



THE CITY OF BRANDON

2004

FINANCIAL REPORT

**BDO DUNWOODY LLP
CHARTERED ACCOUNTANTS
BRANDON - MANITOBA**

INDEX TO FINANCIAL STATEMENTS

CITY OF BRANDON

AUDITORS' REPORT STATEMENTS		Page 1
1 General Operating Fund Balance Sheet		Page 2
2 General Reserve Fund Balance Sheet		Page 3
3 General Capital Fund Balance Sheet		Page 3
4 Utility Operating Fund Balance Sheet		Page 4
5 Utility Reserve Fund Balance Sheet		Page 4
6 Utility Capital Fund Balance Sheet		Page 5
7 Trust Fund Balance Sheet		Page 5
8 Surplus Accounts and Allowance for Tax Assets		Page 6
9 Statement of General Operating Fund Revenue and Expenditure		Page 7
10 Comparison of Budgeted and Actual Expenditure		Pages 8,9
11 Statement of Utility Operating Fund Revenue and Expenditure		Page 10
12 Comparison of Utility Budgeted and Actual Expenditure		Page 10
13 Statement of Source and Application of General Capital Funds		Page 11
14 Statement of Source and Application of Utility Capital Funds		Page 12
 SCHEDULES		
1 Analysis of Tax Assets		Page 13
2 Analysis of Tax Levy		Page 13
3 Analysis of Government Transfers		Page 14
4 Analysis of School Accounts		Page 14
5 Analysis of Reserve Funds		Page 15
6 Analysis of Investments		Page 16
7 Analysis of Debenture Indebtedness		Page 17
8 Debenture Changes		Page 18
9 Debentures Pending		Page 18
10 Compensation and Expenses		Page 18
 STATISTICAL INFORMATION		Page 19
 NOTES TO FINANCIAL STATEMENTS		Page 21

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

AUDITOR'S REPORT

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, 2004 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, 2004 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
April 12, 2005

BDO Dunwoody LLP

CHARTERED ACCOUNTANTS

CITY OF BRANDON

GENERAL OPERATING FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

STATEMENT 1

ASSETS

CASH

Cash on hand		3,765	
Cash on deposit		12,863,324	
Deposit Receipts			12,867,089

RECEIVABLES

Tax assets - Schedule 1		1,998,704	
Government Grants - Schedule 3		458,365	
Own Funds and Agencies			
Utility Operating Fund	641,078		
Utility Capital Fund			
General Capital Fund	1,075,329		
Reserves			
Trusts			1,716,407
Operating Accounts Receivable			
Organizations and Individuals	2,072,121		
Federal Government	292,945		
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			2,365,066
Other Receivables			
Sub Total			6,538,542
Less: Allowances for Doubtful Accounts			
Other Allowances			6,538,542

INVESTMENTS - SCHEDULE 6			10,623,681
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INVENTORIES			1,077,530
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PREPAID EXPENSES			77,643
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TOTAL ASSETS			31,184,485
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LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks			
Other Financial Institutions			
Other Funds			
Other			

PAYABLES

School Levies - Schedule 4		528,800	
Own Funds and Agencies			
Utility Operating Fund			
Reserves	21,609,574		
Trusts	416,389		
Other			22,025,963
Operating Accounts Payable			
Organizations and Individuals	6,160,074		
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			6,160,074
Debenture Instalments			28,714,837

OTHER LIABILITIES

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

TOTAL CURRENT LIABILITIES			28,714,837
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ALLOWANCE FOR TAX ASSETS - STATEMENT 8			340,046
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NOMINAL SURPLUS - STATEMENT 8			2,129,602
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TOTAL LIABILITIES AND SURPLUS			31,184,485
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CITY OF BRANDON

STATEMENT 2

GENERAL RESERVE FUND BALANCE SHEET

AS AT DECEMBER 31, 2004

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
Ambulance			198,184		198,184
Brandon Municipal Airport			225,488		225,488
Capital Development			404,356		404,356
Centennial Auditorium			304,367		304,367
Civic Services Complex			322,449		322,449
Clare Ave Extension			19,742		19,742
Cumulative Benefits			103,918		103,918
Disposal Site (Sanitation)			716,772		716,772
Dyking and Flood Control			682,625		682,625
E-911 Equipment			341,740		341,740
Elections			98,004		98,004
Fire Fighting Equipment			100,798		100,798
Fire Vehicles			166,882		166,882
General			1,009,856		1,009,856
Gravel Pit			362,202		362,202
Kirkcaldy Heights			105,258		105,258
Land Acquisition			522,985		522,985
Library / Arts Building			34,348		34,348
Machinery and Equipment			1,765,526		1,765,526
Major Event Hosting			114,664		114,664
Municipal Building			24,328		24,328
Municipal Building Maintenance			255,489		255,489
Office Equipment			364,909		364,909
Parks			468,177		468,177
Perpetual Care			228,238		228,238
Police Equipment			356,052		356,052
Police Vehicles			369,173		369,173
Professional Fees			61,178		61,178
Protective Services Building			1,637,247		1,637,247
Recreation Centre			156,936		156,936
Snow Clearing			251,587		251,587
Social Development			7,041		7,041
Sportsplex			695,906		695,906
Storm Sewer			1,612,502		1,612,502
Traffic Control Devices			171,459		171,459
Transit Equipment			1,911,416		1,911,416
Waverly Heights			125,072		125,072
Westbran Stadium			30,525		30,525
26th Street, South of Maryland			83,263		83,263
8th Street Bridge			917,425		917,425
TOTAL			17,328,087		17,328,087

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, 2004

ASSETS

CASH

Cash on hand		
Cash on deposit		
Deposit Receipts		

RECEIVABLES

Government Grants - Schedule 3		1,030,000	
Own Funds and Agencies			
General Operating Fund			
General Capital Fund			
Utility Capital Fund			
Reserves			
Trusts			
Operating Accounts Receivable			
Organizations and individuals	3,120,675		
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments		3,120,675	
Other Receivables			
Sub Total		4,150,675	
Less: Allowances for Doubtful Accounts			4,150,675

INVESTMENTS - SCHEDULE 6

INVENTORIES

PREPAID EXPENSES

TOTAL ASSETS

4,474,415

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks		
Other Financial Institutions		
Other Funds		
Other		

PAYABLES

Own Funds and Agencies		
General Operating Fund	641,078	
Reserves		
Trusts		
Other		641,078
Operating Accounts Payable		
Organizations and individuals		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Debenture Instalments		641,078

