

**CORPORATION OF THE
CITY OF BRANTFORD**

**FINANCIAL REPORT
For the year ended December 31, 2008**

**CORPORATION OF THE
CITY OF BRANTFORD**

For the year ended December 31, 2008

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CORPORATION OF THE CITY OF BRANTFORD

Financial Review

(All dollar amounts are in thousands of dollars, except per capita figures and are extracted from the City of Brantford - Consolidated Financial Statements)

As at December 31	2008	2007	2006	2005	2004
Revenue for current operations					
Taxation	\$109,572	\$109,692	\$102,421	\$90,519	\$80,705
Payments in lieu of taxes	3,291	3,227	3,180	3,616	3,335
Ontario grants	53,657	47,620	40,126	40,846	45,174
Other grants	6,588	6,544	6,376	6,198	7,057
Fees and services charges	62,819	60,611	57,332	56,214	56,020
Other	13,160	17,605	20,916	16,683	24,447
Total	\$249,087	\$245,299	\$230,351	\$214,076	\$216,738
Expenditures and Net Appropriations					
Current operations	\$209,395	\$200,213	\$192,511	\$181,352	\$175,225
Financing and transfers	45,730	43,363	35,564	33,162	41,457
Total	\$255,125	\$243,576	\$228,075	\$214,514	\$216,682
Capital financing during the year					
Ontario grants	\$8,831	\$8,598	\$3,065	\$1,503	\$191
Other	4,473	7,195	6,790	4,522	3,485
Financing and transfers	33,264	35,657	24,982	40,595	41,890
Total	46,568	\$51,450	\$34,837	\$46,620	\$45,566
Capital Expenditures during the year	42,776	\$43,197	\$36,861	\$39,442	\$45,766
Fund balances at the end of the year					
Operating	\$3,576	\$9,552	\$7,866	\$5,589	\$6,027
Unexpended capital financing	\$47,417	\$43,625	\$35,372	\$37,397	\$30,219
Reserves and Reserve Funds	\$70,264	\$56,084	\$47,252	\$43,626	\$37,222
Net Long Term Liabilities					
Total	\$15,416	\$17,047	\$18,312	\$27,926	\$17,237
Per capita	166.99	186.33	203.03	304.47	192.46
Charges for net long term liabilities					
Current operations	\$2,421	\$2,295	\$10,646	\$1,757	\$1,447
Per capita	26.22	25.09	118.04	19.16	16.16
Tax arrears					
-Total (prior to allowance)	\$10,288	\$9,849	\$9,210	\$8,784	\$6,774
-Per capita	111.44	107.65	102.12	95.77	75.64
-Percentage of current levy	6.84%	7.17%	6.70%	7.09%	6.00%
Additional Information					
Population as at December 31st	92,317	91,487	90,192	91,720	89,560
Area in acres at December 31st	17,986	17,986	17,986	17,986	17,986
Employees - Continuous full time	1,199	1,185	1,147	1,143	1,242
Employees - Part time	678	632	608	644	778
Number of households	37,983	37,543	36,888	36,460	35,791

CORPORATION OF THE CITY OF BRANTFORD

Financial Review

(All dollar amounts are in thousands of dollars, except per capita figures and are extracted from the City of Brantford - Consolidated Financial Statements)

As at December 31	2008	2007	2006*	2005	2004*
Current Value Assessment by property class					
- taxable assessment upon which the year's rates of taxation were set					
Residential	\$4,852,397	\$4,757,971	\$4,633,910	\$3,912,911	\$3,824,480
Multi Residential	266,240	265,280	261,376	217,025	215,878
Commercial	705,314	690,099	659,925	544,421	532,133
Commercial - vacant	40,564	29,109	29,842	26,841	29,854
Industrial	314,219	252,740	237,610	211,815	204,035
Industrial - vacant	20,982	25,259	24,446	13,185	10,275
Farmland/managed forest	5,439	5,931	3,348	5,076	5,509
Pipeline	17,795	17,526	17,231	16,789	16,528
Total	\$6,222,950	\$6,043,915	\$5,867,688	\$4,948,063	\$4,838,692
Tax Ratios					
Residential	1.0000	1.0000	1.0000	1.0000	1.0000
Multi-residential	2.1355	2.1355	2.1900	2.4085	2.4085
Commercial	1.9360	1.9360	1.9800	1.9800	2.0820
Industrial	2.9334	2.9842	3.3648	3.7238	3.9024
Farmland/managed forest	0.2500	0.2500	0.2500	0.2500	0.2500
Pipeline	1.7404	1.7404	1.7404	1.7404	1.7404
Total Taxable Assessment					
Per Capita	\$67,408	\$66,063	\$65,058	\$53,947	\$53,766
Commercial & Industrial					
Assessment as a percentage of total taxable assessment	17.66%	16.79%	16.52%	16.43%	16.39%
Commercial and Industrial Taxes as a percentage of total taxes levied	39.50%	37.63%	37.45%	38.37%	39.33%

* Year of Reassessment

CORPORATION OF THE CITY OF BRANTFORD

Financial Review

(All dollar amounts are in thousands of dollars, except per capita figures and are extracted from the City of Brantford - Consolidated Financial Statements)

