

# City of Mississauga

## 2010 Budget Reduction Options - Business Services & Corporate Assets

Recommend	Initiative Ref *	Comment **	Description - Brief Description	2010 \$ Impact	2010 Tax Rate Impact	FTE
App 9-01	NI	NEW	Reduce Market Research costs related to unplanned research and development and support of an online research panel for the City	-20,000	-0.01%	0
App 9-02	NI	NEW	Reduction in Health, Safety and Wellness Program	-5,000	0.00%	0
App 9-03	NI	NEW	Elimination of one position in Geomatics	-93,900	-0.03%	-1
App 9-04	NI	NEW	Reduction to Professional Services Budget	-50,000	-0.02%	0
App 9-05	NI	NEW	Recover Labour Costs for Nominal Disposal Transactions	-17,500	-0.01%	0
App 9-06	NI	NEW	Eliminate 2 Co-op positions	-54,800	-0.02%	-2
App 9-07	NI	NEW	Mortgage Administration Fee	-400,000	-0.14%	0
App 9-08	NI	NEW	Reduction of Temporary Labour Hours in Revenue and Material Management	-18,500	-0.01%	-0.4
App 9-09	NI	NEW	IT Maintenance - Remove Microsoft Office Product from Enterprise Agreement and Software Assurance	-250,000	-0.09%	0
<b>Recommend Total</b>				<b>-909,700</b>	<b>-0.32%</b>	<b>-3.4</b>

Budget Option	Initiative Ref *	Comment **	Description - Brief Description	2010 \$ Impact	2010 Tax Rate Impact	FTE
App 9-10	NI	NEW	Electronic Greeting Cards	-4,200	0.00%	0
App 9-11	NI	NEW	Remove 1 FTE Electrician and no replacement of truck for outdoor parks maintenance.	-110,000	-0.04%	-1
<b>Budget Option Total</b>				<b>-114,200</b>	<b>-0.04%</b>	<b>-1.0</b>

<b>Business Services &amp; Corporate Assets Total</b>				<b>-1,023,900</b>	<b>-0.36%</b>	<b>-4.4</b>
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\* Footnote: BP = Included in original 2010 Business Plan, NI = New Item, e3 = E3 Review MI = My Idea

\*\* NEW = Brand new item, Previous = Previously seen by Council

## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Reduce Market Research costs related to unplanned research and development and support of an online research panel for the City
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-20,000	<b>2011 Budget:</b>	
<b>Department:</b>	Corporate Services	<b>Status:</b>	Recommend		
<b>Budget Savings</b>					
<b>Tax Rate Impact:</b>	0.0%				

### Details of Service Change:

The budget for market research would be reduced by \$10,000 from \$20,000 to \$10,000 and the advertising and promotional budget for attracting online panel participants as well as the participant incentive budget would be reduced by \$10,000 from \$15,000 to \$5,000. The division will continue to provide an annual Citizen Value Measurement Survey, manage the Enterprise Licence for Key Survey, and proceed with developing a smaller on-line panel for the City.

### Service Impact:

Reducing the budget would have us explore the feasibility of doing the research "in-house" using our online survey tool (Key Survey). If for some reason an in-house solution wasn't feasible, then we would have to either request additional funds to carry out the research or decline the research request. The impact of the budget reduction to the research panel is a reduction in the quality and accuracy of the data results.

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Reduction in Health, Safety and Wellness Program
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-5,000	<b>2011 Budget:</b>
<b>Department:</b>	Corporate Services	<b>Status:</b>	Recommend	
<b>Budget Savings</b>				
<b>Tax Rate Impact:</b>	0.0%			

### Details of Service Change:

Funds were approved in 2009 for the City's wellness program. These funds are being used to promote employee wellness. For example, they were used to support the annual health fair and for posters for infection control in relation to the pandemic flu alert. The 2009 budget is \$10,000. We are proposing to reduce this to \$5,000 scaling back on health fair and health promotion posters and displays.

### Service Impact:

This reduction may reduce the effectiveness of our wellness program.