OTHER LIABILITIES

Debenture Levies in Advance		
Prepaid Consumer Accounts		
Meter Deposits		
Other		

TOTAL CURRENT LIABILITIES

641,078

NOMINAL SURPLUS - STATEMENT 8

3,833,337

TOTAL LIABILITIES AND SURPLUS

4,474,415

STATEMENT 5

UTILITY RESERVE FUND BALANCE SHEET

AS AT DECEMBER 31, 2004

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
Water Distribution			2,480,393		2,480,393
Wastewater Distribution			1,683,542		1,683,542
Industrial WWTF			117,552		117,552
Total			4,281,487		4,281,487

CITY OF BRANDON

STATEMENT 6

UTILITY CAPITAL FUND BALANCE SHEET

AS AT DECEMBER 31, 2004

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		34,107,618	
Machinery and Equipment		5,267,267	
Land		71,469	
Other			39,446,354
DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)			
Debenture Levies		2,082,000	
Deferred Liability Levies			2,082,000
OTHER ASSETS			
TOTAL ASSETS			41,528,354

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		15,293,675	
Deferred Liabilities - Note			15,293,675
CAPITAL SURPLUS - STATEMENT 8			26,234,679
TOTAL LIABILITIES AND SURPLUS			41,528,354

STATEMENT 7

TRUST FUND BALANCE SHEET

AS AT DECEMBER 31, 2004

ASSETS

TRUST NAME	INVESTMENTS				TOTAL
	CASH	(Schedule 6)	OTHER FUNDS	OTHER	
Parks & Recreation					
Debenture Principal & Interest					
Land Options & Property Deposits			46,100		46,100
Other			370,289		370,289
TOTAL			416,389		416,389

LIABILITIES

	LIABILITIES				TOTAL
	PAYABLES	OTHER FUNDS	OTHER	TRUST	
Parks & Recreation					
Debenture Principal & Interest					
Land Options & Property Deposits				46,100	46,100
Other				370,289	370,289
TOTAL				416,389	416,389

CITY OF BRANDON

STATEMENT 8

SURPLUS ACCOUNTS AND ALLOWANCE FOR TAX ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2004

ALLOWANCE FOR TAX ASSETS

Balance, January 1		432,120
Add:		
Transfer From Revenue - Statement 10	745,597	
Profit on Tax Title Sales		
Transfer From Nominal Surplus		
Tax Titles Established		
		745,597
<u>Sub-Total</u>		<u>1,177,717</u>
Deduct:		
Taxes Cancelled - Schedule 1	837,671	
T.S.C. Cancelled - Schedule 1		
Tax Titles Written Off - Schedule 1		
Transfer to Nominal Surplus		
		837,671
<u>Balance, December 31 - Statement 1</u>		<u>340,046</u>

NOMINAL SURPLUS - GENERAL

Balance, January 1		2,285,739
Add:		
Transfer From Deferred Surplus - Statement 9		
Transfer From Allowance For Tax Assets		
Operating Surplus - Statement 9		
Miscellaneous Income	1,204	
		1,204
<u>Sub-Total</u>		<u>2,286,943</u>
Deduct:		
Accts. Rec. Cancelled	64,551	
Transfer To General Reserve - Schedule 5		
Transfer To Allowance For Tax Assets		
Transfer To Revenue - Statement 9		
Operating Deficit - Statement 9		
Land Sale Reversal 1421 Rosser Ave	92,790	
		157,341
<u>Balance, December 31 - Statement 1</u>		<u>2,129,602</u>

NOMINAL SURPLUS - UTILITY

Balance, January 1		3,833,337
Add:		
Transfer From Deferred Surplus - Statement 11		
Other Transfers (Specify)		
<u>Operating Surplus - Statement 11</u>		
<u>Sub-Total</u>		<u>3,833,337</u>
Deduct:		
Accts. Rec. Cancelled		
Transfer To Utility Revenue - Statement 11		
Operating Deficit - Statement 11		
<u>Balance, December 31 - Statement 4</u>		<u>3,833,337</u>

CAPITAL SURPLUS - GENERAL

Balance, January 1		49,703,828
Add:		
Fixed Assets Acquired	2,711,241	
Debentures Redeemed	271,000	
		2,982,241
<u>Sub-Total</u>		<u>52,686,069</u>
Deduct:		
Disposal of Fixed Assets	2,334,500	
		2,334,500
<u>Balance, December 31 - Statement 3</u>		<u>50,351,569</u>

CAPITAL SURPLUS - UTILITY

Balance, January 1		24,192,525
Add:		
Fixed Assets Acquired	868,016	
Debentures Redeemed	1,174,138	
		2,042,154
<u>Sub-Total</u>		<u>26,234,679</u>
Deduct:		
Disposal of Fixed Assets		
<u>Balance, December 31 - Statement 6</u>		<u>26,234,679</u>

CITY OF BRANDON

STATEMENT 9

GENERAL OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2004

REVENUE

TOTAL REVENUE FROM TAXATION			22,112,205
OTHER REVENUE			
Taxes Added - Schedule 1		892,533	
Licences and Permits		667,786	
Fines		464,532	
Parking Meter Fees		183,222	
Sales of Service			
General Government	165,456		
Protection	2,322,918		
Transportation	1,024,984		
Less: Costs	1,024,984		
Environmental Health	925,073		
Public Health and Welfare	216,752		
Planning and Development			
Economic Development	9,692		
Recreation and Culture	1,077,534	5,742,410	
Sales of Goods			
Rentals of Fixed Assets		400,034	
Concessions and Franchises		169,653	
Returns From Investments		118,142	
Transfers From Utilities and Enterprises			
Tax Penalties - Schedule 1		307,529	
Miscellaneous Revenue		4,632,976	
Grants in Lieu of Taxes - Schedule 3			
Federal Government	519,195		
Federal Government Enterprises			
Provincial Government	1,448,613		
Provincial Government Enterprises			
Other Local Governments			
Non-Government Organizations	213,701	2,181,509	
Unconditional Government Transfers - Schedule 3			
Federal Government			
Provincial - Municipal Tax Sharing	5,208,986		
Provincial - Municipal Support Grants	481,665		
Provincial Video Lottery Terminals	546,998		
Other Local Governments		6,237,649	
Conditional Government Transfers - Schedule 3			
Federal Government	173,568		
Provincial Government	2,216,048		
Other Local Governments	5,954	2,395,569	24,393,544
TOTAL REVENUE FROM EXTERNAL SOURCES			46,505,749
TRANSFERS FROM ACCUMULATED SURPLUS - STATEMENT 8			
TRANSFERS FROM RESERVES - SCHEDULE 5			885,753
OPERATING DEFICIT - STATEMENT 8			
TOTAL			47,391,502

