

CITY OF BRANDON



Consolidated Financial Statements

For the Year Ended December 31, 2022

STATEMENT OF RESPONSIBILITY

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

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

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

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

A handwritten signature in black ink, appearing to read 'Ron Bowles', is written over a horizontal line. The signature is stylized and extends to the right of the line.

Ron Bowles
City Manager / CAO

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

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

We have audited the consolidated financial statements of the City of Brandon, which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, change in net debt, 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, 2022, and the results of its consolidated operations, change in net debt, cash flows and supporting schedules for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

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

June 28, 2023
Brandon, Manitoba


Chartered Professional Accountants

CITY OF BRANDON

Consolidated Financial Statements

For the Year Ended December 31, 2022

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**CITY OF BRANDON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022**

	<u>2022</u>	<u>2021</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 14,890,431	\$ 13,152,086
Amounts receivable (Note 4)	12,645,252	12,803,397
Portfolio investments (Note 5)	22,569,268	22,237,512
Loans and advances	100,000	300,000
Real estate properties held for sale	1,524,449	1,463,449
	<u>\$ 51,729,400</u>	<u>\$ 49,956,444</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 12,889,540	\$ 15,421,368
Severance and sick leave payable	5,654,086	5,268,246
Unearned revenue	14,288,013	16,543,150
Landfill closure and post closure liabilities (Note 8)	1,015,106	949,962
Long-term debt (Note 10)	43,180,719	36,235,024
Other liabilities	1,589,990	1,403,340
	<u>78,617,454</u>	<u>75,821,090</u>
NET DEBT	<u>\$ (26,888,054)</u>	<u>\$ (25,864,646)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$416,695,136	\$413,254,016
Inventories (Note 6)	952,032	994,783
Prepaid expenses	712,702	645,036
	<u>418,359,870</u>	<u>414,893,835</u>
ACCUMULATED SURPLUS (Note 17)	<u>\$391,471,816</u>	<u>\$389,029,189</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of council:

Jeff Fawcett - Mayor

Glen Parker - Deputy Mayor

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

CITY OF BRANDON
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2022

	<u>2022 Budget (Note 16)</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
REVENUE			
Property taxes	\$ 44,584,099	\$ 44,942,795	\$ 43,266,874
Grants in lieu of taxation	2,392,855	2,392,855	2,347,394
User fees	19,941,034	19,217,101	15,210,104
Permits, licences and fines	3,020,513	3,458,553	2,851,014
Investment income	28,701	793,339	688,492
Other revenue	779,652	1,965,908	2,359,036
Water and sewer	25,647,041	24,739,494	26,254,191
Grants - Province of Manitoba	20,843,018	22,463,957	19,553,149
Grants - other	4,677,010	4,908,287	7,912,227
Total revenue (Schedules 2, 4 and 5)	<u>121,913,923</u>	<u>124,882,289</u>	<u>120,442,481</u>
EXPENSES			
General government services	9,024,618	10,349,486	10,182,172
Protective services	37,294,578	37,145,664	36,552,291
Transportation services	24,091,431	20,813,981	19,577,055
Environmental health services	4,972,844	4,939,250	4,991,331
Public health and welfare services	701,751	661,619	678,626
Regional planning and development	6,273,867	4,334,093	2,171,387
Resource conservation and industrial development	864,764	678,284	470,136
Recreation and cultural services	16,266,487	16,120,688	13,126,565
Water and sewer services	28,964,372	27,396,597	27,227,369
Total expenses (Schedules 3, 4 and 5)	<u>128,454,712</u>	<u>122,439,662</u>	<u>114,976,932</u>
ANNUAL SURPLUS (DEFICIT)	<u><u>\$ (6,540,789)</u></u>	2,442,627	5,465,549
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>389,029,189</u>	<u>383,563,640</u>
ACCUMULATED SURPLUS, END OF YEAR		<u><u>\$ 391,471,816</u></u>	<u><u>\$ 389,029,189</u></u>

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

CITY OF BRANDON
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
For the Year Ended December 31, 2022

	<u>2022</u> <u>Budget</u> <u>(Note 16)</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (6,540,789)	\$ 2,442,627	\$ 5,465,549
Acquisition of tangible capital assets	(29,144,153)	(22,376,523)	(35,208,166)
Amortization of tangible capital assets	18,696,883	18,696,883	18,640,369
Loss (gain) on sale of tangible capital assets	-	209,162	175,240
Proceeds on sale of tangible capital assets	-	29,358	993,109
Decrease (increase) in inventories	-	42,751	(117,521)
Decrease (increase) in prepaid expense	-	(67,666)	25,645
	<u>(10,447,270)</u>	<u>(3,466,035)</u>	<u>(15,491,324)</u>
CHANGE IN NET FINANCIAL ASSETS (DEBT)	<u><u>\$ (16,988,059)</u></u>	<u><u>(1,023,408)</u></u>	<u><u>(10,025,775)</u></u>
NET DEBT, BEGINNING OF YEAR		<u><u>(25,864,646)</u></u>	<u><u>(15,838,871)</u></u>
NET DEBT, END OF YEAR		<u><u>\$ (26,888,054)</u></u>	<u><u>\$ (25,864,646)</u></u>

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

CITY OF BRANDON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 2,442,627	\$ 5,465,549
Changes in non-cash items:		
Amounts receivable	158,145	754,334
Inventories	42,751	(117,521)
Prepays	(67,666)	25,645
Real estate properties	(61,000)	94,588
Accounts payable and accrued liabilities	(2,531,828)	1,377,517
Severance and sick leave payable	385,840	272,025
Unearned revenue	(2,255,137)	10,229,724
Landfill closure and post closure liabilities	65,144	149,886
Other liabilities	186,650	204,151
Loss (gain) on sale of tangible capital assets	209,162	175,240
Amortization	18,696,883	18,640,369
Cash provided by operating transactions	<u>17,271,571</u>	<u>37,271,507</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	29,358	993,109
Cash used to acquire tangible capital assets	<u>(22,376,523)</u>	<u>(35,208,166)</u>
Cash applied to capital transactions	<u>(22,347,165)</u>	<u>(34,215,057)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	3,502,244	3,386,990
Loans and advances repaid	200,000	200,000
Purchase of portfolio investments	<u>(3,834,000)</u>	<u>(4,018,632)</u>
Cash applied to investing transactions	<u>(131,756)</u>	<u>(431,642)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	11,000,000	8,000,000
Debt repayment	<u>(4,054,305)</u>	<u>(3,638,377)</u>
Cash provided by financing transactions	<u>6,945,695</u>	<u>4,361,623</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	1,738,345	6,986,431
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>13,152,086</u>	<u>6,165,655</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 14,890,431</u>	<u>\$ 13,152,086</u>

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. Status of the City of Brandon

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

2. Significant accounting policies

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

a) Reporting entity

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

Brandon Downtown Development Corporation

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

Brandon & Area Planning District (0%) (2021 - 21%)
Western Manitoba Centennial Auditorium (50%) (2021 - 50%)
Keystone Agricultural & Recreational Centre (50%) (2021 - 50%)
Western Manitoba Regional Library (81%) (2021 - 81%)

The Keystone Agricultural & Recreational Centre has a July 31st year end.

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

Trust funds and their related operations administered by the Municipality are not held in separate bank accounts and are recorded as Other Liabilities on the Consolidated Statement of Financial Position. The trust funds administered by the Municipality are presented in Note 19 and consist of funds held for the maintenance of the City of Brandon's community centres.

b) Basis of accounting

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

c) Cash and temporary investments

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

2. Significant accounting policies (continued)

d) Investments

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

Portfolio investments are accounted for at cost.

e) Real estate properties held for sale

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

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

f) Landfill closure and post closure liabilities

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

g) Non-financial assets

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

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

h) Tangible capital assets

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

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

General Tangible Capital Assets

Land	Indefinite
Land improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	3 to 10 years
Machinery, equipment and furniture	5 to 15 years
Maintenance and road construction equipment	15 years
Computer hardware and software	4 to 10 years

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

2. Significant accounting policies (continued)

h) Tangible capital assets (continued)

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

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

i) Leases

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

j) Inventories

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

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

k) Revenue recognition

Revenues are recognized as they are earned and measurable.

