

CITY OF BRANDON



Consolidated Financial Statements

For the Year Ended December 31, 2018

STATEMENT OF RESPONSIBILITY

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

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

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

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



Rod Sage
City Manager / CAO

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the City of Brandon, which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Brandon as at December 31, 2018, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

INDEPENDENT AUDITORS' REPORT

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

June 27, 2019
Brandon, Manitoba

MNP LLP

Chartered Professional Accountants

CITY OF BRANDON

TABLE OF CONTENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	6
CONSOLIDATED STATEMENT OF OPERATIONS	7
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)	8
CONSOLIDATED STATEMENT OF CASH FLOWS	9
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	10
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS	22
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES	23
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES	24
SCHEDULE 4 - CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM	26
SCHEDULE 5 - CONSOLIDATED SCHEDULE OF DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS	29
SCHEDULE 6 - SCHEDULE OF CHANGE IN RESERVE FUND BALANCES	30
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS	37
SCHEDULE 8 - SCHEDULE OF FINANCIAL POSITION FOR UTILITY	38
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS	39
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET	41
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL	42
SCHEDULE 12 - ANALYSIS OF TAX LEVY	43
SCHEDULE 13- SCHEDULE OF GENERAL OPERATING FUND EXPENSES	44
SCHEDULE 14- RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)	46

**CITY OF BRANDON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018**

	2018	2017
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 16,146,891	\$ 8,232,115
Amounts receivable (Note 4)	14,526,813	20,878,214
Portfolio investments (Note 5)	15,680,709	15,680,709
Loans and advances	900,000	500,000
Real estate properties held for sale	<u>4,249,441</u>	<u>4,249,441</u>
	<u>51,503,854</u>	<u>49,540,479</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	13,851,989	11,474,117
Severance and sick leave payable	4,303,454	4,085,143
Unearned revenue	2,029,227	2,061,848
Landfill closure and post closure liabilities (Note 8)	1,133,415	1,054,791
Long-term debt (Note 10)	39,468,649	42,887,915
Other liabilities	<u>1,079,053</u>	<u>1,088,626</u>
	<u>61,865,787</u>	<u>62,652,440</u>
NET DEBT	<u>(10,361,933)</u>	<u>(13,111,961)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	359,144,608	359,213,565
Inventories (Note 6)	1,119,167	1,192,440
Prepaid expenses	<u>775,028</u>	<u>689,856</u>
	<u>361,038,803</u>	<u>361,095,861</u>
ACCUMULATED SURPLUS (Note 17)	<u>\$350,676,870</u>	<u>\$347,983,900</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of Council:



Rick Chrest - Mayor



Barry Cullen - Deputy Mayor

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

**CITY OF BRANDON
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018 Budget (Note 15)	2018	2017
REVENUES			
Property taxes	\$ 42,315,588	\$ 42,841,527	\$ 41,862,149
Grants in lieu of taxation	2,326,880	2,326,880	2,285,502
User fees	19,050,188	19,080,900	18,777,245
Grants - Province of Manitoba	16,936,689	17,914,399	19,393,710
Grants - Other	4,275,383	6,234,081	6,006,849
Permits, licences and fines	3,045,179	2,640,756	2,666,193
Investment income	67,240	428,260	1,498,006
Other revenue	631,873	247,124	243,975
Water and sewer	<u>21,967,956</u>	<u>23,326,126</u>	<u>22,128,548</u>
Total revenue (Schedules 2, 4, 5)	<u>110,616,976</u>	<u>115,040,053</u>	<u>114,862,177</u>
EXPENSES			
General government services	9,081,927	9,802,839	10,170,536
Protective services	32,546,390	32,231,015	31,016,204
Transportation services	22,321,324	20,449,365	21,450,996
Environmental health services	5,341,364	5,009,400	5,689,942
Public health and welfare services	770,044	689,427	707,417
Regional planning and development	3,235,611	2,920,650	3,470,305
Resource conservation & industrial development	2,253,867	2,377,753	1,375,297
Recreation and cultural services	15,229,140	15,385,401	14,972,277
Water and sewer services	<u>24,460,854</u>	<u>23,481,233</u>	<u>24,663,633</u>
Total expenses (Schedules 3, 4, 5)	<u>115,240,521</u>	<u>112,347,083</u>	<u>113,516,607</u>
ANNUAL SURPLUS (DEFICIT)	\$ (4,623,545)	\$ 2,692,970	\$ 1,345,570
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>347,983,900</u>	<u>347,983,900</u>	<u>346,638,330</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$343,360,355</u>	<u>\$350,676,870</u>	<u>\$347,983,900</u>

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

**CITY OF BRANDON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018 Budget	2018	2017
ANNUAL SURPLUS (DEFICIT)	\$ <u>(4,623,545)</u>	\$ <u>2,692,970</u>	\$ <u>1,345,570</u>
Acquisition of tangible capital assets	(31,057,801)	(18,274,418)	(23,974,736)
Amortization of tangible capital assets	18,029,717	18,029,717	17,748,267
Loss (gain) on sale of tangible capital assets	-	(51,935)	294,294
Proceeds on sale of tangible capital assets	-	365,593	655,375
Decrease (increase) in inventories	-	73,273	620,818
Decrease (increase) in prepaid expenses	-	(85,172)	42,986
	<u>(13,028,084)</u>	<u>57,058</u>	<u>(4,612,996)</u>
CHANGE IN NET FINANCIAL ASSETS (DEBT)	\$ <u>(17,651,629)</u>	\$ <u>2,750,028</u>	\$ <u>(3,267,426)</u>
NET DEBT, BEGINNING OF YEAR	<u>(13,111,961)</u>	<u>(13,111,961)</u>	<u>(9,844,535)</u>
NET DEBT, END OF YEAR	\$ <u>(30,763,590)</u>	\$ <u>(10,361,933)</u>	\$ <u>(13,111,961)</u>

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

**CITY OF BRANDON
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018	2017
OPERATING TRANSACTIONS		
Annual surplus	\$ <u>2,692,970</u>	\$ <u>1,345,570</u>
Changes in non-cash working capital balances:		
Amounts receivable	6,351,401	6,635,970
Inventories	73,273	620,818
Prepays	(85,172)	42,986
Accounts payable and accrued liabilities	2,377,872	(1,749,829)
Severance and sick leave payable	218,311	54,989
Unearned revenue	(32,621)	(119,119)
Landfill closure and post closure liabilities	78,624	73,706
Other liabilities	(9,573)	(61,023)
Adjustments for:		
Loss (gain) on sale of tangible capital assets	(51,935)	294,294
Loss (gain) on sale of real estate properties	-	(37,362)
Amortization	<u>18,029,717</u>	<u>17,748,267</u>
Cash provided by operating transactions	<u>29,642,867</u>	<u>24,849,267</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	365,593	655,375
Acquisition of tangible capital assets	<u>(18,274,418)</u>	<u>(23,974,736)</u>
Cash applied to capital transactions	<u>(17,908,825)</u>	<u>(23,319,361)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	500,000	14,150,600
Proceeds on sale of real estate properties	-	37,361
Loans and advances	(400,000)	(450,000)
Purchase of portfolio investments	(500,000)	(10,845,323)
Acquisition of real estate properties	<u>-</u>	<u>2</u>
Cash applied to investing transactions	<u>(400,000)</u>	<u>2,892,640</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	4,981,200
Debt repayment	<u>(3,419,266)</u>	<u>(3,165,151)</u>
Cash applied to financing transactions	<u>(3,419,266)</u>	<u>1,816,049</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	\$ 7,914,776	\$ 6,238,595
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>8,232,115</u>	<u>1,993,520</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 16,146,891</u>	<u>\$ 8,232,115</u>

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

**CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2018**

1. Status of the City of Brandon

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

2. Significant Accounting Policies

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

a) Reporting Entity

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

Brandon Downtown Development Corporation

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

Brandon & Area Planning District (21%) (2017 – 21%)
Western Manitoba Centennial Auditorium (50%) (2017 – 50%)
Keystone Agricultural & Recreational Centre (50%) (2017 – 50%)
Western Manitoba Regional Library (81%) (2017 – 81%)

The Keystone Centre has a July 31st year end.

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

Trust funds and their related operations administered by the City of Brandon are not held in separate bank accounts and are recorded as Other Liabilities on the Consolidated Statement of Financial Position. The trust funds administered by the City of Brandon are presented in Note 18 and consist of funds held for the maintenance of Community Centres.

