

2021 PROPOSED OPERATING AND CAPITAL BUDGETS

SUPPORTING AND STRENGTHENING
OUR COMMUNITY

CORPORATE OVERVIEW

2021 PROPOSED BUDGET – OPERATING & CAPITAL

\$1.2 Billion BUDGET

\$776 M Operating



Staff salaries, maintenance contracts, office expenses, reserves

\$460 M Capital



Purchase, repair and major replacement of assets (roads, buildings, etc.)

2021 BUDGET APPROACH – COVID-19

2020 CITY OF BRAMPTON RESPONSE:

- Declared State of Emergency March 24, 2020
- Shift from in-person delivery to online for non- essential services
- Financial relief provided (tax, penalties, interest & collections)
- Public engagement
- Transparent communication
- Community response Task Forces

2021 BUDGET IMPACT & APPROACH

- Pandemic treated as temporary in nature to smooth out property tax impacts to businesses and residents.
- Focus on minimizing tax impacts to provide sustainability and relief in 2021 and beyond
- Utilize financial strength of City
- \$34.9 M in Phase 1 Safe Restart Funding received to date
- Continue advocating to Federal and Provincial governments for relief

FOCUS

FISCAL RESPONSIBILITY

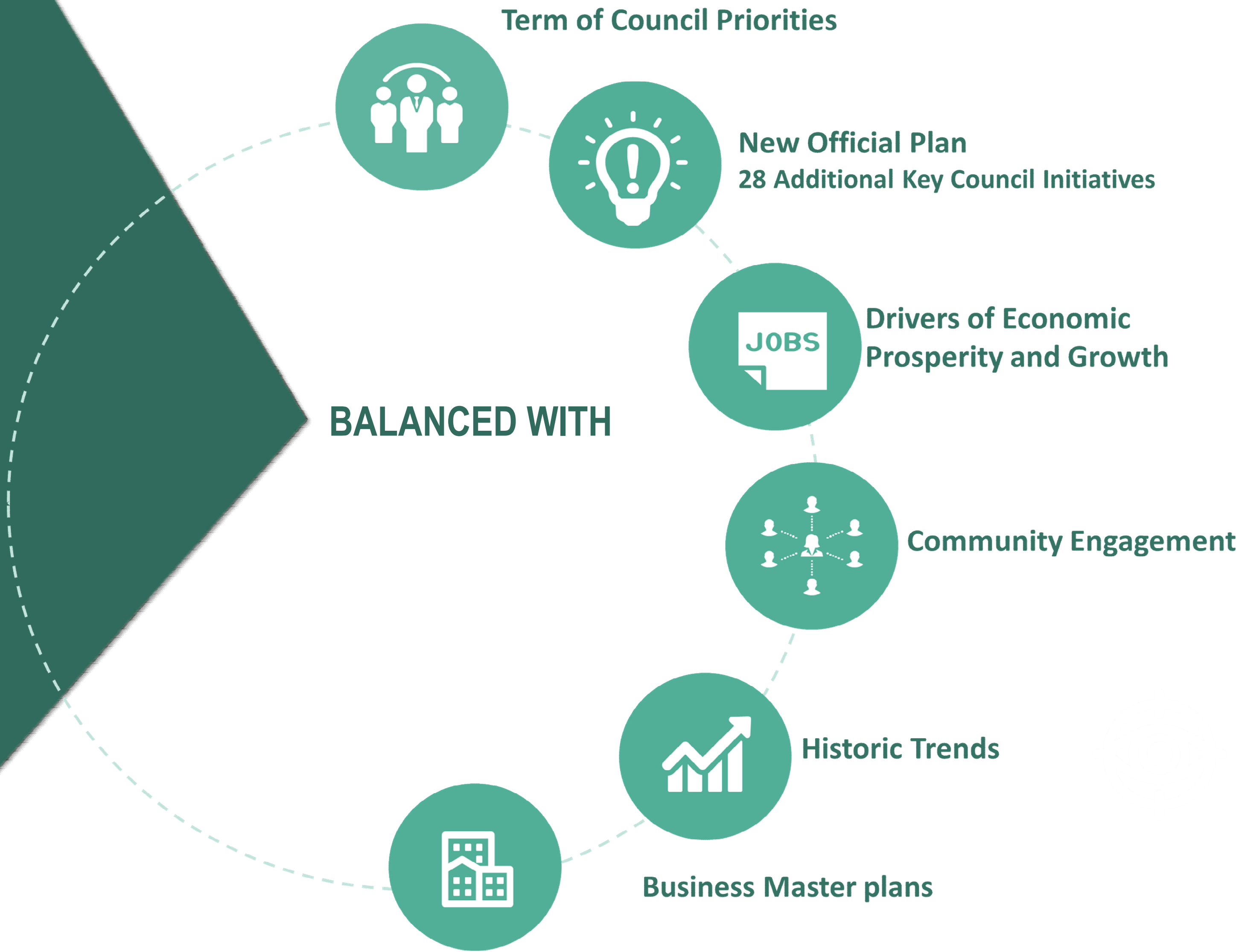
PUBLIC HEALTH & SAFETY

SUSTAINABILITY

ECONOMIC RECOVERY

INNOVATION &
OPERATIONAL EFFICIENCY

2021 BUDGET DRIVERS



2021 BUDGET PROCESS

BUSINESS NEEDS & COSTING

- Comparison of Actuals Costs to Budget
- Review multi year plans
- Revise departmental business plans

OPERATING AND CAPITAL BUDGET SUBMISSION

- Corporate Consolidation of Budget
- Prioritization of service requirements
- Identify inter-departmental impacts

LEADERSHIP & COUNCIL REVIEW / APPROVAL

- Finalize corporate prioritization
- Recommendation to Committee
- Budget Committee Review
- Final Council Approval

BUDGET AMENDMENTS (IF REQUIRED)

- Defer to Following Budget Cycle where possible
- Council Approval of 2021 Budget Report



SUPPORTING & **STRENGTHENING** OUR COMMUNITY

- 1% Baseline reduction that maintains existing services
- 2% Infrastructure and 1% Transit Contributions
- Brampton's third transit maintenance and storage facility
- Active transportation & road safety
- Loafers Lake Community Centre reopening
- Revitalization of several Community Centres
- The creation of safe & accessible youth hubs
- Fire Community Safety Program
- Cricket Field enhancements

