AGENDA
8:30 a.m. – 11:00 a.m.
Secondary Hall, Rose Theatre

<table>
<thead>
<tr>
<th>Mayor Linda Jeffrey</th>
<th>Marilyn Ball, Acting Chief Administrative Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>City and Regional Councillors</td>
<td>Executive Leadership Team (ELT) and required staff</td>
</tr>
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</table>

September 18, 2015 (8:30 a.m. – 11:00 a.m.)

Light breakfast to be provided at the Workshop.

Workshop Agenda: 2016 – 2018 Operating Budget Status Update

- Welcome and Opening Remarks
- 2015 Status Update and 2016-2018 Operating Submissions
- Departmental Presentations
- Next Steps
- Closing Remarks

Agenda materials will be distributed prior to the Workshop.

City Council Workshop Rules

Attire for the workshop is ‘business casual’

Section 20 of Procedure By-law 160-2004, as amended, applies:
- A workshop can include open session and closed session business, in accordance with the Procedure By-law and The Municipal Act, 2001.
- Workshop notice is to be made available to the public.
- After Workshop notice is provided, no new matters can be added to an agenda.
- Quorum of Council is not required for a Workshop.
- Members of the public attending a Workshop are permitted to observe the public session.
- No decisions or directions to staff can be made at the Workshop. Any matter requiring a Council decision must be reported back to Committee or Council for consideration and approval.
- The City Clerk’s Office will prepare “minutes” from the Workshop. Public session “minutes” are available for public review if a request is received.
Operating Budget Status Update 2016 to 2018

Council Workshop
September 18, 2015
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30 – 9:15</td>
<td>Opening Remarks</td>
</tr>
<tr>
<td></td>
<td>2015 Status Update</td>
</tr>
<tr>
<td></td>
<td>2016-2018 Operating Submissions</td>
</tr>
<tr>
<td>9:15 – 10:30</td>
<td>Departmental Presentations and Discussion</td>
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<tr>
<td></td>
<td>• Pressures and Challenges / Opportunities</td>
</tr>
<tr>
<td>10:30 – 11:00</td>
<td>Input from Council</td>
</tr>
<tr>
<td></td>
<td>• Response to proposed budget/process</td>
</tr>
<tr>
<td></td>
<td>• Additional requests</td>
</tr>
<tr>
<td></td>
<td>Next Steps</td>
</tr>
</tbody>
</table>
Purpose

To provide updates on the 2015 Budget and the 2016-2018 Budget process and to seek input from Council:

- 2015 Status Update
- 2016-2018 Operating Submissions
  - Prior decisions
  - Status of submissions
  - New or enhanced initiatives
- Review Schedule
- Operating Impacts of Capital
- Present Departmental Overviews
- Discuss Next Steps
## Negative Budget Impacts ($000s)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Revenues</td>
<td>4,649</td>
</tr>
<tr>
<td>Transit Vehicle Repairs &amp; Maintenance</td>
<td>1,130</td>
</tr>
<tr>
<td>Planning Revenues</td>
<td>2,241</td>
</tr>
</tbody>
</table>

## Positive Budget Impacts ($000s)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Fuel</td>
<td>(1,275)</td>
</tr>
<tr>
<td>Facility Services</td>
<td>(1,315)</td>
</tr>
<tr>
<td>Labour Expenditures</td>
<td>(5,620)</td>
</tr>
<tr>
<td>Contracted Services</td>
<td>(1,394)</td>
</tr>
<tr>
<td>POA Revenues</td>
<td>(1,421)</td>
</tr>
</tbody>
</table>

Fire’s collective agreement expired December 31, 2014

Transit’s collective agreement expired June 30, 2015

- Ratification to take place September 18th
2016 – 2018 Budget Themes

The 2016-2018 Budget was prepared with a focus on the following themes:

• Good Government
• Smart Growth
• Move and Connect
• Strong Communities

Overall Budget Theme for Budget 2016:

• Moving the City Forward
2016-2018 Operating Budget Submissions

• Operating Targets (as approved at July 8 Council meeting – C226-2015)
  • 2% for base operating adjustments and growth impacts
    • Based on Bank of Canada targeted core inflation rate
    • Total increase to base operating budget based on:
      • 2% tax levy increase
      • Assessment Growth
  • 2% additional annual infrastructure levy
  • New or enhanced services, based on known major initiatives that would individually result in a tax rate impact of 0.5% or greater

• Received all departmental submissions
• Operating submissions fall within guidelines (2%) for base adjustments
2016 Preliminary Operating Budget Submissions

### City Only Tax Bill Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>2016 Preliminary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Operating Adj &amp; Growth</td>
<td>1.9%</td>
</tr>
<tr>
<td>Infrastructure Levy</td>
<td>2.0%</td>
</tr>
<tr>
<td>New or Enhanced Services</td>
<td>1.1%</td>
</tr>
<tr>
<td>Tax Increase (CITY portion)</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

### Total Tax Bill Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>2015 Approved</th>
<th>2016 Preliminary</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>3.0%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Region</td>
<td>0.7%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Education</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Combined Tax Increase</td>
<td>3.7%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>
Base Operating Adjustments and Growth

• Operating costs for new facilities coming online
• Operating costs for transit expansion into new neighbourhoods
• Increases to operating costs in response to growth / work volume
• Collective Agreement impacts
  • Transit
  • Fire
  • CUPE Inside/Outside
  • CUPE Protech
• Operating adjustments (expenses and revenues)
• Operational Efficiencies
• New or enhanced initiatives (below 0.5% tax impact threshold)
• Assessment Growth
Infrastructure Levy

- From Auditor General Jim McCarter’s Report:
  - “Canadian municipalities are being challenged to maintain their aging and growing infrastructure in a state of good repair. Brampton’s finances will become increasingly more affected as time goes on unless more funds are put aside to address this growing issue.”

- City’s Response:
  - 2% approved for 2015
  - 2% per year proposed for 2016-2018
New or Enhanced Initiatives

Major initiatives individually resulting in a tax rate impact of 0.5% or greater:

- Züm service increase
- Züm support service (conventional transit)
- New firefighters (20 in 2017 and 20 in 2018)
- Recreation part-time employee wage increases (phase-in)
## Plan Moving Forward – Budget Schedule

<table>
<thead>
<tr>
<th>Timeline</th>
<th>Major Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>September</td>
<td>2016-2018 Budget Consolidation&lt;br&gt;Council Feedback (today)&lt;br&gt;ELT/SMT Deliberations&lt;br&gt;Community Engagement and Communications Initiatives&lt;br&gt;Commence (run through November)</td>
</tr>
<tr>
<td>October</td>
<td>Prepare Initial Budget Committee Presentations&lt;br&gt;Preliminary Budget Committee Review&lt;br&gt;Finalize Proposed Budget Binders</td>
</tr>
<tr>
<td>November</td>
<td>Prepare Final Budget Presentations&lt;br&gt;Final Budget Committee Deliberations</td>
</tr>
<tr>
<td>December</td>
<td>Final Budget Committee Deliberations&lt;br&gt;Budget Approval</td>
</tr>
</tbody>
</table>
Operating Impacts of Capital Projects

• Previously-approved projects
• Future years for 2016-2018 approved projects
• Advancement of capital programs
• Potential financing costs
Departmental Overviews
**Departmental Overviews – Summary**

**Partnerships**
- Departments work as internal service partners to develop business plans and budgets that support the strategic priorities of the City

**Pressures**
- How preliminary budget was attained (e.g. capacity, priorities)
- What was reprioritized in order to meet target

**Challenges / Opportunities**
- Future impacts (e.g. service levels) of current constraints
- Continue review of user fees to offset escalating program costs
Public Services

