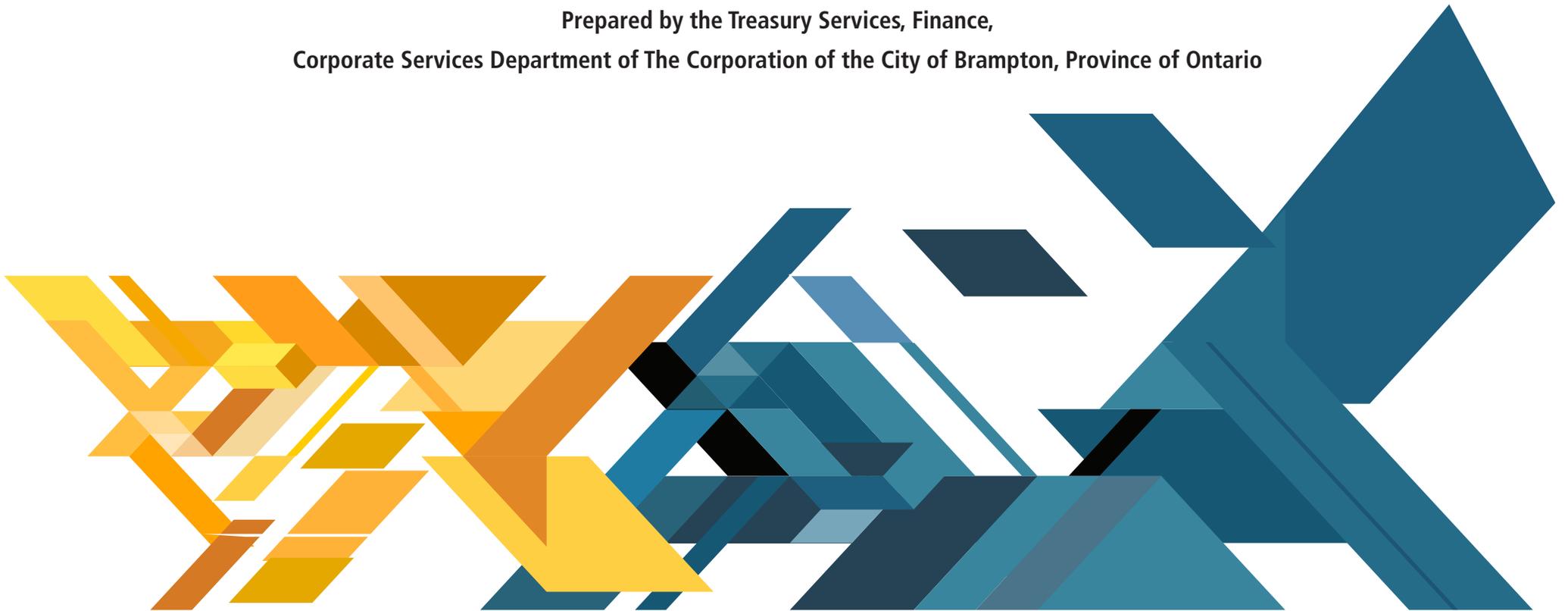


# FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Prepared by the Treasury Services, Finance,  
Corporate Services Department of The Corporation of the City of Brampton, Province of Ontario



# Financial Report Table of Contents

---

## **1 INTRODUCTION**

- 1 City of Brampton Corporate Organizational Chart
- 2 Message from the Executive Director, Finance and City Treasurer
- 6 Financial Highlights
- 7 GFOA Award

## **9 FINANCIAL**

### **9 CONSOLIDATED FINANCIAL STATEMENTS**

- 10 Responsibility for Financial Reporting
- 11 Auditors' Report
- 12 Consolidated Statement of Financial Position
- 13 Consolidated Statement of Operations and Accumulated Surplus
- 14 Consolidated Statement of Change in Net Financial Assets
- 15 Consolidated Statement of Cash Flows
- 16 Notes to Consolidated Financial Statements
- 25 Consolidated Schedule of Segment Disclosure

## **27 TRUST FUNDS**

- 28 Auditors' Report
- 29 Statement of Financial Position
- 30 Statement of Financial Activities and Changes in Fund Balances
- 31 Notes to Financial Statements

## **33 STATISTICAL INFORMATION**

- 34 Five Year Review Summary
- 39 10 Largest Corporate Property Taxpayers in Brampton - 2013

# City of Brampton Corporate Organizational Chart



# Message from the City Treasurer



I am pleased to present the City of Brampton's financial statements for the 2015 fiscal year. As a rapidly growing city, Brampton's ongoing challenge is to balance service delivery, infrastructure building and maintenance, while remaining fiscally responsible.

Brampton has made great strides in its commitment to accountability, transparency, credibility and clarity in financial reporting. We continue to explore long-term strategies to help with prioritization and decision-making. In addition to key financial results, this report provides an overview of the local economic climate, financial policies, budget initiatives, and financial performance related to the delivery of the City's programs and services.

## FINANCIAL STATEMENTS

Management is responsible for the preparation of the City's financial statements. These financial statements have been prepared in accordance with the reporting standards established for municipalities by the Public Sector Accounting Board (PSAB) and included within the CPA Canada Public Sector Accounting Handbook. We are confident that controls are in place in the City's accounting and financial reporting systems that ensure accuracy of the financial statements being presented.

The 2015 financial statements have been audited by KPMG LLP, Chartered Professional Accountants (KPMG) in accordance with Canadian Generally Accepted Auditing Standards and their report is included in the financial statements. The role of the statutory auditor is to present an independent opinion on the fair presentation of the City's financial position and operating results as contained in the Financial Report, and confirm that the statements are free from material misstatements. The auditors are also responsible for advising management and City Council of any control or operational issues that may be identified during their audit.

The auditors have expressed the opinion that the City's financial statements present fairly the financial position of the Corporation of the City of Brampton as at December 31, 2015, and comply with PSAB municipal financial reporting requirements.

Similar to the private sector, these financial statements are prepared using the full accrual basis of accounting: revenues are recorded when they are earned and expenses are recorded upon receipt of goods or services. Tangible capital assets reporting – including the City's investments, consumption (amortization) and contributions by developers – enables all levels of government to track municipal infrastructure across the country.

## OVERVIEW OF ECONOMIC CLIMATE AND FINANCIAL STRATEGIES

Brampton is an urban growth centre, as designated by the Province of Ontario. With a successful and diversified economy Brampton is well positioned for future growth.

Some key economic indicators in Brampton:

- Population increased to 580,600 in 2015 from 571,700 in 2014, and is expected to increase to 843,000 by the year 2031.
- Number of households increased to 164,680 in 2015 from 160,700 in 2014, and is projected to be more than 200,000 by 2031.
- Total construction building permit values increased to \$2.73 billion in 2015 from \$2.26 billion in 2014.
- Housing permit applications increased to 8,003 in 2015, from 6,346 in 2014.
- The Region of Peel unemployment rate decreased to 6.8 per cent in 2015 (8.5 per cent in 2014), reflecting improving economic conditions in the region.

Brampton City Council continues to engage its community and remains committed to transparency in government. The expectations for programs and services are balanced with the need to insulate taxpayers where possible, to ensure ongoing value for money.

Addressing infrastructure needs – responding to growth and maintaining the existing base in a state of good repair – remains a key objective of the City. As part of its ongoing commitment to reduce the tax burden, the City pursues federal and provincial financial support for infrastructure projects, and the Mayor and City Council advocate on behalf of Brampton.

# Message from the City Treasurer

The Federal Gas Tax Fund – a permanent source of funding since 2011 – provides Brampton with approximately \$28 million per year to fund various eligible capital programs.

## FINANCIAL MANAGEMENT POLICIES

The City of Brampton has established a number of financial management policies that provide a framework for the City's overall fiscal planning and financial management. This includes proactive financial planning and financial reporting processes.

The City of Brampton is in compliance with the reporting guidelines required by the Ontario Ministry of Municipal Affairs and Housing.

The City's rigorous financial reporting, on both operating and capital results, continues to exceed the requirements of both the federal and provincial governments. City staff regularly provides financial reports to City Council in various forms, including financial status reports. These reports are prepared and submitted to City Council four times per year for operating and two times per year for capital. The reports clearly compare budgets with results and provide comments on variances from budget and forecasts. These comprehensive, easy-to-read reports enable City Council and the public to understand how their tax dollars are spent and how the City has performed against budget.

Through its risk management program, the City proactively protects the Corporation's assets against financial losses and ensures preservation of public service capacities. In addition, the City purchases insurance to ensure financial protection is available should a large loss occur. The City has recently begun implementation of an Enterprise Risk Management program. This initiative will incorporate a consistent approach to risk into the culture and strategic planning processes of the City.

Key improvements to policies and procedures implemented in 2015 include:

- Capital contract budgeting – align budgets with capacity to deliver, thus reducing unspent capital and maximizing use of available funding
- Multi-year operating and capital budgets – provide stakeholders with information to evaluate future implications of budget decisions
- Full accrual budgeting – enable year-end results to be compared to budgets in the financial statements, enhancing transparency and accountability

Initiated in 2015, the City will deliver a long-term Financial Master Plan and a Corporate Asset Management Plan in 2016. These two initiatives will help improve financial decision-making, planning and reporting.

## GFOA CANADIAN AWARD FOR FINANCIAL REPORTING

In 2015, for the fourteenth consecutive year, the Government Finance Officers Association (GFOA) of the United States and Canada formally recognized Brampton for its excellence in financial reporting with the "Canadian Award for Financial Reporting" for the City's 2014 Annual Report.

The GFOA established the Canadian Award for Excellence in Financial Reporting Program to encourage Canadian local governments to go beyond the minimum requirement of generally accepted accounting principles to communicate the municipal government's finances in a comprehensive manner, based on a set of consistent reporting requirements established for all local government.

The City of Brampton's 2015 achievements demonstrated the high standards in financial reporting supported by evidence of transparency and full disclosure.

## OTHER FINANCIAL INDUSTRY ACHIEVEMENTS AND RECOGNITION

In 2015, the City made significant improvements in the budget process, which have increased transparency, accountability and prudent management of financial resources. The success of these initiatives has been recognized by several external agencies.

### Standard and Poor's

### **AAA Stable**

Since 2006, Brampton has enjoyed a Standard & Poor's 'AAA' credit rating. The strengthening of the City's financial policies and its solid financial position is reinforced by the credit rating increase from AAA negative to AAA stable in 2015.

