
Budget Committee

Date: February 22, 2021
Time: 1:30 PM
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

Participate Virtually and/or via Telephone

Advance registration is required to participate and/or make a comment in the virtual meeting. **Questions for Public Question Period are required to be provided to Clerk's staff at least 24 hours in an advance of the meeting.** Any materials you wish to show the Committee during your presentation must be provided as an attachment to the email. Links to cloud services will not be accepted. Comments submitted will be considered as public information and entered into public record.

To register, please email dayna.obaseki@mississauga.ca and for Residents without access to the internet via computer, smartphone or tablet, can register by calling Dayna Obaseki at 905-615-3200 ext. 5425 **no later than Friday, February 19, 2021 before 12:00PM.** You will be provided with directions on how to participate from Clerks' staff.

Contact

Dayna Obaseki, Legislative Coordinator, Legislative Services
905-615-3200 ext. 5425
Email dayna.obaseki@mississauga.ca

1. CALL TO ORDER

2. APPROVAL OF AGENDA

3. DECLARATION OF CONFLICT OF INTEREST

4. DEPUTATIONS

4.1. Brennan Bempong, Resident regarding the Mississauga Budget

4.2. Brad Butt, Vice President of Government and Stakeholders Relations, Mississauga Board of Trade to speak on the 2021 Budget

4.3. Jeff Jackson, Director of Finance and Treasurer with respect to the 2021 Budget Update

5. PUBLIC QUESTION PERIOD - 15 Minute Limit

Public Comments: Advance registration is required to participate and/or to make comments in the virtual public meeting. Any member of the public interested in speaking to an item listed on the agenda must register by calling 905-615-3200 ext. 5425 or by emailing dayna.obaseki@mississauga.ca by **Friday, February 19, 2021 before 12:00PM.**

Pursuant to Section 42 of the Council Procedure By-law 0139-2013, as amended:

Budget Committee may grant permission to a member of the public to ask a question of Budget Committee, with the following provisions:

1. Questions shall be submitted to the Clerk at least 24 hours prior to the meeting;
2. A person is limited to two (2) questions and must pertain specific item on the current agenda and the speaker will state which item the question is related to;
3. The total speaking time shall be five (5) minutes maximum, per speaker, unless extended by the Mayor or Chair; and
4. Any response not provided at the meeting will be provided in the format of a written response.

6. CONSENT AGENDA

7. MATTERS TO BE CONSIDERED

7.1. Malton Hub Project, Ward 5

7.2. Deliberations on the 2021 Budget Recommendations

8. CLOSED SESSION

(Pursuant to Subsection 239(2) of the *Municipal Act, 2001*)

8.1. Labour Relations or Employee Negotiations: 2021 Total Compensation Update

9. ADJOURNMENT

By Brennan Agyakwa-Bempong

Mississauga Budget Presentation

Parks, Forestry, Environment

- 2020 Budget Allocation= \$66.1 Million
- Proposed 2021 Allocation= \$66.8 Million

Why is That Not Enough?

- Increased community needs
- Higher Usage
- Accessibility
- Maintain Social Distancing

Where the Money Can Come From

- Burnhamthorpe Community Centre Indoor Pool Upgrade (\$12 million)
- Meadowvale Theatre Renovation (\$4.9 million)

Benefits

- Increases mental well-being
- Unifies community
- Networking
- Meets Outdoor Active/Passive Needs of Community
- Create/Maintain Great Outdoor Public Spaces