2. Significant Accounting Policies (continued)

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

e) Real Estate Properties Held for Sale

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

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

f) Landfill Closure and Post Closure Liabilities

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

g) Non-Financial Assets

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

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

h) Tangible Capital Assets

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

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

2. Significant Accounting Policies (continued)

h) Tangible Capital Assets (continued)

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
<u>Buildings and leasehold improvements</u>	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
<u>Vehicles and Equipment</u>	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 to 10 years

Infrastructure Assets

Transportation

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

Water and Sewer

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

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

i) Leases

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

j) Inventories

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

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

k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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

2. Significant Accounting Policies (continued)

l) Measurement Uncertainty

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

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2018</u>	<u>2017</u>
Cash	\$ 15,675,484	\$ 7,849,688
Temporary Investments	<u>471,407</u>	<u>382,427</u>
	<u>\$ 16,146,891</u>	<u>\$ 8,232,115</u>

The City of Brandon has designated \$ 74,337,381 (2017 - \$73,889,827) to special purpose reserves. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The City of Brandon has established an operating line of credit with the Bank of Montreal, authorized by Council resolution, of up to \$5,000,000. At December 31, 2018 the City had \$5,000,000 (2017 - \$5,000,000) credit available.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value:

	<u>2018</u>	<u>2017</u>
Taxes on Roll (Schedule 11)	\$ 4,024,354	\$ 3,634,165
Government Grants	-	-
Utility Customers	6,021,719	5,388,111
Accrued Interest	3,613	3,613
Organizations and Individuals	5,695,633	13,204,413
Federal Government - GST	<u>432,523</u>	<u>245,030</u>
	\$ 16,177,842	\$ 22,475,332
Less Allowances for Doubtful Amounts	<u>(1,651,029)</u>	<u>(1,597,118)</u>
	<u>\$ 14,526,813</u>	<u>\$ 20,878,214</u>

5. Portfolio Investments

	<u>2018</u>	<u>2017</u>
Marketable Securities:		
Bonds and Certificates	\$ 15,680,709	\$ 15,680,709
Other Investments	-	-
	<u>\$ 15,680,709</u>	<u>\$ 15,680,709</u>

The aggregate market value of the marketable securities at December 31, 2018 is \$15,016,767 (2017 - \$16,076,156). Portfolio investments earned \$52,703 in investment income during the year (2017 - \$1,277,415).

6. Inventories

	<u>2018</u>	<u>2017</u>
Chemicals, herbicides, insecticides	\$ 136,502	\$ 219,599
Fuel	54,886	52,198
Other Supplies	927,779	920,643
	<u>\$ 1,119,167</u>	<u>\$ 1,192,440</u>

7. Accounts Payable and Accrued Liabilities

	<u>2018</u>	<u>2017</u>
Accounts Payable	\$ 8,857,794	\$ 6,377,837
Accrued Expenses	2,091,331	2,138,028
Accrued Interest Payable	684,906	703,371
School levies	2,217,958	2,254,881
	<u>\$ 13,851,989</u>	<u>\$ 11,474,117</u>

8. Landfill Closure and Post Closure Liabilities

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

	<u>2018</u>	<u>2017</u>
Estimated closure and post closure costs	\$ 5,953,175	\$ 5,953,175
Discount rate (%)	5.00	5.00
Discounted costs	<u>\$ 1,882,577</u>	<u>\$ 1,792,930</u>
Expected year capacity will be reached	2041	2041
Capacity (tonnes):		
Used to date	2,167,489	2,117,989
Remaining	<u>1,432,660</u>	<u>1,482,160</u>
Total	3,600,149	3,600,149
Percent Utilized	<u>60.21</u>	<u>58.83</u>
Liability Based on Percentage	<u>\$ 1,133,415</u>	<u>\$ 1,054,791</u>

9. Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

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

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

10. Long-Term Debt

	<u>2018</u>	<u>2017</u>
General Authority:		
Aquatics Facility, interest at 3.25%, payable at \$399,356 annually including interest, maturing January 2019.	\$ 386,602	\$ 760,858
Materials Recycling Facility Purchase, interest at 4.00% to 5.00% payable at \$187,641 to \$187,770 annually including interest, maturing December 2023.	816,146	958,783
Keystone Renovations, interest at 4.00% to 5.00%, payable at \$372,787 to \$373,043 annually including interest, maturing December 2023.	1,621,441	1,904,817
Keystone Capital Improvements, interest at 4% payable at \$127,494 annually including interest, maturing August 2022.	462,790	567,581
Fire Hall, interest at 4.92%, payable at \$811,788 annually including interest, maturing January 2030.	7,227,658	7,662,454
Police Station, interest at 4.50%, payable at \$1,068,586 annually including interest, maturing December 2030.	9,743,990	10,346,963
Keystone Roof Project, interest at 3.00%, payable at \$278,111 annually including interest, maturing October 2026.	1,952,250	2,165,399
Development Services Building, interest at 3.00%, payable at \$210,517 annually including interest, maturing October 2026.	1,477,765	1,639,109
Airport Terminal Development, interest at 4.25%, payable at \$417,425 annually including interest, maturing October 2034.	4,775,476	4,981,200
Total Municipal	<u>\$ 28,464,118</u>	<u>\$ 30,987,164</u>
Controlled Entities and Government Partnerships:		
Keystone commercial mortgage, interest at 2.7% semi-annually, payable at \$30,750 annually including interest, maturing September 2023.	\$ 932,009	\$ 1,013,726
	<u>\$ 29,396,127</u>	<u>\$ 32,000,890</u>

10. Long-Term Debt (continued)

Utility Funds:

Water Reclamation Facility, interest at 3.30%, \$ 8,293,109 \$ 8,796,626
payable at \$796,200 annually including interest,
maturing January 2031.

Central Wastewater Treatment Facility 1,779,413 2,090,399
Expansion, interest at 4.00% to 5.00%,
payable at \$409,107 to \$409,387 annually
including interest, maturing December 2023.

Total Utility \$ 10,072,522 \$ 10,887,025

Total Long-Term Debt \$ 39,468,649 \$ 42,887,915

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

2019	\$3,471,343
2020	\$3,211,897
2021	\$3,346,918
2022	\$3,486,968
2023	\$3,508,727

Schedule of Debentures Pending

No pending debentures as at December 31, 2018.

11. Commitments

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

City Council, at its meeting held November 19, 2001, adopted a resolution to pay to the Keystone Centre, for the duration of the ninety-nine year land lease between the Keystone Centre and Canad Inns, an annual grant equal to the municipal portion of taxes collected on the Canad Inns hotel development on the Keystone grounds. Payment made for the 2018 year was \$135,517 (2017 - \$137,197).

City Council, at its meeting held December 5, 2001, adopted a resolution to pay the Keystone Centre, for a ten-year funding commitment, an annual amount of \$250,000 ending in 2011. A further resolution adopted March 31, 2009 extended the annual payments for an additional ten years, ending in 2018.

City Council, at its meeting held June 21, 2004, adopted a resolution to provide a total municipal tax off-setting grant to Canadian Mental Health Association each year for a 20 year period starting in 2004 for its premises at 1202 Rosser Ave. Payment made for the 2018 year was \$21,861 (2017 - \$21,243).

City Council, at its meeting held February 20, 2006, passed By-law No. 6814 to implement a tax abatement program for eligible properties in the downtown district to encourage and assist in the renovation and redevelopment of buildings in downtown Brandon. The City has several properties receiving this tax credit, with expiry dates ranging from 2020 to 2027. Payments made for the 2018 year were \$35,442 (2017 - \$34,376).

City Council, at its meeting held April 10, 2006, adopted a resolution to pay the Keystone Centre for a three-year debt and deficit funding commitment in the annual amount of \$125,000 beginning in 2008 and ending in 2010. A further resolution adopted March 31, 2009 extended the annual payments for an additional ten years, ending in 2018.

City Council, at its meeting held September 8, 2008, passed By-law No. 6893 which provides for financial assistance to Assiniboine Community College equal to the municipal portion of taxes collected on the culinary arts facility for a period of 25 years beginning in 2007 or a maximum of \$20,290,000. The 2018 payment was \$252,180 (2017 - \$262,874).

11. Commitments (continued)

City Council, at its meeting held August 20, 2007, passed By-law No. 6870 which provides for financial assistance for newly constructed affordable multi-family rental units whereby eligible property owners receive a tax credit equal to 50% of the municipal portion of the property taxes for a period of twenty (20) years. The City has several properties receiving this credit, with the 20 year expiry ranging from 2023 to 2035. Payments made for the 2018 year were \$22,890 (2017 - \$19,172).

The City of Brandon, in November 2011, entered into an agreement with the Rural Municipality of Cornwallis, to compensate property owners affected by the City of Brandon annexing certain lands from the RM of Cornwallis. As per the agreement, property taxes for eligible property owners were grandfathered at the RM of Cornwallis annual municipal tax rate for five years, with the increase in municipal taxes to be phased in over a five-year period in increments of 20 per cent each year. The phasing of municipal property taxes expires in 2020. Payments made for the 2018 year were \$6,466 (2017 - \$8,993).

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

City Council, at its meeting held November 20, 2017, passed By-law No. 7192 to implement a tax credit program for eligible properties to promote the rehabilitation and restoration of Municipal Heritage Sites. Under this program, municipal taxes would be eligible for a tax credit for a period of ten (10) years, to a maximum not exceeding 50% of eligible project costs. As of December 31, 2018 one (1) application has been received and granted conditional approval.