TRANSFORMING OUR COMMUNITY



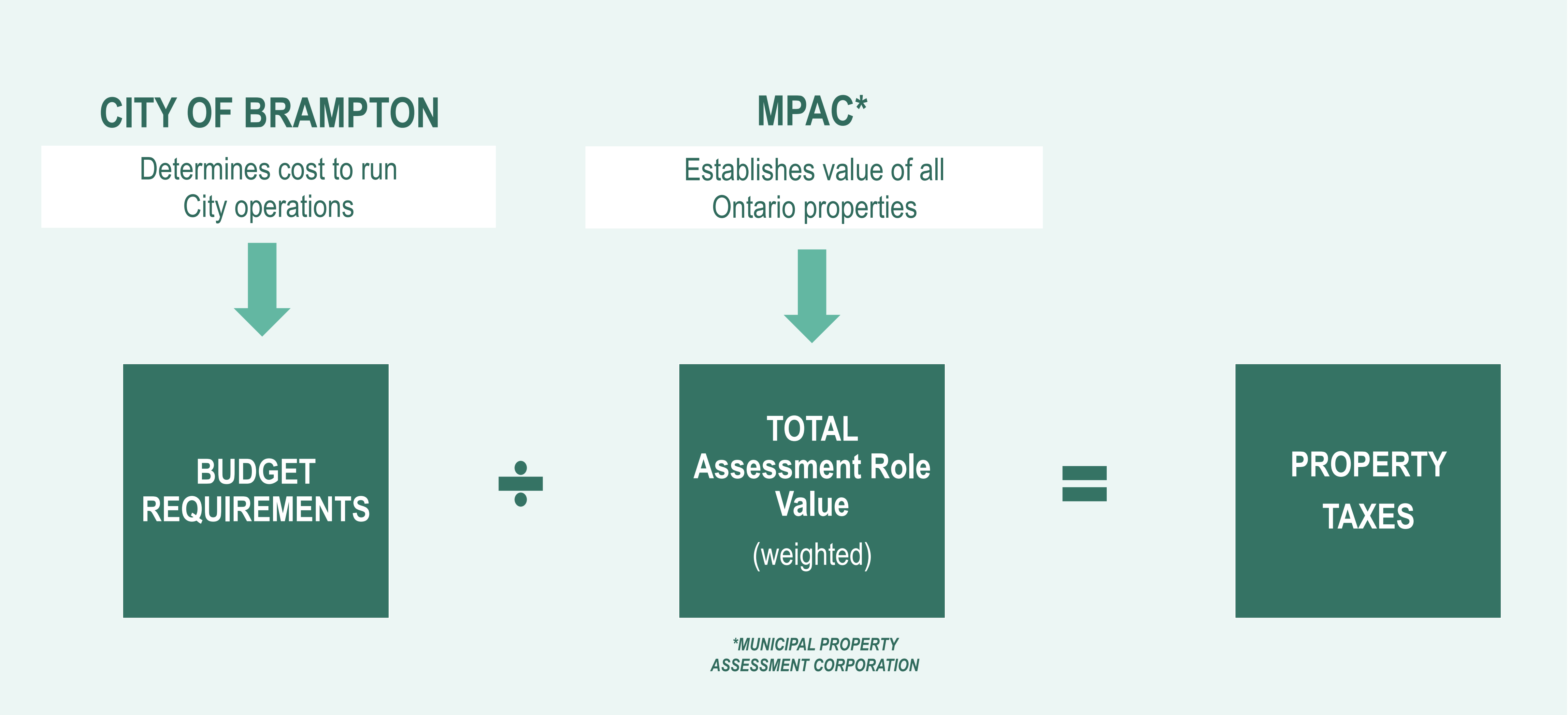
SUSTAINABILITY

- \$460 million Capital Program to address future growth needs
- Working towards reducing our carbon footprint with 8 electric buses & overhead chargers
- Begin construction of Hurontario LRT
- Advancing the Riverwalk project
- Driving projects in Active Transportation Master Plan
- Develop sustainable corporate fleet strategy

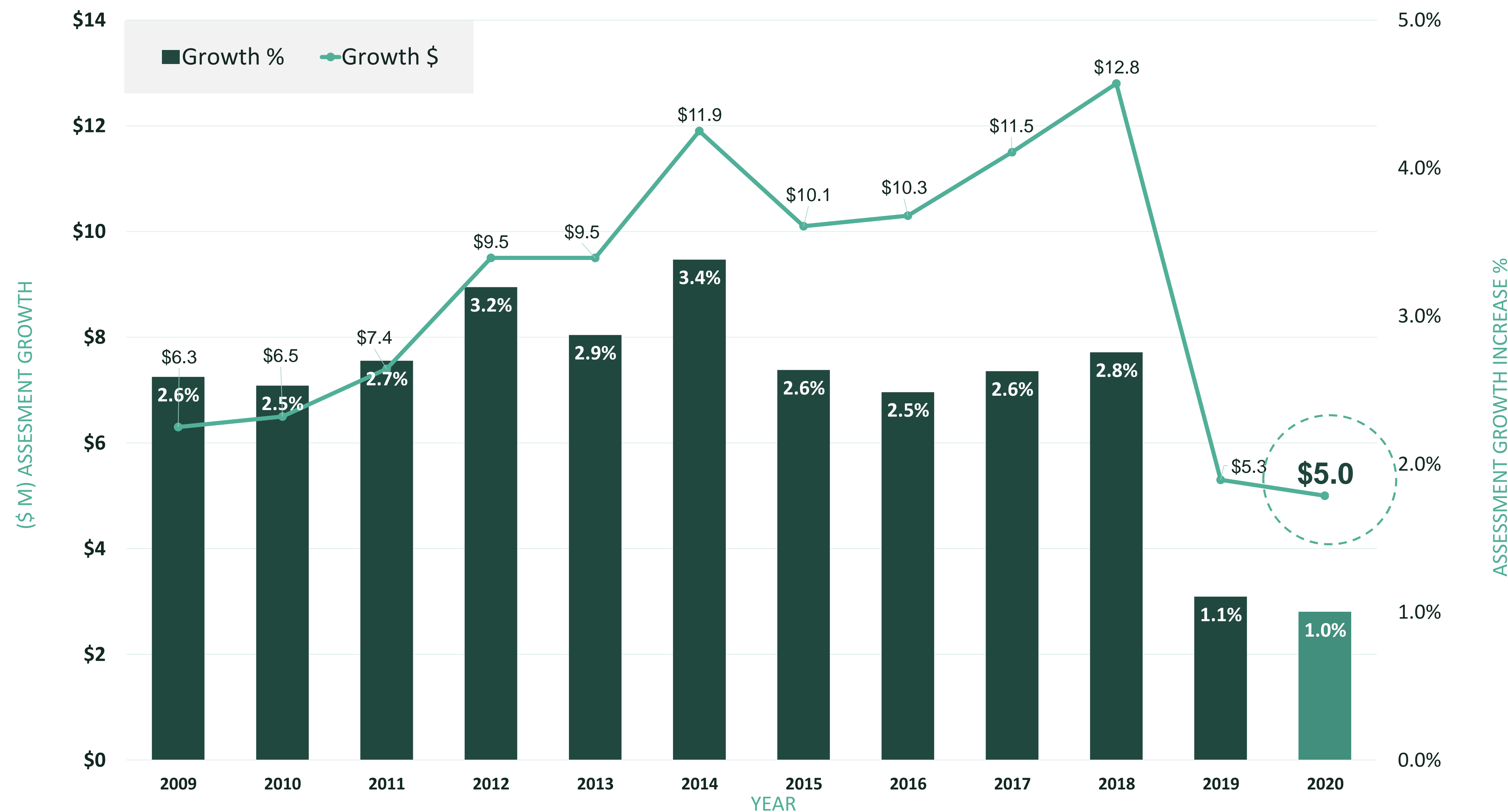
Strengthening the Innovation District

- Brampton Entrepreneur Centre
- Ryerson Venture Zone
- Research Innovation and Commercialization Centre
- Cybersecure Catalyst
- B-Hive incubator
- Algoma University Expansion

