

Special General Committee Minutes

Meeting Number: 2
January 23, 2023, 9:00 AM - 12:00 PM
Live streamed

Roll Call	Mayor Frank Scarpitti Deputy Mayor Michael Chan Regional Councillor Jim Jones Regional Councillor Joe Li Regional Councillor Alan Ho Councillor Keith Irish Councillor Ritch Lau	Councillor Reid McAlpine Councillor Karen Rea Councillor Andrew Keyes Councillor Amanda Collucci Councillor Juanita Nathan Councillor Isa Lee
Staff	Andy Taylor, Chief Administrative Officer Trinela Cane, Commissioner, Corporate Services Alice Lam, Acting Commissioner, Community Services Arvin Prasad, Commissioner, Development Services Claudia Storto, City Solicitor and Director of Human Resources Bryan Frois, Chief of Staff Kimberley Kitteringham, City Clerk Martha Pettit, Deputy City Clerk Sumon Acharjee, Chief Information Officer Adam Grant, Fire Chief Jemima Lee, Manager Capital Budgets Mary Creighton, Director, Recreation Services Frank Clarizio, Director, Engineering Chris Rickett, Director, Economic	Development, Culture and Entrepreneurship Mark Visser, Senior Manager, Strategy Innovation & Investments Eddy Wu, Acting Director, Environmental Services Darryl Lyons, Deputy Director, Planning & Urban Design Giulio Cescato, Director of Planning & Urban Design Stephanie DiPerna, Director, Building Standards Jay Pak, Senior Manager, Financial Planning & Reporting Erica Alligood, Election and Committee Coordinator Laura Gold, Council/Committee Coordinator

1. CALL TO ORDER

The Special General Committee – Budget convened at 9:06 AM with Mayor Frank Scarpitti in the Chair.

INDIGENOUS LAND ACKNOWLEDGEMENT

We begin today by acknowledging the traditional territories of Indigenous peoples and their commitment to stewardship of the land. We acknowledge the communities in circle. The North, West, South and Eastern directions, and Haudenosaunee, Huron- Wendat, Anishnabeg, Seneca, Chippewa, and the Mississaugas of the Credit peoples. We share the responsibility with the caretakers of this land to ensure the dish is never empty and to restore relationships that are based on peace, friendship, and trust. We are committed to reconciliation, partnership and enhanced understanding.

2. DISCLOSURE OF PECUNIARY INTEREST

There was no disclosure of pecuniary interest.

3. 2023 BUDGET DISCUSSION

Andy Taylor, Chief Administrative Officer, spoke briefly about the 2023 budgetary pressures, some of which included high inflation, and legislative impacts due to *Bill 23, More Homes Built Faster Act, 2022*.

Trinela Cane, Commissioner of Corporate Services, spoke how the 2023 Budget continues to focus on providing high quality service while addressing financial pressures. Ms. Cane noted that the goal is to approve the Budget in March 2023.

The Mayor provided opening remarks regarding the 2023 Budget, advising that the remainder of the budget meetings will be held through the Budget Committee.

Mark Visser, Acting Treasurer, provided opening remarks on the 2023 Budget, advising that staff have been working on the 2023 Budget for many months.

Jay Pak, Senior Manager, Financial Planning & Reporting, delivered the 2023 Budget Overview presentation.

The Committee discussed the following relative to the staff presentation:

- Discussed the implications of higher interest rates on housing starts;
- Using the York Region Municipal Price Index rather than the Consumer Price Index to address inflationary pressures due it being more reflective of inflationary pressures facing the City;
- The impact of inflationary pressures on the 2023 Budget, and the need to continuously monitor inflation throughout the year;

- Suggested calculating the Lifecycle Reserve Study based on the funds required for the next 20 years versus 25 years;
- Discussed the method of calculating if there are enough funds in the Lifecycle Reserve Study for the next 25 years, noting the funds are raised over a long period of time to ensure there is enough funds in the reserve when they are needed;
- Discussed the need to increase the annual infrastructure investment to address the implications of Bill 23;
- Noted that there are four larger projects that make up the substantial increase to the 2023 Capital Budget expenditures relative to the 2022 expenditures;
- Discussed the reason staff are needed to support and maintain new software, and why the cost of this staff is included under the Operating Budget rather than the Capital Budget;
- Discussed the implications of Bill 23 on the City's ability to collect Development Charges for growth related expenditures;
- Noted the implications of budgetary pressures due to Bill 23 will be addressed through a combination of service adjustments and tax rate increases;
- Suggested that the short term and long term implications of Bill 23 should be shared with Members of Council;
- Suggested that the City needs to communicate and discuss the implications of Bill 23 with the public;
- Discussed the implications of Bill 23 on future tax rates;
- Noted that the City is still learning about the types of relief that will be available to municipalities to address the impacts of Bill 23;
- Noted that shortfalls to the Capital Budget due to the implications of Bill 23 will need to be funded through the tax rate or other funding sources;
- Discussed the new exemption or deferral of development charges for new built affordable housing and attainable housing introduced through Bill 23;
- Suggested paying back the Corporate Stabilization Fund over a few years rather than all in 2023 to reduce the tax rate increase.

Staff responded and provided clarification to inquiries from the Committee and advised that they would conduct sensitivity analysis on reducing the Life Cycle Reserve Study planning period from 25 to 20 years.

Mayor Frank Scarpitti directed staff to aim for a 3.5% tax rate increase for the 2023 Budget with an additional 2% provincial surcharge to address implication from Bill 23. Mayor Scarpitti also suggested that staff spread out the re-payment of the funds borrowed from the Corporate Stabilization Fund over a couple of years.

Moved by Councillor Andrew Keyes

Seconded by Deputy Mayor Michael Chan

1. That the presentation entitled "2023 Budget Overview - Jan 2023 Special GC Meeting" be received.

Carried

4. DEPUTATIONS

There were no deputations.

5. COMMUNICATIONS

There were no communications.

6. ADJOURNMENT

Moved by Councillor Juanita Nathan

Seconded by Regional Councillor Jim Jones

That the Special General Committee – Budget adjourned at 11:11 AM.

Carried