

# FINANCIAL

# REPORT

# 2006

CITY OF BRANDON  
MANITOBA

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### CITY OF BRANDON

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( ALL AMOUNTS HAVE BEEN ROUNDED OFF TO THE NEAREST DOLLAR )

**AUDITOR'S REPORT**

**BDO Dunwoody LLP**  
Chartered Accountants  
and Advisers

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TO THE MAYOR AND COUNCILLORS  
CITY OF BRANDON  
BRANDON, MANITOBA

We have audited the balance sheets of the City of Brandon as at December 31, 2006 and the statements of revenue and expenditures, changes in surplus, and source and application of capital funds for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2006 and the results of its operations for the year then ended in accordance with accounting principles generally accepted for municipal corporations in Manitoba applied on a basis consistent with that of the preceding year.

We have also issued a supplementary report as required under section 190(2) of the Municipal Act.

Brandon, Manitoba  
March 23, 2007

  
**CHARTERED ACCOUNTANTS**

*BDO Dunwoody LLP is a Limited Liability Partnership registered in Ontario*

## CITY OF BRANDON

GENERAL OPERATING FUND BALANCE SHEET  
AS AT DECEMBER 31, 2006

STATEMENT 1

## ASSETS

## CASH

Cash on hand		3,695	
Cash on deposit		7,580,898	
Deposit Receipts			7,584,593

## RECEIVABLES

Tax assets - Schedule 1		2,305,978	
Government Grants - Schedule 3		216,715	
Own Funds and Agencies			
Utility Operating Fund			
Utility Capital Fund			
General Capital Fund	2,635,009		
Reserves			
Trusts		2,635,009	
Operating Accounts Receivable			
Organizations and Individuals	1,681,996		
Federal Government	229,574		
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments		1,911,570	
Other Receivables			
Sub Total		7,069,272	
Less: Allowances for Doubtful Accounts			
Other Allowances			7,069,272

INVESTMENTS - SCHEDULE 6			29,173,062
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INVENTORIES			1,006,685
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PREPAID EXPENSES			101,990
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TOTAL ASSETS			44,935,602
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## LIABILITIES AND SURPLUS

## TEMPORARY BORROWINGS

Chartered Banks			
Other Financial Institutions			
Other Funds			
Other			

## PAYABLES

School Levies - Schedule 4		1,018,685	
Own Funds and Agencies			
Utility Operating Fund	8,808,120		
Reserves	25,302,241		
Trusts	221,266		
Other		34,331,627	
Operating Accounts Payable			
Organizations and Individuals	7,061,973		
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments		7,061,973	
Debenture Instalments			42,412,285

## OTHER LIABILITIES

Land Sale Deposits			
Debenture Levies in Advance			
Prepaid taxes		340,700	
Deferred Revenue - Note			340,700

TOTAL CURRENT LIABILITIES			42,752,985
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ALLOWANCE FOR TAX ASSETS - STATEMENT 8			464,999
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NOMINAL SURPLUS - STATEMENT 8			1,717,618
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TOTAL LIABILITIES AND SURPLUS			44,935,602
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## CITY OF BRANDON

STATEMENT 2

## GENERAL RESERVE FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
Ambulance			233,403		233,403
Brandon Municipal Airport			301,783		301,783
Capital Development			979,566		979,566
Centennial Auditorium			323,004		323,004
Civic Services Complex			408,901		408,901
Clare Ave Extension			131,597		131,597
Cumulative Benefits			274,119		274,119
Disposal Site (Sanitation)			994,491		994,491
Dyking and Flood Control			752,591		752,591
E-911 Equipment			489,592		489,592
Elections			143,378		143,378
Fire Fighting Equipment			152,202		152,202
Fire Vehicles			803,610		803,610
Gas Tax			1,271,189		1,271,189
General			1,113,362		1,113,362
Gravel Pit			398,732		398,732
Kirkcaldy Heights			115,000		115,000
Land Acquisition			1,505,315		1,505,315
Library / Arts Building			53,933		53,933
Machinery and Equipment			3,056,705		3,056,705
Major Event Hosting			112,876		112,876
Municipal Building			26,822		26,822
Municipal Building Maintenance			269,874		269,874
Office Equipment			669,268		669,268
Parks			388,346		388,346
Perpetual Care			314,200		314,200
Police Equipment			232,590		232,590
Police Vehicles			476,954		476,954
Professional Fees			88,721		88,721
Protective Services Building			2,479,014		2,479,014
Recreation Centre			214,307		214,307
Snow Clearing			277,374		277,374
Social Development			7,763		7,763
Sportsplex			594,439		594,439
Storm Sewer			1,696,235		1,696,235
Traffic Control Devices			46,853		46,853
Transit Equipment			2,346,621		2,346,621
Waverly Heights					
Westbran Stadium			33,653		33,653
26th Street, South of Maryland			108,209		108,209
8th Street Bridge			1,415,649		1,415,649
<b>TOTAL</b>			<b>25,302,241</b>		<b>25,302,241</b>

## CITY OF BRANDON

STATEMENT 2

## GENERAL RESERVE FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
General					
Replacement					
Centennial					
TOTAL					

(SEE PAGE 3)

STATEMENT 3

## GENERAL CAPITAL FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

## ASSETS

CASH ON HAND AND ON DEPOSIT - STATEMENT 13					
RECEIVABLES - STATEMENT 13					
Government Grants - Schedule 3					
Own Funds and Agencies					
Organizations and Individuals					
Federal Government					
Federal Government Enterprises					
Provincial Government					
Provincial Government Enterprises					
Other Local Governments					
CONSTRUCTION IN PROGRESS					2,635,830
FIXED ASSETS					
Buildings				21,830,320	
Machinery and Equipment				29,333,512	
Land				4,783,889	
Other					55,947,721
DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)					
Debenture Levies				319,355	
Deferred Liability Levies					319,355
OTHER ASSETS					
TOTAL ASSETS					58,902,906
TEMPORARY BORROWINGS					
Chartered Banks					
Other Financial Institutions					
Own Funds				2,635,009	
Other					2,635,009
PAYABLES					
Organizations and Individuals					
Federal Government					
Federal Government Enterprises					
Provincial Government					
Provincial Government Enterprises					
OTHER LIABILITIES					
LONG-TERM DEBT					
Debentures - Schedule 8				1,749,355	
Deferred Liabilities - Note					1,749,355
CAPITAL SURPLUS - STATEMENT 8					54,518,542
TOTAL LIABILITIES AND SURPLUS					58,902,906

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

CITY OF BRANDON

STATEMENT 4

UTILITY OPERATING FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

ASSETS

CASH

Cash on hand		
Cash on deposit		
Deposit Receipts		

RECEIVABLES

Government Grants - Schedule 3		
Own Funds and Agencies		
General Operating Fund	8,808,120	
General Capital Fund		
Utility Capital Fund		
Reserves		
Trusts		8,808,120

Operating Accounts Receivable		
Organizations and individuals	2,888,480	
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		2,888,480

Other Receivables		
Sub Total		11,696,600
Less: Allowances for Doubtful Accounts		

INVESTMENTS - SCHEDULE 6

INVENTORIES

PREPAID EXPENSES

TOTAL ASSETS

366,573

12,063,173

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks		
Other Financial Institutions		
Other Funds		
Other		

PAYABLES

Own Funds and Agencies		
General Operating Fund		
Reserves	7,928,891	
Trusts		
Other		7,928,891

