



THE CORPORATION OF THE CITY OF BRAMPTON:
2019 ANNUAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2019

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BRAMPTON CITY COUNCIL



Patrick Brown
Mayor



Paul Vicente
Regional Councillor
Wards 1 & 5



Rowena Santos
Regional Councillor
Wards 1 & 5



Michael Palleschi
Regional Councillor
Wards 2 & 6



Martin Medeiros
Regional Councillor
Wards 3 & 4



Pat Fortini
Regional Councillor
Wards 7 & 8



Gurpreet Dhillon
Regional Councillor
Wards 9 & 10



Doug Whillans
City Councillor
Wards 2 & 6



Jeff Bowman
City Councillor
Wards 3 & 4



Charmaine Williams
City Councillor
Wards 7 & 8



Harkirat Singh
City Councillor
Wards 9 & 10

MESSAGE FROM MAYOR AND CHIEF ADMINISTRATIVE OFFICER



Patrick Brown
Mayor



David Barrick
Chief Administrative Officer

This has been a keystone year for Brampton City Council and City staff with the launch of the 2018-2022 City of Brampton Term of Council Priorities and a zero per cent property tax increase. We have a lot to be proud of. This report showcases the progress and the momentum of the priorities and projects that make Brampton a City of Opportunities, a Mosaic, a Green, Healthy and Safe, and a Well-Run City.

From encouraging innovation to collaborative partnerships, from community engagements to celebrating our City's diversity, from declaring climate emergency to implementing sustainable and green solutions, from looking at financial efficiencies to a zero per cent property tax for the first time in 20 years, Brampton City Council has forged a comprehensive path designed to serve and benefit everyone in our community.

2019 has been an incredible and precedent-setting year for the City. It is a matter of immense pride to be working with a collaborative Council and enthusiastic and dedicated staff as we continue delivering on the needs of our community and managing our growth in a sustainable manner, while being mindful of the taxpayer. We continue to invest and work toward ambitious goals in climate action, housing supply, active transportation, economic development, healthy citizens and vibrant spaces.

The rising needs of the community are visible as the demand for City programs and services continue to grow. We are investing in a larger transit fleet, expanding recreational amenities and offerings, and dedicating more resources

toward fire and snow safety. Investing in strategic projects, such as Riverwalk and the Centre for Innovation, reflects our commitment to sustainability and harnessing the immense potential of downtown Brampton.

Brampton is the incubator of what successful Canadian cities will look like in the future. Our solid foundation of business and finance is key and our strategy reflects the strength of our people, our growth and our diversity. Our priority to innovation and entrepreneurship, to foster jobs and technological breakthroughs, places us for success as we're home to a young, creative labour force - one of the youngest cities in Canada!

In line with our young community, staff continue to pursue all post-secondary options to ensure that we not only are able to harness the talent of our residents, but also keep them here in Brampton.

We want our residents and businesses to enjoy living, working and growing in Brampton. We are moving in the right direction and the City of Brampton is committed to stimulating the economy, improving the quality of life and investing in transit and infrastructure. With the support of our residents and business owners, we are building the Brampton that future generations will be proud to call home.

Patrick Brown
Mayor

David Barrick
Chief Administrative Officer

In Brampton, opportunity always adds up



2ND FASTEST GROWING CITY IN CANADA
Approx. 14,000 new residents per year



CENTRALLY LOCATED
in the middle of Canada's Super Innovation Corridor



ACCESS TO 4.3 MILLION
labour pool across the GTA



HOME TO CN
The largest Intermodal Railway terminal in Canada

74,800
(YTD June 2019)

DIVERSE ECONOMIC BASE



4,400

INCREASE IN BUSINESSES
(YTD as of June 2019, up 6.22%)



LOWEST AVERAGE AGE IN CANADA

36.5

YOUNG, MULTICULTURAL WORKFORCE
234 different cultures, speaking 115 languages

115

234

The largest supply of vacant land adjacent to Toronto Pearson International Airport



7 TRANSCONTINENTAL HIGHWAYS
accessing 158 million North American consumers



AAA

Credit Rating (Standard & Poor's)

RANKED TOP 10 OVERALL MID-SIZED CITY TOP 10 BEST BUSINESS FRIENDLINESS & CONNECTIVITY
FDI Magazine



INCREASE IN JOBS
from 2018 to 2019

7,600

Brampton Economic Indicators



\$538,000

Average Assessed House Value (MPAC)

Ninth Largest

City in Canada

9

Fourth Largest

City in Ontario

4



145,000

Residents with a University Degree (Bachelor's degree or above)

656,000

Total Population



2,451 units

Housing Permits (based on dwelling units, YTD Dec 2018)



5,607 units

Housing Permits (based on dwelling units, YTD Dec 2019)

\$865 million

Total Construction Value (YTD Dec 2018)



\$1,808 million

Total Construction Value (YTD Dec 2019)

TERM OF COUNCIL PRIORITIES

In March 2019, City Council established Term of Council Priorities aligned to the Brampton 2040 Vision, reflecting feedback heard from residents. The 2040 Vision is our long-term goal and aspiration, and the Term of Council Priorities are the steps to move our city towards that goal over the next four years.

The Term of Council priorities are grouped into five directions:

Brampton is a City of Opportunities:

Improving livability and prosperity by focusing on local education and employment opportunities, neighbourhood services and programs, and job investment strategies.

Brampton is a Mosaic:

Celebrating Brampton's diversity by more effectively engaging and communicating with diverse groups, supporting cultural events, and developing a holistic framework to embed diversity across the city.

Brampton is a Green City:

Building on Brampton's commitment to sustainability by improving transit and active transportation opportunities, focusing on energy efficiency, and revitalizing natural spaces and the urban tree canopy.

Brampton is a Healthy and Safe City:

Focusing on community safety, improving mental health support, and encouraging active and healthy lifestyles.

Brampton is a Well-Run City:

Continuously improving the day-to-day operations of the corporation by streamlining service delivery, effectively managing municipal assets, and leveraging partnerships for collaboration and advocacy.



Brampton is a City of Opportunities

Brampton City Council is improving livability and prosperity by focusing on local education and employment opportunities, neighbourhood services and programs, and investment strategies for the jobs of the future.

2019 saw the City contribute \$5 million **to a total \$30 million investment** in the Rogers Cybersecure Catalyst, a **national centre for innovation and collaboration** in cybersecurity ensuring Canada's economic security and global competitiveness. A partnership was approved with the Peel District School Board to design a **Collaborative Learning Technology Centre** at Central Peel Secondary School. \$3.46 million supported nearly **4,000 low-income families and individuals** access Recreation programs and services.

With a priority to bring a full university to Brampton, the City commissioned research to explore new options to achieve this goal. BramptonU will build on the excellence of our existing partners and other universities in Ontario and around the world to **meet the needs of Brampton residents and businesses**. Recent surveys by Mainstreet Research show that 83% of those surveyed support a new university in Brampton.

The new Brampton Entrepreneur Centre co-working space opened in downtown Brampton at 41 George Street, supporting...



300
business startups



375
new jobs created



900 business consultations with entrepreneurs



190 seminars and events to over **8,000** participants



\$175,000 in grant funding disbursed to Brampton entrepreneurs

\$8 million to support Algoma University's expansion in downtown Brampton



330%
student enrollment growth from 2018-2019



Program offerings grew from **one to five**



350% increase in physical space from 2018-2019

Investment missions to Boston, Germany and Portugal resulted in:



5,000 impressions with trade show attendees



47 meetings with businesses



15 new contacts for follow-up



13 new opportunities for partnerships or investment



Brampton is a Mosaic

We are celebrating Brampton's diversity by more effectively engaging and communicating with diverse groups, supporting cultural events, and developing a holistic framework to embed diversity across the city.

The new Advance Brampton Fund commits **\$1 million to Brampton-based non-profit projects** aligned with City Priorities. The Nurturing Neighbourhoods program engaged **10 diverse Brampton communities** for feedback and ideas. The City launched a five-year **Workplace Diversity and Inclusion Strategy** and work plan. \$2.6 million was invested in **revitalizing Lester B. Pearson Theatre** to enhance its ability to serve as a community gathering place. Brampton connected with residents of all ages through the launch of its first-ever **Youth Strategy and We The Future Symposium**, and hosted its first-ever **Age-Friendly Forum**.

Community organizations and events supported through the Community Grant Program:



\$1.5 million
invested



90+
organizations
supported

First-ever community celebrations for our diverse communities



Community Iftar -
1,000
participants



Garba -
1,800
participants



39 flag-raising celebrations celebrating our shared civic pride

The City supported local Brampton arts and culture through 26 cultural events and celebrations



Engaged
120,000
residents



Provided **130**
opportunities for
local artists and
entrepreneurs



Engaged **26**
not-for profit
organizations



\$246,000
in sponsorship
revenue

Increased multilingual communications



141
Ads in multilingual
media outlets



194
communications
documents translated



25 multilingual
interviews with
cultural media outlets



Communications
translated into
11 languages

Brampton is a Green City

Brampton is building sustainability by improving transit and active transportation opportunities, focusing on energy efficiency, and revitalizing natural spaces and the urban tree canopy.

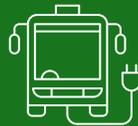
City Council endorsed Brampton's first-ever Active Transportation Master Plan, embedding a **commitment to walking, cycling and transit** in future development. Brampton built a partnership with Sheridan College to develop a plan to improve **energy efficiency and climate change resilience**. As part of the Global Covenant of Mayors for Climate and Energy, Brampton was selected to receive intensive **support to help reduce greenhouse gas emissions and adapt to climate change** over the next year. Council also approved a plan for Trailhead EcoPark, **a new ecopark and environmental education centre**.

Launched a \$15 discounted Transit monthly pass for Brampton senior residents



8,100
passes sold in
four months

Electric bus pilot project approved to purchase **8 new** electric busses.