EXPENDITURE

GENERAL GOVERNMENT SERVICES		6,291,873
PROTECTIVE SERVICES		14,621,708
TRANSPORTATION SERVICES		7,413,511
ENVIRONMENTAL HEALTH SERVICES		2,296,380
PUBLIC HEALTH AND WELFARE SERVICES		644,283
ENVIRONMENTAL PLANNING AND COMMUNITY DEVELOPMENT SERVICES		456,542
ECONOMIC DEVELOPMENT SERVICES		309,298
RECREATION AND CULTURAL SERVICES		4,513,240
FISCAL SERVICES		5,423,105
TOTAL SERVICES		41,969,940
SURPLUS APPROPRIATIONS		
Deferred Surplus - Operating Deficit		
Deferred Surplus - By-Law Obligation		
Transfer to Reserves - Statement 10		5,421,562
OPERATING SURPLUS - STATEMENT 8		
TOTAL		47,391,502

CITY OF BRANDON

STATEMENT 10

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

FOR THE YEAR ENDED DECEMBER 31, 2004

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
General Government Services				
Legislative	338,171	312,080	26,091	
General Administrative	4,649,362	4,858,809		209,447
Other General Government	1,149,813	1,120,984	28,829	
Total	6,137,346	6,291,873		154,527
Protective Services				
Police Protection	7,915,117	8,125,552		210,435
Law Enforcement				
Fire Protection	2,364,038	2,370,731		6,693
Emergency Measures	2,836,312	2,756,682	79,630	
Other Protection	1,451,622	1,368,742	82,880	
Total	14,567,089	14,621,708		54,619
Transportation Services				
Road Transport	4,441,160	4,218,005	223,155	
Administration	557,064	653,151		96,087
Engineering	1,040,418	705,260	335,158	
Roads and Streets	1,766,830	1,847,826		80,996
Bridges, Subways	1,617	188	1,429	
Street Lighting	704,576	708,372		3,796
Traffic Services	278,515	233,682	44,833	
Parking	92,140	69,525	22,615	
Other Road Transport				
Air Transport	290,364	321,093		30,729
Water Transport				
Public Transit	2,805,670	2,874,413		68,743
Total	7,537,194	7,413,511	123,683	
Environmental Health Services				
Garbage and Waste Collection and Disposal	2,241,940	2,296,380		54,440
Other Environmental Health				
Total	2,241,940	2,296,380		54,440
Public Health and Welfare Services				
Public Health (Cemeteries)	201,953	220,606		18,653
Medical Care				
Hospital Care				
Social Welfare	489,404	423,677	65,727	
Total	691,357	644,283	47,074	
Environmental Planning and Community Development Services				
Environmental Planning and Zoning	261,605	261,605		
Community Development	133,310	138,997		5,687
Housing		55,940		55,940
Total	394,915	456,542		61,627
Economic Development Services				
Natural Resources				
Regional Development Commissions	267,750	309,298		41,548
Industrial Parks and Commissions				
Other Economic Services				
Total	267,750	309,298		41,548
Recreation and Cultural Services				
Recreation Facilities	3,241,735	3,139,349	102,386	
Cultural Buildings and Facilities	443,187	443,187		
Other Recreation and Cultural Services	924,578	930,704		6,126
Education Grants				
Total	4,609,500	4,513,240	96,260	
SUB-TOTALS FORWARD	36,447,091	36,546,835		99,744

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, 2004

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
SUB-TOTALS FORWARD	36,447,091	36,546,835		99,744
Fiscal Services				
Transfers to Other Governments				
Other Municipal Government				
Transfers to Own Funds	3,624,014	4,620,778		996,764
Allowance For Tax Assets - Statement 8	68,064	745,597		677,533
Capital Fund - Statement 13	1,710,900	2,030,131		319,231
Utility Fund - Statement 11	1,845,050	1,845,050		
Contribution to Other Funds				
Phase-in Tax Credit				
Public Debt Charges	802,703	802,327	376	
Debenture Debt Charges - Schedule 7	708,896	708,896		
Other Long-Term Debt Charges				
Interest on Short-Term Financing	93,807	93,431	376	
Bank Loan Interest	11,600	14,716		3,116
Other Fund Loan Interest				
Tax Discounts - Schedule 1	82,207	78,715	3,492	
Other Debt Charges				
Debenture Discount				
Debenture Issue Costs				
Other				
Other Fiscal Services				
Total	4,426,717	5,423,105		996,388
Transfer to Reserves				
General Reserve				
Specific Reserve				
- Replacement Reserve				
- Capital Development				
- Other	3,996,368	5,421,562		1,425,194
Total	3,996,368	5,421,562		1,425,194
Surplus Appropriations				
Total Estimated	44,870,176			
Total Actual		47,391,502		
Total Underspent				
Total Overspent				2,521,326

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

REVENUE	ESTIMATED	ACTUAL	OVER(UNDER)
Tax Revenue	22,108,265	22,112,205	3,940
Other Revenue	22,761,911	25,279,297	2,517,386
Revenue Surplus (Deficit)	44,870,176	47,391,502	2,521,326
EXPENDITURE	44,870,176	47,391,502	2,521,326
OPERATING SURPLUS (DEFICIT)			

CITY OF BRANDON

STATEMENT 10

GENERAL OPERATING FUND
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE - CONTINUEE