The rating reflects "the city's very strong and well-diversified economy, exceptional liquidity, very strong budgetary performance, and strong revenue-side budgetary flexibility" as well as "the "very predictable and well-balanced" local government framework ... the positive impact of Brampton's strong financial management on its credit profile, and very low debt and contingent liabilities."

### C.D. Howe Institute

### **B-**

Brampton's rating improved from a grade of D in 2011 and 2013 to a grade of B- in 2015. Brampton is in the top ten municipalities rated and is one of only three that presented budgets on an accrual basis.

# Message from the City Treasurer

## Frontier Centre for Public Policy

**Ranked Second**

The Transparency Index ranked Brampton second when comparing financial data of 100 cities across Canada. This reflects Brampton's ongoing commitment to transparency and clarity in financial reporting.

## BUDGET PROCESS

The budget process balances prudent fiscal management against the needs of a growing city. Strategic objectives and service standards are identified and prioritized by departmental staff, senior management, executive leadership and, ultimately, City Council. Throughout the process, public input is sought and taken into account.

Budget submissions are consolidated and supported by the analysis of budget drivers and justification of all proposed new initiatives. Senior management and executive leadership teams then determine a recommended set of objectives and priorities for allocation of available resources. These proposed budgets and priorities are considered by Council in open public meetings, amendments are made as appropriate, and budget approval is granted.

Separate capital and operating budgets are prepared in parallel, but are closely linked in recognition of the impact that each has on the other. The capacity to fund, deliver and manage the large quantity of new capital infrastructure needed to accommodate growth continued to be a major consideration in the 2015 budget process.

Commencing in 2015, the City adopted full accrual basis (PSAB) budgeting which strengthens the City's commitment to transparency in financial reporting. The full accrual PSAB based budget methodology does not change how the tax levy is calculated, or how funding decisions are made by City Council. The 2015 Financial Statements reflect full accrual budget figures for comparison purposes.

Also commencing in 2015, capital budget methodology changed from full project budgeting to capital contract budgeting. This new methodology only allows budgeting for contracts that are anticipated to be issued in the budget year. This aligns annual funding requirements with the City's capacity to deliver capital projects.

Development charges (DCs) are collected from developers and placed in a DC Reserve to fund capital growth projects. Historically, the city has built growth related infrastructure before all the DCs are collected to pay for it. This has resulted in an over commitment of DCs, known as a DC deficit. This deficit is reduced over time as DCs are collected. Changes to the capital budget methodology in 2015 improved this measure drastically in 2015, reducing the DC deficit from \$189.7 million at the end of 2014 to \$38.2 million at the end of 2015.

Key budget objectives included in the 2015 budget were:

- Managing growth
- Investing in infrastructure and the future
- Ensuring continued value for money in the provision of all City services
- Encouraging economic growth
- Community outreach
- Preserving and conserving the environment
- Insulating taxpayers to the extent possible

## AUDIT COMMITTEE

The Audit Committee is a Committee of Council comprising five City Council Members appointed by Council. It provides a forum for communication among Council, the external auditor, the internal auditor and management. The Audit Committee facilitates an impartial, objective and independent review of management practices through internal and external audit functions.

## FINANCIAL RESULTS

The City of Brampton's accumulated surplus at the end of 2015 was \$4.0 billion (2014- \$3.8 billion), of which \$3.5 billion reflects investments in tangible capital assets. This increase reflects the City's continuing commitment to invest in capital infrastructure to support current City services and future growth.

### Revenues

Revenues totalled \$831 million in 2015. The sources were:

- \$397 million from property taxes
- \$183 million from development levies and other restricted capital contributions (i.e. development charges and government transfer payments for restricted purposes being applied to applicable capital works)
- \$162 million from user fees, fines, interest income and other
- \$76 million of developer contributed tangible capital assets
- \$13 million from federal and provincial government grants

Total revenues reported in 2015 were \$72 million higher than 2014. Major factors contributing to this increase include:

- An \$85 million increase in development levies earned and other capital contributions due to the higher development charges receipts as well as internal fund transfers from obligatory reserve funds to provide financing for capital projects.
- A \$34 million increase in property taxation as a result of assessment growth and budgetary increases. The majority of the growth is realized from new construction, particularly residential, and new plans of subdivision. Also contributing to the increase, but to a much lesser extent, is the increased supplementary assessment received from the Municipal Property Assessment Corporation.

# Message from the City Treasurer

- A reduction in developer-contributed tangible capital assets.

## Expenses

The operating expenses totalled \$652 million, including:

- Transportation services - \$273 million
- Recreation and cultural services - \$166 million
- Protection to persons and property - \$101 million
- General government - \$61 million
- Planning and development services - \$27 million
- Environmental and health services - \$21 million
- Social and family services - \$3 million

Total operating expenses of \$652 million (2014 – \$634 million) increased by \$18 million. \$2 million reflects an increase in amortization (depreciation) expense, representing the value of tangible capital assets that was consumed during the year. The amortization expense increased due to the impact of the \$248 million in new tangible capital assets that were added during 2015.

This increase in tangible capital assets is mainly due to the infrastructure assets assumed from developers through subdivision agreements, construction of the Williams Parkway administrative building, purchase of transit buses and road construction activities. Amortization expenses do not require an outlay of cash and are not included in the determination of the annual property tax levy.

The remaining \$16 million in increased expenses include:

- \$8.1 million increase in project operating expenses due to increased costs associated with valley land development, bridge repairs and storm water system restoration
- \$4 million increase in post-employment and other liabilities
- \$0.9 million related to the adoption of new accounting standard for contaminated sites

- Operating and maintenance of the City's growing infrastructure investment
- Higher utility costs

## RESERVE FUNDS

The City of Brampton has established a number of reserves and reserve funds to fund long-term liabilities, smooth tax rate increases and fund capital projects.

As at December 31, 2015, the City of Brampton's reserves and reserve fund balances totalled \$289 million, compared to \$259 million in 2014. These funds are reported as a component of the accumulated surplus (see Note 10 of the financial statements).

Included in the Consolidated Statement of Financial Position are deferred revenues from gas taxes, provincial and federal transfer payments, development charges and other contributions from developers for future growth-related capital works. These deferred revenues totalled \$317 million as at December 31, 2015 as compared to \$306 million in 2014, an increase of \$11 million.

Transfers from reserves and reserve funds are required on an annual basis to fund portions of the City's operating costs and capital expenditure program. In addition, some of these transfers are directed towards insurance claims, replacement of assets, sick leave programs and Workers' Safety Insurance payments.

Staff continues to review reserve balances on an ongoing basis to ensure the City is well-positioned to meet its long-term financial commitments and take advantage of financial opportunities that may arise.

## FINAL COMMENTS

Recent efforts have improved the state of Brampton's finances, as recognized by the financial community, and the City is dedicated to ongoing improvement. Through its strategic planning initiatives and continued advocacy to other levels of government for equitable funding, the City will focus on long-term financial management and transparency while addressing the needs of its citizens.

As the ninth-largest city in Canada, Brampton celebrates a diverse population that represents people from 209 distinct ethnic backgrounds who speak 89 different languages. Brampton residents and visitors have access to state-of-the-art recreation facilities and one of the fastest-growing transit systems in Canada.

As a major urban growth centre, Brampton continues to provide and improve its high standards of service and respond to challenges and opportunities such as good government, smart growth, moving and connecting and strong communities. Brampton is committed to reaching out to its diverse community and listening to its residents and businesses through expanded community engagement efforts.

Looking ahead, we are committed to our vision: to be a connected city that is innovative, inclusive and bold.

