

2024 Budget Update

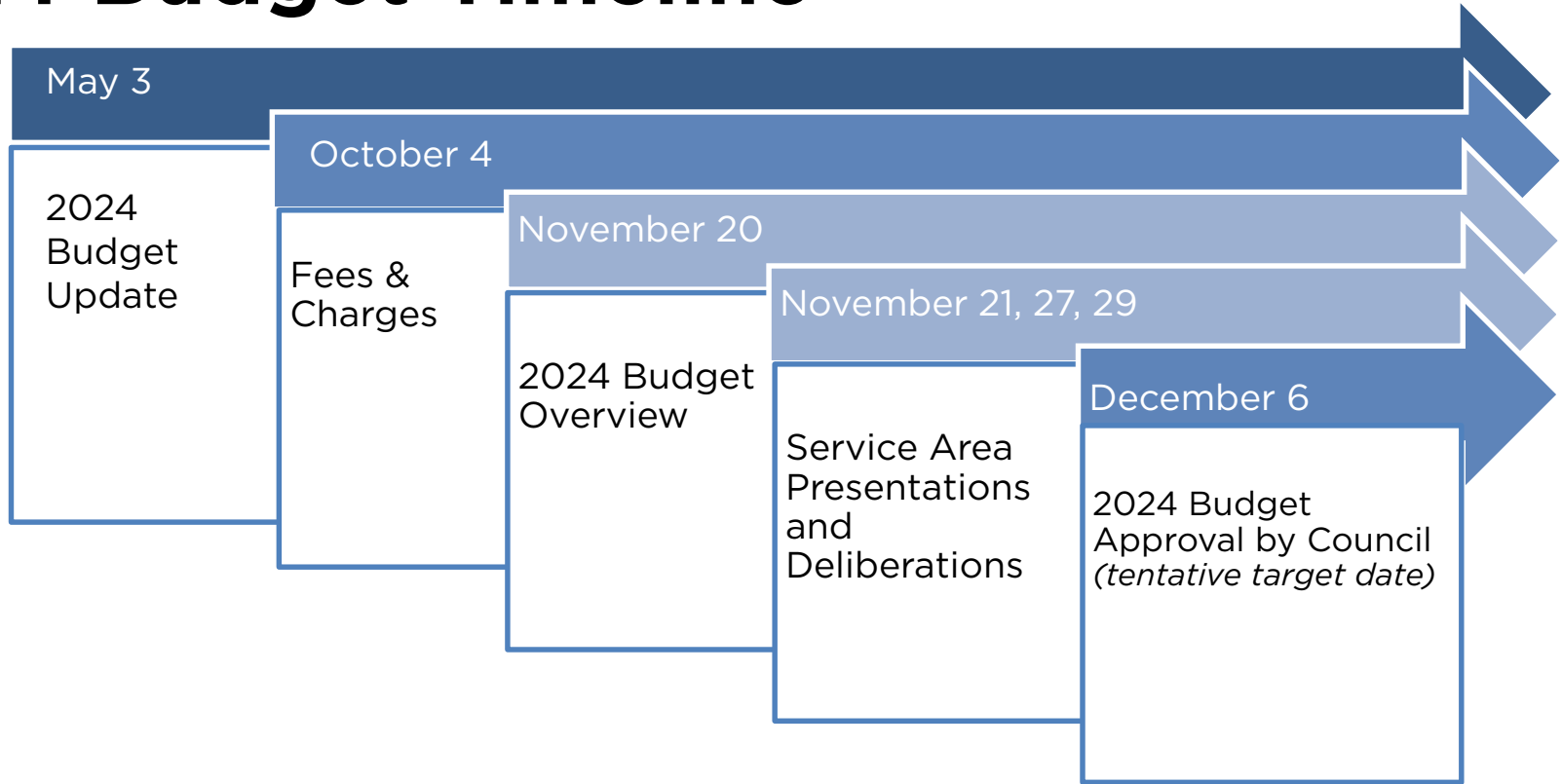
Budget Committee

May 3, 2023



2024 Budget

2024 Budget Timeline



2022 Year-end Results

- \$61.8 million deficit at the end of 2022 prior to the application of any deficit funding, including:
 - \$29.5 million in transit revenues and costs
 - \$21.3 million in GTAA PILT Revenues
 - \$5.9 million related to net Recreation revenues
- \$50 million in Safe Restart funding and \$11.8 million from Fiscal Stability Reserve balanced the operating budget to zero.

