



MINUTES

BUDGET COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

www.mississauga.ca

TUESDAY, JUNE 9, 2009 – 1:35 PM

COUNCIL CHAMBER, 2nd FLOOR, CIVIC CENTRE
300 CITY CENTRE DRIVE, MISSISSAUGA, ONTARIO L5B 3C1

PRESENT: Mayor Hazel McCallion (Chair)
Councillor Carmen Corbasson Ward 1
Councillor Pat Mullin Ward 2
Councillor Maja Prentice Ward 3
Councillor Frank Dale Ward 4
Councillor Carolyn Parrish Ward 6
Councillor Nando Iannicca Ward 7
Councillor Katie Mahoney Ward 8
Councillor Pat Saito Ward 9
Councillor Sue McFadden Ward 10
Councillor George Carlson Ward 11

ABSENT: Councillor Eve Adams Ward 5

STAFF: Janice Baker, City Manager & Chief Administrative Officer
Martin Powell, Commissioner, Transportation and Works
Ed Sajecki Commissioner, Planning and Building
Paul Mitcham, Commissioner, Community Services
Brenda Breault, Commissioner, Corporate Services & Treasurer
Gary Kent, Acting Director of Finance, Corporate Services Department
Crystal Greer, Director, Legislative Services & City Clerk
Karin Ann Brent, Legislative Coordinator, Office of the City Clerk

CALL TO ORDER – 1:35pm

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST - Nil

DEPUTATIONS

A Preliminary Overview of 2010 Updated Budget and Budget Reduction Options

Gary Kent, Acting Director of Finance, gave a PowerPoint presentation providing a re-cap of the process undertaken to determine the 2009 operating budget, and an overview of the process proposed for review of priorities and themes for the formulation of the 2010 operating budget including budget pressures and reduction options. City Manager Janice Baker noted that the options presented do not prospect a zero (0%) percent local tax range, however additional reductions might be found over time.

Mayor McCallion initiated discussion questioning the status of Payments in Lieu of taxes (PILT) related to the Lester B. Pearson International Airport. Mr. Kent advised that the passenger counts used to calculate the PILT are from statistics gathered three (3) years past. Mayor McCallion opined that passenger counts could reduce as a result of the economic downturn being experienced. City Manager Janice Baker explained that the PILT rate is capped and therefore calculating a potential saving in this regard would be difficult.

Councillor Pat Mullin questioned the potential for gaining a surplus, to which Commissioner of Corporate Services and Treasurer Brenda Breault explained that the City's surplus as of March 31st is applied to the 2009 budget forecast report as a 'flat line' due to reduced investment revenues. Further, Councillor Pat Mullin questioned the status of the City's largest expense being for labour costs, to which City Manager Janice Baker explained that the City's labour contracts are finalized except for Fire and Emergency Services staff which is currently being negotiated. Further, Mrs. Baker advised that the labour contracts in place are for three (3) year terms and include a three (3%) percent cost of living per annum being based on current economic trends. Councillor Mullin questioned possible reductions for labour costs, and referred to the Corporate Report in item #1 of the agenda of this meeting, identifying voluntary early retirements that removed six (6) staff positions. Mrs. Baker explained that another Corporate Report about the annual economic adjustments for non-union staff is being prepared for presentation to Budget Committee at its meeting scheduled for June 16, 2009.

Councillor Nando Iannicca spoke to the restrictions of labour contracts when considering possible adjustments to operating costs in particular during times of economic downturn, and the current lack of support from the Federal and Provincial governments for enactment of legislation that could provide exemptions from labour contracts to allow wage freezes until the economy recovers. Councillor Iannicca questioned the ability to set a sustainable budget that reflects future economic trends versus deferring certain expenditures. City Manager Janice Baker explained that Reserve Funds are already being used for certain one-time expenses and that the options for reductions that are presented to this meeting of Budget Committee are for day to day operating costs.

DEPUTATION A - Preliminary Overview of 2010 Updated Budget and Budget Reduction Options cont'd...

Mayor McCallion opined that there are other options available to Council that would result in a zero (0%) percent tax increase for 2010 without cutting any services. Further, Mayor McCallion opined that the projects that may now be done through the Infrastructure Stimulus Funding Program (ISF) will have an impact on future operating budgets for maintenance of the respective infrastructure items, noting that municipalities have the option to debenture fund capital projects.

