

# CITY OF BRANDON



Consolidated Financial Statements

For the Year Ended December 31, 2016

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the City of Brandon and have been prepared in compliance with legislation, and in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

MNP *LLP* as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' Report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian generally accepted accounting principles.



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Rod Sage  
A/City Manager

## INDEPENDENT AUDITORS' REPORT

### To the Mayor and members of Council of the CITY OF BRANDON

We have audited the accompanying consolidated financial statements of City of Brandon, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of operations, changes in net financial assets, cash flows and supporting schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of City of Brandon at December 31, 2016 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Other Matter*

The financial statements of the City of Brandon for the year ended December 31, 2015 were audited by another auditor who expressed an unmodified opinion on those statements on July 13, 2016.

# CITY OF BRANDON

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**CITY OF BRANDON  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 1,993,520	\$ 9,578,064
Amounts receivable (Note 4)	27,875,614	28,341,896
Portfolio investments (Note 5)	18,985,986	9,945,340
Loans and advances	50,000	100,000
Real estate properties held for sale	<u>4,249,442</u>	<u>4,249,512</u>
	<u>53,154,562</u>	<u>52,214,812</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 7)	14,919,114	12,977,679
Severance and vested sick leave payable	2,051,476	1,884,856
Deferred revenue	1,896,701	1,883,679
Landfill closure and post closure liabilities (Note 8)	981,085	912,007
Long-term debt (Note 10)	41,071,866	29,846,718
Other liabilities	<u>1,149,650</u>	<u>1,233,667</u>
	<u>62,069,892</u>	<u>48,738,606</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b><u>(8,915,330)</u></b>	<b><u>3,476,206</u></b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	353,936,765	342,746,356
Inventories (Note 6)	1,813,258	1,648,189
Prepaid expenses	<u>732,842</u>	<u>699,233</u>
	<u>356,482,865</u>	<u>345,093,778</u>
<b>ACCUMULATED SURPLUS (Note 18)</b>	<b><u>\$347,567,535</u></b>	<b><u>\$348,569,984</u></b>

**COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)**

Approved on behalf of Council:



**Rick Chrest - Mayor**



**Jan Chaboyer - Deputy Mayor**

**The accompanying notes are an integral part of this financial statement**

**CITY OF BRANDON  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>2016 Budget (Note 15)</b>	<b>2016</b>	<b>2015</b>
<b>REVENUES</b>			
Property taxes	\$ 40,654,944	\$ 41,548,744	\$ 40,234,431
Grants in lieu of taxation	2,243,231	2,243,231	2,339,760
User fees	14,025,140	18,007,370	17,006,524
Grants - Province of Manitoba	18,086,368	21,470,423	18,991,941
Grants - Other	3,940,388	5,714,082	4,742,398
Permits, licenses and fines	2,948,018	2,802,353	2,849,074
Investment income	72,644	279,324	174,930
Other revenue	1,365,834	723,330	850,283
Water and sewer	<u>18,972,000</u>	<u>18,032,029</u>	<u>17,185,743</u>
Total revenue (Schedules 2, 4, 5)	<u>102,308,567</u>	<u>110,820,886</u>	<u>104,375,084</u>
<b>EXPENSES</b>			
General government services	9,756,228	9,771,494	9,392,992
Protective services	30,978,258	30,274,975	29,485,608
Transportation services	20,965,424	20,205,768	19,501,200
Environmental health services	5,236,520	5,085,077	5,192,530
Public health and welfare services	733,913	689,716	790,171
Regional planning and development	4,501,478	2,345,248	2,126,285
Resource conservation & indust dev	1,432,475	1,644,550	1,191,549
Recreation and cultural services	13,080,760	14,022,387	13,742,107
Water and sewer services	<u>22,670,295</u>	<u>27,784,120</u>	<u>20,798,959</u>
Total expenses (Schedules 3, 4, 5)	<u>109,355,351</u>	<u>111,823,335</u>	<u>102,221,401</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE ADJUSTMENTS</b>	<b>\$ (7,046,784)</b>	<b>\$ (1,002,449)</b>	<b>\$ 2,153,683</b>
<b>ADJUSTMENT TO OPENING ACCOUNTS PAYABLE (Note 16)</b>	<b>-</b>	<b>-</b>	<b>(168,360)</b>
<b>ACCOUNTS RECEIVABLE (Note 16)</b>	<b>-</b>	<b>-</b>	<b>(1,053,868)</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(7,046,784)</b>	<b>(1,002,449)</b>	<b>931,455</b>
<b>ACCUMULATED SURPLUS BEGINNING OF YEAR</b>	<b><u>348,569,984</u></b>	<b><u>348,569,984</u></b>	<b><u>347,638,529</u></b>
<b>ACCUMULATED SURPLUS END OF YEAR</b>	<b><u>\$341,523,200</u></b>	<b><u>\$347,567,535</u></b>	<b><u>\$348,569,984</u></b>

The accompanying notes are an integral part of this financial statement

**CITY OF BRANDON  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

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	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ <u>(7,046,784)</u></b>	<b>\$ <u>(1,002,449)</u></b>	<b>\$ <u>931,455</u></b>
Acquisition of tangible capital assets	(34,391,128)	(29,938,339)	(19,953,159)
Amortization of tangible capital assets	17,026,753	17,026,753	16,231,949
Loss (gain) on sale of tangible capital assets	-	1,055,960	(28,270)
Proceeds on sale of tangible capital assets	-	665,217	1,518,116
Decrease (increase) in inventories	-	(165,069)	62,728
Decrease (increase) in prepaid expenses	-	(33,609)	23,072
	<u>(17,364,375)</u>	<u>(11,389,087)</u>	<u>(2,145,564)</u>
 <b>CHANGE IN NET FINANCIAL ASSETS</b>	 <b>\$ <u>(24,411,159)</u></b>	 <b>\$ <u>(12,391,536)</u></b>	 <b>\$ <u>(1,214,109)</u></b>
 <b>NET FINANCIAL ASSETS</b>			
<b>BEGINNING OF YEAR</b>	<u>3,476,206</u>	<u>3,476,206</u>	<u>4,690,315</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>			
<b>END OF YEAR</b>	<b>\$ <u>(20,934,953)</u></b>	<b>\$ <u>(8,915,330)</u></b>	<b>\$ <u>3,476,206</u></b>

The accompanying notes are an integral part of this financial statement

**CITY OF BRANDON  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ <u>(1,002,449)</u>	\$ <u>931,455</u>
Changes in non-cash working capital balances:		
Amounts receivable	466,282	(1,821,272)
Inventories	(165,069)	62,728
Prepays	(33,609)	23,072
Accounts payable and accrued liabilities	1,941,435	(1,999,571)
Severance and vested sick leave payable	166,621	5,250
Deferred revenue	13,022	(20,041)
Landfill closure and post closure liabilities	69,078	64,724
Other liabilities	(84,017)	(106,324)
Adjustments for:		
Loss (gain) on sale of tangible capital assets	1,055,960	(28,270)
Loss (gain) on sale of real estate properties	(6,679)	722,226
Amortization	<u>17,026,753</u>	<u>16,231,949</u>
Cash provided by operating transactions	<u>19,447,328</u>	<u>14,065,926</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	665,217	1,518,116
Acquisition of tangible capital assets	<u>(29,938,339)</u>	<u>(19,953,159)</u>
Cash applied to capital transactions	<u>(29,273,122)</u>	<u>(18,435,043)</u>
<b>INVESTING TRANSACTIONS</b>		
Proceeds on sale of portfolio investments	6,000,000	2,743,846
Proceeds on sale of real estate properties	6,608	(722,369)
Loans and advances repaid	50,000	50,000
Purchase of portfolio investments	(15,040,646)	(2,752,086)
Acquisition of real estate properties	<u>140</u>	<u>286</u>
Cash provided by investing transactions	<u>(8,983,898)</u>	<u>(680,323)</u>
<b>FINANCING TRANSACTIONS</b>		
Proceeds of long-term debt	13,452,021	151,630
Debt repayment	<u>(2,226,873)</u>	<u>(2,297,185)</u>
Cash provided by financing transactions	<u>11,225,148</u>	<u>(2,145,555)</u>
<b>DECREASE IN CASH AND  TEMPORARY INVESTMENTS</b>	<b>\$ (7,584,544)</b>	<b>\$ (7,194,995)</b>
<b>CASH AND TEMPORARY INVESTMENTS,  BEGINNING OF YEAR</b>	<u>9,578,064</u>	<u>16,773,059</u>
<b>CASH AND TEMPORARY INVESTMENTS,  END OF YEAR</b>	<b><u>\$ 1,993,520</u></b>	<b><u>\$ 9,578,064</u></b>

**The accompanying notes are an integral part of this financial statement**



**CITY OF BRANDON  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2016**

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**1. Status of the City of Brandon**

The incorporated City of Brandon is a municipal government that was created in 1882 pursuant to the Manitoba Municipal Act. The City of Brandon provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The City of Brandon owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in recreational, cultural and tourism services.

**2. Significant Accounting Policies**

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

**a) Reporting Entity**

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the City of Brandon. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

*Brandon Downtown Development Corporation*

The City of Brandon has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted for on a proportionate consolidation basis whereby the City of Brandon's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

*Brandon & Area Planning District (21%) (2015 – 21%)  
Western Manitoba Centennial Auditorium (50%) (2015 – 50%)  
Keystone Agricultural & Recreational Centre (50%) (2015 – 50%)  
Western Manitoba Regional Library (81%) (2015 – 81%)*

The Keystone Centre has a July 31st year end.

The taxation with respect to the operations of the school divisions are not reflected in the Municipal surplus of these financial statements.

Trust funds and their related operations administered by the City of Brandon are not held in separate bank accounts and are recorded as Other Liabilities on the Consolidated Statement of Financial Position. The trust funds administered by the City of Brandon are presented in Schedule 7 - Schedule of Trust Funds and consist of funds held for the maintenance of Community Centers.

## **2. Significant Accounting Policies (continued)**

### **b) Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

### **c) Cash and Temporary Investments**

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

### **d) Investments**

Temporary investments are accounted for at the lower of cost and market.

Portfolio investments are accounted for at cost.

### **e) Real Estate Properties Held for Sale**

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the statement of financial position date.