PROPERTY TAXES



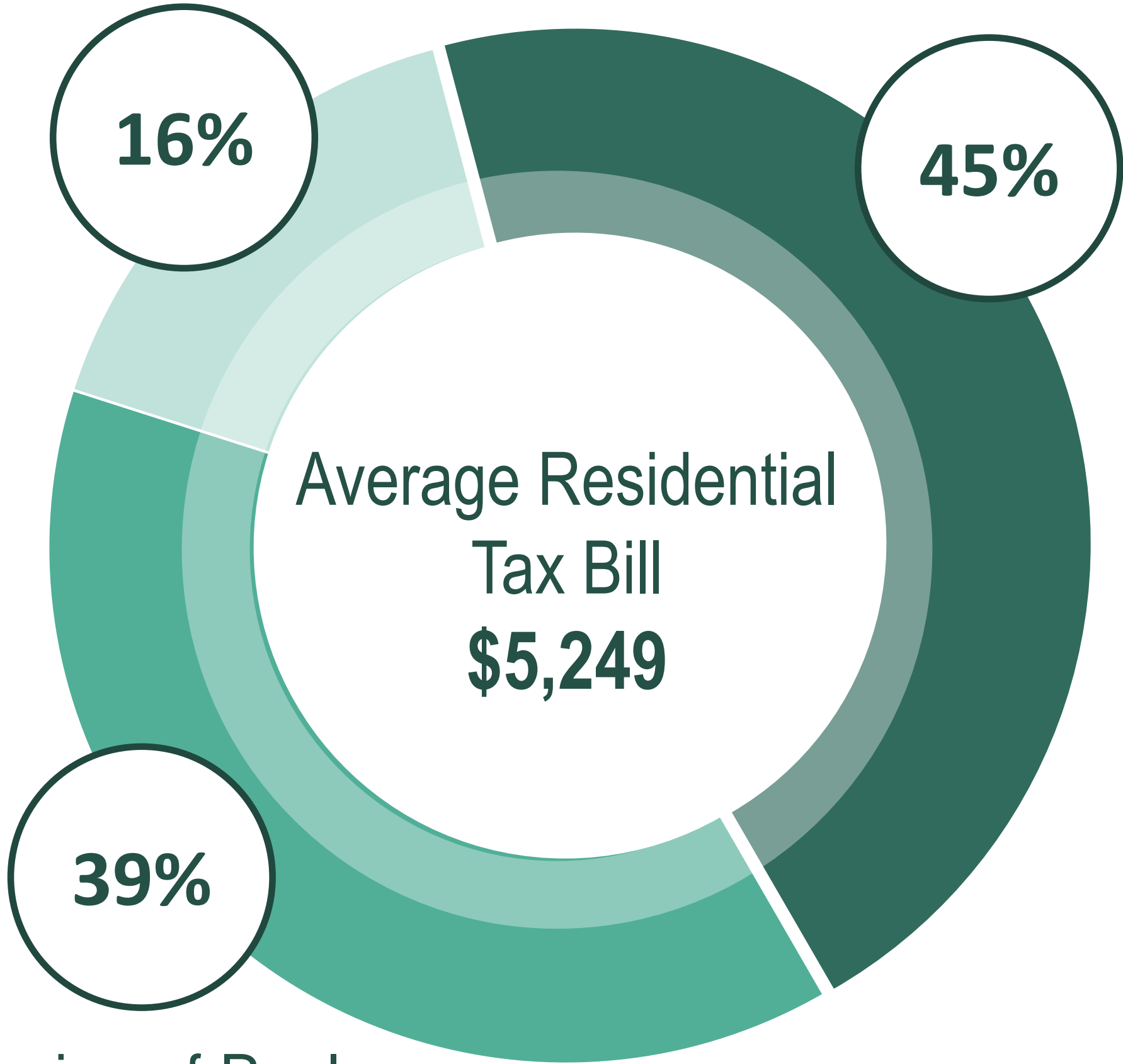
ASSESSMENT GROWTH



MUNICIPAL PROPERTY TAX BILL

School Boards,
\$823 (\$0 Increase)

City of Brampton
\$2,374 (\$47 Increase)



Region of Peel
\$2,051 (\$73 Increase)

Typical Residential Tax Bills (2021)

| | | |
|------------------------------------|--|---------|
| Average Residential (\$538,000) | | \$5,249 |
| | | |
| Single Family Detached (\$619,000) | | \$6,039 |
| Semi Detached (\$449,000) | | \$4,244 |
| Freehold Townhouse (\$435,000) | | \$4,380 |
| Condominium (\$289,000) | | \$2,819 |

**Based on 2020 Average Home Assessment of \$538,000*

BUDGET DEVELOPMENT PROGRESSION

| Budget Phase | 2021 | 2020 | 2019 |
|---------------------|------|------|------|
| Budget Request | 7.3% | 6.6% | 4.3% |
| Proposal to Council | 2.0% | 1.1% | 0.3% |
| Council Approved | TBD | 0% | 0% |

| | | |
|---|--|--|
| <ul style="list-style-type: none">▪ 1.8% M Preventative Maintenance transfer to Capital▪ 1.0% Mitigation Measures▪ 1.0% Assessment Growth▪ 0.6% Foregoing Internal Loan Repayments (CIF)▪ 0.3% Operating Efficiencies | <ul style="list-style-type: none">▪ 4.7% Mitigation Measures / Efficiencies▪ 1.1% M Assessment Growth▪ 1.0% M Contribution to Reserves Reduction▪ 1.0% Revenue Increases (User Fees, Parking & By-Law)▪ 0.9% Tax Administration Adjustments▪ 0.6% Internal Loans Maturing▪ 0.6% Funding from Stormwater Charge▪ 0.3% Operating Efficiencies | <ul style="list-style-type: none">▪ 2.8% Revenue Increases (Transit, Courthouse, Rideshare, User Fees)▪ 2.7% M Assessment Growth▪ 1.8% Hospital Levy commitment fulfilled▪ 0.5% Internal Loans Maturing▪ 1.0 % Doubling of Provincial Gas Tax Funding▪ 1.0 % Operating Efficiencies▪ 0.6% Tax Administration adjustments |
|---|--|--|

BRAMPTON'S OVERALL TAX INCREASE

| | NET BUDGET INCREASE | TAX BILL IMPACT % | TAX BILL IMPACT* \$ |
|------------------|---------------------------------------|-------------------|---------------------|
| CITY OF BRAMPTON | 2.0% | 0.9% | \$47 |
| REGION OF PEEL | 3.7% | 1.4% | \$73 |
| | COMBINED* <i>School Boards \$0</i> | 2.3% | \$120 |

**Based on 2020 Average Home Assessment of \$538,000*

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FINANCIAL OVERVIEW

2021 PROPOSED BUDGET – OPERATING & CAPITAL

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\$776 M Operating



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\$460 M Capital



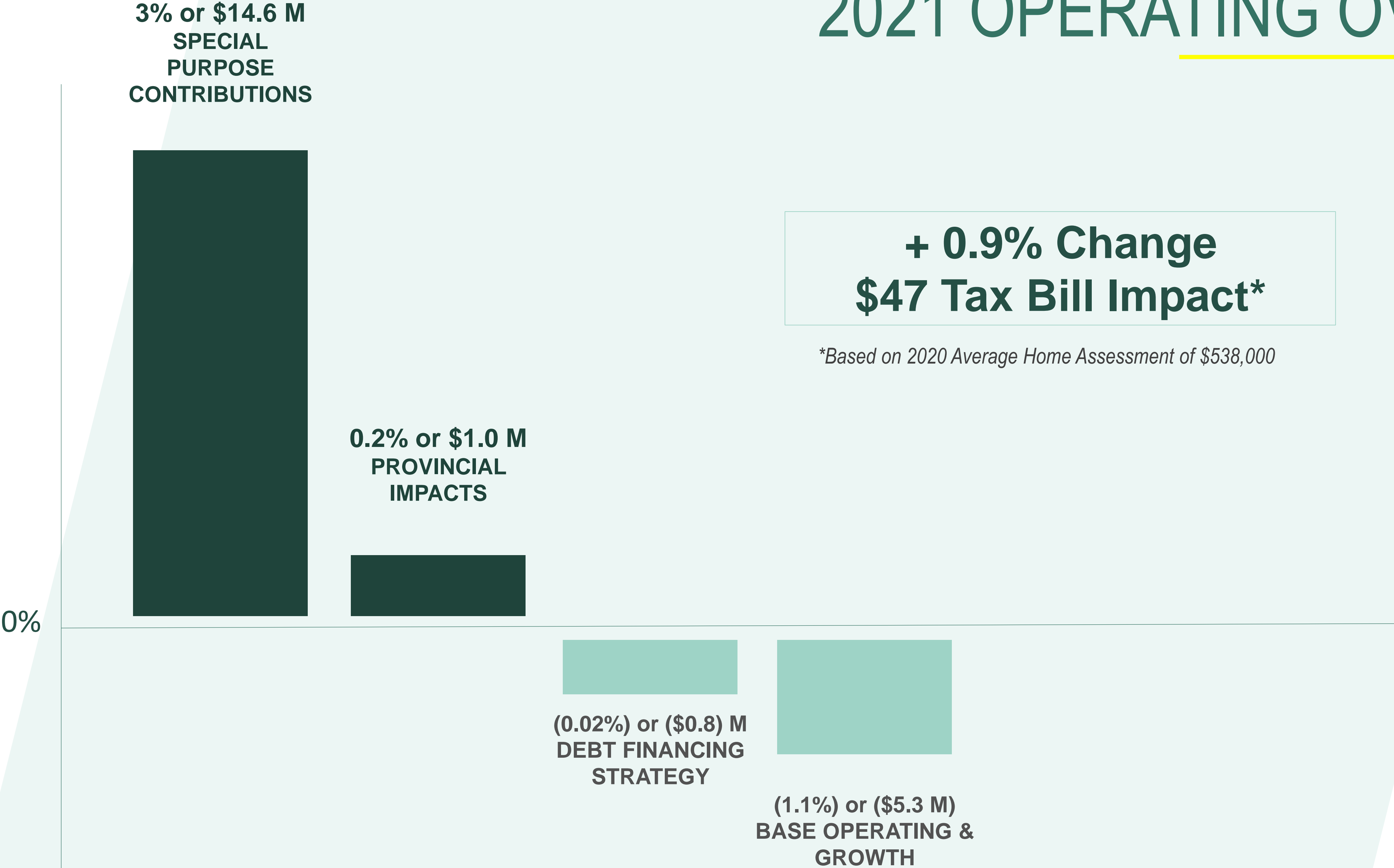
Purchase, repair and major replacement of assets (roads, buildings, etc.)