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

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

l) Measurement uncertainty

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

2. Significant accounting policies (continued)

l) Measurement uncertainty (continued)

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

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

m) Recent accounting pronouncements

Portfolio Investments (PS 3041)

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

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

This Section is effective in the same period PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation and PS 3450 are adopted. PS 1201, PS 2601 and PS 3450 are to be adopted together and are effective for fiscal years beginning on or after April 1, 2019. In March 2018, the Public Sector Accounting Board (PSAB) approved an extension of the effective date to fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section is now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted.

Financial Instruments (PS 3450)

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

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

2. Significant accounting policies (continued)

m) Recent accounting pronouncements (continued)

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

PS 3450 was to be effective for fiscal years beginning on or after April 1, 2019. In March 2018, the Public Sector Accounting Board (PSAB) approved an extension of the effective date to fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section is now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted. In the period that a public sector entity applies PS 3450, it also applies PS 1201 and PS 2601.

Asset Retirement Obligations (PS 3280)

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

The main features of this standard are as follows:

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

This standard was to be effective for fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section is now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted.

3. Cash and temporary investments

Cash and temporary investments are comprised of the following:

	<u>2022</u>	<u>2021</u>
Cash	\$ 14,465,572	\$ 12,647,536
Temporary investments	<u>424,859</u>	<u>504,550</u>
	<u>\$ 14,890,431</u>	<u>\$ 13,152,086</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$63,616,626 (2021 - \$67,624,356) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances. Included in the reserve is cash of \$0 (2021 - \$0).

The City of Brandon has established an operating line of credit with the Bank of Montreal, authorized by Council resolution, of \$10,000,000 (2021 - \$10,000,000).

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

4. Amounts receivable

Amounts receivable are valued at their net realizable value.

	<u>2022</u>	<u>2021</u>
Taxes on roll (Schedule 11)	\$ 3,535,090	\$ 3,369,440
Government grants	30,000	118,154
Utility customers	4,176,422	5,315,793
Accrued interest	8,410	3,613
Organizations and individuals	6,110,692	4,843,209
Federal government - GST	452,057	612,971
	<u>14,312,671</u>	<u>14,263,180</u>
Less allowances for doubtful amounts	<u>(1,667,419)</u>	<u>(1,459,783)</u>
	<u>\$ 12,645,252</u>	<u>\$ 12,803,397</u>

5. Portfolio investments

	<u>2022</u>	<u>2021</u>
Marketable securities:		
Bonds and certificates	\$ 22,569,268	\$ 22,237,512
Other investments	-	-
	<u>\$ 22,569,268</u>	<u>\$ 22,237,512</u>

The aggregate market value of the marketable securities at December 31, 2022 is \$22,195,135 (2021 - \$25,467,128). Portfolio investments earned \$331,117 in investment income during the year (2021 - \$589,790).

6. Inventories

Inventories for use:

	<u>2022</u>	<u>2021</u>
Chemicals, herbicides, insecticides	\$ 243,773	\$ 263,440
Fuel	98,099	73,636
Other supplies	610,160	657,707
	<u>\$ 952,032</u>	<u>\$ 994,783</u>

7. Accounts payable and accrued liabilities

	<u>2022</u>	<u>2021</u>
Accounts payable	\$ 6,623,550	\$ 7,546,286
Accrued expenses	2,261,871	2,284,513
Accrued interest payable	772,485	536,078
School levies	2,426,985	2,283,121
Other governments	804,649	2,771,370
	<u>\$ 12,889,540</u>	<u>\$ 15,421,368</u>

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

8. Landfill closure and post closure liabilities

a) Operating landfill site

The Municipality is currently operating a Class 1 landfill site in the City of Brandon. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	<u>2022</u>	<u>2021</u>
Estimated closure and post closure costs	<u>\$ 7,382,875</u>	<u>\$ 7,382,875</u>
Discount rate (%)	<u>5.00%</u>	<u>5.00%</u>
Discounted costs	<u>\$ 1,626,886</u>	<u>\$ 1,549,416</u>
Expected year capacity will be reached	2053	2053
Capacity (tonnes):		
Used to date	2,246,336	2,207,287
Remaining	<u>1,357,862</u>	<u>1,392,862</u>
Total	<u>3,604,198</u>	<u>3,600,149</u>
Percent utilized	<u>62.33%</u>	<u>61.31%</u>
Liability based on percentage	<u>\$ 1,015,106</u>	<u>\$ 949,962</u>

9. Liability for remediation of contaminated sites

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

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

The City of Brandon has property located at 156 9th Street and 20 27th Street that meet this criteria (Note 12). The City of Brandon has determined that there are no material liabilities, therefore no accrual has been made.

10. Long-term debt

	<u>2022</u>	<u>2021</u>
General authority:		
Constructing and extending 34th Street, interest at 3.00% payable at \$351,692 annually including interest, maturing December 2031.	\$ 2,738,308	\$ -
Materials Recycling Facility Purchase, interest at 4.65% - 5.00% payable at \$187,655 - \$187,770 annually including interest, maturing December 2023.	178,829	349,141
Keystone Renovations, interest at 4.65% - 5.00% payable at \$372,815 - \$373,042 annually including interest, maturing December 2023.	355,279	693,640
Keystone Capital Improvements, interest at 4.00% payable at \$127,494 annually including interest, maturing August 2022.	-	122,590
Fire Hall, interest at 4.92% payable at \$811,788 annually including interest, maturing January 2030.	5,263,770	5,790,658

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

10. Long-term debt (continued)

Police Station, interest at 4.50% payable at \$1,068,586 annually including interest, maturing December 2030.	7,048,273	7,767,330
Keystone Roof Project, interest at 3.00% payable at \$278,111 annually including interest, maturing October 2026.	1,033,764	1,273,665
Development Services Building, interest at 3.00% payable at \$210,517 annually including interest, maturing October 2026.	782,513	964,106
Airport Terminal Development, interest at 4.25% payable at \$417,425 annually including interest, maturing October 2034.	3,861,350	4,104,341
	<u>\$ 21,262,086</u>	<u>\$ 21,065,471</u>

Utility funds:

Water Reclamation Facility, interest at 3.30% payable at \$796,200 annually including interest, maturing January 2031.	\$ 6,105,845	\$ 6,679,793
Central Wastewater Treatment Facility Expansion, interest at 4.65% - 5.00%, payable at \$409,137 - \$409,387 annually including interest, maturing December 2023.	389,893	761,219
Chemical Building Project, interest at 3.90% payable at \$583,453 annually including interest, maturing February 2042.	8,000,000	-
Chemical Building Project, interest at 3.125% payable at \$543,959 annually including interest, maturing December 2040.	7,402,895	7,706,041
	<u>\$ 21,898,633</u>	<u>\$ 15,147,053</u>

Controlled Entities and Government Partnerships:

Canada Emergency Business Loan, non-interest bearing and no scheduled repayments until December 2023.	<u>\$ 20,000</u>	<u>\$ 22,500</u>
	<u><u>\$ 43,180,719</u></u>	<u><u>\$ 36,235,024</u></u>

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

2023	\$ 4,362,341
2024	\$ 3,571,318
2025	\$ 3,709,619
2026	\$ 3,853,467
2027	\$ 3,514,461

Schedule of debentures pending

Authority	Purpose	Amount Authorized
By-law #7312 / E-21-125	RCMP OCC Project	\$ 3,766,855
By-law #7295 / E-21-141	Sports Field Complex	\$ 6,000,000
By-law #7331 / E-22-083	Southeast Drainage	\$ 30,140,000
By-law #7328 / E-22-077	Water Treatment Facility	\$ 40,670,500

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

11. Commitments

The City of Brandon has a contractual obligation to fund 50% of any deficit of the Western Manitoba Centennial Auditorium. Deficit for the 2022 year was \$74,609 (2021 - \$84,430).

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 2022 year was \$123,968 (2021 - \$121,650).

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 2022 year was \$22,220 (2021 - \$21,804).

