

Present: Mayor Mitchell (Participating Electronically)
Councillor Drumm (Participating Electronically)
Councillor Leahy (Participating Electronically)
Councillor Lee (Participating Electronically)
Councillor Mulcahy (Participating Electronically)
Councillor Newman (Participating Electronically)
Councillor Roy (Participating Electronically)
Councillor Shahid (Participating Electronically)
Councillor Yamada (Participating Electronically)

Also Present: M. Gaskell, Chief Administrative Officer
S. Beale, Commissioner of Public Works
S. Klein, Director of Strategic Initiatives
W. Mar, Commissioner of Legal and Enforcement Services/Town Solicitor
J. Romano, Commissioner of Community Services
R. Saunders, Commissioner of Planning and Development
D. Speed, Fire Chief
F. Wong, Commissioner of Financial Services/Treasurer
A. McCullough, Director of Finance/Deputy Treasurer
H. Ellis, Executive Advisor to the Mayor
C. Harris, Town Clerk
K. Douglas, Legislative Specialist (Recording Secretary)

Regrets: None noted

1. Declarations of Pecuniary Interest

- 1.1 Mayor Mitchell declared a pecuniary interest under the Municipal Conflict of Interest Act regarding the proposed hospital site in North Whitby as well as the mid-block arterial road, as Mayor Mitchell and his family have an interest in 5455 Ashburn Road, which is a part of the proposed hospital site and the mid-arterial road.

2. Presentations

- 2.1 Opening Remarks by Councillor Lee, Chair of Finance and Matthew Gaskell, Chief Administrative Officer

Councillor Lee, Chair of Finance, provided opening remarks regarding the 2021 Budget, acknowledging the public for their input into the process and Town Staff for their efforts.

M. Gaskell, Chief Administrative Officer, provided an overview of the 2021 Budget and the ongoing impacts of COVID-19 on residents, businesses, and the budget. Mr. Gaskell noted the roll out of COVID-19 vaccines, the emergence of COVID-19 variants, and the postponement of March Break. He emphasized the Town's priority of ensuring the health and wellbeing of Staff, residents, and the broader community. Mr. Gaskell noted the continued impacts of COVID-19 on Town finances and operations, resulting in a staff hiring freeze and temporary layoffs, the closure of Town facilities, and cancelation of special events. He explained that the budget was built on the assumption that COVID-19 will continue to impact 2021 operations and service deliveries, similar to 2020. Mr. Gaskell provided an overview of how COVID-19 may impact the Town's programs, services, and facilities in 2021. He explained that service level reductions are necessary to minimize the property tax burden on residents and businesses. Mr. Gaskell emphasized that the 2021 budget is a one-time measure than cannot be repeated in future years, especially as the Town's population grows.

3. Delegations

3.1 There were no delegations.

4. Consideration of the 2021 Operating and Capital Budgets

4.1 Financial Services Department Report, FS 09-21
Re: Reporting Requirement Per Ontario Regulation 284/09

Resolution # 35-21

Moved By Councillor Roy
Seconded By Councillor Newman

1. That Report FS 09-21 of the Commissioner of Financial Services/ Treasurer be received as information.
2. That the full accrual accounting items identified in Report FS 09-21 be approved and included as budget figures in the December 31, 2021 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 amendments to the Town's budget approved

by Council.

Carried

4.2 Financial Services Department Report, FS 12-21
Re: Recommended 2021 Operating and Capital Budget

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

- the challenges of preparing the 2021 budget given the impacts of COVID-19;
- whether the Provincial and Federal government have announced their 2021 grant funding for municipalities to help offset COVID-19 financial pressures; and,
- confirmation of the proposed Asset Management Reserve Fund contribution for 2021 and how this amount was determined given the uncertain impact of COVID-19.

Discussion ensued between Members of Council regarding:

- the importance of minimizing the property tax burden on residents and businesses that have been financially impacted by COVID-19;
- the hard work and efforts made by Town Staff to prepare the 2021 budget;
- the experiences of Staff, residents and Members of Council during the pandemic;
- the responsibility of Members of Council to advocate on behalf of residents;
- how residents and businesses may have benefitted from a zero percent increase to the Town's portion of the overall property tax bill;
- the Town's 2021 service level reductions and how the budget would impact ongoing and future projects;
- a comparison to the preliminary and approved 2021 tax increases of other municipalities;
- the financial impact of COVID-19 on local businesses;
- how the proposed one time reduction to the Asset Management Reserve fund follows the Town's principled approach of only using one time monies/savings to offset one time expenses/pressures;
- the value residents place on Town programs and services;
- the uneven impact of COVID-19 on residents; and,
- how an increase of 0.55 percent to the Town's portion of the overall property tax bill can help ensure residents continue to receive valued services during the pandemic.