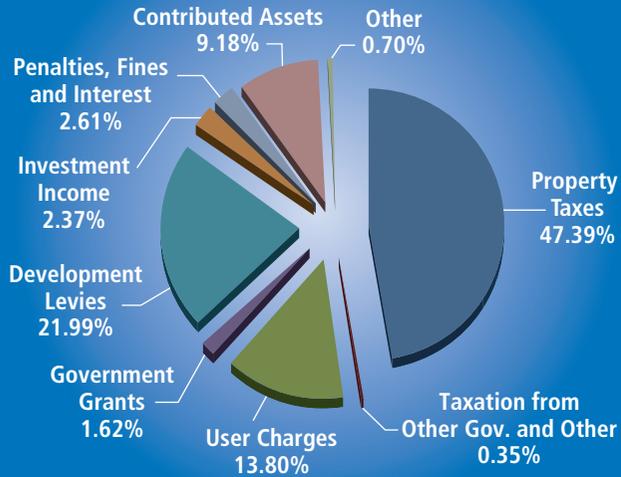
Peter Honeyborne,  
City Treasurer

June 3, 2016

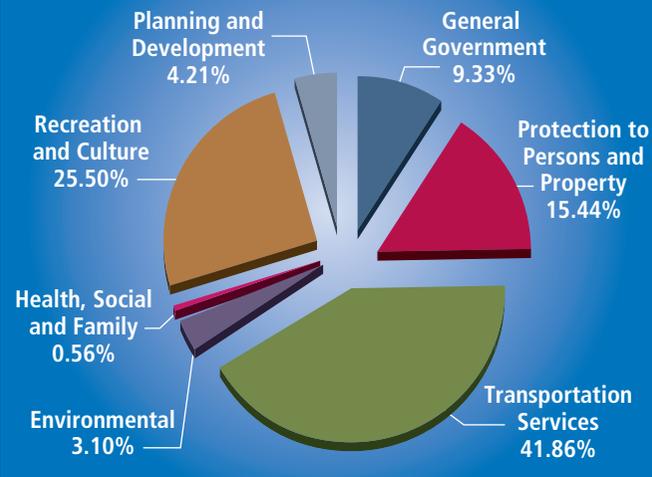
# Financial Highlights

for the Year Ended December 31, 2015

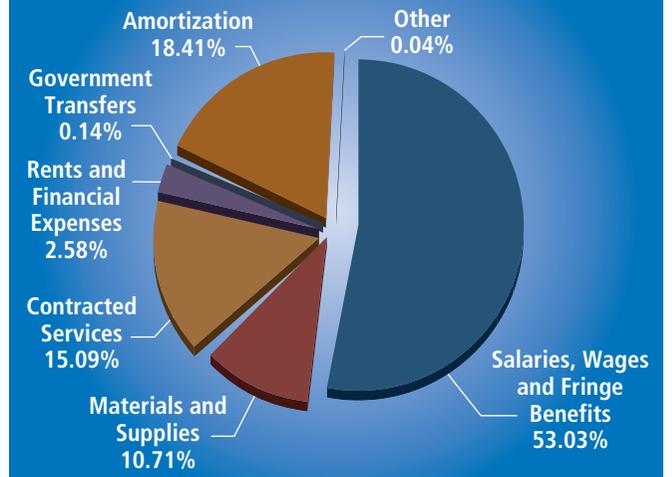
## CONSOLIDATED REVENUE BY TYPE - 2015



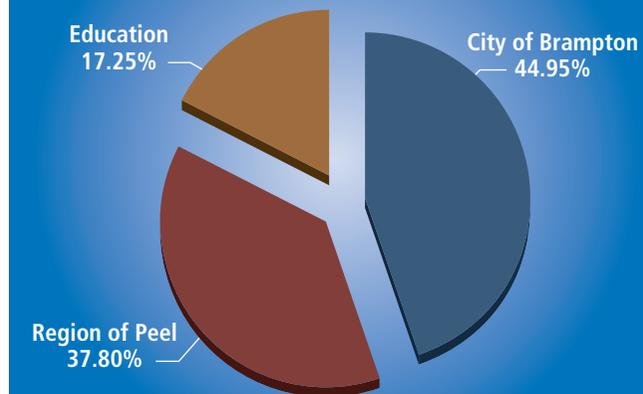
## CONSOLIDATED EXPENSES BY SERVICE - 2015



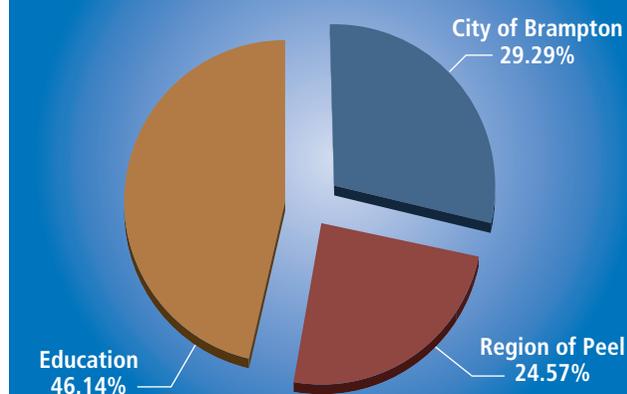
## CONSOLIDATED EXPENSES BY TYPE - 2015



## WHERE DOES YOUR RESIDENTIAL TAX DOLLAR GO



## WHERE DOES YOUR COMMERCIAL AND INDUSTRIAL TAX DOLLAR GO







# CONSOLIDATED FINANCIAL STATEMENTS

The Corporation of the City of Brampton for the Fiscal Year Ended December 31, 2015



# Responsibility for Financial Reporting

## Management's Report

The integrity, relevance and comparability of data in the accompanying consolidated financial statements are the responsibility of management.

The consolidated financial statements are prepared by management, in accordance with generally accepted accounting principles established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. They necessarily include some amounts that are based on the best estimates and judgments of management. Financial data elsewhere in the report is consistent with that in the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

City Council fulfils its responsibility for financial reporting through The City Council and its Audit Committee. The City Council consists of the Mayor and ten Councillors. The Audit Committee consists of five Councillors.

KPMGLLP, Chartered Accountants, have been appointed by City Council to express an opinion on The City's consolidated financial statements. Their report follows.



Peter Simmons  
Acting Chief Administrative Officer



Peter Honeyborne  
Executive Director, Finance & Treasurer

Brampton, Canada  
May 6, 2016

# Auditors' Report



KPMG LLP  
Yonge Corporate Centre  
4100 Yonge Street, Suite 200  
Toronto ON M2P 2H3  
Canada  
Tel 416-228-7000  
Fax 416-228-7123

## INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of  
The Corporation of the City of Brampton

We have audited the accompanying consolidated financial statements of The Corporation of the City of Brampton, which comprise the consolidated statement of financial position as at December 31, 2015, the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



Page 2

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the City of Brampton as at December 31, 2015, and its consolidated results of operations and accumulated surplus, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

May 6, 2016  
Toronto, Canada

# Consolidated Statement of Financial Position

as at December 31, 2015

(All dollar amounts in \$000)

	2015	2014
<b>FINANCIAL ASSETS</b>		
Cash and short-term investments (Note 4)	\$513,235	\$477,619
Taxes receivable	44,289	52,970
User charges receivable	3,419	2,817
Accounts receivable	35,430	48,297
Long-term investments (Note 4)	456,143	404,115
Other assets (Note 5)	8,344	8,354
<b>Total financial assets</b>	<b>1,060,860</b>	<b>994,172</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	127,453	125,085
Capital lease obligation (Note 6)	91,619	92,967
Deferred revenue - general (Note 7 (a))	3,339	3,275
Deferred revenue - obligatory reserve funds (Note 7 (b))	316,710	306,450
Employee benefits and other liabilities (Note 8)	68,363	64,282
<b>Total financial liabilities</b>	<b>607,484</b>	<b>592,059</b>
<b>Net Financial Assets</b>	<b>453,376</b>	<b>402,113</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 16)	3,508,415	3,380,587
Inventory and prepaids	5,395	5,567
<b>Total non-financial assets</b>	<b>3,513,810</b>	<b>3,386,154</b>
Guarantee (Note 5)	-	-
Contingencies (Note 14)	-	-
Commitments (Note 18)	-	-
<b>ACCUMULATED SURPLUS (Note 10)</b>	<b>\$3,967,186</b>	<b>\$3,788,267</b>

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

# Consolidated Statement of Operations and Accumulated Surplus

for the Year Ended December 31, 2015

(All dollar amounts in \$000)

	2015 Budget (notes 1 (n) and 19)	2015	2014
<b>REVENUES</b>			
Property taxation (note 11)	\$390,461	\$393,608	\$359,644
Taxation from other governments	2,702	2,874	2,681
User charges	114,051	114,620	111,357
Government grants	5,013	13,468	26,509
Development levies earned and other restricted capital contributions	149,064	182,628	97,344
Investment income	8,417	9,955	9,655
Interest earned on reserves	7,600	9,728	8,021
Penalties, fines and interest	20,354	21,688	21,259
Developer contributed tangible capital assets (note 16 (b))	136,312	76,271	115,410
Other	6,556	5,792	6,712
<b>Total Revenues</b>	<b>840,530</b>	<b>830,632</b>	<b>758,592</b>
<b>EXPENSES</b>			
General government	65,391	60,798	59,043
Protection to persons and property	100,583	100,656	115,199
Transportation services	271,610	272,824	257,604
Environmental services	15,770	20,181	15,789
Health services (cemeteries)	719	840	719
Social and family services	2,778	2,832	3,032
Recreation and cultural services	165,840	166,159	155,191
Planning and development services	29,836	27,423	27,056
<b>Total Expenses</b>	<b>652,527</b>	<b>651,713</b>	<b>633,633</b>
<b>Annual Surplus</b>	<b>\$188,003</b>	<b>\$178,919</b>	<b>\$124,959</b>
<b>Accumulated Surplus, beginning of year</b>		<b>3,788,267</b>	<b>3,663,308</b>
<b>Accumulated surplus, end of year (Note 10)</b>		<b>\$3,967,186</b>	<b>\$3,788,267</b>

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

# Consolidated Statement of Change in Net Financial Assets

for the year ended December 31, 2015

(All dollar amounts in \$000)

	2015 Budget (notes 1 (n) and 19)	2015	2014
<b>Annual Surplus</b>	\$188,003	\$178,919	\$124,959
Acquisition of tangible capital assets		(248,028)	(340,570)
Amortization of tangible capital assets	117,579	119,939	118,399
Net book value of disposed tangible capital assets		261	195
Acquisition of inventory and prepaids		(7,060)	(6,052)
Use of inventory and prepaids		7,232	4,943
<b>Change in Net Financial Assets</b>	<b>305,582</b>	<b>51,263</b>	<b>(98,126)</b>
<b>Net Financial Assets, beginning of year</b>		<b>402,113</b>	<b>500,239</b>
<b>Net Financial Assets, end of year</b>		<b>\$453,376</b>	<b>\$402,113</b>

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

# Consolidated Statement of Cash Flows

for the year ended December 31, 2015

(All dollar amounts in \$000)

	2015	2014
<b>OPERATING ACTIVITIES</b>		
<b>Cash provided by (used in):</b>		
Annual surplus	\$178,919	\$124,959
<b>Change in non-cash assets and liabilities:</b>		
Taxes receivable	8,681	523
User charges receivable	(602)	766
Accounts receivable and other assets	12,877	(26,386)
Accounts payable and accrued liabilities	2,368	5,853
Deferred revenue - general	64	(3)
Deferred revenue - obligatory reserve fund	10,260	76,882
Employee benefits and other liabilities	4,081	89
Inventory and prepaids	172	(1,109)
	37,901	56,615
<b>Items not involving cash:</b>		
Amortization of tangible capital assets	119,939	118,399
Loss on disposal of tangible capital assets	261	195
Developer contributed tangible capital assets	(76,271)	(115,410)
<b>Net Change In Cash From Operations</b>	<b>260,749</b>	<b>184,758</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of capital lease obligation	(1,348)	(533)
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(171,757)	(131,660)
<b>INVESTING ACTIVITIES</b>		
Increase (decrease) in long-term investments	(52,028)	7,724
	(225,133)	(124,469)
<b>INCREASE IN CASH AND SHORT-TERM INVESTMENTS</b>	<b>35,616</b>	<b>60,289</b>
Cash and short-term investments, beginning of year	477,619	417,330
<b>Cash and Short-Term Investments, end of year</b>	<b>\$513,235</b>	<b>\$477,619</b>

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

Supplemental disclosure of non-cash transaction related to capital activities:	-	-
Tangible capital asset acquired through capital lease	-	\$93,500

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

The Corporation of the City of Brampton (the "City") is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, 2001, Municipal Affairs Act, Development Charges Act and related legislation.