Thank You

2021 Budget Update

Budget Committee
February 22, 2021



2020 Year-End Position

	Available Funding (\$000s)	Year-End Position (\$000s)	Transfer to Reserve for 2021 Pressures (\$000s)
<u>Year-End Position (before applying Safe Restart Funding) (figures are preliminary):</u>			
Transit variance		(35,033.3)	
Non-Transit variance		(21,045.4)	
Total Variance		(56,078.7)	
<u>Transit Position:</u>			
Transit variance		(35,033.3)	
Safe Restart, Transit, Phase 1	31,086.1	31,086.1	0.0
Safe Restart, Transit, Phase 2 *	38,886.3	3,947.2	34,939.1
Safe Restart, Transit, Additional funding *	23,397.3	0.0	<u>23,397.3</u>
		0.0	58,336.4
<u>Non-Transit (Municipal Stream) Position:</u>			
Non-Transit variance		(21,045.4)	
Safe Restart, Municipal, Phase 1	14,997.1	14,997.1	0.0
Safe Restart, Municipal, Phase 2 *	9,676.0	6,048.3	3,627.7
Safe Restart, Municipal, Additional funding *	11,292.0	0.0	<u>11,292.0</u>
		(0.0)	14,919.7

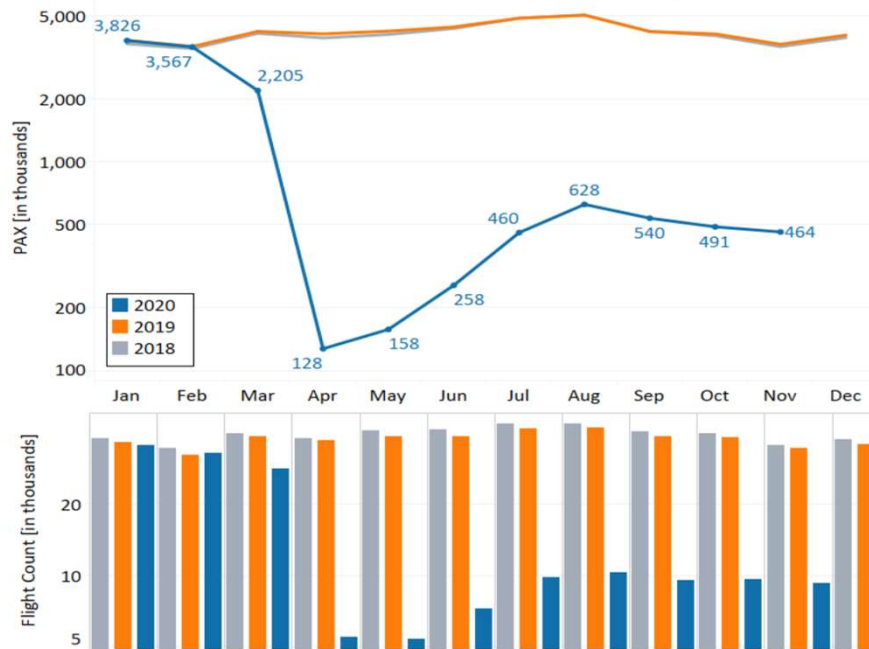
* for the period from October 1, 2020 to March 31, 2021 only

2021 Forecast

- Second lockdown has worsened our outlook
 - Preliminary estimates indicate \$50M-\$60M shortfall
- Safe Restart funding will help somewhat
 - \$58M transit, \$15M municipal
 - Only offsets pressures up to March 31, 2021

GTAA Passenger Stats & Revenue Impact

Toronto Pearson 



Year-to-date traffic summary (as of November 2020)
Enplaned and deplaned passengers (terminal revenue and non-revenue only)

	2020	2019
Domestic	5.1M	16.9M
International	4.6M	16.7M
Transborder	2.9M	12.7M
Total passengers	12.7M	46.4M

At Least \$22 Million PILT Loss for 2022

Revenue impact remains for:

- 3 -7 years if 5% cap is removed
- 35+ years if cap stays

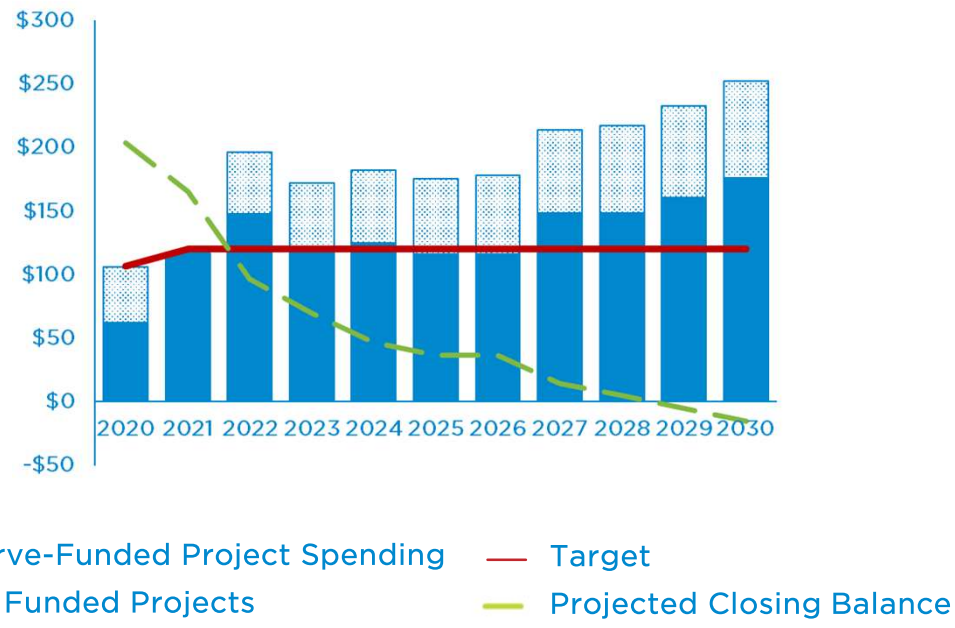
2021 – Where We Left Off...

Description	Budget Change (%)	Tax Bill Impact (%)	Tax Bill Impact (\$)
Normal Operations	0.7	0.3	16
New Initiatives	(0.0)	(0.0)	(1)
Infrastructure Levy	2.0	0.7	41
Total	2.7*	1.0	56

Tax Bill Impact is based on 2020 average assessment value of a single family home in Mississauga of \$730,000. City Portion only.

* Includes Assessment Growth of 0.4%

Impact of Adjusting 2% Infrastructure Levy



2021 Proposed Blended Tax Increase

Residential Tax Bill

\$56
For the City



\$71
For the Region

\$127*
Total

* For illustration purposes only based on an average assessment of \$730,000 for a single family home.

