

2023 Budget

Proposed 2023-2026 Business Plan & 2023 Budget
Presentation to Budget Committee
January 2023



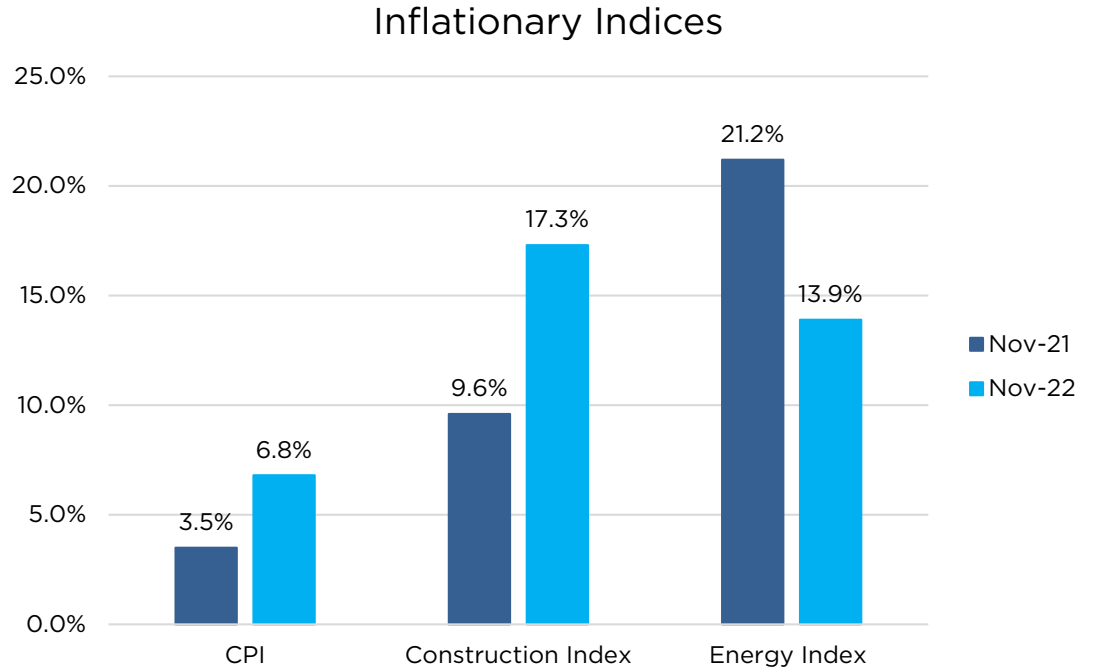
2023 Budget

2022 Forecasted Deficit

- 2022 forecasted deficit (as of Q3) \$52.5 million
- Highlights:
 - GTAA PILT revenue shortfall \$21.1 million
 - Transit revenue shortfall & inflationary pressures \$17.8 million
 - Recreation revenue shortfall \$5.0 million
- Deficit to be offset by City reserves and Safe Restart funding received in 2021

Key Drivers of the 2023 Budget

- Inflation
- Maintaining our Infrastructure
- Advancing Strategic Priorities



Business Plan Priorities

- Deliver the right services
- Maintain our infrastructure
- Advance on our strategic plan
- Implement cost containment strategies



Deliver the right services

- Fire Stations, Public Education Programs
- Malton Youth Hub opening
- Central Library Reopening



Maintain our infrastructure

- Mississauga's infrastructure valued at \$14.2 billion
- Infrastructure is maintained according to industry standards, legislative requirements and citizen expectations
- Infrastructure levy helps meet funding challenges
- Inflationary pressures are driving capital projects up significantly



Advance our strategic vision

- Climate Change Action Plan – Green Buildings, LRT and Rapid Transit
- Supporting local businesses - IDEA Square One Entrepreneur and Innovation Hub opening
- Implementing Master Plans - Music Strategy, Parks expansions
- Vision Zero – expanding ASE