Moved By Councillor Roy
Seconded By Councillor Mulcahy

1. That the 2021 Operating Budget be approved at a net Town tax levy increase of \$1,650,383 (to a total tax levy of \$104,239,075 inclusive of assessment growth) representing a 1.61% average residential increase to the Town levy or estimated 0.55% increase to the overall Whitby residential tax bill;
2. That the 2021 Operating Budget be adjusted for the projected financial impact of COVID-19 through a \$7,814,398 reduction in revenues offset by a \$4,447,528 reduction in associated expenditures and a \$3,366,870 reduction to the transfer to the Asset Management Reserve Fund in 2021;
3. That the COVID-19 adjustments in the 2021 Operating Budget be reversed in the 2022 Operating Budget;
4. That the Town's 2021 operating budget, in the gross expense budget amount of \$137,830,993 (adjusted for COVID-19) be approved and funded from the sources identified in Table 1 of this report;
5. That the 2021 Capital Budget (expenditures and funding sources), in the gross capital budget amount of \$86,969,922 be approved and funded from the sources identified in Table 2 of this report;
6. That the 2021 Des Newman/CP Rail Grade Separation capital project and the Mid Arterial Roadway (from Ashburn to Anderson) capital project be funded from a debenture, in the amounts of \$6,000,000 and \$8,393,000 respectively, to be issued through the Region of Durham, following substantial completion;
7. 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 12-21 be received;
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 2021 capital program to projects with development charges funding are to offset the non-growth related costs of those projects;
10. That assessment growth in excess of the budget estimate be contributed to the Growth Reserve Fund;
11. That the actual one-time reduction in the transfer to the Asset Management Reserve Fund to address 2021 COVID-19 pandemic pressures be adjusted to reflect any grant funding and

- actual 2021 net financial impact of the pandemic;
12. That the transfers to and from reserves and reserve funds as identified on pages 111 to 115 of the 2021 Budget Book as shown in Attachment 1 be approved;
 13. That the 2022 to 2030 capital forecast in the amount of \$867,440,740 be received for information and subject to future annual reviews as part of the capital budget process; and,
 14. That Council confirm the previously approved 2020 Des Newman/CP Rail Grade Separation capital project and budget amount of \$8,750,000 be funded from a debenture to be issued, through the Region of Durham.

Carried later in the meeting [See following motions]

Moved By Councillor Yamada
Seconded By Councillor Leahy

The main motion be amended to replace Items 1 and 4, and add Item 3a as follows:

1. That the 2021 Operating Budget be approved with no tax levy increase (a total tax levy of \$102,588,692 inclusive of assessment growth);
3. That the COVID-19 adjustments in the 2021 Operating Budget be reversed in the 2022 Operating Budget;
 - 3a. That the remaining 2021 Operating Budget tax levy increase of \$1,650,383 be deferred to 2022 via a further one-time (2021) reduction to the transfer to the Asset Management Reserve Fund to be reversed in 2022;
4. That the Town's 2021 operating budget, in the gross expense budget amount of \$136,180,610 (adjusted for COVID-19) be approved and funded from the sources identified in Table 1 (as amended further to Item 3a) of this report;

Motion lost later in the meeting [See following motions]

Moved By Councillor Roy

That the motion for the previous question (amendment) be called.

Carried on a recorded vote as follows:

	For	Against	Abstained
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Councillor Roy	x		
Councillor Drumm	x		
Councillor Leahy		x	
Councillor Lee	x		
Councillor Mulcahy	x		
Councillor Newman		x	
Councillor Shahid		x	
Councillor Yamada		x	
Mayor Mitchell	x		
	5	4	0

The amendment to replace Items 1 and 4, and add Item 3a in the main motion was then **lost on a recorded vote as follows:**

	For	Against	Abstained
Councillor Drumm		x	
Councillor Leahy	x		
Councillor Lee		x	
Councillor Mulcahy		x	
Councillor Newman	x		
Councillor Roy		x	
Councillor Shahid	x		
Councillor Yamada	x		
Mayor Mitchell		x	
	4	5	0

The main motion, save and except items related to the proposed Whitby hospital site and the mid-arterial road, was then considered.

