

CITY OF BRANDON



Consolidated Financial Statements

For the Year Ended December 31, 2020

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 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 Auditor's 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 Public Sector Accounting Standards.



Ron Bowles
City Manager / CAO

To the Mayor and Members of Council of the
CITY OF BRANDON

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the consolidated financial statements of the City of Brandon, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Brandon as at December 31, 2020, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City of Brandon in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City of Brandon's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City of Brandon to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City of Brandon's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 City of Brandon's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City of Brandon's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the City of Brandon to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

June 29, 2021
Brandon, Manitoba


Chartered Professional Accountants

CITY OF BRANDON

Consolidated Financial Statements

For the Year Ended December 31, 2020

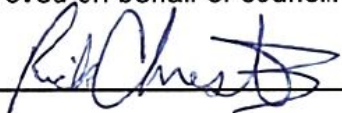
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**CITY OF BRANDON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020**

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 6,165,655	\$ 1,952,561
Amounts receivable (Note 4)	13,557,731	20,342,774
Portfolio investments (Note 5)	21,605,870	26,257,508
Loans and advances	500,000	700,000
Real estate properties held for sale	1,558,037	4,238,170
	<u>\$ 43,387,293</u>	<u>\$ 53,491,013</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 14,043,851	\$ 16,472,766
Severance and sick leave payable	4,996,221	4,647,527
Unearned revenue	6,313,426	2,121,822
Landfill closure and post closure liabilities (Note 8)	800,076	745,862
Long-term debt (Note 10)	31,873,401	35,065,298
Other liabilities	1,199,189	1,159,908
	<u>59,226,164</u>	<u>60,213,183</u>
NET DEBT	<u>\$ (15,838,871)</u>	<u>\$ (6,722,170)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$397,854,568	\$374,556,102
Inventories (Note 6)	877,262	1,152,455
Prepaid expenses	670,681	625,402
	<u>399,402,511</u>	<u>376,333,959</u>
ACCUMULATED SURPLUS (Note 16)	<u>\$383,563,640</u>	<u>\$369,611,789</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of council:



Rick Chrest - Mayor



Glen Parker - Deputy Mayor

The accompanying notes are an integral part of these consolidated financial statements

CITY OF BRANDON
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
REVENUE			
Property taxes	\$ 43,583,803	\$ 43,189,201	\$ 42,698,920
Grants in lieu of taxation	2,391,094	2,391,094	2,364,146
User fees	18,138,043	15,843,946	18,547,938
Permits, licences and fines	2,978,830	2,758,811	3,735,883
Investment income	33,240	506,411	1,010,745
Other revenue	909,360	4,716,277	1,988,174
Water and sewer	23,322,147	28,693,935	25,070,585
Grants - Province of Manitoba	16,645,681	18,560,162	21,474,460
Grants - other	4,638,791	8,940,941	15,632,651
Total revenue (Schedules 2, 4 and 5)	112,640,989	125,600,778	132,523,502
EXPENSES			
General government services	8,879,803	10,060,865	9,990,536
Protective services	34,976,172	34,403,039	33,466,829
Transportation services	23,078,758	20,763,605	21,229,178
Environmental health services	4,818,965	4,413,341	4,288,304
Public health and welfare services	707,988	614,655	695,299
Regional planning and development	3,808,759	2,003,728	2,589,648
Resource conservation and industrial development	6,081,579	451,306	696,357
Recreation and cultural services	10,644,982	13,596,983	16,640,129
Water and sewer services	25,788,653	25,341,405	23,992,303
Total expenses (Schedules 3, 4 and 5)	118,785,659	111,648,927	113,588,583
ANNUAL SURPLUS (DEFICIT)	\$ (6,144,670)	13,951,851	18,934,919
ACCUMULATED SURPLUS, BEGINNING OF YEAR		369,611,789	350,676,870
ACCUMULATED SURPLUS, END OF YEAR		\$ 383,563,640	\$ 369,611,789

The accompanying notes are an integral part of these consolidated financial statements

CITY OF BRANDON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)
For the Year Ended December 31, 2020

	<u>2020 Budget (Note 15)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (6,144,670)	\$ 13,951,851	\$ 18,934,919
Acquisition of tangible capital assets	(44,700,187)	(42,248,222)	(34,168,011)
Amortization of tangible capital assets	18,524,744	18,524,744	18,219,650
Loss (gain) on sale of tangible capital assets	-	(212,249)	74,717
Proceeds on sale of tangible capital assets	-	637,261	462,150
Decrease (increase) in inventories	-	275,193	(33,288)
Decrease (increase) in prepaid expense	-	(45,279)	149,626
	<u>(26,175,443)</u>	<u>(23,068,552)</u>	<u>(15,295,156)</u>
CHANGE IN NET FINANCIAL ASSETS (DEBT)	<u><u>\$ (32,320,113)</u></u>	(9,116,701)	3,639,763
NET DEBT, BEGINNING OF YEAR		<u>(6,722,170)</u>	<u>(10,361,933)</u>
NET DEBT, END OF YEAR		<u><u>\$ (15,838,871)</u></u>	<u><u>\$ (6,722,170)</u></u>

The accompanying notes are an integral part of these consolidated financial statements

CITY OF BRANDON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 13,951,851	\$ 18,934,919
Changes in non-cash items:		
Amounts receivable	6,785,043	(5,815,961)
Inventories	275,193	(33,288)
Prepays	(45,279)	149,626
Real estate properties	2,680,133	11,271
Accounts payable and accrued liabilities	(2,428,915)	2,620,777
Severance and sick leave payable	348,694	344,073
Unearned revenue	4,191,604	92,595
Landfill closure and post closure liabilities	54,214	(387,553)
Other liabilities	39,281	80,855
Loss (gain) on sale of tangible capital assets	(212,249)	74,717
Amortization	18,524,744	18,219,650
Cash provided by operating transactions	<u>44,164,314</u>	<u>34,291,681</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	637,261	462,150
Cash used to acquire tangible capital assets	<u>(42,248,222)</u>	<u>(34,168,011)</u>
Cash applied to capital transactions	<u>(41,610,961)</u>	<u>(33,705,861)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	5,006,203	7,886,036
Proceeds on sale of real estate properties	200,000	200,000
Loans and advances repaid	-	-
Purchase of portfolio investments	<u>(354,565)</u>	<u>(18,462,835)</u>
Cash provided by (applied to) investing transactions	<u>4,851,638</u>	<u>(10,376,799)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	20,000	-
Debt repayment	<u>(3,211,897)</u>	<u>(4,403,351)</u>
Cash provided by (applied to) financing transactions	<u>(3,191,897)</u>	<u>(4,403,351)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	4,213,094	(14,194,330)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>1,952,561</u>	<u>16,146,891</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 6,165,655</u>	<u>\$ 1,952,561</u>

The accompanying notes are an integral part of these consolidated financial statements

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

1. Status of the City of Brandon

The incorporated City of Brandon (the "Municipality") is a municipal government that was created in 1882 pursuant to The Municipal Act. The City of Brandon provides or funds municipal services such as police, fire, public works, 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 economic development, recreation and tourism.

2. Significant accounting policies

The consolidated financial statements have been prepared in accordance with public sector accounting standards 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, revenue 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 Municipality. 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 Municipality has several partnership agreements in place, and as such, consistent with Canadian Public Sector Accounting Standards for government partnerships, the following local agencies, boards and commissions are accounted for on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenue and expenses are combined on a line by line basis in the consolidated financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Brandon & Area Planning District (21%) (2019 - 21%)
Western Manitoba Centennial Auditorium (50%) (2019 - 50%)
Keystone Agricultural & Recreational Centre (50%) (2019 - 50%)
Western Manitoba Regional Library (81%) (2019 - 81%)

The Keystone Agricultural & Recreational 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 consolidated financial statements.

Trust funds and their related operations administered by the Municipality 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 Municipality are presented in Note 18 and consist of funds held for the maintenance of the City of Brandon's community centres.

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.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

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 costs 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 revenue over expenses, provides the change in net financial assets (debt) 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 Municipality 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.

General Tangible Capital Assets

Land	Indefinite
Land improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer hardware and software	4 years

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

h) Tangible capital assets (continued)

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 of 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.

