

Executive Summary & Financial Overview

Table of Contents

1	Introduction.....	2
1.1	One Property Tax Bill	3
1.2	2012 Budget Process.....	4
1.3	Business Plan Update and Budget Document.....	4
1.4	City Services	5
1.5	City Tax Rates Are Very Competitive	6
2	2012 City Budget Overview.....	8
2.1	Impact On Property Tax Bill	9
3	Cost to Maintain Current Service Levels:.....	11
3.1	Transit	15
3.2	Fire and Emergency Services	16
3.3	Roads, Storm Drainage and Waterworks	16
3.4	Recreation & Parks	16
3.5	Land Development Services	16
3.6	Other	17
3.7	Summary of Cost to Maintain Current Service Levels	18
4	Infrastructure Levy	18
5	New Initiatives.....	18
6	Tax Rate Reduction Options.....	20
6.1	Recommended Tax Rate Reduction Options	20
6.2	Other Tax Rate Reduction Options	20
6.3	Summary of Proposed 2012 Operating Budget.....	21
7	Capital Budget and Infrastructure Levy.....	22
7.1	2012 Capital Budget.....	25
7.2	2012 to 2021 Capital Budget Forecast	27
7.3	Highlights of the 2012 to 2021 projects are as follows:	29
7.4	2012 to 2021 Capital Financing Challenges	29
7.5	Staffing Impacts of Proposed Budget	33
8	Taxation Impact	35
8.1	Where Your 2012 City Tax Dollars Will Go.....	35
8.2	Property Tax Impacts	36
8.3	Conclusion.....	37
9	Appendices	38

1 Introduction

The City of Mississauga's proposed 2012-2014 Business Plan Update and 2012 Budget provide for the continued implementation and necessary revisions to the City's 2011 to 2014 Business Plan, which was approved by Council on March 09, 2011. Last year the City of Mississauga undertook an extensive process to create a four year detailed Business Plan and Budget. The 2011-2014 Business Plan and Budget outlined how and where the City plans to allocate resources to meet service expectations and transition into a major urban city. It provided a balance between achieving Mississauga's priorities and reflecting the needs of residents. Reviewed and updated annually, the plan is based on the City's five strategic priorities. 2012 marks the second year of Mississauga's four year Business Plan and Budget. For this "Update Year" the focus has been on updating and refining the four year approved Service Area Business Plans based on the current outlook and needs, with accompanying comprehensive financial information and forecasts that consider the impact of current economic conditions and the progress made on the plan to date.

The proposed 2012 Budget has also been developed to provide the right services in the most cost effective manner. The key areas of focus in developing the budget continue to be:

1. Deliver Existing Services
2. Deliver Value for Money through Continuous Improvement
3. Maintain our Infrastructure;

4. Implement the Strategic Plan; and
5. Continue to be an Employer of Choice

There are many pressures facing the City. The economy has been slow to recover and the European debt crisis has created a great deal of uncertainty, with forecasts of much slower growth globally and locally. The fragile economy impacts the City's development related revenues such as building permits as well as demand for recreation programs, creating revenue pressures. The City is still phasing out reserve fund support brought in during 2010 to offset significant revenue reductions in Transit and Land Development Services as a result of the economic downturn, which creates additional pressure on the City's tax requirements. The City is also faced with significant cost pressures in delivering current service levels – increases in diesel fuel and hydro rates are significantly above inflation. The City has limited funding options – where possible we look for efficiencies and increase user fees. However, once these are exhausted there remains a choice between increasing property taxes or reducing services or service levels.

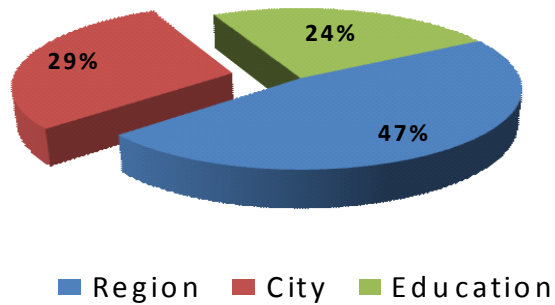
The proposed 2012 Budget provides a balance between these pressures and meeting the service demands of the community. The proposed Budget maintains current service levels, incorporates continuous improvement efficiencies, provides for maintenance of our infrastructure and for some high demand new initiatives to continue implementation of the Strategic Plan. The budget provides for fair treatment of our employees, incorporating compensation adjustments which are consistent with other municipalities and public sector organizations. Finally, the proposed budget also includes recommended tax rate reduction options, that staff feel can be implemented with minimal impact on residents.

1.1 One Property Tax Bill

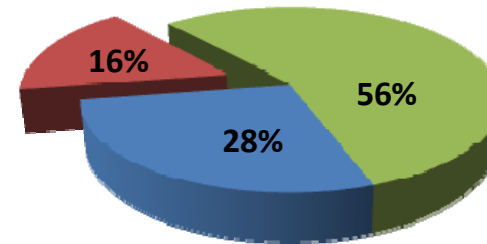
The property tax bill provides funding for three government organizations – City of Mississauga, the Region of Peel and provincial Education. The property tax payer is impacted by the total change in the property tax bill. The City’s Business Plan and Budget only discusses the change in the City portion of the tax bill – which is 29% for residential and 16%

for non-residential, as shown in the following graphs. However, in order for taxpayers to accurately understand the impact of the City’s budget on their taxes, the focus is on the impact on the total tax bill. It is this total change that is comparable to other large, single tier cities such as Toronto, Ottawa, Hamilton and London.

Residential Property Tax



Commercial/industrial



1.2 2012 Budget Process

The proposed 2012 Budget is the result of an extensive process undertaken by staff, commencing with the preparation of the Budget Forecast presented to Budget Committee in June. Through the summer, service areas prepared their operating and capital budgets. Through October and November budget submissions were reviewed by the Leadership Team and the proposed budget finalized. The process for Council review of the budget is set out below. All Budget Committee meetings are open to the Public and will be broadcast by Rogers TV.

Presentation of Budget Overview

December 12, 2011 Budget Committee

Distribution of the Budget Document

December 23, 2011

Joint Region and City Public Open House

January 11, 2012

Service Area Budget Presentations

January 16/17, 2012

Budget Committee Deliberations

January 25/30/31, 2012 Budget Committees

Council Approval

February 8, 2012

1.3 Business Plan Update and Budget Document

For 2012, the Business Plan and Budget document provides an update to the detailed plans developed in the 2011-2014 Business Plan and Budget. For this “Update Year” staff have focused on primarily updating and presenting amendments to the four year approved Service Area Business Plans, while still providing comprehensive financial information and forecasts.

The Business Plans provide a summary document that sets out a brief description of the Service Area, what has changed since writing the 2011-2014 Business Plan and Budget and performance measurements. The complete 2011-2014 Business Plan and Budget can be found on the City’s website at

<http://www.mississauga.ca/portal/cityhall/budgetbook>. The financial information in the updated plans includes the 2012 Operating and Capital Budgets, plus forecasts for 2013 and 2014. The Business Plans also include summarized explanations of each Budget Request and Tax Rate Reduction option. Similar to last year the Business Plan Update and Budget document is comprised of two volumes. Volume One includes the Executive Summary, the City Business Plan, Financial Overview and the Service Area Business Plans, as well as information on Reserves and Reserve Funds and Staff Complement. Volume Two contains Appendices 1 to 7 which provide detailed backup information on service area budgets and include the full Budget Request and Tax Rate Reduction Option Summaries. Volume Two has been produced to be an on-line document and is accessible through the City’s website at the following link :

<http://www.mississauga.ca/portal/cityhall/budgetbook>.

1.4 City Services

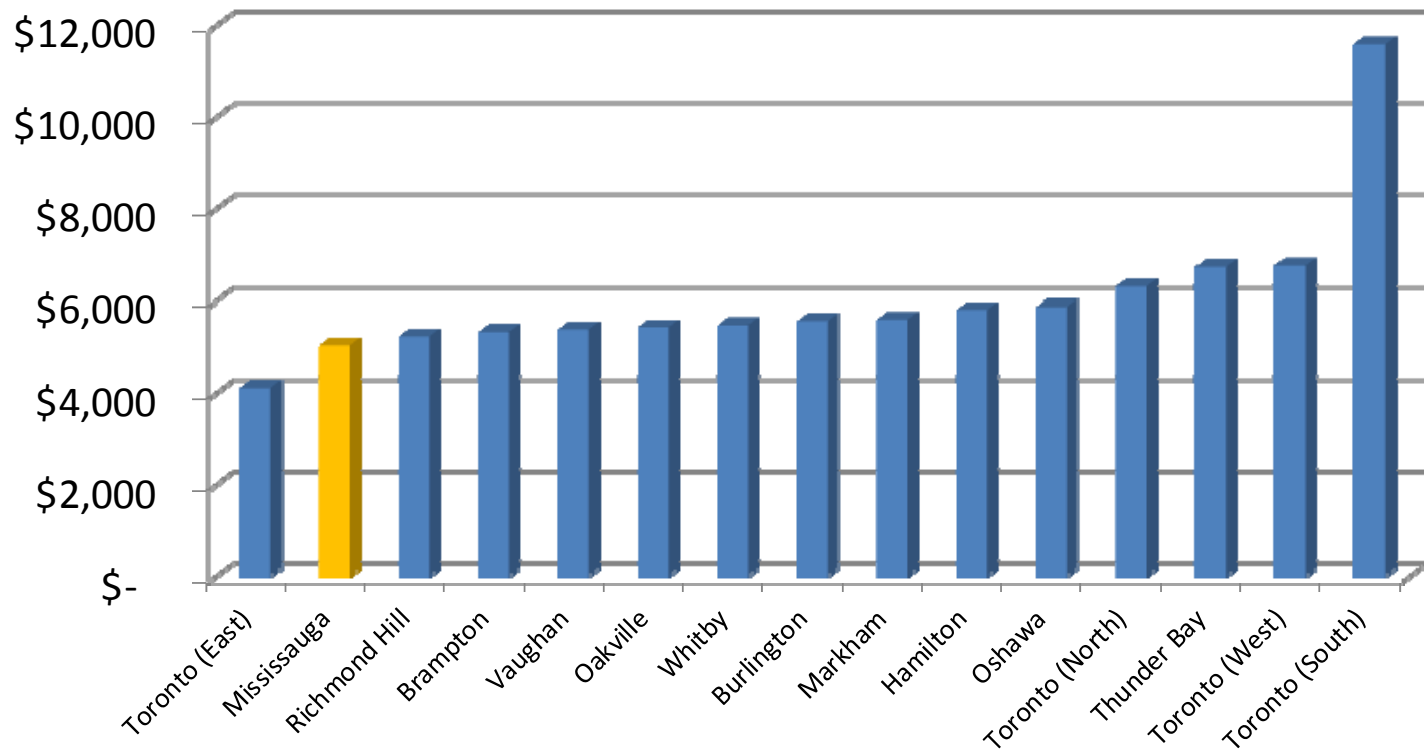
The City of Mississauga delivers valuable and essential services to our residents. These are services that are used every day by our residents –such as roads, sidewalks, parks, libraries and community centres. The City owns over \$6.7 billion in infrastructure – this includes buildings, parks, playground equipment, buses, roads, sidewalks and many other items.

The average house in Mississauga has a value of \$430,000. In 2011 this average home paid \$1,200 in City taxes. The major services received and the amount paid for each are described below:

- Transit -\$150
 - 91 routes,
 - 1.26 million hours of service with over 45 million passenger boardings
- Fire & Emergency Services -\$275
 - 24/7 availability 365 days a year with an average response time of 5 minutes. Over 46% of calls are medically related
- Roads and Storm Drainage-\$211
 - Snow cleared from 5,209 km of roads & 2,204 km of sidewalks ;
 - Power supplied to 49,234 street lights & 511 traffic lights;
 - 56 km of noise barriers
 - 2,000 km of storm sewers
- Libraries -\$82
 - 18 locations, open seven days a week;
- 1.4 million items in collection (multiple languages & formats)
- Recreation and Parks -\$150
 - grass cut on 530 sports fields (soccer, baseball, etc.)
 - equipment maintained in 255 playgrounds
 - 261 kilometres of park trails / pathways
 - 6,700 acres of parkland maintained
 - 12 Community Centres
 - programs run at 25 ice rinks and 18 pools

1.5 City Tax Rates Are Very Competitive

The following chart provides a comparison of taxes for a four bedroom home to various municipalities, primarily from the GTA. The comparison is for the total property tax bill, including both upper and lower tier municipal responsibilities and education. Mississauga's taxes are among the lowest.