AS AT DECEMBER 31, 2004

TRANSFERS TO RESERVE	B/L #	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Ambulance	3705	5,000	5,000		
Brandon Municipal Airport	6353	5,000	148,990		143,990
Capital Development	4967				
Centennial Auditorium	4647				
Civic Services Complex	5655	42,000	42,000		
Clare Ave Extension	6722				
Cumulative Benefits	5179				
Curran Park	4527				
Disposal Site (Sanitation)	4528	25,000	25,000		
Dyking and Flood Control	4923				
E-911 Equipment	6563				
Elections	5760	25,000	25,000		
Fire Fighting Equipment	3708	50,000		50,000	
Fire Protection	4748				
Fire Vehicles	6731	115,000	120,350		5,350
Gravel Pit	3652				
Keystone Centre	5766				
Kirkcaldy Heights	4050				
Land Acquisition	5765	560,000	560,000		
Library / Arts Building	5259	10,000	10,000		
Machinery and Equipment	3675	1,422,000	1,512,595		90,595
Major Event Hosting	6260				
Municipal Building	3653				
Municipal Building Maintenance	4368	50,000		50,000	
Office Equipment	3656	235,000	237,203		2,203
Parks	6660		80,000		80,000
Perpetual Care	6562	39,289	43,350		4,061
Police Equipment	4442	115,000	115,000		
Police Vehicles	6730	243,000	259,710		16,710
Professional Fees	5886				
Protective Services Building	6729	425,663	1,643,435		1,217,772
Recreation Centre	4750	104,416	68,372	36,044	
Riverbank Enhancement	6278				
Snow Clearing	6540				
Social Development	6564				
Sportsplex	5066	50,000	50,000		
Storm Sewer	3835	50,000	50,000		
Traffic Control Devices	4751				
Transit Equipment	3654	230,000	230,557		557
Waverly Heights	6141				
Westbran Human Resources	4629				
Westbran Stadium	6251				
26th Street, South of Maryland	6140				
8th Street Bridge	6661	195,000	195,000		
TOTAL		3,996,368	5,421,562		1,425,194

CITY OF BRANDON

STATEMENT 11

UTILITY OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE

AS AT DECEMBER 31, 2004

REVENUE

	METERED	FLAT RATE	TOTAL
CONSUMER SALES			
Residential	10,543,220		10,543,220
Commercial and Bulk	51,830		51,830
Industrial	82,861		82,861
Federal and Provincial			
Municipal and Schools	423		423
Total	10,678,334		10,678,334
Less: Discounts			
Refunds and Cancellations			10,678,334
SEWER SERVICE CHARGES			
PENALTIES			143,016
HYDRANT RENTALS			152,625
CONSUMER INSTALLATION SERVICE			
CONNECTION REVENUE - NET			
PROVINCIAL GRANTS			1,030,000
OTHER REVENUE			1,080,925
PROVIDED BY GENERAL OPERATING FUND - STATEMENT 10			
Re: Debentures			1,845,050
Re: Operations			1,845,050
TRANSFER FROM RESERVE FUND - SCHEDULE 5			
TRANSFER FROM ACCUMULATED SURPLUS - STATEMENT 8			
OPERATING DEFICIT - STATEMENT 8			
TOTAL			14,929,950

EXPENDITURE

WATER SUPPLY			5,965,116
SEWAGE COLLECTION AND DISPOSAL			3,096,755
TRANSFER TO CAPITAL - STATEMENT 14			650,995
TRANSFERS TO RESERVE - SCHEDULE 5			2,684,316
DEBENTURE DEBT CHARGES - SCHEDULE 7			2,532,768
OTHER LONG-TERM DEBT CHARGES			
SURPLUS APPROPRIATIONS - STATEMENT 8			
Deferred surplus - Operating Deficit, 19____			
19____			
19____			
OPERATING SURPLUS - STATEMENT 8			
TOTAL			14,929,950

STATEMENT 12

COMPARISON OF UTILITY BUDGETED AND ACTUAL EXPENDITURE

AS AT DECEMBER 31, 2004

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Water Supply	6,544,015	5,965,116	578,899	
Sewage Collection and Disposal	3,761,512	3,096,755	664,757	
Transfer To Capital	735,000	650,995	84,005	
Transfers To Reserve	2,313,000	2,684,316		371,316
Debenture Debt Charges	2,532,768	2,532,768		
Other Long-Term Debt Charges				
Surplus Appropriations				
Total Estimated	15,886,295			
Total Actual		14,929,950		
Total Underspent			956,345	
Total Overspent				

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

	ESTIMATED	ACTUAL	OVER (UNDER)
REVENUE	15,757,156	14,929,950	(827,206)
EXPENDITURE	15,886,295	14,929,950	(956,345)
OPERATING SURPLUS (DEFICIT)	(129,139)		(129,139)

STATEMENT OF SOURCE AND APPLICATION OF GENERAL CAPITAL FUNDS

AS AT DECEMBER 31, 2004

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 10		2,030,131
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		3,533,680
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER		
TOTAL		5,563,811

APPLICATION

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
General Government		64,983	1,694,321	1,759,304
Protection		401,343	589,680	991,023
Transportation		2,009,439	701,253	2,710,692
Recreation and Culture		49,475	29,604	79,079
Environmental Health			23,713	23,713
Economic Development				
Public Health				
TOTAL		2,525,240	3,038,571	5,563,811

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		5,563,811

STATEMENT OF SOURCE AND APPLICATION OF UTILITY CAPITAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2004

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		650,995
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		2,373,777
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER - INTEREST		
TOTAL		3,024,772

APPLICATION

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
Water Supply	917,298		294,952	1,212,250
Wastewater Disposal	(49,282)		862,348	813,066
Wastewater Treatment			118,496	118,496
Water Treatment			880,960	880,960
TOTAL	868,016		2,156,756	3,024,772
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				3,024,772

CITY OF BRANDON

SCHEDULE 1

ANALYSIS OF TAX ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2004

	TAXES ON ROLL	TAX SALE CERTIFICATES	TAX TITLES	AGREEMENTS OF SALE
Balance, January 1	1,928,786			
ADD:				
Tax Levy - Schedule 2	44,480,397			
Taxes Added - Statement 9	892,533			
Penalties or Interest Added - Statement 9	307,529			
Other Accounts Added	371,735			
Taxes Overpaid				
Transfer Re Tax Sale				
Tax Titles Acquired				
Land Sales				
TAX ADJUSTMENTS (SPECIFY)				
Difference between levy and financial plan	6			
SUB-TOTAL	47,980,987			
DEDUCT:				
Cash Collections:	41,445,064			
Arrears	1,669,852			
Current	39,775,212			
Transfer Re Tax Sale				
Cancellations	837,671			
Returned To Roll				
Title Value of Land Sales				
Transfers Re Titles Acquired				
Tax Discounts - Statement 10	78,715			
M.P.T.C. - Cash Advance	3,526,123			
Other Credits	94,710			
Tax Offsetting Grants				
TOTAL	1,998,704			
BALANCE, DECEMBER 31	1,998,704 (Statement 1)	1,998,704		

