Recoveries

The City of Mississauga receives federal and provincial government grant funding. Generally, only formally approved grant funding is included in the budget. Some exceptions are made if grant applications are underway, and approvals are fully expected.

The City has benefited from several funding programs over recent years. Approval was received for claims reimbursement up to $635.5 million from the Public Transit and COVID-19 Resilience streams of the Investing in Canada Infrastructure Program (ICIP). Since ICIP funding has been allocated to the City, all ICIP funding has been included in the current capital program. The City has also been approved for funding of $45.2 million to support the reconstruction of the South Common Community Centre and Library through the provincial government's Strategic Priorities and Infrastructure Fund, under the Priority Local Infrastructure Stream.

Debt

Long-term debt is a critical component in funding new construction and replacing and upgrading capital assets for the City of Mississauga. Taking on long-term debt allows the City to spread out the cost of capital projects over the useful lives of the assets to benefit its users. The amount of debt the City issues each year is determined by how much funding will be yielded by a portion of the Capital Infrastructure & Debt Repayment Levy.

Capital Financing Assumptions

- Investment returns on the City's reserve funds are conservatively estimated to be in the three per cent range over the next 10 years, while DC investment returns are short term in nature and are estimated at two and half per cent
- Debt financing expenses assume interest rates ranging between 3.5 per cent and 5.25 per cent over the next 10 to 20 years, with the issuance term split evenly between 10 and 20 years
- DC and Cash in Lieu of Parkland (CIL Parkland) revenue has been estimated based on current rates and forecasted growth for future years
- The Capital Infrastructure & Debt Repayment Levy of three per cent on the prior year's tax levy will continue for the next four years (2025–2028) and then be adjusted to two per cent thereafter