

2026 Budget Direction and 2024-2025 Update

March 26, 2025
Budget Committee



 MISSISSAUGA

2026 Budget

2025 Budget Recap

On December 2, 2024, the City's 2025 budget was adopted. The budget features various new initiatives and service enhancements, including:

- MiWay Transit service expansion
- Free PRESTO fares for seniors and children 6-12
- Additional staffing in By-law Enforcement and Animal Services to improve safety
- Opening of Fire Station 124
- Flood relief grant and basement flooding prevention programs
- Vacuum leaf collection, winter maintenance programs



2024 Year End Financial Position

\$ Million	2024 Net Operating Budget	Actuals as of Dec 31, 2024	Surplus/ (Deficit) before Reserve transfers
Tax Levy Funded Budget	682.0	678.8	3.1
Stormwater	48.3	50.0	(1.7)

- 2024 Operating surplus represents 0.45% of net operating budget
- City had incurred operating deficits from 2020 to 2023
- \$2.7 million of the tax-funded operating budget surplus be transferred to the Election Reserve and \$416K to the Fiscal Stability Reserve
- \$1.7 million Stormwater deficit offset from a transfer from the stormwater reserve fund
- The transfers result in a net zero year-end financial position

2025 Work Plan

- Quarterly Budget Committee meetings, to be held on March 26, 2025, June 18, 2025, October 1, 2025 and in January 2026, to facilitate year-round budget discussion and public engagement
- Staff will provide:
 - Quarterly updates of the City's operating budget position
 - Semi-annual updates of the City's capital work-in-progress
 - Annual updates on investments, reserves & reserve funds, asset management plan and federal and provincial grants

2026 Budget Direction and Priorities

- Advance on the City's strategic vision
- Deliver core services
- Tackle housing affordability with the Mayor's Housing Task Force
- Move forward with city building
- Implement cost containment strategies

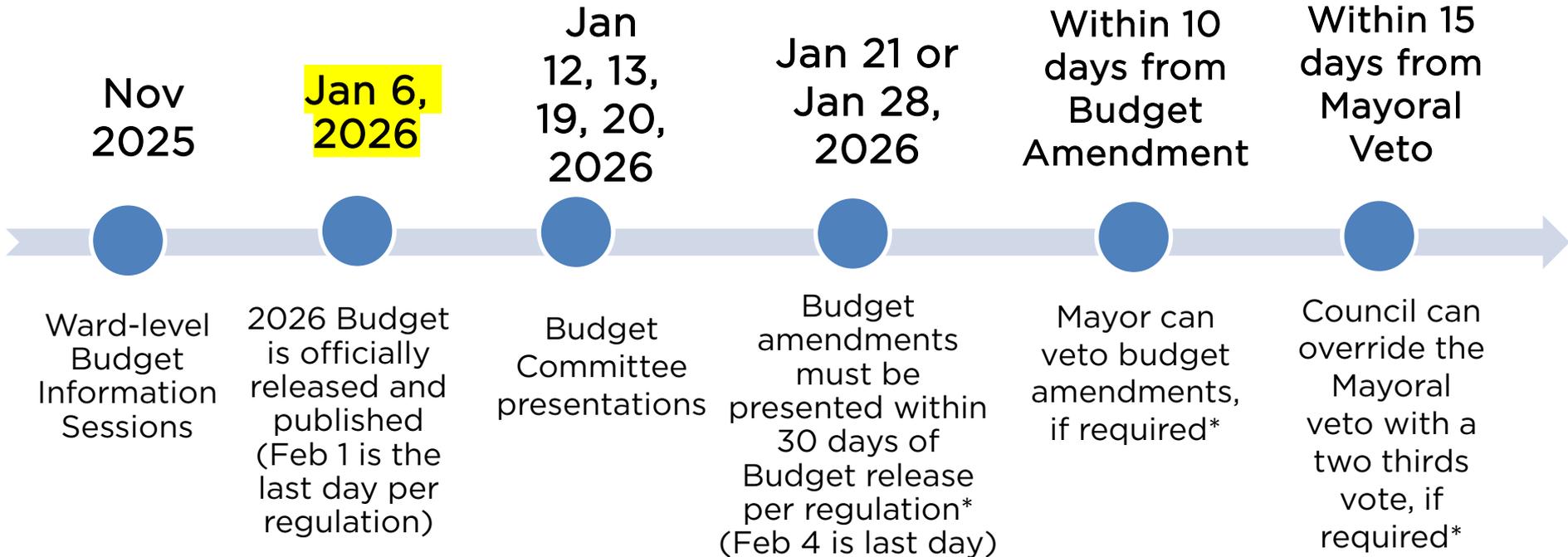
Budget priorities will align with the City's Strategic Plan, which is being updated in 2025. For more information, visit mississauga.ca/imagine

