



MINUTES

BUDGET COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

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WEDNESDAY, NOVEMBER 19, 2008 – 1:05 PM

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

MEMBERS PRESENT: Mayor Hazel McCallion (Chair)

Councillor Carmen Corbasson	Ward 1
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

MEMBERS ABSENT: Councillor Pat Mullin Ward 2 (Other Municipal Business)
Councillor Eve Adams Ward 5

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

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CALL TO ORDER

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST

DEPUTATIONS

- A Cheque Presentation of Infrastructure Funding by Province of Ontario
by MPP Bob Delaney – Mississauga Streetsville
- B 2009 – 2018 Preliminary Operating and Capital Budget Updates
by Roberto Rossini, Director of Finance

MATTERS CONSIDERED

1. *Investing in Ontario Act* –\$24.95 Million
Options for Allocating Mississauga’s Share of the Funds

CLOSED SESSION - Nil

(Pursuant to Subsection 239(2) of the *Ontario Municipal Act, 2001*, as amended)

ADJOURNMENT

CALL TO ORDER – 1:05pm

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST

DEPUTATIONS

- A Cheque Presentation of Infrastructure Funding by Province of Ontario
by MPP Bob Delaney – Mississauga Streetsville

Deputation A was withdrawn from this agenda and the presentation delayed to a future date.

- B 2009 – 2018 Preliminary Operating and Capital Budget Updates

Director of Finance Roberto Rossini gave a Power Point presentation explaining the proposed budget that will require a 0.97% increase in the City of Mississauga's portion of the tax bill.

Councillor Carolyn Parrish opined that "staff and the Members of Council have done an incredible job" of reducing the potential tax increase for the City's portion of the municipal tax bill, and subsequently requested that staff provide information on the impact of a one (1%) percent and three (3%) percent infrastructure charge for comparison.

Councillor Maja Prentice advised her concurrence with Councillor Parrish's request for comparable information at different levels of infrastructure funding. Further, Councillor Prentice questioned the funding allocated for the office accommodation project, to which Commissioner of Corporate Services and Treasurer Brenda Breault explained that the relocation plan for staff's offices are required to improve service levels and accessibility for the public. In response to Councillor Prentice's further question, Mrs. Breault advised that funding for a portion of the subject project is allocated for the year 2010.

Councillor George Carlson questioned how debentures noted to be required in the future, will be implemented, to which Director of Finance Roberto Rossini advised that the City would engage a fiscal agent to organize a borrowing program and issuance of municipal bonds that can be traded in the market, usually for ten (10) or fifteen (15) year programs. Further, Mr. Rossini advised that debentures are usually issued at a rate similar to that of Canada Bonds, and noted that the City's credit rating will be considered when setting the rate at which debentures are issued. Mr. Rossini explained that municipal bonds are often issued at the same rate as the province, noting that the transaction rates usually cost the issuing municipality ten (10) to fifteen (15) basis points. City Manager Janice Baker advised that the upper tier is required to do the borrowing on behalf of lower tier municipalities.

DEPUTATION B -2009 – 2018 Preliminary Operating and Capital Budget Updates cont'd...

Mayor McCallion suggested that staff also provide a scenario for comparison, with a rate of five (5%) percent funding for infrastructure, noting the unfunded capital projects are important to the City and its residents. Mr. Rossini explained that debt financing will be required for all the scenarios presented in his presentation at this meeting. City Manager Janice Baker advised that staff could also include a draft ten (10) year program for accomplishing the capital projects identified to be unfunded in the 2009 to 2018 capital forecast, for Committee's review.

Councillor Maja Prentice questioned how the facilities for which capital projects are listed as unfunded in the 2009 to 2018 capital forecast, will be maintained in the interim of the rehabilitation projects being funded and done. Mr. Rossini advised that the City can use a combination of strategies within the operating and capital budgets and financing. Mrs. Baker explained that municipalities will have to build infrastructure and that ulterior funding from the provincial and federal governments will be required to allow the municipalities to fund the facilities that truly are municipal responsibility.

