
For Information

REPORT TITLE: Peel Art Gallery Museum and Archives (PAMA) Business and Transition Planning Framework

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OBJECTIVE

To present the draft Business and Transition Planning Framework (“The Framework”), which addresses the transfer of assets, human resources, operational and capital financial responsibilities related to Peel Art Gallery Museum and Archives (PAMA), to the City of Brampton. To provide Regional Council with information requested in accordance with Resolution #2025-685 to debate the terms of The Framework and select a timeline option to facilitate local municipal ratification and agree to its terms prior to the commencement of the transition.

REPORT HIGHLIGHTS

- September 2025, Regional Council approved Resolution #2025-685 to begin transferring ownership and operations of PAMA (excluding Archives) to the City of Brampton effective January 1, 2027, pending ratification by regional and local councils in early 2026.
- The Intermunicipal Working Group (IWG) was directed to develop a Transition and Business Planning Framework covering asset transfer, human resources, and operational and capital responsibilities, and to provide regular progress updates to Council.
- IWG retained two consultants, Lord Cultural Resources (Lord) and Ernst & Young (EY) to assist in developing the Framework.
- The Framework outlines guiding principles, critical path decisions, transition steps, financial implications, additional considerations, timeline options, and pre- and post-transfer steps.
- Lords’ key recommendation is to move PAMA’s collection and assets “as is” to the City of Brampton, rather than attempting to divide collections by municipality prior to the transfer date.
- EY, with input from Lord and the IWG, has completed the Framework in alignment with the direction of Council.
- To support transition of PAMA to the City of Brampton, The Framework presents two timeline options: **Option 1 (January 1, 2027)**, which maintains the original transfer date: this option carries significant high risk due to the volume of pre-transition activities to be completed, staffing, and legal reviews required. **Option 2 (January 1, 2028)**, carries less risk as it provides more time to complete pre- transition steps and less staffing risk.
- Subject to approval of the Framework timeline options, and ratification, Peel will remove PAMA from the Region’s 2027 net tax levy of approximately \$6.0 million.
- Assuming the same service level, Brampton will need to generate taxes to fund and operate PAMA. This does not include any future municipal contribution arrangements with Mississauga or Caledon.

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- Staffing considerations related to this report are dealt with under a separate closed session report listed on the March 26, 2026 Regional Council Agenda.
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DISCUSSION

1. Background and Approach

In September 2025, Regional Council passed a motion (Resolution #2025-685) to initiate the transfer of ownership and operations of PAMA (excluding Archives) from Peel Region to the City of Brampton on January 1, 2027, subject to ratification by Regional and Local Councils in early 2026. The ratification process, as jointly interpreted by the IWG and the Commissioners, is as follows:

1. **March 26, 2026** – Regional Council to debate the terms of The Framework and select a timeline option.
2. **April 2026** – Local municipal ratification of The Framework, agreeing to its terms.
3. **May 2026** – Regional Council direction to formally authorize the transfer for implementation.

The PAMA IWG, comprised of representatives from all three local municipalities, was tasked with developing a Transition and Business Planning Framework (The Framework) addressing assets, human resources, and financial responsibilities.

Two third-party consultants, Lord Cultural Resources (Lord) and Ernst & Young (EY), were retained by the IWG to lead the development of the framework applying an agreed-to phased approach. Peel Region paid for the consultants.

- **Phase One:** Completion of a Current State Assessment and Collections Review to inform subsequent planning and decision making.
- **Phase Two:** Development of the PAMA Transition and Business Planning Framework through a structured, collaborative process with local municipalities.

Consultations were conducted by EY with Regional Councillors and an Indigenous consultant identified by Peel Region to inform a rights-based approach to Indigenous artifacts in the museum collection. Additional consultations were planned but were deferred to the post-ratification phase to meet the established reporting timelines.

This report fulfills all pre-ratification requirements in Resolution #2025-685, including The Framework, which outlines the transfer of assets and the operational and capital financial responsibilities related to PAMA.

IWG work was undertaken collectively and collaboratively throughout the process. However, during the first week in March and as the process was concluding, the City of Brampton proposed an option where Brampton would own the buildings and that Peel Region would retain stewardship of the collections, supported by appropriate governance, custody, and service arrangements.

This approach, where Peel retains ownership of the collection but does not own the facility in which it is housed, poses risks to PAMA as an institution, to the collection's care, and to public trust.

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See **Appendix I** for background on Resolution #2025-685, the PAMA IWG Terms of Reference.

2. Framework Overview, Guidelines, and Key Findings from Lord and EY

The Framework, (Appendix III), includes input on PAMA's Current State Assessment, Collections Review, Critical Path Decisions, transition steps, financial implications, additional considerations, timeline options, and pre- and post-transfer steps.

Staffing considerations related to this report are dealt with under a separate report.

