



Corporate Report

Clerk's Files

Originator's
Files



DATE: February 8, 2011

TO: Chair and Members of Budget Committee
Meeting Date: March 2, 2011

FROM: Janice M. Baker, CA
City Manager and Chief Administrative Officer

SUBJECT: **Additional Budget Options Available to Reduce the 2011 Tax Levy**

RECOMMENDATION: That the report dated February 8, 2011 from the City Manager and Chief Administrative Officer entitled "Additional Budget Options Available to Reduce the 2011 Tax Levy" be received for information and that Council provide direction on the budget options.

BACKGROUND: At the February 1st, 2011 Budget Committee Meeting Staff were requested to prioritize the proposed New Initiatives included in the City's 2011-2014 Business Plan and Budget for consideration by Budget Committee.

COMMENTS: The new initiatives presented in the Business Plan are important to the City's Strategic progress. However, in accordance with Council's request they have been re-assessed and prioritized through the lense of Tax Rate Management.

Appendix 1 lists new initiatives that staff believe are critical, ranked in priority, as requested by Budget Committee. Appendix 2 lists new initiatives that can be deleted, delayed, reduced or funded from alternative sources, resulting in a reduction to the requested tax levy of \$1.26 million.

FINANCIAL IMPACT: The impact of each initiative is outlined in the Appendices.

CONCLUSION: Staff have prioritized the proposed new initiatives as directed by Budget Committee on February 1st, 2011 for Council's consideration.

ATTACHMENTS:

- Appendix 1: Prioritized - Impact of Eliminating 2011 New Services Initiatives
- Appendix 2: Leadership Team (LT) Recommended Budget Adjustments



Janice M. Baker, CA
City Manager and Chief Administrative Officer

Prepared By: Patti Elliott-Spencer, Director of Finance

- Impact of Eliminating 2011 New Services Initiatives

Appendix 1

BUDGET COMMITTEE
MAR - 2 2011

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BR#	Service	Initiative Description	2011 Original Request (\$000's)	Explanation
354	Roads, Storm Drainage & Watercourses	Traffic Signal Enhancement Installation	50	These funds are required to operate and maintain the installation of 10 new signals annually. Without them, staff would not be able to turn on the new signals.
382	Roads, Storm Drainage & Watercourses	Watercourse Management Implementation	126	If this program does not move forward, the consequences include risks of debris blockages and flood damages to infrastructure and private lands and homes in susceptible areas along the City's watercourses. The program is focused on the Cooksville Creek in 2011 as a priority, followed by a City-wide roll-out in 2012. Another consequence of the Watercourse Management Program not moving forward is the loss of funding for the Water Resources Engineer position. If this position is lost, important initiatives to mitigate flooding in the City will not move forward and properties and infrastructure susceptible to flood damages will continue to be at risk.
442	Roads, Storm Drainage & Watercourses	Clarkson Air Quality Improvements	25	Not proceeding with this initiative in the Clarkson area may result in the continued generation of dust along City Road which not only reduces visibility for drivers but also impacts adjacent residential areas to the east of Southdown. This area is part of the Oakville-Clarkson air shed which has been characterized by the Ministry of Environment as a taxed air shed in terms of fine particulates. Dust from unpaved lots and from dirt tracked onto roadways has been identified as a source of particulates. The proposed initiatives will assist in the reduction of these fine particulates, in conjunction with other steps that the City is taking.
213	Roads, Storm Drainage & Watercourses	Transportation Demand Management & Smart Commute Support	80	Without this program the City would not continue to deliver the discount transit program. Implementation of a new Car Share Program in the City Centre that supports the introduction of the employee paid parking program would not be implemented.