City Council, at its meeting held February 20, 2006, passed By-law 6814 to implement a tax abatement program for eligible properties in the downtown district to encourage and assist in the renovation and redevelopment of buildings in downtown Brandon. The City of Brandon has several properties receiving this tax credit, with expiry dates ranging from 2021 to 2030. Payments made for the 2022 year were \$97,641 (2021 - \$96,403).

City Council, at its meeting held September 8, 2008, passed By-law 6893 which provides for financial assistance to Assiniboine Community College equal to the municipal portion of taxes collected on the culinary arts facility for a period of 25 years beginning in 2007 or a maximum of \$20,290,000. The 2022 payment was \$253,283 (2021 - \$248,547).

City Council, at its meeting held August 20, 2007, passed By-law 6870 which provides for financial assistance for newly constructed affordable multi-family rental units whereby eligible property owners receive a tax credit equal to 50% of the municipal portion of the property taxes for a period of twenty (20) years. The City of Brandon has several properties receiving this credit, with the 20 year expiry ranging from 2023 to 2041. Payments made for the 2022 year were \$81,725 (2021 - \$45,171).

City Council, at its meeting held March 7, 2016, adopted a resolution to provide an annual operating grant to Brandon Museum Inc. The agreement was renewed in 2021 for a five year term with an annual amount payable of \$35,000.

City Council, at its meeting held November 20, 2017, passed By-law 7192 to implement a tax credit program for eligible properties to promote the rehabilitation and restoration of Municipal Heritage Sites. Under this program, municipal taxes would be eligible for a tax credit for a period of ten (10) years, to a maximum not exceeding 50% of eligible project costs. Payments made for the 2022 year were \$8,440 (2021 - \$5,845).

City Council, at its meeting held April 20, 2020, adopted a resolution to provide a ten year Municipal Tax Incremental Financing for redevelopment of a vacant property. The Community Revitalization Levy will be paid to the property owner beginning in 2023.

City Council, at its meeting held July 18, 2022, adopted a resolution that the City owned lands to the North of Stickney Avenue and 13th Street be sold to Habitat for Humanity Ltd. for \$1, to construct affordable housing on the site within three years from the possession date.

12. Contingencies

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

The City of Brandon owns property located at 20 27th Street North. A Phase II Environmental Site Assessment was undertaken in 2022 and the property was designated impacted pursuant to The Contaminated Sites Remediation Act.

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

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

13. Retirement benefits

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during 2022 by the municipality on behalf of its employees amounted to **\$3,868,722** (2021 - \$3,797,065) 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, 2021 indicated the plan was 101.4% funded on a going concern basis and had an unfunded solvency liability of \$249.0 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, 2021.

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, 2022 indicates a going concern unfunded liability of \$88,531 and a solvency / hypothetical wind-up deficiency of \$143,530.

As with MEPP, the City of Brandon has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by the City of Brandon. Based on the solvency ratio contained in the actuarial report, the next required actuarial valuation report would be required in 2023.

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

14. Financial instruments

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

15. Subsequent events

City Council at its meeting held March 20, 2023 adopted a resolution to enter into a five-year, tri-party funding agreement for the Keystone Centre whereby the Province and City of Brandon agree to each pay \$7,975,000 over the life of the agreement and the Keystone Agricultural and Recreation Centre Inc. agrees to certain financial performance criteria.

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

16. Budget

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

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

17. Accumulated surplus

	<u>2022</u>	<u>2021</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 2,594,166	\$ 402,271
Utility operating fund - Nominal surplus (deficit)	(49,444,999)	(57,037,040)
TCA net of related borrowings	365,115,771	367,882,572
Reserve funds	<u>63,616,626</u>	<u>67,624,356</u>
Accumulated surplus of Municipality unconsolidated	381,881,564	378,872,159
Accumulated surpluses of consolidated entities	<u>9,590,252</u>	<u>10,157,027</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 391,471,816</u>	<u>\$ 389,029,186</u>

18. Public Sector Compensation Disclosure

It is a requirement of The Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of Council, and of individual compensation in an amount exceeding \$75,000 annually to any member of Council, officer or employee of the Municipality. The City of Brandon issues a separate statement for The Public Sector Compensation Disclosure Report and receives a separate audit opinion.

It is a requirement of The Municipal Act that the annual consolidated financial statement disclose the amount of compensation, expenses and any other payment made to council or committee members by the type of each payment and the total amount of payment to each member of Council of the Municipality. For the year ended December 31, 2022:

Compensation paid to members of Council amounted to \$326,384 in aggregate.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor (former) - Chrest, Rick	\$ 86,597	\$ 4,280	\$ 90,877
Mayor - Fawcett, Jeffrey	37,133	2,955	40,088
Councillor - Berry, Shawn	24,983	990	25,973
Councillor - Cameron, Shaun	23,023	1,155	24,178
Councillor - Chaboyer, Janet	18,379	-	18,379
Councillor - Cullen, Barry	22,812	1,411	24,223
Councillor - Desjarlais, Kris	22,513	216	22,729
Councillor - Frangi, Sunday	19,050	1,775	20,825
Councillor - Hildebrand, Gregory	4,644	1,302	5,946
Councillor - Karrouze, Heather	4,474	679	5,153
Councillor - Luebke, Bruce	29,627	2,565	32,192
Councillor - Parker, Glen	23,611	1,296	24,907
Councillor - Splett, Jason	4,894	947	5,841
Councillor - Tame, Tyson	4,644	1,071	5,715
	<u>\$ 326,384</u>	<u>\$ 20,642</u>	<u>\$ 347,026</u>

19. Trust funds

The City of Brandon administers the following trust that is not consolidated in these financial statements:

	<u>Balance, beg. of the year</u>	<u>Excess of Receipts over Disbursements</u>	<u>Balance, end of the year</u>
Community Centre Assistance	<u>\$ 431,170</u>	<u>\$ 12,527</u>	<u>\$ 443,697</u>

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

20. Segmented information

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

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

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

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

21. 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>2022</u>	<u>2021</u>
Financial Position		
Financial assets	\$ 2,271,652	\$ 1,803,819
Financial liabilities	<u>1,579,359</u>	<u>1,446,117</u>
Net financial assets	\$ 692,293	\$ 357,702
Non-financial assets	<u>8,581,566</u>	<u>9,302,642</u>
Accumulated surplus	<u>\$ 9,273,859</u>	<u>\$ 9,660,344</u>
Result of Operations		
Revenue	\$ 4,780,385	\$ 2,943,306
Expenses	<u>5,166,870</u>	<u>3,278,653</u>
Annual surplus (deficit)	<u>\$ (386,485)</u>	<u>\$ (335,347)</u>

22. Public Utilities Board

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

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

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

CITY OF BRANDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

23. Public Utilities Board (continued)

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

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
9th St. Reservoir Supply Line	\$ 410,000	\$ -	\$ 20,000	\$ 390,000
Chemical Building	-	2,230,870	27,886	2,202,984
	<u>\$ 410,000</u>	<u>\$ 2,230,870</u>	<u>\$ 47,886</u>	<u>\$ 2,592,984</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Combined WWTF Phase II	\$ 9,044,634	\$ -	\$ 516,836	\$ 8,527,798
Lagoon Cell 3A	154,170	-	8,333	145,837
Combined WWTF Phase III	29,062,388	-	894,227	28,168,161
Forcemain Kirkcaldy Lift Station to Pacific Ave	4,535,437	-	77,529	4,457,908
Kirkcaldy Lift Station	5,963,637	-	154,900	5,808,737
	<u>\$ 48,760,266</u>	<u>\$ -</u>	<u>\$ 1,651,825</u>	<u>\$ 47,108,441</u>