2026 Budget Timelines

- Region of Peel's 2026 Budget Presentations are currently scheduled between November 20 and December 11, 2025. The Region will likely be releasing their budget around the 1st or 2nd week of November 2025
- City of Mississauga staff have been directed to prepare a draft 2026 Budget with a preliminary targeted release date of **January 6, 2026**
- Ward-level budget information sessions will be held in November 2025
- Citywide budget townhall and Budget Committee presentations will be in January 2026

2026 Budget Timelines

(as per Strong Mayors Legislation)



*Budget is deemed adopted at the end of the budget amendment, mayoral veto or override period. Mayor and Council can shorten any of the periods.

2026-28 Forecast in the 2025 Budget 7.1

	Adopted	Subject to change		
City of Mississauga	2025	2026	2027	2028
Normal Operations	2.0%	8.3%	3.3%	3.2%
Infrastructure Levy	3.0%	3.0%	3.0%	3.0%
Public Safety Fire Program	1.0%	1.0%	1.0%	0.0%
New Initiatives	1.8%	1.6%	0.5%	0.2%
Council Budget Amendments	1.6%			
Assessment Growth	(0.6%)	(0.6%)	(0.6%)	(0.6%)
Budget Increase	8.8%	13.3%	7.2%	5.8%
Tax Bill Impact (City Portion)	3.3%	4.9%	2.7%	2.1%
Region of Peel				
Tax Bill Impact (Regional Portion)	5.9%	5.5%*	4.8%*	4.1%*
Combined Tax Impact (City & Region)	9.2%	10.4%*	7.5%*	6.2%*

2026 Forecast in the 2025 Budget

7.1

As the 2026 budget process is just commencing, increases are subject to change.

2026 Budget - Normal Operations	\$M	%
Base Labour Cost Changes (includes annualization of 2025 FTE increases)	21.2	2.8%
Hazel McCallion LRT Operating Costs	13.4	1.8%
Windrow removal, Secondary sidewalk clearing, Bike lane snow removal	13.4	1.8%
Other inflationary impacts from existing contracts and services (e.g., Winter maintenance, transit, utilities, parks, etc.)	6.7	0.9%
WSIB premium increases	3.0	0.4%
Free PRESTO Senior fares - Additional revenue impact	0.9	0.1%
Other (Revenue and chargeback adjustments)	3.0	0.4%
Total Increases from Normal Operations	61.6	8.3%

Factors impacting Normal Operations Budget^{7.1}

2025's 2% Normal Operations budget increase included 3.3% in offsets from revenue increases, provincial gas tax transfers, removal of the Emerald Ash Borer contribution and other cost efficiencies.