Unearned 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.

l) Measurement uncertainty

Estimates are used to accrue revenue and expenses in circumstances where the actual accrued amounts are unknown at the time the consolidated financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the consolidated 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.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

l) Measurement uncertainty (continued)

Measurement uncertainty in these consolidated 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 consolidated 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 consolidated financial statements exists in the accrual of the employee retirement, severance and non-vested sick leave. The accrual of the retirement, severance and non-vested sick leave 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 may differ significantly.

m) Recent accounting pronouncements

Portfolio Investments (PS 3041)

In March 2012, as a result of the issuance of PS 3450 Financial Instruments, the Public Sector Accounting Board (PSAB) issued new PS 3041 Portfolio Investments, which revises and replaces PS 3030 Temporary Investments and PS 3040 Portfolio Investments. The main features of the new standard are:

- PS 3041 does not make a distinction between temporary and portfolio investments, and is cross referenced and conformed to the requirements of PS 3450.
- Investments previously within the scope of PS 3030, which are not cash equivalents, are now accounted for within the scope of PS 3041.

This Section is effective in the same period PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation and PS 3450 are adopted. PS 1201, PS 2601 and PS 3450 are to be adopted together and are effective for fiscal years beginning on or after April 1, 2019. In March 2018, the Public Sector Accounting Board (PSAB) approved an extension of the effective date to fiscal years beginning on or after April 1, 2021. Early adoption is permitted.

Financial Instruments (PS 3450)

In June 2011, the Public Sector Accounting Board (PSAB) issued new PS 3450 Financial Instruments. The new standard establishes requirements for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. The main features of the new standard are:

- Financial instruments are classified into two measurement categories: fair value, or cost or amortized cost.
 - Almost all derivatives, including embedded derivatives not closely related to the host contract, are measured at fair value.
 - Portfolio investments in equity instruments quoted in an active market are measured at fair value.
 - Other financial assets and financial liabilities are generally measured at cost or amortized cost.
 - An entity may elect to measure any group of financial assets or financial liabilities (or both) at fair value when the entity has a risk management or investment strategy to manage those items on a fair value basis.
- Remeasurement gains and losses on financial instruments measured at fair value are reported in the statement of remeasurement gains and losses until the financial instrument is derecognized.
- Budget to actual comparisons are not required within the statement of remeasurement gains and losses;
- Financial liabilities are derecognized when, and only when, they are extinguished.
- Financial assets and financial liabilities are only offset and reported on a net basis if a legally enforceable right to set off the recognized amounts exist, and the entity intends to settle on a net basis or realize/settle the amounts simultaneously.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

m) Recent accounting pronouncements (continued)

In May 2012, the transitional provisions for this Section were amended, effective at the time the standard is initially applied, to clarify that the measurement provisions are applied prospectively. Adjustments to previous carrying amounts are recognized in opening accumulated remeasurement gains or losses. Additionally, a new transitional provision has been added that applies to government organizations transitioning from the standards in Part V of the CPA Canada Handbook – Accounting with items classified as available for sale. Accumulated other comprehensive income (OCI) from items classified as available for sale is recognized in accumulated remeasurement gains or losses on transition.

PS 3450 was to be effective for fiscal years beginning on or after April 1, 2019. In March 2018, the Public Sector Accounting Board (PSAB) approved an extension of the effective date to fiscal years beginning on or after April 1, 2021. In the period that a public sector entity applies PS 3450, it also applies PS 1201, PS 2601 and PS 3041. Early adoption is permitted.

Asset Retirement Obligations (PS 3280)

In August 2018, new PS 3280 Asset Retirement Obligations was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new PS 3280 establishes standards on how to account for and report a liability for asset retirement obligations (ARO). As asset retirement obligations associated with landfills are included in the scope of new PS 3280, PS 3270 Solid Waste Landfill Closure and Post-Closure Liability will be withdrawn.

The main features of this standard are as follows:

- An ARO represents a legal obligation associated with the retirement of a tangible capital asset.
- Asset retirement costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic matter.
- When an asset is no longer in productive use, the associated asset retirement costs are expensed.
- Measurement of the ARO liability should result in the best estimate of the amount required to retire a tangible capital asset at the financial statement date.
- Subsequent measurement of the ARO liability results in either a change in the carrying amount of the related tangible capital asset or an expense. The accounting treatment depends on the nature of the remeasurement and whether the asset remains in productive use.
- The best method to estimate the liability is often a present value technique.

This standard is effective for fiscal years beginning on or after April 1, 2021. Early adoption is permitted.

3. Cash and temporary investments

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 5,743,281	\$ 1,613,100
Temporary investments	<u>422,374</u>	<u>339,461</u>
	<u>\$ 6,165,655</u>	<u>\$ 1,952,561</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$62,921,721 (2019 - \$73,281,915) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances. Included in the reserve is cash of \$0 (2019 - \$0).

The City of Brandon has established an operating line of credit with the Bank of Montreal, authorized by Council resolution. Because of the impacts of COVID-19, the City of Brandon requested and received approval to increase the line of credit with the Bank of Montreal to \$17,000,000. The increase expires on February 1, 2021 and as of that date is \$10,000,000.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

4. Amounts receivable

Amounts receivable are valued at their net realizable value.

	<u>2020</u>	<u>2019</u>
Taxes on roll (Schedule 11)	\$ 3,541,546	\$ 3,735,311
Government grants	2,914,551	5,573,807
Utility customers	5,403,310	6,147,346
Accrued interest	3,613	3,613
Organizations and individuals	2,171,571	5,768,424
Federal government - GST	832,140	779,720
	<u>14,866,731</u>	<u>22,008,221</u>
Less allowances for doubtful amounts	<u>(1,309,000)</u>	<u>(1,665,447)</u>
	<u><u>\$ 13,557,731</u></u>	<u><u>\$ 20,342,774</u></u>

5. Portfolio investments

	<u>2020</u>	<u>2019</u>
Marketable securities:		
Bonds and certificates	\$ 21,605,870	\$ 26,251,313
Other investments	-	6,195
	<u>\$ 21,605,870</u>	<u>\$ 26,257,508</u>

The aggregate market value of the marketable securities at December 31, 2020 is \$22,380,882 (2019 - \$26,121,850). Portfolio investments earned \$390,854 in investment income during the year (2019 - \$525,306).

6. Inventories

Inventories for use:

	<u>2020</u>	<u>2019</u>
Chemicals, herbicides, insecticides	\$ 230,777	\$ 226,270
Fuel	39,697	66,735
Other supplies	606,788	859,450
	<u>\$ 877,262</u>	<u>\$ 1,152,455</u>

7. Accounts payable and accrued liabilities

	<u>2020</u>	<u>2019</u>
Accounts payable	\$ 8,440,554	\$ 11,522,536
Accrued expenses	2,314,617	2,059,408
Accrued interest payable	583,676	629,363
School levies	2,269,658	2,261,459
Other governments	435,346	-
	<u>\$ 14,043,851</u>	<u>\$ 16,472,766</u>

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

8. Landfill closure and post closure liabilities

a) Operating landfill site

The Municipality is currently operating a Class 1 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>2020</u>	<u>2019</u>
Estimated closure and post closure costs	<u>\$ 4,389,239</u>	<u>\$ 4,389,239</u>
Discount rate (%)	<u>5.00%</u>	<u>5.00%</u>
Discounted costs	<u>\$ 1,296,154</u>	<u>\$ 1,234,433</u>
Expected year capacity will be reached	2044	2044
Capacity (tonnes):		
Used to date	2,222,261	2,175,261
Remaining	<u>1,377,888</u>	<u>1,424,888</u>
Total	<u>3,600,149</u>	<u>3,600,149</u>
Percent utilized	<u>61.73%</u>	<u>60.42%</u>
Liability based on percentage	<u>\$ 800,076</u>	<u>\$ 745,862</u>

9. Liability for remediation of 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. 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.

The City of Brandon does not have any contaminated sites that meet this criteria and no accrual has been made.