The following table presents the total tax levy, including upper and lower tier responsibilities, and education, on a per capita basis. While some of the tax levy is raised on commercial and industrial properties this provides a comparison of the total property tax burden by resident. Mississauga is the lowest in comparison to other major southern Ontario municipalities and is well below the average for Ontario municipalities.

The information in these two charts is from the BMA annual Municipal Study database which allows for the comparison of various municipal property tax related benchmarks as an indicator of the value for money in the current level of services provided by the City

Municipality	Per Capita
Oakville	\$1,412
Ottawa	\$1,341
Toronto	\$1,320
Hamilton	\$1,269
London	\$1,212
Burlington	\$1,209
Brampton	\$1,059
Markham	\$1,056
Mississauga	\$1,047
Average	\$1,228

Source: BMA Management Consulting, Municipal Study Database

2 2012 City Budget Overview

The proposed budget prepared by staff is comprised of four distinct components. The first component presents the cost to maintain current services and service levels. The second component represents the recommended Infrastructure Levy to support the 2012-2021 Capital Forecast. The third component provides for new initiatives identified in the 2011-2014 Business Plan, that staff recommend be undertaken in 2012. The fourth component includes options to reduce the tax rate which staff have recommended for Council's consideration. In addition to these recommended tax rate reduction options, a further list of tax rate reduction options is included in the budget document. These options are not recommended by staff as they represent significant changes to services and service levels, but have been presented for Council's consideration if they wish to reduce the tax rate below that proposed by staff.

The following table summarizes the proposed 2012 Budget. The impact on the City's tax rate and on the total property tax bill is shown. As noted earlier, there is only one property tax bill and the impact on the total tax bill is most relevant to a taxpayer.

Description (\$ 000's)	2012	% Change	2013	2014
Prior Year Budget	318,590		345,628	379,043
Increases to Maintain Current Service Levels	17,018	5.3%	15,852	13,303
Assessment Growth		-1.1%		
Total Cost Maintain Current Service Levels	335,608	4.2%	361,480	392,346
Infrastructure Levy and Debt Financing	6,372	2.0%	6,913	7,581
Total Proposed New Initiatives	4,149	1.3%	10,925	1,125
Total Recommended Tax Rate Reduction Options	(500)	-0.2%	(275)	(25)
Proposed Budget	345,628	7.4%	379,043	401,027
Impact on Total Residential Tax Bill		2.1%		
Impact on Total Commercial Tax Bill		1.2%		

Note: Numbers may not balance due to rounding

The cost to maintain current service levels requires a 4.2% increase in the City's tax requirements and has an impact of 1.2% on the total property tax bill. This is a significant accomplishment considering the many uncontrollable cost pressures on the City's Budget. Staff are recommending an Infrastructure levy of 2% or 0.6% on the total tax bill – this levy includes a 0.2% tax impact for debt repayments, which is non discretionary if debt is issued. New initiatives add 1.3% to the City tax requirements or .4% on the total property tax bill. Tax rate reduction options total \$500,000

and reduce the City tax requirements by 0.2%, for a total proposed Budget of 2.1% on the total residential property tax bill and 1.2% on the commercial/industrial tax bill.

2.1 Impact On Property Tax Bill

The following chart shows the forecast impact on the total property tax bill. The City comprises 29% of the total residential bill, the Region 47%, and Education 24%. For the Commercial/Industrial Tax Bill the City accounts for only 16%, the Region 28% and Education 56%.

	City	Region (*est)	Education	Total Residential Tax Bill	Total Commercial Tax Bill
Maintain Current Service Levels	5.3%		0.0%	1.5%	0.9%
External Agencies and Regionally Controlled Programs		3.8%	0.0%	1.8%	1.0%
Provincial Upload	0.0%	(1.7%)	0.0%	(0.8%)	(0.4%)
Assessment Growth	(1.1%)	(1.8%)	0.0%	(1.2%)	(0.6%)
Total Cost to Maintain Current Service Levels	4.2%	0.3%	0.0%	1.4%	0.8%
Infrastructure Levy and Debt Financing	2.0%			0.6%	0.3%
Infrastructure Levy		1.0%	0.0%	0.5%	0.3%
Proposed New Initiatives	1.3%		0.0%	0.4%	0.2%
Recommended Tax Rate Reduction Options	(0.2%)		0.0%	(0.0%)	(0.0%)
Proposed Budget	7.4%	1.3%	0.0%	2.8%	1.5%

The Region of Peel's proposed Budget provides for a 1.3% increase, with an impact on the total tax bill of 0.6%. The Region of Peel's Budget includes Provincial upload savings of \$14.2 million, a reduction of 1.7% in the Region's Budget. Without these upload savings the Region's tax increase would have been 3.0% or 0.9% on the total tax bill. Municipalities in the Region of Peel are part of a two tier government structure, therefore the savings accrue entirely to the upper tier – the City does not share in these savings. In a one tier government structure these savings would be available to offset cost pressures on all municipal services. Therefore it is important to look at the property tax impact of all municipal services rather than focusing on the separate Budgets of the lower and upper tiers.

The Education tax rate is assumed not to increase as has been the case for the last 13 years. Therefore the total impact on a City of Mississauga resident's tax bill is 2.8%. For a commercial/industrial taxpayer the impact on the total tax bill is 1.5%. This proposed impact is equal to the final approved 2011 tax rate impact (2.8%) Of this increase, only 1.7% is for ongoing operations and new initiatives. The balance of 1.1% provides essential infrastructure funding to support both the City and Region's capital forecasts and to address the infrastructure gap. Without these infrastructure levies the condition of the City's and the Region's infrastructure will decline.

3 Cost to Maintain Current Service Levels:

The cost to deliver current service levels requires an increase of \$17.0 million in City's tax levy, or 4.2% on the City's tax rate and 1.2% on the total tax bill. The following table sets out the main drivers of the increased cost to maintain current service levels.

Description (\$ 000's)	2012
Increases/(Decreases) to Maintain Current Service Levels	
Labour and Benefits	14,512
Annualization of Previous Years Operating Cost Decisions	2,777
Cost Increases	7,615
Operating Impact of New Capital Projects	525
Efficiencies and Cost Savings	(3,381)
Current Revenue Changes	(5,031)
Total Changes to Maintain Current Service Levels	17,018

Labour costs reflect modest economic adjustments for both union and non-union staff, based on recent labour settlements and are equivalent to the labour increases included in the Region of Peel's Budget. This continues the philosophy that all staff must be treated equitably. Labour costs also include pressures due to a 20% increase in the

amount of OMERS contributions for all staff except fire staff (contributions are based on a percentage of gross income and have increased from 10.7% to 12.8% on earnings over the Canadian Pension Plan earnings limit), as well as pressures from other statutory benefits. These pressures also impact staff as they match contributions and therefore face a significant increase in their deductions.

As with previous years, the total labour budget also includes a \$5 million provision for gapping savings. The total budget for staffing has been reduced by this amount recognizing that there will be some savings as a result of staff vacancies and turnover during the year.

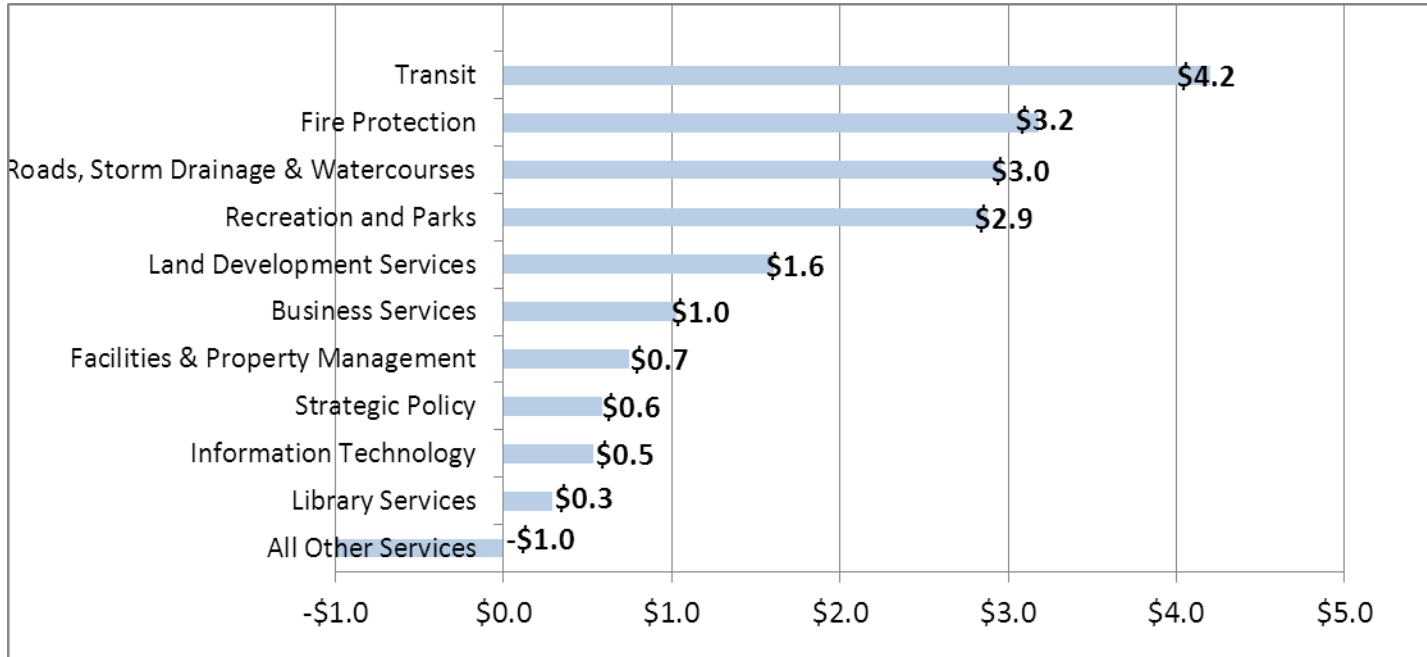
Annualized costs of new initiatives approved in 2011 increase costs in 2012 by \$2.8 million. This includes the annualized cost of the Transit growth strategy implemented in 2011 and operating costs for Celebration Square. Operating costs associated with completed capital projects total \$0.5 million, and include the opening of the Garry Morden Centre.

There are significant pressures on costs to deliver existing services. Many of these pressures are beyond the control of the City. Prices for diesel fuel have increased by 11%, resulting in an increase of \$1.5 million on a budget of \$13.7 million. Utility prices require an increase of \$1.2 million, on a budget of \$15.5 million or an 8% increase. Electricity prices for street lighting are forecast to increase 17%, or \$0.8 million on a budget of \$4.8 million. It is important to understand that a 1% increase in the tax rate generates only \$3.2 Million. These items alone require over a 1% increase before any other cost pressures are considered. Appendix 1C – presents the cost changes by Service area.

Offsetting cost increases staff have identified \$3.4 million in efficiencies and cost savings. These include savings on Roads Winter Maintenance materials, rationalization of Transit routes, review of IT maintenance contracts, utilities savings from energy efficiency improvements, and reduction in Transit marketing costs, plus other smaller initiatives. Appendix 1E identifies the efficiencies by service area and details are in Service Area Business Plans

Revenues have increased by \$5.0 million. This includes \$3.5 million in Transit fares due to growth in ridership and a fare increase. In November, Budget Committee considered rates and fees for most services and passed a number of fee increases which generated over \$2 million in additional revenue. Fees and user charges provide revenue to support services which provide benefits to specific individuals and organizations, rather than all residents. Ensuring fees and user charges increase to offset cost increases reduces pressure on the City's tax levy requirements and reliance on property taxes for these services. If fees do not increase to cover cost increases, tax support for the program or service must increase. Appendix 1F summarizes the revenue changes by Service Area

The following chart presents a breakdown of the \$17.0 million increased cost to maintain current service levels by service area. Five service areas account for 88% of the increase in the cost to maintain current service levels – Transit; Roads, Storm Drainage and Watercourses; Fire and Emergency Services; Recreation and Parks; and Land Development.



