

Service Partner Budgets

Presented To:	Finance and Administration Committee
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Report Summary

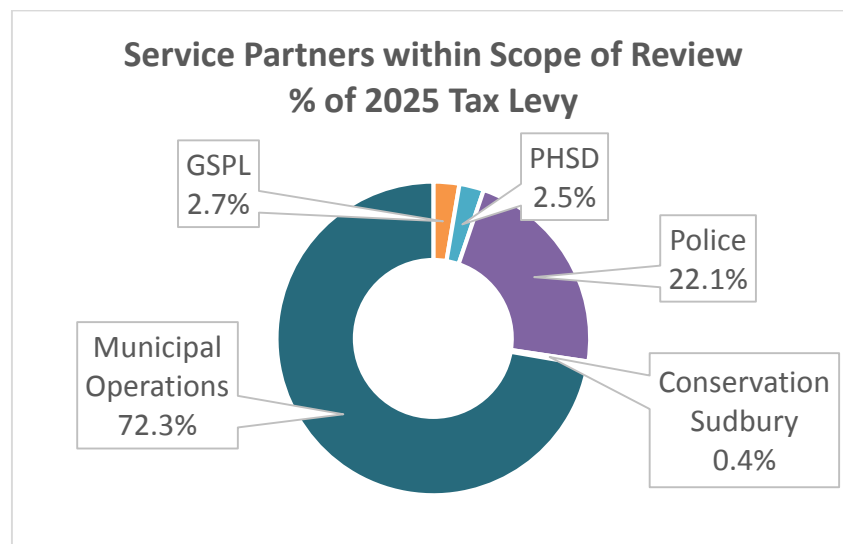
This report and presentation will provide a comprehensive overview of the legislative framework governing each Service Partner, City Council’s roles, responsibilities, and authority in relation to budget approval.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan (CEEP).

Financial Implications

There are no direct financial implications associated with this report.



Background

Council directed staff to prepare a report and accompanying presentation to be considered at the outset of the Finance and Administration Committee meeting on November 12, 2025, prior to the Service Partner presentations, which shall outline:

1. The legislative framework governing each Service Partner;
2. City Council's roles, responsibilities, and authority in relation to the approval or disapproval of the Service Partners' proposed budgets;
3. Any appeal mechanisms available to Service Partners in the event that their submitted budgets are not approved by City Council.

Legislative Overview

There are provincially created boards that fall within the operation of a municipality. Such boards are not subordinate to the municipality but are dependent on the municipality for funding. These boards are then granted by statute are able to require municipal council to levy taxes to meet their needs or to borrow money for expenditures.

A board can be created by a municipality under the Municipal Act, in which case it is subordinate to the municipality that created it. In Sudbury's service partners this would include the Library. Or a board can be an independent body.

Municipal Act section 10(2) allows a municipality to pass by-laws respecting the following for local boards: (i) governance structure; (ii) accountability and transparency/operations; (iii) financial management. Therefore, a municipality can tailor a local board to meet their local needs.

Furthermore, section 290(6) yearly budget from boards a local municipality by by-law require that the year's budget of every board, commission or other body for which the municipality is required by law to levy a tax or provide money, be submitted on or before a specified date in such detail and form as the by-law may require.

Greater Sudbury Police Service (GSPS)

The Community Safety and Policing Act, 2019, which replaced the Police Services Act, authorizes the provision of policing in the municipality. Part IV of that Act permits the City, subject to Provincial approval, to constitute a municipal board to have policing responsibility for the City. The GSPS board comprises 2 Provincial appointees, 2 Council members, and 1 community member appointed by Council.

Part IV also addresses board finances, including requiring the board to submit its proposed annual budget, including both operating and capital estimates, to the City. Where the City does not accept this budget, the City and the board may jointly apply to appoint a conciliation officer to attempt to resolve the matter or the board may give the City written notice referring the matter to arbitration. The result of the conciliation or the arbitrator's decision is final.

