

Date: November 1, 2024

To: Chair and Members of Budget Committee

From: Jodi Robillos, Commissioner of Community Services

Originator's files:

Meeting date:  
November 18, 2024

## Subject

**Tourism Mississauga – Annual Report and 2025 Business Plan and Budget**

## Recommendation

That the Corporate Report dated November 1, 2024 from the Commissioner of Community Services entitled “Tourism Mississauga – Annual Report and 2025 Business Plan and Budget” be approved in accordance with the following:

1. That the 2025 Business Plan and Budget for Tourism Mississauga with a gross cost of \$10,000,000, and a net cost of zero – funded from Municipal Accommodation Tax be approved.
2. That the staff complement supporting Tourism Mississauga be increased by five full time positions.
3. That Council approve the election of the Directors named in the Memo to Council dated October 29, 2024 entitled “Tourism Mississauga Reappointment of Board Directors” from the Chief Executive Officer of Tourism Mississauga for a new three year term, and in accordance with Resolution 0171-2024.
4. That the auditor for the City (or designate) be appointed as the auditor for Tourism Mississauga to hold office until the completion of the next annual meeting, or until a successor is appointed, and such auditor shall have all the rights and powers of an auditor provided under the *Municipal Act, 2001*.
5. That the 2023 audited financial statements for Tourism Mississauga be received for information.
6. That the City Clerk be authorized as the delegated signing authority to sign all necessary Tourism Mississauga resolutions to represent the annual meeting for Tourism Mississauga and to give effect to Council’s decision as the sole voting member to approve the 2025 Budget and Business Plan, appoint the auditor and approve the election of Directors to the Board.
7. That all necessary By-laws be enacted.

## Executive Summary

- Tourism Mississauga is a Municipal Services Corporation that was formed to promote tourism in Mississauga. The Corporation is controlled 100 per cent by the City of Mississauga (“City”), funded by Municipal Accommodation Tax (“MAT”), with Council acting as the sole voting member.
- According to Tourism Mississauga By-law No. 1, Council is required to approve the business plan and budget on an annual basis. On November 22, 2023, Council approved the 2024 Business Plan and Budget (Resolution 0256-2023) with the business plan focused on driving new business and promotion through Tourism Services that benefit Mississauga’s businesses and the vitality of the City of Mississauga on the whole.
- The 2025 Business Plan and Budget (Appendix 1) has a continued focus to build on brand awareness and the momentum created by the hosting of business events, sports and domestic and international leisure travel, to help to continue to drive economic vitality. The proposed budget recommends a substantial increase in sales, marketing, communications and attraction development and investment, along with five additional full-time equivalent (“FTE”) positions totaling approximately \$228,568.
- Tourism Mississauga has no impact on City budget as it is funded entirely from the MAT reserve. The 2023 financial statements audit report conducted by KPMG LLP is attached as Appendix 2.

## Background

On July 3, 2019, Council authorized the establishment of a Municipal Services Corporation for the purpose of promoting Mississauga as a tourism destination, and to comply with the provincial regulations regarding the MAT use of funds.

Tourism Mississauga was established as the official destination marketing organization for Mississauga. As the sole voting member, Council acts as the primary shareholder or owner, approving decisions and recommendations of the Board of Directors. According to Tourism Mississauga By-law No. 1, Council is required to approve the business plan and budget, be presented with an annual auditor report and approve the election of Directors on an annual basis.

On November 22, 2023, Council approved the 2024 Business Plan and Budget (Resolution 0256-2023) with the business plan having a continued focus on Tourism Growth and Development and the implementation of new tools and processes. Key 2025 highlights and initiatives include:

- Positioning Mississauga as a leisure destination through incentive programs and marketing campaigns;
- Providing financial and in-kind marketing support for festivals and events;
- Undertaking sales activations to attract future meetings and conferences;
- Hosting successful sport tourism events in Mississauga;
- Enhancing destination marketing tools; and
- Destination Development in the form of Major Event Sponsorship and Development of Demand Drivers (i.e. Attractions)
- Stakeholder engagement and industry collaboration.