Implement cost containment strategies

- Service areas have identified cost savings of \$77.1 million since 2009
- Cost savings of \$3.5 million included in 2023 budget
- Minimize tax-funded new initiatives



Lean Program Highlights

Training:



100 Intermediate
Yellow Belts



55 Advanced
Green Belts

Results:



289 completed
projects



8,450 just-do-it
small improvements



including 1,603
environmental
improvements



and 1,440 safety
improvements

Benefits:



\$25.1 million in
cost avoidance



\$6.4 million in
cost savings



464k hours in
freed capacity

Since the inception of the program, staff have:

- Implemented cost savings of \$6.4 million, including \$0.4 million saved in 2022
- Created 464k hours of freed capacity during the life of the program including 13.4k in 2022

Highlights of Initiatives

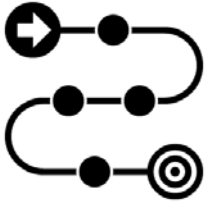


Fire Mechanical Division 5S Organization:

- Increased volume of operation fire-truck repaired a day by 33%
- Reduced backlog of scheduled repairs
- Freed up 1,500 square footage in mechanics bay that allows for more vehicles in the repair shop



Highlights of Initiatives



Strategic Communications Intake Process Review:

- Reduced staff time to review and triage requests by 67%
- Resulted in over 500+ hours of freed capacity per year



Electricity Flat Billing for Bus Shelters:

- Decreased the daily electricity load for all bus shelters by 49%
- Continued periodical updating of the load calculation sheet to ensure the billing for flat billing is up-to-date
- Cost savings of \$116,000 annually

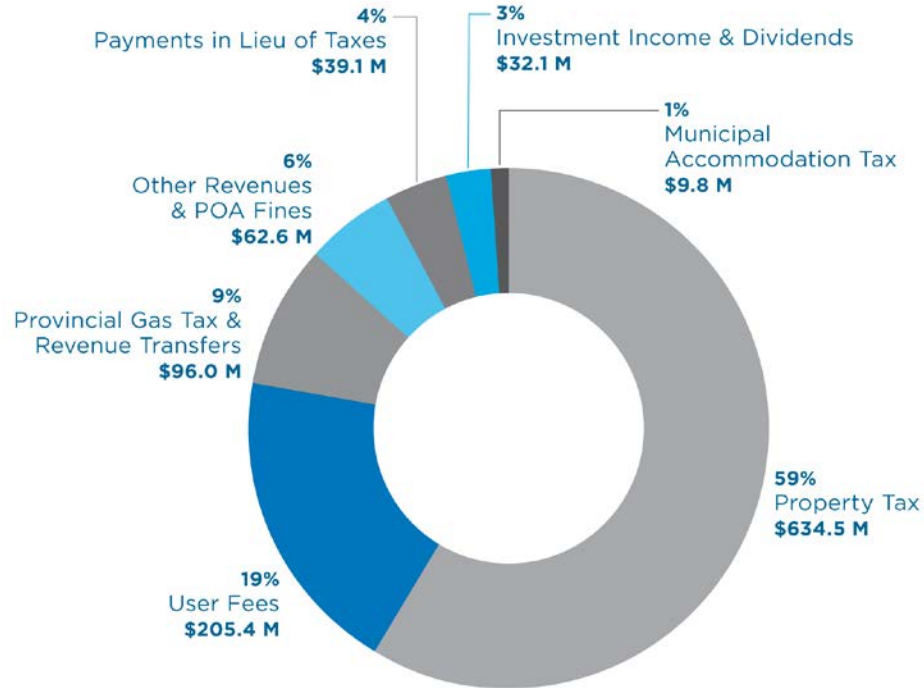
Communication Tactics

- Online Budget Allocator
- Social Media
- City-wide Print Newsletter
- Website
- Media Relations
- Advertising (Print + Digital)
- Digital Screens
- City-wide Budget Engagement Session