## 1. Significant Accounting Policies:

The consolidated financial statements of the City are prepared by management in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada"). Significant aspects of the accounting policies adopted by the City are as follows:

### a) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity. The reporting entity is comprising all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City. These consolidated financial statements include:

- The City of Brampton Public Library Board
- Brampton Downtown Development Corporation
- Downtown Brampton Business Improvement Area

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

### b) Non-consolidated entities:

The following Regional Municipality and local boards are not consolidated and should be contacted directly if examination of their annual audited financial statements is desired:

- The Regional Municipality of Peel
- The Peel District School Board
- The Dufferin-Peel Catholic District School Board
- Conseil Scolaire de District du Centre-Sud Ouest
- Conseil Scolaire de District Catholique Centre-Sud

Trust funds and their related operations administered by the City are not included in these consolidated financial statements but are reported separately on the Trust Funds Financial Statements.

### c) Accounting for Region and School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of The Regional Municipality of Peel ("Region of Peel") and the school boards are not reflected in the accumulated surplus of these consolidated financial statements.

### d) Basis of accounting:

The City follows the accrual method of accounting. Under the accrual method of accounting revenues are recognized in the period in which the transactions or events that gave rise to the revenues occurred. Expenses are the cost of goods or services acquired in the period whether or not payment has been made or invoices received.

### e) Investments:

Cash and short-term investments include short-term highly liquid investments with terms to maturity of 90 days or less.

Investments consist of bonds and debentures and are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments. When there has been a loss of value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

### f) Non-financial assets:

Non-financial assets include tangible capital assets, inventory and prepaids. They are not available to discharge existing liabilities and are held for use in the provision of services.

### g) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land	Unlimited
Buildings and building improvements (asset under capital lease)	10 - 40
Furniture, computer and office equipment	2 - 20
Infrastructure	10 - 40
Land improvements	10 - 30
Vehicles and machinery	7 - 15

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**(i) Contributions of tangible capital assets**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

**(ii) Works of art and cultural and historic assets**

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

**(iii) Interest capitalization**

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

**(iv) Leased tangible capital assets**

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

**(v) Tangible capital assets disclosed at nominal values**

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category where nominal values were assigned.

## **h) Government grants:**

Government grants are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

## **i) Deferred revenue - general:**

Deferred revenue represent user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal period the services are performed.

## **j) Deferred revenue – obligatory reserve funds**

The City receives gas taxes and transfer payments from other levels of government and development charges under the authority of Provincial Legislation and City By-Laws. These funds by their nature are restricted in their use and until applied to applicable capital works are recorded as deferred revenue. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal period they are expended.

## **k) Taxation and related revenues:**

Taxation revenues are recorded at the time tax billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The City may receive supplementary assessment rolls over the course of the year from MPAC, identifying new or omitted assessments. Property taxes for these supplementary and/or omitted amounts are then billed according to the approved tax rate for the property class.

## **l) Investment income:**

Investment income earned on available surplus funds is reported as revenue in the period earned. Investment income earned on development charges and parkland obligatory reserve funds is added to the fund balance and forms part of respective deferred revenue balances.

## **m) Pensions and employee benefits:**

The City accounts for its participation in the Ontario Municipal Employee Retirement Fund ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan. Vacation entitlements are accrued for as entitlements are earned. Sick leave benefits are accrued where they are vested and subject to payout when an employee leaves the City's employment.

Other post-employment benefits and compensated absences are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. Actuarial valuations, where necessary for accounting purposes, are performed triennially. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments.

Unamortized actuarial gains or losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Unamortized actuarial gains/ losses for event-triggered liabilities, such as those determined as claims related to Workplace Safety Insurance Board Act ("WSIB") are amortized over the average expected period during which the benefits will be paid.

Costs related to prior period employee services arising out of plan amendments are recognized in the period in which the plan is amended.

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## n) Budget figures:

The City budgets for the following items on the consolidated statement of operations: interest earned on reserves, developer contributed tangible capital assets and amortization expense.

Brampton City Council completes separate budget reviews for its operating and capital project budgets each year. Both budgets are reflected in the consolidated statement of operations.

The operating budget is based on projected operating expenses to be incurred during the current year. Budgets established for capital projects are set on a project-oriented basis, the costs of which may be carried out over one or more fiscal years.

## o) Use of estimates:

The preparation of these consolidated financial statements requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Significant estimates and assumptions include allowance for doubtful accounts for certain accounts receivable, carrying value of tangible capital assets, provisions accrued liabilities and obligations related to employee future benefits. Actual results could differ from these estimates.

## 2. Adoption of new accounting policy:

The City adopted PSAB Standard PS 3260 Liability for Contaminated Sites effective January 1, 2015. Under PS 3260, contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. This standard relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination. The City adopted this standard on a prospective basis. As a result of the adoption of this standard in 2015 the City recorded \$900 of accrued liabilities in the consolidated statement of financial position.

## 3. Future Accounting Pronouncements:

These standards and amendments are not yet effective for the year ended December 31, 2015, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

- a) PS 3210, Assets, provides a definition of assets and further expands that definition as it relates to control. The standard also includes some disclosure requirements related to economic resources that are not recorded as assets to provide the user with better information about the types of resources available to the public sector entity. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year end).
- b) PS 3320, Contingent Assets, defines contingent assets and outlines two basic characteristics of contingent assets: (a) an existing condition or situation that is unresolved at the financial statement date, (b) an expected future event that will resolve the uncertainty as to whether an asset exists. The standard also has specific disclosure requirements for contingent assets when the occurrence of the confirming event is likely. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year end).
- c) PS 3380, Contractual Rights, defines contractual rights to future assets and revenue. The standard requires that a public sector entity's contractual rights to certain type of revenue for a considerable period into the future or revenue that are abnormal in relation to the financial position or usual business operations should be disclosed in notes or schedules to the financial statements and should include descriptions about their nature and extent and the timing. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year end).

d) PS 2200, Related Party Disclosures, establishes related party disclosure requirements and defines related parties. This standard also specifies the information required to be disclosed including the type of transactions, amounts classified by financial statement category, the basis of measurement, and the amounts of any outstanding items, any contractual obligations and any contingent liabilities. The standard also requires disclosure of related party transactions that have occurred where no amounts has been recognized. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year end).

e) PS 3430 Restructuring Transactions, requires that assets and liabilities in restructuring transactions to be measured at their carrying amount. It also prescribes financial statement presentation and disclosure requirements. This standard is effective for fiscal periods beginning on or after April 1, 2018 (the City's December 31, 2019 year end).

f) PS 3420 Inter-Entity Transactions, relates to the measurement of related party transactions and includes a decision tree to support the standard. Transactions are recorded at carrying amounts other than certain exceptions. This standard is effective for fiscal periods beginning on or after April 1, 2017 (the City's December 31, 2018 year end).

g) PS 3450, Financial Instruments, establishes the standards on accounting for and reporting all types of financial instruments including derivatives. The effective date of this standard has recently been deferred and it is now effective for fiscal periods beginning on or after April 1, 2019 (the City's December 31, 2020 year end).

h) PS 2601, Foreign Currency Translation, establishes the standards on accounting for and reporting transactions that are denominated in a foreign currency. The effective date of this standard has been deferred and is effective for fiscal periods beginning on or after April 1, 2019 (the City's December 31, 2020 year end). Earlier adoption is permitted. A public sector entity early adopting this standard must also adopt the new financial instruments standard.

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## 4. Cash and Investments:

Cash and short-term investments of \$513,235 (2014 - \$477,619) includes short-term investments of \$2,000 (2014 - \$9,500) with a market value \$2,022 (2014 - \$9,667) at the end of the year.

Long-term investments of \$456,143 (2014 - \$404,115) have a market value of \$462,057 (2014 - \$410,699), at the end of the year.

## 5. Other Assets:

Included under other assets in the consolidated statement of financial position is \$7,984 (2014 - \$7,984) consisting of a construction loan of \$6,000 advanced by the City towards the construction of the Powerade Centre with a due date of August 31, 2034 and a further \$1,984 representing advances under the Loan and Priorities Agreement established in 1998.

The City of Brampton is also the guarantor for the Powerade Centre Term Loan (previously a mortgage) held by the Royal Bank of Canada (RBC). The Term Loan, which has an amortization period ending in August 2034, was renegotiated in 2014 with a 3-year term ending on March 21, 2017. The Term Loan has an outstanding balance of \$8,911 on December 31, 2015 (2014 - \$9,248).

## 6. Capital Lease Obligation:

In 2014, the City entered into a capital lease arrangement (the "agreement") on a building in downtown Brampton as part of the Southwest Quadrant Renewal Plan.

The agreement requires equal monthly lease payments over a period of 25 years until 2039. At the expiry of the agreement, the legal title of the building will be transferred to the City.

Annual lease payments under the agreement are as follows:

2016	\$ 8,354
2017	8,354
2018	8,354
2019	8,354
2020	8,354
2021 and Thereafter	155,239
<b>Total minimum lease payments</b>	<b>197,009</b>
<b>Less amount representing implicit interest at 7.59%</b>	<b>105,390</b>
<b>Capital lease obligation</b>	<b>\$ 91,619</b>

In 2015, the interest expense of \$7,005 (2014 - \$2,948) is reported in the consolidated statement of operations.

## 7. (a) Deferred revenue – general:

Deferred revenue – general comprised program registration fees for parks and recreation programs, Transit advertising revenues applicable for the following year and unspent Provincial funding for capital projects. As at December 31, 2015 the deferred revenue – general amounted to \$3,339 (2014 - \$3,275).

## (b) Deferred revenue – obligatory reserve funds:

Under PSAB accounting principles, obligatory reserve funds are to be reported as deferred revenue. This requirement is in place as Federal/Provincial legislation and other City by-laws and agreements may restrict how these funds may be used and under certain circumstances these funds may possibly be refunded.

As at December 31, 2015, obligatory reserve funds amounted to \$316,710 (2014 - \$306,450). This balance includes unspent development charges, unspent gas tax receipts as well as unspent funding for specific infrastructure projects received from federal and provincial governments. Also included in this balance are unamortized downtown incentive charges.

The Downtown Incentive Program was initiated in 2000 with the intent of promoting new development in the downtown core. As part of this program, development charges are waived and amortized by the City over a 25 year period. As of December 31, 2015, unamortized downtown incentive charges were \$11,690 (2014 - \$12,330).