The following table shows the total Budget to Maintain Current Service Levels by service area:

2012 Proposed Budget

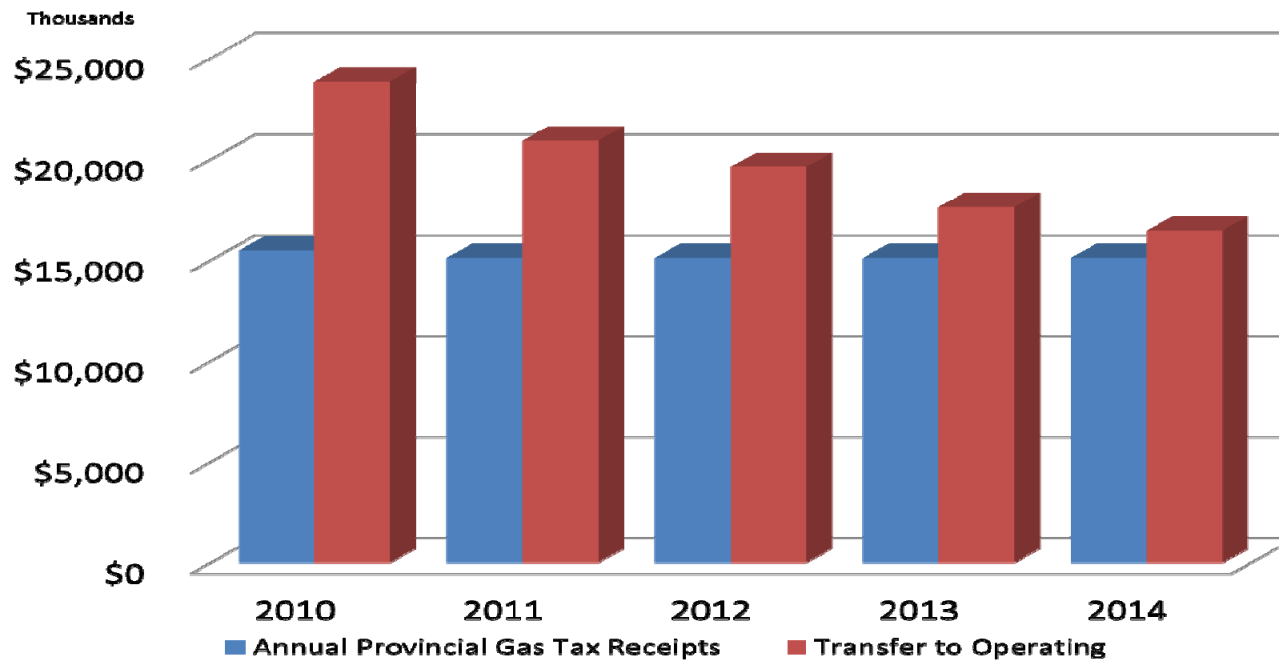
Service Area	2011 Budget	2012 Maintain Current Service Levels	2012 Total to Maintain Current Service Levels	% Increase
Fire and Emergency Services	\$84.0	\$3.2	\$87.2	3.8%
Roads, Storm Drainage and Watercourses	\$64.2	\$3.0	\$67.2	4.6%
Mississauga Transit	\$45.8	\$4.2	\$50.0	9.2%
Recreation and Parks	\$45.6	\$2.9	\$48.5	6.3%
Mississauga Library	\$24.6	\$0.3	\$24.9	1.2%
Business Services	\$21.4	\$1.0	\$22.4	4.8%
Facilities and Property Management	\$18.5	\$0.7	\$19.3	4.1%
Information Technology	\$16.7	\$0.5	\$17.2	3.2%
Strategic Policy	\$9.9	\$0.6	\$10.5	5.9%
Land Development Services	\$5.0	\$1.6	\$6.6	32.2%
Arts and Culture	\$4.5	\$0.3	\$4.8	6.8%
Council	\$4.1	\$0.1	\$4.2	1.9%
Regulatory Services	\$1.5	(\$0.2)	\$1.3	-14.1%
Legislative Services	(\$2.6)	(\$0.1)	(\$2.7)	-3.7%
Financial Transactions	(\$24.8)	(\$1.1)	(\$25.9)	-4.3%
Total Operating Budget Forecast	\$318.6	\$17.0	\$335.6	5.3%
Assessment Growth				-1.1%
City Operating Tax Rate Increase Forecast				4.2%
Impact on Total Tax Bill				1.2%

The following provides an overview of the service areas:

3.1 Transit

The increased costs to maintain current service levels in Transit are due primarily to the annualization of service expansion approved in 2011 and labour costs. These costs total \$2.6 million and \$4.2 million, respectively. The Budget also includes an increase of \$0.10 per litre of diesel fuel, which has a \$1.5 million impact on the budget of \$13.7 million. There is also pressure on the transit budget due to the phasing out of Provincial Gas Tax funding that exceeds

annual gas tax received from the province. In 2010, the transfer from the Gas Tax Reserve was increased above the annual gas tax received from the Province to offset the significant reduction in revenue from the economic downturn. Utilizing Provincial Gas Tax funding in excess of the annual receipts from the Province is not sustainable. Therefore the excess funding is gradually being phased out as shown in the chart below. This adjustment has a pressure of \$1.3 million in 2012 or a City tax rate impact of 0.4% in 2012. The phase out will be completed in 2015.



The Transit Budget includes a fare increase, approved by Council in October, effective January 30, 2012, which offsets increased costs by \$2.0 million. Council also approved elimination of 4 low performing routes and reduced service on 2 low performing routes, which will generate annual savings of \$770,000. Growth in ridership is expected to generate an additional \$1.2 million in revenues, and advertising revenues have increased by \$1 million. The budget to maintain current service levels for Transit is increasing by \$4.2 million or 9.2%. This is the largest driver in the total cost to maintain existing services and has a 1.3% impact on the City's tax rate, and 0.4% on the Total Property Tax Bill.

3.2 Fire and Emergency Services

The Fire and Emergency Services budget is the next largest driver in the City's Budget for the cost to maintain service levels with a proposed increase of \$3.2 million or 3.8%. The Fire budget is over 95% labour, therefore the largest pressure on this budget is labour costs. The collective agreement for Fire expired at the end of 2010 and collective bargaining is currently underway. Overtime costs are also putting pressure on the budget and require an increase of \$350,000. A reduction of \$230,000 is also required to the revenue budget for false alarms as the budget is consistently not being met. The Fire Budget has an impact on the City's tax rate of 1.0% and 0.3% on the total property tax bill.

3.3 Roads, Storm Drainage and Waterworks

The Roads, Storm Drainage and Watercourse budget for maintaining current service levels has an increase of \$3.0 million or 4.6%. The pressures on the budget to maintain

existing service levels include increased cost for winter maintenance contracts and materials, increased hydro costs for street lighting and increased fuel costs totalling \$3.7 million. The planned implementation of LED street lighting helps to mitigate hydro increases by \$1 million, and staff have identified savings of \$690,000 in traffic and winter maintenance materials. The impact on the City's tax rate is 1.0% and 0.3% on the total property tax bill.

3.4 Recreation & Parks

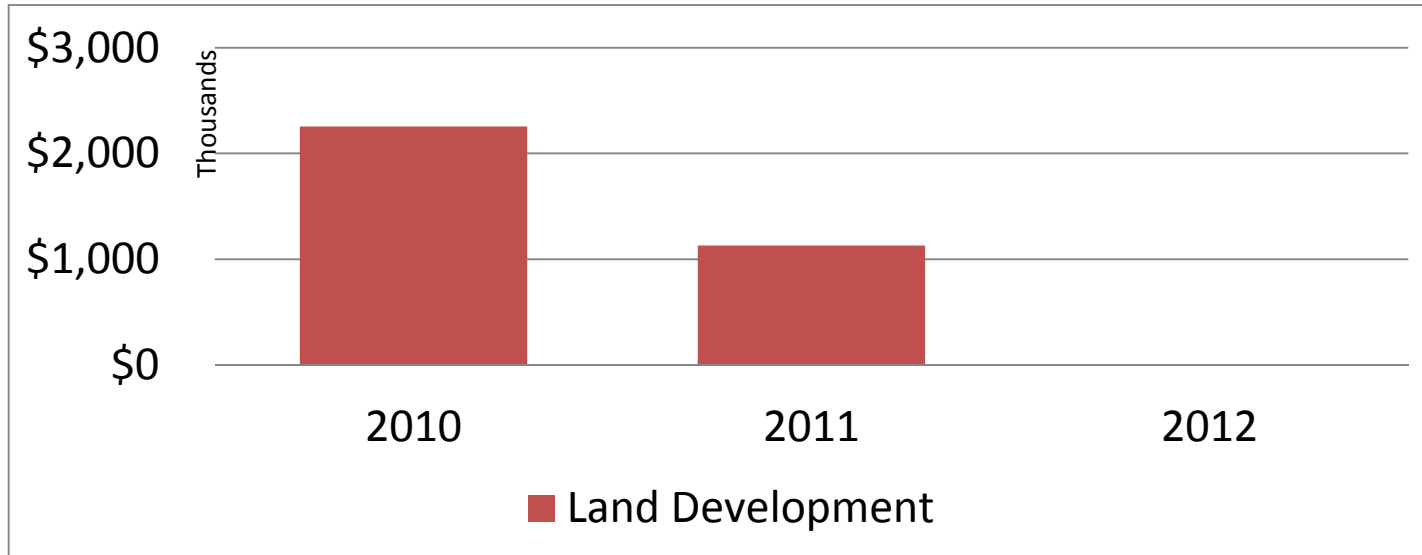
The Recreation and Parks Budget requires an increase of \$2.9 million, or 6.3%. The annualized cost from 2011 includes Celebration Square, offset by annualized revenues for Hershey Centre Dome Field, the Mississauga Celebration Square Gateway sign, and Malton and Clarkson therapy pools. Cost pressures of \$664,000 come from increased utility prices and the net impact of closing the McKechnie pool for refurbishment. As well, a number of program revenues have been adjusted downwards to reflect reduced demand and actual revenue patterns. These are partially offset by fee increases for a net reduction in revenues of \$164,000. In November Council approved the Recreation Pricing Study which is included in this document as Budget Request #665. This will result in a revenue increase of \$360,000 which is not currently reflected in the Budget to Maintain Current Service Levels. It is included in the recommended tax rate reduction options section.

3.5 Land Development Services

The Land Development Services Budget requires an increase of \$1.6 million, primarily due to the elimination of reserve funding for the program. In 2010, to offset the

significant reduction in Building and Planning fees resulting from the recession, as well as the build out of the City, the budget included transfers from reserves of \$2.3 million. These transfers formed part of the service areas three year plan to reduce expenditures and absorb the longer term revenue reductions. In 2011 the transfer from reserves was reduced to \$1.2 million, and in 2012 the transfers from

reserves have been eliminated. The Budget also includes expenditure reductions due to a reduction of 4 FTE's as part of the three year plan.



3.6 Other

The remaining service areas of Facilities and Property Management, Information Technology, Business Services, Strategic Policy, Libraries, Legislative, Regulatory, Culture and Financial Transactions account for an increase of \$2.1 million in the proposed 2012 Budget to maintain current

service levels. The increases in these areas are primarily due to inflation related cost increases and labour provisions.

