



CANADIAN ASSOCIATION OF RETIRED PERSONS

CHAPTER 52 BRAMPTON ONTARIO

His Worship, Patrick W. Brown and Members of Council

February 9, 2022

City of Brampton

2 Wellington Street West

Brampton ON L6Y 4R2

To the Mayor and Members of Council,

I am writing you today on behalf of Brampton CARP Chapter 52 to discuss our concerns about the recent budget passed in December 2021 for the budget year 2022. As you will recall, Brampton CARP appeared before you during budget discussions in 2019. At that time, we expressed our concern about the outcome of “Zero” increases in taxes and the ramifications of the lack of specific attention to revenue. Council listened to our presentation but still passed a Zero increase in 2019, 2020, 2021 and now again in 2022. We continue to disagree with Zero Increase in city taxation budgeting, and that is why, once again we are voicing our concerns. These concerns are as follows:

1. We are concerned about the financial health of the non-dedicated Reserve Funds and their dissipation, should they continue to be used to support the Mill Rate. We note of particular concern that the Legacy Fund and the Community Development Fund appear to be currently used without any payback to these specific Reserve Funds. If these particular funds are completely exhausted, we think that this will drive up the mill rate to possibly 6, 7 or even 8 % and many Seniors will have considerable difficulty paying their taxes. Generally, we have a concern about the apparent maze of reserve funds and how they are restored even though we know that Provincial and Federal grants are dedicated to some of them. We must further ask why Brampton City Council hasn't consolidated those Reserve Fund accounts to enable the general public, and we Seniors, an opportunity to better understand what the Reserve Funds do.

2. We are concerned that Brampton City Council may unwittingly replicate the past municipal experiences of, for example, the cities of Toronto and Mississauga, who unfortunately initiated minimal or Zero % property tax increases, along with a draw down of Reserve Funds, which ultimately resulted in well above CPI increases to taxpayers along with, some reduced service levels.

3. We are concerned about the abandonment of the 2% STOLI (state of local infrastructure) levy initiated in 2019 as the blueprint for Brampton's infrastructure needs for the next decade. We believe this 2% infrastructure levy generated approximately \$110m annually and provided enough funds needed to adequately maintain our infrastructure over the next ten years.

4. We are concerned that all indicators are predicting continuous fuel price increases yet the Initial Budget called for a budget increase of \$3.7m (est. Cost \$1.07/l) to ensure fuel stability pricing for the City's bus fleet. The approved budget has allocated \$0.85/l (last year's cost). The current fuel cost is approx. \$1.20/l and rising. Every \$.01/l increase in pump prices requires an additional \$175,000 from the transit fuel budget. We find it difficult to understand this financial move and believe there may be a deficit in the 2023 budget if this type of financial planning is endemic in the 2022 budget.

5. We are concerned that the current city debentures through the Region of Peel amount to approximately \$327million dollars and by the end of 2024 will exceed \$425million. We fail to see how the City will pay down those debentures given the number of major projects that are slated for imminent construction: for example, Etobicoke Creek flood control, a new cricket stadium, the Innovation Hub, downtown re-imagining, etc. We are concerned that as debentures are undertaken, interest and debt repayment will increase. Notwithstanding the AAA rating the City enjoys today, we wonder about the ability to assume these debts especially considering the slow growth rate, now at 1%.

Therefor we ask you, given our concerns outlined in this letter, what is your vision for Brampton in the near and distant future? What will the state of our beautiful city be given that there are so many predictable pitfalls that we see in your approach to budgeting? We hope that you are not pushing financial and economic problems off to some future council at some distant time! Our concerns need your attention to avoid the many negatives we believe you have overlooked. As good stewards of this beautiful city, we trust you will not presume to offset current budget concerns and payments to a future generation.

Given that your response may be beyond the standard texts and numbers retrieved from already existing and reviewed documents, we suggest that we waive the offer of a meeting that was to be held on February 28, 2022. We await your response, however and would appreciate receiving it in a timely manner.

On behalf of the Brampton CARP Chapter 52, I remain,

Yours sincerely,

Rose Marie Grycaj, President

Brampton CARP Chapter 52

Please consider the print forms of our Executive members (see below) to be valid as signatures on this letter.

Terry Miller, Carl Marshall, Peter Howarth, Dieter Christiansen, Terry Coggins, Ann Murphy,

Jeanine Appleton-Bott, Jeremy Cox, Prabhat Chatterjee