As at December 31	2008	2007	2006*	2005	2004*
Rates of Taxation by Property Class (expressed as a percentage of current value assessment)					
Residential					
For general municipal purposes	1.355951%	1.386460%	1.362898%	1.383178%	1.249852%
For school board purposes	0.264000%	0.264000%	0.264000%	0.296000%	0.296000%
Total	1.619951%	1.650460%	1.626898%	1.679178%	1.545852%
Multi-Residential					
For general municipal purposes	2.895633%	2.960785%	2.984747%	3.331384%	3.010269%
For school board purposes	0.264000%	0.264000%	0.264000%	0.296000%	0.296000%
Total	3.159633%	3.224785%	3.248747%	3.627384%	3.306269%
Commercial					
For general municipal purposes	2.625121%	2.684187%	2.698538%	2.738692%	2.483081%
For school board purposes	2.015164%	2.023637%	2.023637%	2.201435%	2.201435%
Total	4.640285%	4.707824%	4.722175%	4.940127%	4.684516%
Commercial - vacant					
For general municipal purposes	1.837585%	1.878931%	1.888977%	1.917084%	1.738169%
For school board purposes	1.410615%	1.416546%	1.416546%	1.541005%	1.541005%
Total	3.248200%	3.295477%	3.305523%	3.458089%	3.279174%
Industrial					
For general municipal purposes	3.977547%	4.067042%	4.067160%	4.654117%	4.654199%
For school board purposes	2.796779%	2.821203%	2.821203%	3.173019%	3.173019%
Total	6.774326%	6.888245%	6.888363%	7.827136%	7.827218%
Industrial - vacant					
For general municipal purposes	2.585392%	2.643563%	2.643613%	3.025148%	3.025267%
For school board purposes	1.817906%	1.833782%	1.833782%	2.062462%	2.062462%
Total	4.403298%	4.477345%	4.477395%	5.087610%	5.087729%
Farmland/managed forest					
For general municipal purposes	0.338988%	0.346615%	0.340725%	0.345794%	0.312463%
For school board purposes	0.066000%	0.066000%	0.066000%	0.074000%	0.074000%
Total	0.404988%	0.412615%	0.406725%	0.419794%	0.386463%
Pipeline					
For general municipal purposes	2.359897%	2.412995%	2.371988%	2.407283%	2.175242%
For school board purposes	1.611911%	1.612154%	1.612125%	1.631853%	1.631853%
Total	3.971808%	4.025149%	3.984113%	4.039136%	3.807095%

* Year of Reassessment



MANAGEMENT REPORT
December 31, 2008

The accompanying financial statements are the responsibility of the management of the Corporation of the City of Brantford. In management's opinion, these financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Management has selected accounting principles and methods that are appropriate for the Corporation's circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. The notes to the financial statements and any other supplementary information presented are consistent with that in the financial statements.

The Corporation maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate, that transactions are properly authorized and that the Corporation assets are properly accounted for and adequately safeguarded.

The financial statements have been examined by Millard, Rouse and Rosebrugh LLP Chartered Accountants, the external auditors of the Corporation. The responsibility of the external auditors is to express their opinion on whether the financial statements are fairly presented, in all material respects, in accordance with Canadian generally accepted accounting principles.

City Council, through the Finance Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control. The Finance Committee meets periodically with management, as well with the external auditors to satisfy itself that each party is properly discharging its responsibilities with respect to internal controls and financial reporting. The Finance Committee also reviews the financial statements and recommends their approval to City Council. Millard, Rouse and Rosebrugh LLP Chartered Accountants have full and free access to the Finance Committee, with and without the presence of management.

Handwritten signature of John Brown in black ink.

John Brown,
City Manager
April 30, 2009

Handwritten signature of Catherine Brubacher in black ink.

Catherine Brubacher,
City Treasurer, Director of Finance
April 30, 2009



Millard, Rouse & Rosebrugh LLP

Chartered Accountants
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AUDITORS' REPORT

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

We have audited the consolidated statement of financial position of the Corporation of the City of Brantford as at December 31, 2008 and the consolidated statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the City of Brantford as at December 31, 2008 and the results of its operations and changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

April 9, 2009

CHARTERED ACCOUNTANTS
Licensed Public Accountants

CORPORATION OF THE CITY OF BRANTFORD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31	2008	2007
FINANCIAL ASSETS		
Cash and short term investments (Note 5)	124,448,721	121,317,618
Investments (Note 6)	34,501,040	18,915,123
Taxes receivable	6,051,710	5,798,279
Accounts receivable	12,286,854	13,830,886
Investment in Brantford Energy Corporation (Note 7)	32,656,402	31,421,386
Note Receivable - Brantford Power Inc. (Note 7)	24,189,168	24,189,168
Note Receivable - Brantford Hydro Inc. (Note 7)	1,303,335	1,303,335
TOTAL FINANCIAL ASSETS	235,437,230	216,775,795
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 8)	31,346,386	31,876,072
Deferred revenues - obligatory reserve funds (Note 9)	25,128,371	19,106,344
Vested sick leave (Note 10)	3,200,297	3,026,982
Post employment/retirement benefits (Note 10)	11,630,566	10,916,000
Accrued interest on long term liabilities	16,983	19,017
Landfill closure and post closure liability (Note 11)	10,219,101	10,014,672
Net long term liabilities (Note 13)	15,416,257	17,046,515
TOTAL FINANCIAL LIABILITIES	96,957,961	92,005,602
NET FINANCIAL ASSETS	138,479,269	124,770,193
NON-FINANCIAL ASSETS		
Inventories and prepaid expenses	443,571	381,134
TOTAL NET ASSETS	138,922,840	125,151,327
MUNICIPAL POSITION		
FUND BALANCES		
Operating fund	3,576,309	9,552,123
Capital fund	47,416,721	43,624,748
Reserves (Note 19)	1,471,630	1,562,931
Reserve funds (Note 19)	68,792,479	54,520,822
Brantford Energy Corporation - net investment (Note 7)	58,148,905	56,913,889
TOTAL FUND BALANCES	179,406,044	166,174,513
AMOUNTS TO BE RECOVERED	(40,483,204)	(41,023,186)
TOTAL MUNICIPAL POSITION	138,922,840	125,151,327

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

CORPORATION OF THE CITY OF BRANTFORD
CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31	2008	2007
REVENUES		
Taxation	112,862,646	112,919,169
User charges (Note 16)	54,428,200	51,734,649
Grants	65,852,422	61,217,666
Recoveries from other municipalities	3,898,173	3,896,441
Rents and concessions	6,418,607	7,096,781
Casino revenue	3,081,401	3,623,897
Sale of land and capital assets	1,472,215	4,834,217
Investment income	4,953,434	5,550,318
Development charges, developer and sub-divider contributions	2,838,177	3,331,025
Change in Equity in Brantford Energy Corporation (Note 7)	1,235,016	2,024,859
Other (Note 17)	8,840,319	9,093,085
TOTAL REVENUES	265,880,610	265,322,107
EXPENDITURES		
General government	15,037,508	16,328,993
Protection to persons and property	44,828,575	43,335,663
Transportation services	38,876,753	32,170,252
Environmental services	36,643,617	32,984,578
Health services	5,304,207	4,623,486
Social and family services	72,958,028	71,311,359
Recreational and cultural services	27,473,579	27,908,111
Planning and development	7,113,016	11,027,020
Electrical utility services	3,936,251	3,720,189
TOTAL EXPENDITURES	252,171,534	243,409,651
INCREASE IN NET FINANCIAL ASSETS	13,709,076	21,912,456
CHANGE IN NON-FINANCIAL ASSETS	62,437	(37,331)
NET REVENUES	13,771,513	21,875,125
ADD:		
Proceeds of long term debt	-	194,670
Employee benefits and interest	887,881	182,243
Landfill closure and post closure liability	204,429	(51,376)
LESS:		
Debt principal repayments	(1,630,258)	(1,460,091)
Accrued interest on long term liabilities	(2,034)	(3,240)
(DECREASE) INCREASE IN AMOUNTS TO BE RECOVERED	(539,982)	(1,137,794)
INCREASE (DECREASE) IN FUND BALANCES	13,231,531	20,737,331