12. Contingencies

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

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

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

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

13. Retirement Benefits

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

13. Retirement Benefits (continued)

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling plus 9.0% of additional earnings to a cap of \$161,197, plus an additional .1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the City of Brandon on behalf of its employees amounted to \$3,503,882 (2017 - \$3,416,501) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2017 indicated the plan was 100.8% funded on a going concern basis and had an unfunded solvency liability of \$246.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2017.

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

Some employees of the City of Brandon, who were employed prior to January 1, 1977, participate in pension plans for employees of the City of Brandon as provided under Pension By-laws No. 6678 and 6679, which are both defined benefit pension plans. The actuarial report as of December 31, 2015 indicates a Going Concern surplus of \$109,088 and a solvency / hypothetical wind-up deficiency of \$58,919.

As with MEPP, the City has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by the City. Based on the solvency ratio contained in the actuarial report, the next required actuarial valuation report would be due December 31, 2018.

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

14. Financial Instruments

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

15. Budget

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

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

16. Public Sector Compensation Disclosure

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

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

a) Compensation paid to members of council amounted to \$190,211 in aggregate.

b) Compensation paid to individual members of City Council:

	Compensation	Expense Allowance	Total
Mayor - Chrest, Rick	\$ 58,706	\$ 25,123	\$ 83,829
Councillor - Berry, Shawn	12,947	6,160	19,107
Councillor - Brown, Ronald	12,804	6,160	18,964
Councillor - Cameron, Shaun	1,597	940	2,537
Councillor - Chaboyer, Jan	12,647	6,011	18,658
Councillor - Cullen, Barry	13,137	6,433	19,570
Councillor - Desjarlais, Kris	12,647	6,011	18,658
Councillor - Fawcett, Jeff	16,217	7,566	23,783
Councillor - Harwood, Jeff	11,068	5,120	16,188
Councillor - LoRegio, John	12,947	6,161	19,108
Councillor - Luebke, Bruce	1,595	940	2,535
Councillor - Parker, Glen	12,647	6,011	18,658
Councillor - Patterson, Lonnie	11,252	5,170	16,422
	<u>\$ 190,211</u>	<u>\$ 87,806</u>	<u>\$ 278,017</u>

17. Accumulated Surplus

	<u>2018</u>	<u>2017</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 4,684,648	\$ 5,244,154
Utility operating fund - Nominal deficit	(48,311,047)	(48,269,367)
TCA net of related borrowings	309,620,745	306,047,639
Reserve funds	<u>74,337,381</u>	<u>73,889,827</u>
Accumulated surplus of municipality unconsolidated	<u>\$340,331,727</u>	<u>\$336,912,253</u>
Consolidated entities - Nominal surplus	\$ 289,929	\$ 793,637
TCA net of borrowing of consolidated entities	<u>10,055,214</u>	<u>10,278,010</u>
Accumulated surplus of consolidated entities	<u>10,345,143</u>	<u>11,071,647</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$350,676,870</u>	<u>\$347,983,900</u>

18. Trust Funds

The City of Brandon administers the following trust:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
Community Centre Assistance	<u>\$ 103,601</u>	<u>\$ 136,322</u>	<u>\$ 239,923</u>

19. Segmented Information

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

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

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

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

20. Government Partnerships

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

	<u>2018</u>	<u>2017</u>
Financial Position		
Financial assets	\$ 1,146,590	\$ 1,060,887
Liabilities	<u>2,691,515</u>	<u>2,626,561</u>
Net financial liabilities	(1,544,925)	(1,565,674)
Non-financial assets	<u>11,280,067</u>	<u>11,515,165</u>
Accumulated surplus	<u>\$ 9,735,142</u>	<u>\$ 9,949,491</u>
Result of Operations		
Revenues	\$ 5,029,080	\$ 4,375,241
Expenses	<u>5,243,429</u>	<u>4,907,251</u>
Annual deficit	<u>\$ (214,349)</u>	<u>\$ (532,010)</u>

21. Public Utilities Board

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

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

Water Services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
9th St Reservoir Supply Line	<u>\$ 490,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 470,000</u>

21. Public Utilities Board (continued)

Sewer Services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Combined WWTF Phase II	\$ 11,111,982	\$ -	\$ 516,837	\$ 10,595,145
Lagoon Cell 3A	187,502	-	8,333	179,169
Combined WWTF Phase III	<u>32,639,296</u>	<u>-</u>	<u>894,227</u>	<u>31,745,069</u>
	<u>\$ 43,938,780</u>	<u>\$ -</u>	<u>\$ 1,419,397</u>	<u>\$ 42,519,383</u>

22. Comparative Figures

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

CITY OF BRANDON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
AS AT DECEMBER 31, 2018

SCHEDULE 1

	General Capital Assets					Infrastructure		Totals		
	Land & Land Improvements	Buildings & Leasehold Improvements	Vehicles & Equipment	Hardware & Software	Assets Under Construction	Roads, Streets & Bridges	Water & Sewer	Assets Under Construction	2018	2017
Cost										
Opening Costs	\$ 46,708,415	\$ 91,638,483	\$ 50,390,860	\$ 6,536,345	\$ 569,245	\$175,142,641	\$290,132,393	\$ 65,140	\$661,183,522	\$641,151,194
Additions During the Year	801,862	203,084	3,829,793	654,182	3,317,144	2,188,748	5,640,675	1,638,930	\$ 18,274,418	23,974,736
Classification Transfers	1,236,959	-	1,349,048	-	(2,586,007)	-	-	-	\$ -	-
Disposals and Write Downs	<u>-</u>	<u>-</u>	<u>(1,278,933)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (1,278,933)</u>	<u>(3,942,408)</u>
Closing Costs	<u>\$ 48,747,236</u>	<u>\$ 91,841,567</u>	<u>\$ 54,290,768</u>	<u>\$ 7,190,527</u>	<u>\$ 1,300,382</u>	<u>\$177,331,389</u>	<u>\$295,773,068</u>	<u>\$ 1,704,070</u>	<u>\$678,179,007</u>	<u>\$661,183,522</u>
Accumulated Amortization										
Opening Accum'd Amort.	\$ 7,426,041	\$ 34,165,033	\$ 27,697,651	\$ 3,583,996	\$ -	\$116,580,446	\$112,516,790	\$ -	\$301,969,957	\$287,214,429
Amortization	735,152	2,309,315	4,479,707	630,920	-	3,242,055	6,632,568	-	\$ 18,029,717	17,748,267
Disposals and Write Downs	<u>-</u>	<u>-</u>	<u>(958,972)</u>	<u>(6,303)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (965,275)</u>	<u>(2,992,739)</u>
Closing Accum'd Amort.	<u>\$ 8,161,193</u>	<u>\$ 36,474,348</u>	<u>\$ 31,218,386</u>	<u>\$ 4,208,613</u>	<u>\$ -</u>	<u>\$119,822,501</u>	<u>\$119,149,358</u>	<u>\$ -</u>	<u>\$319,034,399</u>	<u>\$301,969,957</u>
Net Book Value of Tangible Capital Assets	<u>\$ 40,586,043</u>	<u>\$ 55,367,219</u>	<u>\$ 23,072,382</u>	<u>\$ 2,981,914</u>	<u>\$ 1,300,382</u>	<u>\$ 57,508,888</u>	<u>\$176,623,710</u>	<u>\$ 1,704,070</u>	<u>\$359,144,608</u>	<u>\$359,213,565</u>

Water and sewer underground networks contributed to the Municipality totals \$0 (2017 - \$1,412,786) and were capitalized at their fair value at the time of their receipt. Streets and roads infrastructure contributed to the Municipality totals \$0 (2017 - \$425,072) and were capitalized at their fair value at the time of their receipt.