3.7 Summary of Cost to Maintain Current Service Levels

The City's Budget to maintain current service levels represents a 4.2% increase in the City's tax requirements and an impact on the total property tax bill of 1.2%. The Budget to Maintain Current Service levels:

- Maintains all the valued City Services
- Includes \$3.0 million for annualization of 2011 decisions
- Provides for significant cost pressures associated with ongoing operations
- Results in a property tax increase of \$11.68 per \$100,000 of Residential Assessment

4 Infrastructure Levy

The 2012-2014 Business Plan Update and 2012 Budget includes an update to the City's ten year capital forecast. The 2011-2014 Business Plan identified that an annual infrastructure levy of 1% was included in the forecast for the next ten years, as well as the need to issue almost \$450 million in debt. The forecast debt repayment charges required another 1% on average per year. Therefore the 2012 Budget includes a 2% Infrastructure Levy and a forecast that 2% will be required in each of the next ten years to support the capital program and resulting debt repayment. On the total property tax bill, the Infrastructure Levy has an impact of 0.6%. In 2012, 1.8% of the Infrastructure levy will be directly contributed to capital and 0.2% is required for debt charges related to debt issued in 2012. Reducing this levy to 1% in 2012 would require a

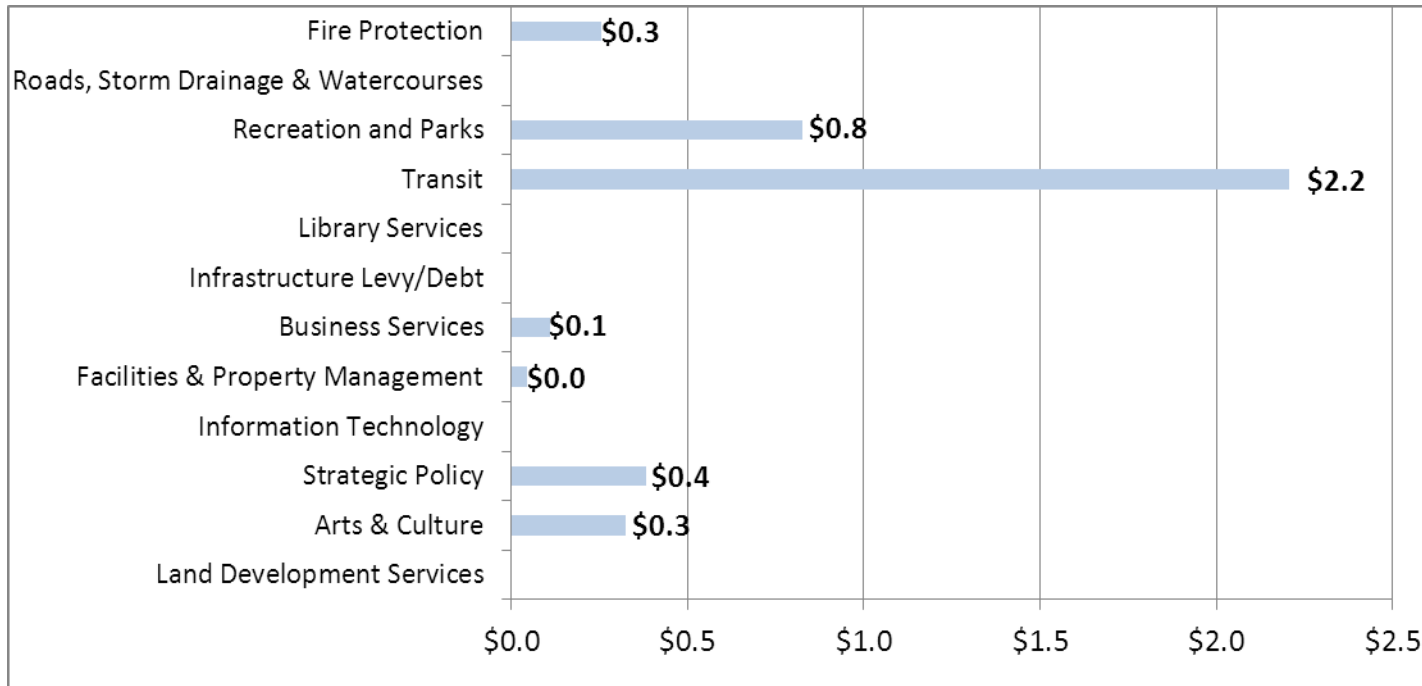
reduction to the 2012 Capital Budget of \$3.2 million or an increase in debt issued. This would result in future pressure on the Infrastructure levy, as debt charges will increase, or reductions in the Capital Program which will result in deterioration of the condition of the City's infrastructure. This is discussed more fully in the Capital Forecast and Infrastructure Levy section of the Executive Summary and Financial Overview.

5 New Initiatives

The proposed 2012 Budget includes \$4.1 million for 22 proposed new initiatives. The impact on the City's tax requirements is 1.3% or 0.4% on the total property tax bill

The 2011-2014 Business Plan and Budget had identified over \$7.2 million in new initiatives for 2012. Staff have carefully reviewed this list in light of the significant pressure on the City's Budget and are only recommending high priority initiatives. The resulting recommendations represent a reduction of 43% over last year's forecast, and a 1% reduction in the City's tax levy requirements (0.3% on total tax bill) from last year's plan.

The following chart shows the allocation of the new initiatives by service area. Each service area has prioritized the new initiatives, and this prioritized list is included in each service area Business Plan to facilitate Budget Committee's review.



The initiatives continue implementation of the Strategic Plan and supporting master plans balanced against economic conditions and the tax tolerance of our residents. The recommendations reflect a balanced, realistic implementation of the Business plan initiatives.

Major new initiatives include:

- Transit Service Plan, \$2.1 million
- Recreation, Street Tree Block Pruning, \$0.5 million
- Strategic Policy, Living Green Master Plan Implementation, \$0.3 million
- Arts & Culture, Increase Culture Grants, \$0.1 million
- Fire Prevention Legislation Resourcing, \$0.1 million
- Strategic Policy, Economic Development Strategy Recommendations, \$0.1 million
- Recreation, Mississauga Celebration Square Fall and Winter Programming, \$0.1 million
- Recreation, Plant a Million Trees, \$0.1 million

As noted above, details on each initiative are provided in the service area Business plans, and further detail is provided in Volume 2, Appendix 2 of the Budget Document.

6 Tax Rate Reduction Options

Recognizing the significant pressure on the 2012 Operating Budget, service areas were requested to identify tax rate reduction options in two categories:

1. Tax rate reduction options that staff recommend to Budget Committee, as they could be implemented with minimal or no service impact.
2. Additional tax rate reductions options for the consideration of Budget Committee. These options are not included in the proposed 2012 Budget as they will result in reductions to service levels but are provided as options for Budget Committee to consider to reduce the proposed 2012 Budget.

6.1 Recommended Tax Rate Reduction Options

Staff have recommended six tax rate reduction options which total \$500,000 and reduce the City's tax requirements by 0.15%. The largest of these options is the Recreation and Price Pricing Study, at \$0.4 million which was approved by Council on November 21, 2011. More detailed information is available in the individual service plans recommended tax rate reduction options section.

6.2 Other Tax Rate Reduction Options

An additional 27 Tax Rate Reduction Options have been identified but are not included in the proposed 2012 Budget as they represent major service adjustments and reductions

to current service levels. These options have a value of \$5.4 million and are listed in priority order in each service area business plan for Budget Committee consideration as they review the service area plans. Examples of these options include:

- eliminate fire suppression staff, \$1.8 million in 2012, \$0.6 million in future years
- various option to reduce library hours with savings up to \$0.8 million in 2012, and up to \$0.3 million in future years
- close 1 major Community Centre for savings of \$0.4 million in 2012, and \$0.4 million in future years
- modification of winter maintenance snow removal service levels for savings of \$0.3 million in 2012

6.3 Summary of Proposed 2012 Operating Budget

The following table provides a summary of the impact on a Mississauga residential and commercial/industrial property tax bill for both the City and the Region of Peel. This is the impact that is comparable to other major single tier Cities such as Toronto and Ottawa.

	City / Region	Total Residential Tax Bill	Total Commercial Tax Bill
City Total Cost to Maintain Current Service Levels	4.2%	1.2%	0.7%
City Infrastructure Levy and Debt Financing	2.0%	0.6%	0.3%
City Proposed New Initiatives	1.3%	0.4%	0.2%
City Recommended Tax Rate Reduction Options	(0.2%)	(0.0%)	(0.0%)
City Proposed Budget	7.4%	2.1%	1.2%
Region Budget for Ongoing Operations	0.3%	0.1%	0.1%
Region Budget for Infrastructure Levy	1.0%	0.5%	0.3%
Total Property Tax Bill		2.8%	1.5%

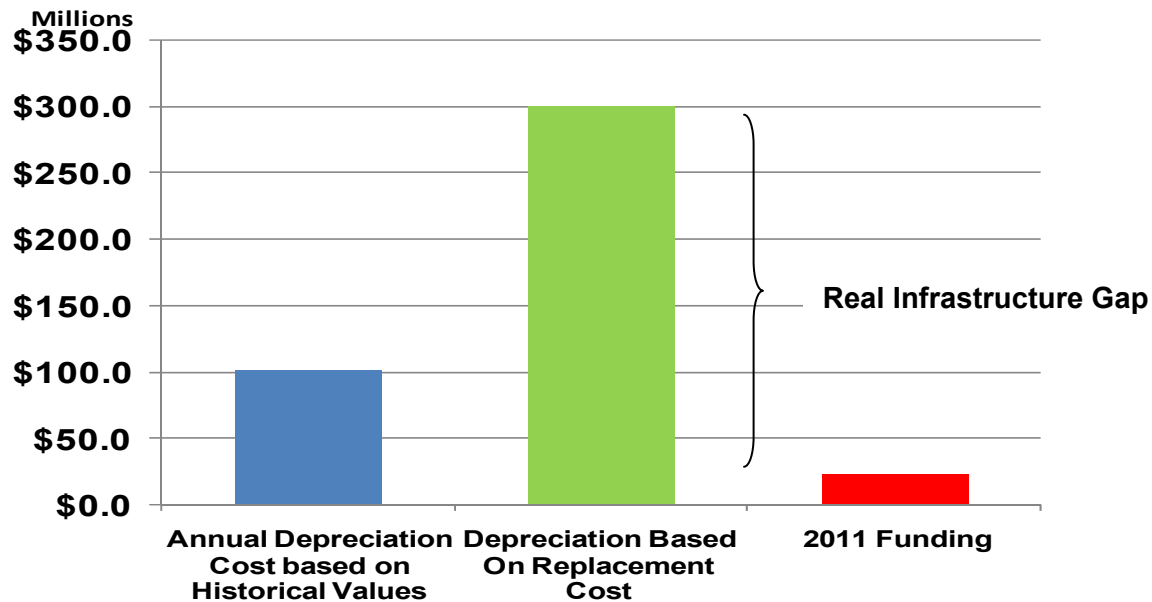
Of the proposed residential property tax increase, 1.7% relates to the ongoing operations of the City and the Region of Peel and new priority initiatives, well within the rate of inflation. The remaining 1.1% impact provides for the City's (0.6%) and the Region of Peel's (0.5%) infrastructure levies which are required to support the Capital Programs of both governments. Without these infrastructure levies significant cuts will be required to the Capital Programs of both municipalities. For commercial/industrial 0.9% relates to ongoing operations and new initiatives and 0.6% for infrastructure.

infrastructure gap. If funds are not raised to fund infrastructure rehabilitation, there will be significant deterioration in the condition of City facilities, roads, sidewalks, parks and other assets.

7 Capital Budget and Infrastructure Levy

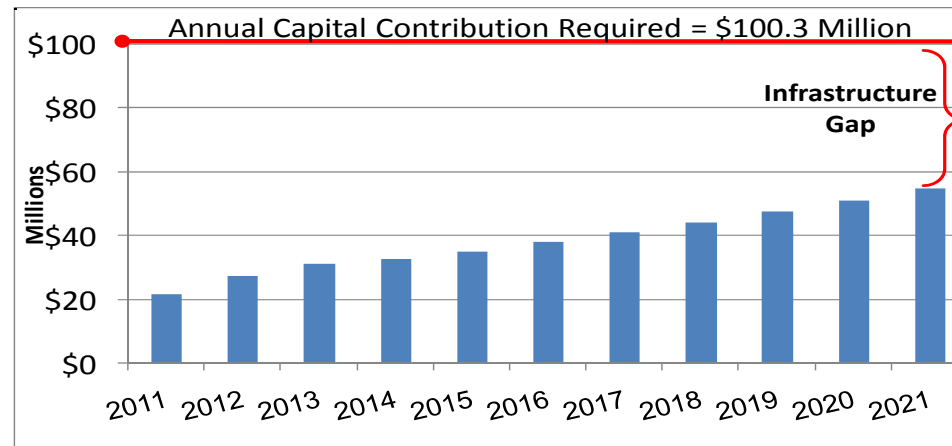
The City of Mississauga owns infrastructure assets with an estimated replacement cost of \$6.7 billion excluding land. The historical value as recorded on the City's Financial Statements is \$3.5 billion, excluding land. The accounting term for the annual deterioration and aging of assets is referred to as the amortization or depreciation expense. Depreciation expense recognizes the cost of infrastructure used up in a year and represents the amount that should be put aside each year to replace the infrastructure in the future, similar to investing funds into an RESP or RRSP to fund a child's university education or your own retirement needs. Depreciation expense is the cost of the asset consumed each year while the transfer to capital refers to the amount of funding being provided from the tax levy each year for capital. The difference or gap between the depreciation expense and the transfers to capital is the minimum

The following chart shows the annual depreciation expense for the City of \$100.3 million as of the end of 2010 (blue bar). As noted above depreciation is based on historical costs. The value of depreciation stated in replacement cost is \$300 million (green bar). The transfer to capital in 2011 is only \$21.7 million, as shown by the red bar. Therefore, currently, the City is only providing for 22 percent of the historical depreciation cost, resulting in an annual infrastructure gap, based on historical values, of \$78.6 million. To fully fund the City's depreciation expense, an increase in the City's tax levy of almost 25% would be required. Based on replacement values, the City is only providing for 7% of the replacement value of assets used up each year, resulting in a real annual infrastructure gap of \$278 million. Closing this gap would require an increase in the City's annual tax levy of over 85%. In addition, as new infrastructure is added, depreciation expense increases. The infrastructure gap can only be closed by increasing tax based funding raised through an infrastructure levy and issuing debt.