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

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CORPORATION OF THE CITY OF BRANTFORD
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended December 31	2008	2007
Operations		
Net Revenues	13,771,513	21,875,125
Sources (Uses) of Cash:		
Taxes receivable	(253,431)	(1,305,060)
Accounts receivable	1,544,032	3,279,608
Accounts payable and accruals	(529,686)	(3,204,122)
Deferred revenues - obligatory reserve funds	6,022,027	1,499,595
Employee benefits and interest	885,847	179,003
Landfill closure and post closure liability	204,429	(51,376)
Inventories and prepaid expenses	(62,437)	37,331
	21,582,294	22,310,104
Investing		
Investments	(15,585,917)	(5,774,455)
Investment in Brantford Energy Corporation	(1,235,016)	(2,024,859)
	(16,820,933)	(7,799,314)
Financing		
Long term debt issued	-	194,670
Long term debt repaid	(1,630,258)	(1,460,091)
	(1,630,258)	(1,265,421)
Net Change in Cash and Cash Equivalents	3,131,103	13,245,369
Opening Net Cash and Cash Equivalents	121,317,618	108,072,249
Closing Net Cash and Cash Equivalents	124,448,721	121,317,618

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

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CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

The Corporation of the City of Brantford 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 and related legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the City of Brantford (the "City") are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgement. Actual results could differ from these estimates. Significant aspects of the accounting policies adopted by the City are as follows:

(a) Reporting Entities

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the reporting entity. The reporting entity is composed 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:

Brant and Brantford Local Housing Corporation
Brantford Airport Commission
Brantford Downtown Business Improvement Area
Brantford Municipal Non-Profit Housing Corporation
Brantford Police Services Board
Brantford Public Library
John Noble Home

Inter-departmental and inter-organizational transactions and balances between these organizations have been eliminated.

Effective January 1, 2002, the City entered into a service agreement with the Brant and Brantford Local Housing Corporation whereby the Housing Corporation transferred all operations to the City. The Housing Corporation has retained title to its physical assets in the capacity of bare trustee for the benefit of the City.

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) **Reporting Entities** (continued)

(ii) **Non-Consolidated Entities**

The following local boards, joint local boards, municipal enterprises and utilities are not consolidated:
Brant County Health Unit

(iii) **Accounting for School Board Transactions**

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these financial statements.

(iv) **Trust Funds**

Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

(v) **Brantford Energy Corporation**

Brantford Energy Corporation is accounted for on a modified equity basis, consistent with the Canadian generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the City, and inter-organizational transactions and balances are not eliminated.

(b) **Basis of Accounting**

(i) **Fund Accounting**

Funds within the consolidated annual financial statements consist of current, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

(ii) **Accrual Basis of Accounting**

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized 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) **Capital Assets**

Capital assets are reported as an expenditure on the Consolidated Statement of Operations in the year of acquisition.

(iv) **Reserves and Reserve Funds**

Certain amounts, as approved by City Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of Accounting (continued)

(v) Government Transfers

Government transfers are recognized in the 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.

(vi) Deferred Revenues - Obligatory Reserve Funds

Deferred revenues represent developer and user charges, Federal and Provincial gas tax revenue, Federal and Provincial transit capital funding, Move Ontario roads and bridges capital funding, and B-Home housing program 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 year the services are performed.

2. OPERATIONS OF SCHOOL BOARDS

Further to Note 1(a)(iii), the taxation, other revenues and requisitions and the overlevies (underlevies) of the school boards are comprised of the following:

	2008	2007
Taxation and user charges	39,285,203	38,592,411
Requisitions	39,285,203	38,592,411
Overlevies (underlevies) - end of year	-	-

3. CONTRIBUTIONS TO NON-CONSOLIDATED JOINT BOARDS

Further to Note 1(a)(ii), the following contributions which are included as an expenditure on the Consolidated Statement of Operations were made by the municipality to these boards:

	2008	2007
Brant County Health Unit	1,934,850	1,805,371

4. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$3,497,864 (2007 - \$3,379,704) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations.

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

5. CASH AND SHORT TERM INVESTMENTS

Short term investments are used by the City to invest excess cash until required to meet the City's current financial obligations.

	2008	2007
Cash	26,505,390	35,717,710
Short term investments	97,943,331	85,599,908
	124,448,721	121,317,618

6. LONG TERM INVESTMENTS

The total of investments of \$34,501,040 (2007 - \$18,915,123) recorded on the Consolidated Statement of Financial Position at cost, having a market value of \$35,216,968 (2007 - \$18,959,360) at the end of the year are comprised of the following:

	2008	2007
Canada	3,327,105	1,331,226
Provincial	15,065,977	4,297,154
Municipal - Own	2,383,166	2,623,561
Municipal - Other	13,324,143	10,263,239
School Boards	400,649	399,943
	34,501,040	18,915,123

7. INVESTMENT IN BRANTFORD ENERGY CORPORATION

In compliance with provincial legislation enacted to restructure the electricity industry in Ontario, Council approved the incorporation of the business of the former Brantford Hydro-Electric Commission ("the Commission"). Through its 100 per cent interest in Brantford Energy Corporation, the City retains its interest in the electricity business conducted by Brantford Energy Corporation's wholly-owned subsidiaries, Brantford Power Inc., Brantford Hydro Inc. and Brantford Generation Inc. The four companies are incorporated under the Ontario Business Corporations Act. Brantford Power Inc. provides regulated electricity distribution services, Brantford Hydro Inc. provides fibre optics networks, water heater rental and sentinel lighting services and Brantford Generation Inc. provides electricity generation.

