



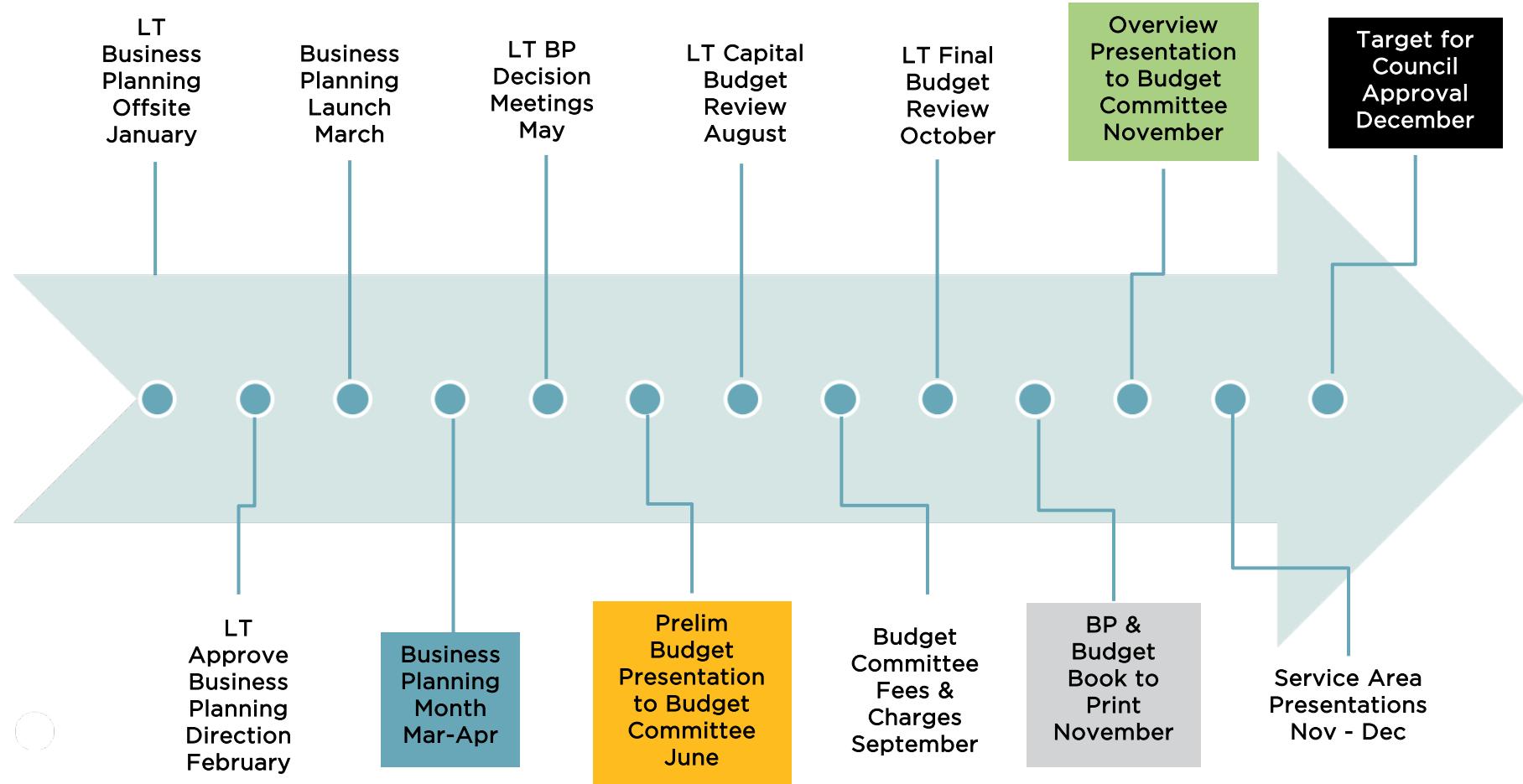
# 2016 budget

**Financial Overview**  
2016-2018 Business Plan Update  
and 2016 Budget

MBOT - December 4, 2015



# Business Planning/ Budget Process



# Engagement

- Online Budget Allocator
- Tele-Town Hall Pilots
- School Outreach
- Videos
- Website

 MISSISSAUGA

How would you spend the City's 2016 budget?

Step 1:  
Learn about how the budget works by visiting our [Budget Website](#).

Step 2:  
Set your preferred budget for each of the ten areas listed below. Your choices will be shown on this page.

Your budget choices by clicking on the grey comment icon  at the bottom of each area.

The proposed budget is around \$700 million. Of that, about \$412 million came from property taxes. The Budget Allocator allows you to make adjustments to ten of the areas that affect you the most. Please note that we have not included all areas in the proposed budget. Many additional service areas and factors will be taken into account in the full proposed budget for 2016.

Your budget will be shared with Council. Results received by November 23 will be used to inform deliberations on the 2016 budget.

**BUDGET ALLOCATOR**

Budget	\$313.84m
Your Spend	\$74.10m

You are under budget

Based on the choices you made, the proposed municipal tax budget would decrease by **55.2%**. A 1% change to the total proposed budget equals about \$23 per year on an average single family detached home.

Thank you for sharing your opinion with us.

 MISSISSAUGA  
[mississauga.ca/budget](#)



Total engagements to date: 32,511

# City achieved a lot in 2015

- \$1.6 billion provincial funding commitment received for the Hurontario- Main Light Rail Transit (LRT) Project
- Hosted 2015 Pan Am Parapan Am Games
- Home of the Raptors 905, Canada's first NBA development league team
- Conversion of all remaining street lights to energy efficient LED expected in 2015
- 189,336 hours added in transit service since the MiWay brand was introduced in 2010
- Accessing up to 230 terabytes of stored data due to the Public Sector Network (PSN) partnership

iVIVA PAN AM  
MISSISSAUGA!TM/MC



# Recognized for Strong Financial Management

- Government Finance Officers Association Award
  - For 26 consecutive years Mississauga has been awarded the distinguished Budget presentation award.
  - For 17 consecutive years Mississauga has been awarded the certificate of achievement for excellence in financial reporting.
- The 2014 Financial Reporting was the 12<sup>th</sup> AAA rating received from Standard &Poor's
- Mississauga was one of seven Canadian cities that ranked first in transparent financial reporting in the Frontier Centre for Public Policy's report



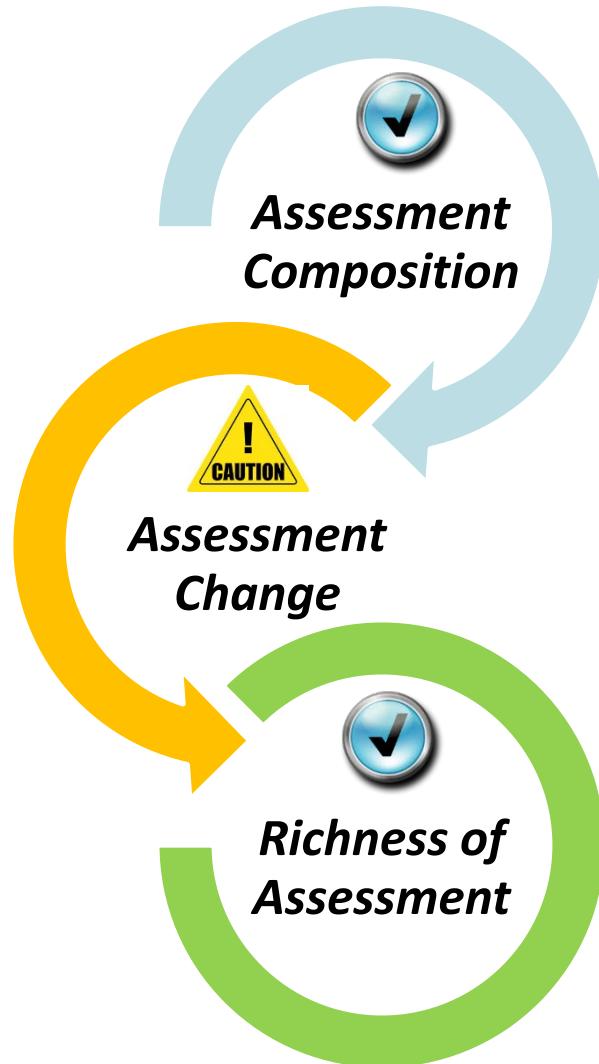
**STANDARD  
& POOR'S**



# The City is in a strong financial position

Socio-Economic Indicators	Rating
<i>Population Growth</i>	
<i>Population Density</i>	
<i>Demographics</i>	
<i>Commercial &amp; Industrial Vacancy Rates</i>	
<i>Construction Activity</i>	
<i>Assessment Composition</i>	
<i>Richness of the Assessment Base</i>	
<i>Assessment Growth</i>	
<i>Household Income</i>	

# Assessment is strong but changing



Excellent mix of residential and non-residential assessment: 25% Commercial & Industrial in Mississauga compared with 13.7% in the GTA