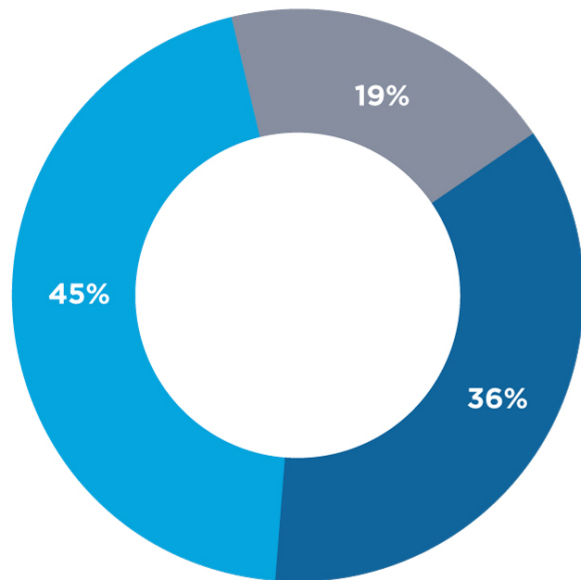


2023 Budget Details

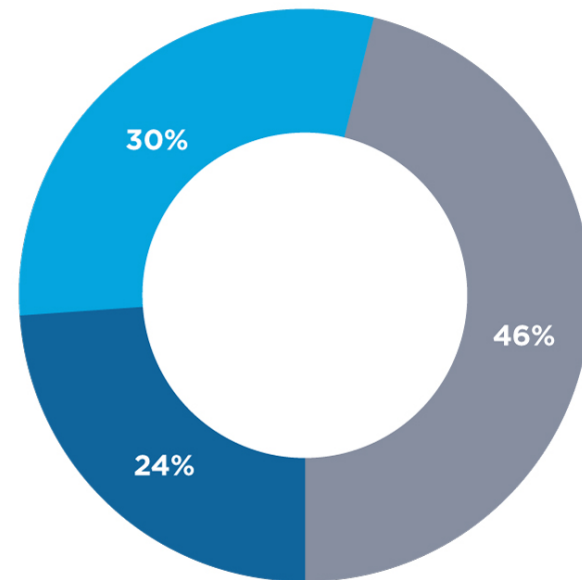
Revenue sources



Where your property tax dollars go ^{6.3}



Residential



Commercial/Industrial

2023 Tax Bill

| Description | Budget Change | Tax Bill Impact | |
|----------------------------|---------------|-----------------|------------|
| | (%) | (%) | (\$) |
| Normal Operations* | 4.1 | 1.5 | 91 |
| New Initiatives | 0.0 | 0.0 | 1 |
| Public Safety Fire Program | 1.0 | 0.4 | 22 |
| Infrastructure Levy | 3.0 | 1.1 | 66 |
| Total | 8.2 | 3.0 | 180 |

Note: numbers may not balance due to rounding

Tax Bill Impact is based on 2021 average assessment value of a single family home in Mississauga of \$730,000. City Portion only.

GTAA PILT Impact

| Year | Revenue Loss (\$ millions) |
|------|-------------------------------|
| 2023 | 21.7 |
| 2024 | 6.0 |
| 2025 | 1.2 |
| 2026 | 0.0 |

- PILT formula two years in arrears (2023 reflects 2021 passenger count)
- Province announced elimination of cap but additional advocacy to ensure permanence
- Can be managed in 2023 with combination of Safe Restart funding and City reserves

Bill 23

- Bill 23 impacts have not been built into the budget
- Forecasted revenue loss of \$885 million over 10 years
- Potential impacts to the property tax bill of 5-10% to offset losses (\$300 increase on average per home based on average assessed value of \$730,000)



Build 1.5 million homes, 120,000 in Mississauga, in 10 years.



Less funding to build affordable housing.



Less parkland and developers choose where parks go.