Councillor Maja Prentice questioned whether other municipalities in the Greater Toronto Area (GTA) were able to set a budget with a zero (0%) percent local tax increase in 2009. Mayor McCallion advised that the Town of Markham achieved this, with note that it does not operate a public Transit system, and noted that the Region of York experienced a budget that required a tax increase. Further, Councillor Prentice requested clarification of slide 42 of the PowerPoint presentation that indicates a 4.3% City tax rate increase, and options to reduce the local tax increase to 1.46%. City Manager Janice Baker explained that to achieve a 0% percent local tax increase, services will have to be cut such as reducing the number of times grass is cut, winter maintenance levels, and requested Committee to advise if there are any service items that they definitively do not want considered for reduction as staff continue to work on formulating the 2010 draft budget.

Councillor Carolyn Parrish opined that Committee needs to consider that the economic status of Mississauga has changed now that it almost fully developed with the result of reduced permit revenues and development charges to fund community infrastructure. Further, Councillor Parrish questioned the cost of doing surveys for input from the residents, to which City Manager Janice Baker explained that the survey responses provide staff with information that guides them in determining service levels and program requirements. Councillor Parrish concluded her comments opining that Council needs to focus on setting a budget that is good of the City as a whole, and opined that a budget that reflects a zero (0%) percent local tax increase may not be the best option focus upon.

Responding to Councillor Carmen Corbasson's question about the impact of the Infrastructure Stimulus Funds (ISF) on future budgets, Acting Director of Finance Gary Kent explained that those projects will have to be delivered within the scope and design of that federal program. City Manager Janice Baker noted that the agreement which will set the rules of the ISF program have yet to be received from the Ministry of Finance.

Councillor Pat Saito advised that she does not want to set a budget that is not sustainable or that will negatively impact the budget for 2011 or future years, noting that some prior service cuts are already visible in the community. Further, Councillor Saito requested that Mississauga / Toronto West Tourism be invited to give a presentation at the next meeting of this Committee scheduled for June 16, 2009. As well, Councillor Saito recognized the presence of resident Chris Mackie in the audience of this meeting, and advised that a coalition of senior residents has requested to speak to Committee about recreation programming for seniors.

Subsequently, Councillor Saito requested that the ratepayer and community groups be provided with the opportunity to speak to Budget Committee once the draft budget for the year 2010 is available for discussion in the fall months of the year 2009.

Councillor Nando Iannicca advised Committee that many of his constituents have expressed concern about being able to keep their homes, in regard to increases of their municipal taxes, as well as the current economic trends. Further, Councillor Iannicca opined that there is a need to curtail the level of wages being paid to employees working in the public sector, in particular during the current economic downturn impacting the business community. Councillor Iannicca concluded his comments expressing dismay at the news coverage that indicates certain unions are contemplating strike action during the world wide economic down turn.

Mayor Hazel McCallion noted that some senior residents don't have pensions from their former employers and that the current downturn of investment income is creating hardship, as well as many others who are in difficulty as they are not eligible for employment insurance. Further, Mayor McCallion noted that Council has added new expenditures during the year that impacted the budget approved for that particular year, and as well, referenced the contributions to the Reserve Funds made during the years when Mississauga's local tax levy was at zero (0%) percent. Mayor McCallion further, opined that residents often don't react to the business of their municipality until the tax bill arrives, noting that the Region of Peel portion of Mississauga's municipal tax bill is forty-six (46%) percent, yet Regional Council has not done a finite review to find cost savings for its operations. Mayor McCallion noted that many small businesses in Mississauga appear to be affected by the current world-wide economic down turn, according to the number of vacancies in the commercial and retail centres across the city. Mayor McCallion concluded her comments opining that Committee needs to consider the impacts on future budgets when issuing its recommendations for operations in the year 2010.

Councillor Pat Mullin spoke to the Social Contract implemented in the 1990s in relation to the City's largest operating expense being for labour costs, and questioned the actions of the Peel Police Services Board Peel through which several new Police Officers are being hired. Councillor Pat Mullin concluded her comments suggesting that other Mayors in Ontario be contacted to seek support for lobbying the Federal Government to enact legislation that could mitigate increases to labour costs.