1,000 trees planted throughout 10 neighbourhood parks



For a five-year reporting period ending 2019:



\$5.8 million
in costs recovered through energy conservation



13
renewable energy projects at facilities



50
energy conservation projects

Advocacy for enhanced GO service to Brampton helped lead to:



New late-night
weekly service



Hourly weekday
evening service



50 weekly train trips along the Kitchener GO line

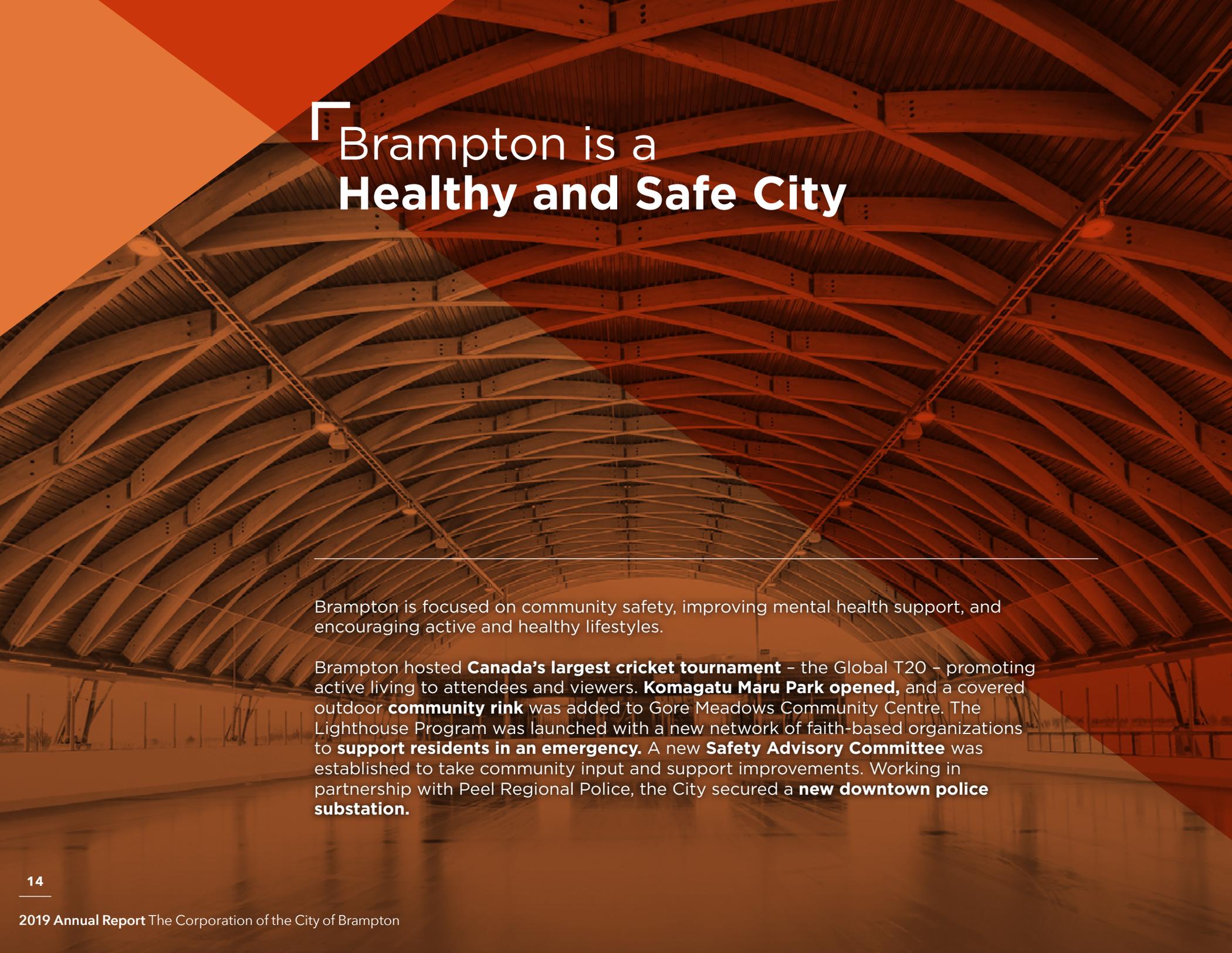
Brampton Transit service enhancements:



75,000
additional service hours



18
additional buses



┌ Brampton is a **Healthy and Safe City**

Brampton is focused on community safety, improving mental health support, and encouraging active and healthy lifestyles.

Brampton hosted **Canada's largest cricket tournament** – the Global T20 – promoting active living to attendees and viewers. **Komagatu Maru Park opened**, and a covered outdoor **community rink** was added to Gore Meadows Community Centre. The Lighthouse Program was launched with a new network of faith-based organizations to **support residents in an emergency**. A new **Safety Advisory Committee** was established to take community input and support improvements. Working in partnership with Peel Regional Police, the City secured a **new downtown police substation**.

New recreational opportunities for residents



7 new community ice rinks



7 new outdoor pickleball courts



3 new or upgraded cricket fields

— including Canada's first full-size cricket pitch with nighttime LED lighting at Teramoto park



\$150,000

investment into Neighbourhood Watch Brampton community safety program

#FairDealForBrampton health care advocacy campaign



18,000

signatures solicited for a petition to the province



Hockey Night in Brampton is a charity hockey game proudly supporting the Cardiology Program at Brampton Civic Hospital. In 2019, the event raised over **\$400,000**



1st time

hosting the Global T20 Cricket Tournament



Brampton is a **Well-Run City**

Brampton is improving day-to-day operations by streamlining service delivery, effectively managing municipal assets, and leveraging partnerships for collaboration and advocacy.

2019 saw a **zero per cent tax change** for Brampton residents while maintaining the services that residents rely on everyday. **Service levels for snow clearing were increased**, and a new online system for tracking snow clearing operations was launched. The City opened a **second Service Brampton location** at the Civic Centre, and broke ground on a **new facility for Fire training and emergency management**.

Recognized for prudent financial management



2 awards received

— Distinguished Budget Presentation Award and 2019 Budget and 2018 Excellence in Financial Reporting

Value for money



Completed

7 departmental service and operational reviews



Submitted an application for the Province's Audit and Accountability fund totaling **\$376,544.82** for eligibility

Ongoing advocacy to other levels of government



\$22.5 million

invested in Brampton projects in 2019



Service Brampton launched a new 311 app for residents to submit requests and access to City services in new ways. The first three weeks of availability saw almost **450 311 app downloads.**

Service Brampton/311 Services:



600,000
inquiries



90%
resolved at first contact
(target 85%)



89%
of calls met or exceeded
expectations (target 85%)

SENIOR LEADERSHIP TEAM

as of June 2020 at the time
of finalizing this report.

David Barrick
Chief Administrative Officer

Derek Boyce
Acting Commissioner,
Community Services

Joseph Pittari
Commissioner,
Legislative Services

Jasbir Raina
Commissioner,
Public Works and
Engineering

Richard Forward
Commissioner,
Planning and Economic
Development

Michael Davidson
Commissioner,
Corporate Support
Services

Bill Boyes
Fire Chief

Alex Milojevic
General Manager,
Transit

Peter Fay
City Clerk

FINANCIAL REPORT

MESSAGE FROM THE CITY TREASURER



David Sutton
City Treasurer

I am pleased to present the City of Brampton's consolidated financial statements for the 2019 fiscal year.

2019 was an exceptional year for Brampton. Managing growth, expanding services and commitment to new investments were all achieved at no change to property taxes, thanks to significant increases in revenues and decreases in the cost of delivering existing services. With the Term of Council Priorities that support Brampton's 2040 Vision as a guide, the City focused on an exciting future, one in which we may all be proud to live, play and work in this vibrant city.

We invested in a larger transit fleet, expanded recreational amenities and offerings, and dedicated more resources towards fire and snow safety. Focusing on our economy, we incentivized four key industry sectors, and positioned Brampton's advantage to global audiences to attract foreign direct investment in the city. Investments in strategic projects, such as Riverwalk and a Centre for Innovation, reflect our commitment to sustainability and innovation while harnessing the immense potential of downtown Brampton.

While continuing to face the challenge of balancing expectations with the pressures of rapid growth, Brampton's dedicated team of professionals provided excellent service to residents and businesses in the city in the most efficient and cost-effective manner.

The City's annual infrastructure levy increase continues to demonstrate our commitment to addressing our growing asset repair and replacement needs, a challenge common to all municipalities across Canada. To cope with the unprecedented growth in Transit, and to improve local and regional connections for the long term, the City introduced a Transit Dedicated Levy, to be used exclusively towards Transit-related costs and investments.

Our strong financial position provided Brampton with the opportunity to invest in our community in ways that have long-lasting economic impact, support our post-secondary partners, create jobs and improve community pride and quality of life.

Brampton is the ninth largest and second fastest growing city in Canada. Its people are young, diverse and educated, and we remain committed to working for the community to solidify Brampton as a leader in innovation and jobs creation.

The City's Long Term Financial Master Plan and Corporate Asset Management Plan continued to provide guidance to enable financial flexibility, transparency and accountability. The City continues to advocate for additional funding from other levels of government to ensure the community gets its fair share of tax dollars.

Brampton has grown at a tremendous pace over the last decade and the City has been focused on ensuring that our services and service levels grow and modernize along with the expectations of our residents and businesses. Increases in the utilization of City services and associated revenues indicate that our community values the services and service levels provided by the City.

In addition to key financial results, this report provides an overview of the local economic climate, financial policies and performance related to the delivery of the City's programs and services.

Consolidated Financial Statements

Management is responsible for the preparation of the City's consolidated financial statements. These consolidated 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 Accounting Handbook. We are confident that controls are in place in the City's accounting and financial reporting systems that ensure accuracy of the consolidated

financial statements being presented.

Effective January 1, 2019, the City adopted the following standard issued by the PSAB:

i. PS 3430 – Restructuring Transactions

The adoption of this standard has not resulted in additional note disclosure.

The 2019 consolidated financial statements have been audited by KPMG LLP, Chartered Professional Accountants (KPMG) in accordance with Canadian Generally Accepted Auditing Standards and their unqualified report is included with the consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the City of Brampton as at December 31, 2019, and comply with PSAB municipal financial reporting requirements.

Similar to the private sector, these consolidated 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 asset 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 continued to see robust economic growth in 2019. Several economic fundamentals work to Brampton's advantage. As one of Canada's fastest growing, diverse and youngest cities, Brampton has immense talent and human capital potential. Brampton's location and connectivity are key assets to trade and commerce, sitting in the middle of Canada's Innovation Super Corridor and adjacent to Toronto Pearson, Canada's largest and busiest airport.

Brampton is a thriving economic hub and an active

contributor to the national and provincial economy. The city receives a steady stream of public and private sector investments in commercial and infrastructure development. Brampton has a diverse and resilient economic base with key sectors such as advanced manufacturing, health and life sciences, innovation and technology and entrepreneurship.