The notes are payable, interest only, at 6.25% per annum, with principal due February 1, 2011. The City has the option to extend the maturity date for successive five year periods. The City also has the option to convert the principal sum of the notes into common shares of the corporation at a conversion ratio of \$100 per common share.

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

7. INVESTMENT IN BRANTFORD ENERGY CORPORATION (continued)

The following table provides condensed financial information in respect of the consolidated operations of Brantford Energy Corporation for the year ended December 31:

Financial Position:	2008	2007
Current assets	24,953,011	24,557,321
Non-current assets	5,101,883	3,504,547
Property, plant and equipment	67,697,493	59,264,515
Total Assets	97,752,387	87,326,383
Current liabilities	15,996,939	15,891,117
Long term debt	37,943,767	34,219,540
Long term customer deposits and other liabilities	10,498,503	5,243,724
Post employment benefits	656,776	550,616
Total Liabilities	65,095,985	55,904,997
Net Equity	32,656,402	31,421,386
Results of operations:		
Revenues	18,865,258	18,744,638
Operating expenses	16,498,047	15,823,280
Net Income	2,367,211	2,921,358
The City's investment is comprised of the following:		
Equity - Beginning of Year		
Common shares	23,895,512	23,895,512
Prior years net income	7,525,874	5,501,015
	31,421,386	29,396,527
Net income for the year	2,367,211	2,921,358
Dividends	(500,000)	(500,000)
Other Comprehensive Income (Deficit)	(632,195)	(63,879)
Future Income Tax Transition Adjustment	-	(332,620)
Change in equity for the year	1,235,016	2,024,859
Equity - End of Year	32,656,402	31,421,386
Notes receivable	25,492,503	25,492,503
Net Investment	58,148,905	56,913,889

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following:

	2008	2007
Trade payables	17,305,121	17,558,563
Deposits/Unearned revenue	6,505,088	6,048,670
Payroll liabilities	3,414,954	5,554,143
Payable to the provincial and federal government	4,121,223	2,714,696
	31,346,386	31,876,072

9. DEFERRED REVENUES - OBLIGATORY RESERVE FUNDS

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the City are summarized as follows:

	2008	2007
Development Charges	12,168,105	11,350,511
Subdivision Contributions	2,067,588	2,030,420
Recreational Land (The Planning Act)	378,737	191,813
Federal Gas Tax Revenues	4,978,870	2,350,400
Provincial Gas Tax Revenues	1,750,937	624,218
Federal Transit Capital Funding	96,337	319,674
Move Ontario Roads and Bridges Capital Funding	1,694,030	-
Ontario Bus Replacement	-	404,141
B-Home Housing Program	13,195	-
Building Code Act	1,980,572	1,835,167
	25,128,371	19,106,344

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

10. POST EMPLOYMENT/RETIREMENT BENEFITS

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 a cash payment when they leave the City's employment. The City also has obligations for amounts owing to former employees under the Workplace Safety and Insurance Board permanent partial disability pension and for amounts owing under various benefit programs. An actuarial valuation of future liabilities was completed in May 2009 and forms the basis for the estimated liability reported in these financial statements.

The weighted average assumptions used in the valuation were as follows:

	2008	2007
Discount rate	5.50%	5.50%
Average compensation increase	3.30%	3.00%
Healthcare cost increases		
Initial rate	9.0% in 2009	6.3% in 2008
Ultimate rate	4.75%	4.5%
Grading period	6 years	7 years

Post-Employment/Retirement Benefits

	Medical, Dental, Life Insurance Benefits	Sick Leave Gratuity Benefits	Disability Benefits	Total Benefits 2008	Total Benefits 2007
Accrued Benefit					
End of prior year	9,562,000	3,307,982	1,281,000	14,150,982	14,865,739
Actuarial loss (gain)	6,760,672	(346,398)	(590,483)	5,823,791	(857,000)
Accrued Benefit					
Obligation at Jan. 1	16,322,672	2,961,584	690,517	19,974,773	14,008,739
Current period					
benefit cost	732,600	160,280	-	892,880	527,243
Retirement					
interest expense	915,249	157,398	37,044	1,109,691	729,000
Estimated benefit					
payment	(828,756)	(159,620)	(33,993)	(1,022,369)	(1,181,000)
(Gains) Losses	-	-	-	-	67,000
Accrued benefit					
obligation as at					
December 31	17,141,765	3,119,642	693,568	20,954,975	14,150,982
Unrecognized					
Gains (Losses)	(6,204,767)	80,655	-	(6,124,112)	(208,000)
Liability as at					
December 31	10,936,998	3,200,297	693,568	14,830,863	13,942,982

The City has established a reserve fund to mitigate the future impact of these obligations as detailed on the Schedule of Reserves and Reserve Funds. The balance at the end of the year is \$2,901,497 (2007 - \$2,641,119).

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

11. LANDFILL CLOSURE AND POST CLOSURE LIABILITY

The City operates one primary landfill site, Mohawk Street landfill. The Mohawk site has capacity of approximately 13,345,000 cubic metres with approximately 8,111,850 cubic metres of capacity left. At current average fill rates, the site has a remaining operating life of approximately 60 to 70 years.

It is estimated the total cost to close and maintain the Mohawk site and to maintain all other closed phases is approximately \$26,059,620 with \$10,219,101 recognized in the financial statements and \$15,840,519 to be recognized as the capacity of the Mohawk site is used up. The City has not designated any assets to assist with the cost of closing and maintaining the landfill sites. Once the Mohawk site has reached full capacity it is estimated that post-closure activities would continue for approximately 100 years.

12. PENSION AGREEMENTS

The City makes contributions to the Ontario Municipal Employees Retirement System ("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 amount contributed to OMERS for 2008 was \$5,171,060 (2007 - \$4,614,810) for current and past service.