10. Long-term debt

	<u>2020</u>	<u>2019</u>
General authority:		
Materials Recycling Facility Purchase, interest at 4.65% - 5.00% payable at \$187,655 - \$187,770 annually including interest, maturing December 2023.	\$ 511,904	\$ 667,316
Keystone Renovations, interest at 4.65% - 5.00% payable at \$372,815 - \$373,042 annually including interest, maturing December 2023.	1,017,005	1,325,760
Keystone Capital Improvements, interest at 4.00% payable at \$127,494 annually including interest, maturing August 2022.	240,466	353,807
Fire Hall, interest at 4.92% payable at \$811,788 annually including interest, maturing January 2030.	6,292,841	6,771,471

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

10. Long-term debt (continued)

Police Station, interest at 4.50% payable at \$1,068,586 annually including interest, maturing December 2030.	8,455,422	9,113,884
Keystone Roof Project, interest at 3.00% payable at \$278,111 annually including interest, maturing October 2026.	1,506,578	1,732,707
Development Services Building, interest at 3.00% payable at \$210,517 annually including interest, maturing October 2026.	1,140,411	1,311,581
Airport Terminal Development, interest at 4.25% payable at \$417,425 annually including interest, maturing October 2034.	4,337,425	4,561,008
	<u>\$ 23,502,052</u>	<u>\$ 25,837,534</u>

Utility funds:

Water Reclamation Facility, interest at 3.30% payable at \$796,200 annually including interest, maturing January 2031.	\$ 7,235,260	\$ 7,772,839
Central Wastewater Treatment Facility Expansion, interest at 4.65% - 5.00%, payable at \$409,137 - \$409,387 annually including interest, maturing December 2023.	1,116,089	1,454,925
	<u>\$ 8,351,349</u>	<u>\$ 9,227,764</u>

Controlled Entities and Government Partnerships:

Canada Emergency Business Loan, non-interest bearing and no scheduled repayments until December 2022.	\$ 20,000	\$ -
	<u>\$ 31,873,401</u>	<u>\$ 35,065,298</u>

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

2021	\$ 3,346,918
2022	\$ 3,501,968
2023	\$ 3,508,727
2024	\$ 2,689,261
2025	\$ 2,798,158

Schedule of debentures pending

<u>Authority</u>	<u>Purpose</u>	<u>Amount Authorized</u>
By-law #7229 / E-19-051	Water Treatment Plant Chemical Building	\$ 16,000,000
By-law #7232 / E-20-053	34th Street Extension	\$ 3,500,000

11. Commitments

The City of Brandon has a contractual obligation to fund 50% of any deficit of the Western Manitoba Centennial Auditorium. Deficit for the 2020 year was \$119,048 (2019 - \$151,648).

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 2020 year was \$122,915 (2019 - \$137,107).

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 2020 year was \$22,031 (2019 - \$22,117).

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

11. Commitments (continued)

City Council, at its meeting held February 20, 2006, passed By-law 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 of Brandon has several properties receiving this tax credit, with expiry dates ranging from 2021 to 2030. Payments made for the 2020 year were \$80,196 (2019 - \$64,636).

City Council, at its meeting held September 8, 2008, passed By-law 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 2020 payment was \$251,132 (2019 - \$255,140).

City Council, at its meeting held August 20, 2007, passed By-law 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 of Brandon has several properties receiving this credit, with the 20 year expiry ranging from 2023 to 2037. Payments made for the 2020 year were \$46,193 (2019 - \$42,033).

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 Rural Municipality of Cornwallis. As per the agreement, property taxes for eligible property owners were grandfathered at the Rural Municipality 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 expired in 2020. Payments made for the 2020 year were \$1,925 (2019 - \$4,292).

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.

City Council, at its meeting held November 20, 2017, passed By-law 7192 to implement a tax credit program for eligible properties to promote the rehabilitation and restoration of Municipal Heritage Sites. Under this program, municipal taxes would be eligible for a tax credit for a period of ten (10) years, to a maximum not exceeding 50% of eligible project costs. Payments made for the 2020 year were \$5,906 (2019 - \$5,093).

12. Contingencies

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 Contaminated Sites Remediation Act. In January 2015, Manitoba Conservation and Water Stewardship accepted the City of Brandon'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.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

13. Retirement benefits

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. 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 MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during 2020 by the Municipality on behalf of its employees are expected to be \$3,779,440 (2019 - \$3,554,902) 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, 2019 indicated the plan was 99.7% funded on a going concern basis and had an unfunded solvency liability of \$288.8 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, 2019.

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

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, 2020 indicates a going concern unfunded liability of \$121,570 and a solvency / hypothetical wind-up deficiency of \$248,395.

As with MEPP, the City of Brandon has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by the City of Brandon. Based on the solvency ratio contained in the actuarial report, the next required actuarial valuation report would be required in 2021.

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 MEFF "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 that 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 values of these financial instruments approximate their carrying values.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

15. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Municipality 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 consolidated 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. Accumulated surplus

	<u>2020</u>	<u>2019</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 2,846,279	\$ 4,706,926
Utility operating fund - Nominal surplus (deficit)	(49,163,105)	(48,384,569)
TCA net of related borrowings	356,255,115	328,950,227
Reserve funds	<u>62,921,721</u>	<u>73,281,915</u>
Accumulated surplus of Municipality unconsolidated	372,860,010	358,554,499
Accumulated surpluses of consolidated entities	<u>10,703,630</u>	<u>11,057,290</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 383,563,640</u>	<u>\$ 369,611,789</u>

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 \$75,000 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.

It is a requirement of The Municipal Act that the annual consolidated financial statement disclose the amount of compensation, expenses and any other payment made to council or committee members by the type of each payment and the total amount of payment to each member of Council of the Municipality. For the year ended December 31, 2020:

Compensation paid to members of Council amounted to \$340,356 in aggregate.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Chrest, Rick	\$ 106,886	\$ 779	\$ 107,665
Councillor - Berry, Shawn	23,990	371	24,361
Councillor - Brown, Ron	22,497	283	22,780
Councillor - Cameron, Shaun	22,670	60	22,730
Councillor - Chaboyer, Jan	22,670	185	22,855
Councillor - Cullen, Barry	22,778	501	23,279
Councillor - Desjarlais, Kris	27,496	171	27,667
Councillor - Fawcett, Jeff	22,670	35	22,705
Councillor - Loregio, John	22,670	-	22,670
Councillor - Luebke, Bruce	22,670	571	23,241
Councillor - Parker, Glen	<u>23,359</u>	<u>-</u>	<u>23,359</u>
	<u>\$ 340,356</u>	<u>\$ 2,956</u>	<u>\$ 343,312</u>

18. Trust funds

The City of Brandon administers the following trust:

	<u>Balance, beg. of the year</u>	<u>Excess of Receipts over Disbursements</u>	<u>Balance, end of the year</u>
Community Centre Assistance	<u>\$ 276,278</u>	<u>\$ 73,281</u>	<u>\$ 349,559</u>

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

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 Services
- Regional Planning and Development
- Resource Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenue and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the consolidated 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>2020</u>	<u>2019</u>
Financial Position		
Financial assets	\$ 1,677,218	\$ 1,381,142
Financial liabilities	1,558,229	1,645,360
Net financial assets (liabilities)	\$ 118,989	\$ (264,218)
Non-financial assets	<u>9,876,626</u>	<u>10,706,910</u>
Accumulated surplus	<u>\$ 9,995,615</u>	<u>\$ 10,442,692</u>
Result of Operations		
Revenue	\$ 4,330,022	\$ 6,434,815
Expenses	<u>4,777,099</u>	<u>5,727,265</u>
Annual surplus (deficit)	<u>\$ (447,077)</u>	<u>\$ 707,550</u>

21. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and wastewater utilities, except the City of Winnipeg Utility and wholesale water rates set by the Manitoba Water Services Board. The PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. The PUB's prescribed accounting policies on tangible or contributed capital assets and government transfers allow for adjustments to be made, for rate setting purposes, which do not meet PSAB standards.

For information purposes, the Municipality has deferred the capital grants and/or contributed assets it has received in the past for its utilities and amortized them over the useful life of the related tangible or contributed capital asset.

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

21. Public Utilities Board (continued)

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining net book value.

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
9th St. Reservoir Supply Line	\$ 450,000	\$ -	\$ 20,000	\$ 430,000

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Combined WWTF Phase II	\$ 10,078,308	\$ -	\$ 516,837	\$ 9,561,471
Lagoon Cell 3A	170,836	-	8,333	162,503
Combined WWTF Phase III	30,850,842	-	894,227	29,956,615
Foremain Kirkcaldy Lift Station to Pacific Ave	-	4,651,730	38,764	4,612,966
Kirkcaldy Lift Station	-	6,195,987	77,450	6,118,537
	<u>\$ 41,099,986</u>	<u>\$ 10,847,717</u>	<u>\$ 1,535,611</u>	<u>\$ 50,412,092</u>

22. COVID-19 impact on operations

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the federal, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Municipality's operations were impacted by COVID-19 due to closure of facilities to the public for normal operations. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Municipality as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

23. Comparative figures

Certain comparative figures have been reclassified to conform with the current year presentation.