24. Comparative figures

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

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2022

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2022	2021
Cost										
Opening costs	55,949,622	97,219,237	59,077,798	9,277,510	7,699,341	190,227,683	335,898,598	26,032,915	781,382,704	750,620,924
Additions during the year	1,035,519	1,588,728	2,876,801	428,035	4,304,084	4,011,032	1,607,993	6,524,331	22,376,523	35,208,166
Classification transfers	239,514	306,523	3,232,453	-	(9,079,324)	5,211,144	23,603,994	(23,514,304)	-	-
Disposals and write downs	(6,812)	-	(2,626,619)	(361,251)	-	-	-	-	(2,994,682)	(4,446,386)
Closing costs	57,217,843	99,114,488	62,560,433	9,344,294	2,924,101	199,449,859	361,110,585	9,042,942	800,764,545	781,382,704
Accumulated Amortization										
Opening accum'd amortization	10,748,919	43,056,616	38,561,576	6,017,862	-	129,480,370	140,263,345	-	368,128,688	352,766,356
Amortization	808,966	2,640,237	3,409,283	754,071	-	3,381,076	7,703,250	-	18,696,883	18,640,369
Disposals and write downs	-	-	(2,394,955)	(361,207)	-	-	-	-	(2,756,162)	(3,278,037)
Closing accum'd amortization	11,557,885	45,696,853	39,575,904	6,410,726	-	132,861,446	147,966,595	-	384,069,409	368,128,688
Net Book Value of Tangible Capital Assets	45,659,958	53,417,635	22,984,529	2,933,568	2,924,101	66,588,413	213,143,990	9,042,942	416,695,136	413,254,016

Water and sewer underground networks contributed to the Municipality totals \$848,994 (2021 - \$1,070,470) and were capitalized at their fair value at the time of their receipt. Streets, roads and general infrastructure contributed to the Municipality totals \$1,044,051 (2021 - \$1,162,968) 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, 2022

SCHEDULE 2

	2022 Actual	2021 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 43,584,099	\$ 42,284,872
Taxes added	1,358,696	982,002
	<u>44,942,795</u>	<u>43,266,874</u>
Grants in lieu of taxation:		
Federal government	356,458	348,465
Federal government enterprises	-	-
Provincial government	2,036,397	1,998,929
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>2,392,855</u>	<u>2,347,394</u>
User fees		
Parking meters	208,050	200,748
Sales of service	11,655,607	10,699,052
Sales of goods	762,555	964,799
Rentals	2,784,876	1,360,543
Development charges	257,317	313,550
Facility use fees	3,548,696	1,671,412
	<u>19,217,101</u>	<u>15,210,104</u>
Permits, licences and fines		
Permits	1,816,324	1,067,900
Licences	1,263,927	1,375,756
Fees	-	-
Fines	378,302	407,358
	<u>3,458,553</u>	<u>2,851,014</u>
Investment income		
Cash and temporary investments	737,436	662,692
Marketable securities	-	-
Municipal debentures	-	-
Other	55,903	25,800
	<u>793,339</u>	<u>688,492</u>
Other revenue		
Gain (loss) on sale of tangible capital assets	(209,162)	(175,240)
Gain on sale of real estate held for sale	44,923	432,209
Contributed assets	1,168,870	1,275,896
Penalties and interest	547,166	514,284
Miscellaneous	414,111	311,887
	<u>1,965,908</u>	<u>2,359,036</u>
Water and sewer		
Municipal utility (Schedule 9)	24,739,494	26,254,191
Consolidated water co-operatives	-	-
	<u>24,739,494</u>	<u>26,254,191</u>
Grants - Province of Manitoba		
Municipal operating grants	8,929,274	8,893,226
Other unconditional grants	-	-
Conditional grants	13,534,683	10,659,923
	<u>22,463,957</u>	<u>19,553,149</u>
Grants - other		
Federal government - gas tax funding	3,215,546	6,291,286
Federal government - other	1,040,079	907,372
Other municipal governments	652,662	713,569
	<u>4,908,287</u>	<u>7,912,227</u>
Total revenue	<u>\$ 124,882,289</u>	<u>\$ 120,442,481</u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2022

	2022 Actual	2021 Actual
General government services		
Legislative	\$ 493,092	\$ 382,086
General administrative	7,835,159	7,621,520
Other	2,021,235	2,178,566
	<u>10,349,486</u>	<u>10,182,172</u>
Protective services		
Police	20,480,512	20,104,357
Fire	10,711,226	10,174,543
Emergency measures	4,260,746	4,430,479
Other	1,693,180	1,842,912
	<u>37,145,664</u>	<u>36,552,291</u>
Transportation services		
Road transport		
Administration and engineering	5,628,754	5,285,039
Road and street maintenance	3,270,681	2,403,349
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	139,981	235,165
Street lighting	1,065,664	1,008,780
Other	2,617,030	2,971,753
Air transport	2,009,997	1,726,237
Public transit	6,081,874	5,946,732
Other	-	-
	<u>20,813,981</u>	<u>19,577,055</u>
Environmental health services		
Waste collection and disposal	3,003,188	2,919,869
Recycling	1,936,062	2,071,462
Other	-	-
	<u>4,939,250</u>	<u>4,991,331</u>
Public health and welfare services		
Public health	394,587	411,594
Medical care	-	-
Social assistance	267,032	267,032
Other	-	-
	<u>661,619</u>	<u>678,626</u>
Regional planning and development		
Planning and zoning	766,175	695,435
Urban renewal	2,712,418	895,398
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	855,500	580,554
	<u>4,334,093</u>	<u>2,171,387</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	514,466	504,988
Industrial development	-	-
Tourism	163,818	(34,852)
Other	-	-
	<u>678,284</u>	<u>470,136</u>
Sub-totals forward	<u>78,922,377</u>	<u>74,622,998</u>

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

	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Sub-totals forward	<u>78,922,377</u>	<u>74,622,998</u>
Recreation and cultural services		
Administration	1,386,925	888,139
Community centers and halls	60,000	110,000
Swimming pools and beaches	307,720	292,679
Golf courses	136,002	167,123
Skating and curling rinks	-	4,770
Parks and playgrounds	3,360,454	3,461,533
Other recreational facilities	7,352,950	5,543,690
Museums	352,732	319,211
Libraries	1,907,205	1,316,952
Other cultural facilities	1,256,700	1,022,468
	<u>16,120,688</u>	<u>13,126,565</u>
Water and sewer services		
Municipal utility (Schedule 9)	27,396,597	27,227,369
Consolidated water co-operatives	-	-
	<u>27,396,597</u>	<u>27,227,369</u>
Total expenses	<u><u>\$ 122,439,662</u></u>	<u><u>\$ 114,976,932</u></u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2022

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes	\$ 44,942,795	\$ 43,266,874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	2,392,855	2,347,394	-	-	-	-	-	-	-	-
User fees	101,499	114,308	7,365,357	6,811,697	2,400,209	2,016,784	3,077,849	3,260,838	359,169	433,260
Grants - other	99,662	84,509	417,110	489,831	3,671,296	6,672,474	-	-	-	-
Permits, licences and fines	1,253,230	1,363,772	388,999	419,342	423,896	32,724	-	-	-	-
Investment income	788,341	684,307	-	-	-	-	-	-	-	-
Other revenue	974,849	821,458	22,688	108,585	751,772	717,661	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	8,929,274	8,893,226	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	43,821	55,199	5,089,182	5,109,829	3,859,680	2,616,954	1,226,336	1,270,008	-	-
Total revenue	\$ 59,526,326	\$ 57,631,047	\$ 13,283,336	\$ 12,939,284	\$ 11,106,853	\$ 12,056,597	\$ 4,304,185	\$ 4,530,846	\$ 359,169	\$ 433,260
EXPENSES										
Personnel services	\$ 5,416,112	\$ 5,189,164	\$ 31,222,007	\$ 30,713,767	\$ 9,846,328	\$ 9,563,740	\$ 1,795,329	\$ 1,723,424	\$ 268,821	\$ 288,575
Contract services	2,095,639	1,978,799	1,483,271	1,370,595	2,012,053	2,025,940	827,351	840,252	288,875	287,206
Utilities	133,803	135,621	527,709	544,261	1,206,893	1,166,890	77,480	68,347	9,369	11,449
Maintenance materials and supplies	109,855	181,821	740,509	658,316	3,630,349	2,737,371	493,504	379,873	47,068	42,273
Grants and contributions	606,433	566,686	24,505	17,638	-	-	-	-	-	-
Amortization	782,742	844,574	1,350,784	1,203,911	6,593,560	6,748,760	242,787	236,664	1,540	1,540
Interest on long term debt	-	-	607,971	664,873	226,467	182,690	19,696	27,427	-	-
Other	1,204,902	1,285,507	1,188,908	1,378,930	(2,701,669)	(2,848,336)	1,483,103	1,715,344	45,946	47,583
Total expenses	\$ 10,349,486	\$ 10,182,172	\$ 37,145,664	\$ 36,552,291	\$ 20,813,981	\$ 19,577,055	\$ 4,939,250	\$ 4,991,331	\$ 661,619	\$ 678,626
Surplus (Deficit)	\$ 49,176,840	\$ 47,448,875	\$ (23,862,328)	\$ (23,613,007)	\$ (9,707,128)	\$ (7,520,458)	\$ (635,065)	\$ (460,485)	\$ (302,450)	\$ (245,366)

