



Budget Committee of the Whole Meeting

Minutes

BCW#03-21

Tuesday, June 22, 2021, 1:30 p.m.

(Electronic Meeting pursuant to Section 238(3.3) of the Municipal Act, 2001)

An Electronic Budget Committee of the Whole Meeting, pursuant to Section 238(3.3) of the *Municipal Act, 2001*, of the Council of the City of Richmond Hill was held on Tuesday, June 22, 2021 at 1:32 p.m. via videoconference.

Council Members present via videoconference:

Acting Mayor DiPaola
Councillor Beros
Councillor Muench
Councillor Liu
Councillor West
Councillor Chan

Regrets:

Mayor Barrow
Regional and Local Councillor Perrelli
Councillor Cilevitz

The following members of Staff were present via videoconference:

D. Joslin, Acting City Manager and Commissioner of Community Services
S. Adams, Commissioner of Corporate and Financial Services
K. Kwan, Commissioner of Planning and Infrastructure Department
A. Dimilta, City Solicitor
P. Masaro, Executive Director, Infrastructure and Engineering Services
D. Flaherty, Chief of Staff
D. Dexter, Director, Financial Services and Treasurer
G. Galanis, Director, Development Planning
D. Hearn, Director, Recreation and Culture
S. Huycke, Director, Legislative Services/City Clerk
A. Ierullo, Director, Economic Development and Richmond Hill Center
R. Jones, Director, Information Technology/CIO
N. Kalyvas, Director, Facility Design Construction and Maintenance

N. Khan, Director, Building Division and Chief Building Official
B. Burbidge, Interim Fire Chief
P. Lee, Director, Policy Planning
T. Steele, Director, Community Services Standards
J. Stewart, Director, Public Works Operations
D. Terzievski, Director, Development Engineering and Transportation
L. Conde, Manager, Strategy and Government Relations
K. Graver, Manager, Strategic Communications
G. Li, Manager, Capital and Development Financing
J. Concepcion, Financial Management Advisor
M. Lam, Financial Management Advisor
H. Leung, Financial Management Advisor
A. Li, Financial Management Advisor
D. Selicean, Capital and Reserves Management Advisor
I. Treiger, Financial Management Advisor
B. Yu, Financial Management Advisor

The following member of Staff was present on the 8th Floor:

R. Ban, Deputy City Clerk
S. Dumont, Council/Committee Coordinator

1. Adoption of Agenda

That the agenda be adopted as distributed by the Clerk with the following addition:

Moved by: Councillor Liu

Carried

2. Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures of pecuniary interest by members of Council under the *Municipal Conflict of Interest Act*.

3. Delegations

There were no delegations.

4. Scheduled Business

4.1 SRCFS.21.009 - Year-End Operating Results as of December 31, 2020

David Dexter, Director of Financial Services and Treasurer, provided introductory remarks regarding the staff reports that were going forward

and thanked all Finance staff under Gigi Li's leadership for their hard work. D. Dexter reviewed the 2020 year-end financial results, and impact the pandemic had on community consumption patterns and the City's delivery of services. He also advised of the monies provided by the Federal and Provincial government to relieve the financial pressure. D. Dexter provided an overview of the 2020 Operating Fund, elaborated on the positive and negative contributors, and provided a reconciliation of how the Provincial and Federal funding had been used. He reviewed the 2020 Water, Wastewater and Stormwater Fund results, and concluded by listing the recommendations of the staff report.

Moved by: Councillor West

- a) That this overview of the 2020 operating results be received for information purposes;
- b) That the 2020 Operating Budget carryforward items listed in Appendix "B" be approved;
- c) That the 2020 Operating Fund deficit of \$1,553,200 be fully funded from Safe Restart Agreement monies; and
- d) That the surplus allocation measures for the Water, Wastewater & Stormwater Fund detailed in Appendix "C" be approved.

Carried Unanimously

4.2 SRCFS.21.028 – 2020 Investment Portfolio Results

David Dexter, Director of Financial Services and Treasurer, advised Council of the City's investment policy and its core objectives. He described the economic and financial market impact of the pandemic, advised of the reduction in the overnight rate by the Bank of Canada, and the resulting challenge of investing in the low interest rate environment. D. Dexter shared the investment portfolio results and provided a comparison to other municipalities. He compared the 2019 and 2020 year-end portfolio breakdown, outlined the updates to the investment policy that were being proposed, and provided an outlook for the remainder of 2021. D. Dexter concluded by reviewing the recommendations of the staff report.