SCHEDULE 2

ANALYSIS OF TAX LEVY

FOR THE YEAR ENDED DECEMBER 31, 2004

	ASSESSMENT	MILL RATE	LEVY
Other Governments (L.U.D.)			
Debt Charges			
Frontage			71,414
Mill Rate (At Large)	848,575,150	0.600	509,145
Mill Rate (L.I.D.)	965,688,240	1.841	1,777,832
Total			2,358,391
Minister of Rural Development	848,575,150	0.651	552,422
Deferred Surplus			
Reserves:			
Various	848,575,150	4.001	3,395,149
By-Law			
By-Law			
By-Law			
General Municipal	848,575,150	18.610	15,791,984
Special Levies (Specify)			
School Portion of Mobile Home Revenue			(206,273)
Business Tax-Rate %			
Cable TV, B.I.A.	5,524,200		213,082
Total Municipal Taxes			22,104,755
Schools			
Prov. Education 1	541,050,910	4.560	2,467,192
Prov. Education 2	278,211,230	16.500	4,590,485
Total Education Support Program	819,262,140		7,057,677
Special Division	820,217,770	18.424	15,111,692
Brandon School Division			
Mobile Home Revenue			206,273
Total School Taxes			22,375,642
TOTAL TAX LEVY - SCHEDULE 1			44,480,397

CITY OF BRANDON

SCHEDULE 3

ANALYSIS OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2004

	BALANCE JANUARY 1	GRANTS EARNED (Statement 9)	GRANTS RECEIVED	ADJUSTMENTS	BALANCE DECEMBER 31 (Statement 1)
GENERAL FUND					
PROVINCIAL		10,814,728			458,365
Grants in Lieu	3,242	1,448,613	1,451,330		525
Prov. - Mun. Tax Sharing		5,208,986	5,208,986		
Prov. - Mun. Support Grants		481,665	481,665		
VLT Revenues		546,998	546,998		
Conditional Grants	604,924	2,216,048	2,432,737	(76,239)	311,996
General Govt.	820	15,547	11,000	(57)	5,310
Protection	52,998	585,708	608,706		30,000
Transportation	387,019	976,750	1,100,887	(63,932)	198,950
Environmental Health	19,808	19,908	19,858		19,858
Public Health & Welfare	36,712	183,271	219,983		
Environmental Planning	66,612	425,422	425,906	(12,250)	53,878
Employment Programs					
Economic Development	40,955	9,442	46,397		4,000
Recreation					
FEDERAL					
Grants in Lieu		732,896	729,362		3,534
Unconditional Grants					
Conditional Grants (Spec):	675	173,568	31,933		142,310
Airport Grant		141,500			141,500
Canada Day		10,000	10,000		
Employment Programs	675	1,327	2,002		
Economic Development & Heritage		20,741	19,931		810
LOCAL (Specify name of Govt. and type of grant as above)					
Grants in Lieu -- B.I.A.		5,954	5,954		
UTILITY FUND		(Statement 11)			(Statement 4)
Provincial Grant		1,030,000			1,030,000
Federal Grant					
Local Grant					
GENERAL CAPITAL GRANTS (Specify Govt. and type as above):		(Statement 13)			(Statement 3)
PROVINCIAL					
FEDERAL					
LOCAL					
UTILITY CAPITAL GRANTS		(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, 2004

	OUTSTANDING JANUARY 1	CURRENT REQUIREMENT	CURRENT PAYMENTS	OUTSTANDING DECEMBER 31 (STATEMENT 1)
EDUCATION SUPPORT LEVIES	275,659	8,282,311	8,381,789	176,181
SPECIAL LEVIES:				
School Division: <u>Brandon</u>	506,985	16,791,357	16,945,723	352,619

TOTAL	782,644	25,073,668	25,327,512	528,800

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

RESERVE NAME BY-LAW NO.	Ambulance 3705	Brandon Municipal Airport 6353	Capital Development 4967	Centennial Auditorium 4647
BALANCE, JANUARY 1	185,150	218,453	387,801	300,367
ADD: Interest Earned	8,034	8,696	16,555	22,350
Appropriation (Statement 10)	5,000	148,990		
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Statement 8)				
SUB-TOTAL	198,184	376,139	404,356	322,717
DEDUCT: Purchases (Statement 13)		150,651		18,350
Transfer To Revenue (Statement 9)				
SUB-TOTAL		150,651		18,350
BALANCE, DECEMBER 31 - Statement 2	198,184	225,488	404,356	304,367

RESERVE NAME BY-LAW NO.	Civic Services Complex 5655	Clare Ave Extension 6722	Cumulative Benefits 5179	Disposal Site (Sanitation) 4528
BALANCE, JANUARY 1	278,435	18,934	99,664	662,825
ADD: Interest Earned	12,861	808	4,254	28,947
Appropriation (Statement 10)	42,000			25,000
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	333,296	19,742	103,918	716,772
DEDUCT: Purchases (Statement 13)	10,848			
Transfer To Revenue (Statement 9)				
BALANCE, DECEMBER 31 - Statement 2	322,449	19,742	103,918	716,772

RESERVE NAME BY-LAW NO.	Dyking and Flood Control 4923	E-911 Equipment 6563	Elections 5760	Fire Fighting Equipment 3708
BALANCE, JANUARY 1	777,678	327,749	69,391	243,502
ADD: Interest Earned	29,947	13,991	3,613	10,117
Appropriation (Statement 10)			25,000	
SUB-TOTAL	807,625	341,740	98,004	253,619
DEDUCT: Purchases (Statement 13)				152,821
Transfer To Revenue (Statement 9)	125,000			
BALANCE, DECEMBER 31 - Statement 2	682,625	341,740	98,004	100,798

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

RESERVE NAME	Fire Protection	Fire Vehicles	General	Gravel Pit
BY-LAW NO.	4748	6731	3620	3652
BALANCE, JANUARY 1	125,663	41,590	968,510	419,298
ADD: Interest Earned		4,942	41,346	17,904
Appropriation (Statement 10)		120,350		
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	125,663	166,882	1,009,856	437,202
DEDUCT: Purchases (Statement 13)				
Transfer To Revenue (Statement 9)	125,663			75,000
SUB-TOTAL	125,663			75,000
BALANCE, DECEMBER 31 - Statement 2		166,882	1,009,856	362,202

