



Special Council Minutes

February 16, 2023, 7:00 p.m.

Council Chambers

Whitby Town Hall

2023 Operating and Capital Budgets

Present:

Mayor Roy
Councillor Bozinovski
Councillor Cardwell
Councillor Leahy
Councillor Lee
Councillor Lundquist
Councillor Mulcahy
Councillor Shahid
Councillor Yamada

Also Present:

M. Gaskell, Chief Administrative Officer
S. Klein, Director of Strategic Initiatives
J. Long, Head of Organizational Effectiveness
J. Romano, Commissioner of Community Services
F. Santaguida, Commissioner of Legal and Enforcement Services/Town Solicitor
F. Wong, Commissioner of Financial Services/Treasurer
R. Saunders, Commissioner of Planning and Development
M. Dodge, Executive Advisor to the Mayor
C. Harris, Town Clerk
K. Douglas, Legislative Specialist (Recording Secretary)

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1. Call To Order: The Mayor
 2. Call of the Roll: The Clerk
 3. Declarations of Pecuniary Interest

Councillor Mulcahy declared a conflict of interest regarding Item 6.2, Staff Report FS 06-23, advising that she owns the Brooklin Town Crier, which is impacted by

Decision Item # 29 in the 2023 Budget Book. Chair Mulcahy did not take part in the discussion or vote on this matter.

Mayor Roy declared a conflict of interest regarding Item 6.2, Staff Report FS 06-23, noting that a family member is employed in the Operational Services Division. Mayor Roy did not take part in the discussion or vote on matters relating to Operational Services salaries or benefits.

Councillor Mulcahy assumed the Chair for the remainder of the meeting.

4. Presentations

4.1 Opening Remarks by Councillor Mulcahy, Chair of Finance

Councillor Mulcahy, Chair of Finance, provided opening remarks regarding the 2023 Budget. Chair Mulcahy acknowledged Town Staff for their efforts in preparing the budget, residents for their feedback, and Members of Council for their collaboration and questions when reviewing decision items.

Matt Gaskell, Chief Administrative Officer, provided a summary of the 2023 Budget, which proposes a net property tax increase of 6%. Mr. Gaskell noted the challenges impacting the budget, including pandemic-related pressures, inflation, material and equipment shortages, high borrowing costs, and legislation. He explained that the proposed budget includes additional staffing resources to account for growth, the maintenance of infrastructure, and enhancement of services. Mr. Gaskell advised that the proposed budget includes a \$1 million draw from contingency reserves with a three year recovery plan. He thanked residents for their feedback, staff for their efforts in preparing the budget, and Members of Council for their consultation.

5. Delegations

There were no delegations.

6. Consideration of the 2023 Operating and Capital Budgets

6.1 FS 04-23, Financial Services Department Report

Re: Reporting Requirement Per Ontario Regulation 284/09 – 2023 Budget

Resolution # 47-23

Moved by Mayor Roy

Seconded by Councillor Shahid

1. That Report FS 04-23 of the Commissioner of Financial Services/Treasurer be received as information;
2. That the full accrual accounting items identified in Report FS 04-23 be approved and included as budget figures in the December 31, 2023 audited financial statements;
3. That the Treasurer be authorized to make the required amendments to the budget figures in the Town's audited financial statements for any technical adjustments or amendments to the Town's budget approved by Council.

Carried

6.2 FS 06-23, Financial Services Department Report

Re: Recommended 2023 Operating and Capital Budget

See also attached Memorandum from J. Romano, Commissioner of Community Services and F. Wong, Commissioner of Financial Services/Treasurer dated February 13, 2023 regarding Report FS 06-23 Recommended 2023 Operating and Capital Budget, User Fees Rates and Charges – Correction

A question and answer period ensued between Members of Council and Staff regarding:

- the impact on service levels in the Legal and Enforcement Services Department should the proposed Compliance and Service Level Coordinator position be removed from the 2023 Budget;
- whether the City of Oshawa included conference and seminar fees as corporate expenses for Members of Council;
- deferring funding for a shade structure at Ocean Pearl Park to the 2024 Capital Budget;
- the importance of maintaining Seniors, Youth Services and CRC Health Club services;
- the need for a pedestrian crossover at the intersection of Dryden Boulevard and Steele Valley Court/Bakerville Street to enhance public safety;
- whether the proposed pedestrian crossover may be included in the Traffic Calming Action Plan;

- the urgency of addressing safety concerns at the intersection of Dryden Boulevard and Steele Valley Court/Bakerville Street compared to other intersections;
- funding for a bike and pedestrian crossing on the hydro corridor near Rossland Road and Manning Road;
- justification for the proposed increase to the 2023 Library Board Grant to support hiring additional Whitby Public Library staff;
- clarification regarding the Town's inability to decide how Library Board Grant funds are allocated;
- the 2022 Library Board Grant funding compared to the proposed increase in 2023;
- the importance of funding Zero Carbon Whitby initiatives, and clarification regarding the financial impact of doing so;
- whether savings incurred through Zero Carbon Whitby initiatives will be used to repay and grow the revolving fund;
- whether the Town may qualify for grant funding to support future Zero Carbon Whitby initiatives;
- using revenue projections to predict how long it will take to repay the revolving fund;
- the popularity of pickleball and the importance of enhancing facilities to support the sport;
- whether pickleball nets may be installed year-round at Cullen Central Park;
- the impact of withdrawing additional funds from the Contingency Reserve on operating costs and future budgets;
- the impact of new full-time equivalent (FTE) positions on future budgets; and
- the estimated annual savings for the average Whitby homeowner, should an additional \$220,000 be drawn from the Contingency Reserve.

Council recessed at 8:28 p.m. and reconvened at 8:39 p.m.

Discussion ensued between Members of Council and Staff regarding the inclusion of a Customer Service Analyst position in the 2023 Budget to initiate implementation of the Customer Service Strategy. Members of Council sought clarification from Staff regarding the timeline for implementing the Customer Service Strategy and the impact of including this position on the average Whitby homeowner's 2023 property taxes.

Council recessed at 8:49 p.m. and reconvened at 8:55 p.m.

The Mayor and Members of Council each made a concluding statement on the 2023 Budget prior to considering the final motion, as amended.

Moved by Councillor Lee

Seconded by Councillor Shahid

1. That the 2023 Operating Budget be approved at a net Town tax levy increase of \$6,688,604 (to a total tax levy of \$119,029,390 inclusive of estimated assessment growth) representing a 6% average residential increase to the Town levy or estimated 2% increase to the overall Whitby residential tax bill;
2. That the Town's 2023 operating budget, in the gross expense budget amount of \$165,166,559 inclusive of the recommended Operating Budget Decision Items as shown in Attachment 4 be approved and funded from the sources identified in Table 2 of report FS 06-23;
3. That the proposed user fee increases, and new fees as identified in Attachment 3 of report FS 06-23 be approved;
4. That staff be directed to bring forward a by-law to amend the Fees and Charges By-law to give effect to the recommendations contained in Report FS 06-23;
5. That the 2023 Capital Budget, in the gross capital budget amount of \$184,319,715, identified in Attachment 5, be approved and funded from the sources identified in Table 3 of report FS 06-23;
6. That the Treasurer's update of the Town's projected debt servicing charges as it impacts the Town's Annual Repayment Limit for all previously approved debentures and the proposed debentures, outlined in Staff Report FS 06-23, be received;
7. That the \$90,103,750 of proposed 2023 capital projects outlined in Table 1 of Report FS 06-23 be funded from debentures to be

issued through the Region of Durham, following substantial completion of each project;