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2020

	General Capital Assets				Infrastructure			Totals		
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2020	2019
Cost										
Opening costs	50,047,911	92,796,145	56,578,976	7,607,119	3,285,164	179,046,610	305,584,877	14,942,018	709,888,820	678,179,007
Additions during the year	3,155,000	162,783	5,008,495	534,245	2,873,572	4,564,017	13,812,527	12,137,583	42,248,222	34,168,011
Classification transfers	-	3,243,200	579,139	699,774	(5,556,420)	1,034,307	12,788,706	(12,788,706)	-	-
Disposals and write downs	(49,568)	-	(1,451,116)	(6,720)	-	-	(8,714)	-	(1,516,118)	(2,458,198)
Closing costs	53,153,343	96,202,128	60,715,494	8,834,418	602,316	184,644,934	332,177,396	14,290,895	750,620,924	709,888,820
Accumulated Amortization										
Opening accum'd amortization	8,959,294	38,145,549	34,966,246	4,395,284	-	123,023,068	125,843,277	-	335,332,718	319,034,399
Amortization	878,274	2,338,742	4,300,440	809,695	-	3,193,349	7,004,244	-	18,524,744	18,219,650
Disposals and write downs	-	-	(1,083,123)	(6,720)	-	-	(1,263)	-	(1,091,106)	(1,921,331)
Closing accum'd amortization	9,837,568	40,484,291	38,183,563	5,198,259	-	126,216,417	132,846,258	-	352,766,356	335,332,718
Net Book Value of Tangible Capital Assets	43,315,775	55,717,837	22,531,931	3,636,159	602,316	58,428,517	199,331,138	14,290,895	397,854,568	374,556,102

Water and sewer underground networks contributed to the Municipality totals \$4,454,330 (2019 - \$864,966) and were capitalized at their fair value at the time of their receipt. Streets, roads and general infrastructure contributed to the Municipality totals \$2,780,445 (2019 - \$248,614) 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, 2020

SCHEDULE 2

	2020 Actual	2019 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 42,083,803	\$ 41,758,542
Taxes added	1,105,398	940,378
	<u>43,189,201</u>	<u>42,698,920</u>
Grants in lieu of taxation:		
Federal government	353,582	352,131
Federal government enterprises	-	-
Provincial government	2,037,512	2,012,015
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>2,391,094</u>	<u>2,364,146</u>
User fees		
Parking meters	207,533	297,293
Sales of service	9,590,270	10,944,091
Sales of goods	659,145	548,684
Rentals	2,760,038	2,889,767
Development charges	273,272	20,265
Facility use fees	2,353,688	3,847,838
	<u>15,843,946</u>	<u>18,547,938</u>
Permits, licences and fines		
Permits	1,166,534	1,868,811
Licences	1,302,590	1,335,569
Fees	-	-
Fines	289,687	531,503
	<u>2,758,811</u>	<u>3,735,883</u>
Investment income		
Cash and temporary investments	466,771	968,139
Marketable securities	-	-
Municipal debentures	-	-
Other	39,640	42,606
	<u>506,411</u>	<u>1,010,745</u>
Other revenue		
Gain (loss) on sale of tangible capital assets	212,249	(74,717)
Gain on sale of real estate held for sale	805,506	676,639
Contributed assets	2,897,582	289,965
Penalties and interest	409,143	594,389
Miscellaneous	391,797	501,898
	<u>4,716,277</u>	<u>1,988,174</u>
Water and sewer		
Municipal utility (Schedule 9)	28,693,935	25,070,585
Consolidated water co-operatives	-	-
	<u>28,693,935</u>	<u>25,070,585</u>
Grants - Province of Manitoba		
Municipal operating grants	8,893,226	8,893,226
Other unconditional grants	-	-
Conditional grants	9,666,936	12,581,234
	<u>18,560,162</u>	<u>21,474,460</u>
Grants - other		
Federal government - gas tax funding	3,075,740	6,130,567
Federal government - other	5,245,085	7,889,137
Other municipal governments	620,116	1,612,947
	<u>8,940,941</u>	<u>15,632,651</u>
Total revenue	<u>\$ 125,600,778</u>	<u>\$ 132,523,502</u>

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services		
Legislative	\$ 443,516	\$ 517,893
General administrative	6,738,273	7,316,023
Other	2,879,076	2,156,620
	<u>10,060,865</u>	<u>9,990,536</u>
Protective services		
Police	17,950,395	17,776,681
Fire	10,092,384	9,923,944
Emergency measures	4,534,654	3,965,970
Other	1,825,606	1,800,234
	<u>34,403,039</u>	<u>33,466,829</u>
Transportation services		
Road transport		
Administration and engineering	4,242,976	4,444,035
Road and street maintenance	4,131,082	3,911,997
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	569,675	688,213
Street lighting	995,827	1,018,724
Other	3,459,615	3,610,977
Air transport	1,876,149	1,839,300
Public transit	5,488,281	5,715,932
Other	-	-
	<u>20,763,605</u>	<u>21,229,178</u>
Environmental health services		
Waste collection and disposal	2,389,677	2,174,238
Recycling	2,023,664	2,114,066
Other	-	-
	<u>4,413,341</u>	<u>4,288,304</u>
Public health and welfare services		
Public health	347,623	428,267
Medical care	-	-
Social assistance	267,032	267,032
Other	-	-
	<u>614,655</u>	<u>695,299</u>
Regional planning and development		
Planning and zoning	677,212	867,057
Urban renewal	660,747	697,895
Beautification and land rehabilitation	-	-
Urban area weed control	-	334,440
Other	665,769	690,256
	<u>2,003,728</u>	<u>2,589,648</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	358,105	458,095
Industrial development	-	-
Tourism	93,201	238,262
Other	-	-
	<u>451,306</u>	<u>696,357</u>
Sub-totals forward	<u>72,710,539</u>	<u>72,956,151</u>

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
Sub-totals forward	72,710,539	72,956,151
Recreation and cultural services		
Administration	821,739	1,011,087
Community centers and halls	160,000	155,000
Swimming pools and beaches	268,730	294,610
Golf courses	225,179	796,076
Skating and curling rinks	5,676	7,952
Parks and playgrounds	2,780,003	2,904,010
Other recreational facilities	7,288,725	8,337,087
Museums	88,090	65,824
Libraries	678,459	1,370,840
Other cultural facilities	1,280,382	1,697,643
	13,596,983	16,640,129
Water and sewer services		
Municipal utility (Schedule 9)	25,341,405	23,992,303
Consolidated water co-operatives	-	-
	25,341,405	23,992,303
Total expenses	\$ 111,648,927	\$ 113,588,583

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2020

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE										
Property taxes	\$ 43,189,201	\$ 42,698,920	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	2,391,094	2,364,146	-	-	-	-	-	-	-	-
User fees	90,420	89,790	6,196,396	6,225,805	1,990,172	2,390,082	2,488,820	2,537,593	384,509	353,986
Grants - other	2,728,123	179,282	140,798	464,339	5,504,850	12,862,514	-	-	-	-
Permits, licences and fines	1,289,804	1,322,405	302,473	544,667	16,510	14,580	-	-	-	-
Investment income	495,184	989,603	-	-	-	-	-	-	-	-
Other revenue	783,909	1,028,458	10,075	36,187	2,985,320	72,217	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	8,893,226	8,893,226	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	1,843	3,789,691	3,438,458	3,306,757	6,743,464	1,386,652	1,358,540	-	-
Total revenue	\$ 59,860,961	\$ 57,567,673	\$ 10,439,433	\$ 10,709,456	\$ 13,803,609	\$ 22,082,857	\$ 3,875,472	\$ 3,896,133	\$ 384,509	\$ 353,986
EXPENSES										
Personnel services	\$ 4,906,208	\$ 4,973,093	\$ 28,982,447	\$ 28,238,088	\$ 8,366,737	\$ 8,649,898	\$ 1,577,059	\$ 1,713,337	\$ 226,272	\$ 275,024
Contract services	1,967,682	2,118,978	1,228,850	1,066,265	4,012,851	4,162,438	722,492	748,191	289,503	285,774
Utilities	131,877	135,669	556,701	561,081	1,136,173	1,132,193	68,140	79,478	13,710	14,850
Maintenance materials and supplies	107,169	158,844	537,136	569,835	2,745,461	2,851,649	301,919	365,064	27,877	43,803
Grants and contributions	1,525,325	762,378	21,634	32,613	-	-	-	-	-	-
Amortization	865,356	800,738	1,056,344	1,031,078	7,342,372	7,524,932	192,322	142,481	1,540	1,540
Interest on long term debt	-	-	719,226	771,143	192,259	201,439	34,654	41,351	-	-
Other	557,248	1,040,836	1,300,701	1,196,726	(3,032,248)	(3,293,371)	1,516,755	1,198,402	55,753	74,308
Total expenses	\$ 10,060,865	\$ 9,990,536	\$ 34,403,039	\$ 33,466,829	\$ 20,763,605	\$ 21,229,178	\$ 4,413,341	\$ 4,288,304	\$ 614,655	\$ 695,299
Surplus (Deficit)	\$ 49,800,096	\$ 47,577,137	\$ (23,963,606)	\$ (22,757,373)	\$ (6,959,996)	\$ 853,679	\$ (537,869)	\$ (392,171)	\$ (230,146)	\$ (341,313)