13. NET LONG TERM LIABILITIES

- (a) The balance of the net long term liabilities reported on the Consolidated Statement of Financial Position is made up as follows:

	2008	2007
Total long term liabilities incurred by the municipality, including those incurred on behalf of school boards, other municipalities and municipal enterprises and outstanding at the end of the year amounted to	15,416,257	17,046,515

- (b) The net long term liabilities reported in (a) of this note are payable as follows:

	2009 to 2013	After 2013
From benefitting landowners and user rates	7,588,444	4,114,265
From consolidated municipal enterprises	1,182,907	2,530,641
	8,771,351	6,644,906

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

13. NET LONG TERM LIABILITIES (continued)

- c) Included in the long term liabilities are the Municipal Non-Profit Housing Corporation mortgages payable to the Canadian Mortgage and Housing Corporation for the corporation's properties; Beckett Project and Branlyn Meadows Project. The buildings are pledged as security for the mortgages. The mortgages are summarized as follows:

	2008	2007
Beckett Project		
3.88% first mortgage loan to Canada Mortgage and Housing Corporation, due February 2010, payable in monthly installments of \$20,372 on account of principal and interest	2,148,920	2,307,322
Branlyn Meadows Project		
4.37% first mortgage loan to Canada Mortgage and Housing Corporation, due March 2018, payable in monthly installments of \$10,023 on account of principal and interest	1,564,628	1,615,621
	3,713,548	3,922,943

- (d) As at December 31, 2008, the City held \$2,383,166 (2007 - \$2,623,561) of the net long term liabilities outstanding.
- (e) The long term liabilities in (a) issued in the name of the Municipality have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

14. CHARGES FOR NET LONG TERM LIABILITIES

	2008	2007
Total charges for the year for net long term liabilities which are reported on the Consolidated Statement of Operations are as follows:		
Principal payments, including contributions to sinking funds and to the Ontario Clean Water and Retirement Fund		
	1,630,258	1,460,091
Interest	790,381	834,720
	2,420,639	2,294,811

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

15. MUNICIPAL FUND BALANCES AT THE END OF THE YEAR

The fund balances at the end of the year, as reflected on the Consolidated Statement of Operations are comprised of the following:

	2008	2007
For the General Reduction of Taxation:		
City	3,528,356	9,490,293
BIA	22,659	21,935
Brantford Municipal Non-Profit Housing Corporation	25,294	39,895
	3,576,309	9,552,123
Acquisition of capital assets to be financed from the proceeds of long term liabilities	(3,099,019)	(3,215,374)
Funds available for the acquisition of capital assets	50,515,740	46,840,122
	47,416,721	43,624,748
Brantford Utility Corporations net investment	58,148,905	56,913,889
Reserves	1,471,630	1,562,931
Reserve Funds	68,792,479	54,520,822
	70,264,109	56,083,753
	179,406,044	166,174,513

16. USER CHARGES

User charges are comprised of the following:

	2008	2007
Environmental services	9,504,775	8,701,430
General government	5,217,899	4,743,114
Health services	406,352	337,740
Planning and development	401,042	461,319
Protection services	1,022,049	931,131
Recreation and cultural services	7,286,540	6,698,058
Social and family services	663,166	1,001,494
Transportation services	4,103,511	4,176,794
Water and sewer	25,822,866	24,683,569
	54,428,200	51,734,649

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

17. OTHER REVENUES

Other revenues received by the City amount to \$8,840,319 (2007 - \$9,093,085) are comprised of the following sources:

	2008	2007
Penalties and interest on taxes	1,347,394	1,558,010
Licenses and permits	1,972,320	1,779,620
Interest earned on Utility promissory notes	1,593,281	1,593,281
Dividend received from Brantford Energy Corporation	500,000	500,000
Provincial Offenses Act	1,795,269	1,955,261
Other fines	321,685	284,198
Park Land Planning Act	178,107	378,877
Prepaid special charges and other recoveries	703,209	178,670
Donations	270,992	744,355
Transfer from trust funds	158,062	120,813
	8,840,319	9,093,085

18. EMPLOYEE COMPENSATION

The Public Sector Salary Disclosure Act, 1996, requires municipalities to disclose annually the names, positions, salaries and taxable benefits of employees paid \$100,000 or more in 2008. In 2008 the City of Brantford had 69 employees paid \$100,000 or more in the calendar year. This information was published in the Brantford Expositor and can also be found on the Ministry of Finance website at:

<http://www.fin.gov.on.ca/english/publications/salarydisclosure/2009/munic09.html>

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

19. RESERVES AND RESERVE FUNDS

The total balance of reserves and reserve funds of \$1,471,630 (2007 - \$1,562,931) and \$68,792,479 (2007 - \$54,520,822) respectively is made up of the following:

	2008	2007
Reserves set aside for specific purposes by Council:		
Library - Current purposes	118,768	113,481
Library - Sick leave	180,274	163,982
Library - Capital	1,172,588	1,285,468
Total Reserves	1,471,630	1,562,931
Reserve Funds set aside for specific purposes by Council:		
Replacement of equipment	2,656,574	2,205,510
Sick leave	2,901,497	2,641,119
Insurance	1,643,466	1,177,814
Social housing	5,395,122	5,363,769
Protection services	1,414,976	1,576,662
Transportation	1,073,116	1,100,160
Sanitary sewer	4,950,592	2,698,648
Waste disposal	4,240,268	3,684,894
Water	10,571,219	10,865,932
Brownfields	6,947,398	6,863,181
Current purposes - other	859,807	716,413
Capital purposes - other	21,697,344	5,360,492
Contingencies	4,441,100	10,266,228
Total Reserve Funds	68,792,479	54,520,822
Total Reserves and Reserve Funds	70,264,109	56,083,753

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

20. CONTRACTUAL OBLIGATION - ONTARIO CLEAN WATER AGENCY (OCWA)

In accordance with an operating service agreement between the Municipality and the Ministry of the Environment, the existing sewage treatment plant is operated by the OCWA. The Municipality is obligated to meet all operating costs related to the plant.

Included in the Consolidated Statement of Operations are the 2008 charges from the OCWA of \$3,381,518 (2007 - \$3,243,670). Information received from the OCWA pertaining to the sewage treatment plant indicated the following:

Accumulated Net Operating Surplus (Deficit)	2008	2007
Balance - Beginning of Year	(63)	138,078
Deficit paid to (Surplus refunded by) OCWA	63	(138,078)
Operating expenditures	(3,394,397)	(3,381,811)
Payments made by the city	3,381,455	3,381,748
Balance - End of Year	(12,942)	(63)

Reserve Fund for Capital Expenditures	2008	2007
Balance - Beginning of Year	107,741	104,194
Interest	2,246	3,547
Balance - End of Year	109,987	107,741

The accumulated net operating surplus (deficit) and reserve fund for capital expenditures indicated above are not reflected in the Consolidated Balance Sheet.