8. That in accordance with s.s. 5(1) of the Development Charges Act, and S. 5 of Ontario Regulation 82/98, it is Council's clear intention that any excess capacity provided by any of the capital projects will be paid for by future development charges;
9. That any donations, grants or subsidies applied in the 2023 capital program to projects with development charges funding are to offset the non-growth related costs of those projects;
10. That the transfers to and from reserves and reserve funds as identified in Attachment 6 of report FS 06-23 be approved;
11. That if the actual net taxable assessment growth is different than the estimated assessment growth of \$3,250,000, any excess be transferred to the Tax Rate Stabilization Reserve, or any shortfall be transferred from the Tax Rate Stabilization Reserve;
12. That the 2024 to 2032 capital forecast in the amount of \$1,382,005,017 be received for information and subject to future annual reviews as part of the capital budget process; and,
13. That Sub-Section 2.3 of By-law #7856-22, related to the Town's Low-Income Seniors and Low-Income Persons with Disabilities Tax Rebate Program, be amended to increase the rebate from \$462.00 (in 2022) to \$472.00 (in 2023).

Carried later in the meeting

Moved by Mayor Roy

Seconded by Councillor Shahid

That the main motion be amended by including Item 14 as follows:

14. That Items 1 to 13 above have been revised based on the following amendments:

- a) That the following Decision Items and amounts, totaling \$259,655, be removed from the Proposed 2023 Budget:
 - o Decision Item #2, for a Customer Service Analyst position, in the amount of \$54,530;

- Decision Item #4, for a Community Engagement Specialist, in the amount of \$54,464;
 - Decision Item #11, for a Compliance and Service Level Coordinator, in the amount of \$66,500;
 - Decision Item #25, for a Community IDEA Specialist, in the amount of \$84,161;
- b) That the following projects associated with removal of positions from the Proposed 2023 Budget be deferred or suspended until such time appropriate resource levels are achieved:
- Implementation of Community Engagement Strategy and Action Plan (including planned focus groups, community open houses, workshops and roundtables);
 - Developing Diversity Equity and Inclusion partnerships, planning and leading community education & community initiatives;
- c) That the Economic Development Officer position noted in Decision Item #7, in the amount of \$122,851, remain as a contract position for 2023, funded from the Long-Term Financing Reserve Fund;
- d) That additional budget efficiencies of \$178,680 (inclusive of \$170,000 of lower than projected health/dental costs and \$8,680 of Canada Summer Job Grant recovery) be incorporated into the 2023 budget.

Carried later in the meeting

Councillor Mulcahy vacated the Chair to move an amendment to the amendment. Mayor Roy assumed the Chair.

Moved by Councillor Mulcahy
Seconded by Councillor Shahid

That the amending motion above be amended by striking decision Item #11, for a Compliance and Service Level Coordinator, in the amount of \$66,500 (so that it be added back into the 2023 Budget).

Carried

Councillor Mulcahy resumed the Chair.

The amending motion, as amended, was then carried as follows:

Moved by Mayor Roy

Seconded by Councillor Shahid

14. That Items 1 to 13 above have been revised based on the following amendments:

- a) That the following Decision Items and amounts, totaling \$259,655, be removed from the Proposed 2023 Budget:
 - Decision Item #2, for a Customer Service Analyst position, in the amount of \$54,530;
 - Decision Item #4, for a Community Engagement Specialist, in the amount of \$54,464;
 - Decision Item #25, for a Community IDEA Specialist, in the amount of \$84,161;
- b) That the following projects associated with removal of positions from the Proposed 2023 Budget be deferred or suspended until such time appropriate resource levels are achieved:
 - Implementation of Community Engagement Strategy and Action Plan (including planned focus groups, community open houses, workshops and roundtables);
 - Developing Diversity Equity and Inclusion partnerships, planning and leading community education & community initiatives;
- c) That the Economic Development Officer position noted in Decision Item #7, in the amount of \$122,851, remain as a contract position for 2023, funded from the Long-Term Financing Reserve Fund;
- d) That additional budget efficiencies of \$178,680 (inclusive of \$170,000 of lower than projected health/dental costs and \$8,680 of Canada Summer Job Grant recovery) be incorporated into the 2023 budget.