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Elimination of one position in Geomatics
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-93,900	<b>2011 Budget:</b>	0
<b>Department:</b>	Transportation & Works	<b>Status:</b>	Recommend		
<b>Budget Savings</b>					
<b>Tax Rate Impact:</b>	0.0%				

### Details of Service Change:

Staffing level reduction can be accommodated with minor reorganization of function within the section.

### Service Impact:

Minor service level reductions and technology automation solution.

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Reduction to Professional Services Budget
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-50,000	<b>2011 Budget:</b>	0
<b>Department:</b>	Transportation & Works	<b>Status:</b>	Recommend		
<b>Budget Savings</b>					
<b>Tax Rate Impact:</b>	0.0%				

### Details of Service Change:

A 15% reduction to the Professional Services budget within the Business Services division.

### Service Impact:

Fewer resources available to support process changes in the Division and in the Department and more reliance on staff for research and analysis.

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Recover Labour Costs for Nominal Disposal Transactions
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-17,500	<b>2011 Budget:</b>
<b>Department:</b>	Corporate Services	<b>Status:</b>	Recommend	
<b>Budget Savings</b>				
<b>Tax Rate Impact:</b>	0.0%			

### Details of Service Change:

Recover staff costs for nominal real estate transactions requested by Region, Enersource, Ontario Realty Corporation, etc. These transactions are generally easement transfers to the Region which we currently charge \$2.00 per transaction. The proposed charge is based on estimated cost of \$1,750 per file (35 hours at \$50/hour) with an estimated 10 files per year. The average per year from 2006 to 2008 was 13 files. Peel Region performs an average of 2 Nominal Disposal Transaction files for the City a year and Ontario Realty Corporation performs 3 files for the City. If they implement a similar recovery based system, City net revenue would be reduced by 40% to 50%.

### Service Impact:

No service level impact.

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Eliminate 2 Co-op positions
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-54,800	<b>2011 Budget:</b>
<b>Department:</b>	Corporate Services	<b>Status:</b>	Recommend	
<b>Budget Savings</b>				
<b>Tax Rate Impact:</b>	0.0%			

### Details of Service Change:

Savings of \$54,800 in FPM Temp budget by eliminating 2 of 5 co-op positions. Small to medium projects (\$10,000 to \$25,000 average per project) total up to \$120,000 that are managed by 2 co-op students would not get done (e.g. signage, painting, asbestos manuals, etc). Currently, City uses co-op students as an apprentice type program for training co-op students to enter the City work force.

Each co-op student position is budgeted at three 4-months term placements.

### Service Impact:

Service levels relating to signage, manuals preparation, etc. would be impacted.

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Mortgage Administration Fee
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-400,000	<b>2011 Budget:</b>	
<b>Department:</b>	Corporate Services	<b>Status:</b>	Recommend		
<b>Budget Savings</b>					
<b>Tax Rate Impact:</b>	-0.1%				

### Details of Service Change:

This proposed new fee would be charged to banks/mortgage companies who pay property taxes on behalf of mortgage holders. There are costs to the City in managing this information and in making changes as accounts are added or deleted from the mortgage company lists. The annual fee would be \$10 per account for approximately 40,000 accounts. Ottawa charges \$6.70 per billing (2 billings/yr) and increase annually by 3%, St. Catharines charges \$10, Oshawa charges \$7 and Whitby charges \$10. This fee is proposed to be effective January 1, 2010 pending approval.

### Service Impact:

No service level impact

### Comments

NEW

### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Reduction of Temporary Labour Hours in Revenue and Material Management
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-18,500	<b>2011 Budget:</b>
<b>Department:</b>	Corporate Services	<b>Status:</b>	Recommend	
<b>Budget Savings</b>				
<b>Tax Rate Impact:</b>	0.0%			

### Details of Service Change:

Eliminate 2 summer student positions - 1 in Central Stores and 1 in Revenue Tax Payment. Positions provide vacation coverage over the summer time. The 2008 actuals were \$18,500. The 2009 budget is \$18,500.