Highlights of economic indicators in Brampton:

- Estimated population of more than 690,000, expected to increase to nearly 900,000 (888,600) by the year 2041. [Source: Hemson Consultant]
- The number of businesses in Brampton increased by 4.7 per cent between 2018 and 2019. [Source: Business Counts, Statistics Canada]
- Brampton had over 73,000 businesses as of December 2019. [Source: Business Counts, Statistics Canada]
- The Region of Peel unemployment rate is at 4.9% as of January 2020. [Source: Labour Force Survey, Statistics Canada]

Brampton saw 2019 investment of \$1.81 billion in total construction across industrial, commercial, institutional and residential sectors [Source: COB, Building Permits]

City Council is committed to transparency in government and engagement with its community. City Council strives to balance the expectations of residents for programs and services with the need to insulate taxpayers where possible, to ensure ongoing value for money.

In addition to responding to the infrastructure needs of a growing community, the City is also committed to maintaining its existing infrastructure base in a state of good repair. The City's Corporate Asset Management Plan provides a framework for managing our assets in an effective and efficient manner while complying with applicable regulations.

The City continues to pursue federal and provincial financial support for infrastructure projects to reduce the property tax burden to the residents, while City Council advocates on behalf of Brampton.

Financial Management Policies

The City of Brampton has established a number of financial management policies that provide a framework for the Corporation's overall fiscal planning and financial

Message from the City Treasurer

management. This includes proactive financial planning and financial reporting processes.

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

The City's rigorous financial reporting on both operating and capital results exceeds the requirements of both the federal and provincial governments. Staff regularly provide 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, and 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 continued with the implementation of an Enterprise Risk Management program. This initiative will incorporate a consistent approach to managing risk into the culture and strategic planning processes of the City.

The Government Finance Officers Association of the United States and Canada (the "GFOA") Award for Financial Reporting

In 2019, for the eighteenth consecutive year, the GFOA formally recognized Brampton for its excellence in financial reporting with the "Canadian Award for Financial Reporting" for the City's 2018 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 achievements demonstrated the high standards in financial reporting supported by evidence of transparency and full disclosure.

The GFOA Distinguished Budget Presentation Award

The City's Approved 2019 Budget received 'The Distinguished Budget Presentation Award' from the GFOA which is the only national awards program in governmental budgeting. This is the fourth year the City applied for and received the award and it represents a significant achievement due to the stringent requirements for effective budget presentation.

Budget Process

The City's budget is prepared by setting priorities that reflect strategic objectives and service standards, while balancing the need for prudent financial management. Priority setting takes place at all levels of the organization by departmental staff, senior management, corporate leadership and, ultimately, City Council. During the budget process, public input received throughout the year was taken into account. This included calls and queries that come in to our staff, to interactions at events, surveys and other public engagement opportunities.

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 City uses a full accrual basis (PSAB) budgeting methodology. This methodology does not change how the tax levy is calculated, or how funding decisions are made by City Council. The 2019 consolidated financial statements reflect full accrual budget figures for comparison purposes.

The capital budget methodology uses a capital contract budgeting approach. This methodology only allows budgeting for contracts (purchase orders) with vendors that are anticipated to be issued in the budget year. This aligns annual funding requirements with the City's capacity to deliver capital projects.

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

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 2019 budget process. The 2019 budget reflected a balance between priorities of the community and a fiscally responsible approach to running the City.

Key budget objectives included in the 2019 budget were:

- Advancing the plan for Brampton's next phase of growth
- Providing superior programs and services that contribute to quality of life
- Enhancing Transit, Fire and Recreation services
- Advancing Brampton's strategic priorities
- Maintaining and developing corporate infrastructure
- Ensuring continued value for money in the provision of all City services
- Insulating taxpayers to the extent possible

Audit Committee

The Audit Committee is a Committee of Council comprising of seven Council members appointed by City Council. It provides a forum for communication among City 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 2019 was \$4.3 billion (2018: \$4.2 billion), of which \$3.9 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 \$931 million in 2019. The sources were:

- \$488 million from property taxes

- \$220 million from user fees, fines, interest income and other
- \$21 million from federal and provincial government grants
- \$88 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)

- \$114 million of developer contributed tangible capital assets

Total revenues in 2019 were \$58 million higher than 2018 increasing from \$873 million to \$931 million. Major factors contributing to this increase include:

- The higher number of subdivisions assumed during 2019 over 2018 from developers resulted in a \$40 million increase in the developer contributed tangible capital assets.
- \$7 million increase in Investment Income resulting from higher yields in bond portfolio and GIC investments as well as higher average investment balances
- \$10 million increase in Government Grants due to funds received through Public Transit Infrastructure Fund (PTIF)

Expenses

The operating expenses totalled \$820 million, including:

- General government - \$82 million
- Protection to persons and property - \$130 million
- Transportation services - \$361 million
- Environmental and health services - \$25 million
- Social and family services - \$4 million
- Recreation and cultural services - \$193 million
- Planning and development services - \$25 million

Total operating expenses of \$820 million (2018: \$780 million) increased by \$40 million. Included in this is \$9 million increase in amortization expense representing the value of tangible capital assets that were consumed during the year. The amortization expense increased due to the \$229 million in new tangible capital assets that were added

Message from the City Treasurer

during 2019. This increase in tangible capital assets is mainly due to the infrastructure assets assumed from developers through subdivision agreements, property acquisitions, noise attenuation wall construction along Williams Parkway, purchase of transit buses and road construction activities.

Amortization expense does not require an outlay of cash and is not directly included in the determination of the annual property tax levy.

Following are key items driving the operating expense variance from 2018 to 2019:

- \$9 million increase in post-employment benefits and other liabilities
- Increases from the operating and maintenance of the City's growing infrastructure investment as well as continued growth in transit service

Reserve Funds

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

As at December 31, 2019, the City of Brampton's reserves and reserve fund balances totalled \$456 million, compared to \$411 million in 2018. These funds are reported as a component of the accumulated surplus (see Note 10 of the consolidated 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 \$399 million as at December 31, 2019 as compared to \$300 million in 2018, an increase of \$99 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

We are committed to ensuring accountability, transparency, credibility and clarity in financial reporting. We have an established framework to help with long-term prioritization and decision-making. 2019 was about creating opportunities that boost economic prospects, providing superior programs and services that contribute to quality of life, and ensuring that Brampton continues to be a well-run city, with lean and efficient operations delivering the best for its community.

With guidance from the new Term of Council, 2019 was the first in nearly 20 years when the City delivered a zero per cent average tax change for its annual budget. This was possible due to healthy revenues that helped balance service delivery, infrastructure building and maintenance, while remaining fiscally responsible in a rapidly growing city. Industry experts recognize Brampton as a well-managed organization with strong financial practices. We will continue to invest in our infrastructure priorities to help address the needs of our community - now and into the future. Our aim is to manage that future investment with prudent financial policy, while continuing to provide the best possible service to our residents and businesses.

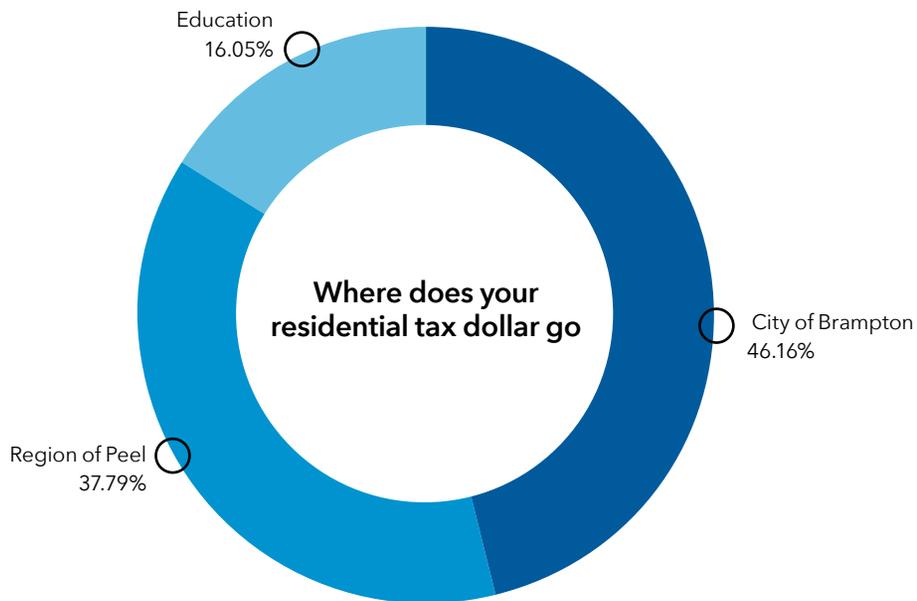
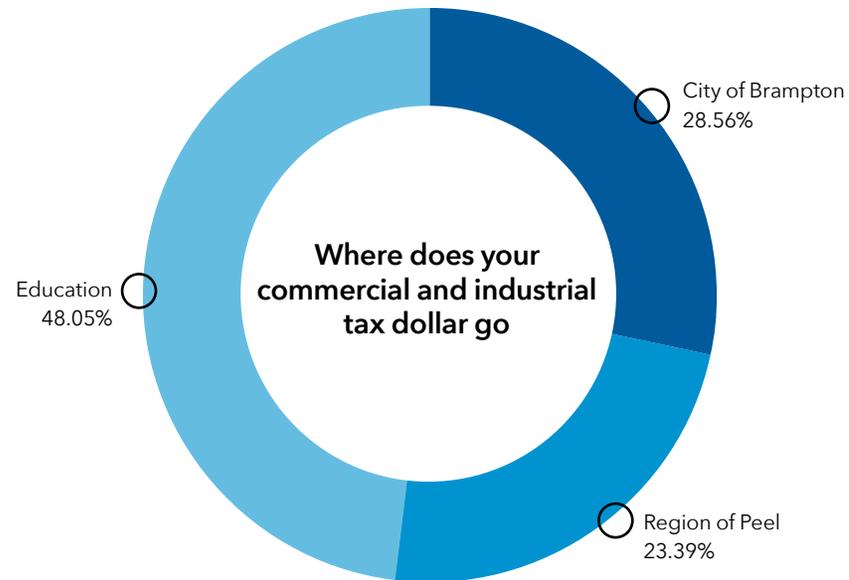
Brampton is a strong contributor to Canada's economy. Brampton's young, professional population and diversity sets us apart and provides immense opportunities for future growth. Our team is committed to help achieve City Council's priorities, for Brampton to be: a City of Opportunities, a Mosaic, a Green City, a Safe and Healthy City and a Well-Run City. We are energized by our diverse communities, we attract investment, and we are embarking on a journey to lead technological and environmental innovation. We will continue to partner for progress in building a healthy city that is safe, sustainable and successful.