Operating Accounts Payable		
Organizations and individuals		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Debenture Instalments		7,928,891

OTHER LIABILITIES

Debenture Levies in Advance		
Prepaid Consumer Accounts		
Meter Deposits		
Other		

TOTAL CURRENT LIABILITIES

7,928,891

NOMINAL SURPLUS - STATEMENT 8

4,134,282

TOTAL LIABILITIES AND SURPLUS

12,063,173

STATEMENT 5

UTILITY RESERVE FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
Water Distribution			4,795,555		4,795,555
Wastewater Distribution			2,980,786		2,980,786
Industrial WWTF			152,550		152,550
Total			7,928,891		7,928,891

CITY OF BRANDON

STATEMENT 6

UTILITY CAPITAL FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

ASSETS

CASH ON HAND AND ON DEPOSIT - STATEMENT 14			
RECEIVABLES - STATEMENT 14			
Government Grants - Schedule 3			
Own Funds and Agencies			
Other Accounts			
Organizations and Individuals			
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			
CONSTRUCTION IN PROGRESS			
FIXED ASSETS			
Buildings		34,097,775	
Machinery and Equipment		5,311,135	
Land		116,267	
Other			39,525,177
DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)			
Debenture Levies		1,631,000	
Deferred Liability Levies			1,631,000
OTHER ASSETS			
TOTAL ASSETS			41,156,177

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS			
Chartered Banks			
Other Financial Institutions			
Own Funds			
Other			
PAYABLES			
Organizations and Individuals			
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			
OTHER LIABILITIES			
LONG-TERM DEBT			
Debentures - Schedule 8		12,249,288	
Deferred Liabilities - Note			12,249,288
CAPITAL SURPLUS - STATEMENT 8			28,906,889
TOTAL LIABILITIES AND SURPLUS			41,156,177

STATEMENT 7

TRUST FUND BALANCE SHEET

AS AT DECEMBER 31, 2006

ASSETS

TRUST NAME	INVESTMENTS				TOTAL
	CASH	(Schedule 6)	OTHER FUNDS	OTHER	
Parks & Recreation			10,613		10,613
Debenture Principal & Interest	30,000				30,000
Land Options & Property Deposits					
Other			210,653		210,653
TOTAL	30,000		221,266		251,266

LIABILITIES

	LIABILITIES				TOTAL
	PAYABLES	OTHER FUNDS	OTHER	TRUST	
Parks & Recreation				10,613	10,613
Debenture Principal & Interest	30,000				30,000
Land Options & Property Deposits					
Other				210,653	210,653
TOTAL	30,000			221,266	251,266



CITY OF BRANDON

STATEMENT 8

**SURPLUS ACCOUNTS AND ALLOWANCE FOR TAX ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2006**

ALLOWANCE FOR TAX ASSETS

Balance, January 1		465,280
Add: Transfer From Revenue - Statement 10	296,605	
Profit on Tax Title Sales		
Transfer From Nominal Surplus		
Tax Titles Established		
		296,605
Sub-Total		761,885
Deduct: Taxes Cancelled - Schedule 1	296,886	
T.S.C. Cancelled - Schedule 1		
Tax Titles Written Off - Schedule 1		
Transfer to Nominal Surplus		
		296,886
Balance, December 31 - Statement 1		464,999

NOMINAL SURPLUS - GENERAL

Balance, January 1		2,047,608
Add: Transfer From Deferred Surplus - Statement 9		
Transfer From Allowance For Tax Assets		
Operating Surplus - Statement 9		
Miscellaneous Income	2,314	
		2,314
Sub-Total		2,049,922
Deduct: Accts. Rec. Cancelled	84,582	
Transfer To General Reserve - Schedule 5		
Transfer To Allowance For Tax Assets		
Transfer To Revenue - Statement 9		
Operating Deficit - Statement 9		
Prior Years Accrued Benefits Liability	202,600	
Prior Years Land Disposals	45,122	
		332,304
Balance, December 31 - Statement 1		1,717,618

NOMINAL SURPLUS - UTILITY

Balance, January 1		4,134,282
Add: Transfer From Deferred Surplus - Statement 11		
Other Transfers (Specify)		
Operating Surplus - Statement 11		
Sub-Total		4,134,282
Deduct: Accts. Rec. Cancelled		
Transfer To Utility Revenue - Statement 11		
Operating Deficit - Statement 11		
Balance, December 31 - Statement 4		4,134,282

CAPITAL SURPLUS - GENERAL

Balance, January 1		51,347,461
Add: Fixed Assets Acquired - Equipment	1,819,827	
Fixed Assets Acquired - Land	12,211	
Fixed Assets Acquired - Buildings	2,608,766	
Debentures Redeemed	301,000	
		4,741,804
Sub-Total		56,089,265
Deduct: Disposal of Fixed Assets - Equipment	789,729	
Disposal of Fixed Assets - Land	459,612	
Disposal of Fixed Assets - Buildings	271,282	
Prior Years Building Disposals	50,100	1,570,723
Balance, December 31 - Statement 3		54,518,542

CAPITAL SURPLUS - UTILITY

Balance, January 1		27,486,987
Add: Fixed Assets Acquired	79,167	
Debentures Redeemed	1,340,735	
		1,419,902
Sub-Total		28,906,889
Deduct: Disposal of Fixed Assets		
Balance, December 31 - Statement 6		28,906,889

CITY OF BRANDON

STATEMENT 9

GENERAL OPERATING FUND  
STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2006

REVENUE

TOTAL REVENUE FROM TAXATION			24,258,455
OTHER REVENUE			
Taxes Added - Schedule 1		1,239,486	
Licences and Permits		870,416	
Fines		464,561	
Parking Meter Fees		207,004	
Sales of Service			
General Government	163,770		
Protection	3,235,494		
Transportation	1,272,287		
Less: Costs	1,272,287		
Environmental Health	1,119,965		
Public Health and Welfare	210,796		
Planning and Development			
Economic Development			
Recreation and Culture	963,673	6,965,985	
Sales of Goods			
Rentals of Fixed Assets		404,656	
Concessions and Franchises		158,175	
Returns From Investments		11,603	
Transfers From Utilities and Enterprises			
Tax Penalties - Schedule 1		311,274	
Miscellaneous Revenue		1,363,079	
Grants in Lieu of Taxes - Schedule 3			
Federal Government	333,033		
Federal Government Enterprises			
Provincial Government	1,584,483		
Provincial Government Enterprises			
Other Local Governments			
Non-Government Organizations		1,917,516	
Unconditional Government Transfers - Schedule 3			
Federal Government			
Provincial - Municipal Tax Sharing	5,690,940		
Provincial - Municipal Support Grants	511,425		
Provincial Video Lottery Terminals	683,484		
Other Local Governments		6,885,849	
Conditional Government Transfers - Schedule 3			
Federal Government	1,817,712		
Provincial Government	2,477,773		
Other Local Governments		4,295,485	25,095,089
TOTAL REVENUE FROM EXTERNAL SOURCES			49,353,544
TRANSFERS FROM ACCUMULATED SURPLUS - STATEMENT 8			
TRANSFERS FROM RESERVES - SCHEDULE 5			334,807
OPERATING DEFICIT - STATEMENT 8			
TOTAL			49,688,351

