



MINUTES

BUDGET COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

MONDAY, JANUARY 30, 2012 – 1 P.M.

COUNCIL CHAMBER

SECOND FLOOR, CIVIC CENTRE

300 CITY CENTRE DRIVE, MISSISSAUGA, ONTARIO, L5B 3C1

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MEMBERS PRESENT:

Mayor Hazel McCallion	(CHAIR)
Councillor Jim Tovey	Ward 1
Councillor Chris Fonseca	Ward 3
Councillor Frank Dale	Ward 4
Councillor Bonnie Crombie	Ward 5
Councillor Ron Starr	Ward 6 (arrival at 1:08 p.m.)
Councillor Nando Iannicca	Ward 7
Councillor Pat Saito	Ward 9
Councillor Sue McFadden	Ward 10
Councillor George Carlson	Ward 11

MEMBERS ABSENT:

Councillor Pat Mullin	Ward 2
Councillor Katie Mahoney	Ward 8

STAFF PRESENT:

Janice Baker, City Manager and Chief Administrative Officer
Brenda Breault, Commissioner, Corporate Services and Treasurer
Patti Elliott-Spencer, Director, Finance
Crystal Greer, Director of Legislative Services and City Clerk
Paul Mitcham, Commissioner, Community Services
Martin Powell, Commissioner, Transportation and Works
Ed Sajecki, Commissioner, Planning and Building

CONTACT PERSON: Julie Lavertu, Legislative Coordinator
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CALL TO ORDER – 1:06 p.m.

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST

Councillor Dale declared an interest with respect to salaries and benefits, advising that his wife and son are part-time City of Mississauga employees.

APPROVAL OF AGENDA

The Chair requested that a draft response by Ms. Elliott-Spencer to Dorothy Tomiuk, Secretary, MIRANET, and Chris Mackie, MIRANET Municipal Finance Committee, regarding their PowerPoint presentation to the Committee on January 25, 2012, entitled “2012 Operating & Capital Budgets” and related speaking notes, be added to the agenda.

Approved as Amended (G. Carlson)

Councillor Starr arrived at 1:08 p.m.

DEPUTATIONS – Nil

MATTERS CONSIDERED

1. Draft Response to Dorothy Tomiuk, Secretary, MIRANET, and Chris Mackie, MIRANET Municipal Finance Committee

Committee members discussed the PowerPoint presentation and related speaking notes by Ms. Tomiuk and Mr. Mackie and raised various issues including:

- The proposed 2012 tax increase and the 2012 budget process;
- Zero-based budgeting;
- The importance of maintaining existing services and programs;
- User fees and service rationalization;
- Staffing reductions, costs, and salaries and union/non-union staff;
- The scheduling of Committee meetings;
- The LED streetlight replacement program;
- Enersource and its role, operations, financial statements, and ties with the City;
- Operating and capital budgets and forecasts;
- MiWay’s route structure, including links between arterial and feeder routes;
- The Hurontario LRT project, including its connection to the Downtown 21 Plan;
- The possibility of establishing a Budget Review Panel;
- The City’s approach to debt;
- The importance of maintaining existing City services and programs;

- The role of the Committee and staff during the budget process;
- The challenges of the current arbitration process and legislative requirements;
- Additional sources of municipal revenue;
- The possibility of sharing taxes with the provincial government;
- The City's financial costs and challenges;
- Committee of Adjustment appeals and associated costs; and
- The use of consultants by the City and associated costs.

Ms. Baker responded to the Committee's comments and questions and discussed the following:

- The City's approach to debt, reserve funds, and the capital program; and
- Staffing costs and salaries for the City's firefighters vis-à-vis the Peel Regional Police and neighbouring municipalities like Toronto and the collective agreement.

The Committee moved to approve the written response to Ms. Tomiuk and Mr. Mackie.

Direction

Recommendation BC-0014-2012

2. Continued Discussions of the 2012 Budget

Committee members raised various issues including:

- Staffing, overtime, and gapping costs in Fire and Emergency Services;
- The responsibilities of Fire and Emergency Services versus their counterparts;
- The importance of determining realistic projected amounts for overtime costs in Fire and Emergency Services and alternatives for tracking these costs;
- The number of firefighters required on fire trucks;
- Incentives to reduce Fire and Emergency Services overtime costs;
- Budget Request #373 (Living Green Master Plan Implementation);
- 2012 funding for the Road Safety Handbook carried over from 2011;
- Recycling receptacles on the City's road allowance project;
- Braeben Golf Course's golf cart replacement program;
- Transit CAD/AVL/automated stop announcements; and
- VCOM mobile radio replacement plans from 2011-2014.