21. BUDGET FIGURES

Brantford City Council completes budget reviews for its operating and capital budgets annually. The approved operating budget for 2008 is reflected on the Schedule of Analysis of Current Operations. For capital spending, budgets are set for individual projects and funding for these projects are determined annually and made by transfers from reserve funds and by the application of grants or other funds available to apply to capital projects. During 2008, Council approved net transfers totalling \$32,868,185 (2007 - \$35,414,264) from reserve funds for capital projects. As many capital projects are carried out over one or more years, it is not practical to present annualized budget information on the Schedule of Analysis of Capital Operations.

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

22. CONTINGENT LIABILITIES

Corporation of the City of Brantford

(a) The City has been named as a defendant in an action regarding property development within the City of Brantford. The amount and nature of the possible outcome is not determinable at this time and as a result no provision has been made in the financial statements.

(b) The City has been named as a respondent in an attempt to have certain City by-laws set aside. The amount and nature of the possible outcome is not determinable at this time and as a result no provision has been made in the financial statements.

(c) An action has been commenced against the City alleging an ongoing duty to consult with aboriginal persons. The amount and nature of the possible outcome is not determinable at this time and as a result no provision has been made in the financial statements.

Brantford Energy Corporation

(a) General Liability Insurance

The company has obtained general liability and enhanced directors and officers insurance coverage from the Municipal Electric Association Reciprocal Insurance Exchange ("The MEARIE Group") expiring January 1, 2010. The MEARIE Group is an insurance reciprocal whereby all members through the unincorporated group share risks with each other. Members of the MEARIE Group are assessed a premium deposit at policy execution. Should the group experience losses that are in excess of the accumulated premium deposits of the members combined with reserves and supplementary insurance, members would be assessed a supplementary or retro assessment on a pro-rata basis for the years in which the Company was a member.

As at December 31, 2008, the company has not been made aware of any additional assessments. Participation in MEARIE covers a three year underwriting period which expires on January 1, 2010.

(b) Class Action

This action has been brought under the *Class Proceedings Act, 1992*. The plaintiff class seeks \$ 500 million in restitution for amounts paid to Toronto Hydro and to other Ontario municipal electric utilities ("LDCs") who received late payment penalties which constitute interest at an effective rate in excess of 60% per year, contrary to section 347 of the *Criminal Code*. Pleadings have closed in this action. The action has not yet been certified as a class action and no discoveries have been held, as the parties were awaiting the outcome of a similar proceeding brought against Enbridge Gas Distribution Inc. (formerly Consumers Gas).

On April 22, 2004, the Supreme Court of Canada released a decision in the Consumers Gas case rejecting all of the defences which had been raised by Enbridge, although the Court did not permit the Plaintiff class to recover damages for any period prior to the issuance of the Statement of Claim in 1994 challenging the validity of late payment penalties. The Supreme Court remitted the matter back to the Ontario Superior Court of Justice for determination of the damages. At the end of 2006, a mediation process resulted in the settlement of the damages payable by Enbridge and that settlement was approved by the Ontario Superior Court.

In 2007, Enbridge filed an application to the Ontario Energy Board ("OEB") to recover the Court-approved amount and related amount from ratepayers. On February 4, 2008 the OEB approved recovery of the said amounts from ratepayers over a five year period.

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

22. CONTINGENT LIABILITIES (continued)

After the release by the Supreme Court of Canada of its 2004 decision in the Consumers Gas case, the plaintiffs in the LDC late payment penalties class action indicated their intention to proceed with their litigation against the LDC's. To date, no formal steps have been taken to move the action forward. The electric utilities intend to respond to the action if and when it proceeds on the basis that the LDC's situation may be distinguishable from that of Consumers Gas.

At this time, it is not possible to quantify the effect, if any, on the financial statements of the Company. Therefore no provision has been made in these financial statements with respect to any losses which may arise as a result of this action.

23. COMPARATIVE FIGURES

Certain of the prior year's figures, provided for the purpose of comparison, have been reclassified to conform with the current year's presentation

24. CONTRACTUAL OBLIGATIONS

St. Joseph's Lifecare Foundation Hospice

The City has committed grants to St. Joseph's Lifecare Foundation Hospice through 2009 with an outstanding amount of \$240,000 (2007 - \$480,000) payable in 2009.

Wilfrid Laurier University

The City has committed to a forgivable loan to the University for the creation of the Heritage Block. The total loan of \$975,000 has an outstanding amount of \$200,000 (2007 - \$400,000) payable in 2009. The loan is to be forgiven and discharged at the rate of \$39,000 per annum for a period of 25 years provided the University continues to operate a campus within the City of Brantford and maintains ownership of the Heritage Block.

The City has also committed to a grant for the development of a new Academic Centre. The grant in the amount of \$1,300,000 is to be paid to the University in annual instalments of \$150,000 for years 2010 to 2012, \$175,000 for years 2013 to 2016 and \$150,000 for the year 2017.

Downtown Civic Square

The City entered into an agreement for the development of lands within its Downtown Core for a new Civic Square. The commitment to the Civic Square project of up to \$190,000 (2007 - \$1,840,000) is payable in 2009.

Financing Leases

The City has entered into financing leases for various equipment, vehicles, and properties with annual lease payments as follows:

2009	-	1,898,842	2012	-	1,305,255
2010	-	1,486,443	2013	-	1,294,737
2011	-	1,375,983	2014-2026	-	14,889,481

CORPORATION OF THE CITY OF BRANTFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2008

25. TANGIBLE CAPITAL ASSETS

Beginning January 1st, 2009, the Public Sector Accounting Board requires that Tangible Capital Assets, Accumulated Amortization and Net Book Value be recorded in the Financial Statements. In accordance with PSAB 3150, the City of Brantford is currently inventorying and valuing all individual tangible capital assets valued greater than the established threshold level. As at the date of the financial statements all 2007 and prior years Tangible Capital Assets have been inventoried and are currently being reviewed. The balance of the 2008 and 2009 Tangible Capital Assets will be completed for the 2009 Financial Statements.