### **f) Landfill Closure and Post Closure Liabilities**

The estimated cost to close and maintain solid waste landfill sites are based on estimated future expenses, in current dollars, adjusted for estimated inflation, and are charged to expenses as the landfill capacity is used.

### **g) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

### **h) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The City of Brandon does not capitalize internal finance charges as part of the cost of its tangible capital assets.

The cost, less residual value, of the tangible capital asset is amortized on a straight line basis over its useful life. Assets under construction are not amortized until the asset is put into use.

## 2. Significant Accounting Policies (continued)

### h) Tangible Capital Assets (continued)

#### General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
<u>Buildings and leasehold improvements</u>	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
<u>Vehicles and Equipment</u>	
Vehicles	5 years
Machinery, equipment & furniture	10 years
Maintenance & road construction equipment	15 years

#### Infrastructure Assets

##### Transportation

Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years

##### Water and Sewer

Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

### i) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

### j) Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower of cost and replacement value.

### k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations, an equivalent amount of revenue is recognized as the liability is settled.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

**2. Significant Accounting Policies (continued)**

**l) Measurement Uncertainty**

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Measurement uncertainty in these financial statements exists in the accrual of the landfill closure and post closure liabilities. The accrual of the landfill liabilities is based on estimated future cash flows discounted to the financial statement date. The estimate of the future cash flows and the closure date of the landfill are based upon the best estimates by management. The actual future cash flows and closure date may differ significantly.

Measurement uncertainty in these financial statements exists in the accrual of the employee retirement, severance, and non-vested sick liabilities. The accrual of the retirement, severance, and non-vested sick liabilities is based on estimated future cash flows discounted to the financial statement date and actuarial assumptions. The estimate of the future cash flows and the actuarial assumptions are based upon the best estimates by management. The actual future cash flows valuation assumptions for the future may differ significantly.

**3. Cash and Temporary Investments**

Cash and temporary investments are comprised of the following:

	<u>2016</u>	<u>2015</u>
Cash	\$ 1,595,726	\$ 9,221,750
Temporary Investments	<u>397,794</u>	<u>356,314</u>
	<u>\$ 1,993,520</u>	<u>\$ 9,578,064</u>

The City of Brandon has designated \$ 77,783,590 (2015 - \$ 92,796,821 ) to special purpose reserves. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The City of Brandon has established an operating line of credit with the Bank of Montreal, authorized by Council resolution, of up to \$5,000,000. At December 31, 2016 the City had \$5,000,000 (2015 - \$5,000,000) credit available.

**4. Amounts Receivable**

Amounts receivable are valued at their net realizable value:

	<u>2016</u>	<u>2015</u>
Taxes on Roll (schedule 11)	\$ 3,200,826	\$ 3,341,013
Government Grants	-	-
Utility Customers	7,363,139	11,776,890
Accrued Interest	6,551	6,551
Organizations and Individuals	18,258,599	13,994,623
Federal Government - GST	<u>511,989</u>	<u>446,741</u>
	\$ 29,341,104	\$ 29,565,818
Less Allowances for Doubtful Amounts	<u>(1,465,490)</u>	<u>(1,223,922)</u>
	<u>\$ 27,875,614</u>	<u>\$ 28,341,896</u>

**5. Portfolio Investments**

	<u>2016</u>	<u>2015</u>
Marketable Securities:		
Bonds and Certificates	17,937,725	9,937,421
Other Investments	<u>1,048,261</u>	<u>7,919</u>
	<u>\$ 18,985,986</u>	<u>\$ 9,945,340</u>

The aggregate market value of the marketable securities at December 31, 2016 is \$20,094,240 (2015 - \$10,173,124). Portfolio investments earned \$ 40,654 in investment income during the year (2015 - \$21,385).

**6. Inventories**

	<u>2016</u>	<u>2015</u>
Chemicals, herbicides, insecticides	\$ 197,704	\$ 165,051
Fuel	51,948	35,311
Other Supplies	<u>1,563,606</u>	<u>1,447,827</u>
	<u>\$ 1,813,258</u>	<u>\$ 1,648,189</u>

**7. Accounts Payable and Accrued Liabilities**

	<u>2016</u>	<u>2015</u>
Accounts Payable	8,343,601	6,509,804
Accrued Expenses	4,097,137	4,181,376
Accrued Interest Payable	449,010	480,922
School levies (Schedule 13)	<u>2,029,366</u>	<u>1,805,577</u>
	<u>\$ 14,919,114</u>	<u>\$ 12,977,679</u>

**8. Landfill Closure and Post Closure Liabilities**

The Municipality is currently operating a Class I landfill site in the City of Brandon. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post-closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	<u>2016</u>	<u>2015</u>
Estimated closure and post closure costs	\$ <u>5,953,175</u>	\$ <u>5,953,175</u>
Discount rate (%)	<u>5.00</u>	<u>5.00</u>
<b>Discounted costs</b>	<u>\$ 1,707,553</u>	<u>\$ 1,548,801</u>
Expected year capacity will be reached	2041	2041
Capacity (tonnes):		
Used to date	2,068,489	2,018,989
Remaining	1,531,660	1,581,160
Total	3,600,149	3,600,149
Percent Utilized	<u>57.46</u>	<u>56.08</u>
<b>Liability Based on Percentage</b>	<u>\$ 981,085</u>	<u>\$ 912,007</u>

**9. Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries.

**9. Liability for Contaminated Sites (continued)**

A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. The municipality:
  - is directly responsible; or
  - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

**10. Long-Term Debt**

	<u>2016</u>	<u>2015</u>
<b>General Authority:</b>		
Aquatics Facility, interest at 3.25%, payable at \$399,356, annually including interest, maturing January 2019.	\$ 1,123,162	\$ 1,473,896
Materials Recycling Facility Purchase, interest at 4.00% to 5.00% payable at \$187,711 to \$187,770, annually including interest, maturing December 2023.	1,096,001	1,228,381
Keystone Renovations, interest at 4.00% to 5.00%, payable at \$372,925 to \$373,043, annually including interest, maturing December 2023.	2,177,429	2,440,427
Keystone Capital Improvements, interest at 4% payable at \$127,494 annually including interest, maturing August 2022.	668,341	765,226
Fire Hall, interest at 4.92%, payable at \$811,788 annually including interest, maturing January 2030.	8,076,861	8,471,835
Police Station, interest at 4.50%, payable at \$1,068,586 annually including interest, maturing December 2030.	10,923,970	11,476,131
Keystone Roof Project, interest at 3.00%, payable at \$278,111 annually including interest, maturing October 2026.	2,372,339	-
Development Services Building, interest at 3.00%, payable at \$210,517 annually including interest, maturing October 2026.	1,795,753	-
<b>Total Municipal</b>	<u>\$ 28,233,856</u>	<u>\$ 25,855,896</u>
Controlled Entities and Government Partnerships	<u>\$ 1,164,511</u>	<u>\$ 1,312,630</u>
	<u>\$ 29,398,367</u>	<u>\$ 27,168,526</u>
<b>Utility Funds:</b>		
Water Reclamation Facility, interest at 3.30%, payable at \$796,200 annually including interest, maturing January 2031.	9,283,929	-
Central Wastewater Treatment Facility Expansion, interest at 4.00% to 5.00%, payable at \$409,259 to \$409,387 annually including interest, maturing December 2023.	<u>2,389,570</u>	<u>2,678,192</u>
<b>Total Utility</b>	<u>\$ 11,673,499</u>	<u>\$ 2,678,192</u>
<b>Total Long-Term Debt</b>	<u>\$ 41,071,866</u>	<u>\$ 29,846,718</u>

**10. Long-Term Debt (continued)**

Principal payments required in each of the next five years for the City of Brandon are as follows:

2017	\$3,014,367
2018	\$3,131,825
2019	\$3,256,876
2020	\$2,988,314
2021	\$3,113,833

**11. Commitments**

The City of Brandon has a contractual obligation to fund 50% of any deficits of the Western Manitoba Centennial Auditorium.

City Council, at its meeting held November 19, 2001, adopted a resolution to pay to the Keystone Centre, for the duration of the ninety-nine year land lease between the Keystone Centre and Canad Inns, an annual grant equal to the municipal portion of taxes collected on the Canad Inns hotel development on the Keystone grounds. Payment made for the year 2016 was \$143,496 (2015 - \$136,025).

City Council, at its meeting held December 5, 2001, adopted a resolution to pay the Keystone Centre, for a ten-year funding commitment, an annual amount of \$250,000 ending in 2011. A further resolution adopted March 31, 2009 extended the annual payments for an additional ten years, ending in 2019.

City Council, at its meeting held April 10, 2006, adopted a resolution to pay the Keystone Centre for a three-year debt and deficit funding commitment in the annual amount of \$125,000 beginning in 2008 and ending in 2010. A further resolution adopted March 31, 2009 extended the annual payments for an additional ten years, ending in 2019.

City Council, at its meeting held September 8, 2008, passed By-law No. 6893 which provides for financial assistance to Assiniboine Community College equal to the municipal portion of taxes collected on the culinary arts facility for a period of 25 years beginning in 2007 or a maximum of \$20,290,000. The 2016 payment was \$260,361 (2015 - \$280,424 ).

City Council, at its meeting held June 21, 2004, adopted a resolution to provide a total municipal tax off-setting grant to Canadian Mental Health Association each year for a 20 year period starting in 2004 for its premises at 1202 Rosser Ave. Payment made for the year 2016 was \$21,040 (2015 - \$22,152).

City Council, at its meeting held February 20, 2006, passed By-law No. 6814 to implement a tax abatement program for eligible properties in the downtown district to encourage and assist in the renovation and redevelopment of buildings in downtown Brandon. The City has several properties receiving this tax credit, with expiry dates ranging from 2017 to 2025. Payments made for the year 2016 were \$41,188 (2015 - \$30,988).

City Council, at its meeting held August 20, 2007, passed By-law No. 6870 which provides for financial assistance for newly constructed affordable multi-family rental units whereby eligible property owners receive a tax credit equal to 50% of the municipal portion of the property taxes for a period of twenty (20) years. The City has several properties receiving this credit, with the 20 year expiry ranging from 2023 to 2032. Payments made for the year 2016 were \$18,989 (2015 - \$17,921).