- Impact of Eliminating 2011 New Services Initiatives

Appendix 1

BR#	Service	Initiative Description	2011 Original Request (\$'000's)	Explanation
286	Fire & Emergency Services	Electronic Vehicle Inspection Reporting System	12	This system will significantly improve effectiveness of the vehicle maintenance program for front line fire vehicles as the data in will be automatically captured and stored digitally. This will allow staff to identify potential defects sooner and mitigate future costly repairs. MFES will be able to develop reports and metrics both for staff and vehicles in order to proactively manage the process. It will also provide the opportunity to develop benchmarks and reports related to front line vehicle equipment processing.
418	Mississauga Transit	iBus project - ITS (intelligent transportation systems) for Transit	583	Enables automated stop announcements. Failure to implement could lead to Ontario Human Rights Tribunal, legal costs, and orders to implement.
422	Mississauga Transit	GTA Farecard - Presto	1,165	Participation in Presto is a condition of provincial gas tax funding. Loss of funding would result in a \$15M pressure in the operating budget.
507	Mississauga Transit	Transit re-organization	43	Transit E3 report recommended additional resources for customer outreach. Failure to do so may impact ridership and revenue leading to higher tax supported costs to operate the service.
629	Recreation & Parks	Dome Field at Hershey SportZone (Hershey #1)	(113)	Net Favourable. Staffing of proposed air supported indoor soccer facility; requested by minor soccer clubs.
567	Recreation & Parks	Digital Advertising in Community Centres and Libraries	(5)	Net Favourable. Additional staff in sponsorship unit required to drive new revenue.
421	Recreation & Parks	Debris Management - Cooksville Creek	214	Forestry and Parks were to perform regular inspections and removal of tree "debris" on natural area corridor of Cooksville Creek.

- Impact of Eliminating 2011 New Services Initiatives

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BR#	Service	Initiative Description	2011 Original Request (\$'000's)	Explanation
353	Legislative Services	Privacy Compliance Strategy and Initiative	43	The Privacy Officer is requested to ensure that the Access and Privacy area meets legislative requirements and ensures the City is acting proactively to protect the personal privacy of our staff and the public. In 2010, Internal Audit conducted a Privacy Audit which resulted in 9 recommendations which are the responsibility of the Office of the City Clerk. If this position is not approved, the Office of the City Clerk will not be able to respond and comply with the Audit recommendations within a reasonable timeframe, and issues of protection of personal privacy will not be.
320	Legislative Services	Electronic Records Management Support	30	Without this investment, the progress for Electronic Records Management (ERM) will slow to a pace of a few small pilot projects and would not be done corporate wide. ERM requires a minimal investment to put in place a framework that will enable quick, secure and efficient online access of electronic records. The full cost and effort associated with searching for records through FOI requests would be significantly reduced through the efficiencies gained through ERM. Enabling online access of Council records, including minutes and agendas, by 2013 to the public would be impacted and potentially delayed. Requests for online collaboration, version control, fast search and portability cannot be supported corporately. Overall, the people, technology, and processes require an enhancement to support both the paper and electronic records. The City is significantly behind other municipalities including Oakville, Peel, York, Calgary and Waterloo by more than 5 years in their implementation of this service. Not supporting this initiative further delays our progress in an already widely adopted level of service amongst neighbouring municipalities. Withdrawing this investment prolongs an unmitigated need to support electronic information and demonstrate leadership in this capacity. With this framework in place across the organization, long term goals for administrative costs savings, compliance, protection and efficiency driven enhancements from

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- Impact of Eliminating 2011 New Services Initiatives

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BR#	Service	Initiative Description	2011 Original Request (\$000's)	Explanation
98	Arts & Culture	Film Business Development	21	Inability to increase in film business and grow local economic impact from this sector, or to support youth screen-based projects as overtime already high at 200 hours in the past 6 months.
321	Arts & Culture	Permanent Administrative Assistant position	2	Continued loss of staff to permanent positions resulting in need to expend resources to hire and train new staff. Previous incumbents have all left for permanent positions.
133	Arts & Culture	Mississauga Cultural Map	50	Inability to keep culture map updated and relevant so unable to deliver on the goal of the project. Recommendations 30 -34 of Culture Master Plan not met and \$40K funding from the Province will need to be returned.
142	Arts & Culture	Technical Support at Meadowdale Theatre	44	Continued over expenditure of overtime and part time costs incurred, requiring Ministry of Labour permit.
510	Arts & Culture	City-wide Museum Programs	12	Programming at the Leslie Log House and new outreach programs will be eliminated.
99	Arts & Culture	Interactive Culture Website	44	Recommendation 35 of Culture Master Plan not implemented. Restricted ability to "get the word out" and engage youth in cultural activities.
118	Arts & Culture	Public Art Program	4	Inability to attract and retain appropriately qualified staff to implement recommendations 40 and 41 of Culture Master Plan.