Committee subsequently commenced consideration of the Corporate Report titled "2010 Budget Reduction Options" listed as item 5 of this agenda.

B Request for Community Input on Proposed Budgets

After consideration of the items on the agenda, with permission of the Committee, resident Chris Mackie, a member of the Mississauga Residents' Associations Network (MIRANET) requesting that MIRANET and other ratepayer associations be provided the opportunity to give deputations and comment on the draft budget once its available in late October or early November. Further, Mr. Mackie questioned page 41 of the PowerPoint presentation in Deputation A, regarding the 2.46% impact for 2010 and the notation of 1% assessment reduction. Commissioner of Corporate Services and Treasurer Brenda Breault advised that the 1% relates to an estimate for assessment growth and the supplementary Assessment Rolls from the Municipal Property Assessment Corporation (MPAC). Mr. Mackie confirmed with Mayor McCallion that a MIRANET representative will attend the next and future meetings of Budget Committee.

Further, Mayor McCallion requested that MIRANET give its feedback on the Infrastructure Stimulus Funding program to move capital projects forward in time. Mr. Mackie advised that MIRANET will be meeting in September 2009 and can review the ISF at that time and respond.

MATTERS CONSIDERED

1. myidea Employee Challenge Program

Corporate Report dated May 25, 2009 from the City Manager and Chief Administrative Officer reporting on the results of the 'myidea' employee challenge program that was implemented as an action to support building a sustainable business plan.

RECOMMENDATION

That the report dated May 25, 2009 from the City Manager and Chief Administrative Officer entitled "myidea Employee Challenge Program" be received for information.

Received for Information (Councillor Carolyn Parrish)
Recommendation BC-0010-2009
CA.11.MYI

2. Voluntary Focused Early Retirement Program

Corporate Report dated May 24, 2009 from the City Manager and Chief Administrative Officer reporting on the results of the voluntary focused early retirement program as part of the strategy to build a sustainable business plan.

RECOMMENDATION

That the report titled "Voluntary Focused Early Retirement Program", from the City Manager and Chief Administrative Officer, dated May 24, 2009, be received for information.

Received for Information (Councillor Pat Saito)
Recommendation BC-0011-2009
CA.11.EAR

3. Transit Ridership Growth Strategy Reductions and 2010 Fare Increase

Corporate Report dated May 28, 2009 from the Commissioner of Transportation and Works presenting a strategy for ridership growth and fare increase proposals related to the current economic climate resulting in a declining demand for Transit service.

(3.) RECOMMENDATION

That the reductions proposed in the Transit Ridership Growth Strategy Reductions and 2010 Fare Increase report dated May 28, 2009 from the Transportation and Works be approved for inclusion in the development of the 2010 Budget.

Approved (Councillor Maja Prentice)
Recommendation BC-0012-2009
TS.09

4. Mississauga Transit Service Reduction Recommendation for Year 2010
(Wards 2, 3, 4, 6, 7, 8, 9, 10, 11)

Corporate Report dated June 1, 2009 from the Commissioner of Transportation and Works seeking direction to do an analysis of Transit service needs for the year 2010.

RECOMMENDATION

That the Transportation and Works Department undertake a detailed analysis using 2009 ridership information of service reductions outlined in the Mississauga Transit Service Reduction Recommendation for Year 2010 report dated June 1, 2009 to Budget Committee from the Transportation and Works Department and develop an implementation plan to be brought back to Budget Committee by year end.

At the request of several Members of Committee, direction was given to staff to consult with the respective Councillors of the Wards that will be affected by the proposed changes to Transit service.

Approved / Direction (Councillor Maja Prentice)
Recommendation BC-0013-2009
TS.01.TRA

5. 2010 Budget Reduction Options

Corporate Report dated June 2, 2009 from the Commissioner of Corporate Services and Treasurer presenting various options for achieving the reductions necessary to meet the future municipal tax rate targets expressed by Council.

(5.) RECOMMENDATION

That Budget Committee review and provide direction on each budget reduction option included in Appendix 1 to 10 attached to the 2010 Budget Reduction Options Corporate Report dated June 2, 2009 from the Commissioner of Corporate Services and Treasurer.

