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# Overview

# Non Departmental: Overview

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**Department:** *Non Departmental*

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## What function do the Non Departmental accounts serve?

These are various accounts that are either not directly controllable by or not directly related to the operations of any one department and are grouped in the category of Non-Departmental accounts.

The Non-Departmental accounts are organized in the following manner to ensure a structured approach to the administration of these funds with clearly assigned responsibilities:

- **Corporate Managed** accounts were established to fund initiatives that have a corporate impact but are managed by specific staff within individual departments of the City. The main function included is corporate revenues and expenditures from the Provincial Offences Act (POA). Another element is the corporate contingency account for unforeseen and urgent requirements that may develop over the course of the year. Examples of other items included in the Corporate Managed accounts are Municipal Elections costs and subdivision administration fees.
- **City-Wide Initiatives** accounts were established to fund community project initiatives for the benefit of all residents of the City as a whole. The major categories of Sports, Heritage, Arts and Culture and Community Events are included with specific allocations provided from the approved annual Current Fund Budget. For instance, external agencies such as the Brampton Arts Council and Brampton Safe City Association receive their annual grant funding from these accounts.
- **Financial** accounts allow for tracking of non department specific financial expenditures and revenues such as contributions to and from corporate reserve funds, interest costs and revenues and bank service charges. These accounts include provision for estimated compensation adjustments pending decision over the course of the year and other compensation issues.

# Non Departmental: Overview

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- **Tax** accounts allow for the tracking of tax revenues including the basic property tax levy, payments-in-lieu of taxes and supplementary taxes. Expenditures that are directly related to tax revenue collection such as tax rebates, capping / claw back adjustments and allowances for doubtful taxes and tax write-offs are also included in these accounts.

## Goals/Objectives

- No specific goals or objectives are discussed in this section as the budget requirements result from, or support, initiatives undertaken in operating departments.
- Major factors affecting the numbers are outlined in the notes to the “2012 Budgeted Expenditures and Revenues by Type” table on page 7 and in the “Current Budget Highlights” section.

# Non Departmental: Overview

## Current Budget Financial Summary

(\$000s)	VARIANCE				
	2011 BUDGET	2011 ACTUALS*	2012 BUDGET	2012 BUDGET VS 2011 BUDGET	% CHANGE
<b><i>DIVISIONAL BREAKDOWN</i></b>					
CORPORATE MANAGED	(\$10,566)	(\$12,781)	(\$10,464)	\$103	-1.0%
CITY WIDE INITIATIVES	\$1,910	\$1,911	\$2,268	\$357	18.7%
FINANCIAL ADMINISTRATION	\$24,731	\$24,699	\$39,897	\$15,166	61.3%
TAX ADMINISTRATION	(\$288,945)	(\$291,538)	(\$311,120)	(\$22,175)	7.7%
<b>Net Expenditures</b>	<b>(\$272,871)</b>	<b>(\$277,710)</b>	<b>(\$279,419)</b>	<b>(\$6,549)</b>	<b>2.4%</b>
<b><i>BREAKDOWN BY CATEGORY</i></b>					
Labour Expenditures	\$5,771	\$5,901	\$12,302	\$6,530	113.1%
Other Expenditures	\$47,185	\$47,197	\$54,636	\$7,451	15.8%
<b>Total Expenditures</b>	<b>\$52,956</b>	<b>\$53,098</b>	<b>\$66,937</b>	<b>\$13,981</b>	<b>26.4%</b>
Gross Revenues	(\$325,827)	(\$330,808)	(\$346,357)	(\$20,530)	6.3%
<b>Net Expenditures</b>	<b>(\$272,871)</b>	<b>(\$277,710)</b>	<b>(\$279,419)</b>	<b>(\$6,549)</b>	<b>2.4%</b>

\*Forecast year- end actuals based on August 31<sup>st</sup>, 2011 actual results