- Impact of Eliminating 2011 New Services Initiatives

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BR#	Service	Initiative Description	2011 Original Request (\$000's)	Explanation
29	Strategic Policy	Establishment of the Office of the Integrity Commissioner	100	The Integrity Commissioner is not a mandatory position, and the Municipal Act, 2001 even allows this role to be performed by a staff person. There are too many pitfalls and potential to putting staff in this position, assuming you could find someone who would do it. The expert panel that testified at the Judicial Inquiry praised the work we had done in putting a Council Code of Conduct and Integrity Commissioner in place. If the City was to now delete it, the Commissioner would likely be very critical when he reports his findings, as would the media and the public. In addition, if there was enough criticism, there is potential for the Province to come in and make the position mandatory, as it is in Toronto. They could quickly enact and amendment to the Municipal Act to apply specifically to Mississauga if they wanted to, and they could justify it based on the findings of the Judicial Inquiry and the Commissioner's report. This is a worse case situation.
377	Strategic Policy	Economic Development Strategy Recommendations	140	As the proposed program was not expected to begin until mid-2011, a delay by approximately 6 months can be accommodated with minimal impact.

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- Impact of Eliminating 2011 New Services Initiatives

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BR# Service	Initiative Description	2011 Original Request (\$000's)	Explanation
558 Information Technology	Expansion of the SAP Support Team to enhance services to use additional SAP modules	108	<p>SAP is a critical enterprise system that manages all of the Financial and Human Resource functions of the City. Not approving these 2 position requests would put significant strain on the upkeep and maintenance of the current SAP functions and significantly delay any further development and enhancements of the system. Currently contractor resources provide some level of support to maintaining SAP which will be replaced by these positions. Without these positions, the City will incur higher outsourcing costs related to Web portal development and SAPHYR system customization and enhancements. This would also delay the implementation and enhancements of SAP solutions and initiatives such as Finance E3, employee self service, custom development and reporting. Outsourcing would result in the loss of in-house expertise.</p>

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BR# Service	Initiative Description	2011 Original Request (\$000's)	Explanation
486 Business Services	External Video Streaming	7	<p>External video streaming will expand the online access for our residents to public meetings by video streaming additional meetings such as General Committee, Planning and Development Committee, etc. as well as engage the community in public events and celebrations. The funding is required to purchase additional bandwidth and overtime costs for AV staff who would be required to support these additional meetings outside of regular business hours. The capital investment is to purchase a media encoder and server to operationalize this function internally. The current success of streaming City Council meetings on the web has validated the public's demand for this level of access to municipal government. To not proceed with external video streaming means falling behind in meeting customer expectations to have access to their local government and to fall behind in understanding the new reality of a world of online and digital information accessible across the web. While we are moving away from costly print advertising and promotion, we are not expanding the current preferred method of communication - online and digital which in the long-term is a cheaper alternative.</p>