Sacrifice environment, heritage, and greenbelt lands.

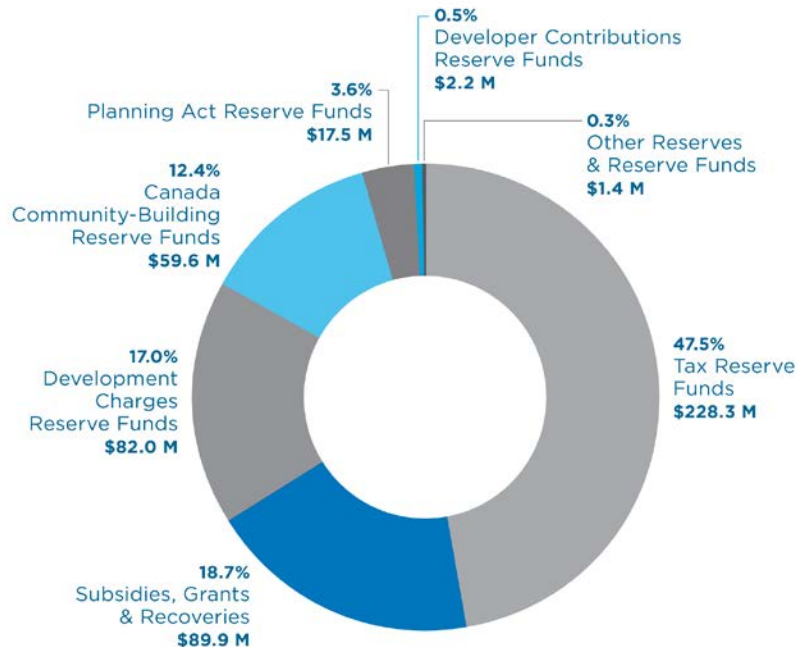
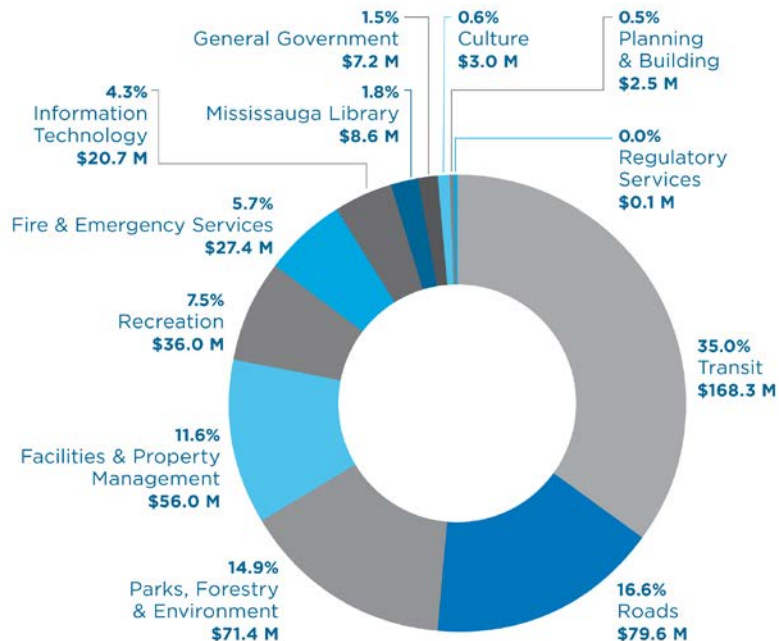
2023-2026 Operating Budget & Tax Outlook

| | 2023 | 2024 | 2025 | 2026 |
|------------------------|------|------|------|------|
| Residential Tax Impact | 8.2% | 8.3% | 6.6% | 6.7% |
| Commercial Tax Impact | 3.0% | 3.0% | 2.4% | 2.4% |
| | 1.8% | 1.8% | 1.5% | 1.5% |