The City of Brandon, in November 2011, entered into an agreement with The Rural Municipality of Cornwallis, to compensate property owners affected by The City of Brandon annexing certain lands from the RM of Cornwallis. As per the agreement, property taxes for eligible property owners were grandfathered at the RM of Cornwallis annual municipal tax rate for five years, with the increase in municipal taxes to be phased in over a five-year period in increments of 20 per cent each year. The phasing of municipal property taxes expires in 2020. Payments made for the year 2016 were \$11,106 (2015 - \$10,402).

City Council, at its meeting held March 7, 2016, adopted a resolution to provide an annual operating grant to Brandon Museum Inc. in the amount of \$25,000 for a four year period commencing in 2017.

## 12. Contingencies

The City of Brandon owns property located on the east side of 1st Street at Pacific Avenue. Soil remediation occurred at this location in 2008. There will be ongoing monitoring requirements, although at this time the duration and extent of these has not been determined. Monitoring costs are estimated to be \$25,000 per year.

The City of Brandon owns property located at 156 9th Street. A Phase II Environmental Site Assessment was undertaken in 2014 and the property was designated impacted pursuant to the The Contaminated Sites Remediation Act. In January 2015 Manitoba Conservation and Water Stewardship accepted the City's Remediation Plan including routine annual groundwater monitoring and sampling until it can be demonstrated the site is no longer impacted. Should redevelopment of the site occur, an amended Remediation Plan would be required for approval.

In accordance with PSAB's recommendations for environmental liabilities the City of Brandon has performed a risk assessment on other potential city owned sites and has determined that there are no material liabilities and that no environmental remediation is required.

There are a number of legal claims pending against the City of Brandon. The estimated liability for these claims could not be determined as at the end of the year.

## 13. Retirement Benefits

The majority of the employees of the Municipality are members of the Municipal Employees' Benefit Program (MEBP), which is a multi-employer defined benefit pension plan. MEBP members will receive benefits based on 1.5% of their average five highest years of earnings up to the year's maximum pensionable earnings (YMPE), plus 2% of their average highest years of earnings over the YMPE, multiplied by total pensionable service divided by twelve. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEBP by placing plan assets in trust and through MEBP investment policy. The pension expense is based on the contribution rate. The MEBP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling (\$54,900) plus 9.5% of basic annual earnings in excess of the CPP ceiling to \$131,760 plus 9.0% of additional earnings to a cap of \$158,225, plus an additional 1.4% of earnings from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEBP. Actual contributions to MEBP made during the year by the Municipality on behalf of its employees amounted to \$3,253,413 (2015 - \$3,115,525) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2015 indicated the plan was 96.1% funded on a going concern basis and had an unfunded solvency liability of \$251.6 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2015

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEBP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEBP has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by MEBP.

Some employees of the City of Brandon, who were employed prior to January 1, 1977, participate in pension plans for employees of the City of Brandon as provided under Pension By-laws No. 6678 and 6679, which are both defined benefit pension plans. The actuarial report as of December 31, 2012 indicates a solvency deficiency of \$0 for these plans and a wind-up deficiency of \$74,285.



**13. Retirement Benefits (continued)**

The preliminary actuarial report as of December 31, 2015 indicates there is a Going Concern surplus equal to \$109,088 for these plans and a solvency deficiency / hypothetical wind-up deficiency of \$58,919. As with MEBP, the City has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by the City. Based on the solvency ratio contained in the preliminary actuarial report, the next required actuarial valuation report would be due December 31, 2018.

The City of Brandon has agreements with the Brandon Professional Firefighters'/Paramedics' Association, and its E911/Police Dispatcher Division, the Brandon Police Association, the Canadian Union of Public Employees Local 69, the Amalgamated Transit Union Division 1505, and all out of scope employees for a supplementary pension benefit of \$200 per month for those eligible employees who retire after attaining the MEBP "rule of 80". The "rule of 80" is achieved when the sum of the employee's age and years of service is 80 or greater. The benefit of this supplementary pension will cease after the earliest of 60 months or the month in which the employee attains age 65.

**14. Financial Instruments**

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

**15. Budget**

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the City of Brandon has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 10 - Reconciliation of the Financial Plan to the Budget.

**16. Adjustment to Balances**

Accounts Payable:

During 2015, the City of Brandon recorded a liability for retail sales tax owing to the Provincial Government. This has been presented as follows:

Accounts payable & Accrued liabilities	\$	168,360
Adjustment made directly to surplus	\$	(168,360)

Accounts Receivable:

During 2015, the City of Brandon recorded a liability for allowance for doubtful accounts for the first time. This has been presented as follows:

Accounts receivable	\$	1,053,868
Adjustment made directly to surplus	\$	(1,053,868)

**17. Public Sector Compensation Disclosure**

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality.

The City of Brandon issues a separate statement for The Public Sector Compensation Disclosure Report and receives a separate audit opinion.

- a) Compensation paid to members of council amounted to \$274,956 in aggregate.

**17. Public Sector Compensation Disclosure (continued)**

b) Compensation paid to individual members of City Council:

	Compensation	Expense Allowance	Total
Mayor - Chrest, Rick	57,773	24,727	82,500
Councillor - Berry, Shawn	15,942	7,619	23,561
Councillor - Brown, Ronald	12,814	6,387	19,201
Councillor - Chaboyer, Jan	12,679	6,514	19,193
Councillor - Cullen, Barry	12,670	6,337	19,007
Councillor - Desjarlais, Kris	12,832	6,337	19,169
Councillor - Fawcett, Jeff	12,432	6,137	18,569
Councillor - Hamilton, Vanessa	3,019	1,398	4,417
Councillor - Harwood, Jeff	12,732	6,287	19,019
Councillor - LoRegio, John	13,132	6,487	19,619
Councillor - Parker, Glen	7,339	3,743	11,082
Councillor - Patterson, Lonnie	13,132	6,487	19,619
	<u>\$ 186,496</u>	<u>\$ 88,460</u>	<u>\$ 274,956</u>

**18. Accumulated Surplus**

	<u>2016</u>	<u>2015</u>
Accumulated surplus consists of the following:		
Adjustment made directly to surplus	\$ -	\$ (1,222,228)
General operating fund - Nominal surplus	3,403,246	3,824,385
Utility operating fund - Nominal surplus	(48,262,088)	(59,876,750)
TCA net of related borrowings	302,101,653	302,282,776
Reserve funds	<u>77,783,590</u>	<u>92,796,821</u>
Accumulated surplus of municipality unconsolidated	<u>335,026,401</u>	<u>337,805,004</u>
Accumulated surpluses of consolidated entities	1,776,154	148,118
TCA net of borrowing of consolidated entities	<u>10,764,980</u>	<u>10,616,862</u>
Accumulated surplus of consolidated entities	<u>12,541,134</u>	<u>10,764,980</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$347,567,535</u>	<u>\$348,569,984</u>

**19. Segmented Information**

The City of Brandon provides a wide range of services to its residents.

Segment information has been provided in Schedule 4 for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare
- Regional Planning and Development
- Resource Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

## 20. Government Partnerships

The municipality has several partnership agreements for municipal services. The consolidated financial statements include the municipality's proportionate interest, as disclosed in note 2(a). The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	<u>2016</u>	<u>2015</u>
<b>Financial Position</b>		
Financial Assets	\$ 828,269	\$ 127,645
Liabilities	<u>2,482,833</u>	<u>2,846,689</u>
Net financial assets (liabilities)	(1,654,564)	(2,719,044)
Non-financial assets	<u>12,136,141</u>	<u>12,127,464</u>
Accumulated surplus	<u>\$ 10,481,577</u>	<u>\$ 9,408,420</u>
<b>Result of Operations</b>		
Revenues	\$ 5,841,364	\$ 3,770,579
Expenses	<u>5,885,438</u>	<u>4,680,696</u>
Annual surplus (deficit)	<u>\$ (44,074)</u>	<u>\$ (910,117)</u>

## 21. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

No capital grants have been deferred and amortized in these financial statements.

### Water Services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
9th St Reservoir Supply Line	\$ 530,000	\$ -	\$ 20,000	\$ 510,000
WTF UV Disinfection	<u>30,400</u>	<u>-</u>	<u>30,400</u>	<u>-</u>
	<u>\$ 560,400</u>	<u>\$ -</u>	<u>\$ 50,400</u>	<u>\$ 510,000</u>

### Sewer Services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Combined WWTF Phase II	\$ 12,145,656	\$ -	\$ 516,837	\$ 11,628,819
Lagoon Cell 3A	204,168	-	8,333	195,835
Combined WWTF Phase III	<u>34,427,750</u>	<u>-</u>	<u>894,227</u>	<u>33,533,523</u>
	<u>\$ 46,777,574</u>	<u>\$ -</u>	<u>\$ 1,419,397</u>	<u>\$ 45,358,177</u>

## 22. Comparative Figures

Some of the prior year's figures have been restated for comparative purposes and to conform to current year presentation.

CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
AS AT DECEMBER 31, 2016

SCHEDULE 1

	General Capital Assets					Infrastructure		Totals		
	Land & Land Improvements	Buildings & Leasehold Improvements	Vehicles & Equipment	Hardware & Software	Asset Under Construction	Roads, Streets & Bridges	Water & Sewer	Assets Under Construction	2016	2015
<b>Cost</b>										
Opening Costs	\$ 35,554,344	\$ 76,097,362	\$ 42,996,050	\$ 5,461,032	\$ 3,136,068	\$171,262,708	\$281,077,917	\$ -	\$615,585,481	\$600,377,994
Additions During the Year	2,484,424	1,237,631	9,527,560	684,903	9,496,633	2,560,315	3,946,873	-	\$ 29,938,339	19,953,159
Classification Transfers	808,958	3,935,079	-	228,069	(4,972,106)	-	-	-	\$ -	-
Disposals and Write Downs	<u>-</u>	<u>-</u>	<u>(4,372,626)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (4,372,626)</u>	<u>(4,745,672)</u>
Closing Costs	<u>\$ 38,847,726</u>	<u>\$ 81,270,072</u>	<u>\$ 48,150,984</u>	<u>\$ 6,374,004</u>	<u>\$ 7,660,595</u>	<u>\$173,823,023</u>	<u>\$285,024,790</u>	<u>\$ -</u>	<u>\$641,151,194</u>	<u>\$615,585,481</u>
<b>Accumulated Amortization</b>										
Opening Accum'd Amort.	\$ 6,173,692	\$ 29,897,719	\$ 23,725,242	\$ 2,738,845	\$ -	\$110,594,756	\$ 99,708,871	\$ -	\$272,839,125	\$259,863,001
Amortization	599,434	2,071,457	4,154,869	471,060	-	3,366,284	6,363,649	-	\$ 17,026,753	16,231,949
Disposals and Write Downs	<u>-</u>	<u>-</u>	<u>(2,651,449)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (2,651,449)</u>	<u>(3,255,825)</u>
Closing Accum'd Amort.	<u>\$ 6,773,126</u>	<u>\$ 31,969,176</u>	<u>\$ 25,228,662</u>	<u>\$ 3,209,905</u>	<u>\$ -</u>	<u>\$113,961,040</u>	<u>\$106,072,520</u>	<u>\$ -</u>	<u>\$287,214,429</u>	<u>\$272,839,125</u>
<b>Net Book Value of Tangible Capital Assets</b>	<u>\$ 32,074,600</u>	<u>\$ 49,300,896</u>	<u>\$ 22,922,322</u>	<u>\$ 3,164,099</u>	<u>\$ 7,660,595</u>	<u>\$ 59,861,983</u>	<u>\$178,952,270</u>	<u>\$ -</u>	<u>\$353,936,765</u>	<u>\$342,746,356</u>

Water and sewer underground networks contributed to the Municipality totals \$469,915 (2015 - \$744,976) and were capitalized at their fair value at the time of their receipt. Streets and roads infrastructure contributed to the Municipality totals \$649,052 (2015 - \$1,379,656) and were capitalized at their fair value at the time of their receipt.

**CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 2**

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Property taxes:</b>			
Municipal taxes levied (Schedule 12)	\$ 38,971,924	\$ 38,971,924	\$ 38,532,705
Taxes added	1,178,020	2,055,675	1,185,943
Penalties and interest	505,000	521,145	515,783
	<u>40,654,944</u>	<u>41,548,744</u>	<u>40,234,431</u>
<b>Grants in lieu of taxation:</b>			
Federal government	327,367	327,367	340,422
Federal government enterprises	-	-	-
Provincial government	1,915,864	1,915,864	1,999,338
Provincial government enterprises	-	-	-
Other local governments	-	-	-
Non-government organizations	-	-	-
	<u>2,243,231</u>	<u>2,243,231</u>	<u>2,339,760</u>
<b>User fees:</b>			
Parking meters	352,500	326,686	331,667
Sales of service	10,522,323	10,599,187	10,246,329
Sales of goods	352,400	592,320	316,191
Rentals	768,396	2,401,317	700,094
Development charges	151,513	369,990	398,897
Facility use fees	1,878,008	3,717,870	5,013,346
	<u>14,025,140</u>	<u>18,007,370</u>	<u>17,006,524</u>
<b>Grants - Province of Manitoba:</b>			
General assistance payment	7,306,783	7,306,783	7,306,783
General support grant	870,000	874,778	872,923
VLT revenues	672,142	672,143	672,143
Other unconditional grants	-	-	-
Conditional grants	9,237,443	12,616,719	10,140,092
	<u>18,086,368</u>	<u>21,470,423</u>	<u>18,991,941</u>
<b>Grants - Other:</b>			
Federal government - gas tax funding	2,911,764	2,911,449	5,148,696
Federal government - other	22,200	2,406,410	542,856
Other local governments	1,006,424	396,223	(949,154)
	<u>3,940,388</u>	<u>5,714,082</u>	<u>4,742,398</u>
<b>Permits, licenses and fines:</b>			
Permits	1,021,315	983,547	1,072,541
Licenses	1,282,333	1,288,313	1,287,869
Aggregate mining & transportation fees	-	-	-
Fines	644,370	530,493	488,664
	<u>2,948,018</u>	<u>2,802,353</u>	<u>2,849,074</u>
<b>Investment income:</b>			
Cash and temporary investments	3,444	77,792	194,574
Marketable securities	-	-	(91,785)
Municipal debentures	-	-	-
Other (Accounts Receivable Interest)	69,200	114,457	72,141
	<u>72,644</u>	<u>192,249</u>	<u>174,930</u>
<b>Other revenue:</b>			
Gain on sale of tangible capital assets	1,241,060	22,362	28,268
Gain on sale of real estate held for sale	25,000	6,678	(722,226)
Contributed assets	81,850	672,979	1,527,537
Miscellaneous	17,924	21,311	16,704
	<u>1,365,834</u>	<u>723,330</u>	<u>850,283</u>
<b>Water and sewer:</b>			
Municipal utilities (schedule 9)	18,972,000	18,119,104	17,185,743
Consolidated water co-operatives	-	-	-
	<u>18,972,000</u>	<u>18,119,104</u>	<u>17,185,743</u>
<b>Total revenue</b>	<b><u>\$102,308,567</u></b>	<b><u>\$110,820,886</u></b>	<b><u>\$104,375,084</u></b>

**CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 3**

	2016 Budget	2016	2015
<b>General government services:</b>			
Legislative	\$ 437,253	\$ 413,141	\$ 433,468
General administrative	7,368,205	7,508,646	7,206,427
Other	<u>1,950,770</u>	<u>1,849,707</u>	<u>1,753,097</u>
	<u>9,756,228</u>	<u>9,771,494</u>	<u>9,392,992</u>
<b>Protective services:</b>			
Police	16,374,298	16,414,702	15,958,216
Fire	9,528,037	9,141,397	9,070,703
Emergency measures	3,499,508	3,227,320	3,103,009
Other protection	<u>1,576,415</u>	<u>1,491,556</u>	<u>1,353,680</u>
	<u>30,978,258</u>	<u>30,274,975</u>	<u>29,485,608</u>
<b>Transportation services:</b>			
Road transport			
Administration and engineering	3,960,334	3,880,920	3,766,695
Road and street maintenance	4,908,776	4,501,556	3,625,401
Bridge maintenance	-	-	1,147
Sidewalk and boulevard maintenance	737,822	682,149	1,098,403
Street lighting	1,100,998	981,208	1,051,484
Other road transport	3,338,017	3,459,012	2,748,937
Air transport	1,264,738	1,252,945	1,115,007
Public transit	<u>5,654,739</u>	<u>5,447,978</u>	<u>6,094,126</u>
	<u>20,965,424</u>	<u>20,205,768</u>	<u>19,501,200</u>
<b>Environmental health services:</b>			
Waste collection and disposal	3,243,654	3,238,214	3,444,380
Recycling	1,992,866	1,846,863	1,748,150
Other	-	-	-
	<u>5,236,520</u>	<u>5,085,077</u>	<u>5,192,530</u>
<b>Public health and welfare services:</b>			
Public health	466,881	422,684	523,139
Medical care	-	-	-
Hospital care	-	-	-
Social assistance	<u>267,032</u>	<u>267,032</u>	<u>267,032</u>
	<u>733,913</u>	<u>689,716</u>	<u>790,171</u>
<b>Regional planning and development:</b>			
Planning and zoning	1,052,227	887,731	871,379
Urban renewal	2,501,586	474,556	352,919
Beautification and land rehabilitation	-	-	-
Urban area weed control	336,296	430,566	414,347
Other	<u>611,369</u>	<u>552,395</u>	<u>487,640</u>
	<u>4,501,478</u>	<u>2,345,248</u>	<u>2,126,285</u>
<b>Resource conservation and industrial development:</b>			
Rural area weed control	-	-	-
Drainage of land	-	-	-
Veterinary services	-	-	-
Water resources and conservation	-	-	-
Regional development	414,484	431,094	409,304
Industrial development	-	-	-
Tourism	1,017,991	1,213,456	782,245
Other	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,432,475</u>	<u>1,644,550</u>	<u>1,191,549</u>

**THE CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 3**

**Recreation and cultural services:**

Administration	1,282,683	1,106,927	1,223,249
Community centres and halls	49,395	49,395	49,395
Swimming pools and beaches	235,273	233,996	231,293
Golf courses	552,249	736,046	735,238
Skating and curling rinks	20,650	14,459	17,392
Parks and playgrounds	2,091,710	2,348,325	2,600,006
Other recreational facilities	6,170,273	7,609,970	6,977,518
Museums	100,082	109,728	119,632
Libraries	1,874,715	1,148,627	1,133,071
Other cultural facilities	<u>703,730</u>	<u>664,914</u>	<u>655,313</u>
	<u>13,080,760</u>	<u>14,022,387</u>	<u>13,742,107</u>

**Water and sewer**

Municipal utilities (Schedule 9)	22,670,295	27,784,120	20,798,959
Consolidated water co-operatives	<u>-</u>	<u>-</u>	<u>-</u>
	<u>22,670,295</u>	<u>27,784,120</u>	<u>20,798,959</u>