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

CITY OF BRANDON

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2022

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,942,795	\$ 43,266,874
Grants in lieu of taxation	-	-	-	-	-	-	-	-	2,392,855	2,347,394
User fees	709,166	700,312	-	-	5,203,852	1,872,905	-	-	19,217,101	15,210,104
Grants - other	-	-	-	-	720,219	665,413	-	-	4,908,287	7,912,227
Permits, licences and fines	1,392,428	1,035,176	-	-	-	-	-	-	3,458,553	2,851,014
Investment income	109	7,421	-	-	4,889	2,679	-	-	793,339	694,407
Other revenue	43,626	432,209	-	2,372	172,973	270,836	-	-	1,965,908	2,353,121
Water and sewer	-	-	-	-	-	-	24,739,494	26,254,191	24,739,494	26,254,191
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	8,929,274	8,893,226
Prov of MB - Conditional Grants	1,866,637	22,575	-	-	1,449,027	1,585,358	-	-	13,534,683	10,659,923
Total revenue	\$ 4,011,966	\$ 2,197,693	\$ -	\$ 2,372	\$ 7,550,960	\$ 4,397,191	\$ 24,739,494	\$ 26,254,191	\$ 124,882,289	\$ 120,442,481
EXPENSES										
Personnel services	\$ 902,543	\$ 825,061	\$ 343,798	\$ 352,159	\$ 6,312,192	\$ 5,402,365	\$ 7,527,763	\$ 7,466,176	\$ 63,634,893	\$ 61,524,431
Contract services	1,171,392	646,467	9,745	16,708	2,060,243	1,132,765	2,931,801	4,085,686	12,880,370	12,384,418
Utilities	82,328	76,449	832	1,201	1,076,433	742,461	1,799,836	1,628,027	4,914,683	4,374,706
Maintenance materials and supplies	33,964	9,334	2,233	19,993	1,620,742	929,226	5,502,085	4,761,420	12,180,309	9,719,627
Grants and contributions	1,556,092	(1,352)	163,818	(34,852)	1,981,342	1,850,095	-	-	4,332,190	2,398,215
Amortization	-	-	-	-	2,022,220	2,187,833	7,703,251	7,417,087	18,696,884	18,640,369
Interest on long term debt	28,015	33,331	-	-	79,243	106,410	774,503	447,267	1,735,895	1,461,998
Other	559,759	582,097	157,858	114,927	968,273	775,410	1,157,358	1,421,706	4,064,438	4,473,168
Total expenses	\$ 4,334,093	\$ 2,171,387	\$ 678,284	\$ 470,136	\$ 16,120,688	\$ 13,126,565	\$ 27,396,597	\$ 27,227,369	\$ 122,439,662	\$ 114,976,932
Surplus (Deficit)	\$ (322,127)	\$ 26,306	\$ (678,284)	\$ (467,764)	\$ (8,569,728)	\$ (8,729,374)	\$ (2,657,103)	\$ (973,178)	\$ 2,442,627	\$ 5,465,549

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2022

	Core Government		Controlled Entities		Government Partnerships		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE								
Property taxes	\$ 44,942,795	\$ 43,266,874	\$ -	\$ -	\$ -	\$ -	\$ 44,942,795	\$ 43,266,874
Grants in lieu of taxation	2,392,855	2,347,394	-	-	-	-	2,392,855	2,347,394
User fees	15,972,252	14,342,004	6,591	5,867	3,238,258	862,233	19,217,101	15,210,104
Grants - other	4,413,123	7,263,415	-	-	495,164	648,812	4,908,287	7,912,227
Permits, licences and fines	3,458,553	2,851,014	-	-	-	-	3,458,553	2,851,014
Investment income	789,638	684,307	(1,188)	7,421	4,889	2,679	793,339	694,407
Other revenue	1,963,101	2,331,746	-	-	2,807	21,375	1,965,908	2,353,121
Water and sewer	24,739,494	26,254,191	-	-	-	-	24,739,494	26,254,191
Prov of MB - Unconditional Grants	8,929,274	8,893,226	-	-	-	-	8,929,274	8,893,226
Prov of MB - Conditional Grants	12,390,459	9,251,716	104,957	-	1,039,267	1,408,207	13,534,683	10,659,923
Total revenue	\$ 119,991,544	\$ 117,485,887	\$ 110,360	\$ 13,288	\$ 4,780,385	\$ 2,943,306	\$ 124,882,289	\$ 120,442,481
EXPENSES								
Personnel services	\$ 61,599,298	\$ 59,735,156	\$ -	\$ -	\$ 2,035,595	\$ 1,789,275	\$ 63,634,893	\$ 61,524,431
Contract services	11,367,065	11,930,073	21,893	34,686	1,491,412	419,659	12,880,370	12,384,418
Utilities	4,494,290	4,115,599	-	-	420,393	259,107	4,914,683	4,374,706
Maintenance materials and supplies	11,227,164	9,247,071	-	-	953,145	472,556	12,180,309	9,719,627
Grants and contributions	5,628,113	3,738,193	(203,853)	(280,727)	(1,092,070)	(1,059,251)	4,332,190	2,398,215
Amortization	17,663,410	17,395,879	-	-	1,033,474	1,244,490	18,696,884	18,640,369
Interest on long term debt	1,735,895	1,461,998	-	-	-	-	1,735,895	1,461,998
Other	3,266,909	3,849,769	472,608	470,582	324,921	152,817	4,064,438	4,473,168
Total expenses	\$ 116,982,144	\$ 111,473,738	\$ 290,648	\$ 224,541	\$ 5,166,870	\$ 3,278,653	\$ 122,439,662	\$ 114,976,932
Surplus (Deficit)	\$ 3,009,400	\$ 6,012,149	\$ (180,288)	\$ (211,253)	\$ (386,485)	\$ (335,347)	\$ 2,442,627	\$ 5,465,549

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022							
	Accommodation Tax	Affordable Housing	Airport Improvement	Ambulance	Andrews Field	A.R. McDiarmid Building	Brandon Municipal Airport	Capital Development
REVENUE								
Investment income	\$ 3,091	\$ 4,831	\$ 8,485	\$ -	\$ 945	\$ 529	\$ 2,941	\$ 31,817
Other income	-	-	-	-	-	-	-	-
Total revenue	3,091	4,831	8,485	-	945	529	2,941	31,817
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	3,091	4,831	8,485	-	945	529	2,941	31,817
TRANSFERS								
Transfers from general operating fund	626,469	17,900	651,009	-	20,000	-	200,528	289,993
Transfers to general operating fund	(733,718)	(31,000)	(546,570)	(65,450)	(14,250)	(42,200)	-	(737,717)
Transfer between reserves	-	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(104,158)	(8,269)	112,924	(65,450)	6,695	(41,671)	203,469	(415,907)
FUND SURPLUS, BEGINNING OF YEAR	508,734	570,559	816,830	65,450	97,069	71,755	281,131	3,202,628
FUND SURPLUS, END OF YEAR	\$ 404,576	\$ 562,290	\$ 929,754	\$ -	\$ 103,764	\$ 30,084	\$ 484,600	\$ 2,786,721