RESERVE NAME	Kirkcaldy Heights	Land Acquisition	Library / Arts Building	Machinery and Equipment
BY-LAW NO.	4050	5765	5259	3675
BALANCE, JANUARY 1	100,948	80,739	23,102	1,694,001
ADD: Interest Earned	4,310	16,746	1,246	74,097
Appropriation (Statement 10)		560,000	10,000	1,512,595
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	105,258	657,485	34,348	3,280,692
DEDUCT: Purchases (Statement 13)		54,500		1,515,166
Transfer To Revenue (Statement 9)		80,000		
BALANCE, DECEMBER 31 - Statement 2	105,258	522,985	34,348	1,765,526

RESERVE NAME	Major Event Hosting	Municipal Building	Municipal Building Maintenance	Office Equipment
BY-LAW NO.	6260	3653	4368	3656
BALANCE, JANUARY 1	129,635	220,134	382,759	305,900
ADD: Interest Earned	5,029	4,194	14,969	21,245
Appropriation (Statement 10)				237,203
Transfer From Surplus Acc. (Stmt. 8)				
City's 125th Celebration - 2007	5,000			
SUB-TOTAL	139,664	224,328	397,729	564,348
DEDUCT: Purchases (Statement 13)			42,240	199,439
Transfer To Revenue (Statement 9)	25,000	200,000	100,000	
BALANCE, DECEMBER 31 - Statement 2	114,664	24,328	255,489	364,909

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

RESERVE NAME	Parks	Perpetual Care	Police Equipment	Police Vehicles
BY-LAW NO.	6660	6562	4442	6730
BALANCE, JANUARY 1	508,277	176,792	261,808	284,399
ADD: Interest Earned	20,744	8,096	13,807	14,054
Appropriation (Statement 10)	80,000	43,350	115,000	259,710
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	609,021	228,238	390,615	558,163
DEDUCT: Purchases (Statement 13)	844		34,563	188,990
Transfer To Revenue (Statement 9)	140,000			
SUB-TOTAL	140,844		34,563	188,990
BALANCE, DECEMBER 31 - Statement 2	468,177	228,238	356,052	369,173

RESERVE NAME	Professional Fees	Protective Services Bldg	Recreation Centre	Snow Clearing
BY-LAW NO.	5886	6729	4750	6540
BALANCE, JANUARY 1	58,673	520,369	102,597	241,287
ADD: Interest Earned	2,505	56,680	6,387	10,300
Appropriation (Statement 10)		1,643,435	68,372	
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	61,178	2,220,484	177,356	251,587
DEDUCT: Purchases (Statement 13)		583,237	20,420	
Transfer To Revenue (Statement 9)				
BALANCE, DECEMBER 31 - Statement 2	61,178	1,637,247	156,936	251,587

RESERVE NAME	Social Development	Sportsplex	Storm Sewer	Traffic Control Devices
BY-LAW NO.	6564	5066	3835	4751
BALANCE, JANUARY 1	6,753	663,072	1,588,920	176,276
ADD: Interest Earned	288	28,939	67,521	7,297
Appropriation (Statement 10)		50,000	50,000	
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	7,041	742,011	1,706,441	183,573
DEDUCT: Purchases (Statement 13)		46,106	90,963	
Transfer To Revenue (Statement 9)			2,976	12,114
BALANCE, DECEMBER 31 - Statement 2	7,041	695,906	1,612,502	171,459

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

RESERVE NAME	Transit System Equipment	Waverly Heights	Westbran Stadium	26th Street South of Maryland
BY-LAW NO.	3654	6141	6251	6140
BALANCE, JANUARY 1	1,937,330	199,329	29,276	72,282
ADD: Interest Earned	77,272	8,989	1,249	3,309
Appropriation (Statement 10)	230,557			
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
Development Agreement Funds		7,554		7,672
SUB-TOTAL	2,245,159	215,872	30,525	83,263
DEDUCT: Purchases (Statement 13)	333,743	90,800		
Transfer To Revenue (Statement 9)				
SUB-TOTAL	333,743	90,800		
BALANCE, DECEMBER 31 - Statement 2	1,911,416	125,072	30,525	83,263
RESERVE NAME	8th Street Bridge			
BY-LAW NO.	6661			
BALANCE, JANUARY 1	687,981			
ADD: Interest Earned	34,444			
Appropriation (Statement 10)	195,000			
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	917,425			
DEDUCT: Purchases (Statement 13)				
Transfer To Revenue (Statement 9)				
BALANCE, DECEMBER 31 - Statement 2	917,425			
RESERVE NAME	Water Distribution	Wastewater Distribution	Industrial WWTF	
BY-LAW NO.	6382	6732	6623	
BALANCE, JANUARY 1	3,016,104	675,616	93,268	
ADD: Interest Earned	138,856	42,820	4,284	
Appropriation (Statement 11)	1,630,000	1,034,316	20,000	
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	4,784,960	1,752,752	117,552	
DEDUCT: Purchases (Statement 14)	2,304,567	69,210		
Transfer To Revenue (Statement 11)				
BALANCE, DECEMBER 31 - Statement 5	2,480,393	1,683,542	117,552	

CITY OF BRANDON

SCHEDULE 6

ANALYSIS OF INVESTMENTS

AS AT DECEMBER 31, 2004

TYPE	DUE DATE D/M/Y	INTEREST RATE	INTEREST		TOTAL
			EARNED	AMOUNT	
GOVERNMENT OF CANADA	12-Feb-04		9,679		
PROVINCE OF MANITOBA AND AGENCIES					
OTHER PROVINCES OR PROVINCIAL AGENCIES					
Province of Ontario	2-Jun-04	Various	65,071		
Province of B.C.	21-Sep-05	6.01%	55,733	754,195	
Province of B.C.	21-Jun-04	6.01%	24,142		754,195
DEBENTURES OF OWN MUNICIPALITY	BY-LAW Various	Various	54,191	567,997	567,997
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS					
Bank GIC's	Various	Various	364,036	7,654,730	
RBC T-Bill				165,181	
Bankers Acceptance	12-Feb-04		26,661		
Mortgages Receivable	Various	Various	11,274	303,100	
Brandon Regional Health Authority		6.50%	80,137	1,153,478	
Millenium Park				25,000	9,301,489
TOTAL INVESTMENTS					10,623,681