**Total expenses** \$109,355,351 \$111,823,335 \$102,221,401

**CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 4**

	General Government*		Protective Services		Transportation Services		Environmental Health Services	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>REVENUES</b>								
Property taxes	\$ 41,548,744	\$ 40,234,431	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	2,243,231	2,339,760	-	-	-	-	-	-
User fees	204,879	101,812	5,396,190	4,973,476	2,171,750	2,099,398	3,202,031	3,395,079
Province of MB - Unconditional	8,853,703	8,851,849	-	-	-	-	-	-
Province of MB - Conditional	2,261	-	3,034,691	3,094,658	4,915,672	3,817,437	1,340,742	1,676,833
Grants - Other	207,460	109,119	-	-	5,281,109	5,657,454	8,406	9,674
Permits, licenses and fines	1,274,717	1,277,028	544,089	499,506	15,015	18,050	-	-
Investment income	184,202	166,751	-	-	-	-	-	-
Other revenue	14,094	85,760	11,142	2,364	662,554	1,350,662	10,889	10,847
Water and sewer	-	-	-	-	-	-	-	-
Total revenue (Schedules 2, 5)	<u>54,533,291</u>	<u>53,166,510</u>	<u>8,986,112</u>	<u>8,570,004</u>	<u>13,046,100</u>	<u>12,943,001</u>	<u>4,562,068</u>	<u>5,092,433</u>
<b>EXPENSES</b>								
Personnel services	5,120,148	4,933,434	25,165,259	24,287,484	8,541,399	7,931,415	1,567,022	1,452,080
Contract services	2,107,199	2,115,120	924,128	849,899	2,886,223	3,866,992	1,210,813	1,135,700
Utilities	178,305	204,407	502,233	528,326	1,043,361	1,105,538	77,183	88,685
Maintenance materials and supplies	174,151	159,883	479,658	487,120	2,474,611	3,458,663	425,883	410,242
Grants and contributions	528,726	538,918	22,100	21,252	-	-	-	-
Amortization	574,919	572,960	1,050,989	1,097,681	7,109,016	6,501,387	136,213	130,277
Interest on long-term debt	-	-	913,356	956,579	-	-	57,800	62,149
Other	<u>1,088,046</u>	<u>868,271</u>	<u>1,217,252</u>	<u>1,257,267</u>	<u>(1,848,842)</u>	<u>(3,362,794)</u>	<u>1,610,163</u>	<u>1,913,398</u>
Total expenses (Schedules 3, 5)	<u>9,771,494</u>	<u>9,392,993</u>	<u>30,274,975</u>	<u>29,485,608</u>	<u>20,205,768</u>	<u>19,501,201</u>	<u>5,085,077</u>	<u>5,192,531</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ 44,761,797</u>	<u>\$ 43,773,517</u>	<u>\$ (21,288,863)</u>	<u>\$ (20,915,604)</u>	<u>\$ (7,159,668)</u>	<u>\$ (6,558,200)</u>	<u>\$ (523,009)</u>	<u>\$ (100,098)</u>

\* The General Government category includes revenues and expenses that cannot be attributed to a particular program



**CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 4**

	Public Health and Welfare Services		Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	-	-	-	-	-	-	-	-
User fees	267,090	276,847	824,003	859,669	7,732	-	5,933,695	5,300,243
Province of MB - Unconditional	-	-	-	-	-	-	-	-
Province of MB - Conditional	-	-	733,579	-	-	-	2,589,775	1,551,164
Grants - Other	-	-	32,038	35,869	-	-	185,069	(1,069,718)
Permits, licenses and fines	-	-	968,532	1,054,490	-	-	-	-
Investment income	-	-	752	691	-	-	7,295	7,488
Other revenue	-	-	6,678	(722,226)	-	-	17,973	122,876
Water and sewer	-	-	-	-	-	-	-	-
Total revenue (Schedules 2, 5)	<u>267,090</u>	<u>276,847</u>	<u>2,565,582</u>	<u>1,228,493</u>	<u>7,732</u>	<u>-</u>	<u>8,733,807</u>	<u>5,912,053</u>
<b>EXPENSES</b>								
Personnel services	259,222	261,904	1,364,854	1,307,625	291,423	272,859	5,890,854	5,461,401
Contract services	294,252	403,630	686,055	550,766	45,333	66,096	1,390,067	1,588,541
Utilities	11,139	13,081	74,091	80,191	1,982	2,410	783,282	868,367
Maintenance materials and supplies	35,707	29,670	41,342	48,686	2,732	3,590	1,924,498	1,968,833
Grants and contributions	-	-	(78,405)	(186,376)	1,213,456	782,245	1,188,097	2,089,999
Amortization	23,015	23,015	156	53	-	-	1,768,796	1,589,254
Interest on long-term debt	-	-	-	-	-	-	230,836	268,953
Other	<u>66,381</u>	<u>58,871</u>	<u>257,155</u>	<u>325,340</u>	<u>89,624</u>	<u>64,348</u>	<u>845,957</u>	<u>(93,240)</u>
Total expenses (Schedules 3, 5)	<u>\$ 689,716</u>	<u>\$ 790,171</u>	<u>\$ 2,345,248</u>	<u>\$ 2,126,285</u>	<u>\$ 1,644,550</u>	<u>\$ 1,191,548</u>	<u>\$ 14,022,387</u>	<u>\$ 13,742,108</u>
<b>SURPLUS (DEFICIT)</b>	<u><b>\$ (422,626)</b></u>	<u><b>\$ (513,324)</b></u>	<u><b>\$ 220,334</b></u>	<u><b>\$ (897,792)</b></u>	<u><b>\$ (1,636,818)</b></u>	<u><b>\$ (1,191,548)</b></u>	<u><b>\$ (5,288,580)</b></u>	<u><b>\$ (7,830,055)</b></u>

**CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 4**

	Water and Sewer Services		Total	
	2016	2015	2016	2015
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ 41,548,744	\$ 40,234,431
Grants in lieu of taxation	-	-	2,243,231	2,339,760
User fees	-	-	18,007,370	17,006,524
Province of MB - Unconditional	-	-	8,853,703	8,851,849
Province of MB - Conditional	-	-	12,616,720	10,140,092
Grants - Other	-	-	5,714,082	4,742,398
Permits, licenses and fines	-	-	2,802,353	2,849,074
Investment income	87,075	-	279,324	174,930
Other revenue	-	-	723,330	850,283
Water and sewer	<u>18,032,029</u>	<u>17,185,743</u>	<u>18,032,029</u>	<u>17,185,743</u>
Total revenue (Schedules 2, 5)	<u>18,119,104</u>	<u>17,185,743</u>	<u>110,820,886</u>	<u>104,375,084</u>
<b>EXPENSES</b>				
Personnel services	6,112,091	5,785,382	54,312,272	51,693,584
Contract services	8,226,305	1,891,755	17,770,375	12,468,499
Utilities	1,468,911	1,481,367	4,140,487	4,372,372
Maintenance materials and supplies	4,095,110	4,109,608	9,653,692	10,676,295
Grants and contributions	-	-	2,873,974	3,246,038
Amortization	6,363,649	6,317,322	17,026,753	16,231,949
Interest on long-term debt	126,019	135,503	1,328,011	1,423,184
Other	<u>1,392,035</u>	<u>1,078,019</u>	<u>4,717,771</u>	<u>2,109,480</u>
Total expenses (Schedules 3, 5)	<u>\$ 27,784,120</u>	<u>\$ 20,798,956</u>	<u>\$ 111,823,335</u>	<u>\$ 102,221,401</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ (9,665,016)</u>	<u>\$ (3,613,213)</u>	<u>\$ (1,002,449)</u>	<u>\$ 2,153,683</u>

**CITY OF BRANDON  
CONSOLIDATED SCHEDULE OF DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 5**

	Core Government		Controlled Entities		Government Partnerships		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>REVENUES</b>								
Property taxes	\$ 41,548,744	\$ 40,234,431	\$ -	\$ -	\$ -	\$ -	\$ 41,548,744	\$ 40,234,431
Grants in lieu of taxation	2,243,231	2,339,760	-	-	-	-	2,243,231	2,339,760
User fees	14,436,009	13,646,449	8,680	10,085	3,562,681	3,349,990	18,007,370	17,006,524
Province of MB - Unconditional	8,853,703	8,851,849	-	-	-	-	8,853,703	8,851,849
Province of MB - Conditional	10,097,919	8,721,366	624,100	-	1,894,701	1,418,726	12,616,720	10,140,092
Other	5,518,020	5,806,010	7,400	16,472	188,662	(1,080,084)	5,714,082	4,742,398
Permits, licenses and fines	2,784,297	2,838,947	-	-	18,056	10,127	2,802,353	2,849,074
Investment income	271,276	166,751	4,442	117	3,606	8,062	279,324	174,930
Other revenue	723,330	786,525	-	-	-	63,758	723,330	850,283
Water and sewer	<u>18,032,029</u>	<u>17,185,743</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,032,029</u>	<u>17,185,743</u>
Total revenue	<u>104,508,558</u>	<u>100,577,831</u>	<u>644,622</u>	<u>26,674</u>	<u>5,667,706</u>	<u>3,770,579</u>	<u>110,820,886</u>	<u>104,375,084</u>
<b>EXPENSES</b>								
Personnel services	51,791,745	49,294,321	83,127	43,984	2,437,400	2,355,279	54,312,272	51,693,584
Contract services	17,299,536	11,988,040	11,763	9,666	459,076	470,793	17,770,375	12,468,499
Utilities	3,790,635	3,969,472	(452)	452	350,304	402,448	4,140,487	4,372,372
Maintenance materials and supplies	8,403,812	9,447,964	-	-	1,249,880	1,228,331	9,653,692	10,676,295
Grants and contributions	4,368,875	3,239,538	(293,653)	6,500	(1,201,248)	-	2,873,974	3,246,038
Amortization	15,924,904	15,253,675	-	-	1,101,849	978,274	17,026,753	16,231,949
Interest on long-term debt	1,279,208	1,360,226	-	-	48,803	62,958	1,328,011	1,423,184
Other	<u>4,428,446</u>	<u>2,743,486</u>	<u>69,364</u>	<u>183,381</u>	<u>219,961</u>	<u>(817,387)</u>	<u>4,717,771</u>	<u>2,109,480</u>
Total expenses	<u>107,287,161</u>	<u>97,296,722</u>	<u>(129,851)</u>	<u>243,983</u>	<u>4,666,025</u>	<u>4,680,696</u>	<u>111,823,335</u>	<u>102,221,401</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ (2,778,603)</u>	<u>\$ 3,281,109</u>	<u>\$ 774,473</u>	<u>\$ (217,309)</u>	<u>\$ 1,001,681</u>	<u>\$ (910,117)</u>	<u>\$ (1,002,449)</u>	<u>\$ 2,153,683</u>