2021 PROPOSED BUDGET VARIANCE

| (\$000s) | 2020 Budget | 2021 Budget | \$ Change | % Change |
|---------------------------|------------------|------------------|-----------------|-------------|
| Labour Expenditures | 428,838 | 442,751 | 13,914 | 3.2% |
| Other Expenditures | 324,711 | 332,930 | 8,220 | 2.5% |
| Total Expenditures | \$753,548 | \$775,682 | \$22,133 | 2.9% |
| Gross Revenues | (\$753,548) | (\$775,682) | (22,133) | 2.9% |

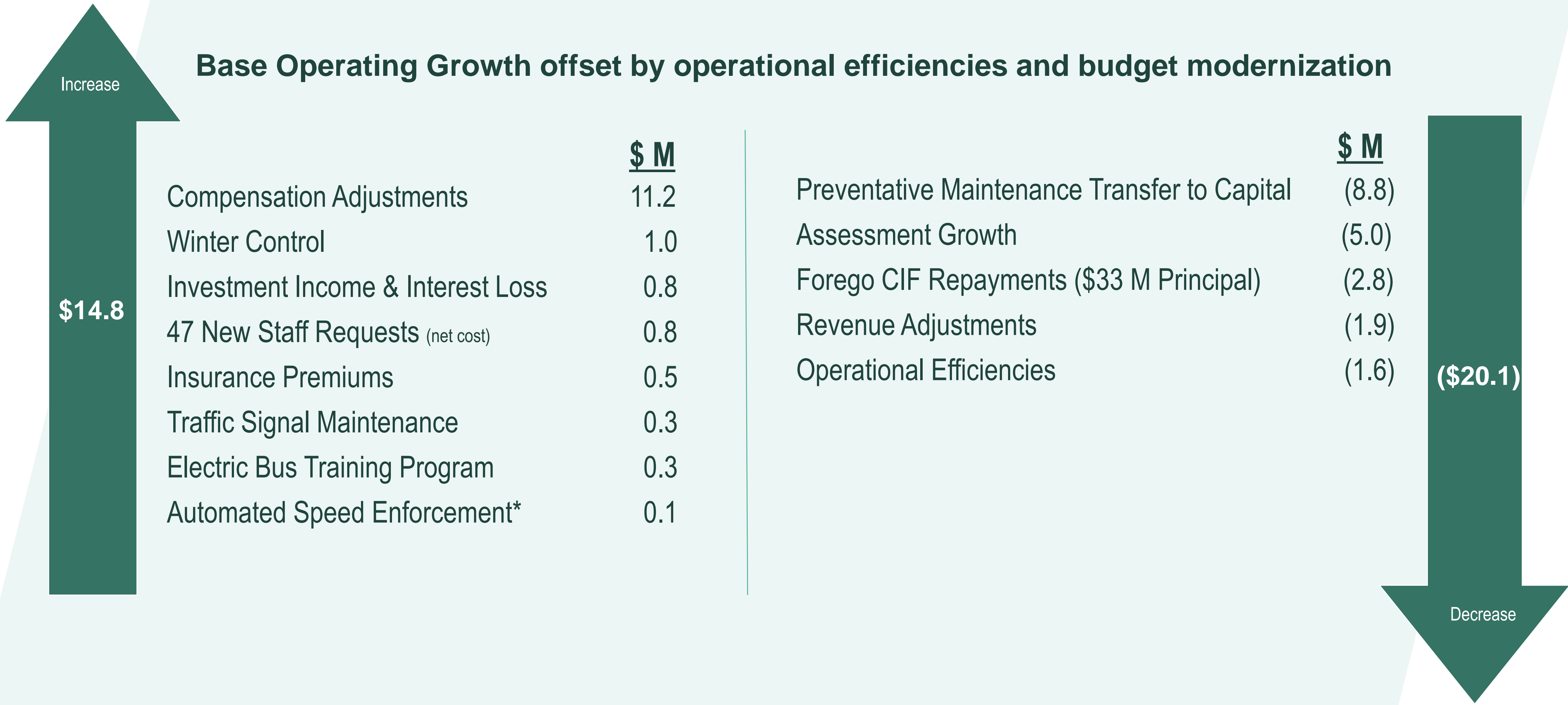
| Funded by Increase in | \$ Change |
|----------------------------|-----------------|
| Assessment Growth | 5,000 |
| Revenue Growth | 7,381 |
| Property Tax Levy Increase | 9,753 |
| Total | \$22,133 |