In order to address this infrastructure gap the City requires a minimum annual Infrastructure Levy equal to a 1 percent increase in the City's Budget, not including funding required for debt charges. The 2012 Budget includes a recommended 2% infrastructure levy to cover both the transfer to Capital and debt charges. The 2% levy is forecast to be required for the next ten years, with 1% on average going to the transfer to capital and 1% to debt repayments. Many comparable municipalities in the GTA have infrastructure levies of 1% or higher. The following chart shows how the infrastructure levy gradually reduces the infrastructure gap. Note that the \$100.3 million annual capital contribution is based on the lower historical assets costs and not the higher replacement costs.

Narrowing the Infrastructure Gap by Increasing Capital Transfers from Operating by an Average of 1% per Year



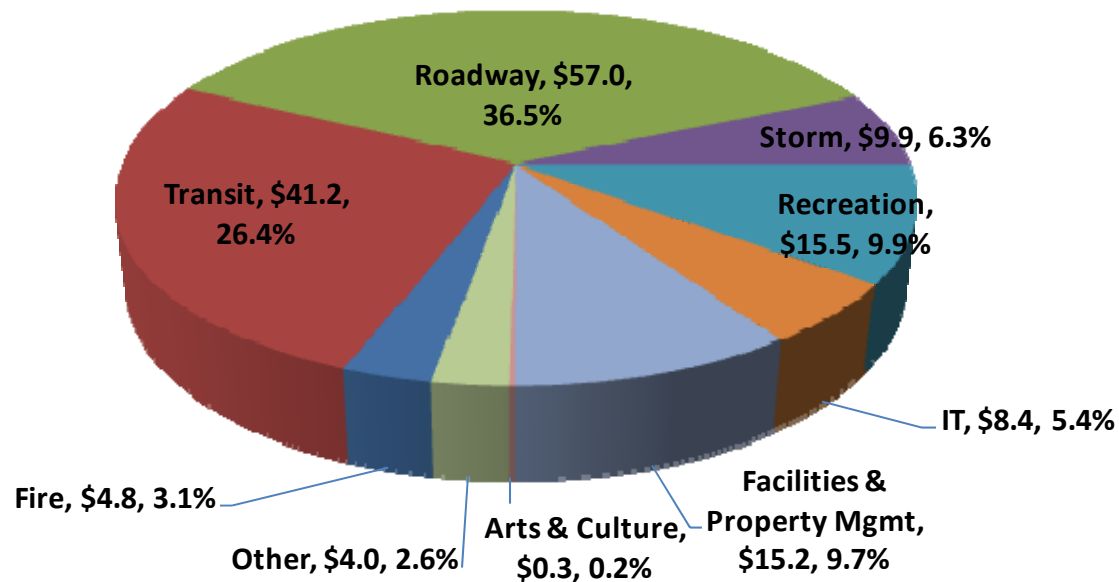
Increasing from \$21.7 in 2011 to \$54.9 million in 2021.

7.1 2012 Capital Budget

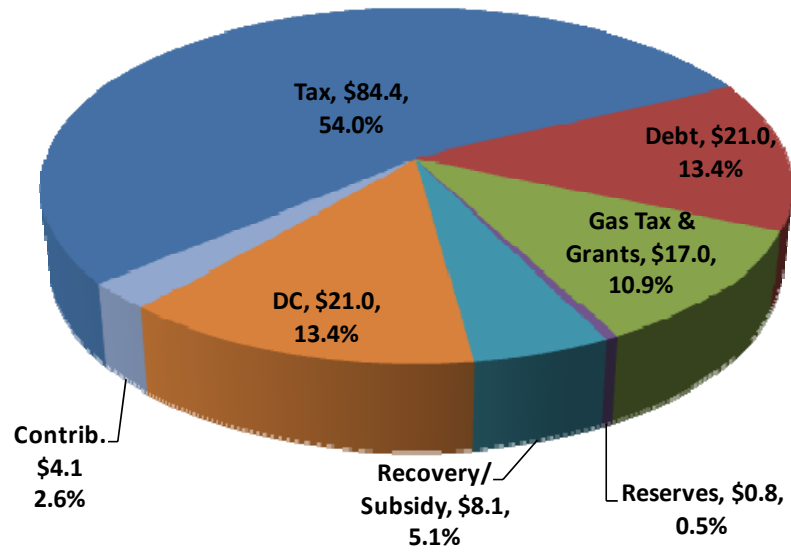
The proposed 2012 Capital Budget totals \$156.3 million. Transportation related expenditures account for over 62% of the Budget, with Roadways at \$57 million or 36%, and Transit at \$41.2 million or 26%. Recreation and Parks totals \$15.5 million or 10% and Facilities and Property Management at \$15.2 million or 9.7%. The balance of the program provides for Fire, Storm Water, Information Technology, Culture and other programs such as Library and Strategic Policy.

Financing of the 2012 Capital Budget is sixty-seven percent tax based with \$84.4 million from the Tax Capital Reserve, and \$21.0 million from debt. Debt financing is proposed for the LED street light conversion project, which was approved by Council on December 14, 2011, and for the Dundas Street East Bridge over Cooksville Creek. Development charge funding provides \$21 million or 13% Gas Tax and Grants \$17 million or 11%, and subsidies and other reserve transfers provide \$13 million or 8%.

2012 Capital Budget Overview with \$156.3 million gross capital Expenditures



**2012 Capital Budget Overview with \$156.3 million gross capital
Funding**



Highlights of the 2012 projects are as follows:

- \$25.0 million for major roads and bridges and structure related works such as Dundas Street over Cooksville Creek;
- \$20.9 million for the design and construction of the Bus Rapid Transit line;
- \$18.0 million for phase 1 of the street lighting retrofit to the light emitting diode (LED) light source project;
- \$14.8 million for road rehabilitation;
- \$11.3 million for building lifecycle maintenance on various City facilities;
- \$9.9 million for storm drainage including \$4.1 million for Cooksville Creek;
- \$6.0 million for the Light Rapid Transit study of the Hurontario corridor
- \$7.5 million for the purchase of 15 buses for the Bus Rapid Transit line; and
- \$2.2 million for the construction of Parkway Belt Park 302

Property Management and are a result of the completion of a major program implemented to identify the lifecycle needs for all the City's facilities, totalling \$203.8 million. New capital requirements also include the program to convert all City streetlights to LED over 2012 and 2013 at a total cost of \$35 million. The following chart shows the forecast ten year capital program by service area.

7.2 2012 to 2021 Capital Budget Forecast

The 10 year Capital Forecast identifies significant investments in the City's existing infrastructure to maintain it in a state of good repair and to develop the infrastructure required to implement the Strategic Plan and related Master plans. The capital forecast totals \$2.1 Billion which is primarily allocated to projects in transit, fire, roads, bridges, watercourses, recreation facilities and parks. Capital requirements identified through the Business Planning process that were previously not included in the City's Capital forecast have added \$249 million over the next ten years. These requirements relate primarily to Facilities and

2012 to 2021 Capital Budget Forecast by Service (\$ millions)					
Service Area	2012	2013	2014	2015-2021	Total
Roads, Storm Drainage & Watercourse	66.9	102.9	90.1	510.8	770.7
Transit	41.2	67.1	17.3	319.7	445.3
Facility & Property Management	15.2	14.0	23.6	291.3	344.2
Recreation & Parks	15.5	52.6	40.4	222.4	331.0
Information Technology	8.4	8.5	6.1	58.7	81.7
Fire & Emergency Services	4.8	8.0	9.2	39.0	61.0
Culture	0.3	0.7	6.6	22.4	30.0
Mississauga Library System	0.6	4.1	4.0	8.5	17.2
Strategic Policy	1.6	7.2	0.6	0.0	9.4
Business Services	1.2	2.2	1.1	2.2	6.7
Land Development Services	0.5	0.2	0.0	0.0	0.8
Legislative	0.1	0.1	0.2	0.3	0.6
Regulatory	0.1	0.3	0.0	0.1	0.5
Total	156.3	268.0	199.3	1475.4	2099.0
Capital Reduction	0.0	53.0	27.0	235.0	315.0
Total Proposed Capital Budget Forecast	156.3	215.0	172.3	1240.4	1784.0

Financing for the 10 year Capital forecast of \$2.1 billion comes from Development Charges at \$427 million, Gas Tax and Grants at \$355 million, and transfers from Reserves, Contribution and other totalling \$185 million with the remaining being \$1.1 billion tax supported, through transfers from operating and debt financing.

7.3 Highlights of the 2012 to 2021 projects are as follows:

- \$291.2 million for building lifecycle maintenance on various City facilities;
- \$176.3 million for replacement and growth buses;
- \$68.2 million for the Bus Rapid Transit line, totalling \$290.0 million;
- \$62.0 million for the City's third bus storage facility;
- \$41.6 million for Cooksville Creek storm drainage;
- \$41.1 million for the renovation of facilities including Meadowvale, Rivergrove and South Common Community Centres and Iceland Arena;
- \$35.0 million for the street lighting retrofit to the light emitting diode (LED) light source project;
- \$32.2 million for the construction of new facilities including the Meadowvale and Sheridan Libraries and the Sports Park 459;
- \$32.0 million for the development of the Waterfront;
- \$31.7 million for the Cycling Program;
- \$30.0 million for the Downtown Parking Program;
- \$19.9 million for the bicycle and pedestrian trail system;
- \$19.0 million for various grade separations throughout the City to relieve traffic congestions issues such as Drew Road and Ninth Line;
- \$12.8 million for one relocated Fire Station and three new Fire Stations;
- \$10.9 million for an Artifact Preservation and Storage Facility;
- \$8.0 million for the Meadowvale Theatre renovation;

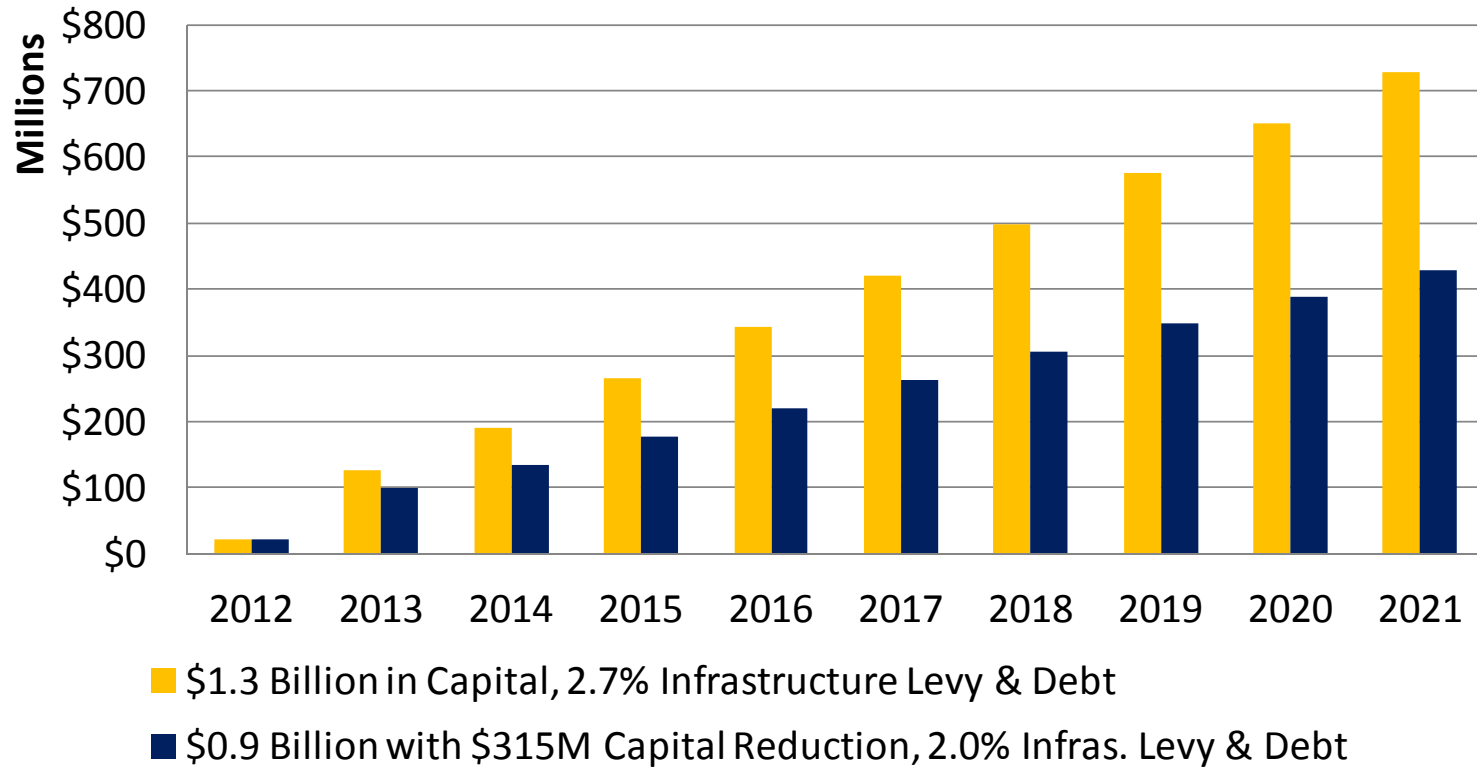
- \$6.5 million for Art Gallery Mississauga;
- \$5.8 million for the Lakeview/Ontario Power Generation Pier Trail.