Stormwater Proposed Rate

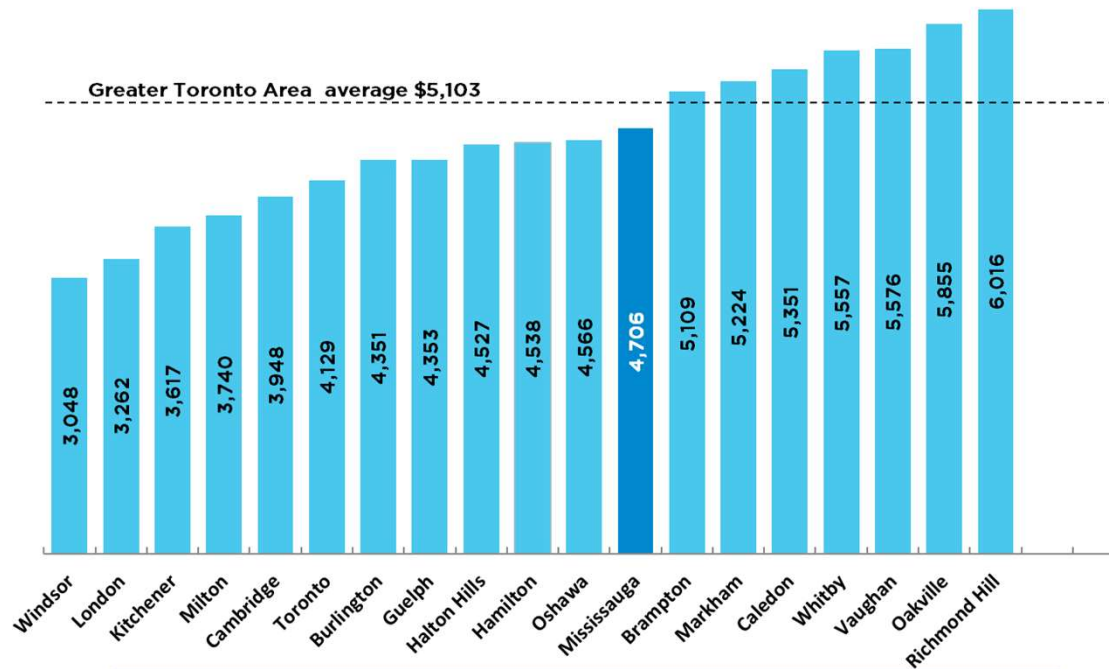
Stormwater Rate

Amount of money per billing unit charged over a one year period

2016	2017	2018	2019	2020	2021
\$100.0	\$102.0	\$104.0	\$106.1	\$108.2	\$110.4*

* Implementation date: April 1, 2021

Average Property Tax Comparison



2020 Residential Taxes Source: BMA Management Consulting Inc.

Comparison: Neighbouring Municipalities' 2021 Proposed Residential Tax Levy Increases

Neighbouring Municipalities	City portion of 2021 Tax Rate Increase	Combined portion of 2021 Tax Rate Increase	Assessment Growth	Municipal Status
Hamilton	3.6%	3.6%	1.0%	Single-tier
London	3.4%	3.4%	Not Available	Single-tier
Guelph	2.3%	2.3%	1.0%	Single-tier
Toronto	2.2%	2.2%	Not Available	Single-tier
Burlington	2.2%	2.9%	0.3%	Lower-tier
Halton Hills*	1.7%	2.4%	0.7%	Lower-tier
Mississauga	1.0%	2.1%	0.4%	Lower-tier
Milton*	1.5%	2.2%	2.4%	Lower-tier
Caledon	1.1%	2.1%	2.3%	Lower-tier
Richmond Hill	0.3%	1.7%	0.9%	Lower-tier
Oakville*	1.0%	1.6%	1.3%	Lower-tier
Whitby	0.5%	1.6%	2.7%	Lower-tier
Markham	0.0%	1.5%	Not Available	Lower-tier
Oshawa	0.6%	1.5%	0.8%	Lower-tier
Vaughan	0.0%	1.4%	1.5%	Lower-tier
Waterloo*	1.1%	1.3%	1.4%	Lower-tier
Brampton	0.0%	1.1%	1.0%	Lower-tier
Cambridge*	0.5%	0.7%	0.7%	Lower-tier
Kitchener*	0.3%	0.6%	1.5%	Lower-tier

*Approved budget both Upper and Lower Tier

Resolution efforts for GTAA PILTs issue

- Mayor's letter to the Minister of Finance requesting to remove the cap on GTAA PILTs was sent on Feb 27th 2020
- The Province has responded
 - City and GTAA should work together to resolve
 - Province not planning any changes in 2021 Budget
 - Open to consider changes later in the year

End

City of Mississauga
Corporate Report



<p>Date: February 1, 2021</p> <p>To: Chair and Members of Budget Committee</p>	<p>Originator's files:</p>
<p>From: Shari Lichterman, CPA, CMA, Commissioner of Community Services</p>	<p>Meeting date: February 22, 2021</p>

Subject

Malton Hub Project, Ward 5

Recommendation

1. That capital project PN 19425 Malton Community Hub be amended to a gross budget of \$12,600,000 and net budget of \$6,100,000, including \$6,000,000 from the Region of Peel, pending agreement approval, \$500,000 secured donation, \$400,000 from Ward Specific Special Project funding in Federal Gas Tax Reserve Fund (Account 35182) and \$2,700,000 from Tax Capital Reserve Fund (account 33121).
2. That funding of \$2,700,000 be transferred from Capital Reserve Fund (Account 33121) to PN 19425 - Malton Community Hub for the construction of the hub.
3. That all necessary by-laws be enacted.