**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>							
	<b>Accommodation Tax</b>	<b>Affordable Housing</b>	<b>Airport Improvement</b>	<b>Ambulance</b>	<b>Andrews Field</b>	<b>Brandon Municipal Airport</b>	<b>Capital Development</b>	<b>Centennial Auditorium</b>
<b>REVENUE</b>								
Investment Income	3,451	\$ 1,608	13	\$ 851	\$ 159	\$ 3,727	\$ 5,870	\$ 881
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>3,451</u>	<u>1,608</u>	<u>13</u>	<u>851</u>	<u>159</u>	<u>3,727</u>	<u>5,870</u>	<u>881</u>
<b>EXPENSES</b>								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>3,451</u>	<u>1,608</u>	<u>13</u>	<u>851</u>	<u>159</u>	<u>3,727</u>	<u>5,870</u>	<u>881</u>
<b>TRANSFERS</b>								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	594,609	8,854	154,191	-	5,000	3,502	409,228	50,000
Transfers to Operating Fund	(705,465)	(111,604)	-	-	-	(75,069)	(41,305)	(19,159)
Transfers between Reserves	-	-	167,998	-	-	(167,998)	-	-
Transfers to Utility Fund	-	-	-	-	-	-	(131,155)	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>(107,405)</u>	<u>(101,142)</u>	<u>322,202</u>	<u>851</u>	<u>5,159</u>	<u>(235,838)</u>	<u>242,638</u>	<u>31,722</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>1,861,097</u>	<u>849,732</u>	<u>-</u>	<u>442,938</u>	<u>79,257</u>	<u>1,954,492</u>	<u>2,991,985</u>	<u>417,487</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>1,753,692</u>	<u>\$ 748,590</u>	<u>322,202</u>	<u>\$ 443,789</u>	<u>\$ 84,416</u>	<u>\$ 1,718,654</u>	<u>\$ 3,234,623</u>	<u>\$ 449,209</u>

**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>							
	<b>Civic Services Complex</b>	<b>Clare Ave Extension</b>	<b>Cumulative Benefits</b>	<b>Disposal Site (Sanitation)</b>	<b>Diking &amp; Flood Control</b>	<b>E-911 Equipment</b>	<b>Elections</b>	<b>Fire Fighting Equipment</b>
<b>REVENUE</b>								
Investment Income	\$ 765	\$ -	\$ 535	\$ 2,354	\$ 4,090	\$ 862	\$ 346	\$ 2,135
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>765</u>	<u>-</u>	<u>535</u>	<u>2,354</u>	<u>4,090</u>	<u>862</u>	<u>346</u>	<u>2,135</u>
<b>EXPENSES</b>								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>765</u>	<u>-</u>	<u>535</u>	<u>2,354</u>	<u>4,090</u>	<u>862</u>	<u>346</u>	<u>2,135</u>
<b>TRANSFERS</b>								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	85,000	-	-	289,518	613,701	100,000	-	3,750
Transfers to Operating Fund	(94,342)	-	-	(584,773)	(1,007,593)	(4,515)	(9,422)	(32,079)
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>(8,577)</u>	<u>-</u>	<u>535</u>	<u>(292,901)</u>	<u>(389,802)</u>	<u>96,347</u>	<u>(9,076)</u>	<u>(26,194)</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>349,034</u>	<u>288,572</u>	<u>278,767</u>	<u>1,077,125</u>	<u>2,416,538</u>	<u>384,657</u>	<u>185,143</u>	<u>1,121,964</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>\$ 340,457</u>	<u>\$ 288,572</u>	<u>\$ 279,302</u>	<u>\$ 784,224</u>	<u>\$ 2,026,736</u>	<u>\$ 481,004</u>	<u>\$ 176,067</u>	<u>\$ 1,095,770</u>

**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>							
	<b>Fire Vehicles</b>	<b>Gas Tax</b>	<b>General</b>	<b>Gravel Pit</b>	<b>Highway Signage</b>	<b>Kirkcaldy Heights</b>	<b>Land Acquisition</b>	<b>Landfill Closure</b>
<b>REVENUE</b>								
Investment Income	\$ 2,158	\$ 7,293	\$ 2,181	\$ -	14	\$ -	\$ 409	140
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>2,158</u>	<u>7,293</u>	<u>2,181</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>409</u>	<u>140</u>
<b>EXPENSES</b>								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>2,158</u>	<u>7,293</u>	<u>2,181</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>409</u>	<u>140</u>
<b>TRANSFERS</b>								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	235,000	2,487,579	-	-	10,000	-	-	159,009
Transfers to Operating Fund	(63,879)	(3,670,339)	-	-	-	-	(450,650)	-
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>173,279</u>	<u>(1,175,467)</u>	<u>2,181</u>	<u>-</u>	<u>10,014</u>	<u>-</u>	<u>(450,241)</u>	<u>159,149</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>1,018,264</u>	<u>5,248,879</u>	<u>1,135,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>560,515</u>	<u>-</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>\$ 1,191,543</u>	<u>\$ 4,073,412</u>	<u>\$ 1,137,497</u>	<u>\$ -</u>	<u>10,014</u>	<u>\$ -</u>	<u>\$ 110,274</u>	<u>159,149</u>

**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>							
	<b>Large Events Acquisition</b>	<b>Library / Arts Building</b>	<b>Machinery &amp; Equipment</b>	<b>Major Events Hosting</b>	<b>Municipal Building</b>	<b>Municipal Building Maintenance</b>	<b>Office Equipment</b>	<b>Parks</b>
<b>REVENUE</b>								
Investment Income	32	\$ 564	\$ 8,117	\$ -	\$ 1,970	\$ 686	\$ 3,112	\$ 2,366
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>32</u>	<u>564</u>	<u>8,117</u>	<u>-</u>	<u>1,970</u>	<u>686</u>	<u>3,112</u>	<u>2,366</u>
<b>EXPENSES</b>								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>32</u>	<u>564</u>	<u>8,117</u>	<u>-</u>	<u>1,970</u>	<u>686</u>	<u>3,112</u>	<u>2,366</u>
<b>TRANSFERS</b>								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	104,931	50,000	3,235,357	-	300,000	88,870	50,000	432,030
Transfers to Operating Fund	(300,000)	-	(5,673,750)	-	(1,000,000)	(129,608)	(427,994)	(203,526)
Transfers between Reserves	-	-	-	-	-	-	(1,000,000)	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>(195,037)</u>	<u>50,564</u>	<u>(2,430,276)</u>	<u>-</u>	<u>(698,030)</u>	<u>(40,052)</u>	<u>(1,374,882)</u>	<u>230,870</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>275,076</u>	<u>258,425</u>	<u>5,687,196</u>	<u>-</u>	<u>1,025,374</u>	<u>374,137</u>	<u>1,850,272</u>	<u>976,496</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>80,039</u>	<u>\$ 308,989</u>	<u>\$ 3,256,920</u>	<u>\$ -</u>	<u>\$ 327,344</u>	<u>\$ 334,085</u>	<u>\$ 475,390</u>	<u>\$ 1,207,366</u>

**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>							
	<b>Perpetual Care</b>	<b>Police Equipment</b>	<b>Police Vehicles</b>	<b>Professional Fees</b>	<b>Protective Services Building</b>	<b>Recreation Centre</b>	<b>Snow Clearing</b>	<b>Social Development</b>
<b>REVENUE</b>								
Investment Income	\$ 1,385	\$ 2,314	\$ 2,057	\$ 45	\$ 1,722	\$ 933	\$ 549	\$ -
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>1,385</u>	<u>2,314</u>	<u>2,057</u>	<u>45</u>	<u>1,722</u>	<u>933</u>	<u>549</u>	<u>-</u>
<b>EXPENSES</b>								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>1,385</u>	<u>2,314</u>	<u>2,057</u>	<u>45</u>	<u>1,722</u>	<u>933</u>	<u>549</u>	<u>-</u>
<b>TRANSFERS</b>								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	52,869	250,000	327,373	66,770	-	162,181	-	-
Transfers to Operating Fund	-	(192,664)	(337,508)	-	-	(93,717)	-	-
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>54,254</u>	<u>59,650</u>	<u>(8,078)</u>	<u>66,815</u>	<u>1,722</u>	<u>69,397</u>	<u>549</u>	<u>-</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>699,238</u>	<u>1,123,705</u>	<u>902,142</u>	<u>23,169</u>	<u>896,212</u>	<u>439,801</u>	<u>285,690</u>	<u>-</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>\$ 753,492</u>	<u>\$ 1,183,355</u>	<u>\$ 894,064</u>	<u>\$ 89,984</u>	<u>\$ 897,934</u>	<u>\$ 509,198</u>	<u>\$ 286,239</u>	<u>\$ -</u>



**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>							
	<b>Sportsplex</b>	<b>Storm Sewer</b>	<b>Technology</b>	<b>Traffic Control Devices</b>	<b>Transit Funding</b>	<b>Transit System Equipment</b>	<b>26th Street South of Maryland</b>	<b>8th Street Bridge</b>
<b>REVENUE</b>								
Investment Income	\$ 2,524	\$ 6,187	128	\$ 576	\$ 1,826	\$ 1,324	-	4,417
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>2,524</u>	<u>6,187</u>	<u>128</u>	<u>576</u>	<u>1,826</u>	<u>1,324</u>	<u>-</u>	<u>4,417</u>
<b>EXPENSES</b>								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>2,524</u>	<u>6,187</u>	<u>128</u>	<u>576</u>	<u>1,826</u>	<u>1,324</u>	<u>-</u>	<u>4,417</u>
<b>TRANSFERS</b>								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	712,544	1,037,895	-	5,000	423,870	310,183	-	-
Transfers to Operating Fund	(788,750)	(614,091)	-	-	(1,805,000)	(511,325)	-	-
Transfers between Reserves	-	-	1,000,000	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>(73,682)</u>	<u>429,991</u>	<u>1,000,128</u>	<u>5,576</u>	<u>(1,379,304)</u>	<u>(199,818)</u>	<u>-</u>	<u>4,417</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>943,503</u>	<u>3,150,331</u>	<u>-</u>	<u>296,334</u>	<u>1,835,858</u>	<u>815,331</u>	<u>158,947</u>	<u>2,299,161</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>\$ 869,821</u>	<u>\$ 3,580,322</u>	<u>1,000,128</u>	<u>\$ 301,910</u>	<u>\$ 456,554</u>	<u>\$ 615,513</u>	<u>\$ 158,947</u>	<u>\$ 2,303,578</u>