Growing at a slower pace in Mississauga than GTA average since 2009

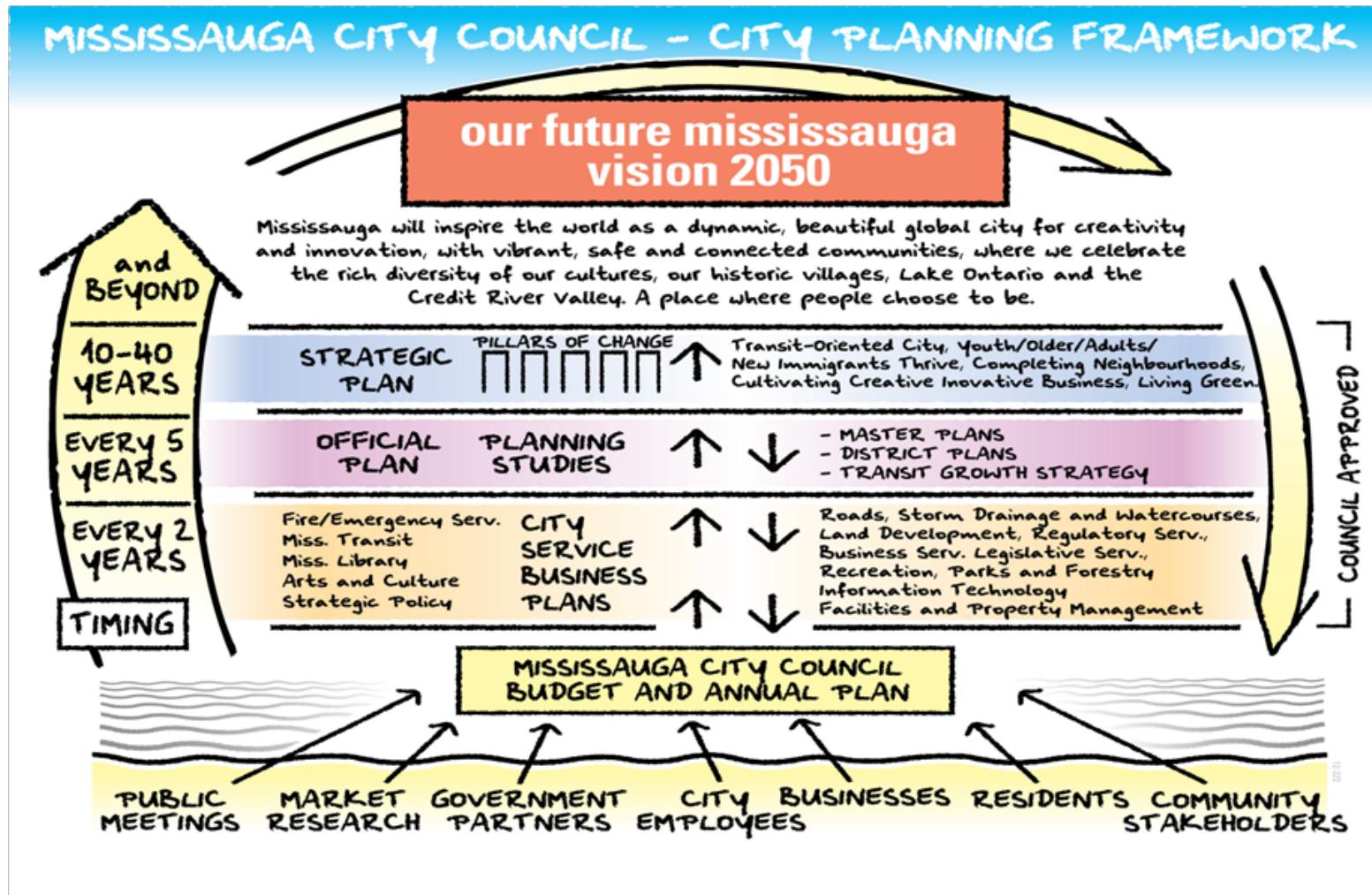
Assessment per capita in Mississauga is above the peer average, reflecting a strong tax base

# Standard & Poor's (S&P) Credit Rating City's Outlook STABLE

- Proximity to major markets and extensive transportation network
- 12th consecutive 'AAA' credit rating from S&P
- Very strong, diversified economy, competitive tax rates, exceptional liquidity, very low debt burden
- Very good budgeting practices, robust set of financial policies



# Aligning the 2016 Budget



# Strategic Plan – our Future Mississauga





# Business Plan Priorities



Deliver the Right Services



Implement Cost Containment Strategies



Maintain our Infrastructure



Advance on our Strategic Vision

# Delivering the right services

- MiWay – Ontario's third-largest transit service, boarded more than 50 million times last year
- The Central Library and 17 branch libraries – lending residents six million items last year
- Recreation – last year provided 166,000 hours of recreation programming like swimming, fitness, skating and more
- Fire & Emergency Services
  - responding to emergencies and visiting more than 30,000 residences last year to promote fire safety

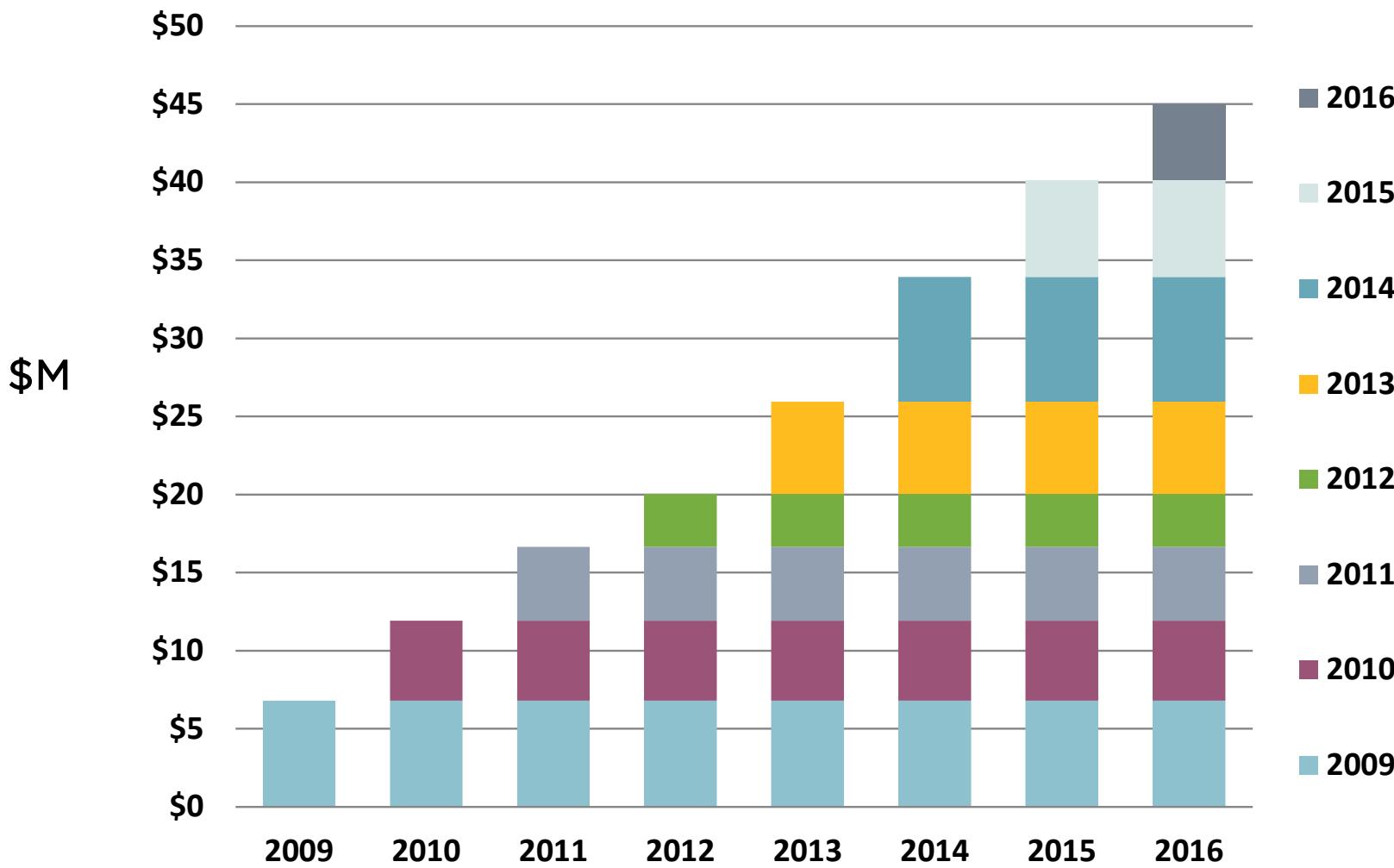


# Cost Containment Through LEAN

The majority of service areas have implemented a number of continuous improvement/LEAN initiatives resulting in streamlined internal processes. Examples include:

<u>External/public facing</u>	<u>Internal</u>
<ul style="list-style-type: none"><li>Parks Waste Management &amp; Celebration Square waste reduction</li></ul>	<ul style="list-style-type: none"><li>Transit operator log-in cards</li></ul>
<ul style="list-style-type: none"><li>Library self-check out at all libraries</li></ul>	<ul style="list-style-type: none"><li>Transcript tracking log</li></ul>
<ul style="list-style-type: none"><li>Mississauga Roads App</li></ul>	<ul style="list-style-type: none"><li>Accounts Payable invoice management</li></ul>
<ul style="list-style-type: none"><li>Ping Street App</li></ul>	<ul style="list-style-type: none"><li>Service Level Agreement tracking tool</li></ul>
<ul style="list-style-type: none"><li>Energy Dashboard at the Civic Centre</li></ul>	<ul style="list-style-type: none"><li>Maintenance contract payment certificates &amp; recoveries</li></ul>
<ul style="list-style-type: none"><li>Infill Site Plan Approval Process</li></ul>	<ul style="list-style-type: none"><li>Capital life cycle validation process</li></ul>