EXPENDITURE

GENERAL GOVERNMENT SERVICES		5,829,969
PROTECTIVE SERVICES		16,055,635
TRANSPORTATION SERVICES		7,565,804
ENVIRONMENTAL HEALTH SERVICES		2,733,245
PUBLIC HEALTH AND WELFARE SERVICES		462,940
ENVIRONMENTAL PLANNING AND COMMUNITY DEVELOPMENT SERVICES		424,965
ECONOMIC DEVELOPMENT SERVICES		211,259
RECREATION AND CULTURAL SERVICES		5,251,283
FISCAL SERVICES		3,146,887
TOTAL SERVICES		41,681,987
SURPLUS APPROPRIATIONS		
Deferred Surplus - Operating Deficit		
Deferred Surplus - By-Law Obligation		
Transfer to Reserves - Statement 10		8,006,364
OPERATING SURPLUS - STATEMENT 8		
TOTAL		49,688,351

## CITY OF BRANDON

STATEMENT 10

**GENERAL OPERATING FUND  
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE**

**FOR THE YEAR ENDED DECEMBER 31, 2006**

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
<b>General Government Services</b>				
Legislative	336,897	296,400	40,497	
General Administrative	4,809,679	4,536,896	272,783	
Other General Government	1,231,469	996,673	234,796	
Total	6,378,045	5,829,969	548,076	
<b>Protective Services</b>				
Police Protection	8,879,396	8,900,555		21,159
Law Enforcement				
Fire Protection	3,165,218	3,085,191	80,027	
Emergency Measures	2,633,990	2,642,450		8,460
Other Protection	1,515,897	1,427,439	88,458	
Total	16,194,501	16,055,635	138,866	
<b>Transportation Services</b>				
Road Transport	5,072,022	3,765,218	1,306,804	
Administration	833,805	761,245	72,560	
Engineering	998,554	772,389	226,165	
Roads and Streets	2,135,089	1,090,882	1,044,207	
Bridges, Subways	1,637	96	1,541	
Street Lighting	756,249	798,032		41,783
Traffic Services	257,079	254,889	2,190	
Parking	89,609	87,685	1,924	
Other Road Transport				
Air Transport	282,124	292,624		10,500
Water Transport				
Public Transit	3,283,590	3,507,962		224,372
Total	8,637,736	7,565,804	1,071,932	
<b>Environmental Health Services</b>				
Garbage and Waste Collection and Disposal	2,612,264	2,654,968		42,704
Other Environmental Health		78,277		
Total	2,612,264	2,733,245		120,981
<b>Public Health and Welfare Services</b>				
Public Health (Cemeteries)	232,773	195,892	36,881	
Medical Care				
Hospital Care				
Social Welfare	267,032	267,048		16
Total	499,805	462,940	36,865	
<b>Environmental Planning and Community Development Services</b>				
Environmental Planning and Zoning	205,605	206,738		1,133
Community Development	151,887	176,115		24,228
Housing	55,000	42,112	12,888	
Total	412,492	424,965		12,473
<b>Economic Development Services</b>				
Natural Resources				
Regional Development Commissions	188,997	211,259		22,262
Industrial Parks and Commissions				
Other Economic Services				
Total	188,997	211,259		22,262
<b>Recreation and Cultural Services</b>				
Recreation Facilities	3,535,650	3,590,431		54,781
Cultural Buildings and Facilities	434,944	421,445	13,499	
Other Recreation and Cultural Services	1,291,506	1,239,407	52,099	
Education Grants				
Total	5,262,100	5,251,283	10,817	
<b>SUB-TOTALS FORWARD</b>	<b>40,185,940</b>	<b>38,535,100</b>	<b>1,650,840</b>	

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

CITY OF BRANDON

STATEMENT 10

GENERAL OPERATING FUND  
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE - CONTINUED

FOR THE YEAR ENDED DECEMBER 31, 2006

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
SUB-TOTALS FORWARD	40,185,940	38,535,100	1,650,840	
<b>Fiscal Services</b>				
Transfers to Other Governments				
Other Municipal Government				
Transfers to Own Funds	2,444,630	2,432,856	11,774	
Allowance For Tax Assets - Statement 8	2,325	296,605		294,280
Capital Fund - Statement 13	596,650	290,596	306,054	
Utility Fund - Statement 11	1,845,655	1,845,655		
Contribution to Other Funds				
Phase-in Tax Credit				
Public Debt Charges	716,581	714,031	2,550	
Debenture Debt Charges - Schedule 7	622,298	622,298		
Other Long-Term Debt Charges				
Interest on Short-Term Financing	94,283	91,733	2,550	
Bank Loan Interest	18,400	13,039	5,361	
Other Fund Loan Interest				
Tax Discounts - Schedule 1	75,883	78,694		2,811
Other Debt Charges				
Debenture Discount				
Debenture Issue Costs				
Other				
Other Fiscal Services				
Total	3,161,211	3,146,887	14,324	
<b>Transfer to Reserves</b>				
General Reserve				
Specific Reserve				
- Replacement Reserve				
- Capital Development				
- Other	3,674,662	8,006,364		4,331,702
Total	3,674,662	8,006,364		4,331,702
<b>Surplus Appropriations</b>				
Total Estimated	47,021,813			
Total Actual		49,688,351		
Total Underspent				
Total Overspent				2,666,538

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

REVENUE	ESTIMATED	ACTUAL	OVER(UNDER)
Tax Revenue	24,400,191	24,258,455	(141,736)
Other Revenue	22,621,622	25,429,896	2,808,274
Revenue Surplus (Deficit)	47,021,813	49,688,351	2,666,538
EXPENDITURE	47,021,813	49,688,351	2,666,538
OPERATING SURPLUS (DEFICIT)			

## CITY OF BRANDON

STATEMENT 10

GENERAL OPERATING FUND  
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE - CONTINUED

FOR THE YEAR ENDED DECEMBER 31, 2006

TRANSFERS TO RESERVE	B/L #	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Ambulance	3705	5,000	5,000		
Brandon Municipal Airport	6353	25,000	25,000		
Capital Development	4967	50,000	450,940		400,940
Centennial Auditorium	4647				
Civic Services Complex	5655	20,000	20,000		
Clare Ave Extension	6722				
Cumulative Benefits	5179	75,000	75,000		
Disposal Site (Sanitation)	4528	25,000	175,000		150,000
Dyking and Flood Control	4923				
E-911 Equipment	6563	75,000	75,000		
Elections	5760	35,000	35,000		
Fire Fighting Equipment	3708	75,000	75,000		
Fire Vehicles	6731	130,400	646,544		516,144
Gas Tax	6824		1,494,147		1,494,147
Gravel Pit	3652				
Keystone Centre	5766				
Kirkcaldy Heights	4050				
Land Acquisition	5765		880,889		880,889
Library / Arts Building	5259	5,000	5,000		
Machinery and Equipment	3675	1,444,500	1,571,574		127,074
Major Event Hosting	6260				
Municipal Building	3653				
Municipal Building Maintenance	4368	40,000	40,000		
Office Equipment	3656	275,000	276,455		1,455
Parks	6660	35,000	27,833	7,167	
Perpetual Care	6562	61,682	99,319		37,637
Police Equipment	4442	70,000	70,000		
Police Vehicles	6730	272,600	258,424	14,176	
Professional Fees	5886	10,000	10,000		
Protective Services Building	6729	30,000	311,773		281,773
Recreation Centre	4750	78,500	52,532	25,968	
Snow Clearing	6540				
Social Development	6564				
Sportsplex	5066	75,000	75,000		
Storm Sewer	3835	300,000	300,000		
Traffic Control Devices	4751	15,000	15,000		
Transit Equipment	3654	256,980	745,934		488,954
Waverly Heights	6141				
Westbran Stadium	6251				
26th Street, South of Maryland	6140				
8th Street Bridge	6661	190,000	190,000		
TOTAL		3,674,662	8,006,364		4,331,702

