

Budget Committee

Date: June 21, 2021
Time: 9:30 AM
Location: Online Video Conference

Members	Mayor Bonnie Crombie	Chair
	Councillor Stephen Dasko	Ward 1
	Councillor Karen Ras	Ward 2
	Councillor Chris Fonseca	Ward 3
	Councillor John Kovac	Ward 4
	Councillor Carolyn Parrish	Ward 5
	Councillor Ron Starr	Ward 6
	Councillor Dipika Damerla	Ward 7
	Councillor Matt Mahoney	Ward 8
	Councillor Pat Saito	Ward 9
	Councillor Sue McFadden	Ward 10
	Councillor George Carlson	Ward 11

Staff Present

Paul Mitcham, City Manager and CAO
Shari Lichterman, Commissioner of Corporate Services and Chief Financial Officer
Jeff Jackson, Director of Finance and Treasurer
Geoff Wright, Commissioner of Transportation and Works
Andrew Whittemore, Commissioner of Planning and Building
Jodi Robillos, Acting Commissioner of Community Services
Diana Rusnov, Director of Legislative Services and City Clerk
Sacha Smith, Manager of Legislative Services and Deputy Clerk
Dayna Obaseki, Legislative Coordinator

1. CALL TO ORDER

Mayor Crombie, Chair, called the meeting to order at 9:32AM.

2. APPROVAL OF AGENDA

An Email and Letter dated June 18, 2021 from Jennifer Jaruczek Planner, Policy & Advocacy, BiLD (Building Industry and Land Development Association) regarding corporate report (Item 7.1 on the June 21, 2021 BC Agenda) entitled "2022 Development Charges Background Study and Community Benefits Charge Update" be added to the agenda.

Approved as Amended (Councillor McFadden)

3. DECLARATION OF CONFLICT OF INTEREST - Nil.**4. PRESENTATIONS****4.1 Shari Lichterman, Commissioner of Corporate Services and Chief Financial Officer to present the Government Finance Officers Association's (GFOA) Popular Annual Financial Reporting Award for 2019**

Ms. Lichterman presented the Popular Annual Financial Reporting Award for 2019 from the Government Finance Officers Association (GFOA).

5. DEPUTATIONS**5.1 Jeff Jackson, Director of Finance and Treasurer with respect to 2021 Forecast and 2022 Preliminary Budget Overview**

Mr. Jackson presented and provided an overview on the 2021 Forecast and 2022 Preliminary Budget.

Members of the Committee spoke to the matter and raised the following questions and concerns:

- Transit Revenue;
- Safe reliable transit;
- Different modes of transit;
- Ridership Recovery Strategy
- Safe Restart Fund;
- Financial Savings;
- Stormwater Increase;
- Budget Allocator Tool;

- Revenue impact on the Transportation Network Company (TNCs);
- Public Engagement; and
- Transit Fleet.

Mr. Jackson and Geoff Wright, Commissioner of Transportation and Works responded to the questions from the Committee.

Councillor Ras requested a letter from the Mayor be sent to the Province regarding the Safe Restart Funding streams and timelines.

Councillor Damerla expressed interest in participating in the City Budget Town Hall.

Councillor Fonseca requested for a Stormwater charge public engagement session. Geoff Wright, Commissioner of Transportation and Works responded that he would work with finance to include a Stormwater component to the public engagement sessions.

Councillor McFadden requested that during the Budget Allocation Session that Transportation and Works staff provide a summary on the Stormwater Infrastructure savings.

RECOMMENDATION BC-0020-2021

Moved By Councillor K. Ras

That the deputation and associated presentation by Jeff Jackson, Director of Finance and Treasurer with respect to 2021 Forecast and 2022 Preliminary Budget Overview be received.

YES (12): Mayor Crombie, Councillor S. Dasko, Councillor K. Ras, Councillor C. Fonseca, Councillor J. Kovac , Councillor C. Parrish, Councillor R. Starr, Councillor D. Damerla, Councillor M. Mahoney, Councillor P. Saito, Councillor S. McFadden, and Councillor G. Carlson

Carried (12 to 0)

6. PUBLIC QUESTION PERIOD - 15 Minute Limit

Chris Mackie, MIRANET submitted questions to be asked on his behalf by the Diana Rusnov, Director of Legislative Coordinator and City Clerk. Jeff Jackson, Director of Finance and Treasure responded to the questions.

Below are the questions submitted and the answers provided;

- *Why is MiWay Anticipated Loss (p.4) of \$41,042,000 is included when the Safe Restart Funding of \$36,769,000 results in a zero year-end balance?*
 - In the interests of transparency we identify all budget variances, bring them to a total (the deficit) and then show how we are reducing the deficit. A net number would not provide Budget Committee with any information on the impact of COVID-19 on transit revenues.