# Efficiencies and Cost Savings 2009-2016 \$45 million



# Maintaining our Infrastructure

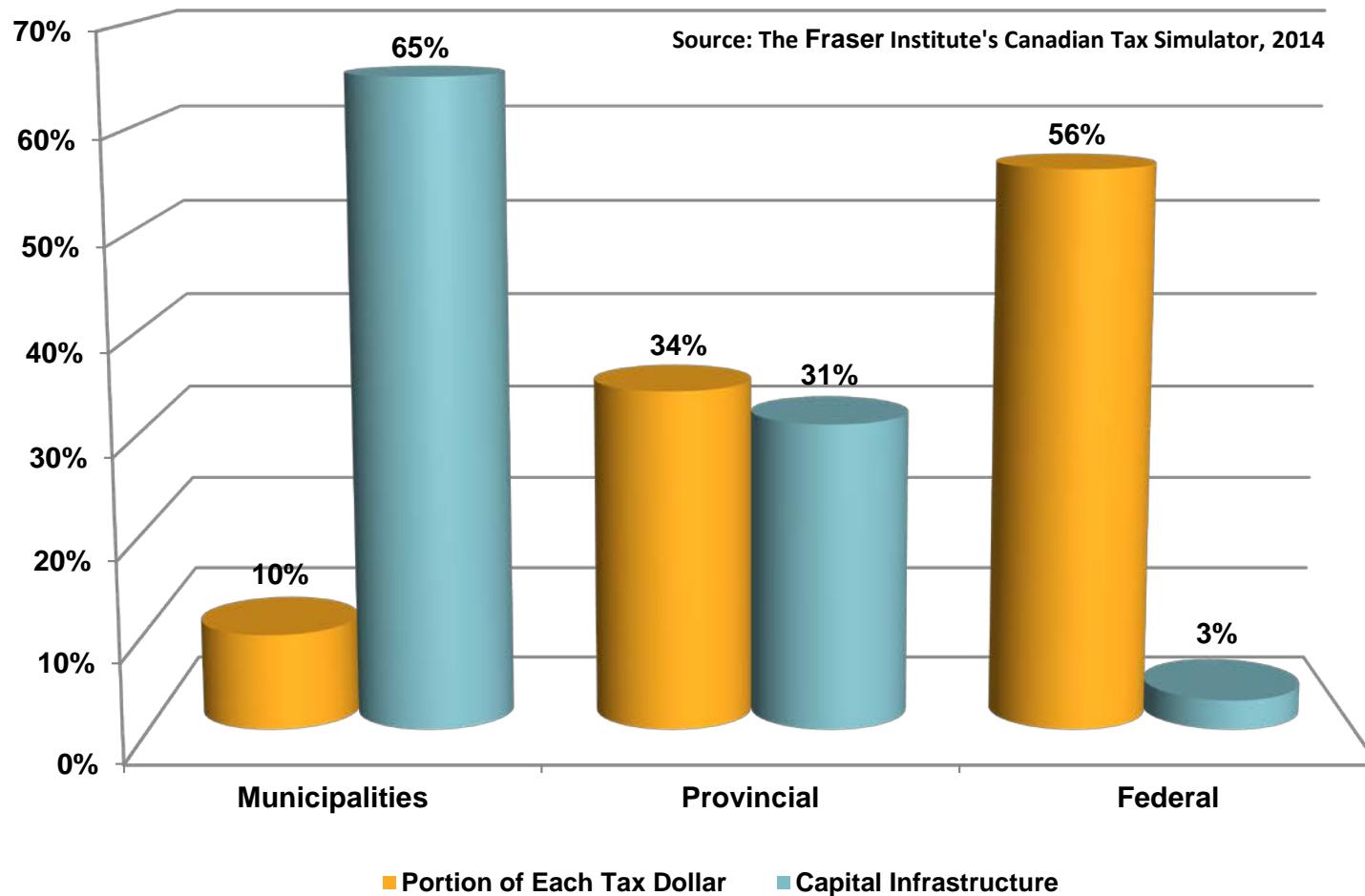
- Parks and Forestry - maintaining our City's 2,903 hectares of parkland and open space
- Roads - keeping motor vehicle, pedestrian and bike traffic moving on the City's more than 5,220 lane kilometres of roadway
- Buildings - maintaining over 330 city owned and leased buildings amounting to 5.5 million sq ft of space



Streetsville  
Main Street Square



# Municipalities Own Majority of Infrastructure But Receive the Smallest Share of Tax Dollars



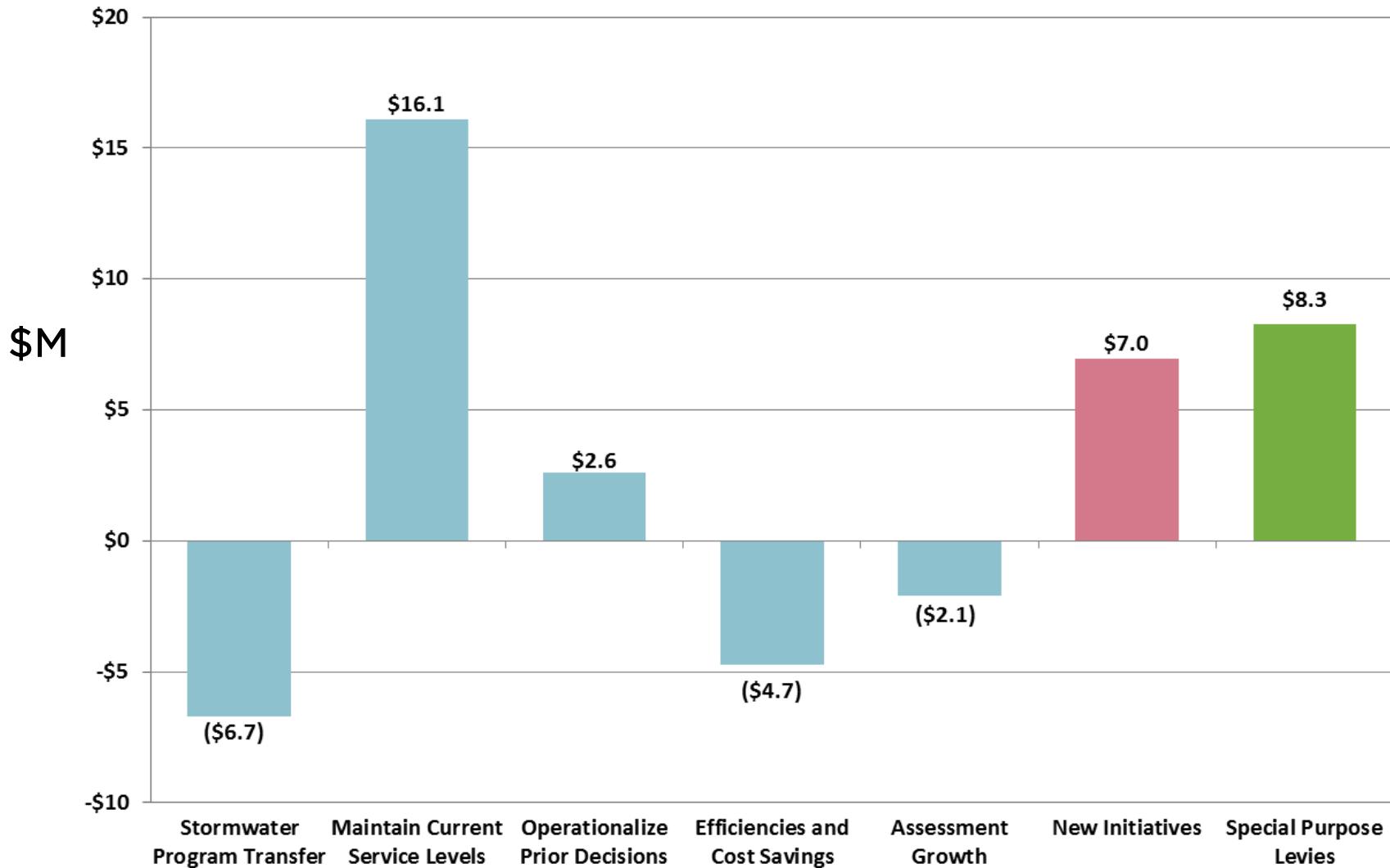
# Advancing our Strategic Vision

- reopening the NEW Meadowvale Community Centre and Library
- beginning Phase I design and construction of Park 459 in Ward 10
- adding 28,000 transit service hours
- opening three new Mississauga Transitway stations. In 2017, the Transitway will move riders from Winston Churchill station to Renforth Gateway station in 20 minutes
- increasing the City's fire prevention efforts by adding capacity for public education and plans examination
- promoting our City as a tourism destination



# 2016 Operating Budget Summary

## \$20.4 million net increase

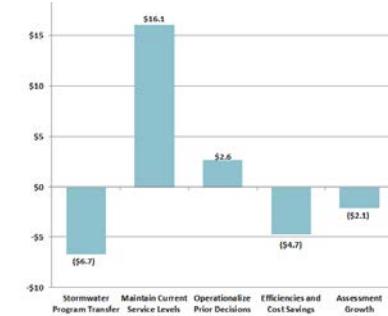




# Breakdown of Changes

## Cost Drivers

\$10.0 m	Labour & benefits in all services
\$ 1.3 m	Stormwater charges for City facilities and Rebates
\$ 0.7 m	Winter maintenance
(-\$2.7 m)	Payments in lieu of taxes revenue adjustment