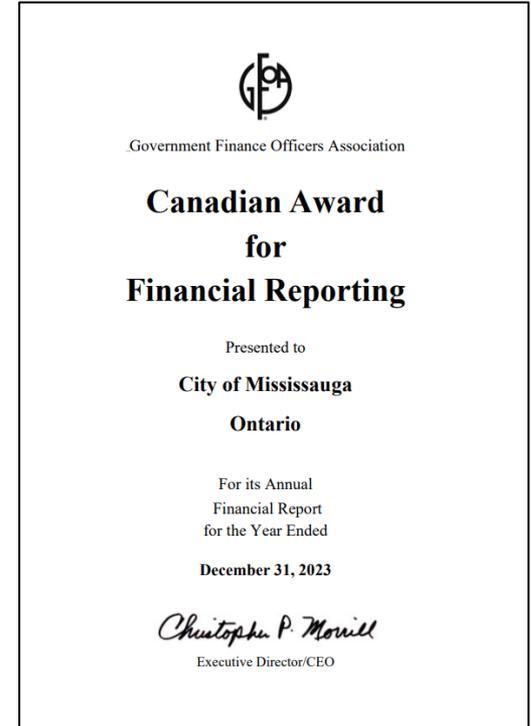
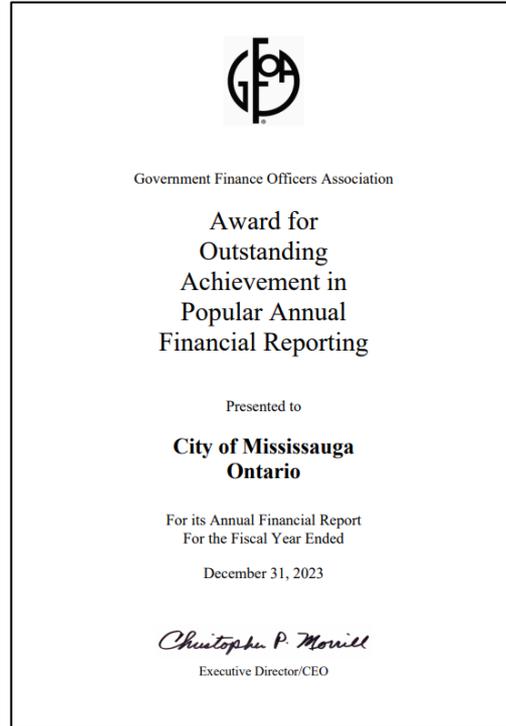
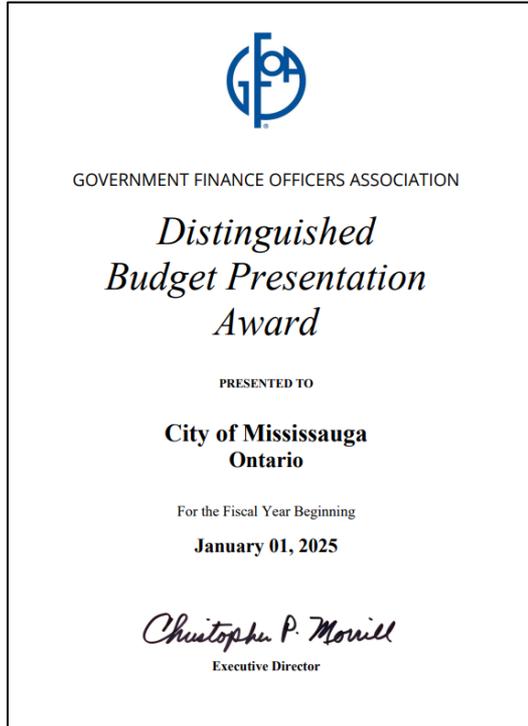
Factors that will impact 2026–2029 budget and tax increases:

- Hazel McCallion LRT start date and operating cost impacts
- Tariffs and inflationary impacts
- Labour cost changes (pending ratification of union agreements)
- Any federal & provincial funding and legislative changes
- Projected revenue changes and cost efficiencies

Other Factors Impacting the 2026 Budget

- Region of Peel services transition (status of *Bill 240, Peel Transition Act, 2024*)
- Peel Police budget increase
- Regional budget apportionment changes
- Any changes to service levels and new initiatives
- Any changes to special purpose levies (e.g., Capital Infrastructure & Debt Repayment Levy and the Public Safety Fire Program)

Recognition for Financial Excellence



Questions