David Sutton,
City Treasurer

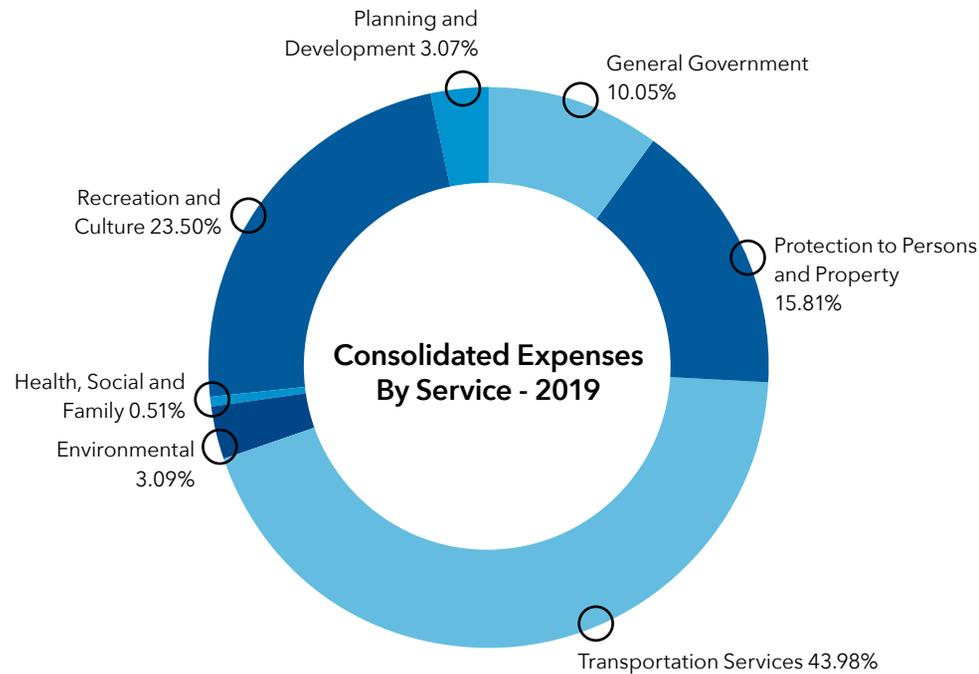
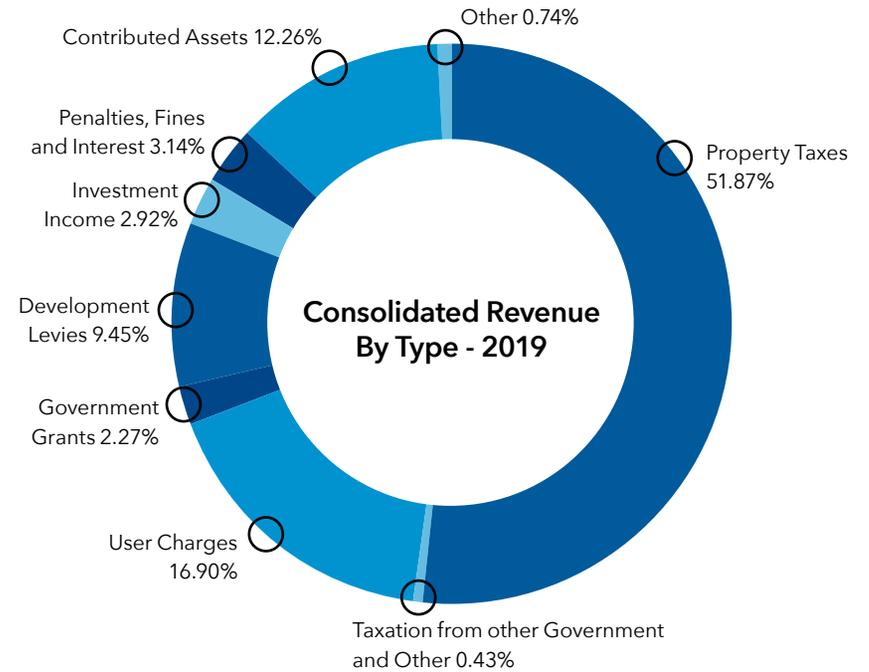
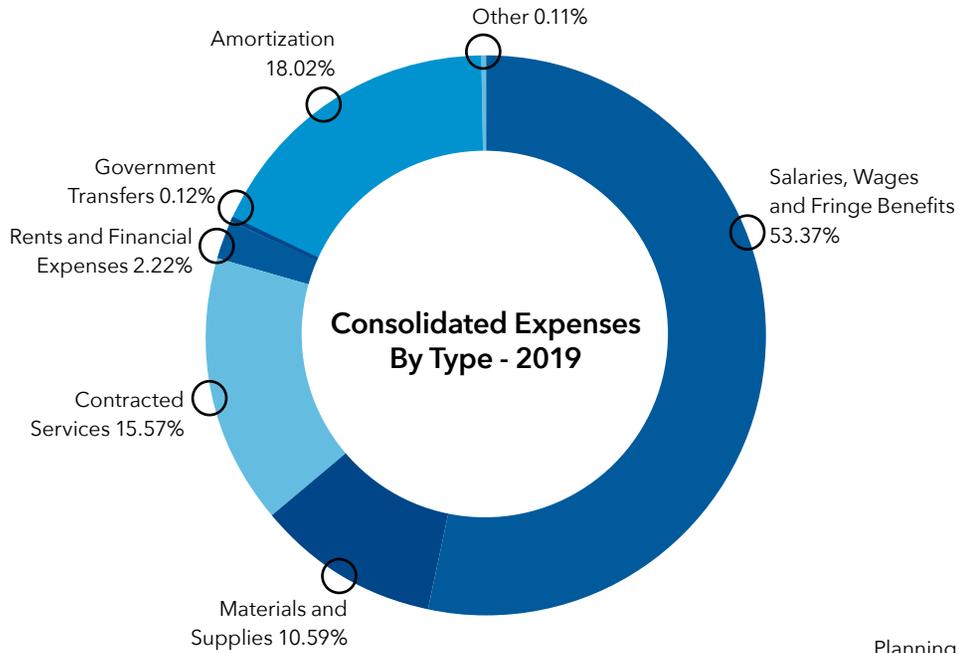
May 28, 2020

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2019



Financial Highlights

for the year Ended December 31, 2019





Government Finance Officers Association

**Canadian Award
for
Financial Reporting**

Presented to

**The Corporation of the City
of Brampton, Ontario**

For its Annual
Financial Report
for the Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

CONSOLIDATED FINANCIAL STATEMENTS

The Corporation of the City of Brampton for the Fiscal Year Ended December 31, 2019

RESPONSIBILITY FOR FINANCIAL REPORTING

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 seven Councillors and three Citizen Members.

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

David Barrick
Chief Administrative Officer

David Sutton
Treasurer

Brampton, Canada
May 5, 2020

AUDITORS' REPORT



KPMG LLP
Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan ON L4K 0J3
Canada
Tel 905-265-5900
Fax 905-265-6390

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the consolidated financial statements of The Corporation of the City of Brampton (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2019
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2019, and its consolidated results of operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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.



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

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

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 5, 2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at December 31, 2019
(All dollar amounts in \$'000)

| | 2019 | 2018 |
|--|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash and short-term investments (Note 3) | \$ 301,486 | \$ 268,928 |
| Taxes receivable | 55,695 | 56,862 |
| User charges receivable | 2,638 | 2,148 |
| Accounts receivable | 49,214 | 35,821 |
| Long-term investments (Note 3) | 774,674 | 659,605 |
| Other assets (Note 4) | 8,635 | 8,302 |
| Total financial assets | 1,192,342 | 1,031,666 |
| FINANCIAL LIABILITIES | | |
| Accounts payable and accrued liabilities | 141,249 | 143,042 |
| Capital lease obligation (Note 5) | 85,081 | 86,905 |
| Deferred revenue - general (Note 7 (a)) | 4,929 | 4,461 |
| Deferred revenue - obligatory reserve funds (Note 7 (b)) | 398,976 | 300,478 |
| Employee benefits and other liabilities (Note 8) | 95,068 | 85,707 |
| Long-term liabilities (Note 6) | 25,291 | - |
| Total financial liabilities | 750,594 | 620,593 |
| Net Financial Assets | 441,748 | 411,073 |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (Note 14) | 3,875,192 | 3,795,217 |
| Inventory and prepaids | 10,548 | 9,854 |
| Total non-financial assets | 3,885,740 | 3,805,071 |
| Guarantee (Note 4) | | |
| Contingencies (Note 13) | | |
| Commitments (Note 15) | | |
| Contractual rights (Note 18) | | |
| Subsequent event (Note 19) | | |
| Accumulated surplus (Note 10) | \$ 4,327,488 | \$ 4,216,144 |

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, 2019
(All dollar amounts in \$000)

| | 2019 Budget (notes 1 (o) and 16) | 2019 | 2018 |
|---|-------------------------------------|---------------------|---------------------|
| REVENUES | | | |
| Property taxation | \$ 487,243 | \$ 482,955 | \$ 478,021 |
| Taxation from other governments | 3,008 | 4,047 | 3,880 |
| User charges | 150,408 | 157,360 | 138,775 |
| Government grants (Note 20) | 824 | 21,141 | 10,783 |
| Development levies earned and other restricted capital contributions | 153,800 | 88,023 | 97,843 |
| Investment income | 5,324 | 6,064 | 4,471 |
| Interest earned on reserves | 15,171 | 21,133 | 15,611 |
| Penalties, fines and interest | 24,685 | 29,245 | 27,019 |
| Developer contributed tangible capital assets (Note 14 (b)) | 51,288 | 114,149 | 74,246 |
| Other | 3,881 | 6,914 | 22,700 |
| Total revenues | 895,632 | 931,031 | 873,349 |
| EXPENSES | | | |
| General government | 74,155 | 82,359 | 82,833 |
| Protection to persons and property | 130,755 | 129,576 | 120,933 |
| Transportation services | 357,234 | 360,537 | 338,083 |
| Environmental services | 23,962 | 25,304 | 26,426 |
| Health services (cemeteries) | 671 | 768 | 837 |
| Social and family services | 3,742 | 3,379 | 4,212 |
| Recreation and cultural services | 193,769 | 192,613 | 186,022 |
| Planning and development services | 24,702 | 25,151 | 21,071 |
| Total expenses | 808,990 | 819,687 | 780,417 |
| Annual Surplus | \$ 86,642 | \$ 111,344 | \$ 92,932 |
| Accumulated surplus, beginning of year | | 4,216,144 | 4,123,212 |
| Accumulated surplus, end of year (Note 10) | | \$ 4,327,488 | \$ 4,216,144 |