Conservation Sudbury

Conservation authorities are legislated under the Conservation Authorities Act. Each authority has a board of directors. Conservation Sudbury's board currently comprises 5 Council members and 2 community members appointed by Council.

O. Reg. 402/22, "Budget and Apportionment", replaced the previous regulations governing the authorities' budgetary process. Conservation Sudbury is now required to follow a specific, defined process when preparing its budget, including circulate to and consult with the City before the board's final approval vote.

Under this regulation, each conservation authority must prepare an annual budget that includes all expected revenues, operating expenses, and capital costs. These are categorized into four types:

- **Category 1:** Mandatory programs and services required by the province (e.g., Clean Water Act, Lake Simcoe Protection Act).
- **Category 2:** Programs and services provided at the request of a municipality through an agreement.
- **Category 3:** Other programs and services that the authority chooses to offer, which require agreements with municipalities.
- **General:** Expenses not tied to specific programs or services.

Once the board approves its budget and presents it to Council, Council does not have any authority to appeal or amend the authority's budget.

The Greater Sudbury Public Library (GSPL)

GSPL exists and operates by virtue of the Public Libraries Act, under which the City passed By-law 2001-23A, as amended, and the City of Greater Sudbury Act, 1999. GSPL's board currently comprises 2 Council members and 6 Community members appointed by Council.

Section 24 of the Public Libraries Act requires the GSPL to submit an annual budget to the City for its review and approval or its amendment and approval. There is no appeal mechanism for GSPL where the City amends its budget.

Further to the foregoing, the City and GSPL entered into an Operating Agreement on May 23, 2024, which describes, among other things, GSPL's obligation to operate Citizen Services Centres in certain GSPL facilities, the City's obligation to provide staffing for GSPL, and the support services, such as financial, purchasing, human resources and insurance coverage, provided by the City to GSPL.

Public Health Sudbury & Districts (PHSD)

The Health Protection and Promotion Act prescribes, among other things, the existence, structures, governance and functions of boards of health. PHSD's service area encompasses all municipalities and townships in the Territorial District of Sudbury and all municipalities, geographic townships and other lands in the Territorial District of Manitoulin. PHSD's board comprises 11 municipal members, 7 from the City, with the remaining 4 being from the other municipalities in the PHSD's service area.

Under the HPPA the board of health is required to provide or ensure the provision of the health programs and services required by the HPPA. Mandatory health programs and services include:

- Community sanitation
- Safe drinking water by smaller drinking water systems
- Control of infectious diseases and diseases of public health significance
- Health promotion, health protection and disease and injury prevention
- Family health
- Collection and analysis of epidemiological data

Sections 72 through 77 of the Act deal with the funding of the PHSD by its member municipalities and the Provincial government, including requiring the PHSD to submit written notice to those member municipalities of its estimated expenses expected to be incurred in carrying out its functions and duties, and obligating the municipalities to pay for those expenses in such proportion as is agreed upon by those municipalities.

There is no provision in the Act for the member municipalities to appeal or amend the budget presented by PHSD. In fact, failure by any municipality to pay its proportionate share is a prosecutable contravention of the Act.

The Act also provides that, where PHSD incurs unanticipated additional expenses during the budgeted

year, it may seek reimbursement for those additional expenses by sending another notice the municipalities, which they are obligated to pay. As well, where PHSD's actual expenses exceed the budgeted amount, PHSD must, when preparing the following year's budget, include that deficit in the following year's budget.

Resources Cited

City of Greater Sudbury Act, 1999, S.O. 1999, c. 14, Sched. A

By-law 2001-23A, as amended

Community Safety and Policing Act, 2019, S.O. 2019, c. 1, Sched. 1

Conservation Authorities Act, R.S.O. 1990, c. C. 27

O. Reg. 402/22 "Budget and Apportionment"

Health Protection and Promotion Act, R.S.O. 1990, c. H. 7

Operating Agreement dated May 23, 2024 between the City and GSPL

Public Libraries Act, R.S.O. 1990, C. P. 15