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

CITY OF BRANDON

STATEMENT 11

UTILITY OPERATING FUND  
STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2006

REVENUE

CONSUMER SALES	METERED	FLAT RATE	TOTAL
All Consumers - Regular Consumption	8,128,097	649,378	8,777,475
All Consumers - Sewer Charges	3,494,259		3,494,259
Bulk Sales	50,599		50,599
Industrial Surcharges	46,603		46,603
Total	11,719,558	649,378	12,368,936
Less: Discounts			
Refunds and Cancellations			12,368,936
SEWER SERVICE CHARGES			
PENALTIES			66,520
HYDRANT RENTALS			154,875
CONSUMER INSTALLATION SERVICE			
CONNECTION REVENUE - NET			
PROVINCIAL GRANTS			
OTHER REVENUE			1,045,566
PROVIDED BY GENERAL OPERATING FUND - STATEMENT 10			
Re: Debentures			1,845,655
Re: Operations			1,845,655
TRANSFER FROM RESERVE FUND - SCHEDULE 5			
TRANSFER FROM ACCUMULATED SURPLUS - STATEMENT 8			
OPERATING DEFICIT - STATEMENT 8			
TOTAL			15,481,552

EXPENDITURE

WATER SUPPLY			5,913,802
SEWAGE COLLECTION AND DISPOSAL			2,920,932
TRANSFER TO CAPITAL - STATEMENT 14			2,118,985
TRANSFERS TO RESERVE - SCHEDULE 5			1,995,353
DEBENTURE DEBT CHARGES - SCHEDULE 7			2,532,480
OTHER LONG-TERM DEBT CHARGES			
SURPLUS APPROPRIATIONS - STATEMENT 8			
Deferred surplus - Operating Deficit, 19__			
19__			
19__			
OPERATING SURPLUS - STATEMENT 8			
TOTAL			15,481,552

STATEMENT 12

COMPARISON OF UTILITY BUDGETED AND ACTUAL EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2006

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Water Supply	6,591,449	5,913,802	677,647	
Sewage Collection and Disposal	3,158,086	2,920,932	237,154	
Transfer To Capital	2,280,000	2,118,985	161,015	
Transfers To Reserve	920,000	1,995,353		1,075,353
Debenture Debt Charges	2,532,478	2,532,480		2
Other Long-Term Debt Charges				
Surplus Appropriations				
Total Estimated	15,482,013			
Total Actual		15,481,552		
Total Underspent			461	
Total Overspent				

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

	ESTIMATED	ACTUAL	OVER (UNDER)
REVENUE	15,097,991	15,481,552	383,561
EXPENDITURE	15,482,013	15,481,552	(461)
OPERATING SURPLUS (DEFICIT)	(384,022)		(384,022)

STATEMENT OF SOURCE AND APPLICATION OF GENERAL CAPITAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2006

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		
SHORT-TERM BORROWING		
Bank		
Other Funds	2,608,766	
Other		2,608,766
LONG-TERM BORROWING		
Debentures - Schedule 8		
Other		
PREPAID LOCAL IMPROVEMENT LEVIES		
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 10		290,596
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		2,878,618
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER		
TOTAL		5,777,980

APPLICATION

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
General Government	(6,909)	40,197	551,309	584,597
Protection		386,861	274,658	661,519
Transportation		1,196,734	291,837	1,488,571
Recreation and Culture		126,113	68,677	194,790
Environmental Health		2,608,766	162,906	2,771,672
Economic Development				
Public Health		76,831		76,831
TOTAL	(6,909)	4,435,502	1,349,387	5,777,980

REPAYMENT OF SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
DEBENTURE DISCOUNT AND INTEREST		
REPAYMENT OF ACCOUNTS PAYABLE		
UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 3		
Cash		
Receivables		
OTHER		
TOTAL		5,777,980

STATEMENT OF SOURCE AND APPLICATION OF UTILITY CAPITAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2006

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		
SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
LONG-TERM BORROWING		
Debentures - Schedule 8		
Other		
PREPAID LOCAL IMPROVEMENT LEVIES		
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 11		2,118,985
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		(48,154)
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER - INTEREST		
TOTAL		2,070,831

APPLICATION

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
Water Supply	(9,500)	43,870	1,170,878	1,205,248
Wastewater Disposal			855,512	855,512
Wastewater Treatment			66,887	66,887
Water Treatment			(56,816)	(56,816)
TOTAL	(9,500)	43,870	2,036,461	2,070,831

REPAYMENT OF SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
DEBENTURE DISCOUNT AND INTEREST		
REPAYMENT OF ACCOUNTS PAYABLE		
UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 6		
Cash		
Receivables		
OTHER		
TOTAL		2,070,831



CITY OF BRANDON

SCHEDULE 1

ANALYSIS OF TAX ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2006

	TAXES ON ROLL	TAX SALE CERTIFICATES	TAX TITLES	AGREEMENTS OF SALE
Balance, January 1	2,087,262			
ADD:				
Tax Levy - Schedule 2	47,023,644			
Taxes Added - Statement 9	1,239,486			
Penalties or Interest Added - Statement 9	311,274			
Other Accounts Added	426,130			
Taxes Prepaid	340,700			
Transfer Re Tax Sale				
Tax Titles Acquired				
Land Sales				
TAX ADJUSTMENTS (SPECIFY)				
Difference between levy and financial plan	1			
SUB-TOTAL	51,428,497			
DEDUCT:				
Cash Collections:	48,600,752			
Arrears	1,553,020			
Current	47,047,732			
Transfer Re Tax Sale				
Cancellations	296,886			
Returned To Roll				
Title Value of Land Sales				
Transfers Re Titles Acquired				
Tax Discounts - Statement 10	78,694			
M.P.T.C. - Cash Advance	82,080			
Other Credits	64,107			
Tax Offsetting Grants				
TOTAL	2,305,978			
BALANCE, DECEMBER 31	2,305,978	2,305,978		
	(Statement 1)			

SCHEDULE 2

ANALYSIS OF TAX LEVY

FOR THE YEAR ENDED DECEMBER 31, 2006

	ASSESSMENT	MILL RATE	LEVY
Other Governments (L.U.D.)			
Debt Charges			
Frontage			56,461
Mill Rate (At Large)	1,013,073,610	0.514	520,720
Mill Rate (L.I.D.)	1,160,915,010	1.498	1,739,051
Total			2,316,232
Minister of Rural Development	1,013,073,610	0.612	620,001
Deferred Surplus			
Reserves:			
Various	1,013,073,610	3.357	3,400,888
By-Law			
By-Law			
By-Law			
General Municipal	1,013,073,610	17.644	17,874,671
Special Levies (Specify)			
School Portion of Mobile Home Revenue			(14,296)
Business Tax-Rate % Cable TV	5,556,900		55,569
Total Municipal Taxes			24,253,065
Schools			
Prov. Education 1	644,586,710		
Prov. Education 2	335,656,400	16.080	5,397,355
Total Education Support Program	980,243,110		5,397,355
Special Division	981,284,810	17.690	17,358,928
Brandon School Division			
Mobile Home Revenue			14,296
Total School Taxes			22,770,579
<b>TOTAL TAX LEVY - SCHEDULE 1</b>			<b>47,023,644</b>