**CITY OF BRANDON
CONSOLIDATED SCHEDULE OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 2

	2018 Budget	2018	2017
Property taxes:			
Municipal taxes levied (Schedule 12)	\$ 40,369,533	\$ 40,369,533	\$ 40,072,451
Taxes added	1,400,000	1,876,459	1,242,795
Penalties and interest	<u>546,055</u>	<u>595,535</u>	<u>546,903</u>
	<u>42,315,588</u>	<u>42,841,527</u>	<u>41,862,149</u>
Grants in lieu of taxation:			
Federal government	348,047	348,047	330,527
Federal government enterprises	-	-	-
Provincial government	1,978,833	1,978,833	1,954,975
Provincial government enterprises	-	-	-
Other municipal governments	-	-	-
Non-government organizations	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,326,880</u>	<u>2,326,880</u>	<u>2,285,502</u>
User fees:			
Parking meters	312,197	296,838	317,803
Sales of service	11,846,425	11,308,865	10,935,711
Sales of goods	761,789	651,771	769,567
Rentals	2,753,109	2,583,377	2,536,624
Development charges	163,892	355,547	254,742
Facility use fees	<u>3,212,776</u>	<u>3,884,502</u>	<u>3,962,798</u>
	<u>19,050,188</u>	<u>19,080,900</u>	<u>18,777,245</u>
Grants - Province of Manitoba:			
Municipal operating grants	8,887,010	8,876,335	8,887,010
Other unconditional grants	-	-	-
Conditional grants	<u>8,049,679</u>	<u>9,038,064</u>	<u>10,506,700</u>
	<u>16,936,689</u>	<u>17,914,399</u>	<u>19,393,710</u>
Grants - Other:			
Federal government - gas tax funding	3,050,089	3,050,089	2,946,816
Federal government - other	224,700	2,165,594	2,562,208
Other municipal governments	<u>1,000,594</u>	<u>1,018,398</u>	<u>497,825</u>
	<u>4,275,383</u>	<u>6,234,081</u>	<u>6,006,849</u>
Permits, licences and fines:			
Permits	1,085,723	855,316	880,943
Licences	1,314,560	1,325,419	1,310,557
Aggregate mining & transportation fees	-	-	-
Fines	<u>644,896</u>	<u>460,021</u>	<u>474,693</u>
	<u>3,045,179</u>	<u>2,640,756</u>	<u>2,666,193</u>
Investment income:			
Cash and temporary investments	2,982	381,071	1,435,989
Marketable securities	-	-	-
Municipal debentures	-	-	-
Other (Accounts Receivable Interest)	<u>64,258</u>	<u>47,189</u>	<u>62,017</u>
	<u>67,240</u>	<u>428,260</u>	<u>1,498,006</u>
Other revenue:			
Gain (loss) on sale of tangible capital assets	430,100	51,935	(294,294)
Gain on sale of real estate held for sale	25,000	(2,300)	37,362
Contributed assets	84,600	121,594	468,589
Miscellaneous	<u>92,173</u>	<u>75,895</u>	<u>32,318</u>
	<u>631,873</u>	<u>247,124</u>	<u>243,975</u>
Water and sewer:			
Municipal utility (Schedule 9)	21,967,956	23,326,126	22,128,548
Consolidated water co-operatives	<u>-</u>	<u>-</u>	<u>-</u>
	<u>21,967,956</u>	<u>23,326,126</u>	<u>22,128,548</u>
Total revenue	<u>\$110,616,976</u>	<u>\$115,040,053</u>	<u>\$114,862,177</u>

**CITY OF BRANDON
CONSOLIDATED SCHEDULE OF EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 3

	2018 Budget	2018	2017
General government services:			
Legislative	\$ 475,431	\$ 450,367	\$ 439,074
General administrative	6,863,702	7,394,789	7,453,692
Other	<u>1,742,794</u>	<u>1,957,683</u>	<u>2,277,770</u>
	<u>9,081,927</u>	<u>9,802,839</u>	<u>10,170,536</u>
Protective services:			
Police	17,104,634	17,134,323	16,597,139
Fire	9,923,085	9,838,702	9,443,359
Emergency measures	3,799,927	3,620,923	3,372,129
Other protection	<u>1,718,744</u>	<u>1,637,067</u>	<u>1,603,577</u>
	<u>32,546,390</u>	<u>32,231,015</u>	<u>31,016,204</u>
Transportation services:			
Road transport			
Administration and engineering	4,103,035	4,258,572	5,729,651
Road and street maintenance	4,980,329	3,064,581	3,832,346
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	683,426	771,342	475,099
Street lighting	1,084,494	956,519	988,548
Other road transport	3,633,355	3,662,773	3,490,714
Air transport	1,942,669	1,947,288	1,386,768
Public transit	<u>5,894,016</u>	<u>5,788,290</u>	<u>5,547,870</u>
	<u>22,321,324</u>	<u>20,449,365</u>	<u>21,450,996</u>
Environmental health services:			
Waste collection and disposal	3,125,873	2,941,875	3,633,010
Recycling	2,215,491	2,067,525	2,056,932
Other	-	-	-
	<u>5,341,364</u>	<u>5,009,400</u>	<u>5,689,942</u>
Public health and welfare services:			
Public health	503,012	422,395	440,385
Medical care	-	-	-
Hospital care	-	-	-
Social assistance	<u>267,032</u>	<u>267,032</u>	<u>267,032</u>
	<u>770,044</u>	<u>689,427</u>	<u>707,417</u>
Regional planning and development:			
Planning and zoning	1,091,815	870,275	882,925
Urban renewal	1,004,792	1,047,597	1,558,346
Beautification and land rehabilitation	-	-	-
Urban area weed control	427,075	392,143	458,604
Other	<u>711,929</u>	<u>610,635</u>	<u>570,430</u>
	<u>3,235,611</u>	<u>2,920,650</u>	<u>3,470,305</u>
Resource conservation and industrial development:			
Rural area weed control	-	-	-
Drainage of land	-	-	-
Veterinary services	-	-	-
Water resources and conservation	-	-	-
Regional development	589,528	426,833	442,950
Industrial development	-	-	-
Tourism	1,664,339	1,950,920	932,347
Other	-	-	-
	<u>2,253,867</u>	<u>2,377,753</u>	<u>1,375,297</u>

**THE CITY OF BRANDON
CONSOLIDATED SCHEDULE OF EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 3

Recreation and cultural services:

Administration	1,289,909	1,161,878	1,152,513
Community centres and halls	155,000	175,584	49,395
Swimming pools and beaches	345,632	325,493	325,343
Golf courses	710,774	750,364	716,845
Skating and curling rinks	22,400	10,027	11,188
Parks and playgrounds	2,430,786	2,643,560	2,609,891
Other recreational facilities	7,455,162	8,088,415	7,963,824
Museums	69,191	71,284	127,095
Libraries	1,987,071	1,321,740	1,227,159
Other cultural facilities	<u>763,215</u>	<u>837,056</u>	<u>789,024</u>
	<u>15,229,140</u>	<u>15,385,401</u>	<u>14,972,277</u>

Water and sewer

Municipal utility (Schedule 9)	24,460,854	23,481,233	24,663,633
Consolidated water co-operatives	<u>-</u>	<u>-</u>	<u>-</u>
	<u>24,460,854</u>	<u>23,481,233</u>	<u>24,663,633</u>

Total expenses \$115,240,521 \$112,347,083 \$113,516,607

**CITY OF BRANDON
CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUES								
Property taxes	\$ 42,841,527	\$ 41,862,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	2,326,880	2,285,502	-	-	-	-	-	-
User fees	425,590	244,517	6,051,593	5,810,611	2,234,446	2,162,930	2,722,964	3,290,368
Province of MB - Unconditional	8,876,335	8,887,010	-	-	-	-	-	-
Province of MB - Conditional	408,143	11,736	3,176,252	3,286,113	3,082,327	4,839,525	1,409,425	1,268,108
Grants - Other	113,904	177,991	-	-	5,167,145	5,481,341	6,723	7,930
Permits, licences and fines	1,313,239	1,297,776	472,201	487,475	14,100	17,355	-	-
Investment income	411,020	1,484,158	-	-	-	-	-	-
Other revenue	39,468	1,600	10,335	7,565	47,293	110,988	7,512	9,533
Water and sewer	-	-	-	-	-	-	-	-
Total revenue (Schedules 2, 5)	<u>56,756,106</u>	<u>56,252,439</u>	<u>9,710,381</u>	<u>9,591,764</u>	<u>10,545,311</u>	<u>12,612,139</u>	<u>4,146,624</u>	<u>4,575,939</u>
EXPENSES								
Personnel services	4,978,754	5,035,959	26,786,530	25,849,482	8,478,126	8,667,962	1,648,722	1,827,846
Contract services	2,048,002	2,391,322	1,092,429	1,041,565	4,154,332	4,969,522	740,443	1,170,536
Utilities	138,270	192,511	568,048	524,285	1,110,012	1,099,757	75,344	82,393
Maintenance materials and supplies	180,422	157,115	595,006	480,768	2,512,576	2,590,286	347,148	347,107
Grants and contributions	490,638	958,060	25,546	30,692	-	-	-	-
Amortization	691,566	635,948	1,082,623	1,104,903	7,598,813	7,559,414	138,402	142,449
Interest on long-term debt	-	-	820,736	868,107	245,527	-	47,413	52,902
Other	1,275,187	799,621	1,260,097	1,116,402	(3,650,021)	(3,435,945)	2,011,928	2,066,709
Total expenses (Schedules 3, 5)	<u>9,802,839</u>	<u>10,170,536</u>	<u>32,231,015</u>	<u>31,016,204</u>	<u>20,449,365</u>	<u>21,450,996</u>	<u>5,009,400</u>	<u>5,689,942</u>
SURPLUS (DEFICIT)	<u>\$ 46,953,267</u>	<u>\$ 46,081,903</u>	<u>\$ (22,520,634)</u>	<u>\$ (21,424,440)</u>	<u>\$ (9,904,054)</u>	<u>\$ (8,838,857)</u>	<u>\$ (862,776)</u>	<u>\$ (1,114,003)</u>