**CORPORATION OF THE CITY OF BRANTFORD
ANALYSIS OF CURRENT OPERATIONS**

SCHEDULE 1

For the year ended December 31	Budget	2008	2007
REVENUE	<i>(Unaudited)</i>		
Taxation and User Charges			
Residential and farm taxation	74,274,109	73,970,460	74,285,012
Commercial and industrial taxation	33,930,237	35,601,590	35,406,735
Payments-in-lieu of taxation	3,223,200	3,290,596	3,227,422
User charges	55,651,831	54,428,200	51,734,649
Grants - Canada	2,555,939	2,689,420	2,647,966
- Province of Ontario	45,365,430	53,657,232	47,620,406
Recoveries from other municipalities	3,473,187	3,898,173	3,896,441
Rents and concessions	6,031,112	6,418,607	7,096,781
Casino revenue	3,700,000	3,081,401	3,623,897
Sale of land and capital assets	1,333,700	1,334,611	4,300,707
Investment income	2,022,335	2,699,079	3,343,906
Development charges and contributions	-	58,876	71,431
Other			
Interest earned on Utility promissory notes	1,593,281	1,593,281	1,593,281
Dividends	500,000	500,000	500,000
Penalties and interest on taxes	1,000,000	1,347,394	1,558,010
Licenses and permits	2,033,925	1,972,320	1,779,620
POA and other fines	2,085,050	2,116,954	2,239,459
Transfer from trust funds	140,000	158,062	120,813
Donations	95,190	270,992	252,055
TOTAL REVENUES	239,008,526	249,087,248	245,298,591
EXPENDITURES			
General government	11,014,242	13,120,843	14,179,506
Protection to persons and property	44,547,893	43,263,909	41,389,267
Transportation services	20,549,514	21,510,484	19,284,773
Environmental services	24,723,445	24,275,659	22,085,844
Health services	4,851,474	4,740,885	4,601,283
Social and family services	68,986,070	69,666,410	67,390,757
Recreational and cultural services	23,544,635	24,127,651	22,643,973
Planning and development	4,861,372	4,753,308	4,917,025
Utility services	4,045,550	3,936,251	3,720,189
TOTAL MUNICIPAL EXPENDITURES	207,124,195	209,395,400	200,212,617
NET REVENUES	31,884,331	39,691,848	45,085,974
FINANCING AND TRANSFERS			
ADD: Employee benefits		887,881	182,243
: Landfill liability		204,429	(51,376)
LESS:			
Debt principal repayments	(1,444,895)	(1,630,258)	(1,460,091)
Accrued interest on long term liabilities		(2,034)	(3,240)
Transfers to reserves and reserve funds	(30,439,436)	(44,794,186)	(41,982,135)
Transfers to capital operations		(395,931)	(48,395)
NET FINANCING AND TRANSFERS	(31,884,331)	(45,730,099)	(43,362,994)
CHANGE IN NON-FINANCIAL ASSETS	-	62,437	(37,332)
CHANGE IN OPERATING FUND	-	(5,975,814)	1,685,648
OPERATING FUND BALANCE - Beginning of Year	-	9,552,123	7,866,475
OPERATING FUND BALANCE - End of Year	-	3,576,309	9,552,123

CORPORATION OF THE CITY OF BRANTFORD**ANALYSIS OF CAPITAL OPERATIONS****SCHEDULE 2**

For the year ended December 31	2008	2007
REVENUES		
Grants		
Canada	674,417	2,351,430
Province of Ontario	8,831,353	8,597,864
Sale of land and capital assets	137,604	533,510
Other		
Prepaid special charges and other recoveries	703,209	178,670
Donations	-	492,300
Development charges and contributions	2,957,408	3,638,471
TOTAL REVENUES	13,303,991	15,792,245
EXPENDITURES		
General government	1,916,665	2,149,486
Protection to persons and property	1,564,666	1,946,396
Transportation services	17,366,269	12,885,479
Environmental services	12,367,958	10,898,734
Health services	563,322	22,203
Social and family services	3,291,618	3,920,602
Recreational and cultural services	3,345,928	5,264,138
Planning and development	2,359,708	6,109,995
TOTAL EXPENDITURES	42,776,134	43,197,033
NET REVENUES (EXPENDITURES)	(29,472,143)	(27,404,788)
FINANCING AND TRANSFERS		
Proceeds of long term debt	-	194,670
Transfers from operations	395,931	48,395
Transfers from reserves and reserve funds	32,868,185	35,414,264
NET FINANCING AND TRANSFERS	33,264,116	35,657,329
CHANGE IN CAPITAL FUND BALANCE	3,791,973	8,252,541
CAPITAL FUND BALANCE - BEGINNING OF YEAR	43,624,748	35,372,207
CAPITAL FUND BALANCE - END OF YEAR	47,416,721	43,624,748

CORPORATION OF THE CITY OF BRANTFORD**ANALYSIS OF RESERVES AND RESERVE FUNDS****SCHEDULE 3**

For the year ended December 31	2008	2007
REVENUE		
Investment income	2,254,355	2,206,412
TOTAL REVENUES	2,254,355	2,206,412
NET TRANSFERS (TO)/FROM OTHER FUNDS		
Transfers from operating fund	44,794,186	41,982,135
Transfers to capital fund	(32,868,185)	(35,414,264)
TOTAL NET TRANSFERS	11,926,001	6,567,871
CHANGE IN RESERVES AND RESERVE FUNDS	14,180,356	8,774,283
BALANCE - BEGINNING OF YEAR	56,083,753	47,309,470
BALANCE - END OF YEAR	70,264,109	56,083,753

The City of Brantford is a single tier municipality that provides a wide range of services to its citizens. The major services chosen for segmented disclosure are those for which the percentage of annual operating expenditures is greater than 10% of the Corporation's total operating expenditures. The revenues and expenditures reported for each segment includes directly attributable amounts as well as internal charges and recoveries allocated on a reasonable basis.

A description of each major service and the activities each provide are as follows:

Police Services

The City of Brantford Police service enhances the quality of life for all citizens and responds to their changing needs by ensuring and promoting public safety in partnership with our community.

Services provided include preserving peace by preventing crime, providing assistance and encouragement to persons in the prevention of these offences, apprehending criminals, laying charges, executing warrants and enforcing City of Brantford municipal bylaws.