Carried

Moved by Councillor Lee

Seconded by Councillor Shahid

That Item 14 of the main motion be amended to include the following:

That Decision Item #47, in the amount of \$150,000, for a the development of a Traffic Calming Action Plan be added to the 2023 budget and that the base property tax funding, of \$150,000, be utilized as additional funding for the Town's annual capital program to implement traffic calming initiatives in 2024 and future years;

Carried

Moved by Councillor Lee

Seconded by Councillor Leahy

That Item 14 of the main motion be amended to include the following:

That \$45,000 be included in the 2023 budget to reflect a \$5,000 increase in the annual expense budget for each member of Council;

Carried

Moved by Councillor Shahid

Seconded by Councillor Bozinovski

That Item 14 of the main motion be amended to include the following:

That a new tax-funded capital project for a shade structure at Ocean Pearl Park be included in the 2023 capital budget in the amount of \$170,000.

Motion Withdrawn

Moved by Councillor Leahy

Seconded by Councillor Lundquist

That Item 14 of the main motion be amended to include the following:

That the service level reductions related to Decision Item #38, totaling a budget reduction of \$23,380, be included in the 2023 budget;

Carried

Moved by Councillor Leahy

Seconded by Councillor Yamada

That Item 14 of the main motion be amended to include the following:

That Decision Item #39 to expand the new Town service of Free Menstrual Products to the Civic Recreation Complex and Iroquois Park Sports Complex, in the amount of \$5,450 be included in the 2023 budget;

Carried

Moved by Councillor Bozinovski

Seconded by Mayor Roy

That Item 14 of the main motion be amended to include the following:

That capital project 35226411 for Pedestrian Crossovers be increased by \$70,000 (from \$316,525, to a total amount of \$386,525) to include a pedestrian crossover at the intersection of Dryden Boulevard and Steele Valley Court/Bakerville Street; and,

That the incremental property tax funding, of \$70,000, be utilized as additional funding for the Town's annual capital program to implement pedestrian crossover initiatives in 2024 and future years.

Carried

Moved by Councillor Lundquist

Seconded by Councillor Cardwell

That Item 14 of the main motion be amended to include the following:

That the 2023 Library Board Grant, funded from property taxes, included in the proposed 2023 budget be reduced by \$104,420.

Motion Lost

Moved by Councillor Lundquist

Seconded by Mayor Roy

That Item 14 of the main motion be amended to include the following:

That Decision Item #49 – “Zero Carbon Whitby One-Time Funding Request”, in the amount of \$757,568, be added to the 2023 Budget funded \$721,080 from the Zero Carbon Revolving Fund and \$36,488 from the Asset Management Reserve Fund;

That Sustainability Staff, in consultation with the Treasurer, be authorized to prioritize and substitute projects within the total funding envelope of

\$757,568 based on zero carbon priorities and the results of grant applications;

That substitution projects maintain the commitment of a minimum reduction of 165,373 kgCO₂e per year;

That despite Policy F 460, the Zero Carbon Revolving Fund may have a negative balance of \$721,080 to fund Decision Item #49; and

That despite the Disposition of Operating Surplus Policy, Policy F 010, the Town's operating budget surplus for 2022 and future years, if required, be used to replenish the Zero Carbon Revolving fund up-to \$721,080.

Carried

Moved by Councillor Yamada

Seconded by Councillor Leahy

That Item 14 of the main motion be amended to include the following:

That a new capital project for Cullen Central Park Pickleball Court Acrylic Floor Surfacing and Windscreens be included in the 2023 Budget in the amount of \$45,000 funded from the Long-Term Financing Reserve.

Carried

Moved by Councillor Cardwell

Seconded by Councillor Lundquist

That Item 14 of the main motion be amended to include the following:

That an additional \$220,000 be drawn from the Contingency Reserve to offset 2023 budget pressures; and,

That the \$220,000 be included in the 2024 budget as a budget pressure.

Motion Lost

Moved by Councillor Leahy

Seconded by Councillor Lee

That Item 14 of the main motion be amended to strike Decision Item #2, for a Customer Service Analyst position, in the amount of \$54,530 (so that it be added back into the 2023 Budget).