Committee considered each option presented in the Appendices of the subject Corporate Report, and issued the following recommendations:

1. That the budget reduction options identified in Appendices 1 through 10 attached to the Corporate Report dated June 2, 2009 from the Commissioner of Corporate Services and Treasurer, be approved as presented with the exception of the options identified in paragraphs 2 and 3 of this recommendation.
2. That consideration of the following budget reduction options identified in Appendices 1, 4, 7 and 10 attached to the Corporate Report dated June 2, 2009 from the Commissioner of Corporate Services and Treasurer, be deferred pending additional information or Corporate Reports:

Appendix 1

Page 12 (0) Revised winter maintenance service levels for sidewalks and roads.

Appendix 4

Page 2 (\$ 245,800) Deferral of maintenance funding for additional parkland acreage.

Page 8 (\$ 145,000) Eliminate Mississauga/West Toronto Tourism funding support.

Appendix 7

Page 02 (\$ 50,000) Restrict overnight on-street parking from 2a to 6a year round.

Page 03 (\$ 200,000) Fee increases for business and animal services licenses, and increases to parking fines.

Appendix 10

Page 04 (\$ 650,000) City-wide labour options.

- (5.) 3. That the following budget reduction options presented in Appendices 1, 4, 5 and 9 attached to the Corporate Report dated June 2, 2009 from the Commissioner of Corporate Services and Treasurer, not be implemented:

Appendix 1

Page 13 (\$ 55,000) Introduce Paid Parking in Waterfront Parks

Appendix 4

Page 4 (\$ 95,000) Reduction of part time hours for building operations and customer service at Community Centres.

Page 6 (\$ 108,000) Reduce Boulevard Maintenance - contractor provided.

Page 9 (\$ 67,000) Eliminate funding for Waterfront trail winter maintenance.

Page 11 (\$ 100,000) Reduce budget for floral displays.

Page 12 (\$ 50,000) Reduce City Centre Tree Maintenance.

Page 14 (\$ 122,400) Reduce Recycling in Parks.

Appendix 5

Page 10 (\$ 66,000) Increase residential Variance fees by an additional \$300.

Appendix 9

Page 11 (\$ 110,000) Remove 1 FTE Electrician and no replacement of truck for outdoor parks maintenance.

Directions

Recommendation BC-0014-2009

FA.19.BUD

During review and discussion on the respective options, Committee made the following requests for additional or related information:

Appendix 2 Page 2

Councillor Parrish requested information on Mississauga's Fire and Emergency Services response times, including information about the deployment of 3-man trucks then deployment of 4-man trucks to fires scenes.

Appendix 3 Page 3

Transit staff offered to meet with individual Ward Councillors about the respective Route changes to explain timing changes (e.g. late night service adjustments).

(5.)

Appendix 4 Page 8

Councillor Pat Saito requested that Mississauga / Toronto West Tourism be invited to give a deputation to Budget Committee at its meeting scheduled for June 16, 2009.

Appendix 4 Page 9

Councillor Carolyn Parrish requested demographic information about users of waterfront parks.

Appendix 5 Page 2

Mayor McCallion (and other Councillors) directed that the Review of the Malton Node to be given priority.

Appendix 9 Page 1

Councillors Carolyn Parrish and Pat Saito requested information about the contract with Pollara and the ownership of the Citizen Value Measurement Survey.

Other Items

Councillor Carolyn Parrish suggested that the boulevard maintenance contracts might entertain flexibility related to grass cut needs as a result of rate of grass growth (dry vs. wet season)

Councillor Pat Saito spoke to the cost of renting portable sign rentals and referenced a recent Corporate Report presented at the Region of Peel, with suggestion that the purchase of a number of mobile signs might provide another cost reduction.

FA.19

OTHER BUSINESS

1. Infrastructure Stimulus Funding (ISF) Program

With permission of Committee, City Manager Janice Baker had Acting Director of Finance Gary Kent give a brief presentation about the Infrastructure Stimulus Funding (ISF) program approvals received from the Federal government. Mr. Kent advised that receipt of the agreement and details on the conditions for the subject funding are pending at this time, and that alignment of certain projects with the Region of Peel is also yet to be done.

FA.05

CLOSED SESSION - Nil

ADJOURNMENT – 5:08pm