## Operationalized Prior Decisions

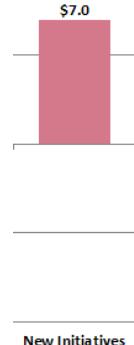
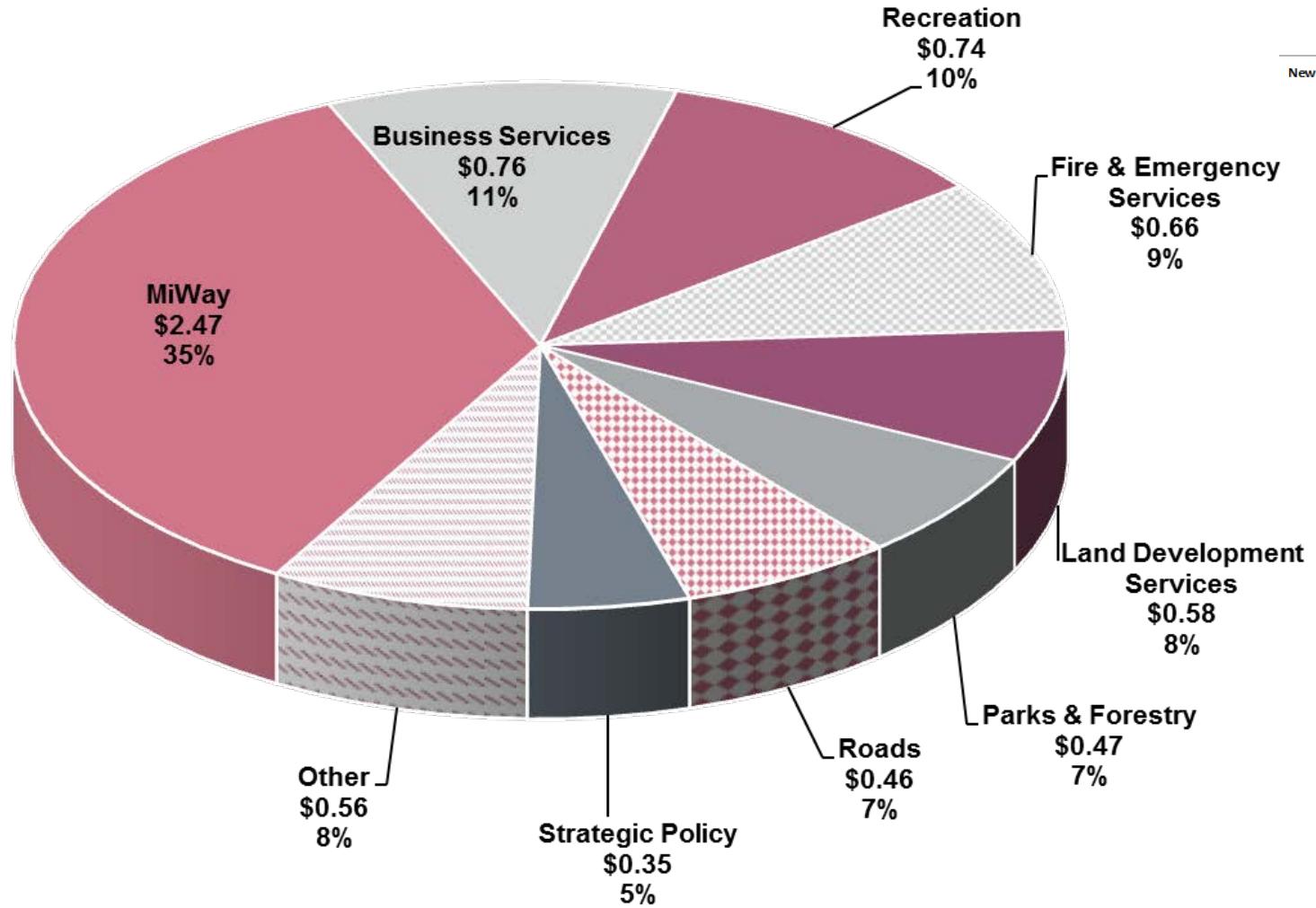
\$2.6 m	Cost increases from 2015 initiatives; mainly from expanded transit services
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## Efficiencies and Cost Savings

(\$ 1.3 m)	Labour savings/efficiencies
(\$0.7 m)	MiWay service adjustments
(\$0.7 m)	Streetlighting savings
(\$0.5 m)	Utilities savings
(\$ 1.4 m)	Various operational cost savings
(\$2.1 m)	<b>Estimated assessment growth</b>



# Transit continues to be the focus for new initiatives





# New Initiatives

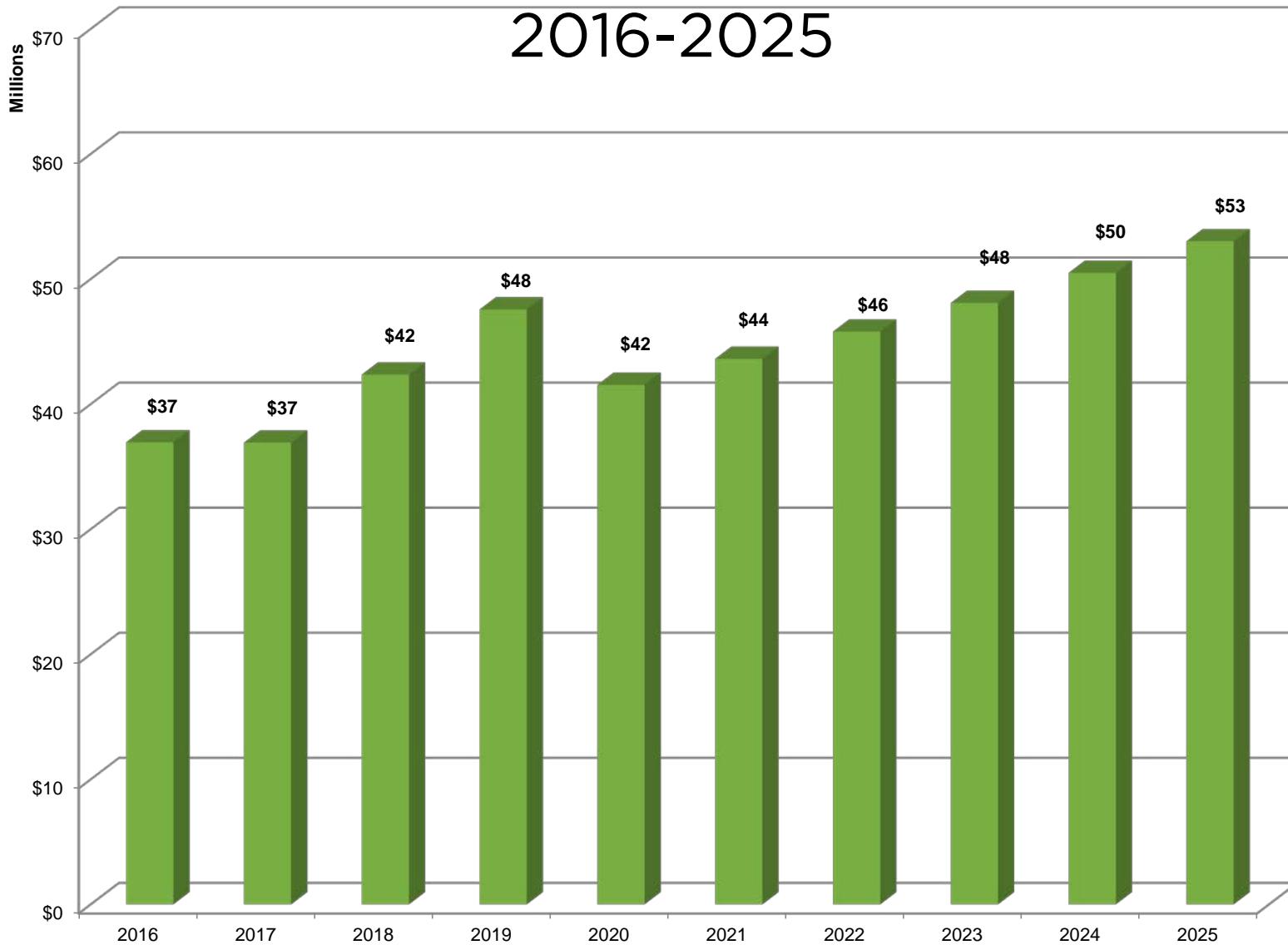
## Highlights

- MiWay Service Growth
- Low Income Transit Pass Pilot Program
- Mississauga Transitway
- Re-opening of Meadowvale Community Centre
- Parkland Growth
- Lean Program Support
- 2016 Ontario Summer Games