Note: Figures in the table may not add due to rounding

# Non Departmental: Overview

## 2012 Budgeted Expenditures and Revenues by Type

(\$000s)	VARIANCE				
	2011 BUDGET	2011 ACTUALS*	2012 BUDGET	2012 BUDGET VS 2011 BUDGET	% CHANGE
<b><u>EXPENDITURES BY TYPE</u></b>					
SALARIES, WAGES AND BENEFITS	\$5,771	\$5,901	\$12,302	\$6,530	113.1%
OFFICE AND ADMINISTRATIVE	\$333	\$244	\$674	\$341	102.4%
ADVERTISING, MARKETING & PROMOTION	\$4	\$4	\$70	\$66	1566.7%
STAFF DEVELOPMENT	\$347	\$347	\$347	\$0	0.0%
PROFESSIONAL SERVICES	\$553	\$248	\$629	\$76	13.8%
REPAIRS, MAINTENANCE AND MATERIALS	\$52	\$55	\$52	\$0	0.0%
CONTRACTED SERVICES	\$20	\$20	\$20	\$0	0.0%
GRANTS, SUBSIDIES AND DONATIONS	\$2,156	\$2,157	\$2,514	\$357	16.6%
INTERNAL BORROWING REPAYMENTS	\$11,628	\$11,628	\$12,087	\$459	3.9%
FINANCIAL SERVICES	\$7,940	\$8,136	\$6,443	(\$1,497)	-18.9%
CONTRIBUTION TO RESERVES AND CAPITAL	\$24,152	\$24,358	\$31,801	\$7,649	31.7%
<b>Total Expenditures by Type</b>	<b>\$52,956</b>	<b>\$53,098</b>	<b>\$66,937</b>	<b>\$13,981</b>	<b>26.4%</b>
<b><u>REVENUES BY TYPE</u></b>					
TAXES AND PIL'S	(\$283,393)	(\$285,541)	(\$305,418)	(\$22,025)	7.8%
USER FEES AND SERVICE CHARGES	(\$20,249)	(\$22,861)	(\$20,966)	(\$717)	3.5%
INVESTMENT AND OTHER INCOME	(\$13,550)	(\$17,725)	(\$15,500)	(\$1,950)	14.4%
CONTRIBUTION FROM RESERVES	(\$8,635)	(\$4,680)	(\$4,473)	\$4,162	-48.2%
<b>Total Revenues by Type</b>	<b>(\$325,827)</b>	<b>(\$330,808)</b>	<b>(\$346,357)</b>	<b>(\$20,530)</b>	<b>6.3%</b>

\*Forecast year- end actuals based on August 31<sup>st</sup>, 2011 actual results

Note: Figures in the table may not add due to rounding

### Notes:

**Salaries, wages and benefits:** Includes corporate wide compensation provisions for non-union compensation and union collective agreements that have not yet been allocated to Departments to reflect approved settlements for both 2011 and 2012, and collective agreements not yet finalized.

**Office and Administrative:** The net change relates to the \$250,000 replenishment of the corporate contingency account and a \$94,000 provision for ongoing election costs (i.e. IT support, licensing, compliance audits).

# Non Departmental: Overview

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**Grants, Subsidies and Donations:** The variance increase is due to the commitment for payment of City DCs and CIL of Parkland for Habitat for Humanity, in addition to the increased contributions to Brampton Safe City Association, Brampton Arts Council and the Brampton Downtown Development Corporation.

**Internal Borrowing Repayments:** This is the net change in repayments to internal reserve funds in support of previously approved capital projects.

**Financial Services:** The variance mainly reflects a \$2.0 million decrease in insurance premiums as a result of moving to a higher deductible amount offset by an equivalent increase in the contribution to the Insurance Reserve Fund. This amount is partly offset by a \$0.5 million increase in tax administration adjustments and bank service charges.

**Contribution to Reserves and Capital (Expenditures):** The variance reflects an increase of \$2.8 million for the planned dedicated capital infrastructure tax levy (1%), a \$1.0 million increase for the planned contribution from Assessment Growth to capital to support growth in the City's infrastructure, a \$1.0 million contribution to the redevelopment of Peel Memorial Hospital, a \$2.0 million increase in the contribution to the Insurance Reserve Fund to support self insured claims payouts, and a \$0.3 million increase in the contribution to the Municipal Elections Reserve Fund.

**Taxes and payments in lieu (PILs):** This variance is mainly due to \$7.4 million from new assessment, \$0.7 million in additional supplementary taxes and PIL adjustments, and \$14.0 million from the recommended tax levy increase of 4.9%.

**User fees and service charges:** This variance reflects a \$0.5 million increase in interest and penalties on taxes owed and \$0.2 million increase in parking enforcement revenue.

**Investment and Other Income:** This variance reflects a forecast \$2.0 million increase in income earned on working capital funds and the Legacy / Community Investment Funds.

**Contribution from Reserves (Revenues):** The variance reflects a decrease of \$4.3 million in the contribution from the General Rate Stabilization Reserve and Interest Rate Stabilization Reserve Fund. The decrease reflects the phasing out of short term Reserve draws used in previous budgets to compensate for the gradual achievement of cost recovery targets on new Transit services and to offset the cyclical effect of the economic downturn on supplementary taxes and investment income.