Details of these deferred revenues are as follows:

	Opening	Amount Received	Amount recognized as revenue	Other	Closing
Developers	\$88,190	136,071	97,047	-	\$12,214
Federal gas tax	56,674	27,761	37,211	-	47,224
Provincial gas tax	3,572	10,047	10,734	-	2,885
Other	158,014	18,369	37,636	640	139,387
<b>Total</b>	<b>\$306,450</b>	<b>192,248</b>	<b>182,628</b>	<b>640</b>	<b>\$316,710</b>

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## 8. Employee benefits and other liabilities:

The City provides certain employee benefits, which will require funding in future periods. Under the sick-leave benefit plan, unused sick leave can accumulate and employees may become entitled to cash payment when they leave the City's employment. With respect to responsibilities under provisions of the Workplace Safety and Insurance Board Act ("WSIB"), the City has elected to be treated as a Schedule 2 employer and remits payments to the WSIB as required to fund disability payments. An actuarial estimate of future liabilities has been completed and forms the basis for the estimated liability reported in these consolidated financial statements.

Employee benefits and other liabilities included in the consolidated financial statements are summarized below:

	2015	2014
WSIB	\$9,713	\$9,323
Vested sick leave benefits	16,293	15,165
Vacation pay	11,375	11,399
Non-pension post employment benefits	19,102	17,556
Other liabilities	11,880	10,839
<b>Total</b>	<b>\$68,363</b>	<b>\$64,282</b>

As at December 31, 2015, the City has allocated reserves and reserve funds of \$26,225 (2014 - \$23,681) to fund these obligations.

The most recent full actuarial valuation was performed as at December 31, 2013.

The following table sets out the actuarial results for each of the plans as at December 31:

Item	Non-Pension Post Employment Benefits	Vested Sick Leave Benefits	WSIB	2015 Total	2014 Total
Accrued Benefit Obligation ("ABO"), beginning of year	\$ 21,315	\$ 19,599	\$ 8,543	\$ 49,457	\$ 47,708
<b>Add:</b> Current benefit costs	1,074	1,530	1,165	3,769	3,561
<b>Add:</b> Interest cost	1,012	922	384	2,318	2,235
<b>Less:</b> Current benefit payments	1,094	1,925	1,163	4,182	4,046
<b>ABO, end of the year</b>	<b>\$ 22,307</b>	<b>\$ 20,126</b>	<b>\$ 8,929</b>	<b>\$ 51,362</b>	<b>\$ 49,458</b>
Unamortized actuarial gain/(loss)	(3,205)	(3,833)	784	(6,254)	(7,414)
<b>Liability for Benefits, end of the year</b>	<b>\$ 19,102</b>	<b>\$ 16,293</b>	<b>\$ 9,713</b>	<b>\$ 45,108</b>	<b>\$ 42,044</b>

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the more significant assumptions made:

	Non-Pension	Sick Leave	WSIB
Expected inflation rate	2.00%	2.00%	2.00%
Expected level of salary increases	3.00%	3.00%	n/a
Interest discount rate	4.75%	4.75%	4.50%
Dental premium rate increase	4.00%	n/a	n/a
Health care premium rates increase	5.43%	n/a	6.00%
Expected average remaining service life	15	14	n/a

## 9. Pension agreements:

The City makes contributions to OMERS, which is a multi employer plan, on behalf of all permanent, full time members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees, based on the length of service and rates of pay. The City accounts for its participation in OMERS, as a defined contribution plan.

The amount contributed to OMERS for 2015 was \$24,408 (2014 - \$23,663) for current service and is included as an expense on the consolidated statement of operations. Employee contributions totaled \$24,408 (2014 - \$ 23,663).

The City is current with all payments to OMERS, therefore, there is neither a surplus nor deficit with the pension plan contributions. However, the OMERS pension plan had a deficit at December 31, 2015 of \$7 billion based on actuarial valuation of plan assets.

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## 10. Accumulated Surplus:

Accumulated surplus consists of individual fund surplus, including funds committed for capital projects, and reserves and reserve funds as follows:

	2015	2014
Tangible capital assets	\$ 3,508,415	\$ 3,380,587
Surplus funds from committed capital projects and other	169,834	148,905
	3,678,249	3,529,492
Reserves	67,676	51,078
Reserve Funds	221,261	207,697
<b>Total</b>	<b>\$ 3,967,186</b>	<b>\$ 3,788,267</b>

## 11. Tax Revenues:

Property tax billings are prepared by the City based on the assessment roll as delivered by MPAC. MPAC is an independent body established by the Ontario Government's Municipal Property Assessment Corporation Act, 1997. A province wide re-assessment based on a January 1, 2008 market value was undertaken by MPAC for use in taxation years 2009 through 2012. During this four year period any assessment increases compared to the previous 2005 assessment were phased-in equally. The City applies the appropriate tax rate to the assessment in the production of the property tax bills. However, the property tax revenue and tax receivables of the City are subject to measurement uncertainty as a number of appeals submitted by ratepayers for adjustments to assessment have yet to be heard by the Assessment Review Board. An allowance has been recorded to provide for possible negative adjustments. Any billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined and the effect shared with regional government and school boards as appropriate.

The Province enacted legislation together with regulations, the Fairness for Property Taxpayers Act, 1998 (Bill 79) in December 1998, which was replaced in 2000 by Bill 140, "Continued Protection for Property Taxpayers Act". These pieces of legislation limited assessment-related increases in

property tax bills to 5 per cent annually for commercial, industrial and multi-residential classes of property until the affected properties were taxed at a level equivalent to taxes based on their actual current assessed value.

Properties with decreases are liable to a "clawback" of some of the decrease to finance the "capping" of properties with increases.

Effective for the 2005 tax year, Bill 83 "Budget Measures Act" raises the upper limit of assessment-related increases in property tax bills from the 5 per cent maximum in Bill 79 and Bill 140 to 10 per cent annually for commercial, industrial and multi-residential property classes.

Further legislation was passed in 2009 creating additional options in the capped property classes. These provisions allowed municipalities to remove any properties that in the prior taxation year reached CVA-level taxes from the capping program. Also, properties that cross over from being capped properties in the prior year to clawback properties in the current year or from being clawback properties in the prior year to capped properties in the current year are removed from the capping program.

## 12. Expenses by object:

The following is a summary of the expenses reported on the consolidated statement of operations by object:

	2015 Budget	2015	2014
Salaries, wages and fringe benefits	\$ 351,958	\$ 345,602	\$ 334,507
Materials and supplies	67,940	69,802	69,834
Contracted services	98,286	98,350	96,870
Rents and financial expenses	15,898	16,832	12,695
Government transfers	866	927	1,135
Amortization	117,579	119,939	118,399
Other	-	261	193
<b>Total expenses</b>	<b>\$ 652,527</b>	<b>\$ 651,713</b>	<b>\$ 633,633</b>

## 13. Trust funds:

Trust funds administered by the City amounted to \$29,748 (2014 - \$29,530) are presented in the separate financial statements of trust funds balances and operations. As such balances are held in trust by the City for the benefit of others, they are not presented as part of the City's consolidated financial position or operations.

The City administers the following trust funds:

- Cemeteries Care and Maintenance Trust
- Developers' Performance Deposits Trust
- Developer Front End Financing Trust
- Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance
- Brampton Sports Hall of Fame

## 14. Public liability insurance:

The City is self-insured for all lines of coverage including public liability, errors and omissions and Brampton Transit claims up to \$500. This is for any number of claims arising out of a single occurrence. Outside coverage is in place for claims in excess of these limits.

The City has created a reserve fund for self-insurance which as at December 31, 2015 had a \$10,727 balance (2014 - \$8,559) and is reported on the consolidated statement of financial position. Claims settled during the year amounting to \$2,864 (2014 - \$3,329) have been provided for from the reserve fund, and are accordingly reported as expenses on the consolidated statement of operations.

In the normal course of its operations, the City is subject to various litigation and claims. Where management has assessed the likelihood of the success of the claim as more likely than not and where a reasonable estimate as to the exposure can be made, an accrual has been recorded in these consolidated financial statements. In some instances, the ultimate outcome of these claims cannot be determined at this time. However, the City's management believes that the ultimate disposition of these matters will not have a material adverse effect on its consolidated financial position.

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## 15. Provincial Offences Administration:

The Provincial Offences Act ("POA") is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-laws and minor federal offences. The administration of POA was downloaded to the City from the Ontario Ministry of Attorney General in June 1999.

The revenues of the combined operations of the Court House and City Hall and revenues collected on behalf of the City at other POA court sites in the Province of Ontario consist of fines levied under Parts I and III for POA charges and amounted to \$8,218 for the year ended December 31, 2015. (2014 - \$7,441).

The operating costs for the administration of the POA for the year ended December 31, 2015 amounted to \$5,557 (2014 - \$5,324), resulting in a net contribution of \$2,661 (2014 - \$2,117) exclusive of capital asset additions.

The City constructed the POA Court-Hearing Facility, a permanent facility to accommodate the POA court operation (including courtrooms and accessory uses, an administration office and related requirements, on-site office space for prosecutors, a police bureau and accessory uses) and hearing rooms, which can be used for Ontario Municipal Board and Assessment Review Board hearings on a regular basis. The POA Court-Hearing Facility became operational in August 2004. The total cost of design and construction including acquisition of land amounted to \$10.7 million. Funding for the POA Court-Hearing Facility has been provided from tax-based reserves.

## 16. Tangible capital assets:

The City has identified six major asset categories: Buildings and building improvements; Furniture, Computer and office equipment; Infrastructure; Land; Land improvements; Vehicles and machinery and Leased building.