- *Does the City expect to receive approval to apply the year-end surplus of the Safe Restart/2021 Recovery Funding of \$15,851,800 against the projected 2022 shortfall?*
 - Yes
- *What is driving the projected 2023 budget increase of 6.3%?*
 - The 6.3% is an estimate for a budget a year away. Current budgets are broken down between the infrastructure levy, the fire safety levy, normal operations and new initiatives. These break downs are still being worked on by the departments and in flux. The 6.3% does not include any impact of the GTAA PILT loss as there are ongoing discussions with the Province.
- *The 2022 - 2031 ten year-capital budget of Development Charges (DC) Eligible Projects is shown as \$1.93 billion. In the 2021-2030 Business Plan the ten-year capital budget is listed as \$3.199 billion. Is the difference of \$1.269 billion unfunded or will it be funded from other sources? If so, which sources?*
 - The \$1.93 billion is the development charges ten-year plan which is a subset of the entire capital budget. The \$3.199 billion represents the entire capital plan including the \$1.93 billion. Other funding sources are capital reserve fund, fire safety reserve fund, developer contributions and recoveries, funding from other levels of government, etc.
- *Why has it been necessary to spend \$9.55 million on consultant or other DC related studies?*
 - The \$9.55 million is an estimate of the ten-year cost of planning studies, which is paid for by the development industry through development charges. If the studies are not needed or the costs are less, the entire \$9.55 million will not be spent. These are major studies such as the official plan, area zoning, waterfront and other special studies etc.
- *Why is an increase of 2.7% in the Stormwater Proposed Rate required in 2022 when the stormwater reserve funds increased by 22.7 % in 2020? Also, it is noted that the Stormwater Capital Reserve Fund is at 177% of target.*
 - All reports to Council on the stormwater charge have referred to an initial funding level and a mid-term funding level. It has always been anticipated that the charge would need to increase in the long term to pay as our infrastructure aged. The 177% says that today the fund is overfunded compared to the target. However, on a ten-year basis it is not overfunded.

7. MATTERS CONSIDERED

7.1 2022 Development Charges Background Study and Community Benefits Charge (CBC) Update

Members of the Committee spoke to the matter and raised the following questions and concerns:

- Project Lists;
- Community Benefit Charge (CBC);
- Section 37 of the *Planning Act*;
- 10-year Capital Budget;
- Growth Related Projects;
- CBC process; and
- Collection impact regarding the 4% maximum on Development Charges.

Shari Lichterman, Commissioner of Corporate Services and Chief Financial Officer, Andrew Whittemore, Commissioner of Planning and Building and Jeff Jackson, Director of Finance and Treasurer responded to questions from the Committee.

Councillors Saito, Ras, Dasko and Fonseca requested for a detailed and informative list of Ward specific Development Charges (DC) eligible projects.

Councillor Saito requested that Development Charge and Community Benefits Charge By-law include Councillor and community involvement when allocating funding for community benefits. Shari Lichterman, Commissioner of Corporate Services and Chief Financial Officer responded that she would take the Councillor's comments and report back at the fall Budget Committee meeting.

Councillor Fonseca requested for Planning Act 101 Session regarding the legislative changes surrounding the Community Benefits Charge in Ward 3. Andrew Whittemore, Commissioner of Planning and Building responded that he would work directly with the Councillor to set an information session.

RECOMMENDATION BC-0021-2021

Moved By Councillor R. Starr

1. That the report entitled "2022 Development Charges Background Study and Community Benefits Charge Update", dated June 7, 2021 from the Acting Commissioner of Corporate Services and Chief Financial Officer, be received;
2. That the list of development charges-eligible projects provided in Appendix 1, to be used as input into the 2022 Development Charges Background Study, be endorsed;
3. That the DCs and CBCs be applied on a city-wide basis; and
4. That the approach for prioritizing projects related to public realm amenities, public art and culture, urban parks, active transportation and housing in the Community Benefits Charge Strategy be endorsed.

YES (12): Mayor Crombie, Councillor S. Dasko, Councillor K. Ras, Councillor C. Fonseca, Councillor J. Kovac , Councillor C. Parrish, Councillor R. Starr, Councillor D. Damerla, Councillor M. Mahoney, Councillor P. Saito, Councillor S. McFadden, and Councillor G. Carlson

Carried (12 to 0)

7.2 Parkland Conveyance By-law and Parks Plan Update

Members of the Committee spoke to the matter and raised the following questions and concerns:

- Cash in Lieu (CIL);
- Alternative Requirement and Fixed Unit Rate (FUR);
- By-law application on City areas;
- Land Value Assessment;
- FUR Calculation;
- Density and intensification;
- Bloor and Dundas Corridors;
- Parkland deficit areas; and
- Sustainability.

Jodi Robillos, Acting Commissioner of Community Services and Sharon Chapman, Manager of Parks Planning responded to questions from the Committee.