**CITY OF BRANDON  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 6**

	<b>2016</b>				<b>2015</b>
	<b>Water Distribution</b>	<b>Wastewater Distribution</b>	<b>Industrial WWTF</b>	<b>Total</b>	<b>Total</b>
<b>REVENUE</b>					
Investment Income	\$ 39,870	\$ 47,205	\$ -	\$ 169,751	\$ 222,694
Other Income	-	-	-	-	-
Total Revenue	<u>39,870</u>	<u>47,205</u>	<u>-</u>	<u>169,751</u>	<u>222,694</u>
<b>EXPENSES</b>					
Investment Charges	-	-	-	-	-
Other Expenses	-	-	-	-	-
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<u>39,870</u>	<u>47,205</u>	<u>-</u>	<u>169,751</u>	<u>222,694</u>
<b>TRANSFERS</b>					
Debt Repayments	-	-	-	-	-
Transfers from Operating Fund	-	-	-	12,818,814	16,497,215
Transfers to Operating Fund	(5,340)	(513,096)	-	(19,466,563)	(13,609,482)
Transfers from Utility Fund	1,649,605	75,000	-	1,724,605	1,789,261
Transfers to Utility Fund	(3,241,695)	(6,886,988)	-	(10,259,838)	(2,102,232)
Acquisition of Tangible Capital Assets	-	-	-	-	-
<b>CHANGE IN RESERVE FUND BALANCE</b>	<u>(1,557,560)</u>	<u>(7,277,879)</u>	<u>-</u>	<u>(15,013,231)</u>	<u>2,797,456</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>19,868,030</u>	<u>25,631,696</u>	<u>318,935</u>	<u>92,796,821</u>	<u>89,999,365</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>\$ 18,310,470</u>	<u>\$ 18,353,817</u>	<u>\$ 318,935</u>	<u>\$ 77,783,590</u>	<u>\$ 92,796,821</u>

**CITY OF BRANDON  
SCHEDULE OF TRUST FUNDS - COMMUNITY CENTRE ASSISTANCE  
AS AT DECEMBER 31, 2016**

**SCHEDULE 7**

	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
Cash and Temporary Investments	\$ -	\$ -
Portfolio Investments	-	-
Other	<u>115,400</u>	<u>146,954</u>
	<u>115,400</u>	<u>146,954</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Due to Municipality	-	-
Fund Balance	<u>115,400</u>	<u>146,954</u>
	<u>115,400</u>	<u>146,954</u>
 <b>REVENUES</b>		
Contributions and Donations	49,395	49,395
Investment Income	<u>-</u>	<u>-</u>
	<u>49,395</u>	<u>49,395</u>
 <b>EXPENDITURES</b>		
Cemetery Maintenance	-	-
Distribution to Beneficiaries	80,949	68,611
Other	<u>-</u>	<u>-</u>
	<u>80,949</u>	<u>68,611</u>
 <b>(DEFICIENCY) OF REVENUES  OVER EXPENDITURES</b>	 (31,554)	 (19,216)
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	 <u>146,954</u>	 <u>166,170</u>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ <u>115,400</u></b>	<b>\$ <u>146,954</u></b>

**CITY OF BRANDON  
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES  
AS AT DECEMBER 31, 2016**

**SCHEDULE 8**

	<b>2016</b>	<b>2015</b>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	7,363,139	11,776,890
Portfolio investments	-	-
Loans and advances	-	-
Real estate properties held for sale	-	-
Due from other funds	-	-
	<u>7,363,139</u>	<u>11,776,890</u>
<b>LIABILITIES</b>		
Accounts payable & accrued liabilities	-	-
Severance and vested sick leave payable	-	-
Deferred revenue	-	-
Landfill closure & post closure liabilities	-	-
Liability for remediation of contaminated site(s)	-	-
Long-term debt (Note 10)	11,673,499	2,678,192
Obligations under capital lease	-	-
Due to other funds	56,115,169	70,772,497
	<u>67,788,668</u>	<u>73,450,689</u>
<b>NET FINANCIAL ASSETS</b>	<b><u>(60,425,529)</u></b>	<b><u>(61,673,799)</u></b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	178,952,270	181,369,046
Inventories	453,176	387,249
Prepaid expenses	36,766	42,019
	<u>179,442,212</u>	<u>181,798,314</u>
<b>FUND SURPLUS</b>	<b><u>\$119,016,683</u></b>	<b><u>\$120,124,515</u></b>
<b>COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)</b>		

**CITY OF BRANDON  
SCHEDULE OF UTILITY OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 9**

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>REVENUES</b>			
<b>Water</b>			
Water fees	\$ 9,388,600	\$ 9,371,702	\$ 9,102,079
Bulk water fees	<u>34,100</u>	<u>65,554</u>	<u>57,665</u>
Sub-total - Water	9,422,700	9,437,256	9,159,744
<b>Sewer</b>			
Sewer fees	6,498,700	4,581,446	3,938,352
Lagoon tipping fees	<u>70,000</u>	<u>93,633</u>	<u>89,756</u>
Sub-total - Sewer	6,568,700	4,675,079	4,028,108
<b>Property Taxes</b>			
<b>Government transfers</b>			
Capital funding - government transfers	-	-	-
Capital funding - other organizations	<u>-</u>	<u>75,000</u>	<u>36,000</u>
Sub-total - Government transfers	-	75,000	36,000
<b>Other</b>			
Hydrant rentals	257,600	250,000	257,600
Connection charges	815,000	945,310	973,824
Penalties	80,000	80,346	79,028
Installation service			
Contributed tangible capital assets	-	469,915	744,976
Investment income	-	-	113,170
Administration Fees			
Gain on sale of tangible assets	-	-	-
Other income	<u>1,828,000</u>	<u>2,099,123</u>	<u>1,793,293</u>
Sub-total - Other	<u>2,980,600</u>	<u>3,844,694</u>	<u>3,961,891</u>
<b>Total revenue</b>	<u>18,972,000</u>	<u>18,032,029</u>	<u>17,185,743</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	3,381,076	8,799,037	1,669,106
Overhead, billing and collection	<u>702,742</u>	<u>613,181</u>	<u>1,272,630</u>
Sub-total - General	4,083,818	9,412,218	2,941,736
<b>Water</b>			
Purification	4,350,261	4,664,810	4,548,394
Transmission and distribution	483,664	453,009	504,857
Training costs	88,764	83,372	86,816
Utilities (telephone, electricity, etc.)	554,563	492,830	494,362
Connection costs	<u>325,350</u>	<u>242,340</u>	<u>275,098</u>
Sub-total - Water	5,802,602	5,936,361	5,909,527
<b>Water Amortization &amp; Interest</b>			
Amortization	2,452,678	2,452,678	2,477,574
Interest on long-term debt	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total - Water Amortization & Interest	2,452,678	2,452,678	2,477,574
<b>Sewer</b>			
Collection system costs	332,450	347,969	347,368
Treatment and disposal costs	4,546,857	4,552,222	4,009,634
Lift stations costs	87,200	30,976	85,256
Training costs	65,000	26,973	52,327
Utilities (telephone, electricity, etc.)	<u>1,182,571</u>	<u>987,733</u>	<u>1,000,290</u>
Sub-total - Sewer	6,214,078	5,945,873	5,494,875
<b>Sewage Amortization &amp; Interest</b>			
Amortization	3,910,971	3,910,971	3,839,745
Interest on long-term debt	<u>206,148</u>	<u>126,019</u>	<u>135,502</u>
Sub-total - Sewer Amortization & Interest	<u>4,117,119</u>	<u>4,036,990</u>	<u>3,975,247</u>
<b>Total expenses</b>	<u>22,670,295</u>	<u>27,784,120</u>	<u>20,798,959</u>
<b>NET REVENUES (EXPENSES)</b>	<b>(3,698,295)</b>	<b>(9,752,091)</b>	<b>(3,613,216)</b>

**CITY OF BRANDON  
 SCHEDULE OF UTILITY OPERATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 9**

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<b>TRANSFERS</b>			
Transfers from reserve funds	-	10,259,838	3,099,679
Transfers to reserve funds	<u>-</u>	<u>(1,724,605)</u>	<u>(1,789,261)</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	<b><u>(3,698,295)</u></b>	<b><u>(1,216,858)</u></b>	<b><u>(2,302,798)</u></b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>120,233,541</u>	<u>120,233,541</u>	<u>122,536,339</u>
<b>FUND BALANCE, END OF YEAR</b>	<b><u>\$116,535,246</u></b>	<b><u>\$119,016,683</u></b>	<b><u>\$120,233,541</u></b>

**CITY OF BRANDON  
RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 10**

	<b>Financial Plan General</b>	<b>Financial Plan Utility(ies)</b>	<b>Amortization (TCA)</b>	<b>Interest Expense</b>	<b>Transfers</b>	<b>Long Term Accruals</b>	<b>Consolidated Entities</b>	<b>PSAB Budget</b>
<b>REVENUE</b>								
Property Taxes	\$ 40,654,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,654,944
Grants in Lieu of Taxation	2,243,231	-	-	-	-	-	-	2,243,231
User Fees	13,854,962	-	-	-	-	-	170,178	14,025,140
Grants - Province of Manitoba	16,778,283	-	-	-	-	-	1,308,085	18,086,368
Grants - Other	2,937,964	-	-	-	-	-	1,002,424	3,940,388
Permits, Licenses and Fines	2,937,707	-	-	-	-	-	10,311	2,948,018
Investment Income	63,000	-	-	-	-	-	9,644	72,644
Other Revenue	1,363,314	-	-	-	-	-	2,520	1,365,834
Water and Sewer	-	18,972,000	-	-	-	-	-	18,972,000
Transfers from Accumulated	-	-	-	-	-	-	-	-
Surplus Transfers from Reserves	3,093,330	461,000	-	-	(3,554,330)	-	-	-
<b>TOTAL REVENUE</b>	<b>83,926,735</b>	<b>19,433,000</b>	<b>-</b>	<b>-</b>	<b>(3,554,330)</b>	<b>-</b>	<b>2,503,162</b>	<b>102,308,567</b>
<b>EXPENSES</b>								
General Government Services	9,012,452	-	574,919	-	168,857	-	-	9,756,228
Protective Services	29,927,269	-	1,050,989	-	-	-	-	30,978,258
Transportation Services	13,856,408	-	7,109,016	-	-	-	-	20,965,424
Environmental Services	5,031,229	-	136,213	-	-	69,078	-	5,236,520
Public Health and Welfare Services	710,898	-	23,015	-	-	-	-	733,913
Regional Planning and Development	2,682,328	-	-	-	-	-	1,819,150	4,501,478
Resource Cons and Industrial Development	1,432,475	-	-	-	-	-	-	1,432,475
Recreation and Cultural Services	8,351,804	-	667,103	-	-	-	4,061,853	13,080,760
Water and Sewer Services	-	16,306,646	6,363,649	-	-	-	-	22,670,295
Fiscal Services:								
Transfer to Utility	-	-	-	-	-	-	-	-
Transfer to Capital	235,000	-	-	-	(235,000)	-	-	-
Debt Charges, Principal	2,095,380	1,004,694	-	(3,100,074)	-	-	-	-
Short Term Interest	161,267	-	-	-	(161,267)	-	-	-
Transfer to Reserves	10,422,635	2,121,660	-	-	(12,544,295)	-	-	-
Allowance for Tax Assets	7,590	-	-	-	(7,590)	-	-	-
<b>TOTAL EXPENSES</b>	<b>83,926,735</b>	<b>19,433,000</b>	<b>15,924,904</b>	<b>(3,100,074)</b>	<b>(12,779,295)</b>	<b>69,078</b>	<b>5,881,003</b>	<b>109,355,351</b>
<b>SURPLUS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (15,924,904)</b>	<b>\$ 3,100,074</b>	<b>\$ 9,224,965</b>	<b>\$ (69,078)</b>	<b>\$ (3,377,841)</b>	<b>\$ (7,046,784)</b>