Report Highlights

- The City will be converting the decommissioned Lincoln M. Alexander Secondary School pool in Malton into a Youth Hub that provides services, programs and social/cultural activities that reflect the local community needs; a project supported by City of Mississauga and Region of Peel Councils through resolutions in 2018 and 2019.
- The Region of Peel (ROP) approved a capital grant of \$6 million and the City allocated \$3 million from the Recreation 2020 capital budget towards the project based on the original cost estimate of \$9 million provided by the ROP.
- The cost to construct the Hub is now estimated to be \$12.6 million, which is \$3.6 million over the original \$9 million estimate. The increase in cost is due to building envelope upgrades, premiums to meet Green Building Standards, and construction cost escalation. The original costing was also based on a program of office spaces; based on stakeholder consultation, the program includes more youth drop-in spaces and amenities, which has impacted the costing as well.
- The Ward councillor has committed \$400,000 from her ward-specific project funds toward the project, leaving a funding gap of \$3.2 million for the project. Additional fundraising has produced an anonymous donation commitment of \$1 million, with further donations possible. Any other donations will result in a return of City funds to reserves in an offsetting amount to the donation.

Background

In 2018, The Region of Peel (ROP) undertook a comprehensive study and building-fit analysis which involved the design and costing to redevelop the decommissioned pool at Lincoln M. Alexander Secondary School. The ROP presented a report that included a renovation of approximately 19,000 sq. ft. of space split between the ground floor and partial second floor for a total project budget of \$9 million.

In January 2019, Regional Council approved the conversion of the Lincoln M. Alexander Secondary School Pool to a community Hub. The outcome of the resolution was to proceed with a combined project cost of \$9 million for the design and construction of the hub. The ROP approved a capital grant of \$6 million and the City allocated \$3 million in capital funds towards the project.

In the fall of 2019, the City along with representatives from the ROP and the Peel District School Board selected Services Housing in the Province (SHIP) through a competitive procurement process as the lead agency to manage and operate the Hub. In the first half of 2020, SHIP along with City staff developed the Operation Model, License Agreement and Space Program for the Hub. Council authorized staff to execute the agreement with SHIP in April 2020.

In the fall of 2020, the City hired CS+P Architects to complete the design and costing of the Hub. The City also hired a Construction Manager, Percon Construction Inc. to manage the construction of the project.

Comments

The final approved program developed by SHIP and City staff includes common areas, multi-purpose rooms, quiet rooms, kitchen, administration offices and agency program spaces and space for community agencies to provide services. The program resulted in an option that encompassed approx. 19,000 sq. ft. of area including a full renovation on the ground floor and partial second floor. Appendix 1 shows the recommended design.

In December 2020, a Class D Cost estimate was completed by the Cost Consultant and Construction Manager for the approved schematic option.

Costing is estimated to be \$12.6 million which is \$3.6 million over the original \$9 million ROP budget. The increase can be attributed to building envelope upgrades to meet building code, mechanical and electrical premiums to meet the Green Building Standards, escalation costs and site premiums to account for construction access and full separation from the school. The original costing was also based on a program of office spaces; based on stakeholder consultation, the program includes more youth drop-in spaces and amenities, which has impacted the costing as well.

Based on the above analysis \$3.6 million in additional funds will be needed to continue with detailed design and construction. The project is currently on hold until we can acquire additional

funds. The Ward councillor has committed \$400,000 from her ward-specific project funds toward the project, and has secured a \$1 million donation to the project, with \$500,000 received and a second instalment committed in 2022. This leaving a funding gap of \$2.7 million for the project, which would be reduced further by \$500,000 in 2022 when the second donation instalment is received. When this is received, offsetting funds will be returned to the Tax Capital Reserve. As fundraising continues and additional donations are expected, City funds contributed will be returned to reserves in an offsetting amount to any donations.

Strategic Plan

The Malton Hub project is aligned to our strategic pillar of Belong. It supports building a space that provides programs and services that meet the needs of the local community.

Financial Impact

The financial impact of the Malton Hub is estimated at \$12.6 million in capital costs.

City approved budget (19425)	\$ 3,000,000
Region of Peel approved budget	\$ 6,000,000
Additional Funding Request (33121)	\$ 2,700,000
Secured Donation	\$ 500,000
Ward 5 Discretionary Funding (35182)	\$ 400,000
Total	\$ 12,600,000

The City is currently working with the ROP on an agreement to transfer the \$6 million to the City and expects to have this executed by end of Q1 2021. If future donations are secured, funding will be returned in equivalent amount to the Capital Reserve Fund (Account 33121) and budget in PN 19425 to be adjusted accordingly.