Pressures

• Significant operating impacts from previously approved capital (2016 New Facilities):
  • Gore Meadows Phase 2
  • Fire Apparatus and Maintenance Facility
  • Expanded Transit Sandalwood Facility
  • Springdale Library
  • Addition of Garden Square staffing and outdoor programming (2017)
• Capital program – focusing on project validation, resource capacity and procurement timing
• Recreation part-time employee wage increases (phase-in)
• Transit Ridership Growth
• Introduction of Queen West Züm service as per Federal Funding Agreement
• Increasing call volume requires additional fire crews to maintain response time
• Continued pressure on existing staff to take on more while maintaining current resource levels
Public Services (continued)

**Challenges / Opportunities**

- Transit Revenue shortfall (phased-in approach to rectify)
- Asset Management Plan and Facilities Master Plan to provide overall guidance and direction
- Parks and Recreation Master Plan may identify additional infrastructure for increased programming
- Consolidated facility operations and maintenance to further enhance efficiencies and consistency of services
- Efficiencies in Transit service hours
Planning and Infrastructure Services

Pressures

• To effectively operate and maintain the city’s transportation network, parks and open space and associated infrastructure

• To address traffic congestion and higher expectation for public safety

• To ensure the planning for housing choices and job opportunities, and delivery of parks and open space amenities are in line with the cultural diversity and demographics of Brampton residents

• To protect the natural environment, given escalating challenges associated with climate change and new legislative requirements

• To address expanded delivery of effective, long term transportation solutions including expansion of public transit, active transportation, transportation demand management, etc.

• To address increased demand for services and online data accessibility
Planning and Infrastructure Services (continued)

Challenges / Opportunities

• To provide timely implementation of new Master Plans that will deliver environmental management, transportation infrastructure and programs, parks and open space amenities, and that meet the City’s quality standards
• To preserve and enhance the City’s infrastructure through the delivery of efficient maintenance programs
• To ensure community planning and quality urban design is in accordance with legislated requirements including conservation and preservation of heritage resources
• To leverage capabilities of existing traffic signals system
• To address Downtown and Central Area revitalization
• To leverage technology to better serve our resident and business customers
Corporate Services

Pressures
Key drivers for preliminary budget were:

• Growth pressures
• Maintaining acceptable service levels
• Inflation and economic impact
• Legislated services
• Innovation

In order to meet targets, the following were considered:

• Deferred requests from 2015
• Legislated requirements and Council priorities
• Increase of revenues (POA and Licensing)
Corporate Services (continued)

Challenges / Opportunities

• While increasing complexity and scrutiny provides an opportunity for business improvement and continuing service excellence, it adds pressure with resource restraint

• As we invest in new infrastructure and services, we also need to invest in the operation and maintenance of same

• As the City grows, proportionate enhancements are needed in Corporate Services, in order to maintain service levels

• Budget reductions can impact internal services that are utilized by other departments, and investment opportunities in innovation, research and development
Office of the Chief Operating Officer

Pressures

• Increasing pressure for greater corporate efficiency and effectiveness
• New multi-year business planning and budgeting should be aligned with a continuous improvement program to demonstrate value-for-money
• Expectation to increase specific types of consulting work in-house
• Growing demand, and managing expectations, for newly established services: Office of the Central Area, Community Engagement, Festivals – Special Events, Grants
• Economy in transition
Challenges / Opportunities

• Opportunity to collaborate with ELT and City departments to continuously improve City business processes
• Invest in Council communications and employee communications to support strategic priorities
• Increase revenue and strategic partnerships through a focused sponsorship plan
• Be a leader in the GTA by collaborating with other GTA municipalities and industry on a new Foreign Direct Investment (FDI) Agency and Life Sciences Partnership
• Enhance Brampton’s image through a rebranding review
• Strengthen relationships with community, industry and other stakeholders
Next Steps

Community Engagement and Communications
• Initiatives commence in September and run through November

October 13-20 Budget Committee Meetings
• SMT/ELT to deliberate through October 2nd
• Revisions and presentations completed by October 9th
• Preliminary budgets to be presented at Budget Committee meetings

November 30 – December 4 Budget Committee Meetings
• Finance to finalize and print budget binders by November 6th
• Budget binder distribution and posting to website by November 6th
• Budget presentations to be finalized by November 26th
• Proposed 2016-2018 Budgets to be presented at deliberations meetings
Questions?