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022							
	Centennial Auditorium	Civic Services Complex	Clare Ave	COVID Restart General	COVID Restart Transit	Cumulative Benefits	DC Drainage Network	DC Transport Network
REVENUE								
Investment income	\$ 4,748	\$ 1,571	\$ 2,962	\$ 6,148	\$ -	\$ 2,193	\$ 554	\$ 3,908
Other income	-	-	-	-	-	-	-	-
Total revenue	4,748	1,571	2,962	6,148	-	2,193	554	3,908
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	4,748	1,571	2,962	6,148	-	2,193	554	3,908
TRANSFERS								
Transfers from general operating fund	25,000	15,000	-	1,300,000	-	-	23,712	167,784
Transfers to general operating fund	-	(34,281)	-	(631,652)	(37,721)	171,975	-	-
Transfer between reserves	-	-	-	(46,000)	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	(171,975)	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	29,748	(17,710)	2,962	628,496	(37,721)	2,193	24,266	171,692
FUND SURPLUS, BEGINNING OF YEAR	487,706	203,630	304,306	1,389,474	37,721	225,325	42,114	296,812
FUND SURPLUS, END OF YEAR	\$ 517,454	\$ 185,920	\$ 307,268	\$ 2,017,970	\$ -	\$ 227,518	\$ 66,380	\$ 468,504

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022							
	Diking & Flood Control	Disposal Site (Sanitation)	E-911 Equipment	Elections	Fire Fighting Equipment	Fire Vehicles	Gas Tax	General
REVENUE								
Investment income	\$ 7,156	\$ 9,417	\$ 3,340	\$ 1,571	\$ 7,106	\$ 21,287	\$ 69,852	\$ 7,922
Other income	-	-	-	-	-	-	-	-
Total revenue	<u>7,156</u>	<u>9,417</u>	<u>3,340</u>	<u>1,571</u>	<u>7,106</u>	<u>21,287</u>	<u>69,852</u>	<u>7,922</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	7,156	9,417	3,340	1,571	7,106	21,287	69,852	7,922
TRANSFERS								
Transfers from general operating fund	161,709	284,321	-	-	-	37,061	2,748,945	-
Transfers to general operating fund	(213,716)	(106,879)	(106,139)	(66,544)	(28,894)	-	(4,492,309)	-
Transfer between reserves	-	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(44,851)	186,859	(102,799)	(64,973)	(21,788)	58,348	(1,673,512)	7,922
FUND SURPLUS, BEGINNING OF YEAR	<u>790,456</u>	<u>867,353</u>	<u>474,131</u>	<u>177,337</u>	<u>741,488</u>	<u>2,160,448</u>	<u>7,462,450</u>	<u>813,840</u>
FUND SURPLUS, END OF YEAR	<u>\$ 745,605</u>	<u>\$ 1,054,212</u>	<u>\$ 371,332</u>	<u>\$ 112,364</u>	<u>\$ 719,700</u>	<u>\$ 2,218,796</u>	<u>\$ 5,788,938</u>	<u>\$ 821,762</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022						
	Highway Signage	Land Acquisition	Landfill Closure	Large Events Acquisition	Library / Arts Building	Machinery & Equipment	Mitigation & Preparedness
REVENUE							
Investment income	\$ 676	\$ 2,932	\$ 8,854	\$ 4,103	\$ 4,838	\$ 63,728	\$ 582
Other income	-	-	-	-	-	-	-
Total revenue	676	2,932	8,854	4,103	4,838	63,728	582
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	676	2,932	8,854	4,103	4,838	63,728	582
TRANSFERS							
Transfers from general operating fund	-	51,736	165,529	98,073	15,000	1,945,979	340,483
Transfers to general operating fund	(6,835)	(61,000)	-	-	(36,255)	(1,135,966)	(91,636)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(6,159)	(6,332)	174,383	102,176	(16,417)	873,741	249,429
FUND SURPLUS, BEGINNING OF YEAR	72,058	295,554	811,764	368,829	508,336	5,865,336	-
FUND SURPLUS, END OF YEAR	\$ 65,899	\$ 289,222	\$ 986,147	\$ 471,005	\$ 491,919	\$ 6,739,077	\$ 249,429

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022						
	Municipal Building	Municipal Building Maintenance	Office Equipment	Parks	Perpetual Care	Planning Projects	Police Equipment
REVENUE							
Investment income	\$ 1,761	\$ 2,786	\$ 380	\$ 130,579	\$ 5,104	\$ 2,939	\$ 7,515
Other income	-	-	-	-	-	-	-
Total revenue	1,761	2,786	380	130,579	5,104	2,939	7,515
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	1,761	2,786	380	130,579	5,104	2,939	7,515
TRANSFERS							
Transfers from general operating fund	49,187	16,400	3,000	63,519	71,777	113,920	264,000
Transfers to general operating fund	(218,163)	(59,771)	(12,433)	(490,123)	(383,000)	(189,900)	(465,500)
Transfer between reserves	46,000	-	-	-	-	-	-
Transfers from utility fund	-	-	3,000	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(121,215)	(40,585)	(6,053)	(296,025)	(306,119)	(73,041)	(193,985)
FUND SURPLUS, BEGINNING OF YEAR	281,976	228,354	38,851	2,317,566	754,519	320,432	793,437
FUND SURPLUS, END OF YEAR	\$ 160,761	\$ 187,769	\$ 32,798	\$ 2,021,541	\$ 448,400	\$ 247,391	\$ 599,452

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022						
	Police Vehicles	Professional Fees	Protective Services Building	Recreation Centre	Snow Clearing	Sportsplex	Storm Sewer
REVENUE							
Investment income	\$ 9,478	\$ -	\$ 6,278	\$ 6,771	\$ -	\$ 8,622	\$ 23,670
Other income	-	-	-	-	-	-	-
Total revenue	<u>9,478</u>	<u>-</u>	<u>6,278</u>	<u>6,771</u>	<u>-</u>	<u>8,622</u>	<u>23,670</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	9,478	-	6,278	6,771	-	8,622	23,670
TRANSFERS							
Transfers from general operating fund	317,561	-	-	55,000	-	932,568	763,602
Transfers to general operating fund	(464,726)	-	(110,307)	(41,906)	(198,602)	(1,502,452)	(246,830)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	-
Transfers to utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(137,687)	-	(104,029)	19,865	(198,602)	(561,262)	540,442
FUND SURPLUS, BEGINNING OF YEAR	<u>1,135,641</u>	<u>-</u>	<u>710,404</u>	<u>677,377</u>	<u>198,602</u>	<u>1,490,250</u>	<u>1,997,231</u>
FUND SURPLUS, END OF YEAR	<u>\$ 997,954</u>	<u>\$ -</u>	<u>\$ 606,375</u>	<u>\$ 697,242</u>	<u>\$ -</u>	<u>\$ 928,988</u>	<u>\$ 2,537,673</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022						
	Technology	Traffic Control Devices	Transit Gas Tax Funding	Transit System Equipment	26th Street South of Maryland	8th Street Bridge	Water Distribution
REVENUE							
Investment income	\$ 7,574	\$ 1,933	\$ 16,757	\$ 13,779	\$ -	\$ 15,175	\$ 90,661
Other income	-	-	-	-	-	-	-
Total revenue	<u>7,574</u>	<u>1,933</u>	<u>16,757</u>	<u>13,779</u>	<u>-</u>	<u>15,175</u>	<u>90,661</u>
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	<u>7,574</u>	<u>1,933</u>	<u>16,757</u>	<u>13,779</u>	<u>-</u>	<u>15,175</u>	<u>90,661</u>
TRANSFERS							
Transfers from general operating fund	-	40,000	466,601	426,044	-	-	-
Transfers to general operating fund	(232,869)	(21,379)	(313,055)	(100,183)	(166,884)	-	-
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	-	-	-	-	-	-	1,483,719
Transfers to utility fund	-	-	-	-	-	-	(4,704,473)
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	<u>(225,295)</u>	<u>20,554</u>	<u>170,303</u>	<u>339,640</u>	<u>(166,884)</u>	<u>15,175</u>	<u>(3,130,093)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>894,524</u>	<u>206,769</u>	<u>1,710,145</u>	<u>1,142,513</u>	<u>167,614</u>	<u>1,558,944</u>	<u>11,782,348</u>
FUND SURPLUS, END OF YEAR	<u>\$ 669,229</u>	<u>\$ 227,323</u>	<u>\$ 1,880,448</u>	<u>\$ 1,482,153</u>	<u>\$ 730</u>	<u>\$ 1,574,119</u>	<u>\$ 8,652,255</u>