INVESTMENT HOLDINGS

AS AT DECEMBER 31, 2004

	NAME OF RESERVE	RESERVED	TRUST	UNRESERVED	TOTAL
		(Statements 2-5)	(Statement 7)	(Statements 14)	
GOVERNMENT OF CANADA					
PROVINCE OF MANITOBA	Various				
OTHER PROVINCES OR AGENCIES	Various	754,195			754,195
DEBENTURES OF OWN MUNICIPALITY	BY-LAW Various	567,997		Nil	567,997
DEBENTURES OF OTHER LOCAL GOVERNMENTS				Nil	
MANITOBA INVESTMENT POOL AUTHORITY				Nil	
OTHER INVESTMENTS	Various	9,301,489			9,301,489
TOTAL INVESTMENTS					10,623,681

INVESTMENT CHANGES

FOR THE YEAR ENDED DECEMBER 31, 2004

TOTAL INVESTMENTS, JANUARY 1					16,745,895
INVESTMENTS ACQUIRED	Various			3,963,329	3,963,329
INVESTMENTS SOLD	Various				20,709,224
INVESTMENTS MATURED	Various			10,085,543	10,085,543
TOTAL INVESTMENTS, DECEMBER 31					10,623,681

ANALYSIS OF DEBENTURE INDEBTEDNESS

SCHEDULE 7

AS AT DECEMBER 31, 2004

AUTHORITY	PURPOSE	YEAR OF ISSUE	ORIGINAL AMOUNT	PURCHASED BY (A)	PAYABLE	TERM	MATURITY DATE	INTEREST RATE	CURRENT LEVY		OUTSTANDING DECEMBER 31
									PRINCIPAL	INTEREST	
5973/10/92	Local Improvements	1992	335,000	E	CDN	14	2005	10.250%	37,924	8,173	41,811
5974/11/92	Local Improvements	1992	295,000	E	CDN	13	2005	10.250%	38,158	3,911	
6144-A-4	Local Improvements	1993	113,000	E	CDN	14	2005	5 to 8	10,000	3,468	34,000
6428/74/96	Local Improvements	1,996	29,400	C	CDN	15	2010	8.875%	1,996	1,624	16,302
6429/75/96	Local Improvements	1,996	306,714	C	CDN	15	2010	8.500%	20,865	16,069	168,185
6442/05/97	Local Improvements	1,997	3,825	C	CDN	15	2011	8.375%	240	217	2,350
6443/06/97	Local Improvements	1,997	32,650	C	CDN	15	2011	8.375%	2,051	1,852	20,059
6448/11/97	Local Improvements	1,997	11,410	C	CDN	15	2011	8.375%	717	647	7,010
6449/12/97	Local Improvements	1,997	5,625	C	CDN	15	2011	8.375%	353	319	3,456
6029/66/92	Keystone Centre Expansion	1992	1,312,000	E	CDN	15	2007	9.000%	115,307	47,458	412,007
SUB-TOTAL -- LOCAL IMPROVEMENTS									227,612	83,738	705,179
6144-A-3	Parks Complex	1993	725,000	E	CDN	14	2007	5 to 8	63,000	22,306	220,000
6659	Library/Arts Building	2002	2,400,000	E	CDN	10	2011	2.375 to 5.875	208,000	104,241	1,796,000
SUB-TOTAL -- OTHER									271,000	126,547	2,016,000

CURRENT LEVY 498,612 210,284

TOTAL PRINCIPAL OUTSTANDING, DECEMBER 31, - SCHEDULE 8 2,721,179

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, 2004

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%	7,507	5,797	40,303
5649/15/89	Sewage Treatment	1988	357,000	B	CDN	20	2008	11.125%	26,672	18,525	139,849
5818/93/90	Sewage Treatment	1990	109,000	B	CDN	20	2009	10.500%	7,275	5,968	49,566
5859/16/91	Sewage Treatment	1991	667,000	B	CDN	20	2010	11.375%	40,372	45,449	359,183
5982/19/92	Sewage Treatment	1991	588,000	B	CDN	20	2011	10.500%	32,139	39,299	342,138
6144-A-1	Sewage Treatment	1993	5,443,000	E	CDN	19	2012	5 to 8.50	278,000	286,023	3,226,000
6144-A-2	Water Distribution	1993	853,000	E	CDN	14	2007	5 to 8.00	74,000	26,248	259,000
6427/73/96	Wastewater Treatment Plant	1996	489,000	C	CDN	19	2014	9.000%	21,173	33,463	350,636
6545	9th Street Water Reservoir	2000	3,182,000	E	CDN	10	2010	6.250 to 6.750	176,000	180,431	2,537,000
6546	Industrial Wastewater Treatment Facility	2000	4,827,000	E	CDN	10	2010	6.250 to 6.750	267,000	273,709	3,849,000
6544	Direct Discharge/Disinfection	2002	2,770,000	E	CDN	10	2011	2.375 to 5.875	244,000	119,627	2,059,000
SUB-TOTAL -- OTHER									1,174,138	1,034,539	13,211,675
6687	Water Meter Upgrade	2003	2,500,000	E	CDN	10	2012	3.625 to 5.500	213,000	111,091	2,082,000
SUB-TOTAL -- LOCAL IMPROVEMENTS									213,000	111,091	2,082,000

CURRENT LEVY 1,387,138 1,145,630

TOTAL PRINCIPAL OUTSTANDING, DECEMBER 31, - SCHEDULE 8 15,293,675

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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CITY OF BRANDON

SCHEDULE 8

DEBENTURE CHANGES

FOR THE YEAR ENDED DECEMBER 31, 2004

	GENERAL	UTILITY	TOTAL
OUTSTANDING, JANUARY 1	3,219,791	16,680,813	19,900,604
ISSUED			
LEVIED	498,612	1,387,138	
OUTSTANDING, DECEMBER 31			1,885,750
- Statement 3	2,721,179		
- Statement 6		15,293,675	
- Schedule 7			18,014,854

SCHEDULE 9

DEBENTURES PENDING

AS AT DECEMBER 31, 2004

AUTHORITY	PURPOSE	SOURCE OF FUNDS	AUTHORIZED	EXPENDED
B/L 6719	9th Street South of Maryland Ave		813,446	1,076,149