Cost	December 31, 2014	Additions	Disposals	Transfers	December 31, 2015
Land	\$1,608,632	\$19,497	-	-	\$1,628,129
Asset under capital lease	93,500	-	-	-	93,500
Buildings and building improvements	600,783	24,301	-	-	625,084
Furniture, computer and office equipment	161,090	11,558	(67,651)	-	104,997
Infrastructure	1,762,458	127,818	(391)	-	1,889,885
Land improvements	81,065	3,964	(4,997)	-	80,032
Vehicles and machinery	274,868	27,937	(8,092)	-	294,713
Assets under construction	72,941	176,953	-	(144,000)	105,894
<b>Total</b>	<b>\$ 4,655,337</b>	<b>\$ 392,028</b>	<b>\$ (81,131)</b>	<b>\$ (144,000)</b>	<b>\$ 4,822,234</b>

Accumulated amortization	December 31, 2014	Disposals	Amortization expense	December 31, 2015
Land	-	-	-	-
Asset under capital lease	1,558	-	3,740	5,298
Buildings and building improvements	205,614	-	23,331	228,945
Furniture, computer and office equipment	116,136	(67,564)	14,734	63,306
Infrastructure	776,452	(368)	52,931	829,015
Land improvements	33,026	(4,904)	3,927	32,049
Vehicles and machinery	141,964	(8,034)	21,276	155,206
<b>Total</b>	<b>\$ 1,274,750</b>	<b>\$ (80,870)</b>	<b>\$ 119,939</b>	<b>\$ 1,313,819</b>

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## 16. Tangible capital assets (cont'd)

Net book value	December 31, 2014	December 31, 2015
Land	\$ 1,608,632	\$ 1,628,129
Asset under capital lease	91,942	88,202
Buildings and building improvements	395,169	396,139
Furniture, computer and office equipment	44,955	41,691
Infrastructure	986,006	1,060,870
Land improvements	48,039	47,983
Vehicles and machinery	132,904	139,507
Assets under construction	72,940	105,894
<b>Total</b>	<b>\$ 3,380,587</b>	<b>\$ 3,508,415</b>

### a) Assets under construction

Assets under construction having a value of \$105,894 (2014 - \$72,940) have not been amortized. Amortization of these assets will commence when the assets are put into service.

### b) Contributed tangible capital assets

Contributed capital assets have been recognized at fair market value at the date of contribution. Contributed capital assets are mainly comprised of infrastructure assets acquired through subdivision assumptions. The value of contributed assets received during the year is \$76,271 (2014 - \$115,410).

## 17. Segmented Information

The City is a multifaceted municipal government that delivers a wide range of services that enhance quality of life to its citizens. For additional information see the Consolidated Schedule of Segment Disclosure.

City services are provided by various divisions whose activities are organized in the following segments for management reporting purposes:

### General government

General Government is comprised of Mayor and Councilor's as well as Corporate Management and Support sections.

The departments within Corporate Management and Support sections are responsible for adopting bylaws and administrative policies; risk management; providing effective financial reporting, planning and controls; developing and maintaining flexible computer networks and resources to deliver information and telecommunications to City employees and the citizens of Brampton; acquiring, managing and disposing City assets; levying and collecting taxes.

### Protection to persons and property

Protection Services delivers Fire Emergency Services, By-law and Enforcement and POA administration. The mandate of the Fire department is to provide fire protection and emergency response but also superior level of Fire Prevention and Public Education. By-law and Enforcement assist in maintaining Brampton as a safe, healthy and attractive City by responding to public concerns, patrolling City property and enforcing the City's by-laws.

POA's mandate encompass the administration and prosecution of provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-laws and minor federal offences.

### Transportation services

The Works department manages various infrastructure projects as part of a 10-year capital program to expand and improve the City's road network and transportation infrastructure. In addition, major functions also include maintenance of road system (road resurfacing and snow clearing) and all associated infrastructure such as sidewalks, bridges and curbs.

Brampton Transit is responsible for providing efficient and effective local public transportation service.

### Environmental services

Environmental Services are delivered by staff in the Works department. Primary responsibility of this section is catch basin and storm sewer maintenance. In addition, the department performs watercourse maintenance in order to ensure public safety and environmental controls are in place. Watercourse maintenance activities include controlling erosion, the removal of garbage and debris and responding to spills and illegal dumping to ensure water quality and proper cleanup.

### Health, social and family services

Health, Social and Family services comprised cemetery operations and assistance to aged persons. Assistance to aged persons includes senior's education tax rebate, senior snow clearing subsidy as well as maintenance of seniors centre.

### Recreation and cultural services

The Community Services department is responsible for the delivery of Parks, Recreation and Cultural services. The Parks Operations division maintains all parks, boulevards, sports fields, trees, horticultural displays, pathways and open space. This division provides the residents of Brampton with safe, attractive, outdoor facilities delivered through a highly skilled and versatile workforce.

The Recreation and Culture division is responsible for the delivery of all culture and recreation programs offered by the City and the day-to-day operation of all theatres and recreation buildings. This division provides the City's front-line contact with the citizens of Brampton in Culture, Recreation Facilities and Programs providing many activities that enhance the richness and quality of life for residents.

This section also contributes towards the information needs of the City's citizens through the provision of library services by the Brampton Public Library Board.

# Notes to Consolidated Financial Statements

Year ended December 31, 2015

(All dollar amounts in \$000)

## Planning and development services

The Planning and Development Department responsibilities encompass planning, design and development approvals, management of building permit processes, long-range Brampton official plan and growth management. This department is also responsible for providing advice to City Council, the public, and the development/building industry with respect to a broad range of land use planning, development applications, urban design, public buildings and open space/facility development issues, development engineering, and transportation planning.

## 18. Commitments:

The City leases facilities and equipment under operating leases expiring beyond 2020. The minimum amounts payable under these arrangements are as follows:

2016	\$ 2,230
2017	1,762
2018	1,523
2019	1,363
2020	1,028
2021 and thereafter	17,455
	<b>\$ 25,361</b>

Excluded from these amounts is the Capital Leave Obligation outlined in Note 6.

## 19. Budget Data:

Budget data presented in these consolidated financial statements are based upon the 2015 operating and capital budgets as approved by Council and adopted by the City at the April 8, 2015 meeting. Adjustments to budgeted values were required to provide comparative budget values based on the components of full accrual basis of accounting. The chart below reconciles the approved operating budget with the budget figures presented in these consolidated financial statements.

### Revenue:

Approved operating budget	\$ 570,550
Less: Contributions from reserve funds	26,874
Less: Other	562
Add: Development levies earned and other restricted capital contributions	149,064
Add: Project budget for grants and subsidies	4,440
Add: Interest earned on reserves	7,600
Add: Developer contributed assets	136,312
<b>Total reported on Consolidated Financial Statements</b>	<b>\$ 840,530</b>

### Expenses:

Approved operating budget	\$ 570,550
Less: Contributions to reserve funds	70,072
Less: Other	4,523
Add: Operating projects budget	29,947
Add: Amortization	117,579
<b>Total reported on Consolidated Financial Statements</b>	<b>\$ 652,527</b>

# Consolidated Schedule of Segment Disclosure

for the year ended December 31, 2015

(All dollar amounts in \$000)

General government	Protection to persons and property	Transportation services	Environmental services	Health, social and family services	Recreation and cultural services	Planning and development services	2015 Total	2014 Total
--------------------	------------------------------------	-------------------------	------------------------	------------------------------------	----------------------------------	-----------------------------------	------------	------------

REVENUES									
Property taxation and taxation from other governments	\$396,111	-	-	-	-	-	371	\$ 396,482	\$ 362,325
User charges	8,555	22,622	51,856	-	783	28,105	2,699	114,620	111,357
Government grants	-	-	12,667	-	65	512	224	13,468	26,509
Development levies earned and other restricted capital contributions	1,466	8,026	134,761	-	-	36,250	2,125	182,628	97,344
Investment income (including Reserves and Reserve Funds)	19,576	-	-	-	-	102	5	19,683	17,676
Penalties, fines and interest	9,706	11,427	-	-	1	554	-	21,688	21,259
Developer contributed tangible capital assets	-	-	76,271	-	-	-	-	76,271	115,410
Other	226	248	4,926	-	16	332	44	5,792	6,712
<b>Total Revenues</b>	<b>435,640</b>	<b>42,323</b>	<b>280,481</b>	<b>-</b>	<b>865</b>	<b>65,855</b>	<b>5,468</b>	<b>830,632</b>	<b>758,592</b>

EXPENSES									
Salaries and benefits	57,971	79,358	115,132	1,207	1,756	70,904	19,274	345,602	334,507
Materials	14,986	4,053	33,892	38	435	14,469	1,929	69,802	69,834
Contracted services	23,197	3,367	42,787	5,104	218	22,112	1,565	98,350	96,870
Rents and financial expenses	13,275	1,482	1,251	-	9	726	89	16,832	12,695
Government transfers	(57,779)	7,189	17,835	443	588	30,440	2,211	927	1,135
Amortization	9,148	5,207	61,904	13,389	666	27,287	2,338	119,939	118,399
Other	-	-	23	-	-	221	17	261	193
<b>Total Expenses</b>	<b>60,798</b>	<b>100,656</b>	<b>272,824</b>	<b>20,181</b>	<b>3,672</b>	<b>166,159</b>	<b>27,423</b>	<b>651,713</b>	<b>633,633</b>

<b>Annual Surplus(Deficit)</b>	<b>\$374,842</b>	<b>\$ (58,333)</b>	<b>\$7,657</b>	<b>\$ (20,181)</b>	<b>\$ (2,807)</b>	<b>\$ (100,304)</b>	<b>\$ (21,955)</b>	<b>\$178,919</b>	<b>\$124,959</b>
--------------------------------	------------------	--------------------	----------------	--------------------	-------------------	---------------------	--------------------	------------------	------------------

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



# TRUST FUNDS

Financial Statements of the Corporation of the City of Brampton

Year Ended December 31, 2015





KPMG LLP  
Yonge Corporate Centre  
4100 Yonge Street, Suite 200  
Toronto ON M2P 2H3  
Canada  
Tel 416-228-7000  
Fax 416-228-7123

## INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers  
of The Corporation of the City of Brampton

We have audited the accompanying financial statements of the trust funds of The Corporation of the City of Brampton, which comprise the statement of financial position as at December 31, 2015, the statement of operations and fund balances for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



Page 2

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the City of Brampton as at December 31, 2015, and its results of operations and fund balances for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

May 6, 2016  
Toronto, Canada

# Statement of Financial Position

TRUST FUNDS — December 31, 2015, with comparative figures for 2014

## Financial Assets and Liabilities

	Cemeteries Care and Maintenance Trust Funds	Developers' Performance Deposits Trust	Developer Front End Financing Trust Fund	Brampton Sports Hall of Fame	Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds	2015 Total	2014 Total
--	---	--	--	------------------------------	---	------------	------------

### ASSETS

Cash	683,740	28,347,444	306,364	105,894	51,920	29,495,362	29,279,954
Accounts receivable	626	3,089	247	85	41	4,088	4,257
Subtotal	684,366	28,350,534	306,611	105,979	51,961	29,499,451	29,284,211
<b>Investments, at cost (market - \$260,623 2014 - \$266,898):</b>							
Municipal bonds	257,544	-	-	-	-	257,544	257,544
Subtotal	257,544	-	-	-	-	257,544	257,544
Long-term receivables	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>941,910</b>	<b>28,350,534</b>	<b>306,611</b>	<b>105,979</b>	<b>51,961</b>	<b>29,756,995</b>	<b>29,541,755</b>

### LIABILITIES

Accounts payable	-	2,196	-	-	-	2,196	-
Due to City Revenue Fund	1,038	-	-	5,785	-	6,823	11,261
<b>Total Liabilities</b>	<b>1,038</b>	<b>2,196</b>	<b>-</b>	<b>5,785</b>	<b>-</b>	<b>9,018</b>	<b>11,261</b>

<b>Net Financial Resources</b>	<b>\$940,872</b>	<b>\$28,348,388</b>	<b>\$306,611</b>	<b>\$100,194</b>	<b>\$51,961</b>	<b>\$29,747,977</b>	<b>\$29,530,494</b>
<b>Fund Balances</b>	<b>\$940,872</b>	<b>\$28,348,338</b>	<b>\$306,611</b>	<b>\$100,194</b>	<b>\$51,961</b>	<b>\$29,747,977</b>	<b>\$29,530,494</b>

See accompanying notes to financial statements.