CITY OF BRANDON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2022

	2022					2021	
	Wastewater Distribution	DC Water Cost Charge	DC Wastewater Cost Charge	DC Water Network	DC Wastewater Network	Total	Total
REVENUE							
Investment income	\$ 82,852	\$ 983	\$ 1,275	\$ 1,925	\$ 5,552	\$ 732,436	\$ 658,511
Other income	-	-	-	-	-	-	-
Total revenue	82,852	983	1,275	1,925	5,552	732,436	658,511
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	82,852	983	1,275	1,925	5,552	732,436	658,511
TRANSFERS							
Transfers from general operating fund	-	-	-	-	-	12,769,410	17,429,346
Transfers to general operating fund	-	-	-	-	-	(14,266,840)	(18,814,875)
Transfer between reserves	-	-	-	-	-	-	-
Transfers from utility fund	1,251,314	63,006	81,289	81,520	258,841	3,222,689	13,869,034
Transfers to utility fund	(1,487,266)	-	-	-	(101,711)	(6,465,425)	(8,439,381)
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(153,100)	63,989	82,564	83,445	162,682	(4,007,730)	4,702,635
FUND SURPLUS, BEGINNING OF YEAR	8,461,798	61,687	80,307	146,836	455,607	67,624,356	62,921,721
FUND SURPLUS, END OF YEAR	\$ 8,308,698	\$ 125,676	\$ 162,871	\$ 230,281	\$ 618,289	\$ 63,616,626	\$ 67,624,356

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2022

	2022 Budget	2022 Actual	2021 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other revenue	-	-	-
Total revenue	-	-	-
Expenses			
General government			
Indemnities	-	-	-
Transportation services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenue (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	\$ -	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		\$ -	\$ -

SCHEDULE OF FINANCIAL POSITION FOR UTILITY

As at December 31, 2022

	<u>2022</u>	<u>2021</u>
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	4,176,422	5,315,793
Portfolio investments	-	-
Due from other funds	-	-
Other (specify):	-	-
	<u>\$ 4,176,422</u>	<u>\$ 5,315,793</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 472,226	\$ 203,731
Unearned revenue	-	-
Long-term debt (Note 10)	21,898,633	15,147,053
Due to other funds	53,614,626	62,650,772
Other (specify):	-	-
	<u>75,985,485</u>	<u>78,001,556</u>
NET DEBT	<u>\$ (71,809,063)</u>	<u>\$ (72,685,763)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 222,186,932	\$ 221,668,168
Inventories	460,183	491,168
Prepaid expenses	5,248	10,502
	<u>222,652,363</u>	<u>222,169,838</u>
FUND SURPLUS	<u>\$ 150,843,300</u>	<u>\$ 149,484,075</u>
COMMITMENTS AND CONTINGENCIES (Notes 11 and 12)		

CITY OF BRANDON
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2022

SCHEDULE 9

REVENUE	Budget Note 16	2022	2021
Water			
Water fees	\$ 11,820,186	\$ 10,610,239	\$ 11,017,507
Bulk water fees	80,002	46,133	83,741
sub-total- water	<u>11,900,188</u>	<u>10,656,372</u>	<u>11,101,248</u>
Sewer			
Sewer fees	8,115,424	7,910,488	8,251,800
Lagoon tipping fees	175,000	168,221	139,633
sub-total- sewer	<u>8,290,424</u>	<u>8,078,709</u>	<u>8,391,433</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Recovery			
Deficit recovery	-	-	-
Debenture recovery	-	667,442	130,273
sub-total- recovery	<u>-</u>	<u>667,442</u>	<u>130,273</u>
Government transfers			
Operating	-	-	7,762
Capital - government	-	340,998	1,603,554
Capital - other organizations	-	506,255	393,620
sub-total- government transfers	<u>-</u>	<u>847,253</u>	<u>2,004,936</u>
Other			
Hydrant rentals	305,800	305,200	259,000
Connection charges	1,005,211	1,007,682	1,004,441
Installation service	-	-	-
Penalties	75,000	82,573	76,633
Contributed tangible capital assets	-	848,994	1,070,470
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income (specify)	4,070,418	2,245,269	2,215,757
sub-total- other	<u>5,456,429</u>	<u>4,489,718</u>	<u>4,626,301</u>
Total revenue	<u>25,647,041</u>	<u>24,739,494</u>	<u>26,254,191</u>

CITY OF BRANDON
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2022

SCHEDULE 9

EXPENSES	Budget Note 16	2022	2021
General			
Administration	4,123,964	3,730,795	4,821,024
Billing and collection	945,528	895,008	879,003
Other (specify)	-	-	-
sub-total- general	<u>5,069,492</u>	<u>4,625,803</u>	<u>5,700,027</u>
Water			
Purification and treatment	6,551,608	5,358,198	5,307,776
Water purchases	-	-	-
Transmission and distribution	745,068	1,007,505	717,993
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Training costs	92,435	93,531	50,249
Utilities (telephone, electricity, etc.)	635,841	518,242	426,667
Connection costs	575,473	207,642	274,360
Other (specify)	12,647	-	-
sub-total- water	<u>8,613,072</u>	<u>7,185,118</u>	<u>6,777,045</u>
Water Amortization & Interest			
Amortization	2,664,566	2,664,566	2,364,793
Interest on long term debt	526,814	526,814	163,677
sub-total- water amortization & interest	<u>3,191,380</u>	<u>3,191,380</u>	<u>2,528,470</u>
Sewer			
Collection system costs	345,042	413,123	558,219
Treatment and disposal cost	5,150,635	5,414,237	5,126,032
Lift station costs	172,787	50,402	28,943
Transportation services	-	-	-
Connection costs	-	-	-
Training costs	40,000	13,639	4,841
Utilities (telephone, electricity, etc.)	1,095,590	1,216,521	1,167,908
Other sewage & disposal costs (specify)	-	-	-
sub-total- sewer	<u>6,804,054</u>	<u>7,107,922</u>	<u>6,885,943</u>
Sewage Amortization & Interest			
Amortization	5,038,685	5,038,685	5,052,294
Interest on long term debt	247,689	247,689	283,590
sub-total- sewer amortization & interest	<u>5,286,374</u>	<u>5,286,374</u>	<u>5,335,884</u>
Total expenses	<u>28,964,372</u>	<u>27,396,597</u>	<u>27,227,369</u>
NET OPERATING SURPLUS (DEFICIT)	(3,317,331)	(2,657,103)	(973,178)
TRANSFERS			
Transfers from reserve funds	300,000	7,579,499	8,439,381
Transfers to reserve funds	<u>(3,705,995)</u>	<u>(3,563,171)</u>	<u>(13,869,035)</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ (6,723,326)</u>	1,359,225	(6,402,832)
FUND SURPLUS, BEGINNING OF YEAR		<u>149,484,075</u>	<u>155,886,907</u>
FUND SURPLUS, END OF YEAR		<u>\$ 150,843,300</u>	<u>\$ 149,484,075</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2022