Social and Family Services

Social and Family services ensures a healthy community by providing a social infrastructure to the Citizens of Brantford. Services include general assistance, income support, employment assistance, childcare, affordable housing and assistance to aged persons.

Transportation Services

The Transportation services department is responsible for the safe and efficient movement of people and goods within the City of Brantford. Responsibilities include road construction and maintenance, traffic signals and signs, winter control, transit operation, developing parking and traffic control bylaws, implementation and maintenance of street lighting, and management and maintenance of parking garages and lots.

Environmental Services

Environmental services include sanitary sewer system, storm sewer system, waterworks, waste collection, waste disposal and recycling.

Responsibilities include water treatment and maintenance, water distribution, water quality, water conservation, the water pollution control plant, pumping stations, pollution control, storm and sanitary sewer maintenance, curbside garbage collection, waste diversion, yard waste management, household hazardous waste day events and landfill site operations.

Recreation and Cultural Services

This segment includes parks, recreation programs, recreation facilities, golf courses, libraries and cultural services.

Responsibilities include management and provision of recreational services, facilities and programs, administration and maintenance of the main library and St. Paul Avenue branch, operation and maintenance of two public golf courses, preservation of art galleries, museums and the Sanderson Centre for the Performing Arts.

CORPORATION OF THE CITY OF BRANTFORD

SEGMENTED INFORMATION

SCHEDULE 4

For the year ended December 31, 2008	Police Services	General Assistance	Social Service & Social Housing	Transportation Services	Environmental Services	Recreational & Cultural Services	Other Services [1]	Consolidated 2008
Revenues								
Taxation revenues	-	-	-	-	-	-	112,862,646	112,862,646
Grants	759,584	16,715,586	21,219,998	6,047,058	420,643	263,086	20,426,467	65,852,422
Revenue from other municipalities	-	1,215,518	2,217,950	-	389,580	5,533	69,592	3,898,173
Other revenues [2]	935,073	12,790	6,308,635	5,258,711	33,182,932	8,289,454	28,044,758	82,032,353
Government Business Enterprise	-	-	-	-	-	-	1,235,016	1,235,016
Total Revenues	1,694,657	17,943,894	29,746,583	11,305,769	33,993,155	8,558,073	162,638,479	265,880,610
Expenditures								
Salaries, wages and benefits	20,157,848	5,239,096	10,781,903	11,262,129	6,015,777	13,194,126	33,565,496	100,216,375
Materials	1,499,449	360,354	5,412,226	6,211,957	4,023,094	5,147,240	6,433,509	29,087,829
Contracted services	731,747	386,393	18,489,471	3,479,999	9,611,510	2,218,987	7,297,130	42,215,237
External transfers	5,007	25,606,918	300,651	14,735	204,429	370,807	6,043,930	32,546,477
Debt servicing	-	-	154,414	32,185	62,573	128,611	410,564	788,347
Capital Fund expenditures	677,876	-	3,291,617	17,366,269	12,367,958	3,345,928	5,726,486	42,776,134
Other expenditures [3]	2,640,571	1,270,531	1,556,160	578,231	4,358,450	3,051,586	(8,976,831)	4,478,698
Total Expenditures	25,712,498	32,863,292	39,986,442	38,945,505	36,643,791	27,457,285	50,500,284	252,109,097
Net Revenue (Deficit) before financing	(24,017,841)	(14,919,398)	(10,239,859)	(27,639,736)	(2,650,636)	(18,899,212)	112,138,195	13,771,513

[1] Other Services - Includes General Government, Protection Services (excluding Police Services), Health Services, Planning and Development and Utility operation.

[2] Other Revenues - Includes licenses, permits, interest, donations, sale of equipment and publications, gaming revenues and user charges.

[3] Other Expenditures - Includes tax write-offs, rents and financial expenses, inter-functional adjustments and allocation of program support.

CORPORATION OF THE CITY OF BRANTFORD

SEGMENTED INFORMATION

SCHEDULE 4

For the year ended December 31, 2007	Police Services	General Assistance	Social Service & Social Housing	Transportation Services	Environmental Services	Recreational & Cultural Services	Other Services [1]	Consolidated 2007
Revenues								
Taxation revenues	-	-	-	-	-	-	112,919,169	112,919,169
Grants	752,227	16,087,873	18,623,082	8,201,875	457,356	332,790	16,762,463	61,217,666
Revenue from other municipalities	-	1,357,258	2,067,247	-	406,292	5,364	60,280	3,896,441
Other revenues [2]	833,446	28,050	6,878,610	6,156,610	32,911,569	8,740,257	29,715,430	85,263,972
Government Business Enterprise	-	-	-	-	-	-	2,024,859	2,024,859
Total Revenues	1,585,673	17,473,181	27,568,939	14,358,485	33,775,217	9,078,411	161,482,201	265,322,107
Expenditures								
Salaries, wages and benefits	18,305,718	4,824,903	10,566,491	10,498,207	5,606,579	12,455,958	31,776,759	94,034,615
Materials	1,395,551	427,238	4,914,604	5,942,501	4,111,383	5,268,090	6,558,885	28,618,252
Contracted services	694,439	302,609	16,841,608	3,030,848	8,452,472	1,776,514	6,302,534	37,401,024
External transfers	1,000	26,635,580	109,202	-	(51,376)	365,497	7,364,258	34,424,161
Debt servicing	-	-	142,005	28,970	69,217	135,166	456,122	831,480
Capital Fund expenditures	1,792,165	150,000	3,770,602	12,885,479	10,898,734	5,264,138	8,435,915	43,197,033
Other expenditures [3]	2,654,885	1,321,465	1,319,184	(160,149)	3,905,118	2,643,650	(6,743,736)	4,940,417
Total Expenditures	24,843,758	33,661,795	37,663,696	32,225,856	32,992,127	27,909,013	54,150,737	243,446,982
Net Revenue (Deficit) before financing	(23,258,085)	(16,188,614)	(10,094,757)	(17,867,371)	783,090	(18,830,602)	107,331,464	21,875,125

[1] Other Services - Includes General Government, Protection Services (excluding Police Services), Health Services, Planning and Development and Utility operation.

[2] Other Revenues - Includes licenses, permits, interest, donations, sale of equipment and publications, gaming revenues and user charges.

[3] Other Expenditures - Includes tax write-offs, rents and financial expenses, inter-functional adjustments and allocation of program support.