CITY OF BRANDON

SCHEDULE 3

ANALYSIS OF GOVERNMENT TRANSFERS  
FOR THE YEAR ENDED DECEMBER 31, 2006

	BALANCE JANUARY 1	GRANTS EARNED (Statement 9)	GRANTS RECEIVED	ADJUSTMENTS	BALANCE DECEMBER 31 (Statement 1)
<b>GENERAL FUND</b>					
<b>PROVINCIAL</b>		13,098,850			216,715
Grants in Lieu		1,584,483	1,584,483		
Prov. - Mun. Tax Sharing		5,690,940	5,690,940		
Prov. - Mun. Support Grants		511,425	511,425		
VLT Revenues		683,484	683,484		
Conditional Grants	417,006	2,477,773	2,703,064		191,715
General Govt.		1,508	1,508		
Protection	230,000	497,482	647,482		80,000
Transportation	106,987	1,005,332	1,052,243		60,076
Environmental Health	30,789	24,714	52,738		2,765
Public Health & Welfare		468,691	468,691		
Environmental Planning	49,230	357,259	357,615		48,874
Employment Programs					
Economic Development		106,167	106,167		
Youth Programs		16,620	16,620		
<b>FEDERAL</b>					
Grants in Lieu	15,261	333,033	333,033	15,261	
Unconditional Grants					
Conditional Grants (Spec):	79,384	1,817,712	1,897,096		
Gas Tax		1,494,147	1,494,147		
Transportation		298,927	298,927		
C4 Project	659	18,752	19,411		
Youth Programs		5,886	5,886		
Economic Development & Heritage	78,725		78,725		

LOCAL (Specify name of Govt. and type of grant as above)					
Grants in Lieu -- B.I.A.					
DOTC -	25,000				25,000
Northern Plains Aboriginal Centre					

<b>UTILITY FUND</b>		(Statement 11)		(Statement 4)
Provincial Grant	155,300		155,300	
Federal Grant				
Local Grant				
<b>GENERAL CAPITAL GRANTS</b> (Specify Govt. and type as above):		(Statement 13)		(Statement 3)
PROVINCIAL				
FEDERAL				
LOCAL				

<b>UTILITY CAPITAL GRANTS</b>		(Statement 14)		(Statement 6)
PROVINCIAL				
FEDERAL				
LOCAL				

NOTE: Provincial and Federal includes both Government and Enterprises.

SCHEDULE 4

ANALYSIS OF SCHOOL ACCOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2006

	OUTSTANDING JANUARY 1	CURRENT REQUIREMENT	CURRENT PAYMENTS	OUTSTANDING DECEMBER 31 (STATEMENT 1)
<b>EDUCATION SUPPORT LEVIES</b>	199,538	6,367,353	6,267,731	299,160
<b>SPECIAL LEVIES:</b>				
School Division: <u>Brandon</u>	409,277	15,309,046	14,998,798	719,525
_____				
_____				
_____				
<b>TOTAL</b>	608,815	21,676,399	21,266,529	1,018,685

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006

RESERVE NAME BY-LAW NO.	Ambulance 3705	Brandon Municipal Airport 6353	Capital Development 4967	Centennial Auditorium 4647
BALANCE, JANUARY 1	216,461	261,562	587,203	328,606
ADD: Interest Earned	11,942	15,221	38,874	17,648
Appropriation (Statement 10)	5,000	25,000	450,940	
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Statement 8)				
Development Agreement Funds			154,174	
<b>SUB-TOTAL</b>	<b>233,403</b>	<b>301,783</b>	<b>1,231,191</b>	<b>346,254</b>
DEDUCT: Purchases (Statement 13)			251,625	23,250
Transfer To Revenue (Statement 9)				
<b>SUB-TOTAL</b>			<b>251,625</b>	<b>23,250</b>
<b>BALANCE, DECEMBER 31 - Statement 2</b>	<b>233,403</b>	<b>301,783</b>	<b>979,566</b>	<b>323,004</b>

  

RESERVE NAME BY-LAW NO.	Civic Services Complex 5655	Clare Ave Extension 6722	Cumulative Benefits 5179	Disposal Site (Sanitation) 4528
BALANCE, JANUARY 1	368,112	91,722	185,914	775,349
ADD: Interest Earned	20,789	5,739	13,205	44,142
Appropriation (Statement 10)	20,000		75,000	175,000
Transfer From Surplus Acc. (Stmt. 8)				
Development Agreement Funds		34,136		
<b>SUB-TOTAL</b>	<b>408,901</b>	<b>131,597</b>	<b>274,119</b>	<b>994,491</b>
DEDUCT: Purchases (Statement 13)				
Transfer To Revenue (Statement 9)				
<b>SUB-TOTAL</b>				
<b>BALANCE, DECEMBER 31 - Statement 2</b>	<b>408,901</b>	<b>131,597</b>	<b>274,119</b>	<b>994,491</b>

  

RESERVE NAME BY-LAW NO.	Dyking and Flood Control 4923	E-911 Equipment 6563	Elections 5760	Fire Fighting Equipment 3708
BALANCE, JANUARY 1	713,893	427,382	138,536	118,458
ADD: Interest Earned	38,698	24,810	8,152	9,081
Appropriation (Statement 10)		75,000	35,000	75,000
<b>SUB-TOTAL</b>	<b>752,591</b>	<b>527,192</b>	<b>181,688</b>	<b>202,539</b>
DEDUCT: Purchases (Statement 13)		37,600		50,337
Transfer To Revenue (Statement 9)			38,310	
<b>SUB-TOTAL</b>		<b>37,600</b>	<b>38,310</b>	<b>50,337</b>
<b>BALANCE, DECEMBER 31 - Statement 2</b>	<b>752,591</b>	<b>489,592</b>	<b>143,378</b>	<b>152,202</b>

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006

RESERVE NAME BY-LAW NO.	Fire Vehicles 6731	Gas Tax 6824	General 3,620	Gravel Pit 3652
BALANCE, JANUARY 1	218,393		1,056,112	378,792
ADD: Interest Earned	21,180	44,095	57,250	19,940
Appropriation (Statement 10)	646,544	1,494,147		
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
<hr/>				
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SUB-TOTAL	886,117	1,538,242	1,113,362	398,732
DEDUCT: Purchases (Statement 13)	82,507	209,454		
Transfer To Revenue (Statement 9)		57,599		
<hr/>				
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SUB-TOTAL	82,507	267,053		
BALANCE, DECEMBER 31 - Statement 2	803,610	1,271,189	1,113,362	398,732

  

RESERVE NAME BY-LAW NO.	Kirkcaldy Heights 4050	Land Acquisition 5765	Library / Arts Building 5,259	Machinery and Equipment 3675
BALANCE, JANUARY 1	110,079	565,710	46,219	2,196,591
ADD: Interest Earned	4,921	58,716	2,714	146,480
Appropriation (Statement 10)		880,889	5,000	1,571,574
Transfer From Surplus Acc. (Stmt. 8)				
<hr/>				
<hr/>				
SUB-TOTAL	115,000	1,505,315	53,933	3,914,645
DEDUCT: Purchases (Statement 13)				857,940
Transfer To Revenue (Statement 9)				
<hr/>				
<hr/>				
SUB-TOTAL				857,940
BALANCE, DECEMBER 31 - Statement 2	115,000	1,505,315	53,933	3,056,705