* The general government category includes revenues and expenses that cannot be attributed to a particular sector.

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2020

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,189,201	\$ 42,698,920
Grants in lieu of taxation	-	-	-	-	-	-	-	-	2,391,094	2,364,146
User fees	994,490	644,673	-	-	3,699,139	6,306,009	-	-	15,843,946	18,547,938
Grants - other	43,742	38,425	-	14,248	523,428	2,073,843	-	-	8,940,941	15,632,651
Permits, licences and fines	1,150,024	1,854,231	-	-	-	-	-	-	2,758,811	3,735,883
Investment income	8,351	15,383	-	-	2,876	5,759	-	-	506,411	1,010,745
Other revenue	860,406	676,639	16,623	26,509	59,944	148,164	-	-	4,716,277	1,988,174
Water and sewer	-	-	-	-	-	-	28,693,935	25,070,585	28,693,935	25,070,585
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	8,893,226	8,893,226
Prov of MB - Conditional Grants	37,800	31,258	-	-	1,146,036	1,007,671	-	-	9,666,936	12,581,234
Total revenue	\$ 3,094,813	\$ 3,260,609	\$ 16,623	\$ 40,757	\$ 5,431,423	\$ 9,541,446	\$ 28,693,935	\$ 25,070,585	\$ 125,600,778	\$ 132,523,502
EXPENSES										
Personnel services	\$ 791,970	\$ 1,113,109	\$ 329,794	\$ 322,500	\$ 5,212,855	\$ 6,351,795	\$ 7,264,449	\$ 7,062,125	\$ 57,657,791	\$ 58,698,969
Contract services	779,085	741,276	8,441	69,010	1,946,700	1,805,258	3,605,696	2,874,328	14,561,300	13,871,518
Utilities	66,840	80,152	2,033	1,174	856,688	996,813	1,548,979	1,541,200	4,381,141	4,542,610
Maintenance materials and supplies	12,207	46,917	3,025	7,769	1,247,899	2,040,137	4,369,073	4,545,819	9,351,766	10,629,837
Grants and contributions	(5,343)	24,113	93,201	238,262	1,213,278	2,076,280	-	-	2,848,095	3,133,646
Amortization	-	-	-	-	2,062,566	2,024,961	7,004,244	6,693,920	18,524,744	18,219,650
Interest on long term debt	38,491	43,502	-	-	132,185	179,242	317,778	350,219	1,434,593	1,586,896
Other	320,478	540,579	14,812	57,642	924,812	1,165,643	1,231,186	924,692	2,889,497	2,905,457
Total expenses	\$ 2,003,728	\$ 2,589,648	\$ 451,306	\$ 696,357	\$ 13,596,983	\$ 16,640,129	\$ 25,341,405	\$ 23,992,303	\$ 111,648,927	\$ 113,588,583
Surplus (Deficit)	\$ 1,091,085	\$ 670,961	\$ (434,683)	\$ (655,600)	\$ (8,165,560)	\$ (7,098,683)	\$ 3,352,530	\$ 1,078,282	\$ 13,951,851	\$ 18,934,919

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2020

	Core Government		Controlled Entities		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Property taxes	\$ 43,189,201	\$ 42,698,920	\$ -	\$ -	\$ -	\$ -	\$ 43,189,201	\$ 42,698,920
Grants in lieu of taxation	2,391,094	2,364,146	-	-	-	-	2,391,094	2,364,146
User fees	13,072,559	14,781,299	8,496	10,210	2,762,891	3,756,429	15,843,946	18,547,938
Grants - other	8,374,771	13,559,984	43,742	7,000	522,428	2,065,667	8,940,941	15,632,651
Permits, licences and fines	2,758,811	3,727,064	-	-	-	8,819	2,758,811	3,735,883
Investment income	495,184	989,602	8,101	13,824	3,126	7,319	506,411	1,010,745
Other revenue	4,672,903	2,034,151	-	-	43,374	(45,977)	4,716,277	1,988,174
Water and sewer	28,693,935	25,070,585	-	-	-	-	28,693,935	25,070,585
Prov of MB - Unconditional Grants	8,893,226	8,893,226	-	-	-	-	8,893,226	8,893,226
Prov of MB - Conditional Grants	8,668,733	11,907,418	-	31,258	998,203	642,558	9,666,936	12,581,234
Total revenue	\$ 121,210,417	\$ 126,026,395	\$ 60,339	\$ 62,292	\$ 4,330,022	\$ 6,434,815	\$ 125,600,778	\$ 132,523,502
EXPENSES								
Personnel services	\$ 55,553,622	\$ 56,371,546	\$ -	\$ -	\$ 2,104,169	\$ 2,327,423	\$ 57,657,791	\$ 58,698,969
Contract services	13,487,771	12,800,361	15,146	61,165	1,058,383	1,009,992	14,561,300	13,871,518
Utilities	4,011,544	4,141,018	-	-	369,597	401,592	4,381,141	4,542,610
Maintenance materials and supplies	8,474,306	9,312,026	-	-	877,460	1,317,811	9,351,766	10,629,837
Grants and contributions	4,212,373	4,462,953	(279,394)	(279,037)	(1,084,884)	(1,050,270)	2,848,095	3,133,646
Amortization	17,405,628	17,097,626	-	-	1,119,116	1,122,024	18,524,744	18,219,650
Interest on long term debt	1,434,593	1,565,250	-	-	-	21,646	1,434,593	1,586,896
Other	2,325,068	2,052,843	231,171	275,567	333,258	577,047	2,889,497	2,905,457
Total expenses	\$ 106,904,905	\$ 107,803,623	\$ (33,077)	\$ 57,695	\$ 4,777,099	\$ 5,727,265	\$ 111,648,927	\$ 113,588,583
Surplus (Deficit)	\$ 14,305,512	\$ 18,222,772	\$ 93,416	\$ 4,597	\$ (447,077)	\$ 707,550	\$ 13,951,851	\$ 18,934,919