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

**CITY OF BRANDON
CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 4

	Public Health and Welfare Services		Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	-	-	-	-	-	-	-	-
User fees	343,064	299,525	1,107,053	999,702	33,128	3,296	6,163,062	5,966,296
Province of MB - Unconditional	-	-	-	-	-	-	-	-
Province of MB - Conditional	-	-	72,732	266,322	-	-	889,185	834,896
Grants - Other	-	-	34,573	18,424	20,000	-	891,736	321,163
Permits, licences and fines	-	-	841,216	863,587	-	-	-	-
Investment income	-	-	12,709	10,984	-	-	4,531	2,864
Other revenue	-	-	28,115	52,682	-	-	114,401	61,607
Water and sewer	-	-	-	-	-	-	-	-
Total revenue (Schedules 2, 5)	<u>343,064</u>	<u>299,525</u>	<u>2,096,398</u>	<u>2,211,701</u>	<u>53,128</u>	<u>3,296</u>	<u>8,062,915</u>	<u>7,186,826</u>
EXPENSES								
Personnel services	253,377	259,705	1,298,481	1,411,155	299,666	297,507	6,668,633	6,313,726
Contract services	284,572	297,005	629,126	574,581	64,753	58,776	1,193,006	1,349,559
Utilities	13,515	17,126	81,576	78,099	1,606	2,085	1,079,487	993,358
Maintenance materials and supplies	34,615	33,729	35,688	39,036	6,601	6,419	1,926,004	2,069,533
Grants and contributions	-	-	(205,189)	106,984	1,950,920	932,348	1,252,496	1,217,960
Amortization	23,015	23,015	156	209	-	-	1,862,573	1,838,059
Interest on long-term debt	-	-	48,366	62,068	-	-	223,511	267,942
Other	80,333	76,837	1,032,446	1,198,173	54,207	78,162	1,179,691	922,140
Total expenses (Schedules 3, 5)	<u>\$ 689,427</u>	<u>\$ 707,417</u>	<u>\$ 2,920,650</u>	<u>\$ 3,470,305</u>	<u>\$ 2,377,753</u>	<u>\$ 1,375,297</u>	<u>\$ 15,385,401</u>	<u>\$ 14,972,277</u>
SURPLUS (DEFICIT)	<u>\$ (346,363)</u>	<u>\$ (407,892)</u>	<u>\$ (824,252)</u>	<u>\$ (1,258,604)</u>	<u>\$ (2,324,625)</u>	<u>\$ (1,372,001)</u>	<u>\$ (7,322,486)</u>	<u>\$ (7,785,451)</u>

**CITY OF BRANDON
CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 4

	Water and Sewer Services		Total	
	2018	2017	2018	2017
REVENUES				
Property taxes	\$ -	\$ -	\$ 42,841,527	\$ 41,862,149
Grants in lieu of taxation	-	-	2,326,880	2,285,502
User fees	-	-	19,080,900	18,777,245
Province of MB - Unconditional	-	-	8,876,335	8,887,010
Province of MB - Conditional	-	-	9,038,064	10,506,700
Grants - Other	-	-	6,234,081	6,006,849
Permits, licences and fines	-	-	2,640,756	2,666,193
Investment income	-	-	428,260	1,498,006
Other revenue	-	-	247,124	243,975
Water and sewer	<u>23,326,126</u>	<u>22,128,548</u>	<u>23,326,126</u>	<u>22,128,548</u>
Total revenue (Schedules 2, 5)	<u>23,326,126</u>	<u>22,128,548</u>	<u>115,040,053</u>	<u>114,862,177</u>
EXPENSES				
Personnel services	6,838,957	6,493,277	57,251,246	56,156,619
Contract services	2,446,413	4,342,287	12,653,076	16,195,153
Utilities	1,614,687	1,605,214	4,682,545	4,594,828
Maintenance materials and supplies	4,536,339	4,107,525	10,174,399	9,831,518
Grants and contributions	-	-	3,514,411	3,246,044
Amortization	6,632,568	6,444,270	18,029,716	17,748,267
Interest on long-term debt	380,366	409,356	1,765,919	1,660,375
Other	<u>1,031,903</u>	<u>1,261,704</u>	<u>4,275,771</u>	<u>4,083,803</u>
Total expenses (Schedules 3, 5)	<u>\$ 23,481,233</u>	<u>\$ 24,663,633</u>	<u>\$ 112,347,083</u>	<u>\$ 113,516,607</u>
SURPLUS (DEFICIT)	<u>\$ (155,107)</u>	<u>\$ (2,535,085)</u>	<u>\$ 2,692,970</u>	<u>\$ 1,345,570</u>