  

RESERVE NAME BY-LAW NO.	Major Event Hosting 6260	Municipal Building 3653	Municipal Building Maintenance 4,368	Office Equipment 3656
BALANCE, JANUARY 1	102,238	25,443	207,020	582,096
ADD: Interest Earned	5,638	1,379	15,761	35,655
Appropriation (Statement 10)			40,000	276,455
Transfer From Surplus Acc. (Stmt. 8)				
City's 125th Celebration - 2007	5,000			
<hr/>				
<hr/>				
SUB-TOTAL	112,876	26,822	262,781	894,206
DEDUCT: Purchases (Statement 13)			(7,093)	224,938
Transfer To Revenue (Statement 9)				
<hr/>				
<hr/>				
SUB-TOTAL			(7,093)	224,938
BALANCE, DECEMBER 31 - Statement 2	112,876	26,822	269,874	669,268

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006

RESERVE NAME	Parks	Perpetual Care	Police Equipment	Police Vehicles
BY-LAW NO.	6660	6562	4442	6730
BALANCE, JANUARY 1	430,823	277,524	269,196	433,606
ADD: Interest Earned	22,632	14,188	13,309	24,785
Appropriation (Statement 10)	27,833	99,319	70,000	258,424
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
Development Contributions	28,169			
SUB-TOTAL	509,457	391,031	352,505	716,815
DEDUCT: Purchases (Statement 13)	18,250	76,831	119,915	239,861
Transfer To Revenue (Statement 9)	102,861			
SUB-TOTAL	121,111	76,831	119,915	239,861
BALANCE, DECEMBER 31 - Statement 2	388,346	314,200	232,590	476,954

  

RESERVE NAME	Professional Fees	Protective Services Bldg	Recreation Centre	Snow Clearing
BY-LAW NO.	5886	6729	4750	6540
BALANCE, JANUARY 1	74,278	2,151,995	194,143	263,111
ADD: Interest Earned	4,443	118,315	11,271	14,263
Appropriation (Statement 10)	10,000	311,773	52,532	
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	88,721	2,582,083	257,946	277,374
DEDUCT: Purchases (Statement 13)		103,069	43,639	
Transfer To Revenue (Statement 9)				
SUB-TOTAL		103,069	43,639	
BALANCE, DECEMBER 31 - Statement 2	88,721	2,479,014	214,307	277,374

  

RESERVE NAME	Social Development	Sportsplex	Storm Sewer	Traffic Control Devices
BY-LAW NO.	6564	5066	3835	4751
BALANCE, JANUARY 1	7,364	618,263	1,532,547	77,916
ADD: Interest Earned	399	34,078	91,764	3,937
Appropriation (Statement 10)		75,000	300,000	15,000
Transfer From Surplus Acc. (Stmt. 8)				
Development Agreement Funds				
SUB-TOTAL	7,763	727,341	1,924,311	96,853
DEDUCT: Purchases (Statement 13)		132,902	142,039	
Transfer To Revenue (Statement 9)			86,037	50,000
SUB-TOTAL		132,902	228,076	50,000
BALANCE, DECEMBER 31 - Statement 2	7,763	594,439	1,696,235	46,853

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006

RESERVE NAME	Transit System Equipment	Waverly Heights	Westbran Stadium	26th Street South of Maryland
BY-LAW NO.	3,654	6141	6251	6140
BALANCE, JANUARY 1	1,766,257	132,108	31,923	102,645
ADD: Interest Earned	105,984		1,730	5,564
Appropriation (Statement 10)	745,934			
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	2,618,175	132,108	33,653	108,209
DEDUCT: Purchases (Statement 13)	271,554			
Transfer To Revenue (Statement 9)				
Refund Balance to Contributor		132,108		
SUB-TOTAL	271,554	132,108		
BALANCE, DECEMBER 31 - Statement 2	2,346,621		33,653	108,209

  

RESERVE NAME	8th Street Bridge			
BY-LAW NO.	6,661			
BALANCE, JANUARY 1	1,155,111			
ADD: Interest Earned	70,538			
Appropriation (Statement 10)	190,000			
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	1,415,649			
DEDUCT: Purchases (Statement 13)				
Transfer To Revenue (Statement 9)				
SUB-TOTAL				
BALANCE, DECEMBER 31 - Statement 2	1,415,649			

  

RESERVE NAME	Water Distribution	Wastewater Distribution	Industrial WWTF	
BY-LAW NO.	6,382	6732	6623	
BALANCE, JANUARY 1	3,160,654	2,172,578	142,849	
ADD: Interest Earned	193,232	208,208	7,863	
Appropriation (Statement 11)	1,375,353	600,000	20,000	
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	4,729,239	2,980,786	170,712	
DEDUCT: Purchases (Statement 14)	(66,316)		18,162	
Transfer To Revenue (Statement 11)				
SUB-TOTAL	(66,316)		18,162	
BALANCE, DECEMBER 31 - Statement 5	4,795,555	2,980,786	152,550	

## CITY OF BRANDON

SCHEDULE 6

## ANALYSIS OF INVESTMENTS

AS AT DECEMBER 31, 2006

TYPE	DUE DATE D/M/Y	INTEREST RATE	INTEREST EARNED	AMOUNT	TOTAL
GOVERNMENT OF CANADA	15/03/08	4.40%	167,948	3,953,267	3,953,267
PROVINCE OF MANITOBA AND AGENCIES					
OTHER PROVINCES OR PROVINCIAL AGENCIES					
BY-LAW					
DEBENTURES OF OWN MUNICIPALITY	Various	Various	45,554	460,431	460,431
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS					
Bank Bonds	Various	Various	256,017	6,798,779	
Bank GIC's	Various	Various	547,505	15,576,728	
Richardson's T-Bills			47,080	1,137,614	
Bankers Acceptance					
Mortgages Receivable	Various	Various	8,174	267,367	
Brandon Regional Health Authority		6.50%	69,480	978,876	
					24,759,364
TOTAL INVESTMENTS					29,173,062

## INVESTMENT HOLDINGS

AS AT DECEMBER 31, 2006

	NAME OF RESERVE	RESERVED (Statements 2-5)	TRUST (Statement 7)	UNRESERVED (Statements 14)	TOTAL
GOVERNMENT OF CANADA	Various	3,953,267			3,953,267
PROVINCE OF MANITOBA					
OTHER PROVINCES OR AGENCIES					
DEBENTURES OF OWN MUNICIPALITY	BY-LAW Various	460,431			460,431
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS	Various	24,759,364			24,759,364
TOTAL INVESTMENTS					29,173,062

## INVESTMENT CHANGES

FOR THE YEAR ENDED DECEMBER 31, 2006

TOTAL INVESTMENTS, JANUARY 1					18,528,390
INVESTMENTS ACQUIRED	Various			21,994,424	21,994,424
					40,522,814
INVESTMENTS SOLD					
INVESTMENTS MATURED	Various			11,349,752	11,349,752
TOTAL INVESTMENTS, DECEMBER 31					29,173,062