# Current Budget Highlights



# Non Departmental: Current Budget Highlights

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## Consolidated Change from 2011 (\$000s)

	<b>2012 Budget vs. 2011 Budget</b>	<b>Category Description</b>
<b>CORE ADJUSTMENTS</b>		
> Compensation - net provisions for non union compensation changes and union collective agreements	6,530	Compensation Adjustments
> Operating expenditure adjustments to reflect actuals and forecasted actuals		
- Decrease in insurance premiums to reflect higher deductible	(2,000)	Growth / Work Volume
- Increased contribution to Insurance Reserve Fund to reflect increased self insurance claim payouts as a result of the higher insurance deductible	2,000	Growth / Work Volume
- Tax administration adjustments (i.e. write offs, rebates)	350	Growth / Work Volume
- Increase in the contribution to the Municipal Elections Reserve to support growth in election operating costs	300	Growth / Work Volume
- Bank service charges / credit and debit charges	153	Growth / Work Volume
> Revenue adjustments to reflect actuals and forecasted actuals		
- Investment income increase (non-Hydro)	(1,950)	Growth / Work Volume
- Reduction in contribution from Reserve Fund (reversal of prior mitigation strategy)	1,950	Growth / Work Volume
- Supplementary tax revenue increase	(532)	Growth / Work Volume
- Reduction in contribution from Reserve Fund (reversal of prior mitigation strategy)	961	Growth / Work Volume
- Reduction in Reserve contribution due to growth in transit ridership revenues on existing routes (reversal of prior mitigation strategy)	1,397	Growth / Work Volume
- Interest and penalties on taxes	(500)	Growth / Work Volume
- Payment in-lieu of taxes (PILs) - adjustment	(118)	Growth / Work Volume
<b>SUBTOTAL, CORE ADJUSTMENTS</b>	<b>8,541</b>	

# Non Departmental: Current Budget Highlights

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## Consolidated Change from 2011 (\$000s)

	<b>2012 Budget vs. 2011 Budget</b>	<b>Category Description</b>
<b>COMMITMENTS</b>		
> Planned dedicated 1% Infrastructure Tax Levy	2,823	Capital Impacts - Service
> Planned contribution from assessment growth to Reserve Fund #4 - Asset Repair and Replacement to support growth in the City's infrastructure	1,376	Capital Impacts - Growth
> Contribution to Reserve Fund #4 for additional park shade shelters	120	Capital Impacts - Service
> Internal borrowing repayments to support previously approved capital projects	459	Capital Impacts - Service
> Habitat for Humanity - grant for full amount of the City portion of DCs and CIL of Parkland for sites expected to advance in 2012	205	Capital Impacts - Growth
> Additional funding required to support 2012 new corporate staff additions (i.e. computers, software, telephone and support)	47	Capital Impacts - Growth
<b>SUBTOTAL, COMMITMENTS</b>	<b>5,030</b>	

## GROWTH AND SERVICE PRIORITIES

> Contribution to reserve fund for the redevelopment of Peel Memorial Hospital	1,000	Service
> Replenishment of corporate contingency account	250	Growth / Work Volume
> Brampton Downtown Development Corporation	60	Service
> Flower City Initiatives	50	Service
> Flower City Children's Story Book	20	Service
> Brampton Safe City grant (net \$6K impact)		
- Compensation adjustments	5	Compensation Adjustments
- Lease occupancy costs	2	Service

# Non Departmental: Current Budget Highlights

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## Consolidated Change from 2011 (\$000s)

	<b>2012 Budget vs. 2011 Budget</b>	<b>Category Description</b>
> Brampton Arts Council grant (net \$86K impact)		
- Compensation adjustments	7	Compensation Adjustments
- Miscellaneous operating expenditures	2	Growth / Work Volume
- Miscellaneous revenue adjustments	(1)	Growth / Work Volume
- Brampton Concert Band	2	Growth / Work Volume
- APP / BRAVO Awards	1	Growth / Work Volume
- Arts Group Funding (\$10K approved in 2011 as one time funding from Community Initiatives account; 2012 total request of \$30K)	30	Service
- Communication Coordinator (new staff position)	45	Service
> Enforcement Officers - revenue increase in parking violations associated with new F/T staff in Corporate Services	(217)	Service
<b>SUBTOTAL, GROWTH AND SERVICE PRIORITIES</b>	<b>1,255</b>	

## REVENUE SOURCES

> Assessment Growth - additional tax levy received by the City as a result of new properties added to the assessment roll	(7,423)	Assessment Growth
> Approved Tax levy Increase (4.9%)	(13,952)	Tax Levy Increase
<b>SUBTOTAL, REVENUE SOURCES</b>	<b>(21,374)</b>	

<b>TOTAL, NET EXPENDITURE CHANGE</b>	<b>(6,549)</b>
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