2024-2027 Business Planning Priorities

- Deliver the right services
- Maintain City infrastructure
- Advance on the City's strategic vision
- Implement cost containment strategies



2024 Budget Priorities

- Maintain normal operations at current service levels, factoring in impacts of annual cost increases
- Implement new approved initiatives
- Meet growth-related, service demand changes
- Addressing unplanned budget needs

Next Steps:

- Identify areas of focus and Council priorities for the 2024 budget

Factors Impacting 2024 Budget

Risks:

- Bill 23, Bill 109 and widening of infrastructure gap
- Ongoing GTAA PILT Impact
- Cost increases due to inflation
- Increase in cost of borrowing

Opportunities:

- Higher return on investments from interest rate increases
- Revenues returning to pre-pandemic levels
- Efficiencies through modernization strategies
- Maximizing revenue opportunities

Bill 23

- 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)
- Impacts were not included in 2023 budget



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.

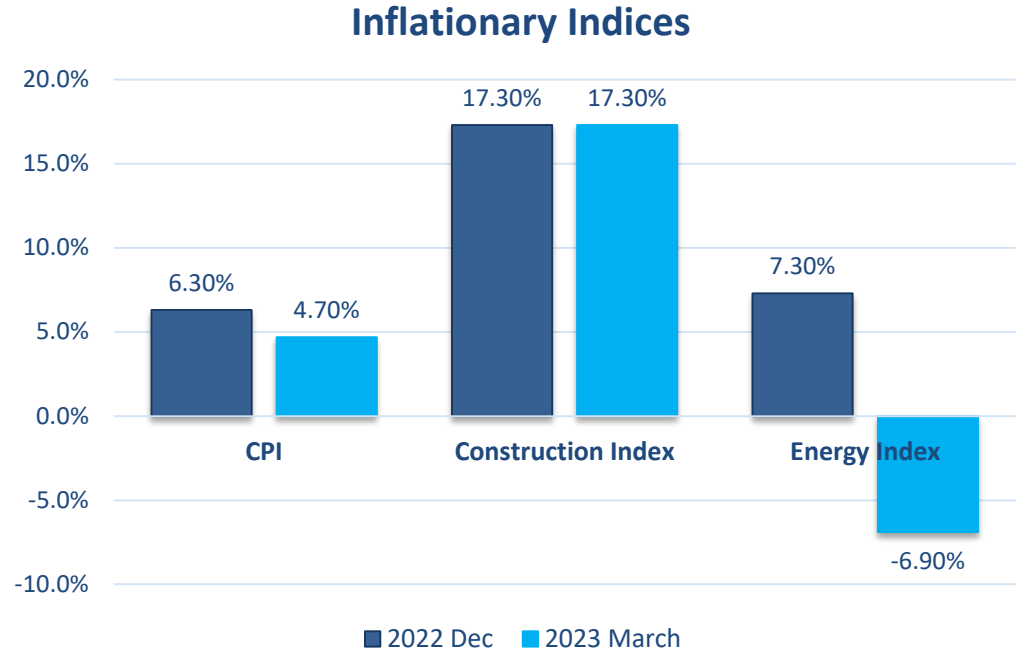
Ongoing GTAA PILT Impact

- PILT formula two years in arrears (2024 reflects 2022 passenger count)
- No adjustment to budget has been made to date, however impacts operating budget performance in-year

Year	Forecasted Deficit (\$ millions)
2023	21.6
2024	6.2
2025	1.5
2026	0.0

Inflationary Impacts

- Average CPI increase of 4.7% from March 2022
- Results in cost pressures to both operating and capital expenditures.



2024 Forecasted Operating Budget ^{6.1}

As outlined in the 2023 Business Plan & Budget

Description	Budget Change		Residential Tax Bill Change*	
	(\$000s)	% Change	(\$)	% Change
Prior Year Budget	635,190			
Maintain Current Service Levels	26,845		93.11	
Efficiencies and Cost Savings	(372)		(1.29)	
Estimated Assessment Growth	(2,541)		(8.81)	
Normal Operations	659,122	3.8%	83.01	1.4%
New Initiatives	1,663		5.77	
Capital Infrastructure and Debt Repayment Levy	19,030		66.01	
Public Safety Fire Program	7,931		27.51	
Proposed Budget	687,746	8.3%	182.30	3.0%

Note: Tax bill impact based on average assessment value of a single family home in Mississauga of \$730,000. City portion of the tax bill only.

Questions