**ANALYSIS OF DEBENTURE INDEBTEDNESS**

**SCHEDULE 7**

**AS AT DECEMBER 31, 2006**

AUTHORITY	PURPOSE	YEAR OF ISSUE	ORIGINAL AMOUNT	PURCHASED BY (A)	PAYABLE	TERM	MATURITY DATE	INTEREST RATE	CURRENT LEVY		OUTSTANDING DECEMBER 31
									PRINCIPAL	INTEREST	
6144-A-4	Local Improvements	1993	113,000	E	CDN	14	2007	7.875 to 8%	11,000	1,826	12,000
6428/74/96	Local Improvements	1996	29,400	C	CDN	15	2010	8.875%	2,367	1,254	11,762
6429/75/96	Local Improvements	1996	306,714	C	CDN	15	2010	8.500%	24,563	12,371	120,983
6442/05/97	Local Improvements	1997	3,825	C	CDN	15	2011	8.375%	282	175	1,807
6443/06/97	Local Improvements	1997	32,650	C	CDN	15	2011	8.375%	2,408	1,494	15,428
6448/11/97	Local Improvements	1997	11,410	C	CDN	15	2011	8.375%	842	522	5,391
6449/12/97	Local Improvements	1997	5,625	C	CDN	15	2011	8.375%	415	257	2,658
6029/66/92	Keystone Centre Expansion	1992	1,312,000	E	CDN	15	2007	9.000%	136,996	25,769	149,326
<b>SUB-TOTAL -- LOCAL IMPROVEMENTS</b>									<b>178,873</b>	<b>43,668</b>	<b>319,355</b>
6144-A-3	Parks Complex	1993	725,000	E	CDN	14	2007	7.875 to 8%	73,000	12,069	79,000
6659	Library/Arts Building	2002	2,400,000	E	CDN	10	2011	4.375 to 5.875%	228,000	86,688	1,351,000
<b>SUB-TOTAL -- OTHER</b>									<b>301,000</b>	<b>98,757</b>	<b>1,430,000</b>

CURRENT LEVY 479,873 142,425

TOTAL PRINCIPAL OUTSTANDING, DECEMBER 31, - SCHEDULE 8 1,749,355

**NOTE (a): INDICATE WHETHER TOTAL SERIES PURCHASED BY: (A) FEDERAL GOVERNMENT (B) PROVINCIAL GOVERNMENT (C) OWN MUNICIPALITY (D) OTHER MUNICIPALITY (E) PUBLIC**

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**ANALYSIS OF DEBENTURE INDEBTEDNESS**

**SCHEDULE 7**

**AS AT DECEMBER 31, 2006**

AUTHORITY	PURPOSE	YEAR OF ISSUE	ORIGINAL AMOUNT	PURCHASED BY (A)	PAYABLE	TERM	MATURITY DATE	INTEREST RATE	CURRENT LEVY		OUTSTANDING DECEMBER 31
									PRINCIPAL	INTEREST	
5609/54/88	Sewage Treatment	1988	98,600	E	CDN	20	2008	12.125%	9,439	3,865	22,446
5649/15/89	Sewage Treatment	1988	357,000	B	CDN	20	2008	11.125%	32,937	12,261	77,273
5818/93/90	Sewage Treatment	1990	109,000	B	CDN	20	2009	10.500%	8,882	4,360	32,645
5859/16/91	Sewage Treatment	1991	667,000	B	CDN	20	2010	11.375%	50,079	35,742	264,140
5982/19/92	Sewage Treatment	1991	588,000	B	CDN	20	2011	10.500%	39,242	32,196	267,383
6144-A-1	Sewage Treatment	1993	5,443,000	E	CDN	19	2012	7.875 to 8.50%	324,000	240,931	2,603,000
6144-A-2	Water Distribution	1993	853,000	E	CDN	14	2007	7.875 to 8.50%	86,000	14,213	93,000
6427/73/96	Wastewater Treatment Plant	1996	489,000	C	CDN	19	2014	9.000%	25,156	29,480	302,401
6545	9th Street Water Reservoir	2000	3,182,000	E	CDN	10	2010	6.375 to 6.750%	199,000	157,281	2,151,000
6546	Industrial Wastewater Treatment Facility	2000	4,827,000	E	CDN	10	2010	6.375 to 6.750%	302,000	238,591	3,263,000
6544	Direct Discharge/Disinfection	2002	2,770,000	E	CDN	10	2011	4.375 to 5.875%	264,000	99,104	1,542,000
	<b>SUB-TOTAL -- OTHER</b>								<b>1,340,735</b>	<b>868,024</b>	<b>10,618,288</b>
6687	Water Meter Upgrade	2003	2,500,000	E	CDN	10	2012	4.125 to 5.500%	230,000	93,721	1,631,000
	<b>SUB-TOTAL -- LOCAL IMPROVEMENTS</b>								<b>230,000</b>	<b>93,721</b>	<b>1,631,000</b>

CURRENT LEVY 1,570,735 961,745

TOTAL PRINCIPAL OUTSTANDING, DECEMBER 31, - SCHEDULE 8 12,249,288

**NOTE (a): INDICATE WHETHER TOTAL SERIES PURCHASED BY: (A) FEDERAL GOVERNMENT (B) PROVINCIAL GOVERNMENT (C) OWN MUNICIPALITY (D) OTHER MUNICIPALITY (E) PUBLIC**



CITY OF BRANDON

STATISTICAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2006

TAXABLE ASSESSMENT (PORTIONED)

Land	
Buildings	
Total Real Property	
Personal Property	
Subject to Grant	
Total Taxable & Grant Property	
Exempt	
Business	

TO BE COMPLETED BY DEPARTMENT

POPULATION (LATEST CENSUS OF CANADA)	41,511
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BUDGET RECONCILIATION - GENERAL FUND

Revenue - Surplus (Deficit)	2,666,538
Expended - Under (Over)	-2,666,538
Estimated Surplus (Deficit)	
Operating Surplus (Deficit)	
Operating Surplus (Deficit) - Prior Year	
<b>Gain or (Loss)</b>	

CASH POSITION

	GENERAL FUND	COMBINED FUND
Cash Surplus (Deficit) - Current Year	(35,168,392)	(35,168,392)
Cash Surplus (Deficit) - Prior Year	(21,622,480)	(21,622,480)
<b>Gain or (Loss)</b>	(13,545,912)	(13,545,912)

DEFICIT RECOVERIES AND DEFERRED SURPLUS LEVIES

GENERAL FUND OPERATING DEFICITS

Year	Authority			Actual Amount	Recoveries	Outstanding December 31
	Date	Term	Amount			

UTILITY OPERATING DEFICITS

Year	Authority			Actual Amount	Recoveries	Outstanding December 31
	Date	Term	Amount			

BY-LAW OBLIGATIONS

Year	Purpose	By-Law Number	Amount	Amount	Recoveries	Outstanding December 31

TAX COLLECTIONS

TAXES ON ROLL - Current - Cash Collections	47,047,732	
- Tax Credit Programs	82,080	47,129,812
- Arrears		1,553,020
- Total		48,682,832
TAX SALE CERTIFICATES		
LAND SALES		
<b>TOTAL COLLECTIONS</b>		<b>48,682,832</b>

**THE CITY OF BRANDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of significant accounting policies of the City:

**(a) Revenue Recognition**

1. Revenue accounts are maintained using the accrual method of reporting where user fees and other revenue is recognized when the services are performed and the revenue has been earned.
2. Tax Levy, Grants in Lieu and other Grant Revenue are recognized in the period that the levy or grant covers and as the expenditures that the grant covers are incurred.