# Statement of Financial Activities and Changes in Fund Balances

TRUST FUNDS — Year Ended December 31, 2015, with comparative figures for 2014

	Cemeteries Care and Maintenance Trust Funds	Developers' Performance Deposits Trust	Developer Front End Financing Trust Fund	Brampton Sports Hall of Fame	Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds	2015 Total	2014 Total
<b>REVENUE</b>							
Monuments and markers deposits	1,500	-	-	-	-	1,500	2,150
Perpetual care deposits	6,869	-	-	-	-	6,869	5,164
Other deposits - Trusts	-	22,000	-	105,226	-	127,226	2,000
Gain on sale of investments	-	-	-	-	-	-	74
Performance deposits received	-	3,163,267	-	-	-	3,163,267	7,572,219
Subtotal	8,369	3,185,267	-	105,226	-	3,298,862	7,581,607
Interest Income	19,469	22,349	3,175	754	539	46,286	51,025
<b>Total Revenues</b>	<b>27,838</b>	<b>3,207,616</b>	<b>3,175</b>	<b>105,980</b>	<b>539</b>	<b>3,345,148</b>	<b>7,632,632</b>
<b>EXPENDITURES</b>							
<b>Transfers to City Revenue Fund:</b>							
Maintenance contribution	15,961	-	-	-	-	15,961	22,234
Professional Services/Audit	-	-	-	5,785	-	5,785	-
Interest transfer	-	22,349	-	-	-	22,349	20,550
Administration charges	3,508	-	-	-	-	3,508	3,439
Subtotal	19,469	22,349	-	5,785	-	47,603	46,223
Return of performance deposits	-	3,007,118	-	-	-	3,007,118	6,813,387
Payments on behalf of developers	-	72,942	-	-	-	72,942	1,221,740
<b>Total Expenditures</b>	<b>19,469</b>	<b>3,102,409</b>	<b>-</b>	<b>5,785</b>	<b>-</b>	<b>3,127,663</b>	<b>8,081,350</b>
Increase(decrease) in net financial resources	8,369	105,207	3,175	100,195	539	217,484	(448,718)
Fund balances, beginning of year	932,503	28,243,131	303,436	-	51,423	29,530,494	29,979,212
<b>Fund Balances, end of year</b>	<b>\$ 940,872</b>	<b>\$ 28,348,338</b>	<b>\$ 306,611</b>	<b>\$ 100,195</b>	<b>\$ 51,962</b>	<b>\$ 29,747,978</b>	<b>\$ 29,530,494</b>

See accompanying notes to financial statements.

# Notes to Financial Statements

Year ended December 31, 2015

The financial statements of The Corporation of the City of Brampton are prepared by management in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada"). Significant aspects of the accounting policies adopted by the City are as follows:

## 1. Significant accounting policies:

### Revenue recognition:

- (a) Receipts, other than interest and letters of credit receipts, are reported on receipt. Interest income and letters of credit receipts are recorded on the accrual basis of accounting.
- (b) Returns of performance deposits are reported in the periods in which they are paid either directly by the Trust Funds or through The Corporation of the City of Brampton (the "City") funds. All other expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes expenses as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

- (c) Investments, including any term deposits not available on demand, are reported at the lower of amortized cost and market value.

## 2. Cemeteries Care and Maintenance Trust Funds:

The City maintains several cemeteries, including the following which have Care and Maintenance Trust Funds which the City administers: Brampton, Page, Hilltop Gore, Shiloh, Alloo, Grahamsville, Zion, Mt. Olivet, St. John – Castlemore, St. John – Snelgrove, St. Mary – Tullamore and Eventide. Interest income attributable to each of the individual Trust Funds that is received during any particular year is transferred to the City Revenue Fund in that year to partially offset the maintenance cost for each cemetery to which the individual Trust Funds relate. The operations and investments of the fund are undertaken by the City in accordance with the regulation of the "Cemeteries Act (Revised)."

## 3. Developers' Performance Deposits Trust:

The Developers' Performance Deposits Trust was established for the following purposes:

- (a) To hold performance deposits made by individual parties to the City as assurance that specific obligations agreed upon are fulfilled. Once fulfilled, the deposit held is returned to the respective party.
- (b) When a party develops a property in the City, generally a letter of credit is obtained from the party's bank, which provides a guarantee to the City that the contract will be completed as specified. Otherwise, the City is able to draw upon the letter of credit and to deposit the funds in the Trust to be later used to pay a third party to complete the contract.

## 4. Developer Front End Financing Trust Fund:

The Front End Financing Trust Fund was established in 1993 to receive contributions from developers for studies and construction of services which not only benefit their particular development, but will also ultimately benefit other future development. The Front End Developers provide the initial financing in lieu of the City for the required studies and capital works and enter into agreements with the City to recover the costs associated with other benefiting landowners on a best effort basis.

## 5. Brampton Marketing Board, Greater Toronto Area and Greater Toronto

### Marketing Alliance:

The Brampton Marketing Board (the "BMB"), the Greater Toronto Area (the "GTA") and the Greater Toronto Marketing Alliance (the "GTMA") Trust Funds were established to hold contributions made from the development and business community. The Trust Funds were formed as partnerships between the BMB, the GTA and the GTMA. Their mandate is to attain corporate and municipal sponsorship of marketing initiatives for the City, the GTA and the GTMA.

## 6. Brampton Sports Hall of Fame:

The Brampton Sports Hall of Fame (the "BSHF") is a non-profit organization that was founded to recognize and honour the history of sport in the City of Brampton and in particular those persons who have made outstanding contributions and achievements in the development of sport within the community. The BSHF will collect, preserve, research, exhibit and promote all those objects, images and histories which are determined to be significant to the development of sport in the City of Brampton.



# STATISTICAL INFORMATION

Year Ended December 31, 2015



# Five Year Review Summary

(Not subject to audit; all dollar amounts are in thousands except per capita figures. See accompanying notes and schedules to financial statements.)

	2015	2014	2013	2012	2011
--	------	------	------	------	------

Population - (Note 1)	580,600	571,700	557,800	540,145	523,911
Households - (Note 2)	164,680	160,710	156,403	152,837	149,016
Areas in hectares	27,138	27,138	27,138	27,138	27,138
Full-time employees	2,872	2,872	2,819	2,658	2,593
Housing starts	5,449	4,366	2,714	5,372	3,352
<b>Building permit values</b>	<b>2,731,791</b>	<b>2,260,649</b>	<b>1,210,568</b>	<b>2,458,744</b>	<b>1,435,352</b>

## Taxable Assessment upon which Tax Rates were Set - (Note 3)

Residential and farm	\$61,363,309	\$59,324,796	\$57,602,952	\$45,778,991	\$44,466,430
Commercial and industrial	13,498,302	13,035,512	12,870,830	11,442,405	11,221,581
<b>Total</b>	<b>\$74,861,611</b>	<b>\$72,360,308</b>	<b>\$70,473,782</b>	<b>\$57,221,396</b>	<b>\$55,688,011</b>
Total per capita	128,938	126,570	126,342	105,937	106,293

## Tax Rates/Mill Rates (Urban Area) - (Note 3)

<b>RESIDENTIAL</b>					
City purposes	0.499812%	0.492340%	0.499550%	0.481609%	0.476934%
Region purposes	0.420315%	0.430992%	0.444781%	0.459138%	0.473900%
School board purposes	0.195000%	0.203000%	0.212000%	0.221000%	0.231000%
<b>Total</b>	<b>1.115127%</b>	<b>1.126332%</b>	<b>1.156331%</b>	<b>1.161747%</b>	<b>1.181834%</b>

<b>COMMERCIAL</b>					
City purposes	0.648306%	0.638614%	0.647966%	0.624695%	0.618631%
Region purposes	0.545191%	0.559040%	0.576926%	0.595548%	0.614695%
School board purposes	1.069252%	1.107083%	1.147477%	1.177386%	1.253034%
<b>Total</b>	<b>2.262749%</b>	<b>2.304737%</b>	<b>2.372369%</b>	<b>2.397629%</b>	<b>2.486360%</b>

<b>INDUSTRIAL</b>					
City purposes	0.734724%	0.723740%	0.734338%	0.707965%	0.701093%
Region purposes	0.617863%	0.633558%	0.653828%	0.674933%	0.696632%
School board purposes	1.325843%	1.361148%	1.399256%	1.421817%	1.499357%
<b>Total</b>	<b>2.678430%</b>	<b>2.718446%</b>	<b>2.787422%</b>	<b>2.804715%</b>	<b>2.897082%</b>

	2015	2014	2013	2012	2011
--	------	------	------	------	------

## TAXES RECEIVABLE, END OF THE YEAR

Amount	\$50,150	\$57,768	\$53,493	\$51,818	\$58,278
Per capita	\$86	\$101	\$96	\$96	\$111
Percentage of years' levy	5.05%	6.18%	5.97%	6.12%	7.19%

## NET LONG-TERM LIABILITIES, END OF YEAR

Amount	\$91,619	\$92,967	-	-	-
Per Capita	\$158	\$163	-	-	-

## CHARGES FOR NET LONG-TERM LIABILITIES

Amount	\$7,005	\$2,948	-	-	-
Per capita	\$12	\$5	-	-	-

## DEBT REPAYMENT LIMIT (as determined by the Province of Ontario)

	\$124,718	\$101,068	\$111,795	\$102,527	\$94,913
--	-----------	-----------	-----------	-----------	----------

# Five Year Review Summary

(Not subject to audit; all dollar amounts are in thousands except per capita figures. See accompanying notes and schedules to financial statements.)