Carried

The main motion, as amended, save and except items related to Decision Item #29 and Operational Services salaries and benefits, was then carried unanimously on a recorded vote as follows:

Resolution # 48-23

Moved by Councillor Lee

Seconded by Councillor Shahid

1. That the 2023 Operating Budget be approved at a net Town tax levy increase of \$6,495,518 (to a total tax levy of \$118,836,304 inclusive of estimated assessment growth) representing a 5.8% average residential increase to the Town levy or estimated 2% increase to the overall Whitby residential tax bill;
2. That the Town's 2023 operating budget, in the gross expense budget amount of \$165,105,004 inclusive of the recommended Operating Budget Decision Items as shown in Attachment 4 be approved and funded from the sources identified in Table 2 (as amended by Recommendation 14) of report FS 06-23;
3. That the proposed user fee increases, and new fees as identified in Attachment 3 of report FS 06-23 be approved;
4. That staff be directed to bring forward a by-law to amend the Fees and Charges By-law to give effect to the recommendations contained in Report FS 06-23;
5. That the 2023 Capital Budget, in the gross capital budget amount of \$185,342,283, identified in Attachment 5 (as amended by Recommendation 14), be approved and funded from the sources identified in Table 3 (as amended by Recommendation 14) of report FS 06-23;
6. That the Treasurer's update of the Town's projected debt servicing charges as it impacts the Town's Annual Repayment Limit for all previously approved debentures and the proposed debentures, outlined in Staff Report FS 06-23, be received;
7. That the \$90,103,750 of proposed 2023 capital projects outlined in Table 1 of Report FS 06-23 be funded from debentures to be

issued through the Region of Durham, following substantial completion of each project;

8. That in accordance with s.s. 5(1) of the Development Charges Act, and S. 5 of Ontario Regulation 82/98, it is Council's clear intention that any excess capacity provided by any of the capital projects will be paid for by future development charges;
9. That any donations, grants or subsidies applied in the 2023 capital program to projects with development charges funding are to offset the non-growth related costs of those projects;
10. That the transfers to and from reserves and reserve funds as identified in Attachment 6 (as amended by Recommendation 14) of report FS 06-23 be approved;
11. That if the actual net taxable assessment growth is different than the estimated assessment growth of \$3,250,000, any excess be transferred to the Tax Rate Stabilization Reserve, or any shortfall be transferred from the Tax Rate Stabilization Reserve;
12. That the 2024 to 2032 capital forecast in the amount of \$1,382,005,017 be received for information and subject to future annual reviews as part of the capital budget process; and,
13. That Sub-Section 2.3 of By-law #7856-22, related to the Town's Low-Income Seniors and Low-Income Persons with Disabilities Tax Rebate Program, be amended to increase the rebate from \$462.00 (in 2022) to \$472.00 (in 2023).
14. That Items 1 to 13 above have been revised based on the following amendments:
 - a. That the following Decision Items and amounts, totaling \$259,655, be removed from the Proposed 2023 Budget:
 - Decision Item #4, for a Community Engagement Specialist, in the amount of \$54,464;
 - Decision Item #25, for a Community IDEA Specialist, in the amount of \$84,161;
 - b. That the following projects associated with removal of positions from the Proposed 2023 Budget be deferred or suspended until such time appropriate resource levels are achieved:

- Implementation of Community Engagement Strategy and Action Plan (including planned focus groups, community open houses, workshops and roundtables);
 - Developing Diversity Equity and Inclusion partnerships, planning and leading community education & community initiatives;
- c. That the Economic Development Officer position noted in Decision Item #7, in the amount of \$122,851, remain as a contract position for 2023, funded from the Long-Term Financing Reserve Fund;
 - d. That additional budget efficiencies of \$178,680 (inclusive of \$170,000 of lower than projected health/dental costs and \$8,680 of Canada Summer Job Grant recovery) be incorporated into the 2023 budget;
 - e. That Decision Item #47, in the amount of \$150,000, for a the development of a Traffic Calming Action Plan be added to the 2023 budget and that the base property tax funding, of \$150,000, be utilized as additional funding for the Town's annual capital program to implement traffic calming initiatives in 2024 and future years;
 - f. That \$45,000 be included in the 2023 budget to reflect a \$5,000 increase in the annual expense budget for each Member of Council;
 - g. That the service level reductions related to Decision Item #38, totaling a budget reduction of \$23,380, be included in the 2023 budget;
 - h. That Decision Item #39 to expand the new Town service of Free Menstrual Products to the Civic Recreation Complex and Iroquois Park Sports Complex, in the amount of \$5,450 be included in the 2023 budget;
 - i. That capital project 35226411 for Pedestrian Crossovers be increased by \$70,000 (from \$316,525, to a total amount of \$386,525) to include a pedestrian crossover at the intersection of Dryden Boulevard and Steele Valley Court/Bakerville Street; That the incremental property tax funding, of \$70,000, be utilized as additional funding for the Town's annual capital

program to implement pedestrian crossover initiatives in 2024 and future years;

- j. That Decision Item #49 – “Zero Carbon Whitby One-Time Funding Request”, in the amount of \$757,568, be added to the 2023 Budget funded \$721,080 from the Zero Carbon Revolving Fund and \$36,488 from the Asset Management Reserve Fund; That Sustainability Staff, in consultation with the Treasurer, be authorized to prioritize and substitute projects within the total funding envelope of \$757,568 based on zero carbon priorities and the results of grant applications; That substitution projects maintain the commitment of a minimum reduction of 165,373 kgCO₂e per year; That despite Policy F 460, the Zero Carbon Revolving Fund may have a negative balance of \$721,080 to fund Decision Item #49; That despite the Disposition of Operating Surplus Policy, Policy F 010, the Town’s operating budget surplus for 2022 and future years, if required, be used to replenish the Zero Carbon Revolving fund up-to \$721,080; and,
- k. That a new capital project for Cullen Central Park Pickleball Court Acrylic Floor Surfacing and Windscreens be included in the 2023 Budget in the amount of \$45,000 funded from the Long-Term Financing Reserve.

	For	Against	Conflict
Mayor Roy	X		
Councillor Bozinovski	X		
Councillor Cardwell	X		
Councillor Leahy	X		
Councillor Lee	X		
Councillor Lundquist	X		
Councillor Mulcahy	X		
Councillor Shahid	X		
Councillor Yamada	X		

Results

9

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Carried (9 to 0)

Having previously declared a conflict of interest, Mayor Roy did not take part in the discussion or vote on matters pertaining to Operational Services salaries and benefits.

Resolution # 49-23

Moved by Councillor Yamada

Seconded by Councillor Bozinovski

That the budget items related to the Operational Services salaries and benefits be approved.

Carried

Having previously declared a conflict of interest, Councillor Mulcahy vacated the Chair and did not take part in the discussion or vote on matters pertaining to Decision Item #29. Mayor Roy assumed the Chair.

Resolution # 50-23

Moved by Councillor Shahid

Seconded by Councillor Lundquist

That Decision Item #29, for Communications proposed efficiencies with service level changes, be approved.

Carried

Councillor Mulcahy resumed the Chair.

7. By-laws

Resolution # 51-23

Moved by Councillor Leahy

Seconded by Councillor Cardwell

That leave be granted to introduce By-law # 7963-23, as amended, and to dispense with the reading of the by-law by the Clerk and that the same be considered read and passed and that the Mayor and the Clerk sign the same and the Seal of the Corporation be thereto affixed.

Carried

7.1 By-law # 7963-23

Being a by-law to Adopt the 2023 Operating and Capital Budgets, as amended.

8. Adjournment

Moved by Councillor Yamada
Seconded by Councillor Shahid

That the meeting adjourn.

Carried

The meeting adjourned at 9:24 p.m.

Christopher Harris, Town Clerk

Elizabeth Roy, Mayor