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, 2019
(All dollar amounts in \$000)

| | 2019 Budget (notes 1 (o) and 16) | 2019 | 2018 |
|--|----------------------------------|-------------------|-------------------|
| ANNUAL SURPLUS | \$ 86,642 | \$ 111,344 | \$ 92,932 |
| Acquisition of tangible capital assets | - | (228,531) | (247,052) |
| Amortization of tangible capital assets | 138,194 | 147,691 | 139,110 |
| Net book value of disposed tangible capital assets | - | 865 | 111 |
| Acquisition of inventory and prepaids | - | (14,187) | (12,280) |
| Use of inventory and prepaids | - | 13,493 | 9,022 |
| CHANGE IN NET FINANCIAL ASSETS | 224,836 | 30,675 | (18,157) |
| NET FINANCIAL ASSETS, BEGINNING OF YEAR | 411,073 | 411,073 | 429,230 |
| NET FINANCIAL ASSETS, END OF YEAR | \$ 635,909 | \$ 441,748 | \$ 411,073 |

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended December 31, 2019
(All dollar amounts in \$000)

| | 2019 | 2018 |
|---|-------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Cash provided by (used in): | | |
| Annual surplus | \$ 111,344 | \$ 92,932 |
| Change in non-cash assets and liabilities: | | |
| Taxes receivable | 1,167 | (8,197) |
| User charges receivable | (490) | 1,905 |
| Accounts receivable and other assets | (13,726) | (288) |
| Accounts payable and accrued liabilities | (1,793) | 8,098 |
| Deferred revenue - general | 468 | 447 |
| Deferred revenue - obligatory reserve fund | 98,498 | (6,208) |
| Employee benefits and other liabilities | 9,361 | 8,589 |
| Inventory and prepaids | (694) | (3,258) |
| | 92,791 | 1,088 |
| Items not involving cash: | | |
| Amortization of tangible capital assets | 147,691 | 139,110 |
| Loss on disposal of tangible capital assets | 865 | 111 |
| Developer contributed tangible capital assets | (114,149) | (74,246) |
| NET CHANGE IN CASH FROM OPERATIONS | 238,542 | 158,995 |
| FINANCING ACTIVITIES | | |
| Repayment of capital lease obligation | (1,824) | (1,692) |
| Receipt of funds through sinking fund debentures | 26,002 | - |
| Sinking fund deposits made | (711) | - |
| CAPITAL ACTIVITIES | | |
| Acquisition of tangible capital assets | (114,382) | (172,806) |
| INVESTING ACTIVITIES | | |
| Increase in long-term investments | (115,069) | (64,319) |
| | (205,984) | (238,817) |
| INCREASE (DECREASE) IN CASH AND SHORT-TERM INVESTMENTS | 32,558 | (79,822) |
| Cash and short-term investments, beginning of year | 268,928 | 348,750 |
| CASH AND SHORT-TERM INVESTMENTS, END OF YEAR | \$ 301,486 | \$ 268,928 |

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2019
(All dollar amounts are in 000s)

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 of 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:

- Brampton Public Library Board (the "Library")
- Downtown Brampton Business Improvement Area (the "BIA")

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 ("Region 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.

Long-term 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 market value to recognize the loss in the consolidated statement of operations.

f) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (i) an environmental standard exists
- (ii) contamination exceeds the environmental standard
- (iii) the organization is directly responsible or accepts responsibility for the liability
- (iv) future economic benefits will be given up, and
- (v) a reasonable estimate of the liability can be made.

The liability is estimated based upon information that is available when the financial statements are prepared. It is based upon the costs directly attributable to the remediation activities required using a present value measurement technique.

g) 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.

h) 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 | 10 - 40 |
| Furniture, computer and office equipment | 2 - 20 |
| Infrastructure | 10 - 40 |
| Land improvements | 10 - 30 |
| Vehicles and machinery | 7 - 15 |
| Assets under capital lease | Lesser of useful life and lease term |

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. The City owns both works of art and historical treasures at various City-owned facilities. These assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community.
- (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.

i) 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.

j) Deferred revenue - general:

Deferred revenue represents 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.

k) 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.

l) Taxation and related revenues:

Tax receivable and tax revenue are recognized when they meet the definition of an asset, the tax is authorized and the taxable event has occurred.

m) Investment income:

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

n) 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-

Notes to Consolidated Financial Statements

Year ended December 31, 2019
(All dollar amounts are in 000s)

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.

o) 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.

The 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.

p) 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.

q) Newly adopted accounting standards:

Effective January 1, 2019, the City adopted the following standard issued by the PSAB:

(i) 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.

The adoption of this standard has not resulted in additional note disclosures. There are no restructuring transactions to disclose for 2019.

2. Future Accounting Pronouncements:

These standards and amendments were not effective for the year ended December 31, 2019, 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.

(i) PS 1201, Financial Statement Presentation, was issued in June, 2011. This standard requires entities to present a new statement of remeasurement gains and losses separate from the consolidated statement of operations and accumulated surplus. This new statement includes unrealized gains and losses arising from remeasurement of financial instruments and items denominated in foreign currencies and any other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This section is effective for fiscal years beginning on or after April 1, 2021 (the City's December 31, 2022 year-end) and applies when PS 3450, Financial Instruments, and PS 2601, Foreign Currency Translation, are adopted.

(ii) 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 is now effective for fiscal periods beginning on or after April 1, 2021 (the City's December 31, 2022 year-end).

(iii) 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 now effective for fiscal periods beginning on or after April 1, 2021 (the City's December 31, 2022 year-end). Earlier adoption is permitted. A public sector entity adopting this standard must also adopt the new financial instruments standard.

(iv) PS 3400, Revenue, establishes a single framework to categorize revenues to enhance the consistency of revenue

recognition and its measurement. This section is effective for fiscal years beginning on or after April 1, 2022 (the City's December 31, 2023 year-end).

(v) PS 3280, Asset Retirement Obligation, addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. This section is effective for fiscal year beginning on or after April 1, 2021 (the City's December 31, 2022 year-end).

3. Cash and Investments:

Cash and short-term investments of \$301,486 (2018 - \$268,928) includes short-term investments of \$24,267 (2018 - \$15,128) with a market value \$24,266 (2018 - \$15,290) at the end of the year.

Long-term investments of \$774,674 (2018 - \$659,605) have a market value of \$783,827 (2018 - \$654,273), at the end of the year.

4. Other Assets:

Included under other assets in the consolidated statement of financial position is \$7,984 (2018 - \$7,984) consisting of a construction loan of \$6,000 advanced by the City towards the construction of the CAA Centre (formerly 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 is also the guarantor for the Powerade Centre Term Loan ("Term Loan", previously a mortgage) held by the Royal Bank of Canada. In 2017, the Term Loan, which has an amortization period ending in August 2034, was renegotiated with a 5-year term ending on March 21, 2022. The Term Loan has an outstanding balance of \$7,466 on December 31, 2019 (2018 - \$7,843).

5. Capital Lease Obligation:

In 2014, the City entered into a capital lease arrangement (the "agreement") for a City Hall West Tower.

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:

| | |
|---|------------|
| 2020 | \$ 8,354 |
| 2021 | 8,354 |
| 2022 | 8,354 |
| 2023 | 8,354 |
| 2024 | 8,354 |
| 2025 and Thereafter | 121,820 |
| <hr/> | |
| Total minimum lease payments | \$ 163,590 |
| <hr/> | |
| Less amount representing implicit interest at 7.59% | 78,509 |
| <hr/> | |
| Capital lease obligation | \$ 85,081 |

In 2019, the interest expense of \$6,529 (2018 - \$6,662) is reported in the consolidated statement of operations.

6. Long-term Liabilities:

The City has long-term debt managed and issued by the Region of Peel. The City has the responsibility for the annual contribution towards sinking funds that would be used to extinguish the debt at maturity. The total long-term liabilities reported on the consolidated statement of financial position include the following:

| | 2019 | 2018 |
|--|-----------|------|
| Unsecured debenture issued during the year by the Regional Municipality of Peel on behalf of the City, bearing interest at 3.85% maturing on 2042: | \$ 26,002 | \$ - |
| Less: sinking fund deposits bearing interest at 2.5% | (711) | - |
| <hr/> | | |
| Unsecured debenture, net of sinking fund deposits | 25,291 | - |
| <hr/> | | |
| Actuarially determined funding contribution requirements for the next 5 years are as follows: | | |
| 2020 | \$729 | |
| 2021 | 747 | |
| 2022 | 766 | |
| 2023 | 785 | |
| 2024 | 804 | |
| 2025 and thereafter | 18,458 | |
| Interest to be earned on sinking fund debt | 3,002 | |
| <hr/> | | |
| Unsecured debenture, net of sinking fund deposits | \$25,291 | |

Notes to Consolidated Financial Statements

Year ended December 31, 2019
(All dollar amounts are in 000s)

Interest expense in the amount of \$886 (2018 - \$0) has been recognized on the consolidated statement of operations. The annual sinking fund deposits and interest payments required to service the long-term liabilities of the municipality are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

7. (a) Deferred revenue - general:

Deferred revenue - general is comprised of 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, 2019 the deferred revenue - general amounted to \$4,929 (2018 - \$4,461).

7. (b) Deferred revenue - obligatory reserve funds:

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, 2019, obligatory reserve funds amounted to \$398,976 (2018 - \$300,478). 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.

Details of these deferred revenues are as follows:

| | Opening | Amount received | Amount recognized as revenue | Other adjustments | Closing |
|--------------------|-------------------|-------------------|------------------------------|-------------------|-------------------|
| Developers | \$ 103,977 | \$ 96,471 | \$ 39,880 | \$ - | \$ 160,568 |
| Federal gas tax | 33,996 | 64,957 | 42,664 | - | 56,289 |
| Provincial gas tax | 6,206 | 16,190 | 15,877 | - | 6,519 |
| Other | 156,299 | 16,379 | - | 2,922 | 175,600 |
| Total | \$ 300,478 | \$ 193,997 | \$ 98,421 | \$ 2,922 | \$ 398,976 |

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 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:

| | 2019 | 2018 | |
|--------------------------------------|------------------|------------------|---|
| WSIB | \$ 16,886 | \$ 14,678 | As at December 31, 2019, the City has allocated reserves and reserve funds of \$15,350 (2018 - \$33,516) to fund these obligations. |
| Vested sick leave benefits | 23,328 | 21,149 | |
| Vacation pay | 13,690 | 11,775 | |
| Non-pension post employment benefits | 31,075 | 28,357 | |
| Self insurance liability | 9,665 | 9,274 | |
| Legal liability | 424 | 474 | |
| Total | \$ 95,068 | \$ 85,707 | The most recent full actuarial valuation for WSIB, vested sick leave benefits and non-pension post employment benefits was performed as at December 31, 2016. |

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

| Item | WSIB | Vested Sick Leave Benefits | Non-Pension Post Employment Benefits | 2019 Total | 2018 Total |
|---|------------------|----------------------------|--------------------------------------|------------------|------------------|
| Accrued Benefit obligation ("ABO"), beginning of year | \$ 21,740 | \$ 27,409 | \$ 38,548 | \$ 87,697 | \$ 81,267 |
| Add: Current benefit costs | 2,836 | 2,798 | 1,823 | 7,457 | 7,108 |
| Add: Increase due to plan amendment | - | - | - | - | 2,692 |
| Add: Interest Cost | 827 | 1,099 | 1,541 | 3,467 | 3,209 |
| Less: Current Benefit Payments | 2,208 | 2,671 | 1,865 | 6,744 | 6,580 |
| ABO, end of the year | \$ 23,195 | \$ 28,635 | \$ 40,047 | \$ 91,877 | \$ 87,696 |
| Unamortized actuarial (loss) | (6,309) | (5,307) | (8,972) | (20,588) | (23,512) |
| Liability for Benefits, end of the year | \$ 16,886 | \$ 23,328 | \$ 31,075 | \$ 71,289 | \$ 64,184 |

The amortization of actuarial gains and losses for the current year is in the amount of \$2,925.