**CITY OF BRANDON
CONSOLIDATED SCHEDULE OF DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUES								
Property taxes	\$ 42,841,527	\$ 41,862,149	\$ -	\$ -	\$ -	\$ -	\$ 42,841,527	\$ 41,862,149
Grants in lieu of taxation	2,326,880	2,285,502	-	-	-	-	2,326,880	2,285,502
User fees	15,616,166	15,343,745	8,648	12,555	3,456,086	3,420,945	19,080,900	18,777,245
Province of MB - Unconditional	8,876,335	8,887,010	-	-	-	-	8,876,335	8,887,010
Province of MB - Conditional	8,342,626	9,687,958	52,732	196,322	642,706	622,420	9,038,064	10,506,700
Other	5,323,320	5,689,945	4,500	-	906,261	316,904	6,234,081	6,006,849
Permits, licences and fines	2,630,310	2,655,604	-	-	10,446	10,589	2,640,756	2,666,193
Investment income	411,020	1,484,158	11,303	10,078	5,937	3,770	428,260	1,498,006
Other revenue	239,481	243,362	-	-	7,643	613	247,124	243,975
Water and sewer	<u>23,326,126</u>	<u>22,128,548</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,326,126</u>	<u>22,128,548</u>
Total revenue	<u>109,933,791</u>	<u>110,267,981</u>	<u>77,183</u>	<u>218,955</u>	<u>5,029,079</u>	<u>4,375,241</u>	<u>115,040,053</u>	<u>114,862,177</u>
EXPENSES								
Personnel services	54,595,166	53,605,271	-	78,776	2,656,080	2,472,572	57,251,246	56,156,619
Contract services	12,268,394	15,757,484	14,991	14,116	369,691	423,553	12,653,076	16,195,153
Utilities	4,257,111	4,236,830	-	-	425,434	357,998	4,682,545	4,594,828
Maintenance materials and supplies	8,918,197	8,509,874	-	-	1,256,202	1,321,644	10,174,399	9,831,518
Grants and contributions	4,832,453	4,495,427	(285,276)	(244,062)	(1,032,766)	(1,005,321)	3,514,411	3,246,044
Amortization	16,994,458	16,683,686	-	-	1,035,258	1,064,581	18,029,716	17,748,267
Interest on long-term debt	1,735,447	1,630,879	-	-	30,472	29,496	1,765,919	1,660,375
Other	<u>2,913,095</u>	<u>2,817,738</u>	<u>859,619</u>	<u>1,023,337</u>	<u>503,057</u>	<u>242,728</u>	<u>4,275,771</u>	<u>4,083,803</u>
Total expenses	<u>106,514,321</u>	<u>107,737,189</u>	<u>589,334</u>	<u>872,167</u>	<u>5,243,428</u>	<u>4,907,251</u>	<u>112,347,083</u>	<u>113,516,607</u>
SURPLUS (DEFICIT)	<u>\$ 3,419,470</u>	<u>\$ 2,530,792</u>	<u>\$ (512,151)</u>	<u>\$ (653,212)</u>	<u>\$ (214,349)</u>	<u>\$ (532,010)</u>	<u>\$ 2,692,970</u>	<u>\$ 1,345,570</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018							
	Accommodation Tax	Affordable Housing	Airport Improvement	Ambulance	Andrews Field	A.R McDiarmid Building	Brandon Municipal Airport	Capital Development
REVENUE								
Investment Income	\$ 4,649	\$ 4,130	\$ 2,767	\$ 2,063	\$ 443	\$ 112	\$ 7,271	\$ 17,165
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>4,649</u>	<u>4,130</u>	<u>2,767</u>	<u>2,063</u>	<u>443</u>	<u>112</u>	<u>7,271</u>	<u>17,165</u>
EXPENSES								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>4,649</u>	<u>4,130</u>	<u>2,767</u>	<u>2,063</u>	<u>443</u>	<u>112</u>	<u>7,271</u>	<u>17,165</u>
TRANSFERS								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	622,499	250,000	203,917	-	-	44,000	55,321	251,920
Transfers to Operating Fund	(1,106,299)	(22,900)	(260,357)	(28,151)	-	-	(41,761)	(219,478)
Transfers between Reserves	-	-	249,797	-	-	-	(249,797)	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN RESERVE FUND BALANCE	<u>(479,151)</u>	<u>231,230</u>	<u>196,124</u>	<u>(26,088)</u>	<u>443</u>	<u>44,112</u>	<u>(228,966)</u>	<u>49,607</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>1,545,349</u>	<u>717,032</u>	<u>482,271</u>	<u>452,072</u>	<u>91,072</u>	<u>-</u>	<u>1,551,246</u>	<u>3,436,939</u>
FUND SURPLUS, END OF YEAR	<u>\$ 1,066,198</u>	<u>\$ 948,262</u>	<u>\$ 678,395</u>	<u>\$ 425,984</u>	<u>\$ 91,515</u>	<u>\$ 44,112</u>	<u>\$ 1,322,280</u>	<u>\$ 3,486,546</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018							
	Centennial Auditorium	Civic Services Complex	Clare Ave Extension	Cumulative Benefits	Disposal Site (Sanitation)	Diking & Flood Control	E-911 Equipment	Elections
REVENUE								
Investment Income	\$ 2,361	\$ 1,248	\$ 1,430	\$ 1,192	\$ 8,111	\$ 7,082	\$ 2,247	\$ 953
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>2,361</u>	<u>1,248</u>	<u>1,430</u>	<u>1,192</u>	<u>8,111</u>	<u>7,082</u>	<u>2,247</u>	<u>953</u>
EXPENSES								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>2,361</u>	<u>1,248</u>	<u>1,430</u>	<u>1,192</u>	<u>8,111</u>	<u>7,082</u>	<u>2,247</u>	<u>953</u>
TRANSFERS								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	50,000	75,000	-	-	532,233	615,036	50,000	15,000
Transfers to Operating Fund	(33,162)	(11,154)	-	(62,370)	(203,868)	(615,755)	(174,361)	(87,279)
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN RESERVE FUND BALANCE	<u>19,199</u>	<u>65,094</u>	<u>1,430</u>	<u>(61,178)</u>	<u>336,476</u>	<u>6,363</u>	<u>(122,114)</u>	<u>(71,326)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>442,442</u>	<u>179,434</u>	<u>293,958</u>	<u>284,515</u>	<u>1,285,419</u>	<u>1,577,048</u>	<u>561,101</u>	<u>199,673</u>
FUND SURPLUS, END OF YEAR	<u>\$ 461,641</u>	<u>\$ 244,528</u>	<u>\$ 295,388</u>	<u>\$ 223,337</u>	<u>\$ 1,621,895</u>	<u>\$ 1,583,411</u>	<u>\$ 438,987</u>	<u>\$ 128,347</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018							
	Fire Fighting Equipment	Fire Vehicles	Gas Tax	General	Highway Signage	Land Acquisition	Landfill Closure	Large Events Acquisition
REVENUE								
Investment Income	\$ 4,979	\$ 7,684	\$ 13,580	\$ 3,824	\$ 148	\$ 546	\$ 1,823	\$ 464
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>4,979</u>	<u>7,684</u>	<u>13,580</u>	<u>3,824</u>	<u>148</u>	<u>546</u>	<u>1,823</u>	<u>464</u>
EXPENSES								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>4,979</u>	<u>7,684</u>	<u>13,580</u>	<u>3,824</u>	<u>148</u>	<u>546</u>	<u>1,823</u>	<u>464</u>
TRANSFERS								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	-	254,693	2,606,035	-	10,000	100,000	124,215	109,853
Transfers to Operating Fund	(38,661)	-	(2,361,425)	-	-	-	-	(177,000)
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN RESERVE FUND BALANCE	<u>(33,682)</u>	<u>262,377</u>	<u>258,190</u>	<u>3,824</u>	<u>10,148</u>	<u>100,546</u>	<u>126,038</u>	<u>(66,683)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>1,038,584</u>	<u>1,324,932</u>	<u>2,191,533</u>	<u>786,166</u>	<u>20,361</u>	<u>112,332</u>	<u>302,293</u>	<u>195,205</u>
FUND SURPLUS, END OF YEAR	<u>\$ 1,004,902</u>	<u>\$ 1,587,309</u>	<u>\$ 2,449,723</u>	<u>\$ 789,990</u>	<u>\$ 30,509</u>	<u>\$ 212,878</u>	<u>\$ 428,331</u>	<u>\$ 128,522</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018							
	Library / Arts Building	Machinery & Equipment	Municipal Building	Municipal Building Maintenance	Office Equipment	Parks	Perpetual Care	Police Equipment
REVENUE								
Investment Income	\$ 1,846	\$ 22,497	\$ 646	\$ 1,121	\$ 391	\$ 9,443	\$ 4,110	\$ 6,885
Other Income	-	-	-	-	-	-	-	-
Total Revenue	<u>1,846</u>	<u>22,497</u>	<u>646</u>	<u>1,121</u>	<u>391</u>	<u>9,443</u>	<u>4,110</u>	<u>6,885</u>
EXPENSES								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>1,846</u>	<u>22,497</u>	<u>646</u>	<u>1,121</u>	<u>391</u>	<u>9,443</u>	<u>4,110</u>	<u>6,885</u>
TRANSFERS								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	50,000	3,008,095	47,621	50,000	-	911,385	68,536	325,000
Transfers to Operating Fund	(30,853)	(1,336,526)	-	(70,061)	(417,710)	(839,501)	(25,000)	(375,899)
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCE	<u>20,993</u>	<u>1,694,066</u>	<u>48,267</u>	<u>(18,940)</u>	<u>(417,319)</u>	<u>81,327</u>	<u>47,646</u>	<u>(44,014)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>357,658</u>	<u>2,620,388</u>	<u>85,156</u>	<u>214,683</u>	<u>484,263</u>	<u>1,583,860</u>	<u>828,180</u>	<u>1,268,536</u>
FUND SURPLUS, END OF YEAR	<u>\$ 378,651</u>	<u>\$ 4,314,454</u>	<u>\$ 133,423</u>	<u>\$ 195,743</u>	<u>\$ 66,944</u>	<u>\$ 1,665,187</u>	<u>\$ 875,826</u>	<u>\$ 1,224,522</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018							
	Police Vehicles	Professional Fees	Protective Services Building	Recreation Centre	Snow Clearing	Sportsplex	Storm Sewer	Technology
REVENUE								
Investment Income	\$ 4,607	\$ 494	\$ 4,450	\$ 1,684	\$ 1,175	\$ 3,569	\$ 20,027	\$ 4,326
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>4,607</u>	<u>494</u>	<u>4,450</u>	<u>1,684</u>	<u>1,175</u>	<u>3,569</u>	<u>20,027</u>	<u>4,326</u>
EXPENSES								
Investment Charges	-	-	-	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>4,607</u>	<u>494</u>	<u>4,450</u>	<u>1,684</u>	<u>1,175</u>	<u>3,569</u>	<u>20,027</u>	<u>4,326</u>
TRANSFERS								
Debt Repayments	-	-	-	-	-	-	-	-
Transfers from Operating Fund	389,229	-	-	200,000	-	287,037	633,260	377,628
Transfers to Operating Fund	(487,565)	(106,052)	-	(180,122)	(50,000)	(120,810)	(1,041,039)	(136,468)
Transfers between Reserves	-	-	-	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN RESERVE FUND BALANCE	<u>(93,729)</u>	<u>(105,558)</u>	<u>4,450</u>	<u>21,562</u>	<u>(48,825)</u>	<u>169,796</u>	<u>(387,752)</u>	<u>245,486</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>820,218</u>	<u>172,974</u>	<u>914,694</u>	<u>267,528</u>	<u>291,582</u>	<u>568,164</u>	<u>4,027,181</u>	<u>806,180</u>
FUND SURPLUS, END OF YEAR	<u>\$ 726,489</u>	<u>\$ 67,416</u>	<u>\$ 919,144</u>	<u>\$ 289,090</u>	<u>\$ 242,757</u>	<u>\$ 737,960</u>	<u>\$ 3,639,429</u>	<u>\$ 1,051,666</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018				
	Traffic Control Devices	Transit Funding	Transit System Equipment	26th Street South of Maryland	8th Street Bridge
REVENUE					
Investment Income	\$ 1,253	\$ 4,760	\$ 1,172	\$ 788	\$ 8,171
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>1,253</u>	<u>4,760</u>	<u>1,172</u>	<u>788</u>	<u>8,171</u>
EXPENSES					
Investment Charges	-	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>1,253</u>	<u>4,760</u>	<u>1,172</u>	<u>788</u>	<u>8,171</u>
TRANSFERS					
Debt Repayments	-	-	-	-	-
Transfers from Operating Fund	-	444,054	2,006,554	-	-
Transfers to Operating Fund	(50,000)	(189,480)	(2,436,725)	-	(65,885)
Transfers between Reserves	-	-	-	-	-
Transfers to Utility Fund	-	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN RESERVE FUND BALANCE	<u>(48,747)</u>	<u>259,334</u>	<u>(428,999)</u>	<u>788</u>	<u>(57,714)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>307,545</u>	<u>897,521</u>	<u>828,556</u>	<u>161,914</u>	<u>1,707,204</u>
FUND SURPLUS, END OF YEAR	<u>\$ 258,798</u>	<u>\$ 1,156,855</u>	<u>\$ 399,557</u>	<u>\$ 162,702</u>	<u>\$ 1,649,490</u>