## Comments

### 2025 Business Plan and Budget

The focus for the 2025 Business Plan and Budget (Appendix 1) is to build on brand development and the momentum created by hosting business events, sports and domestic leisure travel audiences to help to continue to drive economic health and vitality of the City of Mississauga. Tourism Mississauga's service model will continue to be delivered across three distinct strategic areas, to include Destination Development, Destination Marketing and Destination Management. Highlights of the business plan include the following:

- Sales and marketing tactics that will build a story that will support the attraction of sport and business related events and festivals in the City of Mississauga that result in large economic spin-offs;
- Marketing and communication initiatives that promote Mississauga as a stand-alone destination;
- Opportunities to develop strategic partnerships and leverage additional resources to advance tourism initiatives; and
- 2023 financial overview & 2025 proposed budget.

The proposed budget recommends a substantial increase in sales, marketing and communications investment to position Mississauga as a tourism destination by promoting product offerings and experiences. In addition, the proposed budget requests five additional FTEs, totaling approximately \$228,568. The new FTEs, as with all Tourism Mississauga staff, would be City employees and include a Supervisor, Destination Development (April 1, 2025 start date), Event Support (July 1, 2025 start date), Sales Specialist, International M&C (July 1, 2025 start date), Sales/Marketing Liaison (October 1, 2025 start date), Travel Media Lead (October 1, 2025 start date). Through leveraging the MAT funding, these positions will help to increase tourism activity in the City and successfully execute the approved tourism plan and tactics.

### 2023 Financial Statement

According to Tourism Mississauga By-law No. 1, the financial statements and the report from the auditor are to be presented to Council on an annual basis. The 2023 financial statements audit report conducted by KPMG LLP is attached as Appendix 2.

#### Approval of Auditor

According to section 68 of the *Not-for-Profit Corporations Act, 2010* (Ontario), the members of a not-for-profit corporation are required to appoint an auditor to hold office until the close of the next annual meeting. In order to meet this legislative requirement, staff is requesting that Council reconfirm that the auditor for the City (or designate) shall be the auditor for Tourism Mississauga.

#### Annual Meeting

As a municipal services corporation, Tourism Mississauga is required to have an annual meeting for Council as the sole voting member. According to Tourism Mississauga By-law No. 1, meetings of the membership can be captured by way of a resolution, in lieu of a meeting. Subject to Council's approval of the recommendations in this report, resolutions will be prepared to be signed by the City Clerk which will represent the annual meeting for 2024 for Tourism Mississauga.

#### Board of Directors

The role of the Board of Directors is to provide financial oversight (develop a budget and allocation of resources); program planning (develop a business plan and/or strategic plans); develop/adopt policies; and performance measurement and monitoring.

The Board of Directors is composed of three City Councillors and 14 external stakeholders. These stakeholders represent relevant tourism sectors in the City, namely Accommodations/Hotels, Retail/Restaurant, Attractions/Festivals/Events, Sport/Events/Organizations and Services/Organizations/Venues.

The Board of Directors was established with staggered terms to ensure a minimum two thirds of experienced board members. Each member is entitled to serve three consecutive terms of three years each. Three Directors of the Board have offered to serve another three year term on the Board, as outlined in the Closed Session Memorandum to Council entitled "Tourism Mississauga Reappointment of Board Directors" from the CEO of Tourism Mississauga dated October 29, 2024. By Resolution No. 0171-2024, City Council appointed one Director of the Board on September 11, 2024 for a term ending on November 14, 2026, or until a successor is appointed.

## **Financial Impact**

Tourism Mississauga has no impact on the City tax levy as it is funded entirely from the MAT reserve; specifically, the 50% of the net annual MAT collected that is legislated to be directed to

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a not-for-profit tourism entity. The proposed budget which has been approved by the Board for \$10,000,000 gross cost, and a net cost of zero – funded from MAT.

The budget proposes that the complement supporting Tourism Mississauga be increased by five FTEs as outlined in Appendix 1.

## Conclusion

Tourism Mississauga will continue to drive tourism in Mississauga, with the mandate to continue the successful implementation of the Council approved Tourism Master Plan. With Council's approval of the 2025 Business Plan and Budget, Tourism Mississauga can continue to drive economic benefits and vitality for the City.

## Attachments

Appendix 1: Tourism Mississauga 2025 Business Plan and Budget

Appendix 2: Tourism Mississauga 2023 Financial Statements



Jodi Robillos, Commissioner of Community Services

Prepared by: Victoria Clarke, CEO, Tourism Mississauga