

# City of Mississauga Corporate Report



<p>Date: February 21, 2024</p> <p>To: Mayor and Members of Council</p> <p>From: Shari Lichterman, CPA, CMA, City Manager and Chief Administrative Officer</p>	<p>Originator's files:</p> <hr/> <p>Meeting date: February 28, 2024</p>
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## Subject

**2024 Tax Bill Disclosure of Provincially-Mandated Program Funding Shortfalls**

## Recommendation

That Council provide direction to staff on tax bill disclosures of the provincially-mandated program funding shortfalls and tax impacts based on the regional motion passed on November 30, 2023, as outlined in the report entitled “2024 Tax Bill Disclosure of Provincially-Mandated Program Funding Shortfalls” dated February 21, 2024 from the City Manager and Chief Administrative Officer.

## Background

At the February 21, 2024 General Committee meeting, Councillor Damerla requested that a note be inserted on the 2024 property tax bills referencing the provincial funding shortfalls as reported in the 2024 Region of Peel operating budget, based on her motion to Regional council on November 30, 2023, as outlined in Appendix 1.

The motion requests that the Regional Chair submit a letter to the Premier of Ontario and Ontario Minister of Finance to advocate for increased funding for provincially-mandated programs, and for the \$16 million in estimated cumulative funding shortfalls to be clearly highlighted as a Provincial Services Tax.

As the motion does not specifically mention the request for a note disclosure in the 2024 property tax bill, the resolution was not circulated to City of Mississauga staff for further action. As a follow-up to Councillor Damerla’s request, staff are seeking direction from City Council to clarify the 2024 tax bill note disclosure and to highlight system restrictions around this process.

## Comments

The Region of Peel’s 4.5% 2024 operating budget increase includes \$5.7 million in provincial funding shortfalls that are covered through the regional levy. This shortfall relates to public

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health, housing support and seniors' services programs. The total cumulative funding shortfalls from 2021 to 2024 total \$16 million. Note that the \$16 million budget impact and \$26 average tax bill impact outlined in the motion represents the cumulative regional budget impacts. The City of Mississauga's portion would need to be recalculated based on the apportionment of the 2024 regional impacts.

The City of Mississauga's property tax system allows for insertion of notes on the final property tax bill. However, this note feature is not available for the interim tax bill. There is a maximum limit of 110 characters per note and a maximum of 3 notes on the tax bill. The note feature is intended to disclose details around the City's tax levy. At this time, the system is unable to insert a note to disclose details around the Region's tax levy. Also, there would not be sufficient time to develop and test this type of system modification prior to the 2024 final tax bill processing deadline.

Due to the character limit and system modifications required, staff do not recommend inserting this information on the tax bill, as it will create confusion for taxpayers despite the good intent to educate and advocate for the City's taxpayers.

The Mayor of Guelph recently announced a plan to add this information to the city's tax bills, referring to it as a provincial tax. City staff in Guelph indicate they are likely including a separate insert into the tax bills containing this advocacy information.

The City of Mississauga includes inserts into tax bills with key messaging from the City, and in the final tax bill, a Council newsletter is already planned to be included. This newsletter typically highlights key investments and programs and is intended to be a 'good news' communication tool as residents receive their tax bills, and to help them understand where their taxes are going.

If Council wishes to include advocacy or details on provincial program funding shortfalls with the tax bills, staff recommend that it be incorporated into this already-planned newsletter. Communications staff can work with Finance and Region of Peel staff to ensure accurate information on the impact of provincial funding shortfalls is included.

## Financial Impact

There are no financial impacts from the Recommendations in this report.

## Conclusion

This report has been prepared to seek Council direction around the tax bill disclosure of provincially-mandated program funding shortfalls impacting the Region of Peel's budget. If Council approves of the tax bill disclosure, staff will work with the Region of Peel to develop a communication strategy to inform residents of these regional funding shortfalls through the regular newsletter that is included in the final tax bill.

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## Attachments

Appendix 1: Motion from Councillor Damerla at November 30, 2023 Regional Council



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Shari Lichterman, CPA, CMA, City Manager and Chief Administrative Officer

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