2021 OPERATING OVERVIEW



BASE OPERATING & GROWTH

\$(5.3) M Reduction in Base Operating Expenditures



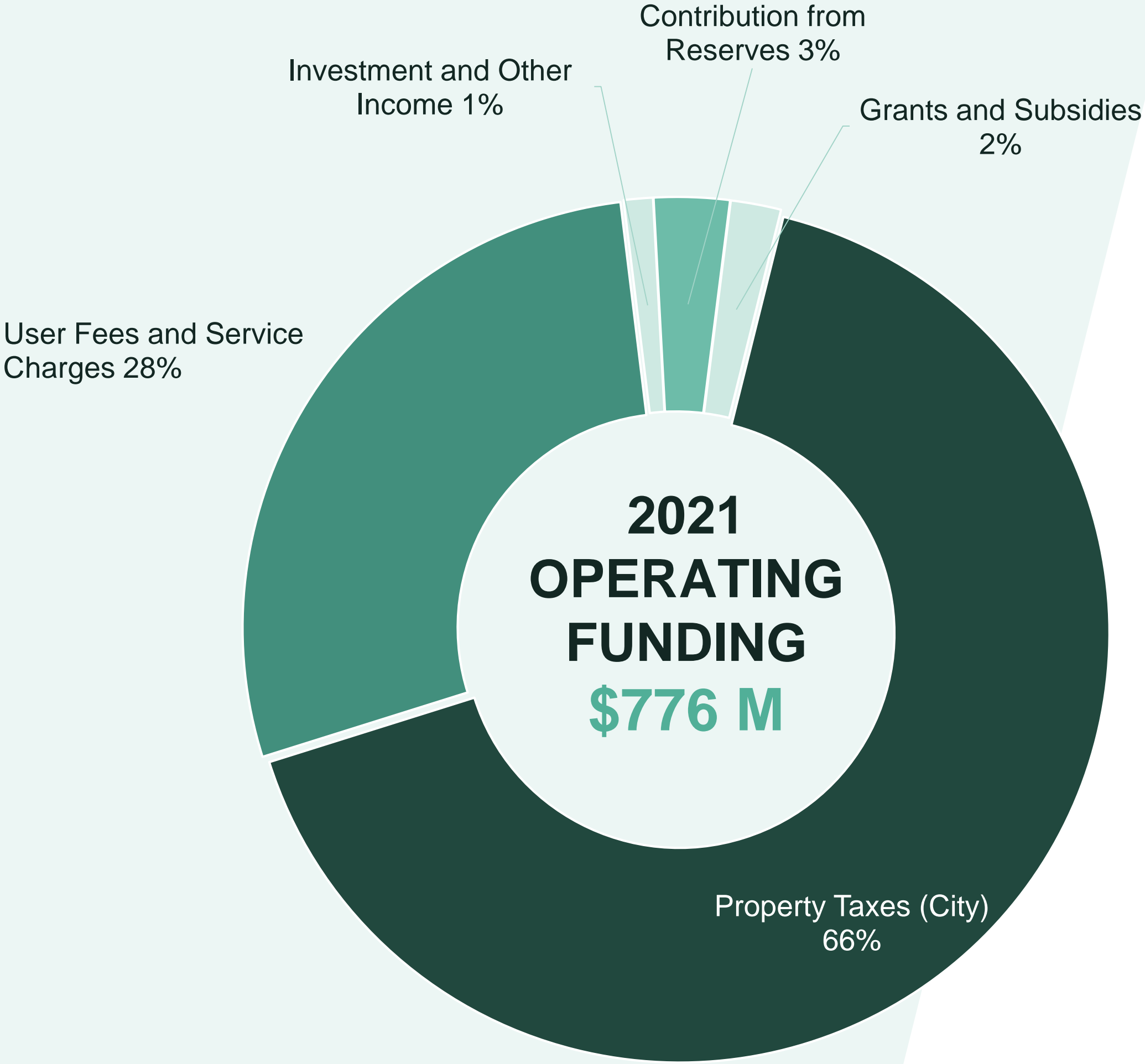
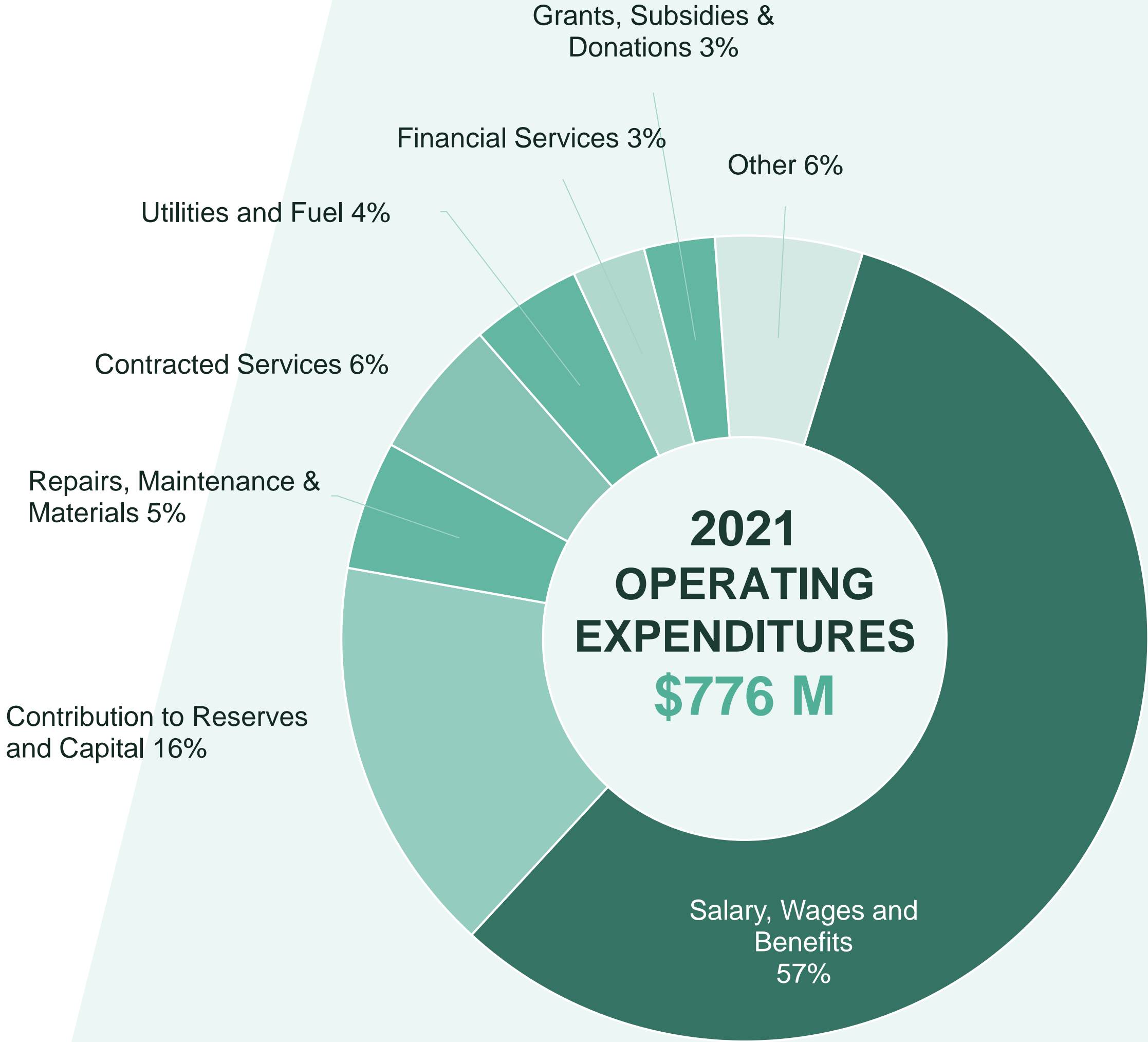
STAFF REQUESTS

| 2021 STAFFING INCREASE | QUANTITY |
|---|-----------|
| Transit | 16 |
| Planning, Building & Economic Development | 14 |
| Public Works & Engineering | 9 |
| Legislative Services | 3 |
| Community Services | 2 |
| Fire & Emergency Services | 1 |
| Corporate Support Services | 2 |
| Total Staff Requests | 47 |
| Efficiencies – Vacant Positions | (3) |
| Staff Requests (net of efficiencies) | 44 |

Total 2020 Complement of 3,736 Employees

2021 Budget includes net 44 Staff Requests

2021 OPERATING BUDGET & FUNDING



2021 OPERATING BUDGET & FUNDING - DEPARTMENTAL

| 2021 BUDGET (\$000s) | Brampton Public Library | Community Services | Fire & Emergency Services | General Government | Mayor & Members Of Council | Office of the CAO | Public Works & Engineering | Transit | Legislative Services | Corporate Support Services | Planning, Building & Economic Development | Total |
|--------------------------------------|----------------------------|-----------------------|---------------------------------|-----------------------|----------------------------------|----------------------|-------------------------------|---------|-------------------------|----------------------------------|--|---------|
| Revenues | | | | | | | | | | | | |
| Property Taxes | 18,613 | 72,883 | 82,384 | 81,764 | 4,594 | 9,120 | 84,273 | 79,611 | 9,807 | 63,911 | 4,180 | 511,139 |
| User Fees and Service Charges | - | 37,214 | 1,515 | 35,528 | - | 460 | 11,153 | 86,408 | 23,274 | 3,188 | 17,613 | 216,353 |
| Investment and Other Income | - | - | - | 8,775 | - | - | - | - | - | - | - | 8,775 |
| Contribution from Reserves | 50 | 155 | - | 9,861 | - | - | 4,108 | 900 | - | 2,633 | 7,017 | 24,722 |
| Grants and Subsidies | - | 407 | - | 42 | - | - | - | 13,261 | 559 | 90 | 334 | 14,692 |
| Total Revenues | 18,663 | 110,658 | 83,899 | 135,970 | 4,594 | 9,580 | 99,534 | 180,180 | 33,640 | 69,822 | 29,143 | 775,682 |
| Expenditures | | | | | | | | | | | | |
| Salary, Wages and Benefits | - | 80,869 | 79,265 | 9,847 | 4,395 | 6,509 | 46,448 | 137,272 | 25,987 | 46,251 | 25,602 | 442,751 |
| Contribution to Reserves and Capital | - | 37 | - | 123,705 | - | - | - | - | - | - | - | 123,742 |
| Repairs, Maintenance and Materials | - | 7,247 | 1,653 | 45 | - | - | 16,471 | 14,001 | 452 | 219 | 64 | 40,152 |
| Contracted Services | - | 8,767 | 475 | - | - | 8 | 22,778 | 778 | 1,469 | 9,687 | 67 | 44,029 |
| Utilities and Fuel | - | 7,896 | 760 | 3 | - | - | 9,189 | 16,508 | - | - | 60 | 34,416 |
| Financial Services | - | 65 | - | 11,942 | - | - | 131 | 7,257 | 3,835 | 2,351 | 65 | 25,646 |
| Grants, Subsidies and Donations | 18,663 | - | - | 1,485 | - | - | 573 | - | - | 967 | 307 | 21,995 |
| Office and Administrative | - | 3,230 | 1,331 | 131 | 87 | 1,061 | 2,746 | 3,879 | 951 | 3,225 | 1,457 | 18,098 |
| Rent and Lease Charges | - | 26 | - | 8,392 | - | - | 498 | 66 | - | - | - | 8,981 |
| Professional Services | - | 274 | 110 | 102 | 60 | 1,380 | 240 | 208 | 653 | 4,169 | 667 | 7,863 |
| Advertising, Marketing & Promotion | - | 1,887 | 150 | 10 | 50 | 170 | 74 | 58 | 89 | 2,197 | 525 | 5,210 |
| Staff Development | - | 359 | 156 | 2 | 2 | 452 | 386 | 152 | 204 | 757 | 329 | 2,798 |
| Total Expenditures | 18,663 | 110,658 | 83,899 | 135,970 | 4,594 | 9,580 | 99,534 | 180,180 | 33,640 | 69,822 | 29,143 | 775,682 |