Moved by: Councillor Chan

- a) That staff report SRCFS.21.028 regarding the 2020 Investment Portfolio results be received for information purposes; and

b) That the updated Investment Policy be approved as provided in Appendix "D".

Carried Unanimously

4.3 SRCFS.21.034 - 2020 Development Charges, Cash in Lieu of Parkland and Section 37 Community Benefits Reserve Funds Statement

David Dexter, Director of Financial Services and Treasurer, shared development charges (DCs) highlights, including how much DCs were collected and used to fund capital expenditures in 2020. He compared DC revenues and expenditures from 2016 to 2020, and showed a quarter-by-quarter comparison of DC revenues, noting that for the most part they had been lower than the average collection. He provided historical data to compare DC revenue forecasts to actual collection, and a summary of Cash in Lieu (CIL) of Parkland revenues and expenditures. D. Dexter concluded by outlining the recommendations of the staff report.

Moved by: Councillor Muench

a) That Council receive staff report SRCFS.21.034 regarding the 2020 Development Charges, Cash in Lieu of Parkland and Section 37 Community Benefits Reserve Funds Statement, for information purposes; and

b) That the 2020 Development Charges, Cash in Lieu of Parkland and Section 37 Community Benefits Reserve Funds Statement be made available to the public on the City of Richmond Hill website as outlined in the report.

Carried Unanimously

4.4 SRCFS.21.032 – 2021 Operating Forecast Q2

Gigi Li, Manager, Fiscal Planning and Strategy, provided introductory remarks regarding the budget process to date, advised that the Province's "three-step plan" would continue to impact the City's operations into the second half of 2021, and noted the net unfavourable impact that was projected at year-end. She advised of the projected net favourable impact in Recreation, noting that the revenue loss increase was due to extended closures, which would be offset by additional programming, and casual and full-time staff savings. G. Li identified other major changes that affected first quarter financial results, including an increase in uncollectable parking fines, delayed start for outdoor permits, an increase in casual staffing costs, and a further decline in investment income. Ms. Li compared the COVID related impact between the initial budget to the net impact reported in the first and second quarter, and advised that staff will

provide a subsequent update to Council in September. She concluded by outlining staff's recommendations in the report.

Moved by: Councillor Beros

a) That staff report regarding the 2021 Operating Forecast Q2 be received for information purposes.

Carried Unanimously

4.5 SRCFS.21.031 – Tariff of Fees Update

Gigi Li, Manager, Fiscal Planning and Strategy, advised that the Tariff of Fees update was an annual process that typically occurred in the fall, however, was brought forward to this meeting for the Committee's consideration in order to fully inform the upcoming Operating Budget. G. Li shared information on the Tariff of Fees review process, the basis for the update, fee categories, internal direction provided regarding updating fees and the additional revenues anticipated in 2022. A summary of fee changes by category, including an overview of Recreation and Culture fees was also provided. G. Li highlighted the new fees introduced as part of the Tariff of Fees update, and advised of situations where amending fees mid-year would be beneficial to the City. She also advised of staff's recommendation to charge additional convenience fees to align with charges incurred.

Moved by: Councillor Beros

a) That the amended fees for Public Works Operations set out in draft By-law 67-21 (Appendix "B") be adopted.

b) That the proposed fees set out in draft By-law No. 68-21 (Appendix "F") be adopted.

c) That Council delegate authority to the Treasurer to amend the fees and enact a new By-Law to amend By-Law 68-21 for:

- i) Fees related to contracted municipal services to reflect updated pricing obtained through competitive bids;
- ii) Subsequent nominal increases to Recreation & Culture fees, to account for operational cost increases to adjust to the Covid-19 pandemic guidelines set forth by the Province of Ontario, to a maximum increase of 5%, where higher increases must be approved by Council.

d) That the proposed fees be subject to an additional convenience fee in line with charges incurred, for online payments where applicable.

Carried Unanimously

5. Adjournment

Moved by: Councillor Liu

That the meeting be adjourned.

Carried Unanimously

The meeting was adjourned at 4:03p.m.

Joe DiPaola, Acting Mayor

Ryan Ban, Deputy City Clerk