**CITY OF BRANDON
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 6

	2018		Total	2017 Total
	Water Distribution	Wastewater Distribution		
REVENUE				
Investment Income	\$ 95,067	\$ 80,380	\$ 375,134	\$ 1,436,569
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>95,067</u>	<u>80,380</u>	<u>375,134</u>	<u>1,436,569</u>
EXPENSES				
Investment Charges	-	-	-	-
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>95,067</u>	<u>80,380</u>	<u>375,134</u>	<u>1,436,569</u>
TRANSFERS				
Debt Repayments	-	-	-	-
Transfers from Utility/Operating Fund	4,641,077	1,220,129	20,629,327	19,489,694
Transfers to Utility/Operating Fund	(5,192,766)	(1,960,464)	(20,556,907)	(24,820,026)
Transfers between Reserves	-	-	-	-
Transfers to Operating Fund	-	-	-	-
Acquisition of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN RESERVE FUND BALANCE	<u>(456,622)</u>	<u>(659,955)</u>	<u>447,554</u>	<u>(3,893,763)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>18,948,738</u>	<u>16,656,127</u>	<u>73,889,827</u>	<u>77,783,590</u>
FUND SURPLUS, END OF YEAR	<u>\$ 18,492,116</u>	<u>\$ 15,996,172</u>	<u>\$ 74,337,381</u>	<u>\$ 73,889,827</u>

**CITY OF BRANDON
SCHEDULE OF L.U.D. OPERATIONS - NONE
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 7

	2018 Budget	2018	2017
REVENUES			
Taxation	\$ -	\$ -	\$ -
Other revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES			
General government:			
Indemnities	-	-	-
Transportation services:			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health:			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development:			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services:			
Community centres and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES (EXPENSES)	-	-	-
TRANSFERS			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN L.U.D. BALANCES	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
UNEXPENDED BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
UNEXPENDED BALANCE, END OF YEAR	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**CITY OF BRANDON
SCHEDULE OF FINANCIAL POSITION FOR UTILITY
AS AT DECEMBER 31, 2018**

SCHEDULE 8

	2018	2017
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	6,021,719	5,388,111
Portfolio investments	-	-
Loans and advances	-	-
Real estate properties held for sale	-	-
Due from other funds	-	-
	<u>6,021,719</u>	<u>5,388,111</u>
LIABILITIES		
Accounts payable & accrued liabilities	252,936	268,627
Severance and vested sick leave payable	-	-
Unearned revenue	-	-
Landfill closure & post closure liabilities	-	-
Liability for remediation of contaminated site(s)	-	-
Long-term debt (Note 10)	10,072,522	10,887,025
Obligations under capital lease	-	-
Due to other funds	<u>54,783,133</u>	<u>54,192,425</u>
	<u>65,108,591</u>	<u>65,348,077</u>
NET FINANCIAL DEBT	<u>(59,086,872)</u>	<u>(59,959,966)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	178,327,780	177,680,743
Inventories	424,105	503,430
Prepaid expenses	<u>26,262</u>	<u>31,514</u>
	<u>178,778,147</u>	<u>178,215,687</u>
FUND SURPLUS	<u>\$119,691,275</u>	<u>\$118,255,721</u>

**CITY OF BRANDON
SCHEDULE OF UTILITY OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 9

	2018 Budget	2018	2017
REVENUES			
Water			
Water fees	\$ 10,668,237	\$ 10,908,308	\$ 10,373,110
Bulk water fees	<u>66,353</u>	<u>83,638</u>	<u>84,707</u>
Sub-total - Water	10,734,590	10,991,946	10,457,817
Sewer			
Sewer fees	7,579,012	7,813,042	6,188,930
Lagoon tipping fees	<u>105,000</u>	<u>118,302</u>	<u>94,418</u>
Sub-total - Sewer	7,684,012	7,931,344	6,283,348
Property Taxes			
	-	-	-
Government transfers			
Capital funding - government transfers	-	771,360	57,856
Capital funding - other organizations	<u>-</u>	<u>28,394</u>	<u>145,200</u>
Sub-total - Government transfers	-	799,754	203,056
Other			
Hydrant rentals	268,400	254,000	258,405
Connection charges	986,170	997,065	992,871
Penalties	96,784	96,974	103,337
Installation service			
Contributed tangible capital assets	-	-	1,412,786
Investment income	-	-	-
Administration fees			
Gain on sale of tangible capital assets	-	10,000	-
Other income	<u>2,198,000</u>	<u>2,245,043</u>	<u>2,416,928</u>
Sub-total - Other	<u>3,549,354</u>	<u>3,603,082</u>	<u>5,184,327</u>
Total revenue	<u>21,967,956</u>	<u>23,326,126</u>	<u>22,128,548</u>
EXPENSES			
General			
Administration	3,711,023	3,363,664	4,795,054
Overhead, billing and collection	<u>850,211</u>	<u>823,240</u>	<u>743,373</u>
Sub-total - General	4,561,234	4,186,904	5,538,427
Water			
Purification	5,045,647	5,194,914	4,599,338
Transmission and distribution	534,318	497,640	566,923
Training costs	99,689	80,729	86,744
Utilities (telephone, electricity, etc.)	574,969	545,208	527,827
Connection costs	<u>271,340</u>	<u>162,701</u>	<u>210,781</u>
Sub-total - Water	6,525,963	6,481,192	5,991,613
Water Amortization & Interest			
Amortization	2,523,779	2,523,779	2,436,418
Interest on long-term debt	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total - Water Amortization & Interest	2,523,779	2,523,779	2,436,418
Sewer			
Collection system costs	476,012	439,590	397,865
Treatment and disposal costs	4,609,607	4,237,395	4,747,784
Lift stations costs	67,000	17,750	21,608
Training costs	66,000	21,549	20,022
Utilities (telephone, electricity, etc.)	<u>1,142,104</u>	<u>1,083,655</u>	<u>1,092,688</u>
Sub-total - Sewer	6,360,723	5,799,939	6,279,967
Sewage Amortization & Interest			
Amortization	4,108,789	4,108,789	4,007,852
Interest on long-term debt	<u>380,366</u>	<u>380,630</u>	<u>409,356</u>
Sub-total - Sewer Amortization & Interest	<u>4,489,155</u>	<u>4,489,419</u>	<u>4,417,208</u>
Total expenses	<u>24,460,854</u>	<u>23,481,233</u>	<u>24,663,633</u>
NET DEFICIT	(2,492,898)	(155,107)	(2,535,085)

**CITY OF BRANDON
 SCHEDULE OF UTILITY OPERATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 9

TRANSFERS			
Transfers from reserve funds	195,000	7,451,867	5,491,188
Transfers to reserve funds	<u>(3,504,476)</u>	<u>(5,861,206)</u>	<u>(3,433,557)</u>
CHANGE IN UTILITY FUND BALANCE	<u>(5,802,374)</u>	<u>1,435,554</u>	<u>(477,454)</u>
FUND BALANCE, BEGINNING OF YEAR	<u>118,255,721</u>	<u>118,255,721</u>	<u>118,733,175</u>
FUND BALANCE, END OF YEAR	<u>\$112,453,347</u>	<u>\$119,691,275</u>	<u>\$118,255,721</u>