7.4 2012 to 2021 Capital Financing Challenges

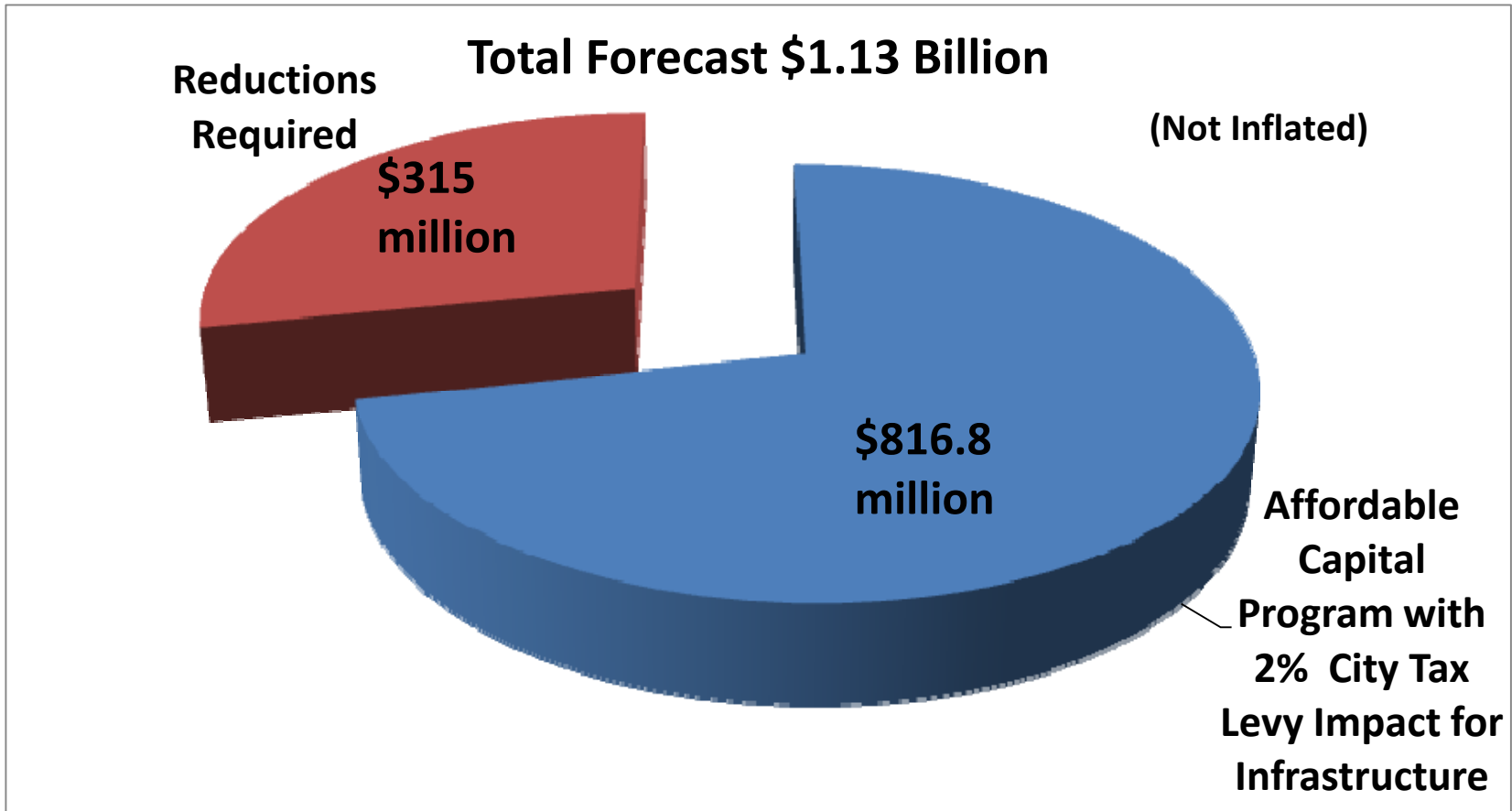
The City's focus is to balance the needs of the infrastructure gap, future capital projects and debt financing commitments. The tax funded capital forecast of \$1.1 billion would require the issuance of \$730 million in debt (inflated dollars). This would result in an average annual operating budget impact of 2.7% for the next ten years – 1% for the infrastructure levy and an average annual increase of 1.7% for debt repayment.

Recognizing that a 2.7% infrastructure and debt levy would put significant pressure on future operating budgets and require significant debt, staff recognize that the capital forecast will need to be reassessed and reduced with the goal of developing a sustainable program that can be supported by a 2% Infrastructure and Debt Financing Levy over 10 years with 1% allocated to Infrastructure and 1% to Debt Financing. Staff have identified over the last few years the requirement for an average annual impact of 2% for the infrastructure levy and debt charges. Based on these constraints, the amount of debt that could be issued over the next ten years totals \$428.0 million (inflated dollars). Therefore, the \$1.1 billion in tax capital projects must be reduced by \$315 million.

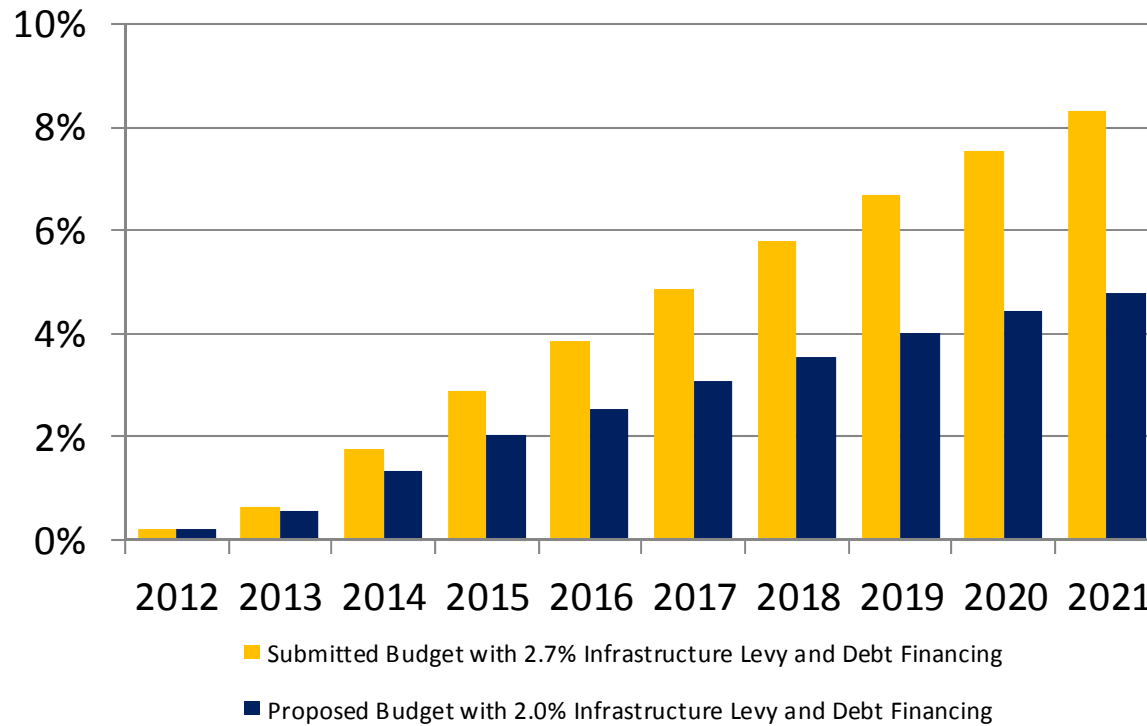
2012-2021 Comparison of Cumulative Debt (inflated)



With a 2% average annual infrastructure & debt financing levy, \$315 million of the submitted capital program would be unfunded, and therefore requires staff to review future years to develop a capital program that fits within these constraints.



The city's new debt policy includes a debt limit of 10% of own fund revenues. The following chart shows forecast debt repayments as a percentage of own fund revenues – forecast debt charges based on \$428 million of debt are well within these limits. If the submitted program was entirely funded through the issuance of \$730 million in debt, debt charges would be approaching the debt limit by 2021, which further supports the recommendation for a 2% Infrastructure and Debt Financing Levy.



Therefore, staff are proposing an average annual infrastructure and debt financing levy of 2% for 2012 and each of the next nine years. As part of the 2013 to 2016 Business Planning and Budget process staff will review the submitted capital program and prioritize projects in order to be affordable within an average annual 2% capital levy.

7.5 Staffing Impacts of Proposed Budget

The City of Mississauga delivers services and services are delivered by people. The new initiatives proposed in the 2012 Budget represent increased service levels and some will require staffing in order to be able to deliver the initiative. The following table sets out the proposed full time equivalent (FTE) positions by service area. Appendix 5 to the Executive summary includes a listing of the proposed positions.

Summary of Full Time Equivalents (FTE)

(\$'000's)	2011 FTEs	New Operating FTEs	New Capital FTEs	2012
Roads, Storm Drainage & Watercourses	418.9	-1.6	0.0	417.3
Fire & Emergency Services	705.0	5.0	0.0	710.0
Mississauga Transit	1,225.3	21.3	0.0	1,246.6
Recreation & Parks	1,107.9	12.9	0.0	1,120.8
Mississauga Library System	330.7	-0.2	0.0	330.5
Land Development Services	151.8	-3.0	1.0	149.8
Legislative Services	74.9	1.0	0.0	75.9
Arts & Culture	45.9	3.7	0.0	49.6

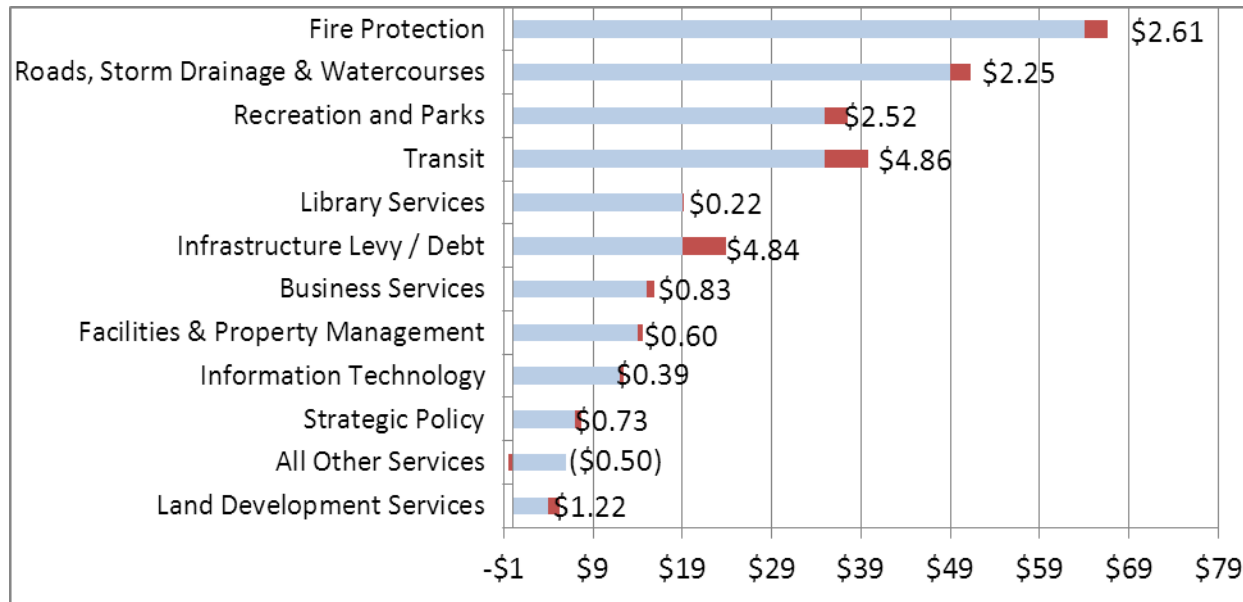
(\$'000's)	2011 FTEs	New Operating FTEs	New Capital FTEs	2012
Regulatory Services	131.0	1.0	0.0	132.0
Facility & Property Management	180.6	-0.4	-0.5	179.7
Strategic Policy	82.1	6.0	0.0	88.1
Information Technology	125.5	0.0	6.0	131.5
Business Services	236.1	3.7	2.0	241.9
Departmental Business Services	123.1	-1.0	0.0	122.1
Council	39.2	0.0	0.0	39.2
Total City-Wide Capital Budget by Service	4,978.0	48.4	8.5	5,034.9

Note: Numbers may not balance due to rounding.