Councillor Carolyn Parrish noted Mayor McCallion's presentations to the provincial and federal governments to request funding for municipal infrastructure needs, and subsequently questioned if the \$24.95 million being provided by the Province could be put away to cover infrastructure needs in ten year's time.

Mayor McCallion suggested that the capital budget needs to be determined prior to deciding how to allocate the \$24.95 million infrastructure funding received from the Province of Ontario. City Manager Janice Baker referenced the Building a City for the 21st Century (BC21) transportation pillar and suggested that the subject funds could be allocated to the projects identified in the Strategic plan advising that the projects can move forward in a phased fashion, noting that the Province's only condition for the subject funding is that it must be used for capital infrastructure.

Mayor Hazel McCallion referenced the Malton Arena as a project that needs to be given consideration due to that arena's current condition.

Discussion concluded with a motion to receive the subject Power Point presentation and to refer the matter in the Corporate Report listed in Item #1 of this agenda, back to staff for report back to a future meeting of Budget Committee once the 2009 to 2018 capital forecast has been determined.

Received for Information (Councillor Nando Iannicca)

Recommendation BC-0034-2008

FA.19

MATTERS CONSIDERED

1. *Investing in Ontario Act* –\$24.95 Million
Options for Allocating Mississauga's Share of the Funds

Corporate Report dated November 12, 2008 from the Commissioner of Corporate Services and Treasurer seeking direction regarding allocating the provincial funding received through the new *Investing in Ontario Act*.

RECOMMENDATION

1. That \$24.95 million in *Investing in Ontario Act* funding be allocated to fund projects/uses related to Mississauga's City Centre such as sidewalk construction, Civic Square Redevelopment, Burnhamthorpe Road streetscape improvements and parking garage improvements, etc.
2. That a new reserve fund entitled the City Centre Infrastructure Reserve Fund be established at an amount of \$24.95 million.
3. That funding allocations to specific projects be subject to consideration and approval during the 2009/10 Budget deliberations.

After discussion following the deputation by Director of Finance Roberto Rossini, Councillor Nando Iannicca moved that the request for direction on allocating the \$24.95 million provincial funding received in November 2008 through the new *Investing in Ontario Act*, addressed in the Corporate Report dated November 12, 2008 from the Commissioner of Corporate Services and Treasurer, be referred to staff for report back to a future meeting of Budget Committee once the 2009 to 2018 capital budget forecast has been determined. The motion was voted upon and carried.

Referred Back to Staff for Future Report (Councillor Nando Iannicca)

Recommendation BC-0035-2008

FA.19

Councillor George Carlson suggested the following motion be considered when the matter returns to Budget Committee:

That \$2.495 million (ten percent) of the "Investing in Ontario" funds received by Mississauga in November 2008 be allocated to fund projects/uses related to Place Making and streetscape improvements throughout the City, with these funds being equally distributed to each Ward. Each local capital project would be subject to final Council approval; and that joint projects with citizen groups, ratepayer groups, the Business Improvement Associations (BIAs) and service groups be encouraged.

CLOSED SESSION- Nil

(Pursuant to Subsection 239(2) of the *Ontario Municipal Act, 2001*, as amended)

ADJOURNMENT – 2:33pm

REPORT 6-2008

TO: THE MAYOR & MEMBERS OF COUNCIL

The Budget Committee presents its sixth report for 2008 and recommends:

BC-0034-2008

That the Power Point presentation to the Budget Committee at its meeting on November 19, 2008 by Roberto Rossini, Director of Finance, regarding the 2009 – 2018 Preliminary Operating and Capital Budget Updates, be received for information.

FA.19

BC-0035-2008

That the request for direction on allocating the \$24.95 million provincial funding received in November 2008 through the new *Investing in Ontario Act*, addressed in the Corporate Report dated November 12, 2008 from the Commissioner of Corporate Services and Treasurer, be referred to staff for report back to a future meeting of Budget Committee once the 2009 to 2018 capital budget forecast has been determined.

FA.19