The operating costs are estimated to be approximately \$400,000 annually which will be covered by SHIP and the Anchor Agencies.

Conclusion

This report recommends that Council approve the \$2.7 million in additional funds in order to proceed with the planning and construction of the Malton Youth Hub.

Attachments

Appendix 1: Malton Hub Design



Shari Lichterman, CPA, CMA, Commissioner of Community Services
Prepared by: Arlene D'Costa, Supervisor, Business Planning

2021 Budget Recommendations

1. That Council approve the 2021 Budget as set out in:
 - a) 2021-2024 Business Plan & 2021 Budget Sections B through S which include the following tables/appendices:
 - i) Section B: Appendix 2D Listing of Projects for Multi-Year Funding, with the exception of changes to the Corporate Asset Management Program
 - ii) Section B: Appendix 3A 2021 Summary of FTE Adjustments by Service Area, with the deferral of 4 FTE positions for the Corporate Asset Management Program to 2022, as outlined in the report to Council dated November 30, 2020 entitled, "Update on 2021 Budget Request for Corporate Asset Management Program"
 - iii) Sections C-R: Proposed Cost Increase Required to Maintain Current Service Levels
 - iv) Sections C-R: Proposed New Initiatives and New Revenues
 - v) Sections C-R: Proposed 2021 Capital Budget Detail, with the exception of changes to the West Credit Avenue Temporary Storage Location recommended and adopted through Resolution 0371-2020 and changes to the Corporate Asset Management Program, (detailed in b))
 - vi) Section S: Appendix 1 Reserves and Reserve Funds Transfers and Appendix 2 Debt-Funded Projects;
 - b) Recommended changes to the Corporate Asset Management Program budget request, as outlined in the report from the Commissioner of Corporate Services and Chief Financial Officer, dated November 30, 2020 and entitled "Update on 2021 Budget Request for Corporate Asset Management Program" as follows:
 - i) That the funding requirement in the 2021 Capital Budget for the Corporate Asset Management Program be reduced from \$3,000,000 to \$2,800,000 in capital in 2021.
2. That Council approve any necessary 2021 budget re-allocations of service initiatives to ensure that costs are allocated to the appropriate service area with no net change to the 2021 property tax levy;
3. That the 2021 property tax levy be approved at \$554,422,603 including:
 - a) Infrastructure and Debt Repayment Levy increase in the amount of \$10,750,798
 - b) Emerald Ash Borer Levy, included in the base budget, in the amount of \$4,600,000;
4. That the property tax levy be adjusted to reflect growth as calculated on the 2020 assessment roll returned by the Municipal Property Assessment Corporation for purposes of 2021 taxation;

5. That a 1.75% economic adjustment for eligible non-union employees be implemented effective April 1, 2021 with normal job rate progression;
6. That modifications to the non-union benefits program as detailed in the 2021 Total Compensation presentation dated November 24, 2020 and February 22, 2021, be implemented effective April 1, 2021;
7. That the 2021 Stormwater Charge for the 2021 budget year be approved at \$110.40 per Stormwater billing unit, effective April 1, 2021;
8. That Council approve the Stormwater Program 2021 Budget as set out in Section V: Stormwater of the 2021-2024 Business Plan & 2021 Budget including:
 - Proposed Cost Increase Required to Maintain Current Service Levels
 - Proposed New Initiatives and New Revenues
 - Proposed 2021 Capital Budget Detail
 - Appendix 1: Listing of Projects for Multi-Year Funding
 - Appendix 2: Summary of Reserve and Reserve Fund Transfers;
9. That the 2021 Stormwater Charge operating budget be approved at \$43,545,710;
10. That following the incorporation of adjustments approved by Budget Committee, the number of Full Time Equivalent (FTE) positions funded by the Stormwater Charge will be 24.1 in 2021;
11. That all necessary by-laws be enacted.