### Service Impact:

Elimination of the positions may increase delivery times in central stores, increase counter wait times and mail opening / cash processing times during the summer vacation periods.

### Comments

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### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	IT Maintenance - Remove Microsoft Office Product from Enterprise Agreement and Software Assurance
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-250,000	<b>2011 Budget:</b>	
<b>Department:</b>	Corporate Services	<b>Status:</b>		Recommend	
<b>Budget Savings</b>					
<b>Tax Rate Impact:</b>	-0.1%				

### Details of Service Change:

Remove Microsoft Office product from Enterprise Agreement and Software Assurance coverage. This adjustment to the contract (Enterprise Agreement) is possible as our agreement ends in June 2010 which enables us to make the change. If Microsoft Office 2010 is released before the Enterprise Agreement ends in June 2010, the City will be eligible to upgrade to Office 2010. If Office 2010 is released after June 2010, the City has access to Office 2007 licenses and will upgrade to Office 2007 in 2010 (we own Office 2007 licenses). Upgrades to newer versions of Microsoft Office past June 2010 will not be possible without repurchasing licenses. When an upgrade is warranted in the future (perhaps in 2015), the acquisition of the new licenses \$890,000 will be requested in the IT Capital Budget. Unless there is a need to upgrade Microsoft Office within the next 5 years, it does not make good economic sense to pay software assurance for 5 years (cost \$1,250,000).

### Service Impact:

If there is a need to upgrade and receive functional or security patches within the next 5 years, there will be additional costs to the City.

### Comments

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### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Electronic Greeting Cards
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-4,200	<b>2011 Budget:</b>
<b>Department:</b>	Corporate Services	<b>Status:</b>	Budget Option	
<b>Budget Savings</b>				
<b>Tax Rate Impact:</b>	0.0%			

### Details of Service Change:

Eliminate Printing costs for Holiday Cards for elected officials by switching to electronic cards. The City (via Communications Division) prints cards and envelopes for Mayor and Members of Council and some city staff to use for holiday greetings. The 2009 Budget is \$4,200. Cost of cards for senior staff have been eliminated for 2010 and replaced with electronic adoption. This reduction would eliminate the Councillors' cards as well.

### Service Impact:

Greeting cards are a matter of personal taste and not everyone appreciates electronic greeting cards the same way as printed greeting cards. Mayor and Councillors would have to manage costs in their own operating budgets for printed greeting cards

### Comments

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### Budget Status:

Approved

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Not Approved

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## Appendix 09 - Budget Reduction Options

<b>Description:</b>	Remove 1 FTE Electrician and no replacement of truck for outdoor parks maintenance.
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<b>Service:</b>	BSCA	<b>2010 Budget :</b>	-110,000	<b>2011 Budget:</b>	
<b>Department:</b>	Corporate Services	<b>Status:</b>		Budget Option	
<b>Budget Savings</b>					
<b>Tax Rate Impact:</b>	0.0%				

### Details of Service Change:

Eliminate 1 FTE Electrician position. Currently there is a team of 5 electricians and 1 apprentice electrician. With the staff reduction only 2 of 3 vehicles are required. Currently, if a park light is called for repair, it is repaired within 5 business days regardless of the number of lights failed. The new service level is that parks will have lighting service when park lighting failures reach 5% with the exception of back to back light outages. More emphasis will be placed on monthly night time inspections to be pro-active. There is \$20,000 savings from operating costs on the vehicle. There is also a \$60,000 capital cost savings in 2010 in avoiding the vehicle replacement that is not reflected in the savings.

### Service Impact:

Service response time would increase from 5 days to 10 days for routine repairs and from 24 hr to 48 for urgent repairs. We are below industry standards in terms of skilled tradespersons and this will be exacerbated. This will increase risk to the City as there may be safety factors involved. If a ball park lighting is not sufficient due to lighting failure and a child is injured the City may be found liable. If critical park pathway lighting is not attended to within an appropriate time and there is an incident the City may be found liable.

### Comments

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### Budget Status:

Approved

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Not Approved

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