8 Taxation Impact

8.1 Where Your 2012 City Tax Dollars Will Go

The following chart illustrates where a City of Mississauga resident's City property taxes will go. In 2011 the City Share of Property Taxes were \$278 per \$100,000 of Assessment. The 2012 Proposed Budget results in an increase of \$20.57 for a total of \$298.57 per \$100,000 of Assessment. The red part of each bar indicates how the 2012 increase of \$20.57 is allocated by service area.



8.2 Property Tax Impacts

The following chart presents the impact of the City's proposed 2012 Budget on different housing types and different assessed values.

2012 Impact on Residential Tax Bill					
Type of Housing		Condominium	Townhouse	Detached 3 Bedroom	Detached 4 Bedroom Executive
Assessment	\$ 100,000	\$ 250,000	\$ 350,000	\$ 430,000	\$ 750,000
Proposed Mississauga Budget	20.57	51.43	72.00	88.45	154.28
Proposed Peel Region Budget	5.89	14.71	20.60	25.31	44.14
Total	\$ 26.46	\$ 66.14	\$ 92.59	\$ 113.76	\$ 198.42

This chart presents the impact on properties of different assessed values for Commercial/Industrial

2012 Impact on Commercial Tax Bill					
Assessment	\$ 100,000	\$ 500,000	\$1,000,000	\$ 5,000,000	\$10,000,000
Proposed Mississauga Budget	29.10	145.49	290.97	1,454.87	2,909.73
Proposed Peel Region Budget	8.30	41.48	82.97	414.85	829.70
Total	\$ 37.39	\$ 186.97	\$ 373.94	\$ 1,869.72	\$ 3,739.43

2012 Impact on Industrial Tax Bill					
Assessment	\$ 100,000	\$ 500,000	\$ 1,000,000	\$ 5,000,000	\$10,000,000
Proposed Mississauga Budget	32.42	162.10	324.19	1,620.96	3,241.91
Proposed Peel Region Budget	9.24	46.22	92.44	462.21	924.42
Total	\$ 41.66	\$ 208.32	\$ 416.63	\$ 2,083.16	\$ 4,166.33

8.3 Conclusion

The City is facing many pressures due to economic conditions, cost increases and service pressures. The 2012 proposed budget provides an appropriate balance between meeting these pressures and the impact on the property tax payer. The overall increase in a property taxpayers bill is 2.8%. Of this increase, 1.7% is required to maintain services and service levels with some new initiatives. Funding to support the City and Region infrastructure maintenance and rehabilitation requires an increase of 1.1%. When compared to taxes paid to other levels of government and for other non-discretionary expenditures property taxes represent good value for money. Property taxes provide for the services that residents use everyday

The following appendices provide further detail on the City.

Appendix 1A: 2012 Proposed Budget and 2013 and 2014 Forecast by Service Area

Appendix 1B: Annualization of Previous Years Operating Costs Decisions by Service Area.

Appendix 1C: Cost Increases by Service Area

Appendix 1D: Operating Impacts of New Capital Projects (\$000's) by Service Area

Appendix 1E: Efficiencies and Cost Savings by Service Area

Appendix 1F: Current Revenue Changes by Service Area

Appendix 2: Proposed New Initiatives by Service Area

Appendix 3: Recommended Tax Rate Reduction Options by Service Area

Appendix 4: 2012 to 2021 Capital Budget Forecast

Appendix 5: Proposed new FTE's by Service Area

9 Appendices

Appendix 1A

2012 Proposed Net Budget

Service Area	2011 Budget	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	\$64.2	\$67.2	\$70.4	\$73.5
Fire and Emergency Services	\$84.0	\$87.5	\$92.4	\$94.9
Mississauga Transit	\$45.8	\$52.2	\$70.1	\$73.3
Recreation and Parks	\$45.6	\$49.0	\$51.6	\$54.4
Mississauga Library	\$24.6	\$24.9	\$26.0	\$26.3
Land Development Services	\$5.0	\$6.6	\$7.1	\$7.8
Legislative Services	(\$2.6)	(\$2.7)	(\$2.4)	(\$2.1)
Arts and Culture	\$4.5	\$5.0	\$5.5	\$5.6
Regulatory Services	\$1.5	\$1.4	\$1.8	\$1.7
Facilities and Property Management	\$18.5	\$19.3	\$20.1	\$20.8
Strategic Policy	\$9.9	\$10.8	\$11.7	\$12.1
Information Technology	\$16.7	\$17.2	\$17.8	\$18.3
Business Services	\$21.4	\$22.5	\$23.5	\$24.4
Council	\$4.1	\$4.2	\$4.3	\$4.4
Financial Transactions	(\$24.8)	(\$25.9)	(\$25.9)	(\$26.9)
Total Operating Budget Forecast	\$318.6	\$339.3	\$374.1	\$388.6
Infrastructure Levy and Debt Financing		\$6.4	\$6.9	\$7.6
Total Proposed Net Tax Supported Operating Budget & Forecast		\$345.7	\$381.0	\$396.2

Annualization of Previous Years Operating Costs Decisions by Services (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	(143)	0	0
Fire and Emergency Services	0	0	0
Mississauga Transit	2,590	0	0
Recreation and Parks	16	(85)	(125)
Mississauga Library	(35)	0	0
Land Development Services	(369)	(197)	0
Legislative Services	(31)	8	40
Arts and Culture	219	85	0
Regulatory Services	88	0	0
Facilities and Property Management	98	0	0
Strategic Policy	38	0	0
Information Technology	131	0	0
Business Services	184	22	0
Council	0	0	0
Financial Transactions	0	0	0
Total	2,777	(167)	(85)

Cost Changes by Service (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	3,700	1,937	2,022
Fire and Emergency Services	657	42	39
Mississauga Transit	3,263	2,192	1,868
Recreation and Parks	1,329	474	567
Mississauga Library	30	69	69
Land Development Services	65	(116)	0
Legislative Services	(331)	6	40
Arts and Culture	(139)	11	10
Regulatory Services	43	10	9
Facilities and Property Management	227	130	133
Strategic Policy	145	0	0
Information Technology	46	0	0
Business Services	133	21	18
Council	0	0	0
Financial Transactions	(1,001)	0	0
Total	7,615	4,276	4,349

Operating Impacts of New Capital Projects by Service (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	10	0	0
Fire and Emergency Services	351	97	0
Mississauga Transit	0	5,504	(706)
Recreation and Parks	44	198	366
Mississauga Library	0	0	(334)
Land Development Services	0	0	0
Legislative Services	0	0	0
Arts and Culture	0	0	0
Regulatory Services	0	0	0
Facilities and Property Management	82	83	0
Strategic Policy	0	0	0
Information Technology	38	0	0
Business Services	0	0	0
Council	0	0	0
Financial Transactions	0	0	0
Total	525	5,882	(674)

Efficiencies and Cost Savings by Service (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	(1,050)	0	0
Fire and Emergency Services	0	0	0
Mississauga Transit	(1,372)	(71)	0
Recreation and Parks	(66)	(10)	0
Mississauga Library	(101)	0	0
Land Development Services	(20)	0	0
Legislative Services	(20)	0	0
Arts and Culture	0	0	0
Regulatory Services	0	0	0
Facilities and Property Management	(277)	(51)	0
Strategic Policy	(75)	0	0
Information Technology	(241)	0	0
Business Services	(54)	(30)	0
Council	0	0	0
Financial Transactions	(100)	(24)	(1,015)
Total	(3,381)	(186)	(1,015)

Current Revenue Changes by Service (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	(886)	25	25
Fire and Emergency Services	230	0	0
Mississauga Transit	(4,490)	(824)	(2,087)
Recreation and Parks	(442)	(670)	(467)
Mississauga Library	(78)	0	0
Land Development Services	1,050	0	0
Legislative Services	27	6	0
Arts and Culture	128	0	0
Regulatory Services	(679)	0	0
Facilities and Property Management	35	0	0
Strategic Policy	0	0	0
Information Technology	(32)	16	14
Business Services	(280)	0	0
Council	0	0	0
Financial Transactions	387	0	0
Total	(5,031)	(1,447)	(2,516)

Proposed New Initiatives by Service (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	0	0	0
Fire and Emergency Services	256	2,072	161
Mississauga Transit	2,207	7,604	1,214
Recreation and Parks	826	334	171
Mississauga Library	0	232	(10)
Land Development Services	0	24	0
Legislative Services	0	0	0
Arts and Culture	270	183	20
Regulatory Services	56	(35)	(495)
Facilities and Property Management	43	41	0
Strategic Policy	381	445	64
Information Technology	0	0	0
Business Services	110	25	0
Council	0	0	0
Financial Transactions	0	0	0
Total	4,149	10,925	1,125

Recommended Tax Rate Reduction Options by Service (\$000's)			
Service Area	2012 Proposed Budget	2013 Forecast	2014 Forecast
Roads, Storm Drainage and Watercourses	0	0	0
Fire and Emergency Services	0	0	0
Mississauga Transit	0	0	0
Recreation and Parks	(387)	(275)	(25)
Mississauga Library	0	0	0
Land Development Services	0	0	0
Legislative Services	0	0	0
Arts and Culture	(50)	0	0
Regulatory Services	0	0	0
Facilities and Property Management	0	0	0
Strategic Policy	0	0	0
Information Technology	(18)	0	0
Business Services	(45)	0	0
Council	0	0	0
Financial Transactions	0	0	0
Total	(500)	(275)	(25)

2012 to 2021 Capital Budget Forecast by Service (\$ millions)					
Service Area	2012	2013	2014	2015-2021	Total
Roads, Storm Drainage & Watercourse	66.9	102.9	90.1	510.8	770.7
Transit	41.2	67.1	17.3	319.7	445.3
Facility & Property Management	15.2	14.0	23.6	291.3	344.2
Recreation & Parks	15.5	52.6	40.4	222.4	331.0
Information Technology	8.4	8.5	6.1	58.7	81.7
Fire & Emergency Services	4.8	8.0	9.2	39.0	61.0
Culture	0.3	0.7	6.6	22.4	30.0
Mississauga Library System	0.6	4.1	4.0	8.5	17.2
Strategic Policy	1.6	7.2	0.6	0.0	9.4
Business Services	1.2	2.2	1.1	2.2	6.7
Land Development Services	0.5	0.2	0.0	0.0	0.8
Legislative	0.1	0.1	0.2	0.3	0.6
Regulatory	0.1	0.3	0.0	0.1	0.5
Total	156.3	268.0	199.3	1475.4	2099.0
Capital Reduction	0.0	53.0	27.0	235.0	315.0
Total Proposed Capital Budget Forecast	156.3	215.0	172.3	1240.4	1784.0