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020							
	Accommodation Tax	Affordable Housing	Airport Improvement	Ambulance	Andrews Field	A.R. McDiarmid Building	Brandon Municipal Airport	Capital Development
REVENUE								
Investment income	\$ 4,541	\$ 4,247	\$ 5,314	\$ 1,326	\$ 428	\$ 609	\$ 3,081	\$ 20,964
Other income	-	-	-	-	-	-	-	-
Total revenue	<u>4,541</u>	<u>4,247</u>	<u>5,314</u>	<u>1,326</u>	<u>428</u>	<u>609</u>	<u>3,081</u>	<u>20,964</u>
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	4,541	4,247	5,314	1,326	428	609	3,081	20,964
TRANSFERS								
Transfers from general operating fund	324,617	217,900	99,550	-	35,000	44,000	1,064,131	75,457
Transfers to general operating fund	(689,877)	(201,600)	(111,191)	(100,000)	-	(177,704)	(1,651,661)	(178,632)
Transfer between reserves	-	-	-	-	-	105,066	-	-
Transfers from utility fund	-	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(360,719)	20,547	(6,327)	(98,674)	35,428	(28,029)	(584,449)	(82,211)
FUND SURPLUS, BEGINNING OF YEAR	<u>835,438</u>	<u>650,216</u>	<u>853,551</u>	<u>229,067</u>	<u>57,548</u>	<u>89,196</u>	<u>931,760</u>	<u>3,260,814</u>
FUND SURPLUS, END OF YEAR	<u>\$ 474,719</u>	<u>\$ 670,763</u>	<u>\$ 847,224</u>	<u>\$ 130,393</u>	<u>\$ 92,976</u>	<u>\$ 61,167</u>	<u>\$ 347,311</u>	<u>\$ 3,178,603</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020							
	Centennial Auditorium	Civic Services Complex	Clare Ave	COVID Restart General	COVID Restart Transit	Cumulative Benefits	DC Drainage Network	DC Transport Network
REVENUE								
Investment income	\$ 2,943	\$ 1,397	\$ 1,937	\$ 153	\$ 21	\$ 3,841	\$ 35	\$ 248
Other income	-	-	-	-	-	-	-	-
Total revenue	2,943	1,397	1,937	153	21	3,841	35	248
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	2,943	1,397	1,937	153	21	3,841	35	248
TRANSFERS								
Transfers from general operating fund	-	75,000	-	2,675,177	362,444	292,900	20,558	144,859
Transfers to general operating fund	-	(15,502)	-	-	-	-	-	-
Transfer between reserves	-	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	86,415	-	-
Transfers to utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	2,943	60,895	1,937	2,675,330	362,465	383,156	20,593	145,107
FUND SURPLUS, BEGINNING OF YEAR	454,572	199,600	299,129	-	-	589,866	-	-
FUND SURPLUS, END OF YEAR	\$ 457,515	\$ 260,495	\$ 301,066	\$ 2,675,330	\$ 362,465	\$ 973,022	\$ 20,593	\$ 145,107

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020						
	Diking & Flood Control	Disposal Site (Sanitation)	E-911 Equipment	Elections	Fire Fighting Equipment	Fire Vehicles	Gas Tax
REVENUE							
Investment income	\$ 5,953	\$ 5,047	\$ 2,774	\$ 979	\$ 5,786	\$ 11,752	\$ 34,333
Other income	-	-	-	-	-	-	-
Total revenue	<u>5,953</u>	<u>5,047</u>	<u>2,774</u>	<u>979</u>	<u>5,786</u>	<u>11,752</u>	<u>34,333</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	5,953	5,047	2,774	979	5,786	11,752	34,333
TRANSFERS							
Transfers from general operating fund	1,836,083	711,152	50,000	25,000	-	178,076	2,629,425
Transfers to general operating fund	(485,154)	(908,172)	-	-	(177,195)	-	(2,712,610)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	(1,838,784)	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(481,902)	(191,973)	52,774	25,979	(171,409)	189,828	(48,852)
FUND SURPLUS, BEGINNING OF YEAR	<u>1,263,943</u>	<u>850,651</u>	<u>416,309</u>	<u>145,146</u>	<u>919,828</u>	<u>1,771,829</u>	<u>4,924,884</u>
FUND SURPLUS, END OF YEAR	<u>\$ 782,041</u>	<u>\$ 658,678</u>	<u>\$ 469,083</u>	<u>\$ 171,125</u>	<u>\$ 748,419</u>	<u>\$ 1,961,657</u>	<u>\$ 4,876,032</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020						
	General	Highway Signage	Land Acquisition	Landfill Closure	Large Events Acquisition	Library / Arts Building	Machinery & Equipment
REVENUE							
Investment income	\$ 5,180	\$ 281	\$ 2,535	\$ 3,777	\$ 1,590	\$ 2,600	\$ 39,724
Other income	-	-	-	-	-	-	-
Total revenue	<u>5,180</u>	<u>281</u>	<u>2,535</u>	<u>3,777</u>	<u>1,590</u>	<u>2,600</u>	<u>39,724</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	5,180	281	2,535	3,777	1,590	2,600	39,724
TRANSFERS							
Transfers from general operating fund	-	10,000	909,922	115,547	57,285	50,000	2,649,099
Transfers to general operating fund	-	-	(19,461)	-	-	(89,857)	(2,222,709)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	5,180	10,281	892,996	119,324	58,875	(37,257)	466,114
FUND SURPLUS, BEGINNING OF YEAR	<u>799,996</u>	<u>41,011</u>	<u>267,107</u>	<u>554,686</u>	<u>236,515</u>	<u>390,189</u>	<u>5,885,449</u>
FUND SURPLUS, END OF YEAR	<u>\$ 805,176</u>	<u>\$ 51,292</u>	<u>\$ 1,160,103</u>	<u>\$ 674,010</u>	<u>\$ 295,390</u>	<u>\$ 352,932</u>	<u>\$ 6,351,563</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020						
	Municipal Building	Municipal Building Maintenance	Office Equipment	Parks	Perpetual Care	Planning Projects	Police Equipment
REVENUE							
Investment income	\$ 1,329	\$ 1,165	\$ 400	\$ 16,197	\$ 5,724	\$ 2,040	\$ 8,534
Other income	-	-	-	-	-	-	-
Total revenue	<u>1,329</u>	<u>1,165</u>	<u>400</u>	<u>16,197</u>	<u>5,724</u>	<u>2,040</u>	<u>8,534</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	1,329	1,165	400	16,197	5,724	2,040	8,534
TRANSFERS							
Transfers from general operating fund	210,860	150,000	3,000	232,398	76,768	15,150	295,000
Transfers to general operating fund	-	(9,702)	(4,536)	(317,514)	(165,000)	-	(781,020)
Transfer between reserves	(29,897)	(75,169)	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	182,292	66,294	(1,136)	(68,919)	(82,508)	17,190	(477,486)
FUND SURPLUS, BEGINNING OF YEAR	<u>179,771</u>	<u>144,275</u>	<u>62,136</u>	<u>2,537,715</u>	<u>907,652</u>	<u>314,980</u>	<u>1,365,284</u>
FUND SURPLUS, END OF YEAR	<u>\$ 362,063</u>	<u>\$ 210,569</u>	<u>\$ 61,000</u>	<u>\$ 2,468,796</u>	<u>\$ 825,144</u>	<u>\$ 332,170</u>	<u>\$ 887,798</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020						
	Police Vehicles	Professional Fees	Protective Services Building	Recreation Centre	Snow Clearing	Sportsplex	Storm Sewer
REVENUE							
Investment income	\$ 6,292	\$ -	\$ 5,859	\$ 3,186	\$ 1,513	\$ 6,443	\$ 25,740
Other income	-	-	-	-	-	-	-
Total revenue	<u>6,292</u>	<u>-</u>	<u>5,859</u>	<u>3,186</u>	<u>1,513</u>	<u>6,443</u>	<u>25,740</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	6,292	-	5,859	3,186	1,513	6,443	25,740
TRANSFERS							
Transfers from general operating fund	355,954	-	-	180,000	-	592,044	837,400
Transfers to general operating fund	(271,217)	(67,416)	(1,157)	(67,475)	(50,000)	(363,011)	(1,113,614)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	91,029	(67,416)	4,702	115,711	(48,487)	235,476	(250,474)
FUND SURPLUS, BEGINNING OF YEAR	<u>951,344</u>	<u>67,416</u>	<u>905,325</u>	<u>460,140</u>	<u>245,832</u>	<u>942,194</u>	<u>3,921,096</u>
FUND SURPLUS, END OF YEAR	<u>\$ 1,042,373</u>	<u>\$ -</u>	<u>\$ 910,027</u>	<u>\$ 575,851</u>	<u>\$ 197,345</u>	<u>\$ 1,177,670</u>	<u>\$ 3,670,622</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020						
	Technology	Traffic Control Devices	Transit Gas Tax Funding	Transit System Equipment	26th Street South of Maryland	8th Street Bridge	Water Distribution
REVENUE							
Investment income	\$ 3,315	\$ 1,638	\$ 10,417	\$ 2,599	\$ 1,067	\$ 9,922	\$ 83,895
Other income	-	-	-	-	-	-	-
Total revenue	<u>3,315</u>	<u>1,638</u>	<u>10,417</u>	<u>2,599</u>	<u>1,067</u>	<u>9,922</u>	<u>83,895</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	3,315	1,638	10,417	2,599	1,067	9,922	83,895
TRANSFERS							
Transfers from general operating fund	250,000	-	446,314	527,836	-	-	-
Transfers to general operating fund	(198,262)	(23,731)	(545,409)	(229,201)	-	-	-
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	(9,089,737)
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	55,053	(22,093)	(88,678)	301,234	1,067	9,922	(9,005,842)
FUND SURPLUS, BEGINNING OF YEAR	<u>496,171</u>	<u>257,532</u>	<u>1,559,147</u>	<u>338,098</u>	<u>164,763</u>	<u>1,532,425</u>	<u>14,405,597</u>
FUND SURPLUS, END OF YEAR	<u>\$ 551,224</u>	<u>\$ 235,439</u>	<u>\$ 1,470,469</u>	<u>\$ 639,332</u>	<u>\$ 165,830</u>	<u>\$ 1,542,347</u>	<u>\$ 5,399,755</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020					2019	
	Wastewater Distribution	DC Water Cost Charge	DC Wastewater Cost Charge	DC Water Network	DC Wastewater Network	Total	Total
REVENUE							
Investment income	\$ 92,261	\$ 93	\$ 122	\$ 120	\$ 383	\$ 463,650	\$ 960,824
Other income	-	-	-	-	-	-	-
Total revenue	<u>92,261</u>	<u>93</u>	<u>122</u>	<u>120</u>	<u>383</u>	<u>463,650</u>	<u>960,824</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>92,261</u>	<u>93</u>	<u>122</u>	<u>120</u>	<u>383</u>	<u>463,650</u>	<u>960,824</u>
TRANSFERS							
Transfers from general operating fund	-	-	-	-	-	18,825,906	26,817,011
Transfers to general operating fund	-	-	-	-	-	(13,949,590)	(12,768,641)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	11,028	14,336	70,290	223,627	405,696	-
Transfers to utility fund	(5,177,335)	-	-	-	-	(16,105,856)	(16,064,660)
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	<u>(5,085,074)</u>	<u>11,121</u>	<u>14,458</u>	<u>70,410</u>	<u>224,010</u>	<u>(10,360,194)</u>	<u>(1,055,466)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>14,581,145</u>	<u>10,222</u>	<u>13,355</u>	<u>-</u>	<u>-</u>	<u>73,281,915</u>	<u>74,337,381</u>
FUND SURPLUS, END OF YEAR	<u>\$ 9,496,071</u>	<u>\$ 21,343</u>	<u>\$ 27,813</u>	<u>\$ 70,410</u>	<u>\$ 224,010</u>	<u>\$ 62,921,721</u>	<u>\$ 73,281,915</u>