Mr. Mitcham, Ms. Baker, and Mr. Powell responded to the Committee's comments and questions and discussed the following:

- Background information regarding overtime costs in Fire and Emergency Services, including gapping and comparisons with other municipalities;
- Mr. Mitcham and Ms. Baker will do a full review of Fire and Emergency Services overtime costs with the Fire Chief in the near future and provide the Committee with a Corporate Report on this matter prior to the 2013 budget process;

- Members of Council receive regular mid-year monitoring variance reports. Fire and Emergency Services overtime costs have been included in these reports;
- Labour settlement reserves, surpluses, and variances;
- Fire and Emergency Services seeks a total of \$444,000 in 2012 for overtime costs (\$94,000 was budgeted and another budget request was submitted for \$350,000);
- The City's practice is to operate fire trucks with a minimum of four firefighters. If a significant number of firefighters are absent due to sickness and other reasons, they will be called in on overtime to fulfill this policy;
- The financial implications of Budget Request #373;
- A Corporate Report regarding recycling receptacles on the City's road allowance will be considered at a future General Committee meeting and include information about advertising and possible locations;
- The golf cart replacement program at Braeben Golf Course is a life cycle process that replaces a percentage of the fleet on a yearly basis; and
- The VCOM mobile radio system is used broadly within the City. The replacement project includes two main components.

During discussions, the Committee directed staff to do the following:

- Provide information on the savings, for 2011 and previous years if possible, in Fire and Emergency Services if staff were hired for gapping, instead of overtime costs being incurred; and
- Obtain clarification on Council's direction for recycling receptacles on the City's road allowance project. In their future Corporate Report on the latter, staff were directed to include costing data to implement recycling receptacles in high-traffic pedestrian areas, like Business Improvement Areas and areas of Cooksville.

The Committee moved to approve \$350,000 for Fire and Emergency Services overtime costs for a total of \$444,000 in 2012. Councillor Starr voted in the negative.

To accommodate various requests from Committee members, the recommendations to approve the budget (BC-0015-2012) were voted on separately.

Councillor Dale declared a conflict on 1)(i.) and 2)(i.)(ii.)(iii.) and left the Council Chamber during the vote on these items.

Councillor Crombie voted in the negative on 1)(h.)(i.).

Councillor Saito voted in the negative on 1)(h.)(ii.) and 2)(i.).

Councillors Fonseca, Crombie, and Saito voted in the negative on 2)(iii.).

Councillor Saito voted in the negative on 6).

Councillors Fonseca and Saito voted in the negative on 7).

Councillor Tovey voted in the negative on 8) (Transit CAD/AVL/automated stop announcements previously known as Smart Bus Technologies at \$18.0 million funded from 2008 to 2013).

The Committee directed staff to prepare by-laws related to the adoption of the 2012 budget for the next Council meeting on February 8, 2012.

Direction

Recommendation BC-0015-2012

DEPUTATIONS

- A. Chris Mackie, MIRANET Municipal Finance Committee, with respect to the Budget Committee Agenda for January 30, 2012.

Ms. Mackie discussed the following issues:

- MIRANET's deputation to the Committee on January 25, 2012 and involvement in the overall budget process in recent years;
- Staffing costs and salaries, including the 2010 "Sunshine List";
- The City's human resources policies;
- A letter, dated January 30, 2012, from Ms. Tomiuk and Mr. Mackie to Ms. Baker regarding staffing costs and salaries; and
- Timelines for the adoption of the 2012 budget.

The Chair and Ms. Baker responded to Mr. Mackie's comments and questions and this information is listed below:

- It is expected that the 2012 budget will be adopted during the next Council meeting on February 8, 2012;
- The email messages between Mr. Mackie and Ms. Baker regarding staffing costs, salaries, and the 2010 "Sunshine List" will be shared with the Committee;
- Director salaries, pay band ranges, and bonuses; and
- The competition for experienced staff in the Greater Toronto Area.

During discussion of this deputation, the Committee directed staff to do the following:

- Prepare information for the Council meeting on February 8, 2012 regarding the challenges facing the City to recruit senior, experienced employees.

CLOSED SESSION – Nil

ADJOURNMENT – 2:59 p.m.

REPORT 2-2012

TO: MAYOR AND MEMBERS OF COUNCIL

The Budget Committee presents its second report for 2012 on the result of its consideration of the 2012-2014 Business Plan Update and 2012 Budget on January 30, 2012 and recommends:

BC-0014-2012

That the City of Mississauga's response to the PowerPoint presentation, presented to Budget Committee at its meeting on January 25, 2012 and dated January 25, 2012, by Dorothy Tomiuk, Secretary, MIRANET, and Chris Mackie, MIRANET Municipal Finance Committee, entitled "2012 Operating & Capital Budgets," be approved.