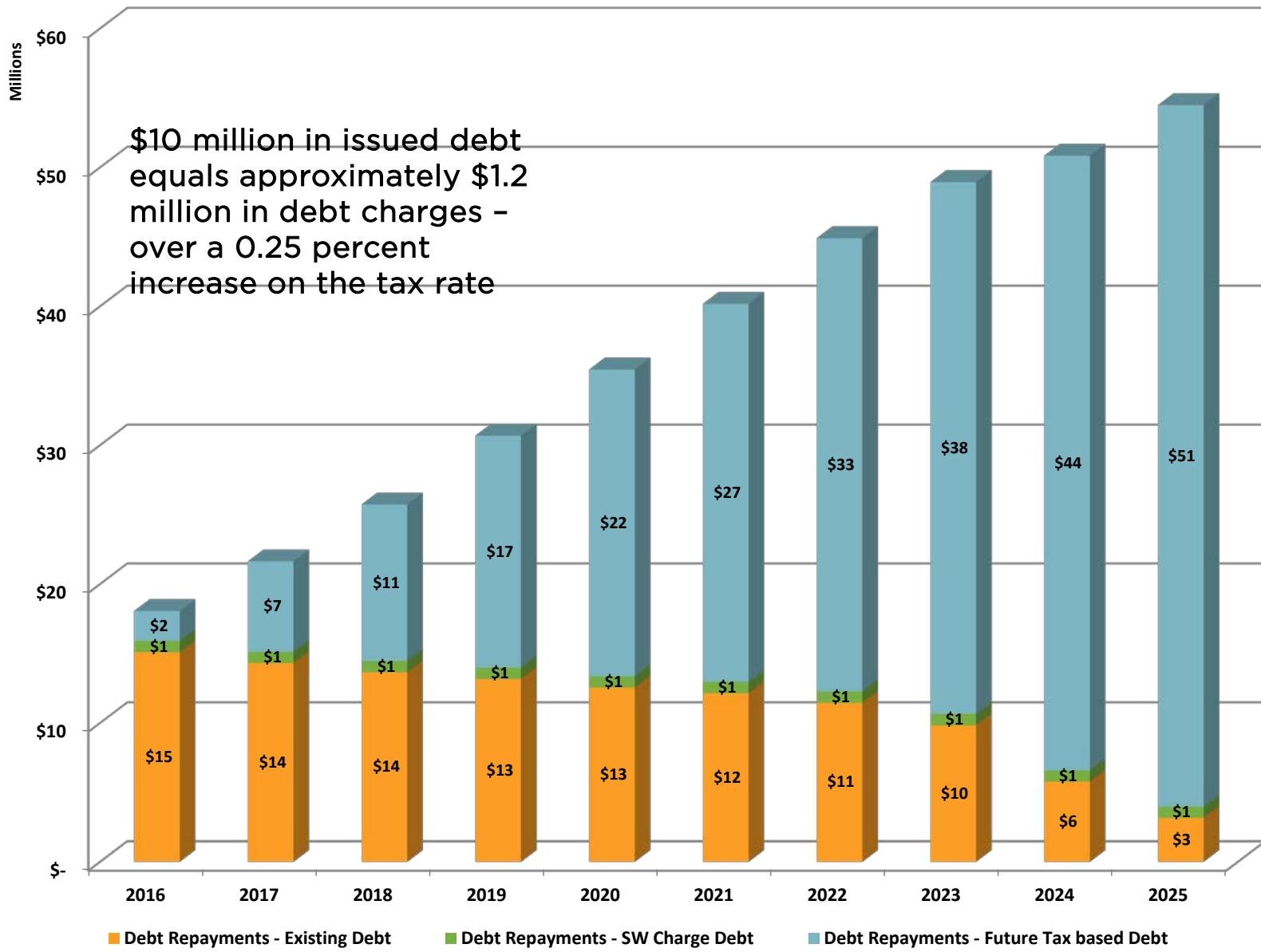


# Forecasted Annual Debt Issuance (Principal)

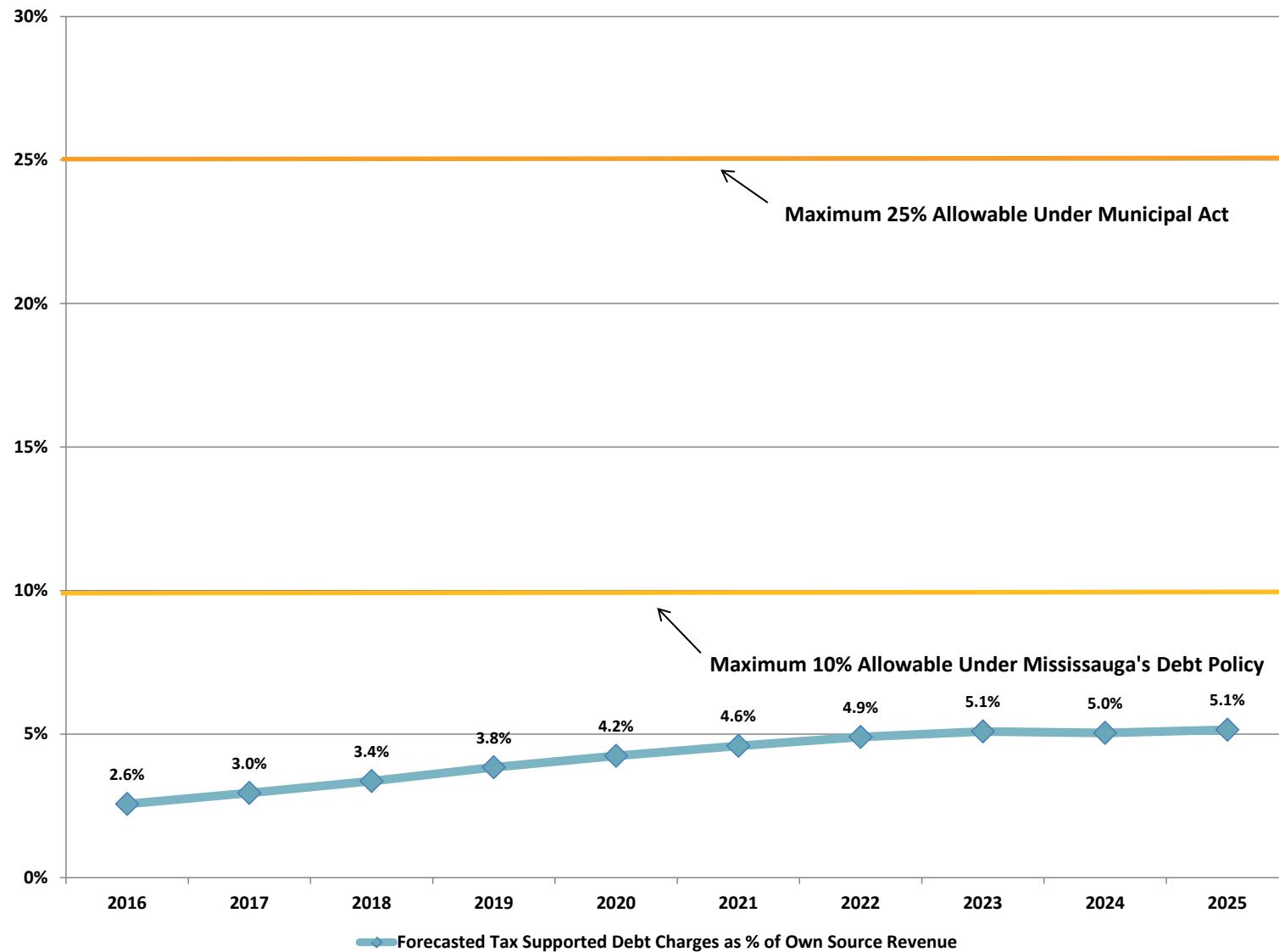
## 2016-2025



# Existing & Future Debt Charges 2016-2025

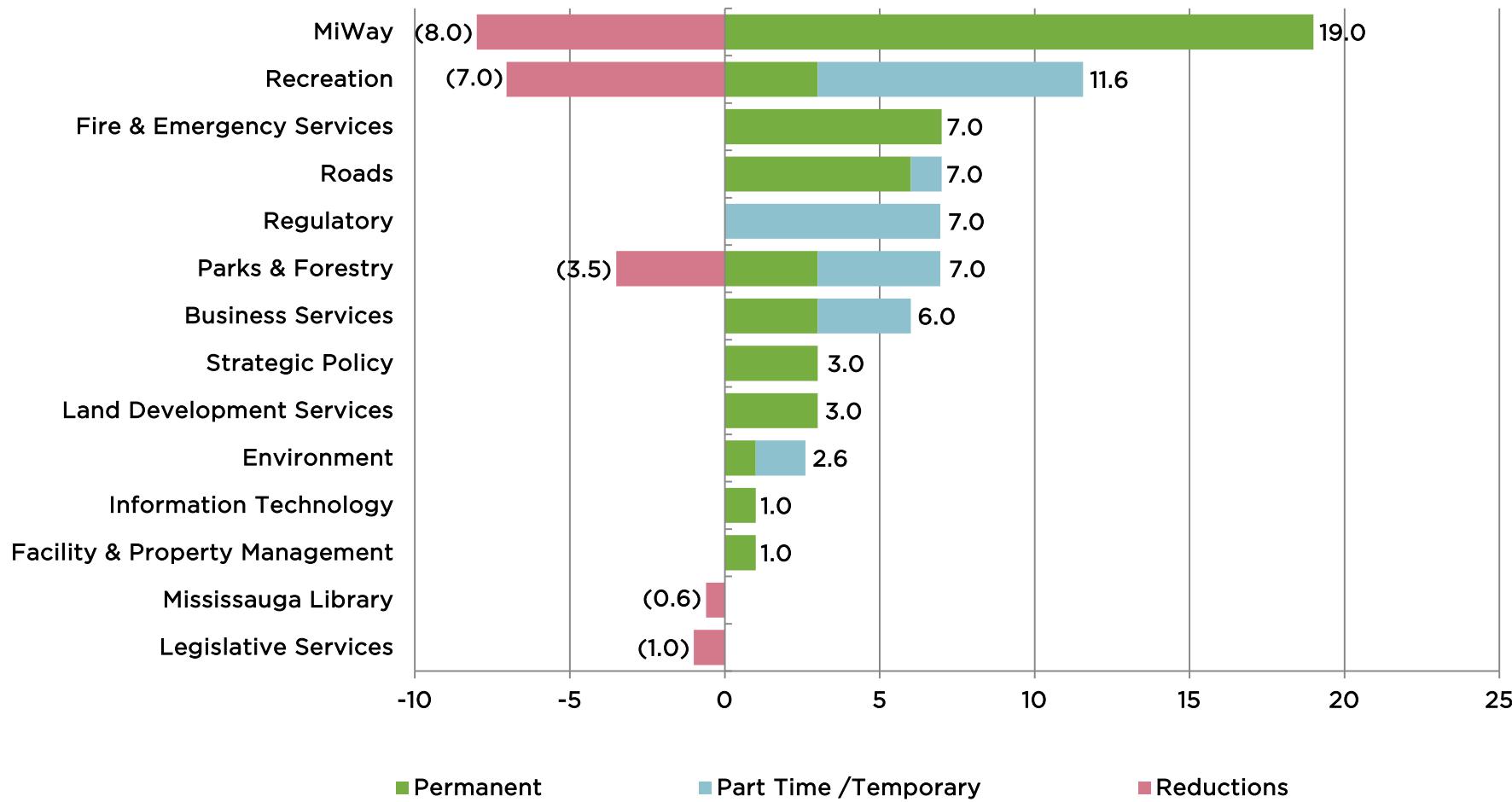


# Projected Debt Charge Position Relative to Provincial Guideline 2016-2025

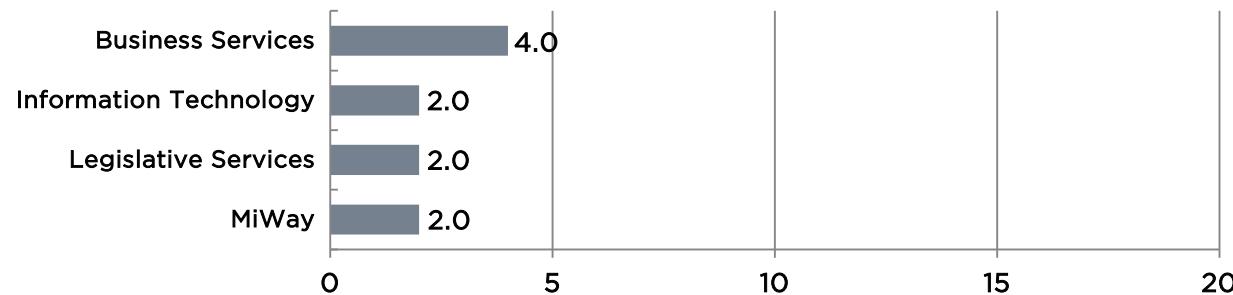




# Full Time Equivalents (FTE) Impact from Budget Requests - Operating

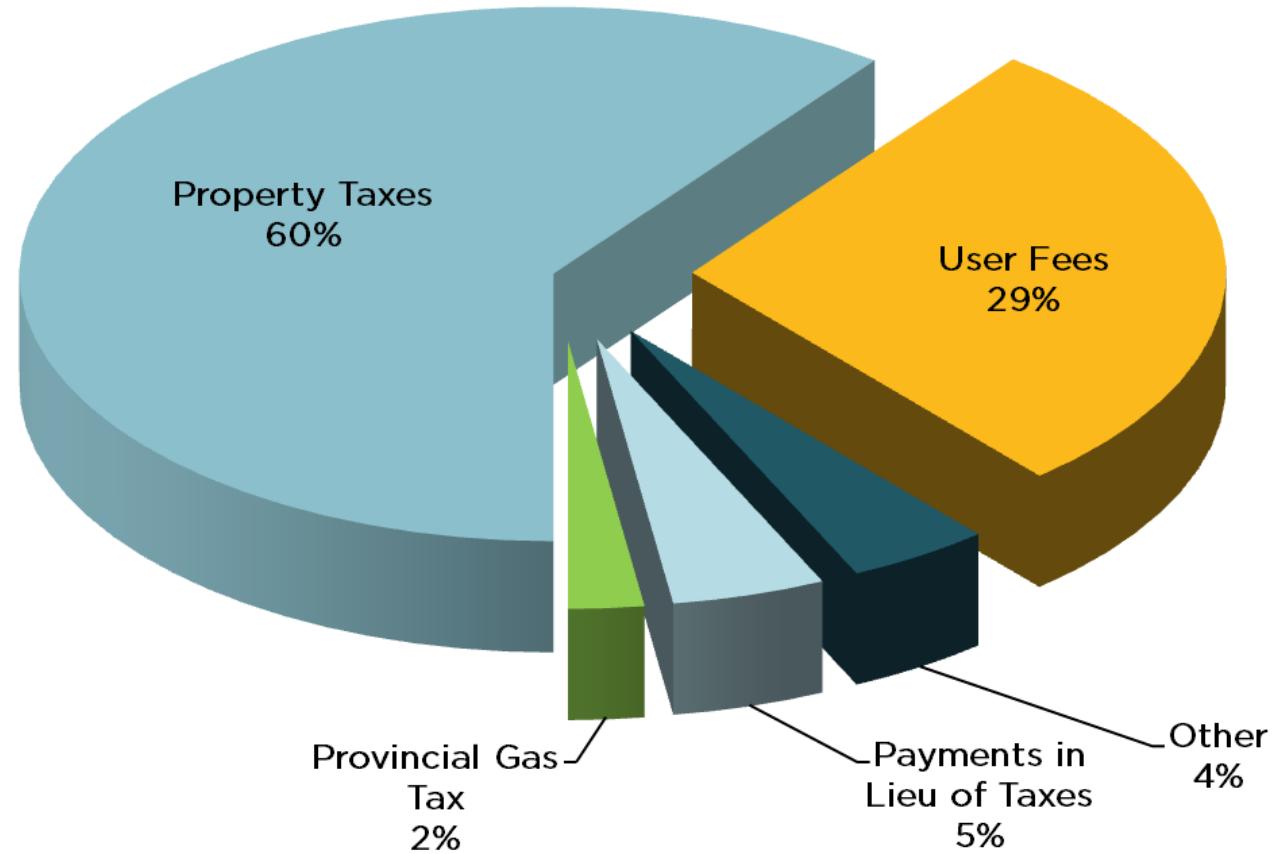


# FTE Impact- Capital Contract positions



# Funding the 2016 Operating Budget

Gross Expenditures  
Total \$723 M



# Proposed 2016-2018 Operating Budget

Description	2016 (\$M)	% Change	2017 (\$M)	2018 (\$M)
<b>Prior Year Budget</b>	<b>\$412.9</b>		<b>\$433.3</b>	<b>\$458.5</b>
Changes to Maintain Current Service Levels	\$16.1	3.9%	\$11.8	\$9.2
Changes to Efficiencies and Cost Savings	(\$4.8)	(1.2%)	(\$5.0)	(\$4.9)
Changes to Operationalize Prior Decisions	\$2.6	0.6%	\$0.5	\$0.0
Stormwater Program Transfer	(\$6.7)	(1.6%)		
Assessment Growth	(\$2.1)	(0.5%)	(\$1.3)	(\$1.4)