**CITY OF BRANDON  
ANALYSIS OF TAXES ON ROLL  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 11**

	<b>2016</b>	<b>2015</b>
<b>Balance, Beginning of Year</b>	\$ <u>3,341,013</u>	\$ <u>3,421,403</u>
<b>Add:</b>		
Tax Levy (Schedule 12)	81,143,620	79,171,972
Taxed Added	2,055,674	1,279,246
Penalties or Interest	521,145	515,783
Other Accounts Added	269,999	308,131
Tax Adjustments (Specify)		
Difference Between Levy & Financial Plan	-	-
<b>Sub-total</b>	<u><b>83,990,438</b></u>	<u><b>81,275,132</b></u>
<b>Deduct:</b>		
Cash Collection - Current	73,395,864	77,620,470
Cash Collection - Arrears	2,994,560	2,912,993
Writeoffs	299,083	202,938
Title Value of Land Sales	-	-
Title Value of Tax Titles Acquired	-	-
Tax Discounts	141,588	113,295
M.P.T.C. - Cash Advance	6,946,846	143,939
Other Credits (Tax Offsetting Grants)	352,684	361,887
<b>Sub-total</b>	<u><b>84,130,625</b></u>	<u><b>81,355,522</b></u>
<b>Balance, End of Year</b>	\$ <u><b>3,200,826</b></u>	\$ <u><b>3,341,013</b></u>



**CITY OF BRANDON  
ANALYSIS OF TAX LEVY  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 12**

	<u>2016</u>		<u>2015</u>	
	Assessment	Mill Rate	Levy	Levy
Debt Charges:				
Frontage	-	-	\$ 89,232	\$ 89,233
L.I.D.	2,717,349,220	0.661	1,796,168	1,789,739
Other (At Large)	2,462,578,380	0.615	1,514,486	1,316,472
Deferred Surplus				
Reserves:				
Various	2,462,578,380	2.616	6,442,105	6,951,932
General Municipal	2,462,578,380	11.673	28,745,677	28,024,224
Special Levies:				
Department of Rural Development	2,462,578,380	0.287	706,760	715,093
School Portion - Mobile Home Revenue	-	-	(440,507)	(451,875)
Business Tax (Rate %)	11,800,300	1.000	<u>118,003</u>	<u>118,992</u>
<b>Total Municipal Taxes ***</b>			<b><u>38,971,924</u></b>	<b><u>38,553,810</u></b>
Education Support Levy	647,226,120	10.500	6,795,875	7,006,874
Special Levy:				
Brandon School Division	2,409,830,590	14.497	34,935,314	33,159,413
Mobile Home Revenue	-	-	<u>440,507</u>	<u>451,875</u>
<b>Total Education Taxes</b>			<b><u>42,171,696</u></b>	<b><u>40,618,162</u></b>
<b>Total Tax Levy (Schedule 11)</b>			<b><u>\$ 81,143,620</u></b>	<b><u>\$ 79,171,972</u></b>
*** Total Municipal Taxes Comprised of				
General Municipal (Schedule 2)			\$ 38,971,924	\$ 38,532,705
Utility Debenture Debt Servicing (Schedule 9)			<u>-</u>	<u>-</u>
			<b>\$ 38,971,924</b>	<b>\$ 38,532,705</b>

**CITY OF BRANDON  
ANALYSIS OF SCHOOL ACCOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 13**

	<u>2016</u>				<u>2015</u>
	<u>Opening Balance</u>	<u>Current Requirement</u>	<u>Current Payment</u>	<u>Ending Balance</u>	<u>Ending Balance</u>
Education Support Levy	\$ 397,704	\$ 7,863,243	\$ (7,844,273)	\$ 416,674	\$ 397,704
Special Levies					
Brandon School Division	1,407,873	37,375,000	(37,170,181)	1,612,692	1,407,873
<b>Total</b>	<b><u>\$ 1,805,577</u></b>	<b><u>\$ 45,238,243</u></b>	<b><u>\$ (45,014,454)</u></b>	<b><u>\$ 2,029,366</u></b>	<b><u>\$ 1,805,577</u></b>

**CITY OF BRANDON  
SCHEDULE OF GENERAL OPERATING FUND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 14**

	<b>2016 Actual</b>	<b>2015 Actual</b>
<b>General government services:</b>		
Legislative	\$ 413,141	\$ 433,468
General administrative	7,508,646	7,206,427
Other	<u>1,849,707</u>	<u>1,180,138</u>
	<u>9,771,494</u>	<u>8,820,033</u>
<b>Protective services:</b>		
Police	16,414,702	15,458,971
Fire	9,141,397	8,661,245
Emergency measures	3,227,320	2,945,539
Other	<u>1,491,556</u>	<u>1,322,173</u>
	<u>30,274,975</u>	<u>28,387,928</u>
<b>Transportation services:</b>		
Administration	3,880,920	3,766,694
Road and street maintenance	4,501,556	(2,429,434)
Bridge maintenance	-	1,147
Sidewalk maintenance	682,149	1,098,403
Street lighting	981,208	1,051,484
Other	3,459,012	2,748,937
Air transport	1,252,945	720,235
Public transport	5,447,978	6,042,347
Other	<u>-</u>	<u>-</u>
	<u>20,205,768</u>	<u>12,999,813</u>
<b>Environmental health services:</b>		
Waste collection and disposal	3,238,214	3,386,853
Recycling	1,846,863	1,675,400
Other	<u>-</u>	<u>-</u>
	<u>5,085,077</u>	<u>5,062,253</u>
<b>Public health and welfare services:</b>		
Public health	422,684	500,124
Medical care	-	-
Social assistance	267,032	267,032
Other	<u>-</u>	<u>-</u>
	<u>689,716</u>	<u>767,156</u>
<b>Regional planning and development:</b>		
Planning and zoning	836,857	826,241
Urban renewal	604,407	358,936
Beautification and land rehabilitation	-	-
Urban area weed control	430,566	414,347
Other	<u>552,395</u>	<u>487,640</u>
	<u>2,424,225</u>	<u>2,087,164</u>
<b>Resource conservation and industrial development:</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	431,094	409,304
Industrial development	-	-
Tourism	1,213,456	782,245
Other	<u>-</u>	<u>-</u>
	<u>1,644,550</u>	<u>1,191,549</u>



Not Applicable

**CITY OF BRANDON  
 SCHEDULE OF DEBENTURES PENDING  
 FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 16**

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<b>Authority</b>	<b>Purpose</b>	<b>Source of Funds</b>	<b>Authorized</b>	<b>Expended</b>
B/L 7116/E-16-143	Airport Expansion		4,981,200	2,768,500
<b>TOTAL</b>			<b><u>\$ 4,981,200</u></b>	<b><u>\$ 2,768,500</u></b>

**CITY OF BRANDON  
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**SCHEDULE 17**

	<u>2016</u>			<u>2015</u>
	<u>General</u>	<u>Utility</u>	<u>Total</u>	<u>Total</u>
<b>MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT</b>	\$ 3,091,411	\$ -	\$ 3,091,411	\$ 8,823,684
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	12,818,814	1,724,605	14,543,419	18,286,476
Eliminate revenue - transfers from reserves	(19,466,563)	(10,259,838)	(29,726,401)	(15,711,714)
Increase revenue - reserve funds interest	169,750	-	169,750	222,693
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	1,776,154	-	1,776,154	1,051,065
Increase revenue - developer contributed tangible capital assets	649,052	469,915	1,118,967	2,124,632
Increase expense - amortization of tangible capital assets	(9,561,255)	(6,363,649)	(15,924,904)	(15,253,672)
Decrease expense - principal portion of debenture debt	1,790,131	1,004,693	2,794,824	1,998,528
Decrease expense - accrued interest portion of debenture debt	31,913	-	31,913	30,594
Decrease revenue - disposed capital assets net book value	(1,721,177)	-	(1,721,177)	(1,480,648)
Eliminate expense - acquisitions of tangible capital assets	24,242,300	3,476,958	27,719,258	1,952,355
Increase expense - landfill closure & post closure liabilities	(69,078)	-	(69,078)	64,724
Increase expense - salary liabilities adjustments	(314,893)	(43,325)	(358,218)	44,966
Increase expense - bad debt	(280,275)	-	(280,275)	-
Eliminate - adjustment to opening accounts receivable	-	-	-	(1,053,868)
Eliminate - adjustment to opening accounts payable	-	-	-	(168,360)
Eliminate - debenture proceeds	(4,168,092)	-	(4,168,092)	-
Eliminate - interfund transfers	<u>(238,550)</u>	<u>238,550</u>	<u>-</u>	<u>-</u>
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<u>\$ 8,749,642</u>	<u>\$ (9,752,091)</u>	<u>\$ (1,002,449)</u>	<u>\$ 931,455</u>