THE COST OF MAINTAINING ASSETS

\$6.3 Billion
Asset Replacement Value

INFRASTRUCTURE CONTRIBUTIONS

\$160 M

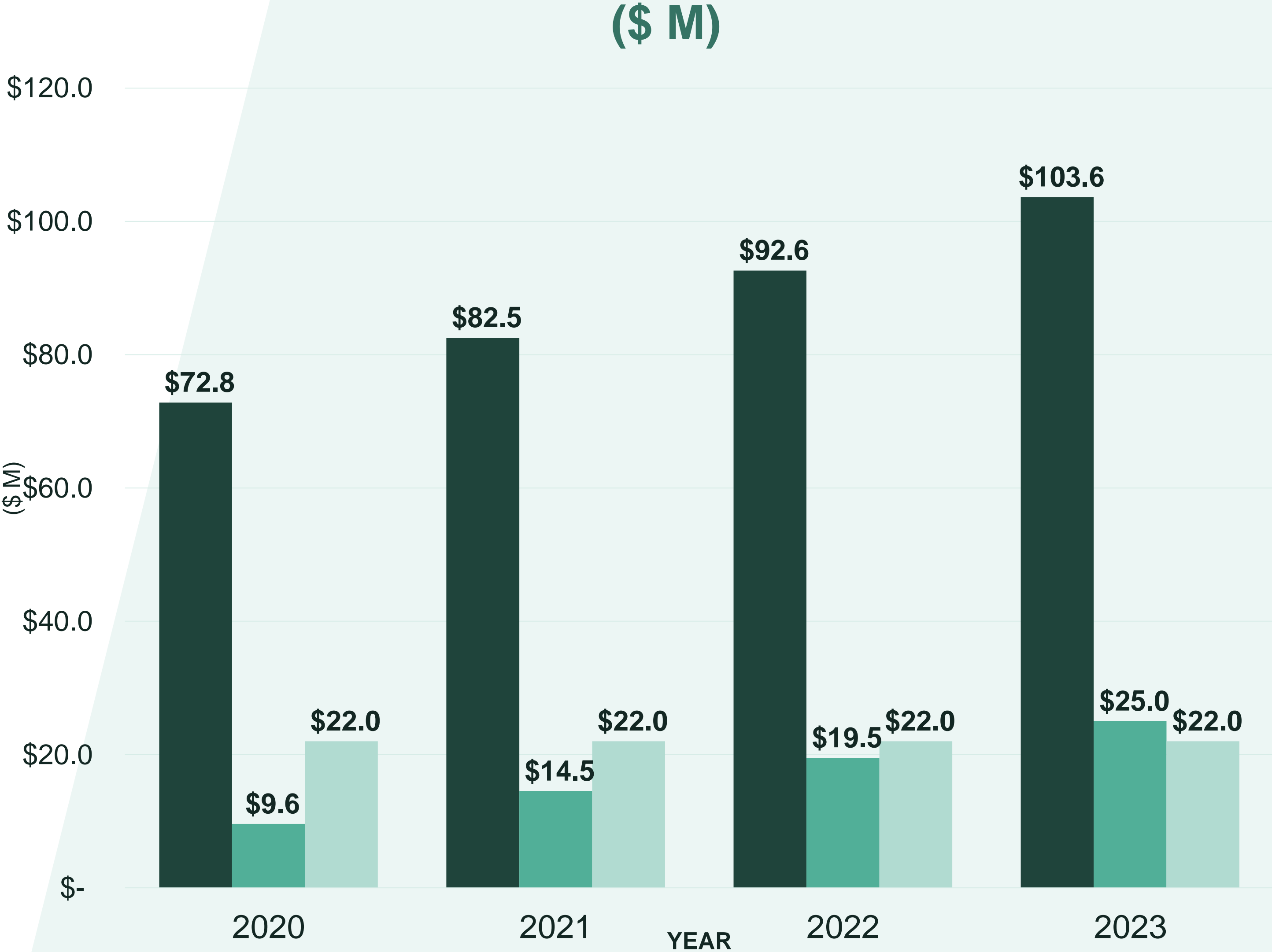
(Includes Proposed 2021 Budget
Funding from 2% Infrastructure
Contribution, 1% Transit Contribution,
Federal Gas Tax and Stormwater
Charge)

DEPRECIATION OF ASSETS

\$135 M

Aging infrastructure – based on
historical cost of existing
infrastructure

CONTRIBUTIONS TO INFRASTRUCTURE & TRANSIT



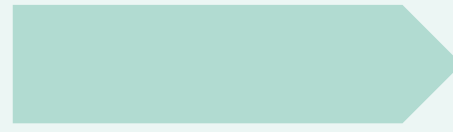
Infrastructure Contribution

- **\$9.8 M Increase or 2%**
- Contribution in 2021 increases to \$82.5 M or growth of 13.3%
- Prudent management of aging infrastructure ensuring sustainability
- 26% Growth from 2021 to 2023



Transit Contribution

- **\$4.9 M Increase or 1%**
- Contribution in 2021, increases to \$14.5 M or growth of 51%
- Funding allows City to leverage Federal and Provincial partnerships
- 72% Growth from 2021 - 2023



Stormwater Charge

- **\$22 M Annual Charge**
- Established In 2020 to provide a stable source of funding for preventative maintenance, rehabilitation and replacement of Stormwater Infrastructure

SUSTAINABLE INFRASTRUCTURE INVESTMENT

| | |
|--|---------------|
| 2021 Infrastructure, Transit & Stormwater Investment | \$119 M |
| 2021 Property Taxes & Stormwater Revenue | \$533 M |
| Contribution relative to Property Tax & Stormwater Revenues | 22.3 % |

Comparators (2020 Data)

| | |
|----------------|-------|
| Mississauga | 22.0% |
| Region of Peel | 6.0% |
| Region of York | 16.0% |
| Ottawa | 8.0% |
| Hamilton | 15.0% |

2021 – 2023 CAPITAL BUDGET



KEY COMMUNITY PROJECTS

2021 BUDGET

- \$175 M Transit Maintenance & Storage
- \$5.9 M Gore Meadows Fieldhouse
- \$2.4 M Algoma University Expansion
- \$1.3 M Cybersecure Catalyst
- \$3 M Design Animal Shelter
- \$10.7 M Balmoral
- \$9 M Chris Gibson
- \$7.2 M Redevelopment of Fire Station 201
- \$5.9 Victoria Park Arena