Summary of FTE Adjustments

Operating or Capital	Initiative	Staff Description	Full Time Permanent FTE	Contract/ Part Time FTE	Total	Service Area	Appendix 5 Budget Change Type
Operating	Annualization of City Wide Museum Program	Part Time staff for museum programs		0.2	0.2	Arts & Culture	Maintain Current Service Levels
Operating	Budget Changes to reflect actual	Part time staff for various art programs		-0.5	-0.5	Arts & Culture	Maintain Current Service Levels
Operating	BR 106: Position required to Implement Cultural Facilities and Spaces Policy	Develop long term plans for cultural infrastructure	1		1	Arts & Culture	New Initiatives
Operating	BR 143: Program Development at Meadowvale Theatre	Facilitate new community programs and uses for theatre	1		1	Arts & Culture	New Initiatives
Operating	BR 130: Heritage Plans for Mississauga's Villages - Funding from Art Reserve	Heritage Planner (contract) to review conservation districts		2	2	Arts & Culture	New Initiatives
Operating	Improve insurance claim management services	Claims Analyst	1		1	Business Services	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description			Total	Service Area	Appendix 5
			Full Time Permanent FTE	Contract/ Part Time FTE			Budget Change Type
Operating	Conversion of 3 HR contract positions	HR Consultant for TW, Employee Development Consultant, & Employee Health Claims Assistant	3	-3	0	Business Services	Maintain Current Service Levels
Operating	Conversion of 1 Accounts Payable contract position	Accounts Payable Representative	1	-1	0	Business Services	Maintain Current Service Levels
Operating	Annualization of TW OD Consultant hired in 2011	TW Organizational Development Consultant		0.25	0.25	Business Services	Maintain Current Service Levels
Operating	BR 23: Enhance financial policy and grant management	Financial Policy Analyst	1		1	Business Services	New Initiatives
Operating	BR 733: AODA Employment Standard Compliance (Funded by Reserve for 1 year)	HR Consultant & Ergonomist		2	2	Business Services	New Initiatives
Operating	BR 747: Elimination of Information Desk	Temporary Front line staff		-0.5	-0.5	Business Services	Recommended Rate Reduction Options
Operating	Expand Energy Management Capabilities*	Energy Co-ordinator (currently Capital contract)	1		1	Facilities & Property Management	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description	Appendix 5			Service Area	Budget Change Type
			Full Time Permanent FTE	Contract/ Part Time FTE	Total		
Operating	Implement Civic Precinct Cleaning Efficiency	1 Full time and 1.4 Part time staff	-1	-1.4	-2.4	Facilities & Property Management	Maintain Current Service Levels
Operating	BR 649: Increased Preventative and Demand Maintenance Requirements	HVAC Trade Staff	1	0	1	Facilities & Property Management	New Initiatives
Operating	Scheduling Coordinator for Garry W. Morden	Scheduling Coordinator	1		1	Fire & Emergency Services	Maintain Current Service Levels
Operating	BR 73: Fire Prevention Legislation Resourcing	Fire Prevention	2		2	Fire & Emergency Services	New Initiatives
Operating	BR 717: Data Analyst	Analyst	1		1	Fire & Emergency Services	New Initiatives
Operating	BR 96: Fire Training Officers	Training Officers	1		1	Fire & Emergency Services	New Initiatives
Operating	Conversion of Existing Contract TXM Application Developer	Application Developer for TXM (Tax Manager)	1	-1	0	Information Technology	Maintain Current Service Levels
Operating	Three Year Plan Reductions	Vacant Urban Designer	-1		-1	Land Development Services	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description	Appendix 5			Service Area	Budget Change Type
			Full Time Permanent FTE	Contract/ Part Time FTE	Total		
Operating	Three Year Plan Reductions	Vacant Temporary Labour - Zoning By-law Review Team Planner		-1	-1	Land Development Services	Maintain Current Service Levels
Operating	Three Year Plan Reductions	Transfer Planner position to SCI	-1		-1	Land Development Services	Maintain Current Service Levels
Operating	Conversion To Permanent	Convert Project Coordinator to Permanent (more than 3 three year contract)	1	-1	0	Land Development Services	Maintain Current Service Levels
Operating	Conversion To Permanent	Convert Planner - Zoning By Law Review to permanent	1	-1	0	Land Development Services	Maintain Current Service Levels
Operating	Three Year Plan Reductions	Vacant Administrative Assistant	-1	0	-1	Departmental Support Service- Planning & Building	Maintain Current Service Levels
Operating	Election staff	2011 Bi-Election staff		0.5	0.5	Legislative Services	Maintain Current Service Levels
Operating	Election staff	2010 Election Temporary Recount staff		-0.7	-0.7	Legislative Services	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description				Service Area	Appendix 5
			Full Time Permanent FTE	Contract/ Part Time FTE	Total		Budget Change Type
Operating	Legislative staff	Temporary POA staff		0.5	0.5	Legislative Services	Maintain Current Service Levels
Operating	Print Shop Lean Production Strategy	Print Shop Temporary labour		-0.5	-0.5	Legislative Services	Maintain Current Service Levels
Operating	Annualization of Reduction initiative in 2011	Temporary staff in Microfilming		-0.3	-0.3	Legislative Services	Maintain Current Service Levels
Operating	BR247: Municipal Election	Election Staff for 2014 Election	1	0.5	1.5	Legislative Services	New Initiatives
Operating	Rationalize Sunday Staffing Levels	Temporary Staff		-0.2	-0.2	Mississauga Library	Maintain Current Service Levels
Operating	Presto Implementation	Presto Analyst		1	1	Mississauga Transit	Maintain Current Service Levels
Operating	Presto Implementation	Presto Technical Business Analyst		1	1	Mississauga Transit	Maintain Current Service Levels
Operating	Presto Implementation	Presto Equipment Technician	1		1	Mississauga Transit	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description	Full Time Permanent FTE	Contract/ Part Time FTE	Total	Service Area	Appendix 5
							Budget Change Type
Operating	Transit Operations Information System (TOS replacement)	Technical Business Analyst		0.25	0.25	Mississauga Transit	Maintain Current Service Levels
Operating	Transit Service Rationalization	Transit Operator	-6		-6	Mississauga Transit	Maintain Current Service Levels
Operating	BR 418: iBus Project - ITS for Transit	Transit Equipment Technician	1		1	Mississauga Transit	New Initiatives
Operating	BR 477: Transit Service Plan	Transit Operator	20		20	Mississauga Transit	New Initiatives
Operating	BR 477: Transit Service Plan	Operations Supervisor	1		1	Mississauga Transit	New Initiatives
Operating	BR 477: Transit Service Plan	Route Supervisor	1		1	Mississauga Transit	New Initiatives
Operating	BR 477: Transit Service Plan	Mechanic	1		1	Mississauga Transit	New Initiatives
Operating	Community Groups On-Line Services	Customer Service Representative	-1		-1	Recreation & Parks	Maintain Current Service Levels
Operating	Civic Centre Food Services	FT: 1 Supervisor, 1 Chef PT: 5 Servers, 1 Line cook & 1 PT Supervisor	2	7	9	Recreation & Parks	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description			Total	Service Area	Appendix 5
			Full Time Permanent FTE	Contract/ Part Time FTE			Budget Change Type
Operating	Mississauga Celebration Square	Rink Patrol Staff & Long Term Temporary Staff		2.2	2.2	Recreation & Parks	Maintain Current Service Levels
Operating	Malton Community Center	Various PT Staff		1	1	Recreation & Parks	Maintain Current Service Levels
Operating	Clarkson Community Center pool	Various PT Staff		3	3	Recreation & Parks	Maintain Current Service Levels
Operating	Dome Field at Hershey Sportzone	Various PT Staff		1.8	1.8	Recreation & Parks	Maintain Current Service Levels
Operating	Park Land Growth	Parks Person		1	1	Recreation & Parks	Maintain Current Service Levels
Operating	Mississauga Valley Community Centre Therapy Pool	Various PT Staff		3.3	3.3	Recreation & Parks	Maintain Current Service Levels
Operating	Closure of Terry Fox Pool for 12 Weeks	Various PT Staff		* -2.4	-2.4	Recreation & Parks	Maintain Current Service Levels
Operating	Closure of McKechnie Pool for 8 months	Various PT Staff		* -10	-10	Recreation & Parks	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description	Full Time Permanent FTE	Contract/Part Time FTE	Total	Service Area	Appendix 5
							Budget Change Type
Operating	Revenue Pressure for various lines of business Staff Savings	Various PT Staff		-1.5	-1.5	Recreation & Parks	Maintain Current Service Levels
Operating	Contract Staff for 2009 Supplementary Capital Projects	Landscape Architects		-1.5	-1.5	Recreation & Parks	Maintain Current Service Levels
Operating	Conversion of Long-Term Contract Staff	9 Forestry Positions & 1 Recreation Position	10	-10	0	Recreation & Parks	Maintain Current Service Levels
Operating	Mississauga Celebration Square - Contract Conversion	Event Programmer, Production Supervisor & Media Wall Programmer/Coordinator	3	-3	0	Recreation & Parks	Maintain Current Service Levels
Operating	BR 225: Plant a Million Trees	Program Co-ordinator	1		1	Recreation & Parks	New Initiatives
Operating	BR 697: Dedicated Security - Civic Precinct	Security Officers	3		3	Recreation & Parks	New Initiatives
Operating	BR 506: Street Tree Block Pruning	Forestry Contract Administrator	1		1	Recreation & Parks	New Initiatives
Operating	BR 586: Backlit Advertising in CC and Libraries	Account Representative		1	1	Recreation & Parks	Recommended Rate Reduction Options

Operating or Capital	Initiative	Staff Description	Appendix 5			Service Area	Budget Change Type
			Full Time Permanent FTE	Contract/ Part Time FTE	Total		
Operating	Convert Existing IT Staff from Contract to Full Time	IT Support Representatives	3	-3	0	Departmental Business Services-Comm Serv	Maintain Current Service Levels
Operating	BR 764 : Animal Services E3 Licensing Initiative	Call Centre Agent	1		1	Regulatory Services	New Initiatives
Operating	Staff Reductions - Transportation Asset Management	Temporary Labour Staff Reduction		-1.6	-1.6	Roads, Storm Drainage and Watercourses	Maintain Current Service Levels
Operating	Position initiated to assist with the Strategic Plan development and has continued to be necessary to research, conduct analysis and report on significant elements of strategic projects including Downtown 21, Sheridan College and Inspiration Lakeview.	Researcher	1	-1	0	Strategic Policy	Maintain Current Service Levels
Operating	Transfer of Strategic Leader to Strategic Community Initiatives which is offset by reduction in Land Development Services	Strategic Leader	1		1	Strategic Policy	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description	Full Time Permanent FTE	Contract/ Part Time FTE	Total	Service Area	Appendix 5
							Budget Change Type
Operating	BR 154: Waterfront Mississauga Revitalization	Researcher	0	1	1	Strategic Policy	New Initiatives
Operating	BR 377: EDO Strategy Recommendations	Manager, International Development	1		1	Strategic Policy	New Initiatives
Operating	BR 373: Living Green Master Plan Implementation	Environmental Coordinator	1		1	Strategic Policy	New Initiatives
Operating	BR 373: Living Green Master Plan Implementation	Community Energy Coordinator	1		1	Strategic Policy	New Initiatives
Operating	BR 373: Living Green Master Plan Implementation	Director	1		1	Strategic Policy	New Initiatives
Capital	Front End Procurement Software	Investigator/ buyer for software options		1	1	Business Services	Maintain Current Service Levels
Capital	Buyer for Rec & Parks capital procurement	Buyer for Recreation and Parks Capital Project		1	1	Business Services	Maintain Current Service Levels
Capital	Expand Energy Management Capabilities*	Energy Co-ordinator (currently Capital contract)		-1	-1	Facilities & Property Management	Maintain Current Service Levels
Capital	Annualization of Project Co-ordinator hired in 2011.	Project Co-ordinator		0.5	0.5	Facilities & Property Management	Maintain Current Service Levels

Operating or Capital	Initiative	Staff Description	Appendix 5			Service Area	Budget Change Type
			Full Time Permanent FTE	Contract/ Part Time FTE	Total		
Capital	Windows 7 & Office 2010 - Annualization of 2 contract positions hired in 2011	Project Leader and Application Tester		1	1	Information Technology	Maintain Current Service Levels
Capital	Enterprise Reporting - Annualization of 3 contract staff hired in 2011	Project Leader, Business Objects Enterprise Specialist, and Application Developer		1.5	1.5	Information Technology	Maintain Current Service Levels
Capital	VCOM Mobile Radio Replacement	Project Leader		1	1	Information Technology	Maintain Current Service Levels
Capital	MAX System Upgrade	IT Support for MAX system Upgrade		1	1	Information Technology	Maintain Current Service Levels
Capital	SAP Financial Modules per E3	Project Leader (0.5) and Financial Systems Support analyst		1.5	1.5	Information Technology	Maintain Current Service Levels
Capital	BR 342: Contract Backfill - Charged to Labour Recovery from Capital	One FTE Contract Backfill for Eplan Project BR342 for 2012 only, backed out in 2013.		1	1	Land Development Services	New Initiatives
Capital	BR 779: New System for Cemeteries Management	Project Manager & IT Developer		2	2	Recreation & Parks	New Initiatives
Total			63.0	6.3	56.9		

* Temporary reductions only