Moved By Councillor Leahy
Seconded By Councillor Yamada

That the motion for the previous question (main motion) be called.

Lost on a recorded vote as follows:

	For	Against	Abstained
Councillor Drumm		x	
Councillor Leahy	x		
Councillor Lee		x	

Councillor Mulcahy		x	
Councillor Newman	x		
Councillor Roy		x	
Councillor Shahid	x		
Councillor Yamada	x		
Mayor Mitchell		x	
	4	5	0

Resolution # 36-21

Moved By Councillor Roy

Seconded By Councillor Mulcahy

1. That the 2021 Operating Budget be approved at a net Town tax levy increase of \$1,650,383 (to a total tax levy of \$104,239,075 inclusive of assessment growth) representing a 1.61% average residential increase to the Town levy or estimated 0.55% increase to the overall Whitby residential tax bill;
2. That the 2021 Operating Budget be adjusted for the projected financial impact of COVID-19 through a \$7,814,398 reduction in revenues offset by a \$4,447,528 reduction in associated expenditures and a \$3,366,870 reduction to the transfer to the Asset Management Reserve Fund in 2021;
3. That the COVID-19 adjustments in the 2021 Operating Budget be reversed in the 2022 Operating Budget;
4. That the Town's 2021 operating budget, in the gross expense budget amount of \$137,830,993 (adjusted for COVID-19) be approved and funded from the sources identified in Table 1 of this report;
5. That the 2021 Capital Budget (expenditures and funding sources), in the gross capital budget amount of \$86,969,922 be approved and funded from the sources identified in Table 2 of this report;
6. That the 2021 Des Newman/CP Rail Grade Separation capital project and the Mid Arterial Roadway (from Ashburn to Anderson) capital project be funded from a debenture, in the amounts of \$6,000,000 and \$8,393,000 respectively, to be issued through the Region of Durham, following substantial completion;
7. 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 12-21 be received;
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 2021 capital program to projects with development charges funding are to offset the non-growth related costs of those projects;
 10. That assessment growth in excess of the budget estimate be contributed to the Growth Reserve Fund;
 11. That the actual one-time reduction in the transfer to the Asset Management Reserve Fund to address 2021 COVID-19 pandemic pressures be adjusted to reflect any grant funding and actual 2021 net financial impact of the pandemic;
 12. That the transfers to and from reserves and reserve funds as identified on pages 111 to 115 of the 2021 Budget Book as shown in Attachment 1 be approved;
 13. That the 2022 to 2030 capital forecast in the amount of \$867,440,740 be received for information and subject to future annual reviews as part of the capital budget process; and,
 14. That Council confirm the previously approved 2020 Des Newman/CP Rail Grade Separation capital project and budget amount of \$8,750,000 be funded from a debenture to be issued, through the Region of Durham.

Carried on a recorded vote as follows:

	For	Against	Abstained
Councillor Drumm	x		
Councillor Leahy	x		
Councillor Lee	x		
Councillor Mulcahy	x		
Councillor Newman	x		
Councillor Roy	x		
Councillor Shahid	x		
Councillor Yamada		x	
Mayor Mitchell	x		
	8	1	0

Having previously declared a conflict of interest, Mayor Mitchell did not take part in the discussion or vote on matters pertaining to the proposed Whitby hospital site and the mid-arterial road within the Town of Whitby.

Resolution # 37-21

Moved By Councillor Leahy

Seconded By Councillor Roy

That the budget items related to the proposed Whitby hospital site and the mid-arterial road be approved.

Carried

5. By-law to Adopt the Budgets

5.1 By-law # 7721-21, being a by-law to adopt the 2021 Operating and Capital Budgets.

Resolution # 38-21

Moved By Councillor Newman
Seconded By Councillor Leahy

That leave be granted to introduce By-law # 7721-21 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

6. Adjournment

6.1 Motion to Adjourn

Moved By Councillor Mulcahy
Seconded By Councillor Leahy

That the meeting adjourn.

Carried

The meeting adjourned at 8:15 p.m.

Christopher Harris, Town Clerk

Don Mitchell, Mayor