TOTAL 1,076,149

COMPOSED OF -

Bank loans	
Accounts payable	
Due to Other Funds	1,076,149
Other _____	

TOTAL	1,076,149

SCHEDULE 10

COMPENSATION AND EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2004

COUNCIL MEMBERS

	COMPENSATION	EXPENSES	OTHER	TOTAL
MAYOR Dave Burgess	55,769	19,828		75,597
WARD 1 Doug Paterson	14,430	1,597		16,027
WARD 2 Vincent Barletta	13,857	15		13,872
WARD 3 Murray Blight	14,721	3,108		17,829
WARD 4 Rick Chrest	16,724	40		16,764
WARD 5 Beth Smale	15,378	2,169		17,547
WARD 6 Garth Rice	14,344	1,033		15,377
WARD 7 Larry Brown	13,967	348		14,315
WARD 8 Margo Campbell	14,276	889		15,165
WARD 9 Errol Black	14,979	1,106		16,085
WARD 10 Don Jessiman	14,929	4,837		19,766

COMMITTEE MEMBERS

Board of Revision				
	225			225
	180			180
	180			180

TOTAL 203,959 34,970 238,929

CITY OF BRANDON

STATISTICAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2004

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) 39,716

BUDGET RECONCILIATION - GENERAL FUND

Revenue - Surplus (Deficit)	2,521,326
Expended - Under (Over)	-2,521,326
Estimated Surplus (Deficit)	
Operating Surplus (Deficit)	47,391,502
Operating Surplus (Deficit) - Prior Year	
Gain or (Loss)	47,391,502

CASH POSITION

	GENERAL FUND	COMBINED FUND
Cash Surplus (Deficit) - Current Year	(15,847,748)	(15,847,748)
Cash Surplus (Deficit) - Prior Year	(25,039,870)	(25,039,870)
Gain or (Loss)	9,192,122	9,192,122

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	39,775,212	
- Tax Credit Programs	3,526,123	43,301,335
- Arrears		1,669,852
- Total		44,971,187
TAX SALE CERTIFICATES		
LAND SALES		
TOTAL COLLECTIONS		44,971,187

THE CITY OF BRANDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

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 is 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 2004

(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 Municipal Employees Benefits Program Pension Plan which is a defined benefit pension plan that provides benefits based on length of service and pensionable salaries.

The Manitoba Municipal Employees Pension 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-laws No. 6207 and 6208, which are both defined Benefit Pension 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 2004

3. ENVIRONMENTAL LIABILITY

The City of Brandon owns property located on the east side of 1st Street at Pacific Avenue (proposed Public Safety Building location) 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 \$1,000,000 to \$5,000,000.

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, 2004**

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

GENERAL OPERATING FUND:			
Total Revenue From External Sources		46,505,749	
Less: Provincial Government Grants	9,355,312		
Federal Government Grants	692,763		
Interest Received from Reserves		10,048,075	36,457,674
UTILITY OPERATING FUND:			
Total Revenue		13,084,900	
Less: Provincial Government Grant	1,030,000		
Federal Government Grant			
Hydrant Rentals	152,625	1,182,625	11,902,275
GOVERNMENT GRANTS			
Provincial Government			
- General Fund		9,355,312	
- Utility Fund		1,030,000	
- General Capital Fund			
- Utility Capital Fund			10,385,312
Federal Government			
- General Fund		692,763	
- Utility Fund			
- General Capital Fund			
- Utility Capital Fund			692,763
RESERVE FUNDS:			
Interest Earned	914,045		
Less: Interest Received on Own Debentures	54,191	859,854	
Other Income from External Sources		20,226	880,080
CAPITAL FUNDS:			
Debtore Borrowing	- General		
	- Utility		
Short-Term Borrowings:			
Bank	- General		
	- Utility		
Other	- General		
	- Utility		
Other Income from External Sources:			
Prepaid Local Improvement Levies			
	- General		
	- Utility		
Other Grants - General			
	- Utility		
Accounts Payable			
	- General		
	- Utility		
Other			
	- General		
	- Utility		
TOTAL GROSS INCOME			60,318,104
USE OF PRIOR YEARS' INCOME:			
GENERAL OPERATING FUND:			
Surplus Transfers - General Reserve	885,753		
Operating Deficit			
Interest Received from Reserves		885,753	
UTILITY OPERATING FUND:			
Transfer from Reserve Fund			
Operating Deficit			
RESERVE FUNDS:			
Operating Deficit			885,753
CAPITAL FUNDS:			
Unexpended Funds January 1			
Short-Term Borrowings - Other Funds			
Transferred from Reserves		5,907,457	5,907,457
TOTAL			67,111,314

STATISTICAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2004

STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE
GROSS EXPENDITURE

GENERAL OPERATING FUND:		
Total Services (Less: Hydrant Rentals, Statement 11)		47,238,877
Less: Appropriations to Reserves	5,421,562	
Contributions to Capital	2,030,131	
Contributions to Utility, Transit, and Airport	1,845,050	
Debt Charges	802,327	10,099,070
		37,139,807
UTILITY OPERATING FUND:		
Water Supply		5,965,116
Sewage Collection and Disposal		3,096,755
		9,061,871
DEBT CHARGES		
Debenture Debt Charge - General	708,896	
- Utility	2,532,768	3,241,664
Less: Debenture Debt Charges on Own		
Debenture held in Reserves -General		
-Utility		3,241,664
Other Debt Charges -General		93,431
-Utility		
-General Capital Fund		
-Utility Capital Fund		93,431
RESERVE FUND		
Purchase (Excluding those Funds Transferred to Capital Funds)		
Other Transfers to External Recipients		
CAPITAL FUNDS:		
Capital Expenditures -General		5,563,811
-Utility		3,024,772
Repay Bank Borrowings -General		8,588,583
-Utility		
Other Transfers to External Recipients		
Repay Other Short-Term Borrowings		
-General		
-Utility		
Repay Accounts Payable -General		
-Utility		
Other -General		
-Utility		
TOTAL GROSS EXPENDITURES		58,125,355
FUNDS AVAILABLE FOR FUTURE YEARS		
GENERAL OPERATING FUND:		
Surplus Appropriations		
Appropriations to Reserves	5,421,562	
Operating Surplus		
Debtenture Debt Charges on Debenture held in Reserves		5,421,562
UTILITY OPERATING FUND		
Surplus Appropriations		
Appropriations to Reserves	2,684,316	
Operating Surplus		
Debtenture Debt Charges on Debenture held in Reserves		2,684,316
RESERVE FUNDS:		
Operating Surplus		880,080
		8,985,958
CAPITAL FUNDS:		
Repay Short-Term Borrowing - Other Funds		
Unexpended Funds, December 31		
TOTAL		67,111,314