	2015	2014	2013	2012	2011
--	------	------	------	------	------

<b>TAXES COLLECTED</b>					
City collection	\$396,482	\$362,325	\$342,132	\$308,949	\$285,549
Taxes transferred to the region	331,371	315,094	302,695	292,146	281,703
Taxes transferred to the school boards	266,015	257,647	250,592	246,041	243,813
<b>Total</b>	<b>\$993,868</b>	<b>\$935,066</b>	<b>\$895,419</b>	<b>\$847,136</b>	<b>\$811,065</b>

<b>TAX LEVIES</b>					
City purposes	\$393,851	\$359,899	\$339,723	\$305,844	\$283,457
Region purposes	331,138	314,854	302,443	291,442	281,662
School board purposes	265,524	257,647	250,592	246,042	243,813
<b>Total</b>	<b>\$990,513</b>	<b>\$932,400</b>	<b>\$892,758</b>	<b>\$843,328</b>	<b>\$808,932</b>

<b>Trust Funds Balance End of year</b>	<b>\$29,748</b>	<b>\$29,530</b>	<b>\$29,979</b>	<b>\$31,974</b>	<b>\$30,523</b>
--	-----------------	-----------------	-----------------	-----------------	-----------------

<b>CONTRIBUTION FROM DEVELOPERS AND OTHER OBLIGATORY RESERVES</b>					
Development charges	\$136,071	\$119,859	\$81,551	\$157,824	\$91,560
Gas tax - Province	10,047	11,837	8,710	8,144	7,740
Gas tax - Federal	27,761	28,117	24,352	24,352	24,352
Other obligatory reserves	18,369	13,772	25,021	19,700	1,254
<b>Total</b>	<b>\$192,248</b>	<b>\$173,585</b>	<b>\$139,634</b>	<b>\$210,020</b>	<b>\$124,906</b>

<b>DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS</b>					
Development charges	\$127,214	\$88,190	\$60,718	\$59,885	\$11,859
Gas tax - Province	2,885	3,572	1,559	1,110	681
Gas tax - Federal	47,224	56,674	31,227	22,532	28,851
Other obligatory reserves	139,387	158,014	136,064	111,414	116,704
<b>Total</b>	<b>\$316,710</b>	<b>\$306,450</b>	<b>\$229,568</b>	<b>\$194,941</b>	<b>\$158,095</b>

# Five Year Review Summary

(Not subject to audit; all dollar amounts are in thousands except per capita figures. See accompanying notes and schedules to financial statements.)

	2015	2014	2013	2012	2011
--	------	------	------	------	------

## CONSOLIDATED REVENUES BY SOURCE

Property taxation	\$393,608	\$359,644	\$339,523	\$305,644	\$283,457
Taxation from other governments	2,874	2,681	2,611	3,305	2,092
User charges	114,620	111,357	101,023	107,411	93,057
Government grants	13,468	26,509	7,130	24,315	29,095
Development levies earned and other restricted capital contributions	182,628	97,344	102,824	173,685	73,073
Investment income	9,955	9,655	8,287	7,296	9,292
Penalties, fines and interest	21,688	21,259	20,750	19,551	19,850
Interest earned on reserves	9,728	8,021	7,480	8,373	6,756
Developer contributed tangible capital assets	76,271	115,410	59,995	80,861	43,492
Other	5,792	6,712	4,405	2,553	5,040
<b>Total</b>	<b>\$830,632</b>	<b>\$758,592</b>	<b>\$654,028</b>	<b>\$732,994</b>	<b>\$565,205</b>

## CONSOLIDATED EXPENSES BY FUNCTION

General government	\$51,649	\$52,003	\$38,266	\$40,511	\$32,232
Protection to persons and property	95,449	109,341	91,578	85,234	78,986
Transportation services	210,897	197,567	183,695	172,319	155,719
Environment services	6,792	3,288	2,173	2,500	4,146
Health services (cemetaries)	708	571	685	635	661
Social and family services	2,298	2,399	2,325	2,257	2,170
Recreation and cultural services	138,651	126,500	128,166	120,261	116,832
Planning and development	25,069	23,372	23,486	21,383	20,171
Amortization expense	119,939	118,399	105,189	101,373	94,167
Other	261	193	533	3,703	206
<b>Total</b>	<b>\$651,713</b>	<b>\$633,633</b>	<b>\$576,096</b>	<b>\$550,176</b>	<b>\$505,289</b>

# Five Year Review Summary

(Not subject to audit; all dollar amounts are in thousands except per capita figures. See accompanying notes and schedules to financial statements.)

	2015	2014	2013	2012	2011
--	------	------	------	------	------

## CONSOLIDATED EXPENSES BY OBJECT

Salaries, wages and employee benefits	\$345,602	\$334,507	\$313,854	\$295,364	\$276,318
Long-term debt payments	7,005	2,948	-	-	-
Goods and services	178,906	177,586	156,520	149,736	134,599
Amortization	119,939	118,399	105,189	101,373	94,167
Other	261	193	533	3,703	206
<b>Total</b>	<b>\$651,713</b>	<b>\$633,633</b>	<b>\$576,096</b>	<b>\$550,176</b>	<b>\$505,289</b>

<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	\$3,788,267	\$3,663,308	\$3,585,376	\$3,402,558	\$3,342,642
<b>RESTATEMENT, TANGIBLE CAPITAL ASSETS (Note 2)</b>	-	-	-	-	-
<b>ANNUAL SURPLUS</b>	178,919	124,959	77,932	182,818	59,916
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$3,967,186</b>	<b>\$3,788,267</b>	<b>\$3,663,308</b>	<b>\$3,585,376</b>	<b>\$3,402,558</b>

<b>TOTAL FINANCIAL ASSETS</b>	\$1,060,860	\$994,172	\$916,510	\$829,980	\$738,865
<b>TOTAL FINANCIAL LIABILITIES</b>	607,484	592,059	416,271	349,672	308,425
<b>NET FINANCIAL ASSETS</b>	<b>\$453,376</b>	<b>\$402,113</b>	<b>\$500,239</b>	<b>\$480,308</b>	<b>\$430,440</b>

# Five Year Review Summary

(Not subject to audit; all dollar amounts are in thousands except per capita figures. See accompanying notes and schedules to financial statements.)

	2015	2014	2013	2012	2011
--	------	------	------	------	------

<b>TANGIBLE CAPITAL ASSET NET BOOK VALUE</b>					
Land	\$1,628,129	\$1,608,632	\$1,603,576	\$1,595,418	\$1,594,558
Asset under capital lease	88,202	91,942	-	-	-
Buildings and building improvements	396,139	395,169	384,284	369,384	364,859
Furniture, computer and office equipment	41,691	44,955	47,313	49,098	46,581
Infrastructure	1,060,870	986,006	868,442	812,788	726,759
Land improvements	47,983	48,039	49,162	44,833	37,483
Vehicles and machinery	139,507	132,904	125,689	134,772	107,497
Assets under construction	105,894	72,940	80,145	94,646	90,728
<b>Total</b>	<b>\$3,508,415</b>	<b>\$3,380,587</b>	<b>\$3,158,611</b>	<b>\$3,100,939</b>	<b>\$2,968,464</b>

<b>TANGIBLE CAPITAL ASSET COST</b>					
Assets, beginning of year	\$4,655,337	\$4,319,366	\$4,162,546	\$3,939,483	\$3,737,541
Additions	392,028	484,232	284,015	390,786	477,478
Disposals and transfers	(225,131)	(148,261)	(127,195)	(167,723)	(275,537)
<b>Assets, end of year</b>	<b>\$4,822,234</b>	<b>\$4,655,337</b>	<b>\$4,319,366</b>	<b>\$4,162,546</b>	<b>\$3,939,483</b>

<b>TANGIBLE CAPITAL ASSET AMORTIZATION</b>					
Accumulated amortization, beginning of year	\$1,274,750	\$1,160,755	\$1,061,607	\$971,018	\$881,224
Current year expense	119,939	118,399	105,189	101,371	94,888
Accumulated amortization on disposals	(80,870)	(4,404)	(6,041)	(10,782)	(5,094)
<b>Accumulated Amortization, end of year</b>	<b>\$1,313,819</b>	<b>\$1,274,750</b>	<b>\$1,160,755</b>	<b>\$1,061,607</b>	<b>\$971,018</b>

<b>TANGIBLE CAPITAL ASSET NET BOOK VALUE</b>	<b>\$3,508,415</b>	<b>\$3,380,587</b>	<b>\$3,158,611</b>	<b>\$3,100,939</b>	<b>\$2,968,464</b>
--	--------------------	--------------------	--------------------	--------------------	--------------------

# 10 Largest Corporate Property Taxpayers in Brampton - 2015

Rank	Owner	Assessment Value \$
1	MORGUARD CORPORATION	497,188,501
2	ORLANDO CORPORATION	308,655,814
3	1388688 ONTARIO LIMITED	194,667,144
4	RIOTRIN PROPERTIES (BRAMPTON INC)	174,498,422
5	INDUSTRIAL 5000 REAL ESTATE	157,379,750
6	CP REIT ONTARIO PROPERTIES LTD	154,185,585
7	INVESTORS GROUP TRUST CO LTD	129,749,086
8	AIRPORT 407 BUSINESS CAMPUS	123,227,250
9	CONCERT REAL ESTATE CORPORATION	122,860,501
10	DAIMLERCHRYSLER CANADA INC	121,707,862
<b>Top Ten - Assessment Total</b>		<b>1,984,119,915</b>
% of Total Industrial and Commercial Assessment		15.31%
% of Total		2.83%

Total Residential Assessment	57,181,720,135
Total Industrial and Commercial Assessment	12,955,660,142
<b>Total</b>	<b>70,137,380,277</b>