<b>Business As Usual</b>	<b>\$5.2</b>	<b>1.3%</b>	<b>\$5.9</b>	<b>\$2.9</b>
New Initiatives	\$7.0	1.7%	\$8.5	\$4.6
<b>Proposed Budget Excluding Special Purpose Levy</b>	<b>\$425.0</b>	<b>2.9%</b>	<b>\$447.7</b>	<b>\$466.0</b>
<b>Special Purpose Levies</b>				
Capital Infrastructure and Debt Repayment Levy	\$8.3	2.0%	\$8.7	\$9.2
Budget Committee Decision re Park 459 Pool	\$0.0	0.0%	\$2.2	\$0.0
<b>Proposed Budget</b>	<b>\$433.3</b>	<b>4.9%</b>	<b>5.8%</b>	<b>3.6%</b>

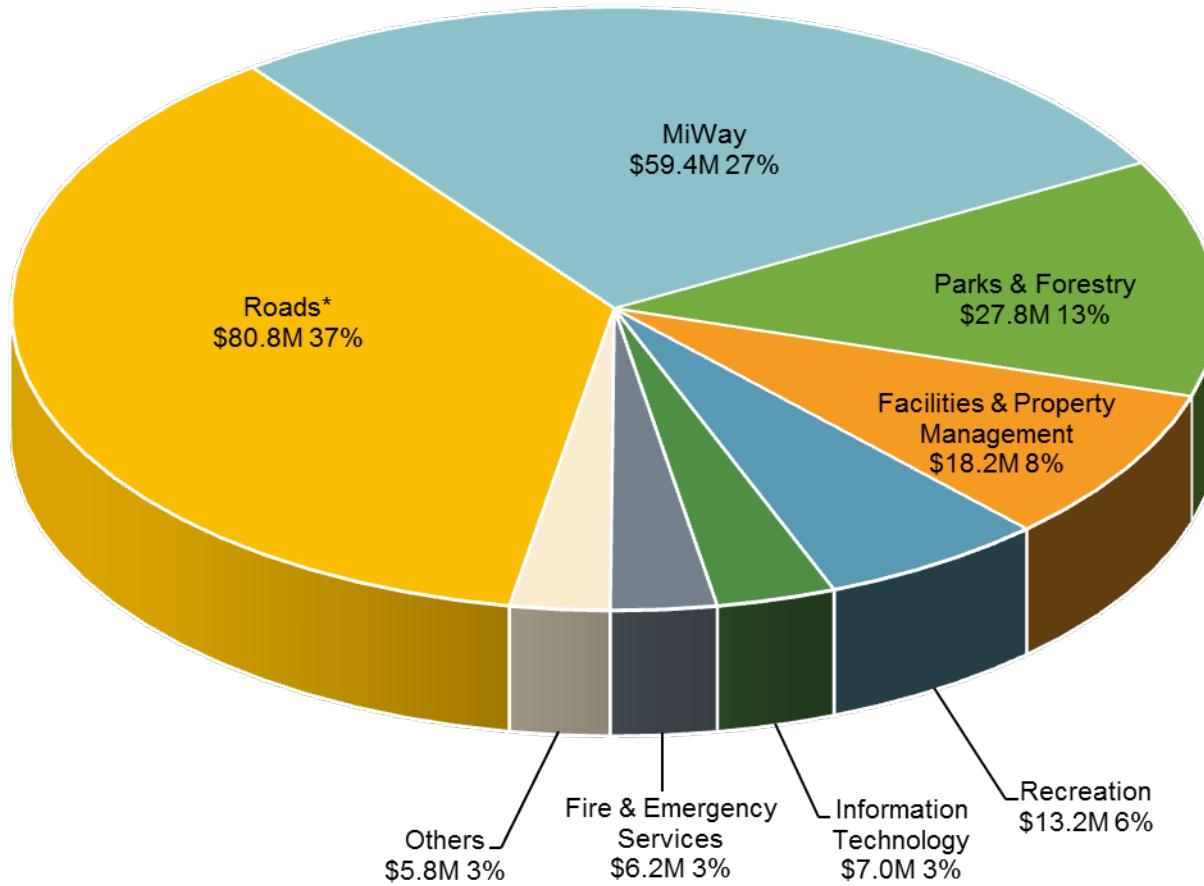


# Objectives of Capital Planning and Prioritization Process

- Produce a Capital Plan that is
  - Reliable and executable
  - Addressing the City's most critical needs
  - Matched with available financial resources
  - Aligned with advancing Council's strategic goals
- Develop an optimal investment program
- Demonstrate good stewardship over the City's existing assets
- Additional capacity needs of the City are provided for in a sustainable manner

# 2016 Proposed Capital Plan by Service Area

\$218.5 Million



\*includes Stormwater rehabilitation projects (Lisgar)