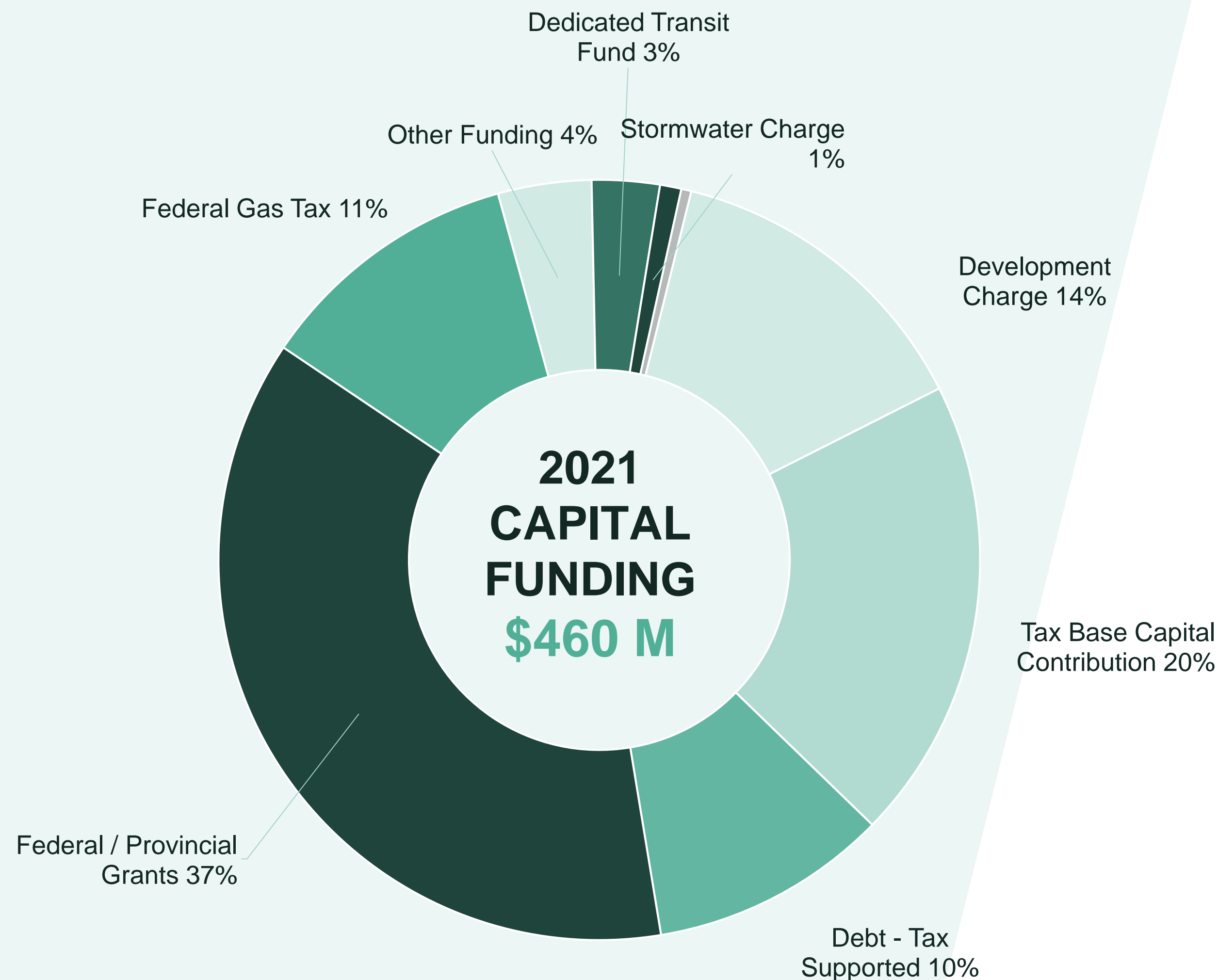
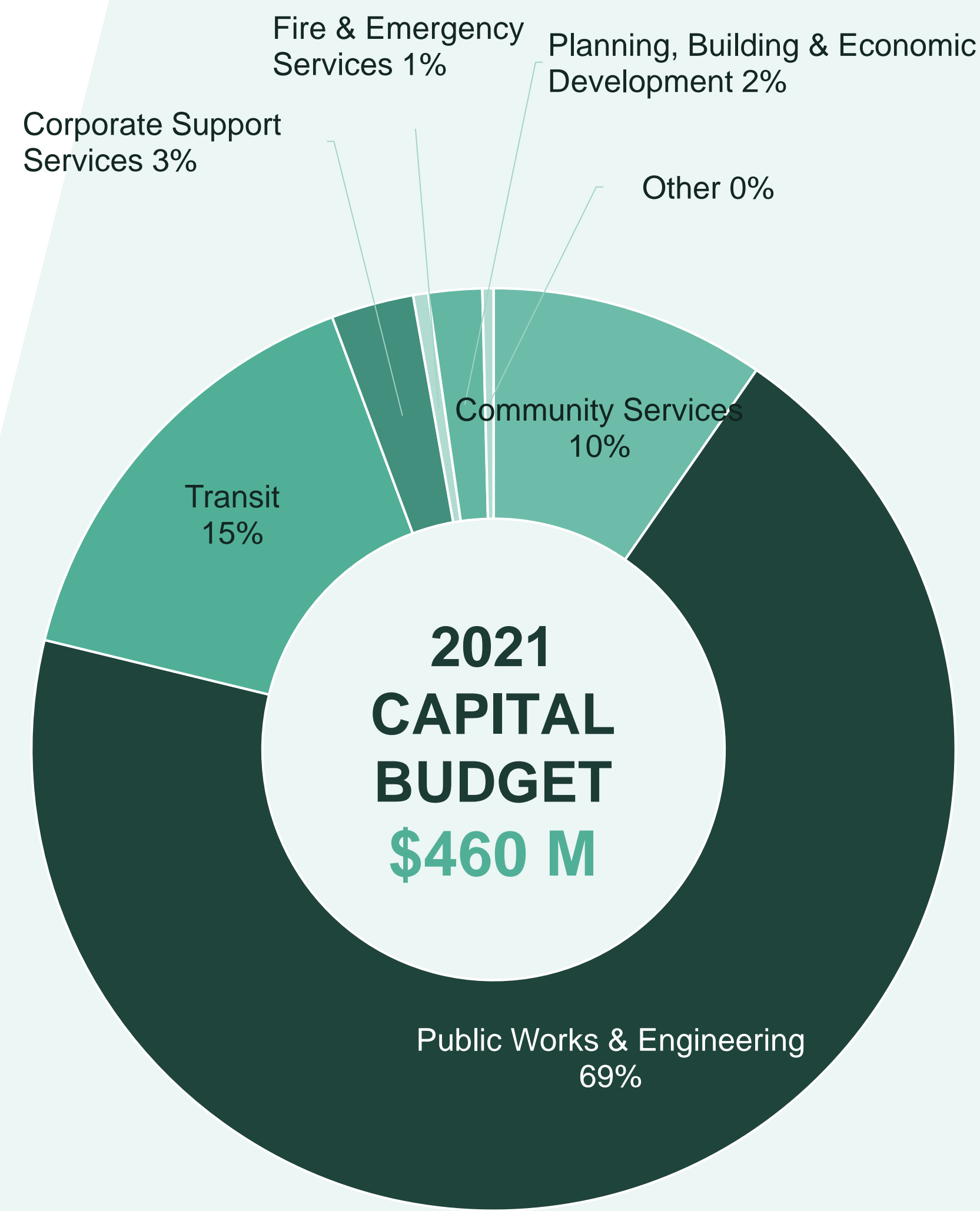
2022 BUDGET

- \$2.4 M Algoma University Expansion
- \$17 M Zum Service Expansion
- \$9.5 M Century Gardens – Youth Centre
- \$3.5 M FCCC 1 & 2 Court Yard Infill
- \$1 M Greenbriar
- \$21 M Howden Rec
- \$8 M Mississauga / Embledon