BC-0015-2012

- 1) That Council Budget Committee approve the 2012 Budget as set out in:
 - a. 2012-2014 Budget and Business Plan Appendix 1 – Operating Program Summary, excluding the Labour component;
 - b. 2012-2014 Budget and Business Plan Appendix 2 – Summary of Program Changes;
 - c. 2012-2014 Budget and Business Plan Appendix 3 – Summary of Staff Complement;
 - d. 2012-2014 Budget and Business Plan Appendix 4 – 2012 Capital Budget Summary;
 - e. Appendix 5 – 2012 – 2021 Capital Forecast Summary;
 - f. 2012-2014 Budget and Business Plan Appendix 6 – Unfunded Capital;
 - g. 2012-2014 Budget and Business Plan Appendix 7 – Budget Book Transfers;
 - h. 2012-2014 Budget and Business Plan adjustments approved by Budget Committee:
 - i. increase enforcement revenue by \$13,000 for on-street parking in industrial as per the Corporate Report dated January 4, 2012 and approved a Budget Committee on January 17;
 - ii. amend BR#373 – Living Green Master Plan to a total cost of \$200,000 from an original cost of \$285,000, and reducing the number of new FTE's from 2 to 1; and
 - iii. increase the Road Safety Mississauga Advisory Committee budget by \$20,000 for 2012.
 - i. 2012-2014 Budget and Business Plan Appendix 1 – Operating Program Summary Labour component.
- 2) That the recommended compensation program which is included in the 2012 budget, be approved, which includes the following:
 - i. 2% economic adjustment for non-union staff;
 - ii. performance pay for non-union staff; and
 - iii. 2% economic adjustment for Members of Council.
- 3) That the revised pay band range for Directors which changes the band to \$119,123 to \$158,831, be approved.
- 4) That Council approve 2012 budget allocations that may be necessary to ensure that program initiatives are allocated to the appropriate divisions with no net change to the 2012 operating levy.
- 5) That the 2012 Operating Budget include the 2% infrastructure and debt financing levy reflected in the 2012-2014 Budget and Business Plan Appendix 1 – Operating Program Summary.

- 6) That the 2012 property tax levy be approved at \$345,550,000.
- 7) That following the incorporation of adjustments approved by Budget Committee, the number of Full Time Equivalent (FTE) positions in 2012 is 5,034.
- 8) That the following projects with multi-year funding which have or will commence prior to full funding being allocated, be approved to a maximum cost as follows:
 - Fire Station 101 (Fire headquarters) renovation at \$1.2 million over 2012 to 2014;
 - Fire Station 119 relocation at \$2.7 million over 2012 to 2015;
 - New Fire Station 120 (Huronario & Eglinton) at \$2.7 million over 2012 to 2015;
 - Fire VCOM System replacement at \$3.5 million over 2011 to 2014 (an increase of \$0.5 million);
 - Fire replacement of respiratory protective equipment at \$1.55 million over 2012 and 2013;
 - Fire vehicle replacement of one pumper and 3 cars at \$0.843 million over 2012 and 2013;
 - Lakeview Golf Course - Upgrade Irrigation System at \$0.5 million over 2012 and 2013;
 - BraeBen Golf Course - Golf Cart Replacement Program at \$0.33 million over 2012 and 2013;
 - Historical Barbertain Bridge Rehabilitation at \$1.0 million over 2012 to 2014;
 - Transit CAD/AVL/automated stop announcements previously known as Smart Bus Technologies at \$18.0 million funded from 2008 to 2013;
 - Bus Rapid Transit construction costs including design (excludes land and vehicles) from 2008-2013 amounts to \$265 million with \$2 million added to design in 2012 for an addendum with our consultants and \$25 million moved from unfunded to funded in 2013;
 - Dundas Street West and Ninth Line West constructions costs from 2012-2013 amounts to \$2.0 million;
 - Streetlighting Retrofit to Light Emitting Diode (LED) light source project at \$35 million from 2012-2013 (\$18 million in 2012 and \$17 million in 2013);
 - VCOM Mobile Radio Replacement at \$9.0 million in 2011 to 2014 (an increase of \$1.2 million); and
 - Field Computing & Enhanced Automation, Building Inspection Services (BR 342) at the existing budget of \$535,000 funded over 2012 and 2013.