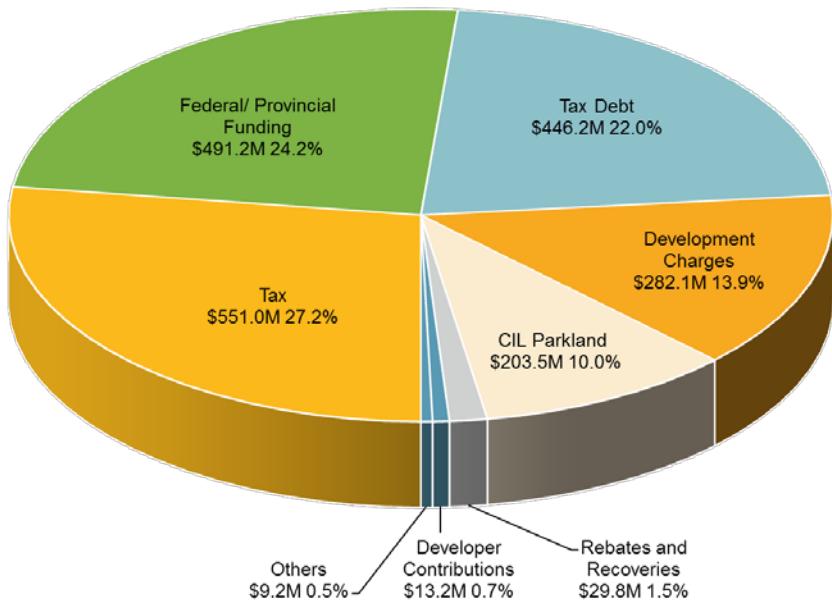


# Highlights of the Proposed 2016 Capital Plan

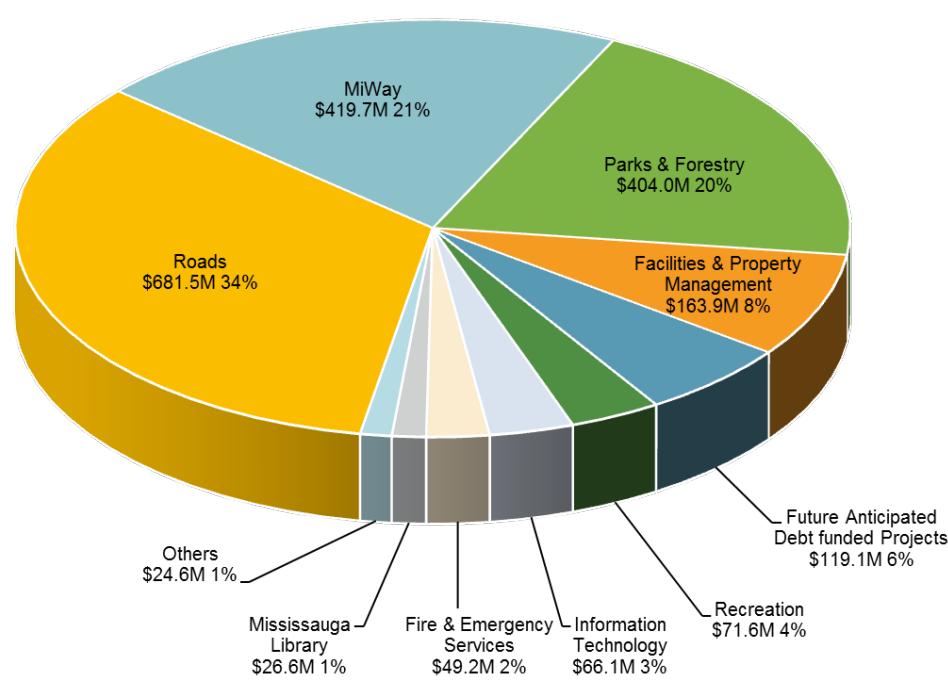
- \$38.2 million for Transitway Construction
- \$23.9 million for Torbram Road Grade Separation North
- \$15.2 million for Roadway Rehabilitation - Major Arterial, Collector, Industrial Roads
- \$12.8 million for MiWay Buses
- \$7.7 million for Meadowvale CC renovation - design & construction
- 7.2 million for Property Acquisition for future construction projects along Lakeshore and Creekbank Rd
- \$6.5 million for Emerald Ash Borer - Emerald Ash Borer Management Program - Various Locations
- \$5.6 million for Lisgar Improvements - Storm Sewer Lining and Dewatering Utility Trench

# 2016-2025 Capital Budget - \$2.0B

By Funding Source



By Service Area



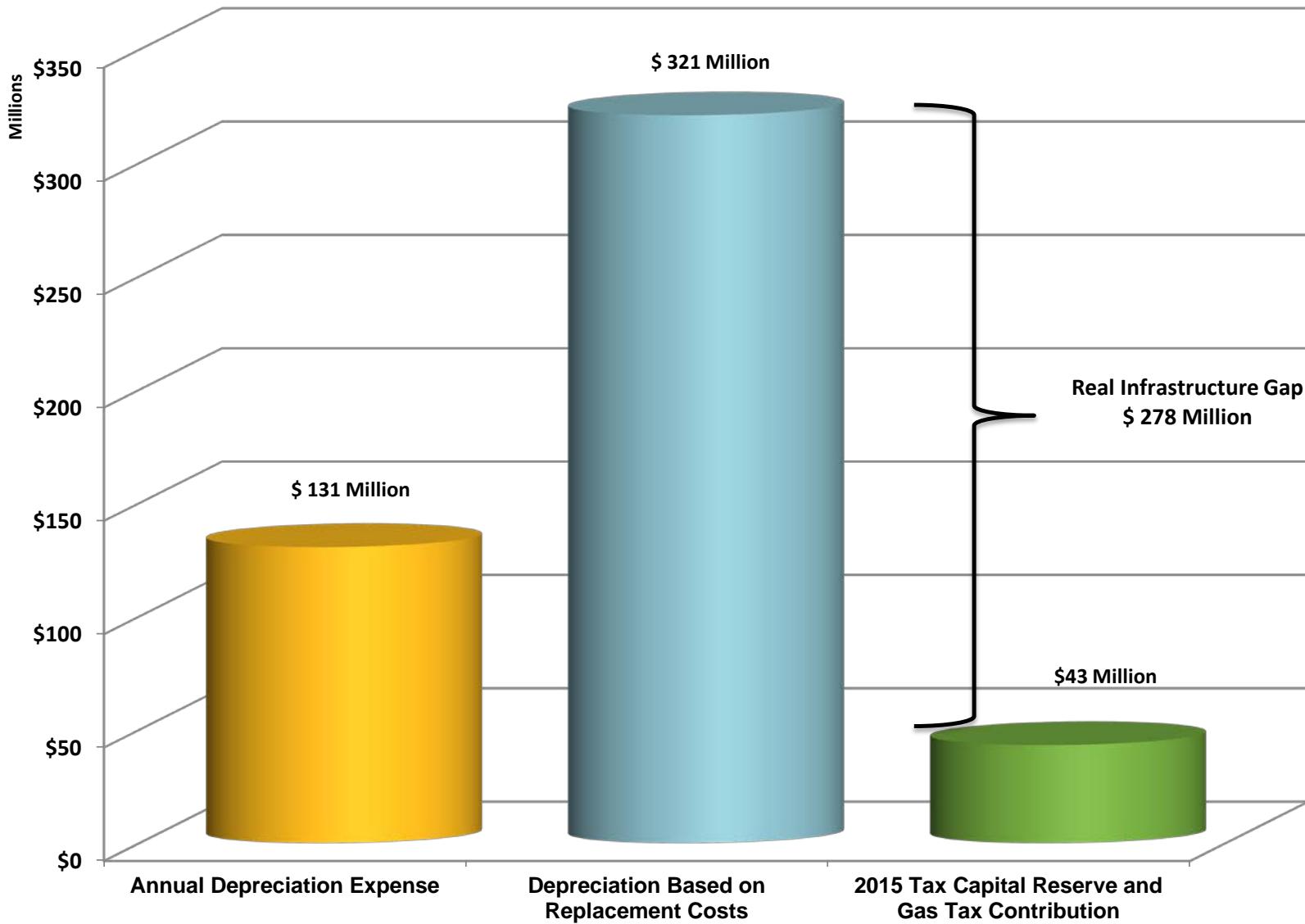
- Excludes \$400M unfunded requests

# Highlights of 2016 -2025 Capital Plan

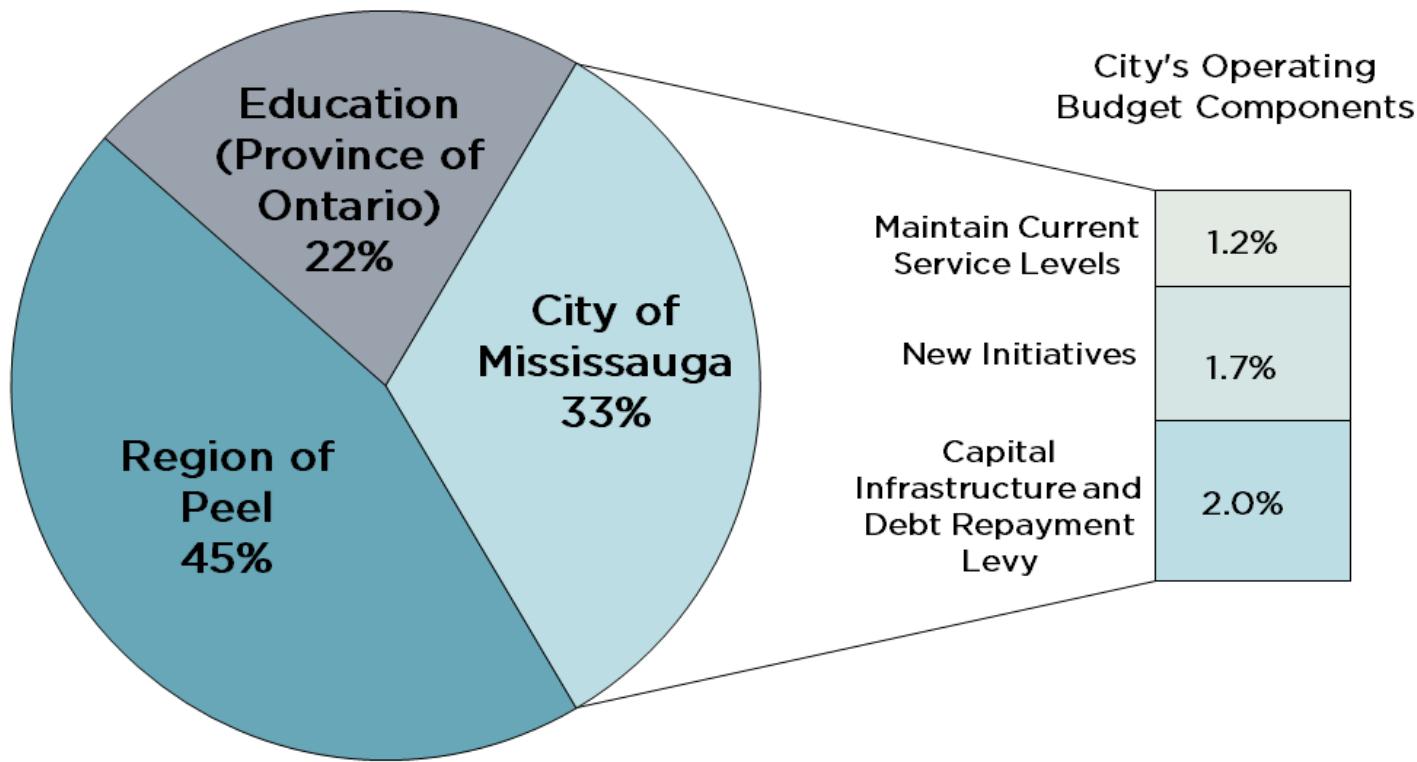
- \$276 million for Transit Bus Acquisitions - Replacement
- \$208 million for Roadway Rehabilitation - Major Arterial, Collector, Industrial Roads
- \$148 million for Community Parkland - Waterfront and school sites subject to availability
- \$108 million for Lifecycle Maintenance- Recreation Facilities-Critical
- \$59 million for Bridge Repairs
- \$56 million for Roadway Rehabilitation - Residential Road



