario, CGS staff presently use the ASTM-D6433 system to classify the condition of the City's paved roads. However, the current rating system that is used only contains 5 of the 7 rating ASTM rating categories. Combining several of these categories overstates the percentage of paved roads that fall into the "Good" category and understates the percentage of roads within the "Very Poor" category. This audit also indicated that staff only report periodically to Council on the condition of the City's roads rather than every two years following the completion of condition assessments.

Partially Implemented

Recommendation:

Report every two years to Council on the condition of the City's paved roads using the unmodified version of the ASTM Index to ensure the City follows better practices.

Management Response and Action Plan:

We agree. The annual Asset Management Status report provides Council the current condition of the City's different asset classes, including roads. Staff will continue to collaborate on the preparation of this annual report and will update the condition data every two years. Further, while we have no objection to the ranges used in the ASTM Index for the qualitative descriptions of the condition of the road it is our recommendation that the qualitative descriptions and associated Pavement Condition Index (PCI) ranges used be a decision of Council and any changes be completed as part of defining the desired level of service for the City's roads during the development of Phase 2 of the Roads and Transportation Asset Management Plan.

Status as of May 31, 2024:

The project to update the Roads Asset Management Plan (AMP) is well underway. The project is on schedule including establishment of formal levels of service for roads as mandated in O.Reg. 588/17 by July 2025.

The Roads AMP is anticipated to be finalized Q2 2025. Staff will continue to report on the condition of the City's paved roads every two years following the collection of new pavement condition data.

Audit of the Annual Review Process for Various Grants

Audit Report released	November 2023
Original # of Observations	3
# of Action Plans Previously Complete	0
# of Action Plans Being Closed Now	0
# of Action Plans on Next Follow Up	3
Status as of May 31, 2024	In Progress

Observation and Summary of Progress	Self-assessed Status
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Observation 1:

As at the end of March 2022, Club Accueil Age d'Or Azilda (the Club), which receives a Seniors Active Living Centres grant from the City, had accumulated cash and investments of over \$300K which exceed their annual operating requirements.

Partially Implemented

Recommendation:

With the assistance of Finance staff, request banking information in order to review the amount of cash and investments held by the Club during 2023 while assessing their eligibility for future funding.

Management Response and Action Plan:

We agree. Staff, with support of Finance, can meet with Club Accueil Age d'Or Azilda to inquire about cash and investment totals, however, consultation with the Province (Ministry of Seniors Affairs) is required if the City is considering changing eligibility. In accordance with the provisions of the Seniors Active Living Centres Act mandated under the Ministry of Seniors Affairs, the City contributes annually to eligible seniors' centres in the amount of 20% of the centre's eligible operating and maintenance costs that are directly related to providing programs and services to seniors. As long as the Province continues to provide 80% funding to Club Accueil Age d'Or Azilda, the City is obligated to provide a 20% operational support (cash or in-kind).

Status as of May 31, 2024:

Finance staff have reviewed Club Accueil Age d'Or Azilda's 2023 financial statements and requested additional information and clarification. Leisure staff have communicated and are working with the centre to collect the answers and provide clarification. The 2024 grant has not yet been issued.

Observation 2:

As at the end of October 2023, the Northern Ontario Railroad Museum and Heritage Centre (NORMHC) had accumulated \$165K in their bank accounts as well as investments of \$50K. These balances suggest that their annual operating grant from the City of \$106K exceeds their annual funding requirements. Staff in Economic Development Services who administer the Culture grants have requested the assistance of Finance staff to assess the NORMHC's operational funding requirements.

Partially Implemented

Recommendation:

Make the funding for 2023 subject to a review of the NORMHC's financial statement from a CPA firm for the year ended December 31, 2023.

Management Response and Action Plan:

We agree. Economic Development staff are in contact with NORMHC representatives to clarify their financial status, and the organization has confirmed that the dollars are held in reserve for upcoming capital projects as well as repairs and maintenance at the Museum facility, which will be coordinated with the City as necessary. Staff are supportive of the recommended financial review of 2023 fiscal information, to take place in 2024.

Status as of May 31, 2024:

NORMHC has provided schedule B, bank statements, profit and loss statements, and overall summary of 2023 achievements. Following the review of these documents it is evident that NORMHC can achieve organizational and financial stability through their ongoing revenue seeking efforts. While this grant has already been presented and approved to Council in March 2024, it is staff's recommendation that a comprehensive review be conducted that evaluates the annual grant contribution of this annual grant. Furthermore, future agreements should clearly articulate annual deliverables that achieve both the objectives of the 2019-2027 strategic plan and Economic Development Innovative Blueprint goals.

Observation 3:

During our audit, we identified challenges in reconciling the Schedule B for the annual Leisure Services Grant to the annual financial statement for the Sudbury Action Centre for Youth (SACY) for the year ended March 31, 2022. In response, staff in Leisure Services and Recreation have reached out to staff in Finance for assistance with the reconciliation. City staff have scheduled a meeting with staff from SACY to request additional information.

Partially
Implemented

Recommendation:

Request more detailed financial information from SACY within their financial statement for March 31, 2023 to allow a meaningful reconciliation between sources and uses of the grant funds from the City.

Management Response and Action Plan:

We agree. This reconciliation work is in progress.

Status as of May 31, 2024:

The Sudbury Action Centre for Youth closed effective March 18, 2024. Council has directed staff to redirect the funds historically allocated to the Sudbury Action Centre for Youth through the annual grant process to find an alternate service provider for after hour youth programming in the downtown area. A Request for Proposal is expected to be issued within the next month or two.