2.1 Lord - Current State Assessment

Lord's assessment of PAMA's current operating and financial context has identified the following key considerations, relevant to the proposed transition:

- Brampton would assume responsibility for a Class "A" (environmental standard) facility, as designated by the Canadian Cultural Property Export Review Board.
- Class A is not to be confused with the Category A designation (highest national standards).
- Category A cannot be transferred to Brampton. Application is desirable; but not mandatory.

2.2 Lord - Collections Review

Lord's assessment of PAMA's collections was undertaken to understand their scope, composition, and implications for the proposed transfer. Key findings include:

- The Museum holds 14,000 records, in addition to 29,000 archaeological objects; the Art Gallery holds 6,200 pieces. Both operate consistent with professional standards.
- Assigning municipal origin is challenging due to database structure, overlapping histories, donor conditions, and limited provenance detail.
- Determining municipal origin could significantly delay implementation.

Lord's collection recommendations include:

- Transferring PAMA's collection and assets "as is" to the City of Brampton, rather than attempting to divide collections by municipality beforehand.
- Observance of museum ethics and existing policies, as a guiding principle to maintain public trust in PAMA; and
- Brampton as the main provider of operating revenues unless other funding arrangements with Peel municipalities are agreed.

Appendix II contains the Current State Review and Collections Review completed by Lord. Recommendations were an input into developing the EY framework.

2.3 EY - Collections – Additional Considerations:

EY lists the following additional considerations regarding asset transfer in The Framework:

- The transfer is expected to occur as a zero or nominal value (e.g. \$1) asset-sale transaction. Current analysis suggests the transaction is unlikely to trigger sales taxes; however, if tax implications arise, cost responsibility will need to be determined.
- Donors to PAMA receive charitable benefits for monetary and collection donations. Preliminary analysis indicates these are unlikely to be affected.

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- Indigenous Works: No incremental actions identified. Long term, actions to physically transfer or deaccession are informed by adherence to United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and Canadian Museums Association (CMA) standards.

2.4 Guiding Principles

Guiding principles, informed by the IWG, interested Regional Councillors, and the Regional Chair, were used to develop The Framework and are provided in **Appendix III**.

2.5 Critical Path Decisions

The Framework deals only with the full transfer of ownership and operations of PAMA (excluding Archives) from Peel Region to the City of Brampton. Below is a summary:

Financial:

- The City of Brampton assumes full financial responsibility for PAMA's operations and capital work. Based on the 2026 budget, this includes \$6.1 million in operating costs and \$22.4 million in capital, with operating costs projected to rise to \$6.3 million in 2027, assuming the same service level.
- Immediate and long-term funding support from Caledon and Mississauga may be determined through their regular budget processes and potential post-transfer service agreements with Brampton. All assets (e.g., collections, buildings) will transfer to Brampton intact and as-is. Archives budget remains with Peel.
- Archives staff will remain with Peel and continue operating within the PAMA facilities. A space-use agreement between Peel and the City of Brampton will be required, and an independent party must conduct a space assessment to confirm the Archives' share of space prior to the transfer.

Compliance and Legal:

- Vendor contracts transfer to the City of Brampton where possible; contracts that cannot be transferred are terminated and re-procured by Brampton subject to their internal processes.
- Brampton assumes responsibility for all artist copyright and image-licensing agreements. All existing donor agreements, donated funds, and collections transfer to Brampton.

Operations:

- The City of Brampton assumes full ownership and stewardship of the facility, including responsibility for environmental standards. Under the proposed Framework, all current PAMA standards would be maintained.

In early March, as The Framework deliberations were concluding, the need for additional analysis to understand operating model was identified by Brampton staff. It is Peel's understanding that Brampton has secured a vendor that will support them in the development of their new operating model. This and the pre-transfer steps identified in The Framework will also need to be completed prior to transition. **Selecting Option #2** (outlined below) would allow Brampton to finalize their operational model and mitigate many of the risks identified.

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2.6 Detailed Financials & Implications

The following summarizes financial implications resulting from the proposed transition of PAMA:

- When the transfer occurs, Peel will stop collecting taxes for PAMA. On that date, the local municipality assumes taxation responsibility.
- Effective January 1, 2027, Peel will stop collecting taxes for PAMA and will remove PAMA from their 2027 budget. *(PAMA's 2026 net budget of \$6.0 million will not be part of the 2027 net tax levy [the estimated apportionment of the 2026 PAMA costs by local municipality are \$3.5 million (or 58 per cent) for Mississauga, \$2.1 million (or 35 per cent) for Brampton, and \$0.4 million (or seven per cent) for Caledon.]*
- Brampton will need to generate taxes to fund and operate PAMA and determine local contributions.

PAMA's 2026 Budget includes:

- \$627,000 for contributions to capital.
- \$2.7 million for staff salaries and benefits, including approximately \$530,000 for benefits and pensions.
- \$1.8 million for Services and Rents, primarily janitorial and maintenance services (combined \$494,000), contracted services (\$453,000), and security (\$450,000).
- \$867,000 for allocations between departments (Facility, HR, IT, and Finance support)
- \$269,000 for Materials and Supplies, primarily Hydro (\$202,000).
- \$24,500 for Equipment and Furnishings.
- \$192,000 in revenues from service fees and charges, grants and subsidies, and contributions from reserves.
- These figures do not include funding for Peel Archives.
- These figures do not include \$62,000 removed as part of 2026 Budget reduction efforts.