# Infrastructure Gap



# 2016 Projected Residential Tax Bill Impact





# 2016 Projected Tax Bill Impact

## Impact on Residential Tax Bill

Description	City	Region (Target)	Education	Total
Required to Fund Ongoing Operations	1.0%	0.5%	0.0%	1.4%
Capital Infrastructure and Debt Repayment Levy	0.7%	0.5%	0.0%	1.1%
<b>Total</b>	<b>1.6%</b>	<b>0.9%</b>	<b>0.0%</b>	<b>2.5%</b>

## Impact on Commercial/Industrial Tax Bill

Description	City	Region (Target)	Education	Total
Required to Fund Ongoing Operations	0.6%	0.3%	0.0%	0.9%
Capital Infrastructure and Debt Repayment Levy	0.4%	0.3%	0.0%	0.7%
<b>Total</b>	<b>1.0%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>1.5%</b>

\*Region of Peel approved target is 2%

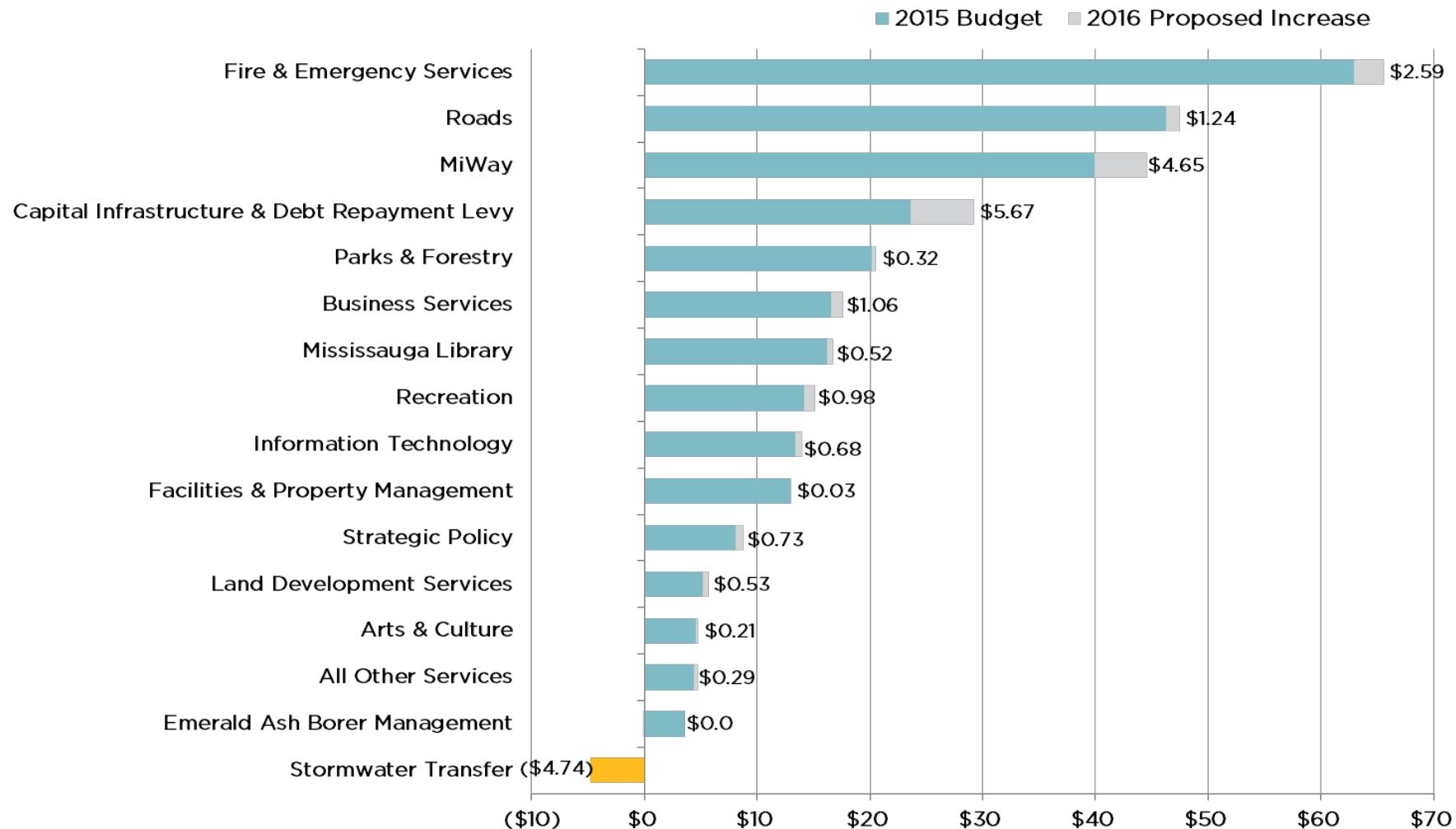
# 2016 Projected City Tax Bill Impact of 1.6%



- Average Residential Home in Mississauga is \$535,000
- Tax Dollar Impact per Household is approx \$77

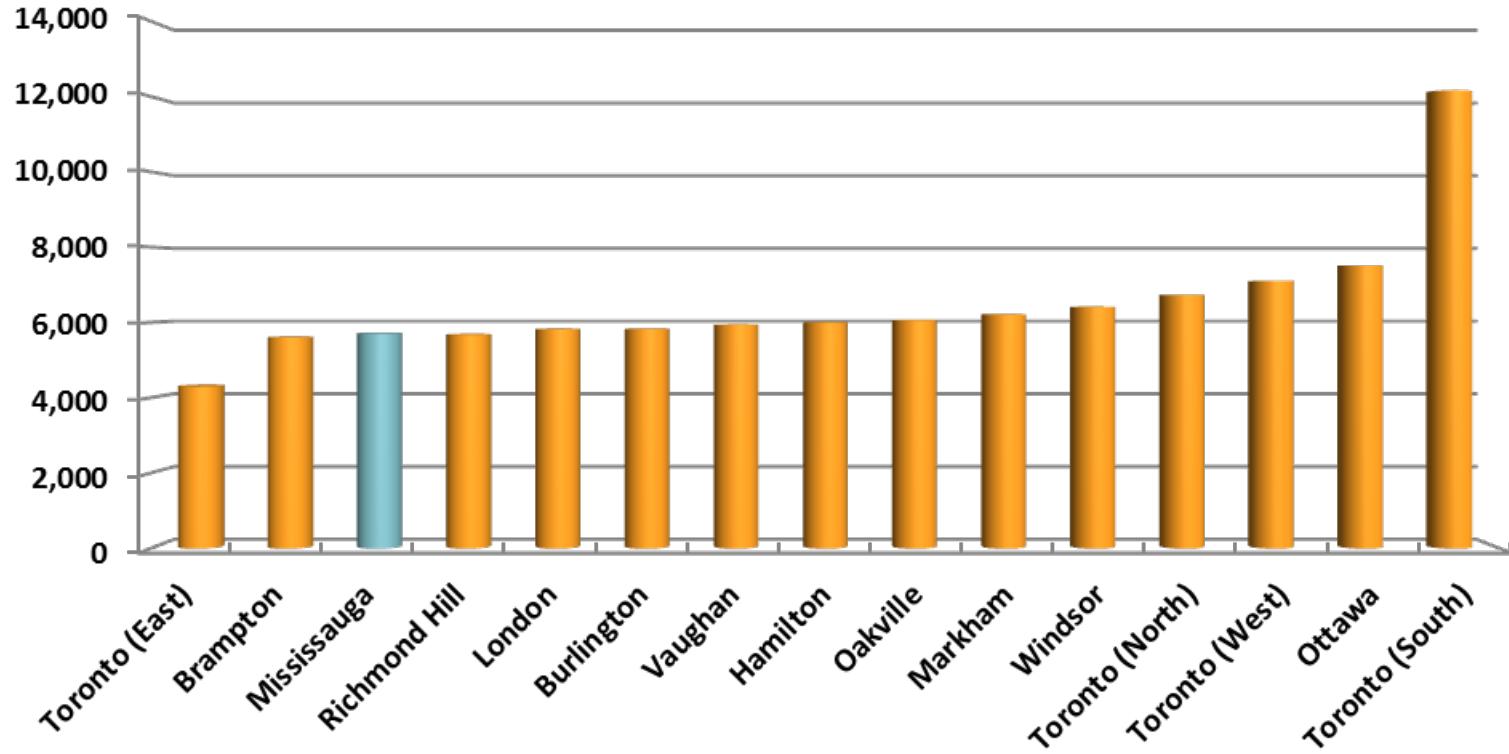


# Where Your City Tax Dollars Will Be Spent



2016 Proposed Budget increase is estimated at \$14.47 per \$100,000 of assessment.

# Competitive taxes



2014 Total Property Taxes for a similar 4 bedroom home (BMA Consulting)

# Compared to Other Payments

Description	Amount Paid Annually
2015 City Property Taxes Paid on a Home Assessed at \$535,000	\$1,562
Average Home Insurance	\$850 - \$1,000
Average Internet and Cell Phone Bill	\$1,200
Natural Gas Bill for average house	\$1,200
Hydro Bill for average house	\$1,700
Gas for an average car	\$2,500
Taxes Paid on an average car	\$2,600
Income Taxes on \$75,000 of Household Income	\$16,500

# Questions