2023 BUDGET

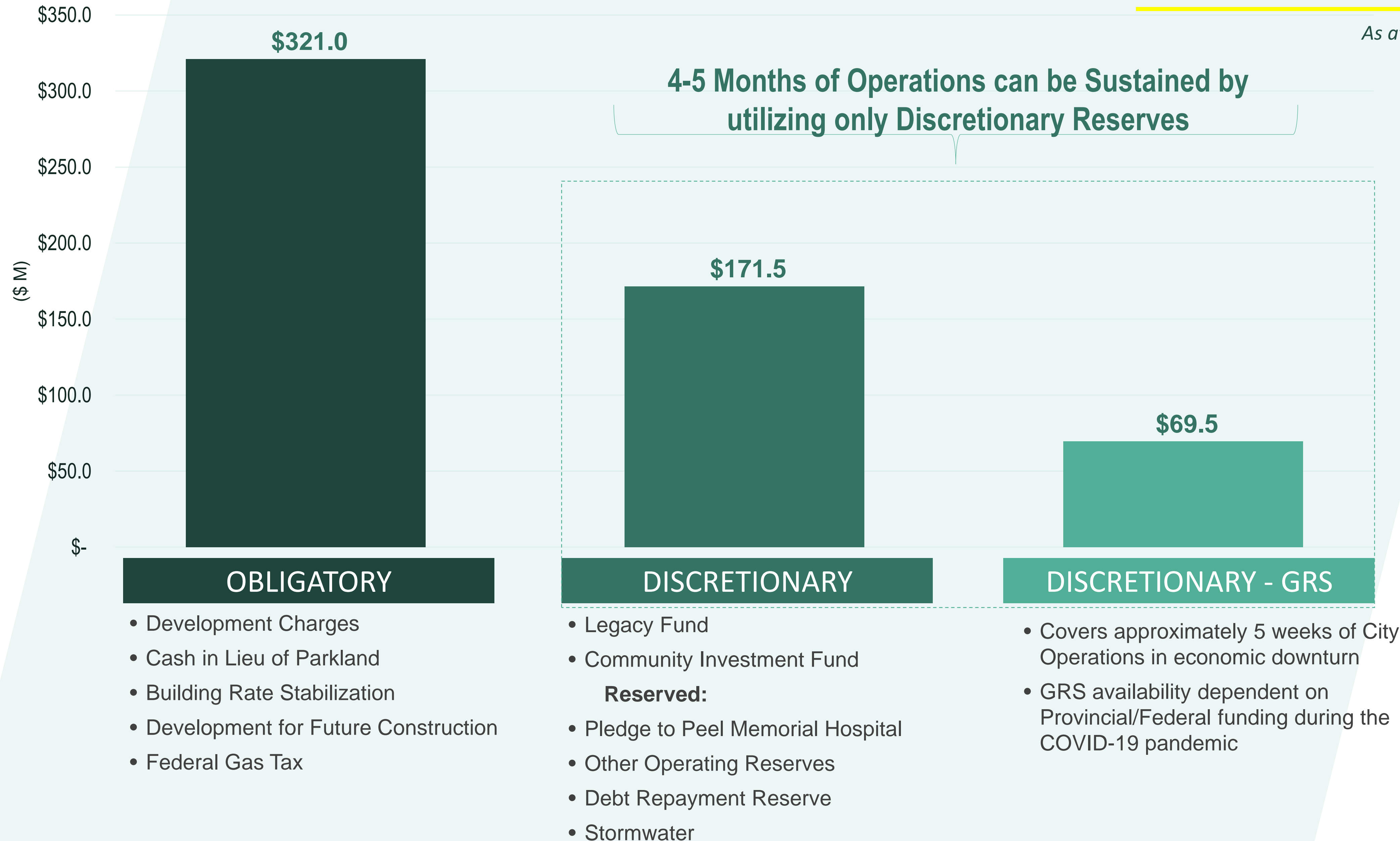
- \$62 M Mississauga/Embleton
- \$20 M Animal Shelter
- \$13 M Central Storage Facility
- \$11 M Fire Stations 215 & 216
- \$6 M Greenbriar

2021 CAPITAL BUDGET & FUNDING



THE CITY'S RESERVES

As at September 30, 2020



GENERAL RATE STABILIZATION RESERVE

| | WITHOUT Phase 2 Safe Restart Funding Offset | WITH Phase 2 Safe Restart Funding Offset |
|---|--|---|
| | \$ M | \$ M |
| Current Balance (<i>as at September 30, 2020</i>) | 69.5 | 69.5 |
| 2020 Deficit (COVID-19) | (20.5)* | |
| 2021 GRS Starting Balance | 49.0 | 69.5 |
| 10% GRS TARGET | 77.6 | 77.6 |
| 2021 GRS Target Shortfall | (28.6) | (8.1) |

**The COVID-19 pandemic has resulted in a projected deficit for 2020.
In lieu of additional funding provided through Phase 2 of the Safe Restart Agreement, the GRS would be the primary source to fund the remaining estimated deficit.*

2021 BUDGET COVID IMPACT & GRS SENSITIVITY

| Sensitivity % | 100% | 75% | 50% | 25% |
|--------------------|----------------|---------------|---------------|---------------|
| Estimated Deficit | \$78.0 | \$58.5 | \$39.0 | \$19.5 |
| GRS Offset | (\$69.5) | (\$58.5) | (\$39.0) | (\$19.5) |
| GRS Balance | \$(8.5) | \$11.0 | \$30.5 | \$50.0 |

ASSUMPTIONS:

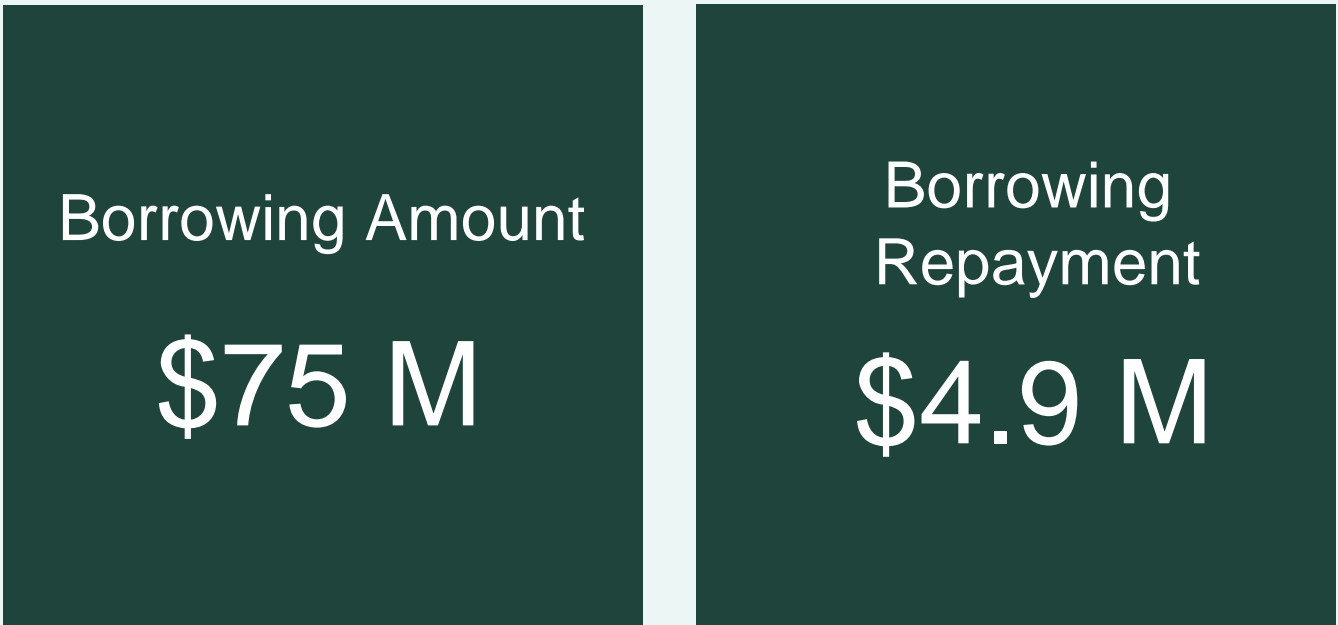
- If the City Received Phase 2 Safe Restart Funding to offset the 2020 projected deficit of \$20.5 million
- The GRS Balance as at September 30, 2020 remains at \$69.5 million
- The projected deficit rate for 2020, when extrapolated to the 2021 Budget results in an estimated deficit of \$78 million (worse case scenario)
- No further funding received from Provincial / Federal Governments

FINANCE & DEBT SERVICING

CAPACITY TO BORROW



1% TAX LEVY EQUIVALENT



Strategic Use of Debt →



Increase economic activity & jobs



Encourage mixed and high-density development



Improve community pride & healthy lifestyle

Not recommended use of Debt →



Organic growth



Repair & replacement



Operating funding/short term needs

APPROVED DEBT

| | OUTSTANDING DEBT | 2021 DEBT TAXATION | 2022 DEBT TAXATION | 2023 DEBT TAXATION |
|--|---------------------|-----------------------|-----------------------|-----------------------|
| Fire Headquarters | \$21.6 | \$1.8 | \$1.8 | \$1.8 |
| Centre for Innovation* | \$107.5 | - | \$3.7 | \$5.8 |
| Transit Maintenance & Storage Facility | \$ 60.1 | \$1.1 | \$2.1 | \$3.2 |
| Total External Debt (Tax Supported) | \$189.2 | \$2.9 | \$8.7 | \$10.8 |
| West Tower | \$83.1 | \$8.3 | \$8.3 | \$8.3 |
| CAA Centre Facility | \$7.2 | - | - | - |
| Long Term Liabilities | \$90.3 | \$8.3 | \$8.3 | \$8.3 |

BRAMPTON'S OVERALL TAX INCREASE

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|------------------|---------------------------------------|-------------------|---------------------|
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| | COMBINED* <i>School Boards \$0</i> | 2.3% | \$120 |

**Based on 2020 Average Home Assessment of \$538,000*