**(b) Expense Recognition**

Expense accounts are maintained using the accrual method of reporting, except that principal and interest charges on debentures outstanding from the due date of payment to the end of the year are not accrued.

**(c) Inventories**

Inventories are stated at cost, using an average cost pricing method, except land inventory which is recorded at cost.

**(d) Financial Instruments**

The City's financial instruments consist of cash, accounts receivable, temporary and long-term investments, bank indebtedness, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of the financial instruments approximate their carrying values, except investments which are recorded at cost.

**(e) Fixed Assets**

Fixed assets including land, buildings and equipment are recorded in a capital fund at the following values:

1. Land assets – at cost.
2. Buildings acquired prior to 1997 – at cost, if available, otherwise at 1998 assessed value based on 1995 market values. A reconciliation was performed in 1997 to update the building asset accounts; the cost of all buildings was not available.
3. Buildings acquired subsequent to 1997 – at cost.
4. Other assets acquired prior to 1963 – market value as at 31 December 1962.
5. Additions subsequent to 1963 – at cost.

No amortization is provided on fixed assets.

**THE CITY OF BRANDON**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**

**(f) Capital Assets**

Local improvements for roads, sidewalks, wastewater and water distribution systems, etc., are financed by frontage levies, grants or long term debt. The capital assets are recorded in a capital fund at the amount of the outstanding long-term debt.

**(g) Reserves**

Reserve funds are established by by-law for the purpose of accumulating funds for future operating and capital expenditures. Appropriations to reserve funds are charged to expenditure in the revenue funds.

**(h) Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**2. PENSION PLAN**

The majority of City of Brandon employees participate in the Manitoba Municipal Employees Benefits Program Pension Plan which is a defined benefit pension plan that provides benefits based on length of service and pensionable salaries. This plan is fully funded by employee contributions and a matching employer contribution. The actuarial report as at December 31, 2002 indicates a surplus.

Some employees, who were in the employ of the City of Brandon prior to January 1, 1977, participate in pension plans for employees of the City of Brandon as provided under Pension By-law No. 6678 and 6679, which are both defined benefit pension plans. The actuarial report as at December 31, 2003 indicates a deficit for these plans.

The City has agreements with the Brandon Professional Firefighters' Association, the Brandon City Police Association, the Canadian Union of Public Employees Local 69, 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 Municipal Employees benefits Board "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.

**THE CITY OF BRANDON****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2006****3. ENVIRONMENTAL LIABILITY**

The City of Brandon owns property located on the east side of 1<sup>st</sup> Street at Pacific Avenue that is in the process of an environmental assessment and holds a future environmental liability. Although the cost of cleanup is not determinable at this time, the cost is expected to be significant with the best available estimates ranging from \$2,000,000 to \$4,000,000.

**4. LEGAL CLAIMS**

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

**STATISTICAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2006**

**STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE  
GROSS INCOME**

<b>GENERAL OPERATING FUND:</b>			
Total Revenue From External Sources		49,353,544	
Less: Provincial Government Grants	10,264,621		
Federal Government Grants	2,150,745		
Interest Received from Reserves		12,415,366	36,938,178
<b>UTILITY OPERATING FUND:</b>			
Total Revenue		13,635,897	
Less: Provincial Government Grant			
Federal Government Grant			
Hydrant Rentals	154,875	154,875	13,481,022
<b>GOVERNMENT GRANTS</b>			
<b>Provincial Government</b>			
- General Fund		10,264,621	
- Utility Fund			
- General Capital Fund			
- Utility Capital Fund			10,264,621
<b>Federal Government</b>			
- General Fund		2,150,745	
- Utility Fund			
- General Capital Fund			
- Utility Capital Fund			2,150,745
<b>RESERVE FUNDS:</b>			
Interest Earned	1,608,533		
Less: Interest Received on Own Debentures	45,554	1,562,979	
Other Income from External Sources		221,479	1,784,458
<b>CAPITAL FUNDS:</b>			
Debtore Borrowing	- General		
	- Utility		
<b>Short-Term Borrowings:</b>			
Bank	- General		
	- Utility		
Other	- General	2,608,766	
	- Utility		
Other Income from External Sources:		2,608,766	2,608,766
Prepaid Local Improvement Levies			
	- General		
	- Utility		
Other Grants	- General		
	- Utility		
Accounts Payable	- General		
	- Utility		
Other	- General		
	- Utility		
<b>TOTAL GROSS INCOME</b>			<b>67,227,790</b>
<b>USE OF PRIOR YEARS' INCOME:</b>			
<b>GENERAL OPERATING FUND:</b>			
Surplus Transfers - General Reserve	334,807		
Operating Deficit			
Interest Received from Reserves		334,807	
<b>UTILITY OPERATING FUND:</b>			
Transfer from Reserve Fund			
Operating Deficit			
<b>RESERVE FUNDS:</b>			
Operating Deficit			334,807
<b>CAPITAL FUNDS:</b>			
Unexpended Funds January 1			
Short-Term Borrowings - Other Funds			
Transferred from Reserves		2,830,464	2,830,464
<b>TOTAL</b>			<b>70,393,061</b>

**STATISTICAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2006**

**STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE  
GROSS EXPENDITURE**

<b>GENERAL OPERATING FUND:</b>			
Total Services (Less: Hydrant Rentals, Statement 11)		49,533,476	
Less: Appropriations to Reserves	8,006,364		
Contributions to Capital	290,596		
Contributions to Utility, Transit, and Airport	1,845,655		
Debt Charges	714,031	10,856,646	38,676,830
<b>UTILITY OPERATING FUND:</b>			
Water Supply		5,913,802	
Sewage Collection and Disposal		2,920,932	8,834,734
<b>DEBT CHARGES</b>			
Debenture Debt Charge - General	622,298		
- Utility	2,532,480	3,154,778	
Less: Debenture Debt Charges on Own			
Debenture held in Reserves -General			
-Utility			3,154,778
Other Debt Charges -General		91,733	
-Utility			
-General Capital Fund			
-Utility Capital Fund			91,733
<b>RESERVE FUND</b>			
Purchase (Excluding those Funds Transferred to Capital Funds)			
Other Transfers to External Recipients			
<b>CAPITAL FUNDS:</b>			
Capital Expenditures -General		5,777,980	
-Utility		2,070,831	7,848,811
Repay Bank Borrowings -General			
-Utility			
Other Transfers to External Recipients			
Repay Other Short-Term Borrowings			
-General			
-Utility			
Repay Accounts Payable -General			
-Utility			
Other -General			
-Utility			
<b>TOTAL GROSS EXPENDITURES</b>			<b>58,606,886</b>
<b>FUNDS AVAILABLE FOR FUTURE YEARS</b>			
<b>GENERAL OPERATING FUND:</b>			
Surplus Appropriations			
Appropriations to Reserves	8,006,364		
Operating Surplus			
Debenture Debt Charges on Debenture held in Reserves		8,006,364	
<b>UTILITY OPERATING FUND</b>			
Surplus Appropriations			
Appropriations to Reserves	1,995,353		
Operating Surplus			
Debenture Debt Charges on Debenture held in Reserves		1,995,353	
<b>RESERVE FUNDS:</b>			
Operating Surplus		1,784,458	11,786,175
<b>CAPITAL FUNDS:</b>			
Repay Short-Term Borrowing - Other Funds			
Unexpended Funds, December 31			
<b>TOTAL</b>			<b>70,393,061</b>