Funding for Capital Work:

- Brampton will assume financial responsibility for PAMA's long-term capital needs, estimated at \$22.4 million over ten years based on the 2026 Capital Plan.
- The annual capital reserve contributions included in the 2026 PAMA operating budget are \$627,000 annually, or \$6.3 million over ten years.
- For the Capital Plan, there is a funding shortfall of \$16.1 million or \$1.6 million per year.
- The \$16.1 million shortfall is for planned capital work, not deferred maintenance. Peel's financing plan was to raise the contributions over the duration of the 10-year Capital Plan through a corporate infrastructure levy. This levy was reduced by Regional Council in the 2026 budget.
- Once the service is assumed, the 10-year Capital Plan will need to be reviewed and adjusted by the City of Brampton.
- Capital work already underway in 2026, that commenced in 2025, will be completed prior to the transition date. No new capital work will be initiated.

2.7 Key Risks and Mitigations

Key risks identified in The Framework affecting the transition of PAMA to the City of Brampton are outlined below:

- **Municipal elections:** The 2026 municipal elections may have the potential to affect decision making processes and timelines.

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- **Legal agreements:** External resources may be required to project manage, complete a review of all contracts and agreements (>2000), with legal support to negotiate and draft new agreements. Review will require more effort or longer timelines than anticipated. Decision must be reached on the assignment of liability, post-transfer.
- **Collection transfer:** Some collections or items, such as those with donor stipulations or with Indigenous origins, may have conditions that must be met prior to transfer.

2.8 Transition Implementation and Additional Considerations

The Transition Implementation Plan follows a three-stage approach and will need to address several key complexities, including managing significant operational, cultural, and organizational change; meeting high internal and external resource demands, with most costs anticipated to fall to the City of Brampton; and ensuring proactive community engagement through clear communication and accessible feedback mechanisms, such as town halls, to maintain public trust.

2.9 Timeline Options

EY proposes two timeline options, reflecting the scope of work required prior to the transfer date and the level of risk associated with completing all requirements within that period.

Option #1: Maintaining the January 1, 2027, date for a full transfer.

This option has high resource demands risks, such as detailed agreements and collections review, that would need mitigation. These can be addressed through: (1) external resources where internal capacity is limited, and (2) dedicated decision making processes to support transition activities.

Key Implications of Option 1:

- The transition will require significant internal and external resources.
- A successful transfer requires concurrent execution across financial planning, staffing, legal, and operations. This option does not allow sufficient time.

Option #2: Full transfer by January 1, 2028.

This option provides an additional year to complete required transition activities, reduces risks, and aligns with municipal budget cycles.

Key Implications of Option 2:

- Any motions put forward at the March 26, 2026, Regional Council meeting should include the updated transfer timeline.
- Peel would budget for PAMA in 2027 and collect the tax levy. Brampton would assume full responsibility for PAMA in 2028.
- This timeline allows key approvals and transition activities to occur outside peak political and administrative periods and avoid potential disruptions.

Appendix III includes full details on the PAMA Transition and Planning Framework decisions.

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NEXT STEPS

- Brampton has not set a timeline for defining its new operational model for PAMA but acknowledges that this must be completed. It is a requirement to be able to make further decisions required for the transition of PAMA.
- Brampton staff have highlighted the need to develop their operating model, and time to understand their requirements and responsibilities for accepting this transfer. These decisions will impact the ability to proceed with the implementation of The Framework.
- Any new motion(s) put forward at the March 26, 2026, Regional Council meeting should include the preferred transfer timeline.
- In addition, all pre-transfer activities need to be completed before the transition can occur.
- Following Regional Council's selection of a timeline option, and if Brampton's request for additional analysis is not granted, the transfer ratification process outlined at the outset of this report would be initiated.
- Following ratification, there is need for an overarching asset transfer agreement to be entered into between Peel and Brampton.

CONCLUSION

As requested by Resolution #2025-685, the Transition Business Planning Framework has been prepared. It provides a structure for advancing the transfer of PAMA operations from Peel Region to the City of Brampton. Consensus on The Framework must be reached between all municipalities. To ensure continuity of operations at transfer, all pre-transfer activities, including staffing, agreements, negotiations, and readiness planning must be completed. Post transfer, the City of Brampton will be responsible for finalizing any arrangements to support long-term operational, financial, and governance stability of PAMA.

APPENDICES

Appendix I – PAMA Intermunicipal Working Group Terms of Reference

Appendix II – High-level Summary and Full Report on Current State and Collections (Lord)

Appendix III – PAMA Transition Business Planning Framework (EY)



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