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 | 1.75% | 1.75% | 1.75% |
| Expected level of salary increases | 2.75% | 2.75% | n/a |
| Interest discount rate | 4.00% | 4.00% | 3.75% |
| Dental premium rate increase | 3.75% | n/a | n/a |
| Health care premium rates increase | 6.08% | n/a | 6.08% |
| Expected average remaining service life | 15 years | 14 years | 11 years |

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 2019 was \$29,678 (2018 - \$28,268) for current service and is included as an expense on the consolidated statement of operations. Employee contributions totaled \$29,678 (2018 - \$28,268).

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, 2019 of \$3.4 billion based on actuarial valuation of plan assets.

10. Accumulated Surplus:

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

| | 2019 | 2018 |
|--|---------------------|---------------------|
| Tangible capital assets | \$ 3,875,192 | \$ 3,795,217 |
| Surplus /(deficit) funds from committed capital projects and other | (4,098) | 10,119 |
| | 3,871,094 | 3,805,336 |
| Reserves | 90,329 | 90,272 |
| Reserve Funds | 366,065 | 320,536 |
| Total | \$ 4,327,488 | \$ 4,216,144 |

11. Expenses by object:

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

| | 2019 Budget | 2019 | 2018 |
|-------------------------------------|-------------------|-------------------|-------------------|
| Salaries, wages and fringe benefits | \$ 441,146 | \$ 437,459 | \$ 415,364 |
| Materials and supplies | 87,873 | 86,819 | 82,943 |
| Contracted services | 121,815 | 127,664 | 124,282 |
| Rents and financial expenses | 19,489 | 18,219 | 18,122 |
| Government transfers | 473 | 971 | 485 |
| Amortization | 138,194 | 147,691 | 139,110 |
| Other | - | 864 | 111 |
| Total expenses | \$ 808,990 | \$ 819,687 | \$ 780,417 |

Notes to Consolidated Financial Statements

Year ended December 31, 2019
(All dollar amounts are in 000s)

12. Trust funds:

Trust funds administered by the City amounted to \$31,812 (2018 - \$28,842) 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**

13. 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.

Claims settled during the year amounting to \$4,321 (2018 - \$3,592) have been provided for from the General Rate Stabilization Reserve, 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.

14. Tangible capital assets:

The City has identified following 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, 2018 | Additions | Disposals | Transfers | December 31, 2019 |
|--|----------------------|-------------------|--------------------|---------------------|----------------------|
| Land | \$ 1,664,280 | \$ 17,160 | \$ - | \$ - | \$ 1,681,440 |
| Asset under capital lease | 93,500 | - | - | - | 93,500 |
| Buildings and building improvements | 748,377 | 38,610 | - | - | 786,987 |
| Furniture, computer and office equipment | 89,740 | 14,973 | (18,596) | - | 86,117 |
| Infrastructure | 2,174,999 | 141,202 | (177) | - | 2,316,024 |
| Land improvements | 109,814 | 3,331 | (123) | - | 113,022 |
| Vehicles and machinery | 373,552 | 23,162 | (12,525) | - | 384,189 |
| Assets under construction | 180,586 | 123,421 | - | (133,328) | 170,679 |
| Total | \$ 5,434,848 | \$ 361,859 | \$ (31,421) | \$ (133,328) | \$ 5,631,958 |

| Accumulated amortization | December 31, 2018 | Disposals | Amortization expense | December 31, 2019 |
|--|----------------------|--------------------|-------------------------|----------------------|
| Land | \$ - | \$ - | \$ - | \$ - |
| Asset under capital lease | 16,518 | - | 3,740 | 20,258 |
| Buildings and building improvements | 313,297 | - | 33,145 | 346,442 |
| Furniture, computer and office equipment | 50,374 | (17,780) | 12,040 | 44,634 |
| Infrastructure | 1,003,261 | (177) | 66,617 | 1,069,701 |
| Land improvements | 45,324 | (123) | 5,721 | 50,922 |
| Vehicles and machinery | 210,857 | (12,476) | 26,428 | 224,809 |
| Total | \$ 1,639,631 | \$ (30,556) | \$ 147,691 | \$ 1,756,766 |

Notes to Consolidated Financial Statements

Year ended December 31, 2019
(All dollar amounts are in 000s)

| Net book value | December 31, 2018 | December 31, 2019 |
|--|---------------------|---------------------|
| Land | \$ 1,664,280 | \$ 1,681,440 |
| Asset under capital lease | 76,982 | 73,242 |
| Buildings and building improvements | 435,080 | 440,545 |
| Furniture, computer and office equipment | 39,366 | 41,483 |
| Infrastructure | 1,171,738 | 1,246,323 |
| Land improvements | 64,490 | 62,100 |
| Vehicles and machinery | 162,695 | 159,380 |
| Assets under construction | 180,586 | 170,679 |
| Total | \$ 3,795,217 | \$ 3,875,192 |

a) Assets under construction

Assets under construction having a value of \$170,679 (2018 - \$180,586) 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 comprised of infrastructure assets acquired through subdivision assumptions. The value of contributed assets received during the year is \$114,149 (2018 - \$74,246).

15. Commitments:

The City leases facilities and equipment under operating leases expiring beyond 2025. The minimum amounts payable under these arrangements are as follows:

| | |
|---------------------|------------------|
| 2020 | \$ 3,837 |
| 2021 | 3,715 |
| 2022 | 3,446 |
| 2023 | 1,993 |
| 2024 | 1,204 |
| 2025 and thereafter | 14,018 |
| | \$ 28,213 |

Excluded from these amounts is the capital lease obligation outlined in Note 5.

16. Budget Data:

Budget data presented in these consolidated financial statements are based upon the 2019 operating and capital budgets as approved by Council and adopted by the City at the March 27, 2019 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 | \$ 708,703 |
| Less: Contributions from reserve funds | 32,457 |
| Less: Other | 873 |
| Add: Development levies earned and other restricted capital contributions | 153,800 |
| Add: Interest earned on reserves | 15,171 |
| Add: Developer contributed assets | 51,288 |
| Total reported on Consolidated Financial Statements | \$ 895,632 |

Expenses:

| | |
|--|-------------------|
| Approved operating budget | \$ 708,703 |
| Less: Contributions to reserve funds | 93,195 |
| Add: Other | 5,823 |
| Add: Operating projects budget | 49,465 |
| Add: Amortization | 138,194 |
| Total reported on Consolidated Financial Statements | \$ 808,990 |

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.

Notes to Consolidated Financial Statements

Year ended December 31, 2019
(All dollar amounts are in 000s)

Protection to persons and property

Protection Services delivers Fire Emergency Services, By-law and Enforcement and Provincial Offences Act (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.

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. Contractual Rights:

The City is involved in various contracts and agreements arising in the ordinary course of business. This results in contractual rights to economic resources, leading to both assets and revenue in the future.

Future revenues from incoming lease agreements for City-owned properties are approximately \$7,300 (2018 - \$7,000). The City also has a number of material Federal and Provincial funding agreements with estimated future funding of approximately \$168,708 (2018 - \$192,000).

19. Subsequent Event:

Subsequent to December 31, 2019 the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the US, Canadian, Ontario and local governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions, however, the success of these interventions is not currently determinable. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the City is not known at this time.

20. Funding Transfers from Other Governments:

Transfers from other governments recognized in the current year:

| | 2019 | 2018 |
|------------------------------------|------------------|------------------|
| General government | \$ 607 | \$ - |
| Protection to persons and property | - | - |
| Transportation services | 19,728 | 8,152 |
| Environmental services | - | - |
| Health, social and family services | 68 | 108 |
| Recreation and cultural services | 578 | 456 |
| Planning and development services | 160 | 2,067 |
| Total funding | \$ 21,141 | \$ 10,783 |

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

for the year ended December 31, 2019
(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 | 2019 Total | 2018 Total |
|--|--------------------|------------------------------------|-------------------------|------------------------|------------------------------------|----------------------------------|-----------------------------------|-------------------|------------------|
| Revenues | | | | | | | | | |
| Property taxation and taxation from other governments | \$ 486,609 | - | - | - | - | - | 393 | \$ 487,002 | \$ 481,901 |
| User charges | 9,596 | 24,378 | 86,456 | - | 836 | 31,203 | 4,891 | 157,360 | 138,775 |
| Government grants | 607.00 | - | 19,728 | - | 68 | 578 | 160 | 21,141 | 10,783 |
| Development levies earned and other restricted capital contributions | - | - | 85,383 | - | - | 880 | 1,760 | 88,023 | 97,843 |
| Investment income (including Reserves and Reserve Funds) | 27,112 | - | - | - | - | 76 | 9 | 27,197 | 20,082 |
| Penalties, fines and interest | 12,904 | 15,813 | - | - | - | 528 | - | 29,245 | 27,019 |
| Developer contributed tangible capital assets | - | - | 114,149 | - | - | - | - | 114,149 | 74,246 |
| Other | 576 | 199 | 4,781 | - | 22 | 1,131 | 205 | 6,914 | 22,700 |
| Total Revenues | 537,404 | 40,390 | 310,497 | - | 926 | 34,396 | 7,418 | 931,031 | 873,349 |
| Expenses | | | | | | | | | |
| Salaries, wages and fringe benefits | 80,984 | 102,231 | 155,983 | 1,888 | 1,933 | 82,070 | 12,370 | 437,459 | 415,364 |
| Materials | 16,281 | 3,247 | 49,839 | 1 | 406 | 14,879 | 2,166 | 86,819 | 82,943 |
| Contracted services | 35,000 | 4,893 | 46,511 | 6,306 | 408 | 29,182 | 5,364 | 127,664 | 124,282 |
| Rents and financial expenses | 13,567 | 144 | 4,023 | - | 6 | 371 | 108 | 18,219 | 18,122 |
| Government transfers | (78,698) | 12,882 | 24,626 | 868 | 843 | 37,107 | 3,343 | 971 | 485 |
| Amortization | 14,411 | 6,179 | 79,555 | 16,241 | 551 | 28,954 | 1,800 | 147,691 | 139,110 |
| Other | 814 | - | - | - | - | 50 | - | 864 | 111 |
| Total Expenses | 82,359 | 129,576 | 360,537 | 25,304 | 4,147 | 192,613 | 25,151 | 819,687 | 780,417 |
| Annual surplus (deficit) | \$ 455,045 | \$ (89,186) | \$ (50,040) | \$ (25,304) | \$ (3,221) | \$ (158,217) | \$ (17,733) | \$ 111,344 | \$ 92,932 |

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, 2019

AUDITORS' REPORT



KPMG LLP
Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan ON L4K 0J3
Canada
Tel 905-265-5900
Fax 905-265-6390

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of the trust funds of The Corporation of the City of Brampton (the Entity), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of financial activities and changes in fund balances for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the trust funds of the Entity as at December 31, 2019, and its results of operations and fund balances for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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.