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other revenue	-	-	-
Total revenue	-	-	-
Expenses			
General government			
Indemnities	-	-	-
Transportation services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenue (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	<u>\$ -</u>	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		<u>\$ -</u>	<u>\$ -</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITY

As at December 31, 2020

	<u>2020</u>	<u>2019</u>
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	5,403,310	6,147,346
Portfolio investments	-	-
Due from other funds	-	-
Other (specify):	-	-
	<u>\$ 5,403,310</u>	<u>\$ 6,147,346</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 220,672	\$ 237,068
Unearned revenue	-	-
Long-term debt (Note 10)	8,351,349	9,227,764
Due to other funds	55,024,674	55,066,614
Other (specify):	-	-
	<u>63,596,695</u>	<u>64,531,446</u>
NET DEBT	<u>\$ (58,193,385)</u>	<u>\$ (58,384,100)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 213,622,033	\$ 194,683,618
Inventories	442,502	513,690
Prepaid expenses	15,757	21,009
	<u>214,080,292</u>	<u>195,218,317</u>
FUND SURPLUS	<u>\$ 155,886,907</u>	<u>\$ 136,834,217</u>
COMMITMENTS AND CONTINGENCIES (Notes 11 and 12)		

CITY OF BRANDON
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
REVENUE			
Water			
Water fees	\$ 10,902,168	\$ 10,747,080	\$ 10,770,128
Bulk Water fees	80,002	78,592	68,553
sub-total- water	<u>10,982,170</u>	<u>10,825,672</u>	<u>10,838,681</u>
Sewer			
Sewer fees	8,175,063	8,070,909	8,108,949
Lagoon tipping fees	120,000	165,016	135,708
sub-total- sewer	<u>8,295,063</u>	<u>8,235,925</u>	<u>8,244,657</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Recovery			
Deficit recovery	-	-	-
Debenture recovery	-	-	-
sub-total- recovery	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital - government	-	1,497,046	1,532,810
Capital - other organizations	322,000	319,281	23,498
sub-total- government transfers	<u>322,000</u>	<u>1,816,327</u>	<u>1,556,308</u>
Other			
Hydrant rentals	296,200	254,400	254,000
Connection charges	1,004,306	1,002,009	1,000,829
Installation service	-	-	-
Penalties	100,408	102,563	96,532
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income (specify)	2,322,000	6,457,039	3,079,578
sub-total- other	<u>3,722,914</u>	<u>7,816,011</u>	<u>4,430,939</u>
Total revenue	<u>23,322,147</u>	<u>28,693,935</u>	<u>25,070,585</u>

CITY OF BRANDON
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
EXPENSES			
General			
Administration	3,367,896	3,912,506	3,026,820
Billing and collection	883,971	775,997	844,678
Other (specify)	-	-	-
sub-total- general	<u>4,251,867</u>	<u>4,688,503</u>	<u>3,871,498</u>
Water			
Purification and treatment	5,874,239	5,613,489	5,563,921
Water purchases	-	-	-
Transmission and distribution	763,617	897,205	833,849
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Training costs	98,362	39,813	61,605
Utilities (telephone, electricity, etc.)	531,828	392,451	423,584
Connection costs	300,792	217,682	163,301
Other (specify)	12,360	-	-
sub-total- water	<u>7,581,198</u>	<u>7,160,640</u>	<u>7,046,260</u>
Water Amortization & Interest			
Amortization	2,291,117	2,291,117	2,402,636
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>2,291,117</u>	<u>2,291,117</u>	<u>2,402,636</u>
Sewer			
Collection system costs	487,090	522,560	541,358
Treatment and disposal cost	4,817,906	4,562,467	4,318,337
Lift Station costs	125,760	15,229	69,896
Transportation services	-	-	-
Connection costs	-	-	-
Training costs	42,000	7,226	19,772
Utilities (telephone, electricity, etc.)	1,160,808	1,062,758	1,081,044
Other sewage & disposal costs (specify)	-	-	-
sub-total- sewer	<u>6,633,564</u>	<u>6,170,240</u>	<u>6,030,407</u>
Sewage Amortization & Interest			
Amortization	4,713,127	4,713,127	4,291,283
Interest on long term debt	317,778	317,778	350,219
sub-total- sewer amortization & interest	<u>5,030,905</u>	<u>5,030,905</u>	<u>4,641,502</u>
Total expenses	<u>25,788,651</u>	<u>25,341,405</u>	<u>23,992,303</u>
NET OPERATING SURPLUS (DEFICIT)	<u>(2,466,504)</u>	<u>3,352,530</u>	<u>1,078,282</u>
TRANSFERS			
Transfers from reserve funds	40,000	21,699,547	22,104,859
Transfers to reserve funds	<u>(3,684,926)</u>	<u>(5,999,387)</u>	<u>(6,040,199)</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ (6,111,430)</u>	<u>19,052,690</u>	<u>17,142,942</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>136,834,217</u>	<u>119,691,275</u>
FUND SURPLUS, END OF YEAR		<u>\$ 155,886,907</u>	<u>\$ 136,834,217</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2020

