



December 7, 2023

Mayor Brown & Members of Council
City of Brampton
2 Wellington St
Brampton, ON
L6Y 1M8

Dear Mayor Brown and Council:

Thank you for your work to date on the 2024 municipal budget, including the series of special council meetings being held from December 5th until potentially December 13th. The annual budget process is an important opportunity to set both operational and strategic priorities while signaling the business community on medium- and long-term trends. As Brampton's most representative, long-standing and only accredited business association, the Brampton Board of Trade closely follows and participates in the budget process each year, representing the interests of our more than 2000 business owners and company representatives, who collectively employ more than 71,000 in our city.

As council proceeds towards approval of this year's budget, the Board of Trade has input in the following areas:

- (1) Budget Process – We appreciated the business community roundtable held on November 21st. As it is likely that most of the budget document would have already been prepared by this time, we recommend earlier and more consultation in future – ideally consultations should begin in late summer or early fall – to ensure there is ample time to reflect feedback in the final document. Budget 2024 also provides a significant amount of useful information in outlining the business plans for various departments and projects. However, on the whole this year's process represented a step back in timeliness and transparency in several significant areas. The November 29th release date was later than other municipalities, making it challenging to undertake timely analysis. The absence of operating budget details, after several years of availability to the public, greatly reduces the ability of stakeholders like the Board of Trade to fully analyze the budget and provide meaningful commentary.



- (2) Property Taxes – Businesses need and expect clarity and predictability around property tax rates. Board of Trade analysis shows important nuances in property tax rate calculations that should be transparently communicated. The 1.9% tax increase represented in the budget is misleading. That number is the result of taking the city's tax increase and dividing it by the taxes of the city, region and school board. That is not a typical approach to calculating a percentage tax increase. It minimizes the fact that Council is spending much more than inflation on the initiatives that it controls. Moreover, when looking at the overall tax bill, given increases at the Region, overall taxes will increase by 6.4%, far higher than the rate of inflation. Furthermore, Budget 2024 continues a trend of using irrelevant benchmarks to manipulate taxpayer perception. For example, for comparison purposes with other municipalities, Brampton uses per capita data - but this is not a standard way of looking at tax rates and does not reflect the fact and reality that the burden of tax increases falls on a per household or per business basis. For residents and businesses attempting to better understand municipal budgeting and its implications for their business, calculating tax increases using correct numerators and denominators, consistent with normal accounting practices, is a crucial foundation.
- (3) Unspent Capital Backlog – The Board of Trade has identified years-long concerns about a growing backlog of unspent capital and the absence of a process to not only slow the growth in unspent capital, but begin to deploy those funds to the projects that they were allocated to be spent on. Budget 2024 does not resolve this longstanding concern.
- (4) Signature Projects – The Board of Trade views the annual municipal budget process as an opportunity to show seriousness about and commitment to critical signature projects that play important roles in building out our city and region. We welcome the continued 1% healthcare levy to ensure a local contribution to Brampton's second hospital will be fulfilled. We remain concerned that several successive budgets, including this one, have declined to consider a local share for the Main Street LRT Extension. While we understand the Mayor's position that the project should be funded entirely by senior orders of government, it would nonetheless be prudent to ensure that the project is not further delayed over the absence of planning for a local share. Additionally, while we welcome funds allocated for city-wide beautification, it remains our point of view that specific allocations require urgency for the downtown area, in particular, publicly accessible restrooms.



- (5) Regional Dissolution – While developments that are taking place in real-time during budget deliberations have the potential to significantly alter (or eliminate) the risks and questions posed by dissolution, it is our position that it would have been prudent to have included more precise cost and tax impact estimates stemming from regional dissolution in the budget document.

Thank you again for the time taken to fully review line items for the 2024 budget. The Brampton Board of Trade remains a committed partner of City Council as we chart a shared path to prosperity for local businesses. We look forward to continuing our on-going dialogue with council and senior leadership on the issues outlined in this correspondence as well as other city-wide issues.

Sincerely,

Todd Letts

Todd Letts, MBA, CCE
Chief Executive Officer
Brampton Board of Trade