LT Recommended Budget Adjustments

BR#	Service	Initiative Description	2011	2011	Explanation
			Original Request (\$000's)	Revised LT Request Recommendations (\$000's)	
211	Roads, Storm Drainage & Watercourses	Cycling Master Plan Implementation	502	252	Reduced In 2011, the Cycling Office will be in start-up mode and will undertake the detailed planning for the following items totalling \$235k, which will be deferred for funding consideration to the 2012 budget: \$150k bike lane maintenance, \$60k bike parking and storage expansion, \$43k Trail Inspector. Remaining in the budget is the following (\$249k): \$49k Cycling Technologist (July start), \$150k pavement markings, \$25k road and trail signage, \$25k education and data collection and analysis.
270	Roads, Storm Drainage & Watercourses	Amended Minimum Maintenance Standards - Sign Inventory, Sidewalk Patrol, Street Lighting	546	396	Reduced In 2011, this program will start mid-year. The materials component, for sign replacements, will be reduced by 500%, or \$150,000 to align with the revised budget request.
568	Mississauga Transit	Mississauga Transit Operator Recruitment	30	0	Funded from Reserves Software for operator recruitment/selection developed by CUTA.
229	Recreation & Parks	Woodland Hazardous Tree Maintenance	50	0	Deferred to 2012 Launch risk management program in 2012.
322	Recreation & Parks	Youth Plan	80	65	Reduced Delete municipal funding for Walmart at Play.
640	Recreation & Parks	Mississauga Celebration Square Events and Programs	618	418	Reduced Convert to contract staffing (\$82k). Curtail programming (\$118k).
13	Land Development Services	Green Development Strategy Recommendations - Implementation	5	0	Deleted Cost to be absorbed in Professional Services.
197	Land Development Services	Re-Establishment of Zoning By-law Team	241	121	50% Deferred to 2012 The remaining 50% to be funded from reserves.
82	Arts & Culture	New Cultural Programs Through Partnerships	25	0	Deleted Defer new programming to 2012. Will use 2011 to build strong community support base to develop programs and seek grants and sponsorships

LT Recommended Budget Adjustments

		2011	2011	2011		Explanation
BR#	Service	Initiative Description	Original Request (\$000's)	Revised LT Request (\$000's)	Request Recommendations	
137	Arts & Culture	Preventative Maintenance of Heritage Facilities	49	0	Deleted	Rely upon F&PM to carryout preventive maintenance. With the development of new facilities asset assessment tool in F&PM will use 2011 to reassess need.
90	Facilities & Property Management	Expand Energy Management Capabilities	42	0	Funded from Reserves	The labour cost increases will be initially funded from reserves. The labour costs will be fully offset by energy savings and the reserves will be replenished. The project is expected to have a net positive financial return after 4 years.
635	Facilities & Property Management	Project Management Support for Requested Capital Program	46	0	Deleted	Project Manager requirement is funded through chargebacks to the capital projects so there is no impact on the operating budget. Without these positions the capital plan for the departments will have to be adjusted and building projects deferred or eliminated. It is proposed that the project manager positions be maintained. Eliminating the Space Planner position will result in higher overtime charges and increased waiting time for lower priority tasks such as furniture repair, individual moves and ergonomic enhancements. Overtime in 2010 was \$31K and this is expected to increase by 25 % to \$39K. It is proposed that the Space Planner position be deleted.
282	Strategic Policy	Implementation of recommendations from the Judicial Inquiry	150	0	Deferred to 2012	Funding required to implement recommendations stemming from the Judicial Inquiry can be moved to 2012 due to the delay in receipt of the final review and recommendations.
373	Strategic Policy	Living Green Master Plan Implementation	52		Deferred to 2012	Defer implementation, pending approval of the Living Green Master Plan (LGMS). Funding required to implement the Living Green Master Plan initiatives and programs can be moved to 2012, allowing additional time for Council and public discussion on the proposed recommendations.
544	Business Services	HR Process Review	50	0	Funded from Reserves	This is a one time initiative that will occur only in 2011 with no future tax impacts.

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LT Recommended Budget Adjustments

Appendix 2

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BR#	Service	Initiative Description	2011		Explanation
			Original Request (\$000's)	Revised LT Request Recommendations (\$000's)	
560	Business Services	Communications Division Master Plan	30	0	Funded from Reserves This is a one time initiative that will occur only in 2011.

Leadership Team Recommended Adjustments

\$ 2,516 \$ 1,252

Net Difference

\$ 1,264