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 43,583,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,583,803
Grants in lieu of taxation	2,391,094	-	-	-	-	-	-	2,391,094
User fees	14,454,317	-	-	-	-	-	3,683,726	18,138,043
Permits, licences and fines	2,978,830	-	-	-	-	-	-	2,978,830
Investment income	30,000	-	-	-	-	-	3,240	33,240
Other revenue	902,645	-	-	-	-	-	6,715	909,360
Water and sewer	-	23,322,147	-	-	-	-	-	23,322,147
Grants - Province of Manitoba	15,995,822	-	-	-	-	-	649,859	16,645,681
Grants - other	3,479,523	-	-	-	-	-	1,159,268	4,638,791
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from reserves	4,552,491	40,000	-	-	(4,592,491)	-	-	-
Total revenue	\$ 88,368,525	\$ 23,362,147	\$ -	\$ -	\$ (4,592,491)	\$ -	\$ 5,502,808	\$ 112,640,989
EXPENSES								
General government services	\$ 7,862,828	\$ -	\$ 865,356	\$ -	\$ 151,619	\$ -	\$ -	\$ 8,879,803
Protective services	33,200,602	-	1,056,344	719,226	-	-	-	34,976,172
Transportation services	15,544,127	-	7,342,372	192,259	-	-	-	23,078,758
Environmental health services	4,537,775	-	192,322	34,654	-	54,214	-	4,818,965
Public health and welfare services	706,448	-	1,540	-	-	-	-	707,988
Regional planning and development	2,305,437	-	-	38,491	-	-	1,464,831	3,808,759
Resource cons and industrial dev	813,739	-	-	-	-	-	5,267,840	6,081,579
Recreation and cultural services	9,569,347	-	943,450	132,185	-	-	-	10,644,982
Water and sewer services	-	18,466,631	7,004,244	317,778	-	-	-	25,788,653
Fiscal services:								
Transfer to capital	442,000	-	-	-	(442,000)	-	-	-
Debt charges	3,481,586	1,210,590	-	(4,692,176)	-	-	-	-
Short term interest	103,101	-	-	-	(103,101)	-	-	-
Transfer to reserves	9,753,017	3,684,926	-	-	(13,437,943)	-	-	-
Allowance for tax assets	48,518	-	-	-	(48,518)	-	-	-
Total expenses	\$ 88,368,525	\$ 23,362,147	\$ 17,405,628	\$ (3,257,583)	\$ (13,879,943)	\$ 54,214	\$ 6,732,671	\$ 118,785,659
Surplus (Deficit)	\$ -	\$ -	\$ (17,405,628)	\$ 3,257,583	\$ 9,287,452	\$ (54,214)	\$ (1,229,863)	\$ (6,144,670)

**CITY OF BRANDON
ANALYSIS OF TAXES ON ROLL
December 31, 2020**

SCHEDULE 11

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 3,735,311	\$ 4,024,354
Add:		
Tax levy (Schedule 12)	88,138,894	87,589,106
Taxes added	1,105,398	940,378
Penalties or interest	409,143	594,389
Other accounts added	417,491	490,540
Tax Adjustments (specify)	-	-
Sub-total	<u>90,070,926</u>	<u>89,614,413</u>
Deduct:		
Cash collections - current	79,142,347	78,561,819
Cash collections - arrears	3,267,611	3,476,570
Writeoffs	207,488	147,881
Tax discounts	65,343	193,530
E.P.T.C. - cash advance	7,170,291	7,130,346
Other credits (specify)	411,611	393,310
Sub-total	<u>90,264,691</u>	<u>89,903,456</u>
Balance, end of year	<u><u>\$ 3,541,546</u></u>	<u><u>\$ 3,735,311</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2020

	2020			2019
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LID	2,981,740,380	0.603	1,797,989	1,797,843
Other (specify)	2,702,885,390	0.561	1,516,319	1,895,191
sub-total - Debt charges			<u>3,314,308</u>	<u>3,693,034</u>
Reserves:				
Various	2,702,885,390	2.003	5,413,879	5,167,275
General municipal	2,702,885,390	12.215	<u>33,015,745</u>	<u>32,582,103</u>
Special levies:				
Department of Rural Development	2,702,885,390	0.259	700,047	696,299
School Portion - Mobile home revenue		0.000	(472,816)	(494,077)
sub-total - Special levies			<u>227,231</u>	<u>202,222</u>
Business tax (1%)	11,264,000		<u>112,640</u>	<u>113,908</u>
Total municipal taxes (Schedule 2)			<u>42,083,803</u>	<u>41,758,542</u>
Education support levy	755,007,300	8.828	<u>6,665,204</u>	<u>6,933,679</u>
Special levies:				
Brandon School Division	2,645,979,810	14.708	38,917,071	38,402,808
Mobile home revenue			472,816	494,077
sub-total - Special levies			<u>39,389,887</u>	<u>38,896,885</u>
Total education taxes			<u>46,055,091</u>	<u>45,830,564</u>
Total tax levy (Schedule 11)			<u>\$ 88,138,894</u>	<u>\$ 87,589,106</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 443,516	\$ 517,893
General administrative	6,738,273	7,316,023
Other	2,879,076	2,156,620
	<u>10,060,865</u>	<u>9,990,536</u>
Protective services:		
Police	17,950,395	17,776,681
Fire	10,092,384	9,923,944
Emergency measures	4,534,654	3,965,970
Other	1,825,606	1,800,234
	<u>34,403,039</u>	<u>33,466,829</u>
Transportation services:		
Road transport		
Administration and engineering	4,242,976	4,444,035
Road and street maintenance	4,131,082	3,911,997
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	569,675	688,213
Street lighting	995,827	1,018,724
Other	3,459,615	3,610,977
Air transport	1,876,149	1,839,300
Public transit	5,488,281	5,715,932
Other	-	-
	<u>20,763,605</u>	<u>21,229,178</u>
Environmental health services:		
Waste collection and disposal	2,389,677	2,174,238
Recycling	2,023,664	2,114,066
Other	-	-
	<u>4,413,341</u>	<u>4,288,304</u>
Public health and welfare services:		
Public health	347,623	428,267
Medical care	-	-
Social assistance	267,032	267,032
Other	-	-
	<u>614,655</u>	<u>695,299</u>
Regional planning and development		
Planning and zoning	675,177	711,710
Urban renewal	693,824	640,200
Beautification and land rehabilitation	-	-
Urban area weed control	-	334,440
Other	665,769	690,256
	<u>2,034,770</u>	<u>2,376,606</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	358,105	458,095
Industrial development	-	-
Tourism	93,201	238,262
Other	-	-
	<u>451,306</u>	<u>696,357</u>
Sub-totals forward	<u>72,741,581</u>	<u>72,743,109</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	<u>2020 Actual</u>	<u>2019 Actual</u>
Sub-totals forward	<u>72,741,581</u>	<u>72,743,109</u>
Recreation and cultural services:		
Administration	821,739	1,011,087
Community centers and halls	160,000	155,000
Swimming pools and beaches	268,730	294,610
Golf courses	225,179	796,076
Skating and curling rinks	5,676	7,952
Parks and playgrounds	2,780,003	2,904,010
Other recreational facilities	3,140,257	3,667,431
Museums	88,090	65,824
Libraries	313,195	928,293
Other cultural facilities	1,019,050	1,237,932
	<u>8,821,919</u>	<u>11,068,215</u>
Total expenses	<u>\$ 81,563,500</u>	<u>\$ 83,811,324</u>

CITY OF BRANDON

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2020

	2020			2019
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ -	\$ -	\$ -	\$ 14,752
Adjustments for reporting under public sector accounting standards				
Eliminate interfund transfers	690,755	(690,755)	-	-
Eliminate expense - transfers to reserves	18,825,906	405,696	19,231,602	32,857,209
Eliminate revenue - transfers from reserves	(13,949,590)	(16,105,856)	(30,055,446)	(34,873,499)
Increase revenue - reserve funds interest (and other income)	463,648	-	463,648	960,824
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(353,661)	-	(353,661)	712,147
Increase (Decrease) revenue - developer contributed tangible capital assets	2,780,445	4,454,330	7,234,775	1,113,580
Increase expense - amortization of tangible capital assets	(10,401,384)	(7,004,244)	(17,405,628)	(17,097,626)
Increase (Decrease) revenue - disposed capital assets net book value	(417,564)	(7,452)	(425,016)	(481,714)
Eliminate expense - acquisitions of tangible capital assets	13,193,087	21,495,780	34,688,867	32,323,897
Increase (Decrease) revenue - funded acquisitions of tangible capital assets	(2,680,133)	-	(2,680,133)	(26,024)
Decrease expense - principal portion of debenture debt	2,335,482	876,415	3,211,897	3,471,343
Decrease expense - accrued interest portion of debenture debt	29,290	16,396	45,686	55,544
Decrease expense - landfill closure and post closure liabilities	(54,214)	-	(54,214)	387,553
Increase (decrease) expense - salary liabilities adjustment	(403,865)	(87,780)	(491,645)	(550,547)
Increase (decrease) expense - bad debt (recoveries)	344,238	-	344,238	(42,966)
Eliminate - other (tax asset, miscellaneous)	196,881	-	196,881	110,446
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 10,599,321	\$ 3,352,530	\$ 13,951,851	\$ 18,934,919