Note: City tax impact only; does not include Bill 23 impact

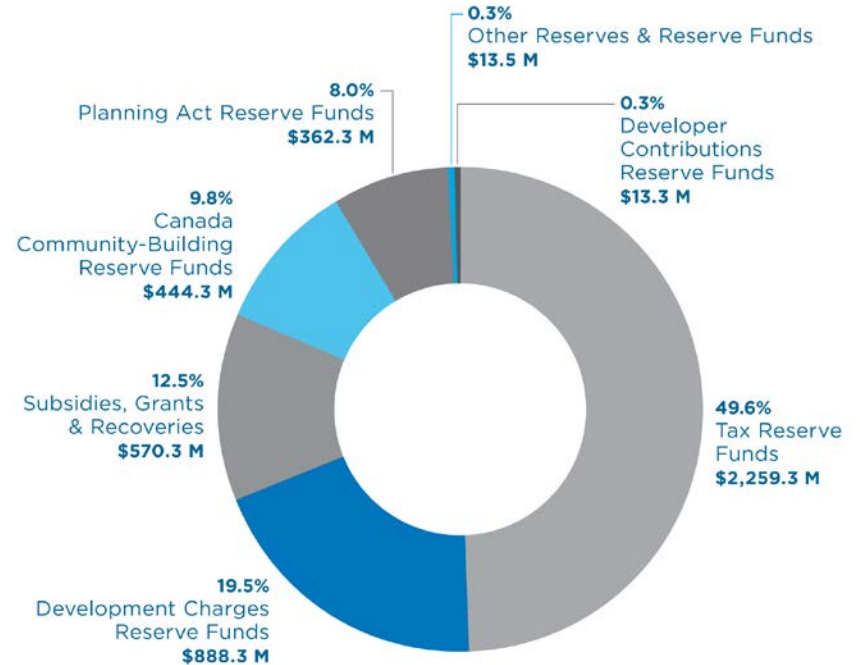
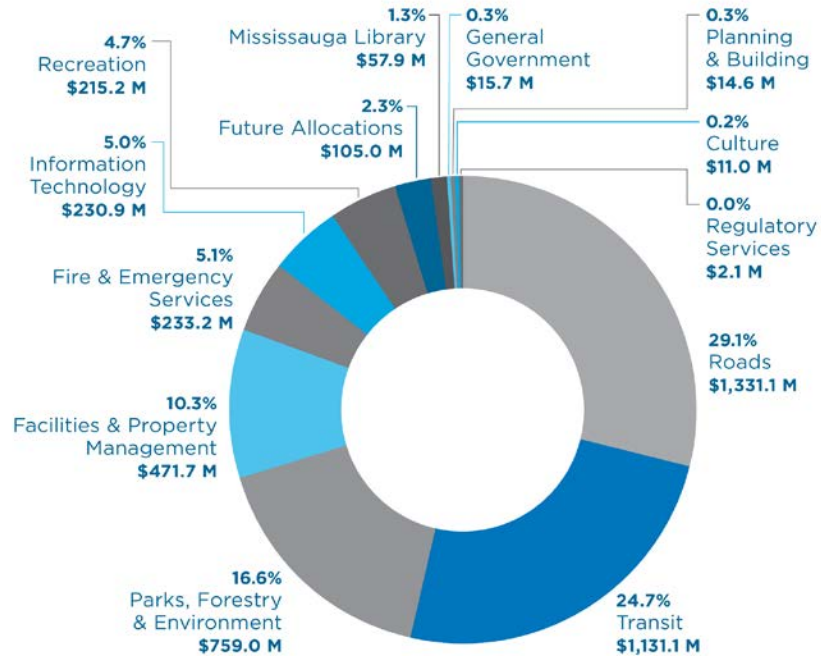
2023 Gross Capital Program (\$480.8 million)

6.3



2023-2032 Gross Capital Program (\$4.6 billion)

6.3



Questions