

CALL TO ORDER – 9:03 AM

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST- Nil

DEPUTATION

A Item 1 Debrief of the 2009/2010 Business Plan and Budget Process & 2010 Outlook

MATTERS CONSIDERED

1. Debrief of the 2009/2010 Business Plan and Budget Process & 2010 Outlook

Roberto Rossini, Director of Finance gave a PowerPoint presentation regarding the process taken toward the formulation of the 2009/2010 business plan, operating budget and capital forecast that was approved by Council on February 11, 2009.

Mr. Rossini concluded his presentation with request of Committee's feedback on the process taken to determine the current budget, and input about the process through which to consider the next budget and capital forecast.

Councillor Pat Mullin initiated discussion expressing her preference to work toward approving the 2010 operating budget in December 2009, as well as her concurrence with reviewing and possibly adjusting the timing of the proposed Transit service expansion to allow allocating funding to other priority needs and services.

Responding to the question by Councillor Pat Mullin about winter maintenance costs for the 2008/2009 winter, Commissioner of Transportation and Works Martin Powell advised that to date the cost of road and sidewalk maintenance this winter season is within the approved budget, and that staff will be reporting back in June 2009 with the cost of this winter season, and seeking direction for tendering future winter maintenance contracts. Responding to a further question by Councillor Mullin, Director of Finance Roberto Rossini advised that Transportation and Works staff are currently reviewing ways to restructure the contracts to reduce costs, and noted that inflation factors have been built into the current contracts. To another question by Councillor Pat Mullin, Mr. Rossini advised that contingency funding is available if necessary.

In regard to the 2009 contribution rates required by the Ontario Municipal Employees Retirement System (OMERS), Mr. Rossini advised that to date, the 2009 OMERS contribution rates have not been increased.

Councillor Mullin concluded her comments questioning the feasibility of having an external financial expert provide advice on the current state of the economy.

Councillor George Carlson suggested that a 'worst case scenario' budget be drafted for the year 2010 in regard to the current economic situation. In response to Councillor Carlson's question, Mr. Rossini advised that to date, all but one (1) of the City staff Union contracts have been locked in, and advised that the non-union employees' benefits package is currently being reviewed. Councillor Carlson spoke with concern about the recent announcement about increases approved for certain teachers' wage contracts despite the current economic downturn. City Manager Janice Baker advised that many of the local and provincial labour agreements have inflationary adjustment clauses.

Councillor Carolyn Parrish opined that there is a need to know the number of gaps in hiring for vacant full time and contract staff positions. Further, Councillor Parrish opined that the media coverage of the world's economic slow down may be making the situation look dire, and subsequently requested that staff report back with 2010 budget scenarios that would require a zero (0%) percent and respectively a three (3%) percent local tax increase for this Committee to consider, as well as potential adjustments to service levels. Councillor Parrish opined that the focus of prior discussions by this Committee was about operating costs, and suggested that the Regional and school board portions need to be included in its future review. Councillor Parrish concluded her comments speaking to the City's dividends from the Enersource Corporation exceeding the forecast, and opined that therefore the City should retain its ownership of Enersource.

Councillor Nando Iannicca expressed his concern with pin pointing a specific percentage of tax increase for next year's budget and advised that he feels the City is likely in a situation where a zero (0%) percent to three (3%) percent local tax increase could be achieved, but that he is not in favour of applying a restriction to a future budget until all data is considered. Further, Councillor Iannicca opined that there is a need to compare the current economy with past situations where business opportunities resulted from changes in industry and commerce, and gave an analogy of the business opportunities that resulted from the invention of the electric light bulb despite the negative comments expressed about the economy of the time as a result of a downfall in the candle making industry.

Further, Councillor Iannicca noted that the City of Toronto has the advantage of gaining revenue from its new land transfer tax, and opined that if this was available to the City of Mississauga, a reduction of local municipal taxes would be possible. Councillor Iannicca also noted that the concerns of residents often target property assessment and taxation without recognition that the municipal tax bill includes taxes to be collected for school boards and upper tier municipal government services; and further, opined that most people don't specifically account for the total amount of provincial and federal taxes they pay each year.

Councillor Maja Prentice opined that the budget discussions about the 2009 budget were more detailed than in prior years, and further, suggested that savings can be achieved by the coordination of certain works being done by the City and Region as well as utilities.

Subsequently, Councillor Prentice requested that Commissioner of Transportation and Works Martin Powell review implementing this coordination to achieve the least disruption to residents and traffic by excavating land and/or repaving the same roadway for several repairs on one occasion. Further, Councillor Prentice advised that she would like any information presented to Budget Committee for discussion at its meeting scheduled in May 2009, to have a view on the potential tax increase that will be required for the 2010 budget. As well, Councillor Prentice noted the recent written comments submitted by a local group named MIRANET complaining about lack of notice of the budget discussions, and expressed concern for the lack of public attendance at Budget Committee meetings.

Councillor Carolyn Parrish spoke again suggesting that the Fire and Emergency Services division of Community Services should attempt to find some reductions for at least some savings to its operating budget for 2010. As well, Councillor Parrish suggested that the findings of the public engagement process done through the Building a City for the 21st Century (BC 21) project should be 'gently' applied. City Manager Janice Baker noted that the BC21 project team was disbanded during the 2009 budget process, and that there is still a need to continue building the City while looking for operating cost reductions.

Councillor Pat Mullin suggested that the budget data being presented at future meetings should be related to the respective services. Responding to the prior suggestion by Councillor Mullin, several Councillors expressed that they did not want a presentation from an external economist.

Councillor George Carlson noted the impact of the current state of the global economy and the number of calls he has received from senior adult residents expressing concern for the loss of their investment income.

Councillor Katie Mahoney suggested that a list of the ways notice of Budget Committee meetings was issued, might be included in future agendas, and also that those attending from the public be provided the opportunity to make a deputation at future meetings and be acknowledged in the minutes.

City Manager Janice Baker clarified that Budget Committee wishes to have staff report on budget scenarios for 2010 that will respectively require a local tax increase anywhere from zero (0%) percent up to three (3%) percent. Committee confirmed this request and concurred to receive the deputation by Director of Finance Roberto Rossini for information.

Received for Information

Recommendation BC-0009-2009

FA.19

CLOSED SESSION - Nil

ADJOURNMENT – 10:21am

REPORT 2-2009

TO: THE MAYOR & MEMBERS OF COUNCIL

The Budget Committee presents its second report for 2009 and recommends:

BC-0009-2009

That the deputation providing a debrief of the 2009/2010 Business Plan and Budget Process and 2010 Outlook by Roberto Rossini, Director of Finance to Budget Committee at its meeting on March 10, 2009, be received for information.

FA.19