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

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

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 5, 2020

STATEMENT OF FINANCIAL POSITION

Trust Funds - December 31, 2019,
with comparative figures for 2018

| | Cemeteries Care and Maintenance Trust Funds (Fund #1) | Developers' Performance Deposits Trust (Fund #16) | Developer Front End Financing Trust Fund (Fund #39) | Brampton Sports Hall of Fame (Fund #83) | Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds (Fund #41, 47 and 48) | 2019 Total | 2018 Total |
|---|--|--|---|---|--|----------------------|----------------------|
| Financial Assets and Liabilities | | | | | | | |
| ASSETS | | | | | | | |
| Cash | \$ 979,553 | \$ 30,532,783 | \$ 326,649 | \$ 78,809 | \$ 55,431 | \$ 31,973,135 | \$ 28,908,394 |
| Accounts receivable | 1,913 | 3,089 | 638 | 154 | 108 | 5,902 | 554,038 |
| Due from City Revenue Fund | - | - | - | - | - | - | - |
| Total Assets | 981,466 | 30,535,872 | 327,287 | 78,963 | 55,449 | 31,979,037 | 29,462,432 |
| LIABILITIES | | | | | | | |
| Accounts payable | - | 146,618 | - | - | - | 146,618 | 607,232 |
| Due to City Revenue Fund | 20,482 | - | - | - | - | 20,482 | 13,225 |
| Total Liabilities | 20,482 | 146,618 | - | - | - | 167,100 | 620,457 |
| Net financial resources | 960,984 | 30,389,254 | 327,287 | 78,963 | 55,449 | 31,811,937 | 28,841,975 |
| Fund balances | \$ 960,984 | \$ 30,389,254 | \$ 327,287 | \$ 78,963 | \$ 55,449 | \$ 31,811,937 | \$ 28,841,975 |

Subsequent event (note 7)

See accompanying notes to financial statements.

STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN FUND BALANCES

Trust Funds - December 31, 2019,
with comparative figures for 2018

| | Cemeteries Care and Maintenance Trust Funds (Fund #1) | Developers' Performance Deposits Trust (Fund #16) | Developer Front End Financing Trust Fund (Fund #39) | Brampton Sports Hall of Fame (Fund #83) | Brampton Marketing Board, Greater Toronto Area and Greater Toronto Marketing Alliance Trust Funds (Fund #41, 47 and 48) | 2019 Total | 2018 Total |
|--|--|--|---|---|--|----------------------|----------------------|
| Revenue | | | | | | | |
| Monuments and markers deposits | \$ 2,000 | - | - | - | - | \$ 2,000 | \$ 1,350 |
| Perpetual care deposits | 7,717 | - | - | - | - | 7,717 | 3,189 |
| Other deposits - Trusts | - | 140,000 | - | - | - | 140,000 | 184,900 |
| Loss on sale of investments | - | - | - | - | - | - | - |
| Performance deposits received | - | 5,825,925 | - | - | - | 5,825,925 | 5,639,270 |
| Subtotal | 9,717 | 5,965,925 | - | - | - | 5,975,642 | 5,828,709 |
| Interest Income | 22,235 | 419,047 | 7,435 | 1,793 | 1,259 | 451,769 | 671,776 |
| Total Revenues | 31,952 | 6,384,972 | 7,435 | 1,793 | 1,259 | 6,427,411 | 6,500,485 |
| Expenditures | | | | | | | |
| Transfers to City Revenue Fund: | | | | | | | |
| Maintenance Contribution | 22,235 | - | - | - | - | 22,235 | 18,654 |
| Professional Services/Audit | - | - | - | - | - | - | 12,313 |
| Office Expenses | - | - | - | - | - | - | 7,160 |
| Computer Software/Maintenance | - | - | - | - | - | - | - |
| Interest Transfer | - | 419,047 | - | - | - | 419,047 | 644,206 |
| Administration Charges | - | - | 20 | - | 40 | 60 | - |
| Subtotal | 22,235 | 419,047 | 20 | - | 40 | 441,342 | 682,333 |
| Return of performance deposits | - | 3,016,107 | - | - | - | 3,016,107 | 4,704,313 |
| Payments on behalf of developers | - | - | - | - | - | - | - |
| Total Expenditures | 22,235 | 3,435,154 | 20 | - | 40 | 3,457,449 | 5,386,646 |
| Increase (decrease) in net financial resources | 9,717 | 2,949,818 | 7,415 | 1,793 | 1,219 | 2,969,962 | 1,113,839 |
| Fund balances, beginning of year | 951,267 | 27,439,436 | 319,872 | 77,170 | 54,230 | 28,841,975 | 27,728,136 |
| Fund balances, end of year | \$ 960,984 | \$ 30,389,254 | \$ 327,287 | \$ 78,963 | \$ 55,449 | \$ 31,811,937 | \$ 28,841,975 |

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Trust Funds - Year ended
December 31, 2019

The financial statements of The Corporation of the City of Brampton (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:

1. Significant accounting policies:

(a) Revenue recognition:

- (i) 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.
- (ii) Returns of performance deposits are reported in the periods in which they are payable either directly by the Trust Funds or through 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.
- (iii) Investments, including any term deposits not available on demand, are reported at the lower of amortized cost and market value.

(b) Adoption of new accounting policies:

Effective January 1, 2019, the Trust funds adopted the following standard issued by the Public Sector Accounting Board:

PS 3430, Restructuring Transactions ("PS 3430"):

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.

For the year ended December 31, 2019, there were no restructuring transactions to disclose.

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, Alloa, 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:

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.

7. Subsequent event:

Subsequent to year end, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The COVID-19 pandemic is currently impacting many organizations, as all levels of government are advising individuals to self-isolate or to practice social-distancing. It is currently not known how long or to what extent the pandemic will impact the Organization's operations. Currently, an estimate of the financial effect to the Entity cannot be made as the pandemic's impact is changing daily.

STATISTICAL INFORMATION

Year Ended December 31, 2019

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.)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Population | 696,975 | 642,800 | 607,740 | 593,638 | 580,600 |
| Households | 180,189 | 176,442 | 172,563 | 168,120 | 164,680 |
| Areas in hectares | 27,138 | 27,138 | 27,138 | 27,138 | 27,138 |
| Building Permit Values | 1,376,265 | 579,248 | 1,161,294 | 1,961,406 | 2,731,791 |
| TAXABLE ASSESSMENT UPON WHICH TAX RATES WERE SET | | | | | |
| Residential and farm | \$ 82,482,694 | \$ 75,468,274 | \$ 69,032,110 | \$ 63,219,818 | \$ 61,363,309 |
| Commercial and industrial | 16,154,826 | 15,269,504 | 14,328,624 | 13,639,517 | 13,498,302 |
| Total | \$ 98,637,520 | \$ 90,737,778 | \$ 83,360,734 | \$ 76,859,335 | \$ 74,861,611 |
| Total per capita | 141,522 | 141,160 | 137,165 | 129,472 | 128,938 |
| TAX RATES/MILL RATES (URBAN AREA) | | | | | |
| Residential | | | | | |
| City purposes | 0.456212% | 0.481785% | 0.492331% | 0.504409% | 0.499812% |
| Region purposes | 0.373559% | 0.383806% | 0.396521% | 0.410616% | 0.420315% |
| School board purposes | 0.161000% | 0.170000% | 0.179000% | 0.188000% | 0.195000% |
| Total | 0.990771% | 1.035591% | 1.067852% | 1.103025% | 1.115127% |
| Commercial | | | | | |
| City purposes | 0.591753% | 0.624923% | 0.638603% | 0.654269% | 0.648306% |
| Region purposes | 0.484543% | 0.497835% | 0.514327% | 0.532610% | 0.545191% |
| School board purposes | 0.981594% | 1.018727% | 1.042947% | 1.057399% | 1.069252% |
| Total | 2.057890% | 2.141485% | 2.195877% | 2.244278% | 2.262749% |

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.)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Industrial | | | | | |
| City purposes | 0.670632% | 0.708224% | 0.723727% | 0.741481% | 0.734724% |
| Region purposes | 0.549132% | 0.564195% | 0.582886% | 0.603606% | 0.617863% |
| School board purposes | 1.117296% | 1.171562% | 1.231495% | 1.292875% | 1.325843% |
| Total | 2.337060% | 2.443981% | 2.538108% | 2.637962% | 2.678430% |
| TAXES RECEIVABLE, END OF THE YEAR | | | | | |
| Amount | \$62,285 | \$63,503 | \$ 54,859 | \$ 46,567 | \$ 50,150 |
| Per capita | \$89 | \$99 | \$90 | \$78 | \$86 |
| Percentage of years' levy | 5.27% | 5.49% | 5.00% | 4.46% | 5.05% |
| NET LONG-TERM LIABILITIES, END OF YEAR | | | | | |
| Amount | \$110,372 | \$86,905 | \$ 88,597 | \$ 90,165 | \$ 91,619 |
| Per Capita | \$158 | \$135 | \$146 | \$152 | \$158 |
| CHARGES FOR NET LONG-TERM LIABILITIES | | | | | |
| Amount | \$7,415 | \$6,662 | \$ 6,785 | \$ 6,900 | \$ 7,005 |
| Per capita | \$11 | \$10 | \$11 | \$12 | \$12 |
| DEBT REPAYMENT LIMIT | \$ 150,166 | \$ 151,734 | \$ 145,581 | \$ 132,609 | \$ 124,718 |
| (as determined by the Province of Ontario) | | | | | |