**CITY OF BRANDON
RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 10

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property Taxes	\$ 42,315,588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,315,588
Grants in Lieu of Taxation	2,326,880	-	-	-	-	-	-	2,326,880
User Fees	15,585,454	-	-	-	-	-	3,464,734	19,050,188
Grants - Province of Manitoba	16,241,251	-	-	-	-	-	695,438	16,936,689
Grants - Other	3,364,622	-	-	-	-	-	910,761	4,275,383
Permits, Licences and Fines	3,034,733	-	-	-	-	-	10,446	3,045,179
Investment Income	50,000	-	-	-	-	-	17,240	67,240
Other Revenue	624,230	-	-	-	-	-	7,643	631,873
Water and Sewer	-	21,967,956	-	-	-	-	-	21,967,956
Transfers from Accumulated Surplus	-	-	-	-	-	-	-	-
Transfers from Reserves	4,818,233	195,000	-	-	(5,013,233)	-	-	-
TOTAL REVENUE	<u>88,360,991</u>	<u>22,162,956</u>	<u>-</u>	<u>-</u>	<u>(5,013,233)</u>	<u>-</u>	<u>5,106,262</u>	<u>110,616,976</u>
EXPENSES								
General Government Services	8,218,714	-	691,566	-	171,647	-	-	9,081,927
Protective Services	30,643,031	-	1,082,623	820,736	-	-	-	32,546,390
Transportation Services	14,476,984	-	7,598,813	245,527	-	-	-	22,321,324
Environmental Services	5,076,925	-	138,402	47,413	-	78,624	-	5,341,364
Public Health and Welfare Services	747,029	-	23,015	-	-	-	-	770,044
Regional Planning and Development	2,547,326	-	-	48,366	-	-	639,919	3,235,611
Resource Cons and Industrial Development	2,253,867	-	-	-	-	-	-	2,253,867
Recreation and Cultural Services	9,015,787	-	827,471	193,039	-	-	5,192,843	15,229,140
Water and Sewer Services	-	17,447,920	6,632,568	380,366	-	-	-	24,460,854
Fiscal Services:								
Transfer to Utility	-	-	-	-	-	-	-	-
Transfer to Capital	340,000	-	-	-	(340,000)	-	-	-
Debt Charges, Principal	3,880,900	1,210,560	-	(5,091,460)	-	-	-	-
Short Term Interest	165,807	-	-	-	(165,807)	-	-	-
Transfer to Reserves	10,988,781	3,504,476	-	-	(14,493,257)	-	-	-
Allowance for Tax Assets	5,840	-	-	-	(5,840)	-	-	-
TOTAL EXPENSES	<u>88,360,991</u>	<u>22,162,956</u>	<u>16,994,458</u>	<u>(3,356,013)</u>	<u>(14,833,257)</u>	<u>78,624</u>	<u>5,832,762</u>	<u>115,240,521</u>
SURPLUS (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,994,458)</u>	<u>\$ 3,356,013</u>	<u>\$ 9,820,024</u>	<u>\$ (78,624)</u>	<u>\$ (726,500)</u>	<u>\$ (4,623,545)</u>

**CITY OF BRANDON
ANALYSIS OF TAXES ON ROLL
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 11

	2018	2017
Balance, Beginning of Year	\$ <u>3,634,165</u>	\$ <u>3,200,826</u>
Add:		
Tax Levy (Schedule 12)	85,312,760	84,149,453
Taxed Added	1,876,459	1,268,079
Penalties or Interest	595,535	546,903
Other Accounts Added	459,414	560,022
Tax Adjustments (Specify)	-	-
Difference Between Levy & Financial Plan	-	-
Sub-total	<u>88,244,168</u>	<u>86,524,457</u>
Deduct:		
Cash Collections - Current	77,209,772	75,708,489
Cash Collections - Arrears	2,821,736	2,759,367
Writeoffs	259,613	167,405
Title Value of Land Sales	-	-
Title Value of Tax Titles Acquired	-	-
Tax Discounts	165,188	151,193
E.P.T.C. - Cash Advance	7,046,395	6,953,875
Other Credits (Tax Offsetting Grants)	351,275	350,789
Sub-total	<u>87,853,979</u>	<u>86,091,118</u>
Balance, End of Year	\$ <u>4,024,354</u>	\$ <u>3,634,165</u>

**CITY OF BRANDON
ANALYSIS OF TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 12

	<u>2018</u>		<u>2017</u>	
	Assessment	Mill Rate	Levy	Levy
Debt Charges:				
Frontage	-	-	\$ -	\$ 89,233
L.I.D.	2,824,011,610	0.636	1,796,071	1,796,669
Other (At Large)	2,560,022,820	0.739	1,891,857	1,499,042
Deferred Surplus				
Reserves:				
Various	2,560,022,820	2.665	6,822,461	6,433,075
General Municipal	2,560,022,820	11.535	29,529,863	29,920,577
Special Levies:				
Department of Rural Development	2,560,022,820	0.274	701,446	703,068
School Portion - Mobile Home Revenue	-	-	(488,895)	(489,021)
Business Tax (Rate %)	11,673,000	1.000	<u>116,730</u>	<u>119,808</u>
Total Municipal Taxes ***			<u>40,369,533</u>	<u>40,072,451</u>
Education Support Levy	690,021,630	9.770	6,741,511	6,935,807
Special Levy:				
Brandon School Division	2,506,168,310	15.048	37,712,821	36,652,174
Mobile Home Revenue	-	-	<u>488,895</u>	<u>489,021</u>
Total Education Taxes			<u>44,943,227</u>	<u>44,077,002</u>
Total Tax Levy (Schedule 11)			<u>\$ 85,312,760</u>	<u>\$ 84,149,453</u>
*** Total Municipal Taxes Comprised of				
General Municipal (Schedule 2)			\$ 40,369,533	\$ 40,072,451
Utility Debenture Debt Servicing (Schedule 9)			<u>-</u>	<u>-</u>
			\$ 40,369,533	\$ 40,072,451

**CITY OF BRANDON
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 13

	2018 Actual	2017 Actual
General government services:		
Legislative	\$ 450,367	\$ 439,074
General administrative	7,394,789	7,453,692
Other	<u>1,957,683</u>	<u>2,277,770</u>
	<u>9,802,839</u>	<u>10,170,536</u>
Protective services:		
Police	17,134,323	16,597,139
Fire	9,838,702	9,443,359
Emergency measures	3,620,923	3,372,129
Other	<u>1,637,067</u>	<u>1,603,577</u>
	<u>32,231,015</u>	<u>31,016,204</u>
Transportation services:		
Administration	4,258,572	5,729,651
Road and street maintenance	3,064,581	3,832,346
Bridge maintenance	-	-
Sidewalk maintenance	771,342	475,099
Street lighting	956,519	988,548
Other	3,662,773	3,490,714
Air transport	1,947,288	1,386,768
Public transport	5,788,290	5,547,872
Other	<u>-</u>	<u>-</u>
	<u>20,449,365</u>	<u>21,450,998</u>
Environmental health services:		
Waste collection and disposal	2,941,875	3,633,010
Recycling	2,067,525	2,056,932
Other	<u>-</u>	<u>-</u>
	<u>5,009,400</u>	<u>5,689,942</u>
Public health and welfare services:		
Public health	422,395	440,385
Medical care	-	-
Social assistance	267,032	267,032
Other	<u>-</u>	<u>-</u>
	<u>689,427</u>	<u>707,417</u>
Regional planning and development:		
Planning and zoning	819,690	841,498
Urban renewal	458,263	686,179
Beautification and land rehabilitation	-	-
Urban area weed control	392,143	458,604
Other	<u>610,635</u>	<u>570,430</u>
	<u>2,280,731</u>	<u>2,556,711</u>
Resource conservation and industrial development:		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	426,833	442,950
Industrial development	-	-
Tourism	1,950,920	932,347
Other	<u>-</u>	<u>-</u>
	<u>2,377,753</u>	<u>1,375,297</u>

**CITY OF BRANDON
 SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 13

Recreation and cultural services:

Administration	1,161,879	1,152,513
Community centers and halls	175,584	49,395
Swimming pools and beaches	325,493	325,343
Golf courses	750,364	716,845
Skating and curling rinks	10,027	11,188
Parks and playgrounds	2,643,560	2,609,891
Other recreational facilities	3,767,665	3,830,128
Museums	71,284	127,095
Libraries	903,143	843,049
Other cultural facilities	<u>383,558</u>	<u>441,008</u>
	<u>10,192,557</u>	<u>10,106,455</u>

Total expenses	\$ <u>83,033,087</u>	\$ <u>83,073,560</u>
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**CITY OF BRANDON
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2018**

SCHEDULE 14

	2018			2017
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT	\$ 673,637	\$ -	\$ 673,637	\$ 5,899,532
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	14,768,121	5,861,206	20,629,327	19,489,694
Eliminate revenue - transfers from reserves	(13,403,677)	(7,153,230)	(20,556,907)	(24,820,026)
Increase revenue - reserve funds interest	375,134	-	375,134	1,436,569
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(726,500)	-	(726,500)	(1,185,220)
Increase revenue - developer contributed tangible capital assets	-	-	-	1,837,858
Increase expense - amortization of tangible capital assets	(10,361,890)	(6,632,568)	(16,994,458)	(16,683,685)
Decrease revenue - disposed capital assets net book value	(319,961)	-	(319,961)	(925,431)
Eliminate expense - acquisitions of tangible capital assets	10,270,369	7,279,605	17,549,974	21,684,080
Decrease revenue - funded acquisitions of tangible capital assets	(374,996)	(298,641)	(673,637)	(2,896,627)
Decrease expense - principal portion of debenture debt	2,523,046	814,503	3,337,549	3,099,249
Decrease expense - accrued interest portion of debenture debt	2,773	15,691	18,464	33,497
Increase expense - landfill closure & post closure liabilities	(78,624)	-	(78,624)	(73,706)
Increase expense - salary liabilities adjustments	(299,669)	(41,673)	(341,342)	(426,724)
Increase expense - bad debt	(16,282)	-	(16,282)	(119,484)
Decrease revenue - debenture proceeds	-	-	-	(4,981,200)
Eliminate - other (tax asset, miscellaneous)	(183,404)	-	(183,404)	(22,806)
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 2,848,077	\$ (155,107)	\$ 2,692,970	\$ 1,345,570