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 44,584,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,584,099
Grants in lieu of taxation	2,392,855	-	-	-	-	-	-	2,392,855
User fees	16,696,185	-	-	-	-	-	3,244,849	19,941,034
Permits, licences and fines	3,020,513	-	-	-	-	-	-	3,020,513
Investment income	25,000	-	-	-	-	-	3,701	28,701
Other revenue	776,845	-	-	-	-	-	2,807	779,652
Water and sewer	-	25,647,041	-	-	-	-	-	25,647,041
Grants - Province of Manitoba	19,698,794	-	-	-	-	-	1,144,224	20,843,018
Grants - other	4,181,846	-	-	-	-	-	495,164	4,677,010
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from reserves	6,439,692	300,000	-	-	(6,739,692)	-	-	-
Total revenue	\$ 97,815,829	\$ 25,947,041	\$ -	\$ -	\$ (6,739,692)	\$ -	\$ 4,890,745	\$ 121,913,923
EXPENSES								
General government services	\$ 8,128,083	\$ -	\$ 782,742	\$ -	\$ 113,793	\$ -	\$ -	\$ 9,024,618
Protective services	35,335,823	-	1,350,784	607,971	-	-	-	37,294,578
Transportation services	17,271,404	-	6,593,560	226,467	-	-	-	24,091,431
Environmental health services	4,645,217	-	242,787	19,696	-	65,144	-	4,972,844
Public health and welfare services	700,211	-	1,540	-	-	-	-	701,751
Regional planning and development	5,955,204	-	-	28,015	-	-	290,648	6,273,867
Resource cons and industrial dev	864,764	-	-	-	-	-	-	864,764
Recreation and cultural services	10,031,628	-	988,746	79,243	-	-	5,166,870	16,266,487
Water and sewer services	-	20,486,618	7,703,251	774,503	-	-	-	28,964,372
Fiscal services:								
Transfer to capital	-	-	-	-	-	-	-	-
Debt charges	3,833,113	1,754,428	-	(5,587,541)	-	-	-	-
Short term interest	80,310	-	-	-	(80,310)	-	-	-
Transfer to reserves	10,936,589	3,705,995	-	-	(14,642,584)	-	-	-
Allowance for tax assets	33,483	-	-	-	(33,483)	-	-	-
Total expenses	\$ 97,815,829	\$ 25,947,041	\$ 17,663,410	\$ (3,851,646)	\$ (14,642,584)	\$ 65,144	\$ 5,457,518	\$ 128,454,712
Surplus (Deficit)	\$ -	\$ -	\$ (17,663,410)	\$ 3,851,646	\$ 7,902,892	\$ (65,144)	\$ (566,773)	\$ (6,540,789)

CITY OF BRANDON
ANALYSIS OF TAXES ON ROLL
December 31, 2022

SCHEDULE 11

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 3,369,440	\$ 3,541,546
Add:		
Tax levy (Schedule 12)	89,843,657	88,462,655
Taxes added	1,358,696	982,002
Penalties or interest	547,166	514,284
Other accounts added	473,083	437,878
Tax Adjustments (specify)	-	-
Sub-total	<u>92,222,602</u>	<u>90,396,819</u>
Deduct:		
Cash collections - current	83,869,002	81,223,810
Cash collections - arrears	3,082,826	3,208,349
Writeoffs	158,373	252,321
Tax discounts	72,054	78,181
E.P.T.C. - cash advance	4,411,388	5,388,494
Other credits	463,309	417,770
Sub-total	<u>92,056,952</u>	<u>90,568,925</u>
Balance, end of year	<u><u>\$ 3,535,090</u></u>	<u><u>\$ 3,369,440</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2022

	2022			2021
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LID	3,057,982,560	0.588	1,798,094	1,797,486
Other (specify)	2,776,290,100	12.701	35,261,661	1,517,627
sub-total - Debt charges			<u>37,059,755</u>	<u>3,315,113</u>
Reserves:				
Various	2,776,290,100	1.568	4,353,223	5,540,846
General municipal	2,776,290,100	0.667	1,866,324	33,096,883
Special levies:				
Department of Rural Development	2,776,290,100	0.251	696,849	697,065
School Portion - Mobile home revenue			(492,233)	(477,675)
sub-total - Special levies			<u>204,616</u>	<u>219,390</u>
Business tax (1%)	10,018,100	1.000	100,181	112,640
Total municipal taxes (Schedule 2)			<u>43,584,099</u>	<u>42,284,872</u>
Education support levy	772,766,520	8.713	6,733,115	6,725,089
Special levies:				
Brandon School Division	2,714,887,630	14.370	39,034,210	38,975,019
Mobile home revenue			492,233	477,675
sub-total - Special levies			<u>39,526,443</u>	<u>39,452,694</u>
Total education taxes			<u>46,259,558</u>	<u>46,177,783</u>
Total tax levy (Schedule 11)			<u>\$ 89,843,657</u>	<u>\$ 88,462,655</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2022

	2022 Actual	2021 Actual
General government services:		
Legislative	\$ 493,092	\$ 382,086
General administrative	7,835,159	7,621,520
Other	2,021,235	2,178,566
	<u>10,349,486</u>	<u>10,182,172</u>
Protective services:		
Police	20,480,512	20,104,357
Fire	10,711,226	10,174,543
Emergency measures	4,260,746	4,430,479
Other	1,693,180	1,842,912
	<u>37,145,664</u>	<u>36,552,291</u>
Transportation services:		
Road transport		
Administration and engineering	5,628,754	5,285,039
Road and street maintenance	3,270,681	2,403,349
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	139,981	235,165
Street lighting	1,065,664	1,008,780
Other	2,617,030	2,971,753
Air transport	2,009,997	1,726,237
Public transit	6,081,874	5,946,732
Other	-	-
	<u>20,813,981</u>	<u>19,577,055</u>
Environmental health services:		
Waste collection and disposal	3,003,188	2,919,869
Recycling	1,936,062	2,071,462
Other	-	-
	<u>4,939,250</u>	<u>4,991,331</u>
Public health and welfare services:		
Public health	394,587	411,594
Medical care	-	-
Social assistance	267,032	267,032
Other	-	-
	<u>661,619</u>	<u>678,626</u>
Regional planning and development		
Planning and zoning	766,175	677,220
Urban renewal	2,421,770	670,858
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	855,500	580,554
	<u>4,043,445</u>	<u>1,928,632</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	514,466	504,988
Industrial development	-	-
Tourism	163,818	(34,852)
Other	-	-
	<u>678,284</u>	<u>470,136</u>
Sub-totals forward	<u>78,631,729</u>	<u>74,380,243</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2022

	<u>2022 Actual</u>	<u>2021 Actual</u>
Sub-totals forward	<u>78,631,729</u>	<u>74,380,243</u>
Recreation and cultural services:		
Administration	1,386,925	888,139
Community centers and halls	60,000	110,000
Swimming pools and beaches	307,720	292,679
Golf courses	136,002	167,123
Skating and curling rinks	-	4,770
Parks and playgrounds	3,360,454	3,461,533
Other recreational facilities	3,375,498	2,883,293
Museums	352,732	319,211
Libraries	1,029,072	927,756
Other cultural facilities	945,415	811,622
	<u>10,953,818</u>	<u>9,866,126</u>
Total expenses	<u>\$ 89,585,547</u>	<u>\$ 84,246,369</u>

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2022

	2022			2021
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ -	\$ -	\$ -	\$ -
Adjustments for reporting under public sector accounting standards				
Eliminate interfund transfers	-	-	-	-
Eliminate expense - transfers to reserves	12,508,043	3,563,171	16,071,214	31,298,381
Eliminate revenue - transfers from reserves	(14,426,293)	(7,579,499)	(22,005,792)	(27,254,256)
Increase revenue - reserve funds interest (and other income)	732,437	-	732,437	658,511
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(566,773)	-	(566,773)	(546,600)
Increase (Decrease) revenue - developer contributed tangible capital assets	1,044,051	848,994	1,893,045	2,233,438
Increase expense - amortization of tangible capital assets	(9,960,160)	(7,703,251)	(17,663,411)	(17,395,879)
Increase (Decrease) revenue - disposed capital assets net book value	(239,016)	-	(239,016)	(1,168,349)
Eliminate expense - acquisitions of tangible capital assets	12,907,441	7,283,331	20,190,772	32,317,360
Increase (Decrease) revenue - funded acquisitions of tangible capital assets	830,940	-	830,940	(17,846,002)
Decrease expense - principal portion of debenture debt	2,803,385	1,248,420	4,051,805	3,640,877
Decrease expense - accrued interest portion of debenture debt	32,088	(268,495)	(236,407)	47,597
Increase expense - landfill closure and post closure liabilities	(65,144)	-	(65,144)	(149,886)
Increase (decrease) expense - salary liabilities adjustment	(390,840)	(49,774)	(440,614)	(363,178)
Increase (decrease) expense - bad debt (recoveries)	(205,137)	-	(205,137)	(161,047)
Eliminate - other (tax asset, miscellaneous)	94,708	-	94,708	154,582
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 5,099,730	\$ (2,657,103)	\$ 2,442,627	\$ 5,465,549