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.)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------------------|---------------------|---------------------|---------------------|-------------------|
| TAXES COLLECTED | | | | | |
| City collection | \$ 487,002 | \$ 481,901 | \$ 450,363 | \$ 425,337 | \$ 396,482 |
| Taxes Transferred to the Region | 395,653 | 381,084 | 362,048 | 345,653 | 331,371 |
| Taxes Transferred to the School Boards | 298,312 | 292,728 | 284,551 | 274,257 | 266,015 |
| Total | \$ 1,180,967 | \$ 1,155,713 | \$ 1,096,962 | \$ 1,045,247 | \$ 993,868 |
| TAX LEVIES | | | | | |
| City purposes | \$ 483,304 | \$ 478,326 | \$ 447,661 | \$ 422,704 | \$ 393,851 |
| Region purposes | 395,420 | 380,816 | 360,309 | 343,919 | 331,138 |
| School board purposes | 297,685 | 292,149 | 283,015 | 272,796 | 265,524 |
| Total | \$ 1,176,409 | \$ 1,151,291 | \$ 1,090,985 | \$ 1,039,419 | \$ 990,513 |
| TRUST FUNDS BALANCE - End of year | \$ 31,812 | \$ 28,842 | \$ 27,728 | \$ 29,179 | \$ 29,748 |
| CONTRIBUTION FROM DEVELOPERS AND OTHER OBLIGATORY RESERVES | | | | | |
| Development charges | \$ 96,471 | \$ 37,738 | \$ 66,090 | \$ 100,737 | \$ 136,071 |
| Gas tax - Province | 16,190 | 13,261 | 11,333 | 10,467 | 10,047 |
| Gas tax - Federal | 64,957 | 30,537 | 29,431 | 29,149 | 27,761 |
| Other obligatory reserves | 16,379 | 9,460 | 9,085 | 11,176 | 18,369 |
| Total | \$ 193,997 | \$ 90,996 | \$ 115,939 | \$ 151,529 | \$ 192,248 |
| DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS | | | | | |
| Development charges | \$ 160,568 | \$ 103,977 | \$ 127,966 | \$ 139,009 | \$ 127,214 |
| Gas tax - Province | 6,519 | 6,206 | 3,687 | 3,253 | 2,885 |
| Gas tax - Federal | 56,289 | 33,996 | 31,340 | 31,972 | 47,224 |
| Other obligatory reserves | 175,600 | 156,299 | 143,693 | 149,048 | 139,387 |
| Total | \$ 398,976 | \$ 300,478 | \$ 306,686 | \$ 323,282 | \$ 316,710 |

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.)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| CONSOLIDATED REVENUES BY SOURCE | | | | | |
| Property taxation | \$ 482,955 | \$ 478,021 | \$ 447,408 | \$ 422,459 | \$ 393,608 |
| Taxation from other governments | 4,047 | 3,880 | 2,963 | 2,903 | 2,874 |
| User charges | 157,360 | 138,775 | 130,400 | 124,722 | 114,620 |
| Government grants | 21,141 | 10,783 | 2,788 | 12,252 | 13,468 |
| Development levies earned and other restricted capital contributions | 88,023 | 97,843 | 133,174 | 145,597 | 182,628 |
| Investment income | 6,064 | 4,471 | 6,097 | 7,641 | 9,955 |
| Penalties, fines and interest | 29,245 | 27,019 | 23,628 | 21,474 | 21,688 |
| Interest earned on reserves | 21,133 | 15,611 | 11,755 | 9,286 | 9,728 |
| Developer contributed tangible capital assets | 114,149 | 74,246 | 55,834 | 29,856 | 76,271 |
| Other | 6,914 | 22,700 | 15,294 | 3,363 | 5,792 |
| Total | \$ 931,031 | \$ 873,349 | \$ 829,341 | \$ 779,553 | \$ 830,632 |
| CONSOLIDATED EXPENSES BY FUNCTION | | | | | |
| General government | \$ 67,134 | \$ 68,845 | \$ 64,076 | \$ 102,172 | \$ 51,649 |
| Protection to persons and property | 123,397 | 115,148 | 109,227 | 95,441 | 95,449 |
| Transportation services | 280,982 | 266,028 | 238,636 | 224,672 | 210,897 |
| Environment services | 9,063 | 11,353 | 4,530 | 3,047 | 6,792 |
| Health, social and family services | 3,596 | 714 | 699 | 630 | 708 |
| Recreation and cultural services | 163,609 | 156,165 | 146,747 | 151,482 | 138,651 |
| Planning and development | 23,351 | 19,139 | 20,140 | 26,887 | 25,069 |
| Amortization expense | 147,691 | 139,110 | 130,611 | 125,971 | 119,939 |
| Other | 864 | 111 | 576 | 350 | 261 |
| Total | \$ 819,687 | \$ 780,417 | \$ 718,847 | \$ 734,021 | \$ 651,713 |

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.)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| CONSOLIDATED EXPENSES BY OBJECT | | | | | |
| Salaries, wages and employee benefits | \$ 437,459 | \$ 415,364 | \$ 386,748 | \$ 379,483 | \$ 345,602 |
| Long term debt payments | 6,529 | 6,662 | 6,785 | 6,900 | 7,005 |
| Goods and services | 227,144 | 219,170 | 194,127 | 221,317 | 178,906 |
| Amortization | 147,691 | 139,110 | 130,611 | 125,971 | 119,939 |
| Other | 864 | 111 | 576 | 350 | 261 |
| Total | \$ 819,687 | \$ 780,417 | \$ 718,847 | \$ 734,021 | \$ 651,713 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | \$ 4,216,144 | \$ 4,123,212 | \$ 4,012,718 | \$ 3,967,186 | \$ 3,788,267 |
| ANNUAL SURPLUS | 111,344 | 92,932 | 110,494 | 45,532 | 178,919 |
| ACCUMULATED SURPLUS, END OF YEAR | \$ 4,327,488 | \$ 4,216,144 | \$ 4,123,212 | \$ 4,012,718 | \$ 3,967,186 |
| TOTAL FINANCIAL ASSETS | \$ 1,192,342 | \$ 1,031,666 | \$ 1,040,589 | \$ 1,046,889 | \$ 1,060,860 |
| TOTAL FINANCIAL LIABILITIES | 750,594 | 620,593 | 611,359 | 638,476 | 607,484 |
| NET FINANCIAL ASSETS | \$ 441,748 | \$ 411,073 | \$ 429,230 | \$ 408,413 | \$ 453,376 |
| TANGIBLE CAPITAL ASSET NET BOOK VALUE | | | | | |
| Land | \$ 1,681,440 | \$ 1,664,280 | \$ 1,633,698 | \$ 1,630,775 | \$ 1,628,129 |
| Asset under capital lease | 73,242 | 76,982 | 80,722 | 84,462 | 88,202 |
| Buildings and building improvements | 440,545 | 435,080 | 429,739 | 403,237 | 396,139 |
| Furniture, computer and office equipment | 41,483 | 39,366 | 41,496 | 40,789 | 41,691 |
| Infrastructure | 1,246,323 | 1,171,738 | 1,111,633 | 1,076,300 | 1,060,870 |
| Land improvements | 62,100 | 64,490 | 53,225 | 52,279 | 47,983 |
| Vehicles and machinery | 159,380 | 162,695 | 148,193 | 145,111 | 139,507 |
| Assets under construction | 170,679 | 180,586 | 188,680 | 165,281 | 105,894 |
| Total | \$ 3,875,192 | \$ 3,795,217 | \$ 3,687,386 | \$ 3,598,234 | \$ 3,508,415 |

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.)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| TANGIBLE CAPITAL ASSET COST | | | | | |
| Assets - beginning of year | \$ 5,434,848 | \$ 5,202,249 | \$ 4,999,075 | \$ 4,822,234 | \$ 4,655,337 |
| Additions | 361,859 | 432,183 | 356,363 | 340,942 | 392,028 |
| Disposals and transfers | (164,749) | (199,584) | (153,189) | (164,101) | (225,131) |
| Assets - end of year | \$ 5,631,958 | \$ 5,434,848 | \$ 5,202,249 | \$ 4,999,075 | \$ 4,822,234 |
| TANGIBLE CAPITAL ASSET AMORTIZATION | | | | | |
| Accumulated amortization - beginning of year | \$ 1,639,631 | \$ 1,514,863 | \$ 1,400,841 | \$ 1,313,819 | \$ 1,274,750 |
| Current year expense | 147,691 | 139,110 | 130,611 | 125,971 | 119,939 |
| Accumulated amortization on disposals | (30,556) | (14,342) | (16,589) | (38,949) | (80,870) |
| Accumulated amortization - end of year | \$ 1,756,766 | \$ 1,639,631 | \$ 1,514,863 | \$ 1,400,841 | \$ 1,313,819 |
| TANGIBLE CAPITAL ASSET NET BOOK VALUE | \$ 3,875,192 | \$ 3,795,217 | \$ 3,687,386 | \$ 3,598,234 | \$ 3,508,415 |

10 LARGEST CORPORATE PROPERTY TAXPAYERS IN BRAMPTON - 2019

| Rank | Owner Name | Assessment Value \$ |
|---|-------------------------------|-----------------------|
| 1 | Morguard Corporation | 639,665,992 |
| 2 | Orlando Corporation | 483,819,100 |
| 3 | 1388688 Ontario Limited | 222,164,267 |
| 4 | Riotrin Properties (Brampton) | 216,664,568 |
| 5 | Chiefton Investments Limited | 204,426,349 |
| 6 | Industrial 5000 Real Estate | 182,088,750 |
| 7 | Hoopp Realty Inc | 173,326,041 |
| 8 | CP Reit Ontario Properties | 165,368,750 |
| 9 | Cap Reit Apartments Inc | 149,772,250 |
| 10 | TFP Clockwork Developments | 134,450,469 |
| Top Ten - Assessment Total | | 2,571,746,536 |
| % of Total Industrial and Commercial Assessment | | 15.92% |
| % of Total | | 2.61% |
| Total Residential Assessment | | 82,482,693,546 |
| Total Industrial and Commercial Assessment | | 16,154,826,342 |
| Total | | 98,637,519,888 |