Councillor Fonseca requested a future debrief regarding the process and calculation of the fixed unit rate regarding the intensification in the Bloor and Dundas Corridors.

RECOMMENDATION BC-0022-2021

Moved By Councillor C. Fonseca

That the report entitled “Parkland Conveyance By-law and Parks Plan Update” dated June 3, 2021, from the Commissioner of Community Services be received for information.

YES (12): Mayor Crombie, Councillor S. Dasko, Councillor K. Ras, Councillor C. Fonseca, Councillor J. Kovac , Councillor C. Parrish, Councillor R. Starr, Councillor D. Damerla, Councillor M. Mahoney, Councillor P. Saito, Councillor S. McFadden, and Councillor G. Carlson

Carried (12 to 0)

7.3 2020 Year End Reserve and Reserve Fund Report

Members of the Committee spoke to the matter and raised the following questions and concerns:

- Number of Reserve Funds;
- Municipal Accommodation Tax (MAT);
- Safe Restart Funding;
- Discretionary Reserves and Reserve Funds;
- Tax Capital Reserve;
- Over and under target reserves;
- Council created reserves; and
- Reserves created due legislation.

Jeff Jackson, Director of Finance and Treasurer responded to questions from the Committee.

Councillor Saito requested that a footnote be added to future Reserves and Reserves Funds Balanced Compared to Target Table(s) indicating that this a current snapshot and that the target is set on a 10-year basis.

RECOMMENDATION BC-0023-2021

Moved By Councillor K. Ras

1. That the “2020 Year-End Report on Reserves and Reserve Funds” dated June 07, 2021, from the Acting Commissioner of Corporate Services and Chief Financial Officer, including Appendix 1, be received.
2. That a new Reserve Fund “Automated Speed Enforcement Reserve Fund” (account #35580) be created to collect revenues received from the Automated Enforcement Program and that these funds be used to fund related costs and future road safety initiatives.
3. That all necessary required by-laws be enacted.

YES (11): Mayor Crombie, Councillor S. Dasko, Councillor K. Ras, Councillor J. Kovac , Councillor C. Parrish, Councillor R. Starr, Councillor D. Damerla, Councillor M. Mahoney, Councillor P. Saito, Councillor S. McFadden, and Councillor G. Carlson

ABSENT (1): Councillor C. Fonseca

Carried (11 to 0)

7.4 City of Mississauga Campaign Contribution Rebate Program for 2022 Election

Members of the Committee spoke to the matter and raised the following questions and concerns:

- It was explained that this was due to direction from the Governance Committee;
- Unpredictable costs;
- Environmental Scan and benchmarking with neighbouring municipalities;
- Lack of uptake of contributors;
- Minimum amount to contribute and the maximum threshold for the rebate program;
- Ontario versus only City of Mississauga residents;
- Lack of communication with donors;
- Incentives for residents;
- Administrative process and workload to administer the program;
- Request to review creating an online version and process; and
- Requirements of *The Municipal Act*.

Diana Rusnov, Director of Legislative Services and City Clerk and Mayor Crombie responded to questions from the Committee.

Councillor Parrish put forth a motion that the minimum contribution eligible for a rebate be set to \$100 and the maximum a donor can receive is \$1500 rebate.

RECOMMENDATION BC-0024-2021

Moved By Councillor C. Parrish

1. That the Corporate Report dated May 14, 2021 from the Director of Legislative Services and City Clerk titled City of Mississauga Campaign Contribution Rebate Program (rebate program) for 2022 Election be received.
2. That the minimum contribution eligible for a rebate be set to \$100 and that the maximum rebate that an eligible contributor can receive is \$1500, utilizing the City of Toronto's Rebate formula.
3. That a by-law be established to authorize the formula for the rebate program.
4. That, once a by-law is passed establishing the formula for the rebate program, the appropriate amount of funds be transferred from the Election Reserve 30135 into the Election Cost Centre 22450 to cover the cost of the rebate program going forward.

YES (12): Mayor Crombie, Councillor S. Dasko, Councillor K. Ras, Councillor C. Fonseca, Councillor J. Kovac , Councillor C. Parrish, Councillor R. Starr, Councillor D. Damerla, Councillor M. Mahoney, Councillor P. Saito, Councillor S. McFadden, and Councillor G. Carlson

Carried (12 to 0)

8. CORRESPONDENCE

- 8.1 An Email and Letter dated June 18, 2021 from Jennifer Jaruczek Planner, Policy & Advocacy, BiLD (Building Industry and Land Development Association) regarding corporate report entitled "2022 Development Charges Background Study and Community Benefits Charge Update" (Item 7.1)

Received

9. CLOSED SESSION - Nil.

10. ADJOURNMENT

11:28AM (Councillor McFadden)